

Namibia's Cell One financing

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The project financing of Namibia's second mobile phone network has been finalised with work already underway to provide the African nation with greater competition in its telecoms provision

The funds will be used to establish a national network for Cell One in Namibia and sees a significant investment in the African country [\[Transactions Database\]](#).

The IFC board has already approved an investment of up to US\$32.5 million in the cable which will run 10,000km from the continent's southern tip to the African horn, connecting:

- South Africa
- Mozambique
- Madagascar
- Tanzania
- Kenya
- Somalia
- Djibouti
- Sudan

Another 13 adjoining countries will also be linked to the system as terrestrial backbone networks are completed through a broader World Bank Group initiative.

These include:

- Botswana
- Burundi
- the Central African Republic
- the Democratic Republic of Congo
- Chad
- Ethiopia
- Lesotho
- Malawi
- Rwanda
- Swaziland
- Uganda
- Zambia
- Zimbabwe

With commitment of this scale to an east coast African project and bank keen to invest in telecoms projects in individual

states, the future looks busy in the sector - primarily for mobile investments on a country-by-country basis.

The project at a glance

Project Name	Cell One roll-out
Location	Namibia, Africa
Description	The roll-out of a new mobile phone service across Namibia
Sponsors	PowerCom (Proprietary) Limited
Operator	Nokia Siemens Networks
EPC Contractor	Nokia Siemens Networks
Total Project Value	Undisclosed
Total equity	Undisclosed
Equity Breakdown	TMP - 39 per cent NamPower - 37 per cent Namic - 12 per cent Old Mutual Namibia - 10 per cent PowerCom Educational Trust - 2 per cent
Total senior debt	R535 million (US\$75m)
Senior debt breakdown	Investec - R237.5 million (US\$33m) Nedbank Capital - R237.5 million (US\$33m) Development Bank of Namibia - R60 million (US\$8m)
Senior debt pricing	Undisclosed
Debt:equity ratio	Undisclosed
Mandated lead arrangers	Investec Capital Markets Nedbank Capital
Participant bank	Development Bank of Namibia
Agent Bank	Nedbank Capital
Account Bank	Nedbank Namibia
Legal Adviser to sponsor	Deneys Reitz
Legal adviser to banks	Bell Dewar Hall
Model Auditor	PKF
Technical adviser	Detecon
Date of financial close	10 August 2007

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