



## mineral resources & energy

Department:  
Mineral Resources and Energy  
REPUBLIC OF SOUTH AFRICA

### **MEDIA STATEMENT**

To: All media  
Date: 17 March 2023

### **REFINANCING PROTOCOL UPDATED TO INCORPORATE A PROCESS ON REFINANCING UTILISING CAPITAL MARKET INSTRUMENTS**

The Department of Mineral Resources and Energy (DMRE) launched the Refinancing Initiative in October 2019, the aim of which was to reduce Bid Window 1 - 3.5 tariffs, and contribute to lowering national electricity prices for consumers.

In support of the Refinancing Initiative, the Department issued the Refinancing Protocol in July 2020 supported by Guidance Notes 1 – 5, to ensure that the process followed when undertaking a refinancing, is transparent, efficient and consistent.

Since the launch of the Initiative, the Department has approved fifteen (15) refinancing applications, resulting in nominal savings of about R4 billion over the remaining terms of the respective Power Purchase Agreements.

The Department has identified the need to update the current Refinancing Protocol to amongst other things, a) cater to all Funders by revising wording that could have been interpreted as limiting the type of funding targeted for Refinancing, and b) provide guidance for projects intending to refinance by accessing Capital Market Instruments.

The updated version of the Protocol will replace the previous version and issued Guidance Notes. It will therefore be the guideline applied by Sellers and projects in preparing their refinancing applications going forward from the earlier of either the date of publishing or 31 March 2023. The Protocol will be available for download on the IPP Office website.

All IPPs from the REIPPPP Bid Windows 1 to 4 are encouraged to continue participating in this initiative to maximize the benefits to the consumer through tariff reductions.

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***Issued by the Department of Mineral Resources and Energy***