

Eaglestone to Invest in Angola, Mozambique Clean Energy

By Alex Morales

Junho 28, 2013 11:12 AM EDT

Eaglestone NV intends to invest as much as 40 percent of a planned 100-million euro renewable energy fund in projects in Angola and [Mozambique](#), using local knowledge to tap new markets.

While opportunities are bigger in [South Africa](#), other nations in sub-Saharan [Africa](#) where there's a growing appetite for renewables include the two former Portuguese colonies as well as [Namibia](#) and Botswana, Eaglestone Chief Executive Officer Pedro Neto said today in an interview in [London](#).

"Sub-Saharan Africa is about to take off," he said. "The growth can be huge, but the size of the projects will be different from South Africa because they don't have the same needs."

Africa and the [Middle East](#) had the biggest regional growth in renewable energy investment last year, with spending growing 228 percent to \$12 billion, according to a June 12 report by the United Nations Environment Program and Bloomberg New Energy Finance. The gap in clean energy spending between industrialized and developing countries shrank to 18 percent last year from 250 percent in 2007, it said.

Neto said Mozambique is studying two possible wind energy projects now, while Angola may develop as much as 200 megawatts each of wind and solar power by 2017 as part of an "ambitious" plan to increase the country's total generation capacity to at least 6.2 gigawatts from 1.2 gigawatts now.

South Africa

The [International Energy Agency](#) two days ago published a report saying that Namibia, Mozambique and South Africa will be among the five countries to experience the biggest percentage increase in power from onshore wind farms between now and 2018.

Deputy Chief Executive Officer Nigel Purse said there will also be opportunities in South Africa as investors in the country's first two rounds of renewable energy projects start to sell off their stakes. South Africa plans to add 3,725 megawatts in renewable capacity by the end of 2016 and another 3,200 megawatts by 2020.

"There will be a really exciting opportunity in South Africa for the next 3 to 5 years," Purse said. "There will be a magnificent amount of activity down there."

Eaglestone two months ago began raising an intended 100-million-euro fund in a joint venture with Infraventus Capital Partners. Purse said he aims for a first close by the end of 2013, and a second close in 2014, and that the fund could "easily" rise to 150 million euros.

'Frontier Markets'

While initial investments are likely to be outside Africa, including a 5 percent share in a portfolio of Australian wind assets and investments in three Finnish wind farms, the ultimate aim is to put about half the fund into Africa, Purse said. Of that half, 30-40 percent would be invested in each of [Angola](#) and Mozambique, with the remainder in South Africa, Namibia and other nations in the region, Neto said.

“They’d be known as frontier markets in the industry,” Purse said. “We’ve got local people on the ground in Angola and Mozambique, we’ve got huge amounts of experience, expertise and contacts relevant to those local marketplaces, so it makes sense” to invest there.

Eaglestone, founded in December 2011 and based in Amsterdam, has offices in London, Lisbon, and [Cape Town](#), as well as Luanda and Maputo, the capitals of Angola and Mozambique.

To contact the reporter on this story: Alex Morales in London at amorales2@bloomberg.net

To contact the editor responsible for this story: Reed Landberg at landberg@bloomberg.net