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

III LUANDA FINANCING SUMMIT FOR AFRICA'S INFRASTRUCTURE DEVELOPMENT

Project Investment Prospectus – Noordoewer/Vioolsdrift Dam Feasibility Study

PROJECT SUMMARY	
Project Name	Finalization Of The Feasibility Study for The Noordoewer/Vioolsdrift Dam (NVD)
Location	Namibia, South Africa | Transboundary water infrastructure project on the Lower Orange River requiring bilateral cooperation and shared management frameworks
Sector	Transboundary Water
Sub-Sector	Water Resource Development | Shared river basin water storage infrastructure development supporting sustainable yield management and ecosystem conservation
Development Stage	The project is in the Feasibility stage (S2B) | Pre-investment stage requiring completion of technical, financial, and environmental assessments for investment readiness
Project Sponsor	Permanent Water Commission (PWC) - Namibia and South Africa | Bilateral institutional framework established in 2015 providing joint governance for Lower Orange River water resource management
Project Cost	501.5 million (Further feasibility studies-approximately $1.5 million; and Detailed design, procurement and construction-Approximately $500 million) | Total project development cost breakdown including preparation phase and full infrastructure development
Funding Requirement	1.5 million USD | Project preparation financing for completion of feasibility studies and environmental assessments

Project Preparation Cost	1.5 million USD | Technical assistance financing for feasibility study completion and ESIA development
Financing Structure	Grant/Loan | Project preparation facility financing through development finance institution support for public sector infrastructure

FINANCIAL OVERVIEW	
Total Project Cost	501.5 million USD (Further feasibility studies-approximately $1.5 million; and Detailed design, procurement and construction-Approximately $500 million) | Comprehensive transboundary water infrastructure investment supporting water security and ecosystem management for 1.2 million people
Capital Structure	Preparation phase financing | Project preparation facility financing structure supporting technical studies and environmental assessments for transboundary water infrastructure
Development Timeline	2015: PWC commissioned study; 2020: Feasibility studies completed; ESIAs to be undertaken | Multi-phase development timeline with feasibility completion and environmental assessments preparing for investment decision
Market Demand	About 1.2 million people are within the project sphere of influence | Significant population beneficiary base requiring water security and agricultural development support in Lower Orange River system

SUSTAINABILITY AND IMPACT	
Social Impact	Supports agriculture and tourism sectors, provides water supply and sanitation, and benefits approximately 1.2 million people in Namibia and South Africa | Comprehensive socio-economic impact through enhanced water security, agricultural productivity, tourism development, and rural livelihood improvement
Strategic Importance	The Noordoewer/Vioolsdrift Dam (NVD) project holds significant national strategic importance for Namibia and South Africa, directly aligning with several Sustainable Development Goals (SDGs) | National water security priority supporting climate adaptation, ecosystem conservation, and regional cooperation for sustainable water resource management

SDG and Agenda 2063 Alignment	The Noordoewer/Vioolsdrift Dam Feasibility Study aligns with SDG 6 (water access), SDG 13 (climate resilience), and SDG 9 (resilient infrastructure), as well as Agenda 2063 Aspiration 1 (inclusive growth) and Aspiration 7 (climate resilience) | Comprehensive alignment with continental and global development frameworks supporting sustainable water management, climate adaptation, and transboundary cooperation

TECHNICAL DETAILS	
Project Description	The purpose of the Noordoewer/Vioolsdrift Dam (NVD) is to increase the long-term sustainable yield of the Orange River System to replace the loss in yield due to the planned commissioning of the Lesotho Highlands Water Project Phase 2 | Multi-objective water storage infrastructure addressing yield replacement, growth requirements, ecological water needs, and re-regulation for Lower Orange River system
Infrastructure Scope	The initially proposed NVD size is of 2 800 million m3 at Site A3 with a Full Supply Level (FSL) of 230 masl and a Full Supply Storage Area (FSSA) of 122.6 km2 | Large-scale water storage infrastructure with 2.8 billion cubic meter capacity providing strategic water security for binational Lower Orange River system
Service Coverage	Lower Orange River System water users in Namibia and South Africa as projected up to 2050 and beyond | Long-term water supply coverage supporting 1.2 million people and agricultural development across transboundary Lower Orange River system

RISK MANAGEMENT	
Risk Assessment	Transboundary water infrastructure development risks | Technical, environmental, and institutional risks associated with large-scale transboundary water infrastructure requiring bilateral coordination and environmental safeguards
Regulatory Framework	Permanent Water Commission (PWC) established between the Governments of Namibia and South Africa for joint management, operation and utilization of water resources in the Lower Orange River | Bilateral governance framework supported by SADC Protocol on Shared Watercourses and ORASECOM basin management coordination
Environmental and Social Safeguards	Critical success factors are the undertaking of ESIA studies and the availability of financing to undertake the studies |

	Environmental and Social Impact Assessment requirements ensuring ecosystem protection, biodiversity conservation, and community safeguards compliance

KEY STAKEHOLDERS	
Sponsors	Permanent Water Commission | Bilateral institutional sponsor providing joint governance and coordination for transboundary water infrastructure development
Investors	AfDB, WBG | Development finance institutions supporting transboundary water infrastructure including African Development Bank and World Bank Group
Implementation Support	AUDA-NEPAD coordination | African Union Development Agency NEPAD providing technical coordination and transboundary infrastructure development support

WAY FORWARD	
Investment Ask	1.5 million USD for project Preparation | Technical assistance financing for feasibility study completion and environmental assessment supporting investment readiness
Implementation Timeline	Feasibility completion and ESIA development preparing for investment decision | Project preparation phase completion enabling progression to detailed design, procurement, and construction phases
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