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Why Has Turkiye’s Karadeniz Holding “Karpowership” Removed References To Cuba Where Company Has Been Providing Electricity Since 2019?

Could The Decision Be Political? Not Wanting To Draw Attention To Company Presence In A Country On The United States Government List Of State Sponsors Of Terrorism?

Could The Decision Be Financial? The Government Of The Republic Of Cuba Owes Karadeniz Holding Money So The Company Does Not Want To Promote The Republic Of Cuba As A Customer?

Could Decision Be At The Request Of The Government Of The Republic Of Cuba-Embarrassed By Its Dependence Upon A Turkiye-Based Company For Potentially More Than 25% Of The Island’s Electricity?

Government Of Turkiye Has Promoted Its Presence In The Republic Of Cuba, So The Removal Of The Republic Of Cuba By Karadeniz Holding From Its List Of Customers Is Surprising.

LINK: Turkiye’s Karadeniz Holdings Now Eight “Karpowerships” In Cuba Providing Approximately 25% Of Island’s Electricity. Company Has 22.2% Of Its 36-Vessel Fleet In Cuba. Already Payment Issues. 2 February 2023

“In October 2018, Karpowership signed a contract with Unión Eléctrica de Cuba (UNE), the state electricity company of Cuba, to deploy three Powerships of 110 MW in total for a period of 51 months. Karadeniz Powership Barış Bey and Karadeniz Powership Esra Sultan started operation in Port de Mariel in July 2019 and Karadeniz Powership Ela Sultan started operations in November 2019. In November 2019, the contract capacity was increased to 184 MW. In November 2021, a new Addendum Agreement was signed to increase the capacity to 300 MW and extend the contract term 18 years. Karpowership currently has 6 Powerships with an installed capacity of 420 MW in the country. Cuba is Karpowership’s first project in Western Hemisphere.”

There is speculation that all or a portion of payments from the government of the Republic of Cuba to Istanbul, Turkiye-based **Karadeniz Holding** [2023 revenue estimated US\$560 million] may be guaranteed by the government of the Bolivarian Republic of Venezuela and/or government of the Russian Federation. And, that the government of the Republic of Turkiye may be providing a guarantee to Karadeniz Holding or requesting the company be patient with accounts receivable.

From the Internet site of Istanbul, Turkiye-based **Karadeniz Holding** on 4 March 2024:

<https://www.karadenizholding.com/>

<https://www.karadenizholding.com/group-companies-powership>

<https://www.karpowership.com/>

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“POWERSHIP

Karpowership, one of the subsidiaries of Karadeniz Holding, which owns the world's only floating power plant fleet, is the pioneer of short, medium and long term energy solutions. Its goal is not only to be an electric generator, but also be the solution partner of all its customers in the energy sector. Karpowership is the designer and builder of the world's first floating power plants, Powerships. Powership is a floating power plant on a barge or a ship, capable of operating with LNG, natural gas and heavy fuel oil. *Operations in 15 Regions. 36 Completed Powership. 6.000 MW Installed Capacity.*

Since 2010, 36 Powerships have been completed reaching 6,000 MW installed capacity. 6,000 MW are in the pipeline to be added to the Karpowership fleet in the next few years. Powerships have been supplying 60% of Gambia, 23% of Ghana, 100% of Guinea Bissau, 10% of Guinea, 25% of Lebanon, 23% of Mozambique, 15% of Senegal, 7,5% of Ivory Coast, 80% of Sierra Leone, 30% of Northern Sulawesi, Indonesia, 55% of East Nusa Tenggara, Indonesia, 80% of Ambon, Indonesia, and 10% of Medan, Indonesia's total electricity generation. By 2018, it has met 15% of Iraq's and 16% of Zambia's energy needs.”

Courtesy of Jorge R. Piñon, Senior Research Fellow, The University of Texas at Austin Energy Institute Flawn Academic Center (FAC); <https://energy.utexas.edu/>

“Best effort audit of the KPS Power ships in Cuba using Google Earth, Vessel Tracking Services and third party independent observations in Cuba. Even though we do not have reports on the terms and conditions of the contractual agreement most likely it is a “*take or pay*” contract, where the supplier gets paid for the product amount whether the purchaser takes possession of it or not. The estimated total installed capacity (MW) of the power ships (730 MW) do not necessarily represent the contracted amount of electricity (Gwh) to be delivered. KPS has kept an amount of spare generating capacity in the case of maintenance or other downtime to be able to keep their contractual commitments. Also remember that there must be an additional penalty as Cuba has not been able to deliver fuel to the power ships, which was stipulated in the contract. Unknown is if KPS received a payment guaranteed from the Turkish government in case Cuba was not able to pay.

- KPS Baris Bey (40 MW) and KPS Ela Sultan (65 MW) both in Mariel. KPS Belgin Sultan (15 MW) Melones, Havana. KPS Suheyla Sultan (240 MW) Melones, Havana. KPS Erol Bey (est. 240 MW) in Regla, Havana. KPS Erin Sultan (130 MW) in Santiago de Cuba.”

Havana Times (23 August 2023): “Despite the risk of toxicity, the authorities- who rent five of the same type from the company Karpowership for an estimated annual price of 31 million dollars- have installed the *patanas* in the ports of their two most populated cities, Santiago de Cuba and Havana, and in the Mariel Special Development Zone.”

LINKS To Related Analyses

Turkiye's Karadeniz Holdings Now Eight “Karpowerships” In Cuba Providing Approximately 25% Of Island's Electricity. Company Has 22.2% Of Its 36-Vessel Fleet In Cuba. Already Payment Issues. 2 February 2023

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President of Cuba Visiting President Of Turkiye. Number One Agenda Item: Paying Istanbul's Karpowership For Providing Nearing 20% Of Cuba's Electricity. What Will He Trade Away? November 22, 2022

Turkey's Karpowership Delivering Fifth Electric Generation Vessel; More Than 15% Of Cuba's Current Electricity Usage. Company Won't Comment. Contracts Profitable. April 03, 2022

Turkey's Karpowership Adds Fourth Thermal Power Barge In Cuba. Company Generating More Than 10% Of Cuba's Electricity. Good For Turkish Companies. Reinforces Cuba's Energy Production Issues. November 25, 2021

Karpowership From Turkey Extends And Expands Floating Electricity Generation In Cuba; Joining Turkey's Global Ports Holding Which Manages Cruise Ship Terminal In Havana. November 19, 2021

Turkey's Karadeniz Holding May Add To "Karpowership" Fleet In Cuba. December 02, 2020

Karadeniz Holding Of Turkey Update On "Karpowership" Operations In Cuba. March 09, 2020

Karadeniz Of Turkey Delivering Floating Power Plant To Cuba For 51-Month Contract. April 23, 2019

Turkey's Karadeniz Holding Reports Electricity Contract With Cuba In October 2018; But, No Contract Signed Five Months Later. April 01, 2019



POWERSHIP

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Operations in
15 Regions



36 Completed
Powership




6.000 MW
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ABOUT US


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- Governance and Sustainability
- Ethics Principles


OUR HISTORY


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2021-2022
 Shipyard of Power Ship 4,200 MW
 Shipyard of 200 MW Project
 Power Ship 200 MW Project - The start of Karadeniz Project
 The start of the Karadeniz Ship Project
 The start of the Karadeniz Ship Project
 The start of the Karadeniz Ship Project
- 


2020
 20 new shipyard projects of 4,100 MW
 New Power Ship Construction - 4,000 MW
 Construction of the 800 MW
 Construction of the 200 MW
 Construction of the 200 MW
- 


2019
 Construction of 200 MW
 Construction of 200 MW
 Construction of 200 MW
 Construction of 200 MW
- 


2018
 Construction of 15 new projects of 7,000 MW
 New Power Ship Construction 5,000 MW
 Construction of the 200 MW
 Construction of the 200 MW
- 


2017
 The beginning of ship energy production
 The beginning of ship energy production
 The beginning of ship energy production
 The beginning of ship energy production
- 


2016
 The first shipyard project in Turkey via
 New shipyard
 The first shipyard project in Turkey via
 New shipyard
- 


2015
 Registration of the Karadeniz Project
 12,000 MW Construction of the Karadeniz Project
- 


2014
 Registration of the Karadeniz Project
 The capacity is 1,000 MW
- 

2013
 First Power Ship Construction
- 

2012
 Launch of the Karadeniz Project
- 

2010
 First Power Ship Construction
 The first power ship construction in Turkey
 The first power ship construction in Turkey
- 

2007
 Launch of the Karadeniz Project
- 

2003
 The first power ship construction in Turkey
 The first power ship construction in Turkey
- 

1999
 The first power ship construction in Turkey
-

1996
 Entrance to the Karadeniz Project
-

1988
 Start of Karadeniz Holding