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

III LUANDA FINANCING SUMMIT FOR AFRICA'S INFRASTRUCTURE DEVELOPMENT

Project Investment Prospectus – Tanzania-DRC 400kV Interconnector

PROJECT SUMMARY	
Project Name	Proposed Tanzania – DRC (Sumbawanga - Katanga) 400 kV Interconnector
Location	United Republic of Tanzania and the Democratic Republic of Congo (DRC) | Transboundary power infrastructure connecting Eastern Africa Power Pool (EAPP) and Southern African Power Pool (SAPP) regional networks through Tanzania's strategic position as member of both power pools
Sector	Energy
Sub-Sector	Electricity (Transmission Line Interconnector Project) | High voltage transmission interconnector infrastructure enabling regional power trade and grid integration through 400kV transmission technology for enhanced power system reliability
Development Stage	S2B | Pre-investment feasibility stage with prefeasibility study completed, requiring comprehensive feasibility study, Environmental and Social Impact Assessment, and Resettlement Action Plan for investment readiness
Project Sponsor	Not yet to be determined | Project sponsorship pending determination with coordination between TANESCO (Tanzania Electric Supply Company) and SNEL (Société Nationale d'Électricité, DRC) utility frameworks
Project Cost	Approximately USD 3M for FS, ESIA, RAP | Project preparation phase financing covering comprehensive feasibility study, Environmental and Social Impact Assessment, and Resettlement Action Plan development for 260km 400kV transmission infrastructure

Funding Requirement	USD 3M for feasibility studies, ESIA, and RAP | Complete project preparation financing gap covering technical feasibility study, economic and financial analysis, Environmental and Social Impact Assessment, and Resettlement Action Plan preparation
Project Preparation Cost	Approximately USD 3M
Financing Structure	To be determined during FS | Financing structure pending feasibility study completion with anticipated blended finance approach combining government resources and development finance institution support for transboundary power infrastructure

FINANCIAL OVERVIEW	
Total Project Cost	To be determined during FS | Total investment cost pending feasibility study determination for 260km 400kV transmission line including overhead infrastructure and underwater cable crossing Lake Tanganyika
Capital Structure	To be determined during FS | Capital structure pending feasibility study with anticipated government and development finance institution financing patterns for transboundary power interconnector infrastructure
Development Timeline	Pre-Feasibility study Completed | Development progression from completed prefeasibility study to comprehensive feasibility study, ESIA preparation, project structuring, and construction implementation phases
Market Demand	Mining sector, industrial development, socio-economic development | Significant market demand driven by mining sector electricity requirements in DRC, industrial development needs, Tanzania-DRC power trade opportunities, and regional economic integration priorities
Financial Metrics	To be determined during FS | Financial performance indicators pending feasibility study assessment including economic viability analysis, return on investment calculations, and project bankability evaluation
Revenue Model	To be determined during FS | Revenue generation mechanisms pending feasibility study determination including wheeling charges, power purchase agreements, and bilateral power market structure frameworks

SUSTAINABILITY AND IMPACT

Social Impact	Increased electricity connectivity rate and access to modern and clean energy for the population along the implementation area | Transformative social impact through enhanced electricity access, clean energy transition replacing diesel generators in DRC mining operations, improved living standards, and socio-economic development opportunities for local communities
Environmental Impact	ESIA study will address environmental and social risks and impacts to support sustainable energy development | Environmental benefits through ESIA compliance, elimination of diesel generator pollution in mining operations, clean energy access promotion, and adherence to high environmental standards for Lake Tanganyika crossing
Strategic Importance	Linking SAPP and EAPP regional networks through Tanzania, enhancing grid stability and renewable energy integration | Strategic regional integration significance through SAPP-EAPP network linkage, Tanzania's unique position as member of both power pools enabling power wheeling, enhanced grid stability through diversified generation resources (DRC hydropower, Tanzania hydro-thermal mix), and facilitation of renewable energy integration
SDG and Agenda 2063 Alignment	SDG 7 on "Affordable and Clean Energy" and AU Agenda 2063 AfSEM, CMP and M300 | Comprehensive alignment with SDG 7 affordable and clean energy objectives, Agenda 2063 African Single Electricity Market (AfSEM) integration, Continental Master Plan (CMP) for electricity infrastructure development, and Mission 300 universal electricity access initiatives

TECHNICAL DETAILS	
Project Description	260 km interconnection between Tanzania and DRC consisting of 400kV overhead line and insulated cable crossing Lake Tanganyika | Complex transmission infrastructure featuring 260km 400kV overhead line from Sumbawanga substation to Lake Tanganyika shore, underwater insulated cable crossing at Kala-Kalembwe substations, and continuation to Katanga substation in Pweto for regional power trade facilitation between SAPP and EAPP networks
Technology & Design	To be determined during FS | Technical specifications pending feasibility study including 400kV overhead transmission line design, underwater cable technology for Lake Tanganyika crossing, substation equipment specifications, and grid integration requirements

Capacity/Size	To be determined during FS | Transmission capacity and infrastructure dimensions pending feasibility study determination for 260km corridor including power transfer capability and grid stability requirements
Preparation Timeline	S2B feasibility study phase | Structured progression through S2B feasibility study completion, ESIA and RAP preparation, project structuring, and advancement to construction readiness phase
Offtake Agreements	PPAs, Wheeling Charges Agreements, Power Market structure to be agreed between Countries | Bilateral power market framework including Power Purchase Agreements between utilities, wheeling charges agreements for transmission services, and integrated power market structure coordination between Tanzania and DRC governments

RISK MANAGEMENT	
Risk Assessment	Security challenges in eastern DRC, financing delays, logistical challenges, environmental hurdles during lake crossing | Comprehensive risk management addressing security challenges in eastern DRC regions through robust security measures and community engagement, financing delays mitigation through diversified funding sources, logistical challenges for remote site access, and complex environmental considerations for Lake Tanganyika underwater cable crossing
Regulatory Risks	Bilateral regulatory coordination requirements | Regulatory risk mitigation through established bilateral coordination frameworks between Tanzania and DRC regulatory authorities, EAPP and SAPP regional protocols, and harmonized technical standards for cross-border power infrastructure
Environmental and Social Safeguards	ESIA study covering all technical aspects and adherence to high environmental standards | Comprehensive environmental and social safeguards implementation through detailed Environmental and Social Impact Assessment, community consultation processes, adherence to international environmental standards for lake crossing, and Resettlement Action Plan development

KEY STAKEHOLDERS	
Sponsors	Government of Tanzania, Government of DRC | Bilateral government sponsorship with coordination through TANESCO (Tanzania Electric Supply Company) and SNEL

	(Société Nationale d'Électricité, DRC) utility frameworks for transboundary power infrastructure development
Investors	Government of Tanzania and DRC | Potential investors including African Development Bank for regional power infrastructure financing, World Bank Group for transboundary energy projects, EAPP and SAPP regional facilities, and bilateral government resources
Implementation Support	EAPP PIU coordination, AUDA-NEPAD regional infrastructure | Implementation coordination through Eastern Africa Power Pool Project Implementation Unit, AUDA-NEPAD regional infrastructure programs, and Southern African Power Pool technical support frameworks
Contractors & Operators	Pending procurement | Contractor selection pending procurement processes following development finance institution guidelines for high voltage transmission and underwater cable installation expertise
Legal and Financial Advisors	Pending procurement | Legal and financial advisory services pending procurement for transboundary power infrastructure expertise, regulatory framework navigation, and project financing structuring

WAY FORWARD	
Investment Ask	USD 3M for FS, ESIA, RAP
Next Steps	Solicitation of funds, feasibility study procurement | Immediate resource mobilization for USD 3M project preparation financing, feasibility study consultant procurement, ESIA specialist engagement, and project management strategy implementation with local and international stakeholder coordination
Implementation Timeline	S2B to feasibility completion pathway | Structured timeline progression from S2B feasibility study phase through comprehensive technical and economic assessment, ESIA and RAP completion, project structuring, and advancement to investment readiness stage
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