African Union | AUDA-NEPAD AFRICAN UNION DEVELOPMENT AGENCY | GOVERNO DE ANGOLA

III LUANDA FINANCING SUMMIT FOR AFRICA'S INFRASTRUCTURE DEVELOPMENT

Project Investment Prospectus – Inga-Cabinda-Pointe Noire Interconnection

PROJECT SUMMARY	
Project Name	Inga-Boma-Moanda-Cabinda-Pointe Noire Interconnection Project
Location	DRC: (Inga-Boma-Moanda); Angola: Cabinda Congo: Pointe Noire | Tri-national transmission corridor connecting Central African power systems through CAPP regional integration framework linking hydropower resources to demand centers
Sector	Energy
Sub-Sector	Power | High-voltage transmission infrastructure enabling cross-border electricity trade and regional power pool development within CAPP framework
Development Stage	The feasibility study, together with the detailed design documents, tender documents, and environmental and social impact assessment (ESIA), was completed in 2016. Although the project had progressed close to the Transaction Support and Financial Close stage (S3B), it was reverted to the feasibility study phase as the original study outdated. Consequently, the project is currently undergoing an update of the feasibility study (S2B) and all other documents. | S2B feasibility study update phase with comprehensive document refresh including ESIA, design and tender documents to reflect current technical and economic conditions
Project Sponsor	Government of the Republic of Angola, Government of the Republic Congo and Government of the Democratic Republic of Congo, AfDB, EUC and World Bank | Multi-institutional sponsorship through tri-national government cooperation with African Development Bank, European

	Union Commission and World Bank development finance support
Project Cost	According to the initial feasibility study, the estimated project cost was approximately €151 million. The updated project cost will be established upon completion of the ongoing feasibility study update. | 2017 cost estimate baseline with updated costing to be determined through ongoing feasibility study refresh reflecting current market conditions
Funding Requirement	Total amount required is about 151 million which is 100% of the total project CAPEX. | Full debt financing requirement for cross-border transmission infrastructure development
Project Preparation Cost	Total amount require for project preparation (project structuring, and transaction support and financial close) is about €7.55 million which is 5% the total project cost. | Preparation phase funding for project structuring and financial close representing standard 5% preparation cost ratio
Preparation Funding Gap	Funding gap for project preparation is about € 7.55 million which is about 100% of the project preparation total cost. | Full preparation phase financing required for project structuring and financial closure
Financing Structure	100% Debt | Full debt financing structure for transmission infrastructure development

FINANCIAL OVERVIEW	
Total Project Cost	Total Project Cost: €151 million (As per the 2017 Cost Estimate) DRC: €89.68 million Angola: €46.95 million Congo: €14.30 million | Country allocation: DRC 59%, Angola 31%, Congo 10% reflecting respective transmission line segments and infrastructure requirements
Capital Structure	Debt: 100% , Equity: 0% Grants: 0% | Full debt financing structure typical for cross-border transmission infrastructure projects
Financial Metrics	IRR: TBC Payback Period (Years): TBC Debt Service Coverage Ratio (DSCR): TBC Expected Equity Return: TBC | Financial viability metrics to be confirmed through ongoing feasibility study update and economic analysis refresh
Revenue Model	Costs for using and connecting to the high-voltage line. Operating agreements: Energy Purchase/Sale Agreements | Transmission tariff-based revenue model through user fees and energy purchase/sale agreements between participating countries

SUSTAINABILITY AND IMPACT	
Social Impact	The project will significantly improve electricity access and reliability for households, schools, and health centers, reducing reliance on costly and polluting diesel generators. It will create jobs during construction and operation while stimulating local businesses, industrial growth, and cross-border trade. Communities, especially women and youth, will benefit through enhanced opportunities for entrepreneurship, education, and income generation enabled by affordable and reliable power. The project will also strengthen regional integration and social cohesion by fostering cooperation between DRC, Angola, and Congo. Overall, it has strong potential to reduce poverty and improve living standards across the corridor. | Comprehensive social development through improved electricity access to 64 villages DRC, 24 villages Angola, 9 villages Congo, 1,000 new homes DRC and 1,000 new homes Congo enhancing regional socio-economic integration
Environmental Impact	The project's environmental impact is largely positive, as it will enable the transmission of clean hydropower to Cabinda and Pointe-Noire, replacing diesel generation and thereby reducing greenhouse gas emissions, air pollution, and noise from generators. By promoting renewable energy use across borders, the interconnection supports climate change mitigation and contributes to regional and global sustainability goals. With the implementation of Environmental and Social Management Plans (ESMP), including measures such as careful route selection, reforestation, and monitoring, the project will further enhance its ecological benefits. Overall, it represents a significant step toward cleaner energy, improved air quality, and environmental sustainability in the region. | Environmental benefits through clean hydropower transmission displacing diesel generation with ESMP implementation ensuring ecological protection through route selection and reforestation measures
SDG and Agenda 2063 Alignment	The project advances regional integration, and clean and affordable electricity access in DRC, Angola and Congo while strengthening CAPP/ECCAS power-trade. It directly supports Agenda 2063's infrastructure and integration priorities and delivers on multiple SDG targets. AU Agenda 2063 Aspiration 1 - A Prosperous Africa Based on Inclusive Growth & Sustainable Development: Expands modern, reliable, low-carbon electricity infrastructure; displaces diesel with hydropower; improves affordability and service quality in secondary cities and rural localities. Aspiration 2 - An Integrated Continent, Politically United: Creates cross-border

	transmission capacity that enables regional power trade within CAPP, operationalizing ECCAS integration and paving the way for AfSEM Aspiration 6 - People-Driven Development: The project will create local jobs, build skills, improve social services through reliable power, and promote gender and social inclusion in its benefits. UN Sustainable Development Goals SDG 7 – Affordable and Clean Energy: The project improves universal access to electricity by expanding new connections and ensuring better service reliability. It increases the share of renewable energy through hydropower exports and enhances overall system efficiency by enabling reserve-sharing and optimized power dispatch. SDG 9 – Industry, Innovation and Infrastructure: The interconnection delivers quality, reliable, and sustainable infrastructure. It modernizes and upgrades the grid to be cleaner and more efficient, while also supporting industrial loads through grid supply instead of costly captive diesel generation. SDG 13 – Climate Action: The project contributes to climate goals by reducing the emissions intensity of power generation and by strengthening infrastructure resilience against climate-related risks. SDG 8 – Decent Work and Economic Growth: It generates productivity gains for small and medium-sized enterprises and service providers. The project also creates direct and indirect jobs throughout its lifecycle and supports new income-generating activities in electrified local communities. SDG 11 – Sustainable Cities and Communities: By providing reliable and affordable electricity, the project strengthens rural–urban linkages, supports secondary towns, and improves access to essential services. SDG 5 – Gender Equality: The project promotes women's participation in employment, supply chains, and stakeholder engagement processes. It also ensures that women and men benefit equitably from the project's socio-economic impacts. | Strong alignment with continental integration frameworks supporting AU Agenda 2063 aspirations for prosperous development, continental unity through CAPP/ECCAS operationalization, and people-driven development while delivering on 6 UN SDG targets for sustainable development

TECHNICAL DETAILS	
Technology & Design	400kV HVAC Technology | High-voltage alternating current transmission technology enabling efficient long-distance power transfer across borders
Capacity/Size	Transmission Capacity: 1600MW, Total Length: 307 km | Significant transmission capacity enabling regional power trade through 307 km cross-border infrastructure linking Inga hydropower complex to Central African demand centers

Construction/Preparation Timeline	Key phases and estimated completion date: Update of the technical and financial feasibility study: ongoing; Update of the environmental and social impact assessment: Ongoing; Update of design and tender documents: ongoing Selection of consultant and contractor Implementation of the project of works Completion of works | Feasibility Study Update: 6 months Physical Implementation: 24 months providing clear development timeline for project advancement
Offtake Agreements	A Memorandum of Understanding (MOU) was signed by the three countries. Power Purchase/Sale Agreement noy yet signed. | Tri-national MOU providing framework for cooperation with PPA development pending project finalization and commercial arrangements

RISK MANAGEMENT	
Risk Assessment	Key Risks: Lack of financing | Primary financing risk mitigation through multi-institutional sponsor support and development finance institution engagement for cross-border transmission infrastructure
Regulatory Risks	| Cross-border regulatory coordination through CAPP framework and tri-national government cooperation ensuring harmonized policy implementation
Environmental and Social Safeguards	Compliance with environmental and social impact regulations and community consultations. | Comprehensive safeguards framework through updated ESIA ensuring compliance with national and international environmental standards and community engagement requirements

KEY STAKEHOLDERS	
Sponsors	AfDB, European Union Delegation (EUD) | Development finance institution support through African Development Bank and European Union Delegation providing institutional capacity and financing expertise
Investors	| Investment opportunities for development finance institutions and international partners supporting cross-border transmission infrastructure development
Contractors & Operators	Société Nationale d'Électricité (SNEL) Empresa Rede Nacional de Transporte de Electricidade (RNT-EP) Énergie Électrique du Congo (E²C) Ministère de l'Énergie et de l'Hydraulique (Congo) Ministère des Ressources Hydrauliques et de l'Électricité (DRC) Ministério dos Recursos Hídricos e Eletricidade (Angola) | National utility operators: SNEL (DRC), RNT-EP (Angola), E²C (Congo) with

	respective ministries providing regulatory oversight and coordination
Legal and Financial Advisors	| Advisory support requirements for cross-border project structuring and financial arrangement development

WAY FORWARD	
Investment Ask	Fund for project structuring, and transaction support and financial close Debt for physical implementation of the project | Total financing requirement €151 million: preparation phase €7.55 million and construction phase debt financing for tri-national transmission infrastructure
Next Steps	Update of the technical and financial feasibility study Update of the of the environmental and social impact assessment Approval and solicitation of funds for the project Project structuring, recruitment of a supervision consultant and an EPC contractor Physical implementation of the project | Implementation roadmap: complete feasibility and ESIA updates, secure financing approval, finalize project structuring, procure supervision and EPC services, commence construction
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