

SADC INFRASTRUCTURE – POTENTIAL HARD INFRASTRUCTURE PROJECTS

Transport

Ref.	Description	Country/Corridor	Estimated Total Cost (USD m)	Status	Comments –Possible EU Support
1	Lilongwe and Blantyre Airports Rehabilitation- rehabilitating apron and runways including fire- fighting system, rehabilitation of the electrical, communication and security systems and handling equipment	Malawi-Nacala Corridor	25	EIB is willing to finance the project and is planning due diligence by next July with the aim of signing a loan by the end of 2014	Supply of airport equipment for both Lilongwe and Blantyre airports. Fire fighting system, communication, security, handling equipment and rehabilitation of electrical system. EIB to start due diligence in July 2014, in view of signing the loan at the end of the year. EIB and GoM in discussion to rehabilitate also Blantyre airport runaway. Possible Intervention under 11 EDF: Interest subsidy for EIB loan
2	Nkaya - Mchinji Railway Line Rehabilitation	Malawi-Nacala Corridor	150	Pre-feasibility study done by GOPA in 2009. CHEC (Chinese contractor) signed MoU with Gvt to conduct studies for the upgrading of this line	The GoM has been negotiating for some time with a Chinese Contractor but no deals have been signed so far. The GoM would like to upgrade the

					<p>line as a matter of urgency. CEAR has already reached an agreement with Zambia Railways to allow Zambian general freights trains passing through Malawi to Nacala in return of transit and concession fees. Zambian trains started operations in May 2014.</p> <p>11 EDF Possible Intervention: Further feasibility studies and interest rate subsidies for the railway projects</p>
3	Bwengu - Chiweta Rehabilitation (60 Km)	Malawi-Nacala Corridor	54	Pre-feasibility study finalized. WB is willing to finance feasibility and design	<p>The road (60Km) identified by PPIU Tripartite Plan . No funding commitment found. EIB has shown interest to the Government approached yet.</p> <p>11 EDF Possible Intervention: Interest easing in the roads loans by EIB</p>
4	Lilongwe - Kasungu Rehabilitation (150 Km)	Malawi-Nacala Corridor	75	Pre-feasibility study	<p>The road is a section of Junction M1-jenda Link 1 (Jnct.M1 to Jnct. KIA airport) of 205 Km. According PPIU Tripartite Plan the cost of the section Jenda Link 1 and Link</p>

					<p>2 (105 Km) is of 105 US\$m. No funding commitment secured , EIB has shown interest</p> <p>11 EDF Possible Intervention: Interest easing in the roads loans by EIB</p>
5	Sena Railway Line Rehabilitation	Nacala Corridor	305	<p>Pre-feasibility study finalized. DFID is funding Feasibility and Design through the Mozambique Regional Gateway project (ending by 2015).</p>	<p>AfDB has set aside capital investment for the rehabilitation.</p> <p>11 EDF Possible Intervention: interest rate subsidies</p>
6	Serenje -Nakonde Link 3 , Chinsali to Nakonde	Zambia-North South Corridor	428	<p>Preparation of detailed design and bidding documents completed-final design report and bidding documents received. Concern still remains regarding survey and vertical alignment</p>	<p>The project is supported by the Zambian Road Development Agency, Zambian Road Fund Administration, Ministry of Works, Transport, Supply and Communication and by the COMESA-EAC-SADC Tripartite Task Force. Other stakeholders include COMESA, the Project Preparation and Implementation Unit (PPIU), the Tripartite Trust Account</p>

					Investment Committee, Tripartite Trust Account Manager (DBSA) and the European Development Fund.
7	Chipata Cargo Terminal	TBC Zambia			
8	Walvis Bay Port Expansion/Container Terminal and Tanker Berth				
9	Kolwezi -Dilolo road rehabilitation: Design and ESIA (Lobito-Benguela Corridor)	DRC-Lobito Corridor	118	Studies for Lobito Corridor done; Angola construction ongoing; For critical sections: Kuito (Section 3), Luena (Section 4), Dilolo (Section 5), and Mutshatsha (Section 6) the total cost estimate is USD118 mil	DRC requires funding for Transaction Advisor and Civil Works
10	Kolwezi -Dilolo Railway rehabilitation	DRC-Lobito Corridor			
11	Transkalahari Rail Construction	Botswana & Namibia-Transkalahari Corridor	15	Prefeasibility and preliminary design completed; Detailed design to be	Appointment of transaction advisor is pending;

				done by construction contractor.	
				MOA has been signed	
12	Harare -Beitbridge Road Rehabilitation (Links 1 to 4)	Zimbabwe-North South Corridor	Preparation – 3.5	S1 stated in AID but since a B/C ratio of 4.1 is reported it should have been the result of a pre-feasibility study. DBSA financed the feasibility study	This road will be on a PPP basis.

Energy

Ref.	Description	Country/Corridor	Estimated Cost (USD m)	Status	Comments -Possible EU Support
Transmission Project at advance stage of development (at project implementation stage)					
1	ZIZABONA interconnector will be used to wheel power (initially 300MW and later up to 650MW), primarily from Zambia. The project consists of the construction of the following key transmission lines: - Hwange to Livingstone (via Victoria Falls)- 101 km - Livingstone to Zambezi - 231 km - Victoria Falls to Pandamatenga - 76 km	Zimbabwe, Zambia, Botswana, Namibia	225.00	The project is at an advanced stage of development with an IGMOU and IUMOU signed. A JDA & shareholders' Agreement to be signed by May 2014. SPV was registered in Namibia, EIA only pending in Zambia (to be done through an ADB grant after signing of JDA), transaction advisors (technical, financial, and environmental) appointed	<ul style="list-style-type: none"> • Grant for transaction advisor costs • grant to operationalize the SPV • interest rate subsidies or • project risk guarantee for the project implementation capital

Ref.	Description	Country/Corridor	Estimated Cost (USD m)	Status	Comments -Possible EU Support
				through an ADB grant, SPV staff recruitment is ongoing as well as negotiations for a PPA between Kudu Gas and CEC.	
2	Zambia-Tanzania-Kenya Interconnector will connect the Zambian grid to Kenya, via Tanzania; covering a distance of 2,206 km depending on the final routing. The in-country development of components of the ZTK transmission line will, when connected, be part of the overall ZTK Project. The plan is to construct a double circuit 400 kV line in sections from Pensulo in Zambia to Isinya I in Kenya.	Zambia, Tanzania	1 116.00	Under the Nile Basin Initiative consultants engaged for: Technical feasibility and economic viability Study, conceptual design and tender documents, ESIA and Resettlement Action Plan (RAP). Transaction advisors have been appointed in the areas of legal, finance and technical to support the Governments of Tanzania and Zambia. Feasibility studies and ESIA have been completed for all the sections of the line. Finance has also been secured for all the sections of the line on the Zambian and Tanzania sides. Secured €4.5million under the 10th EDF for the setting up of the ZTK PMU through COMESA.	Feasibility study to assess the potential bottlenecks arising from the 330kV lines being constructed by ZESCO linking Pensulo to Kasama via Mpika as opposed to 400kV that was originally recommended for the interconnector.
3	Mozambique Backbone (STE) The project is the combination of an 800 kV high voltage direct current	Mozambique; rest of the Region	2 800.00	Negotiations of a JDA between EDM and third parties underway. Development of	<ul style="list-style-type: none"> Grant for transaction advisors and SPV operationalization

Ref.	Description	Country/Corridor	Estimated Cost (USD m)	Status	Comments -Possible EU Support
	(HVDC) overhead electrical transmission line (OHL) and a 400 kV high voltage alternating current. The project aims to connect north and south Mozambique with sufficient transmission capacity and to reach other members of SADC, and in particular, South Africa, the largest regional consumer.			tenders for EPC and O&M completed. Basis design and specifications being done. Financial closure linked with one hydro power plant under development (HMNK or HCB North). SPV being set up and shareholding is yet to be finalized. Now at project financing, contracting and implementation phase. Transaction advisors to be confirmed	<ul style="list-style-type: none"> • Loan subsidy • Risk guarantee
4	2nd DRC-Zambia Interconnector Zambia and the DRC are currently interconnected by a 220kV transmission line with a capacity of 260MW jointly owned by CEC of Zambia and SNEL of the DRC. The interconnector will be upgraded to 500MW by constructing a second 142 km dual circuit 220kV.	DRC Zambia		Towers have been installed on the DRC side as far as the Kasumbalesa border with Zambia through support from the World Bank. The 50km section of the Zambian side is estimated to cost at least US\$12million and a tender for the construction of the substation was awarded to ABB, which has since revised its fees upwards. Hence CEC is in the process of retendering for the whole project.	<ul style="list-style-type: none"> • interest rate subsidies or • project risk guarantee for the project CAPEX.

Ref.	Description	Country/Corridor	Estimated Cost (USD m)	Status	Comments -Possible EU Support
	Transmission Projects in Initial Stages of Development (project documentation preparation stage)				
5	Central Transmission Corridor Project proposes the construction of transmission lines to increase the north-south transfer capacity of the Zimbabwean network from 200MW to 600MW. The project is split in the following 5 sections that form separate projects	Zimbabwe; South Africa	100.00	A Joint Utility Steering Committee of ZESA and ESKOM of South Africa has been formed to steer the project forward and draft TOR for the technical and commercial teams have been developed. ZESA in conjunction with ESKOM is studying current network configuration and capacity and is reviewing all possible technical options available for the CTC project to increase network transfer capacity.	<ul style="list-style-type: none"> • Grant for possible ESIA for Bindura – Mutorashanga line • Grant for setting up PMU • Transaction advisory costs • interest rate subsidies or • project risk guarantee for the project CAPEX
6	Mozambique-Malawi Project entails the construction of a 200-km, 400 kV (initially 220kv) power line from Matambo substation, in Mozambique, to Phombeya, north of Malawi's commercial capital, Blantyre.	Malawi and Mozambique	94.00	As at February 2014 Utility Project Teams formed and communication protocol set. Launched Expression of interest for update of feasibility studies. Formal request for funding from WB, Norway, ADB and EIB made.	<ul style="list-style-type: none"> • Grant for transaction advisor, PMU, SPV. • Load subsidy • Risk guarantee
7	Namibia-Angola Interconnector 330kV Ruacana–Xangongo–Cahama Interconnection to connect Angola to	Namibia and Angola		Draft TOR for the Transmission Interconnection study were revised. Consultant engaged by	<ul style="list-style-type: none"> • Grant for ESIA, PMU, SPV, transaction advisors • Loan subsidy

Ref.	Description	Country/Corridor	Estimated Cost (USD m)	Status	Comments -Possible EU Support
	the Regional grid			Government of Angola for technical feasibility studies. Project is subject to the completion of the Baynes Power Station	<ul style="list-style-type: none"> • Risk guarantee
8	2nd Mozambique-Zimbabwe Interconnector	Mozambique Zimbabwe			<ul style="list-style-type: none"> •
9	2nd Zimbabwe-RSA Interconnector	Zimbabwe South Africa			<ul style="list-style-type: none"> •
Transmission Projects Still at Concept Note Stage					
10	Malawi-Tanzania Interconnector	Malawi Tanzania		Project still at concept stage	<ul style="list-style-type: none"> • Pre-feasibility study
11	Mozambique-Zambia Interconnector	Mozambique Zambia		Project still at concept stage	<ul style="list-style-type: none"> • Pre-feasibility study
12	DRC-Angola Interconnector	DRC Angola		Project still at concept stage	<ul style="list-style-type: none"> • Pre-Feasibility Study

Ref.	Description	Country/Corridor	Estimated Cost (USD m)	Status	Comments -Possible EU Support
Generation Projects at Advance Stage of Development					
13	HCN North Bank Cahora Bassa North Bank (CBN) is a peaking Hydroelectric Power Plant located in the Zambezi River of the Tete Province, in the north west of Mozambique with 1,245 MW of installed capacity	Mozambique	800.00	Funds being sought for a full feasibility study	<ul style="list-style-type: none"> • Grant for detailed feasibility study, PMU, SPV and transaction advisor costs • Loan subsidy • Risk guarantee
14	Mphanda Nkuwa (HMNK) The project entails the construction of a 1500 MW hydro power station in the Tete province of Mozambique situated along the Zambezi River with Phase II adding a further 900 MW of capacity.	Mozambique	4 000	Inter-governmental MOU between Mozambique and South Africa is under negotiation. Terms and conditions of the PPA under discussion. EPC contractor appointed. EIA still pending	<ul style="list-style-type: none"> • Grant for ESIA • Support for PMU and SPV • Loan subsidy • Risk guarantee
15	Baynes Hydro Power Project is a 465MW project downstream the Lower Kunene River Basin to evacuate a portion of the power into the Angolan network downstream the Lower Kunene River Basin to evacuate a portion of the power into the Angolan network	Namibia	1 300	All project preparatory work has been done now working on feasibility study for auxiliary infrastructure.	<ul style="list-style-type: none"> • Support to PMU leading to formation of SPV. • Transaction advisory costs • loan subsidy • risk guarantee
16	Kudu Gas power plant is a 800MW gas power plant being planned 25km north of Oranjemund in Namibia. It is	Namibia		All project preparatory work has been done and is now at project finance mobilisation stage.	<ul style="list-style-type: none"> • Project needs support in carbon trading • Possibility of loan subsidies

Ref.	Description	Country/Corridor	Estimated Cost (USD m)	Status	Comments -Possible EU Support
	going to be a PPP between Nampower, CEC and a third private investor (possibly ESKOM).				and <ul style="list-style-type: none"> • Project risk guarantee
Generation Projects Still in Initial Stages of Development (Project Documentation Preparation Stage)					
17	The Kalungwishi Hydro Power project is a 210MW greenfield project in Zambia scheduled for commissioning in 2016.	Zambia	600	A feasibility study has been done and other project preparatory work leading to project implementation still needs to be done.	<ul style="list-style-type: none"> • support for an ESIA • formation of PMU to oversee the implementation of the project, • formation of the SPV, • financial packaging of the project. • appointment of transaction advisors. • support in the form of loan subsidies and risk guarantees during implementation.
18	Batoka Gorge Project is a proposed Hydro-Power Project is located on the Zambezi River. The proposed scheme includes two stations on each side of the river with four 200 MW units each, giving a total capacity of 1,600 MW .	Zambia and Zimbabwe	2 400	A prefeasibility Study was done In order to proceed; EIA (1993, updated in 2009) need to be revisited. ZRA secured finance for Feasibility study in 2013 and invited Expressions of Interest (Eols) from interested companies and/or consortia	<ul style="list-style-type: none"> • formation of a PMU to oversee the implementation of the project, support for ESIA (if not covered by the feasibility study), leading to formation of the SPV, • financial packaging of the

Ref.	Description	Country/Corridor	Estimated Cost (USD m)	Status	Comments -Possible EU Support
				with experience in developing large scale hydropower projects on Build-Operate-Transfer (BOT) basis.	<ul style="list-style-type: none"> project. • appointment of transaction advisors. • loan subsidies and risk guarantees during implementation.
19	<p>Lower Fufu Hydro Project</p> <p>The 90MW Lower Fufu Hydropower Project is proposed on the South Rukuru River in Malawi and was expected to be commissioned in 2015.</p>	Malawi	140	Finance for the feasibility study was only obtained from the World Bank in 2012 under the Energy Sector Support Project (ESSP)	<ul style="list-style-type: none"> • support for an ESIA • formation of PMU to drive the project leading to the formation of an SPV • financial packaging of the project. • loan subsidies and risk guarantees during implementation
20	<p>Ruhudji Hydro Project</p>	Tanzania		The feasibility study for the 358MW Ruhudji hydropower project was done through NORAD and SIDA financial support in 1998. Tanzania has applied for loan from the World Bank to enable private sector participation in the project	<ul style="list-style-type: none"> • support for an ESIA • formation of PMU to drive the project leading to the formation of an SPV • financial packaging of the project. • loan subsidies and risk guarantees during implementation
21	<p>Kobong Pumped Storage Hydro Project</p> <p>The Kobong project has two</p>	Lesotho		The project is scheduled to start in 2014 and is seeking for finance for implementation	<ul style="list-style-type: none"> • loan subsidy or risk guarantee required to raise finance for Lesotho's project

Ref.	Description	Country/Corridor	Estimated Cost (USD m)	Status	Comments -Possible EU Support
	objectives of inter-basin transfer of water from Lesotho to South Africa and the installation of a 1200MW pumped storage dam along the along the upper Kobong River.				components
22	Mpatamanga Hydro Project The Mpatamanga hydro electricity project is a 310MW greenfield project being proposed in.	Malawi	310	A feasibility study supported by the World Bank is schedule to start in 2014 under Malawi's Energy Sector Support Project.	<ul style="list-style-type: none"> • support for an ESIA • formation of PMU to drive the project leading to the formation of an SPV • financial packaging of the project. • loan subsidies and risk guarantees during implementation
23	Kafue Gorge Lower This project entails the construction of a dam and 750 MW hydro power plant below an existing dam along the Kafue River.	Zambia	2 000	A feasibility study has been done and EoI for IPPs to develop the project has been advertised.	<ul style="list-style-type: none"> • project ESIA • formation of SPV • project financial packaging • appointment of transaction advisors. • loan subsidies and risk guarantees
24	Kholombizo Hydro Project The Kholombizo hydro power project is a 100MW greenfield project being proposed along the Shire River. The expected commissioning date for the project is 2020.	Malawi		Malawi was secured a UA2 million grant from the ADB a bankable feasibility study and detailed designs of the project.	<ul style="list-style-type: none"> • support for ESIA • the formation of a PMU to oversee the implementation of the project, • formation of the SPV, • financial packaging of the

Ref.	Description	Country/Corridor	Estimated Cost (USD m)	Status	Comments -Possible EU Support
					<p>project.</p> <ul style="list-style-type: none"> • appointment of transaction advisors. • loan subsidies and risk guarantees
Generation Projects Still at Concept Stage					
25	<p>Mpata Gorge Hydro Project Mpata Gorge is a 500MW hydro power project being proposed by the Zambia Government. It is scheduled for commissioning in 2023.</p>	Zambia	800	The project is still at concept stage and requires substantial support for preparatory work	<ul style="list-style-type: none"> • feasibility studies • support for an ESIA • formation of PMU to drive the project leading to the formation of an SPV • financial packaging of the project. • loan subsidies and risk guarantees during implementation
26	<p>Devil's Gorge Hydro Project The 600MW Devil's Gorge Hydro power station is a joint greenfield project between the Zambian and Zimbabwean government and is currently being coordinated by the Zambezi River Authority (ZRA).</p>	Zambia Zimbabwe		The project is still at concept note stage and more work will need to be done to develop it into a commercial project.	<ul style="list-style-type: none"> • the formation of a PMU to oversee the implementation of the project, project preparation documents (pre-feasibility study, feasibility study, ESIA), • formation of the SPV, signing of necessary • financial packaging of the

Ref.	Description	Country/Corridor	Estimated Cost (USD m)	Status	Comments -Possible EU Support
					<ul style="list-style-type: none"> project. • appointment of transaction advisors. • loan subsidies and risk guarantees during implementation.
27	<p>Lupane Gas Power Project</p> <p>Lupane Gas Power project is a 300MW greenfield project being planned in Zimbabwe. The project is scheduled to start in 2015 and to be commissioned in 2019</p>	Zimbabwe	580	Still at concept stage	<ul style="list-style-type: none"> • support for ESIA • the formation of a PMU to oversee the implementation of the project, • formation of the SPV, • financial packaging of the project. • appointment of transaction advisors. • loan subsidies and risk guarantees

Water

Ref.	Description	Country/Corridor	Estimated Cost (USD m)	Status	Comments - Possible EU Support
1	Lesotho Highlands: Phase II	Lesotho & RSA		Ready for marketing for investment	Loan subsidy and risk guarantee for Lesotho project component
2	Lomahash/Namaacha Water Supply & Sanitation	Mozambique, Swaziland, South Africa	US\$31 million		Support for technical Advisor, feasibility study, loan subsidy and risk guarantee
3	Windhoek Aquifer – Phases 2B and 3	Namibia		Raising finance for Phases 2B and 3.	Loan subsidy and risk guarantee
4	Agriculture Water Management & food Security	Namibia/Angola	US\$ 66 million		Transaction advisors, loan subsidy and risk guarantee for the Namibia side of the project
5	Ruhuhu Valley Irrigation Scheme	Tanzania			Loan subsidy and risk guarantee.
6	Water Supply & Sanitation at 12 Boarder locations	SADC	US\$ 165 million	Still a concept	Support for prefeasibility study, feasibility study, ESIA, and borehole drilling, loan subsidy and risk guarantee
7	Songwe River basin development programme	Malawi, Tanzania	US\$ 425 - 505 million		Support for transaction advisors, loan subsidy and risk guarantee

ICT

Ref.	Description	Country/Corridor	Estimated Cost (USD m)	Status	Comments - Possible EU Support
1	SADC regional and national integrated broadband infrastructure	All SADC Member States	21 000	Fiche prepared; Project concept to be studied and formulated	Funds for pre-feasibility and feasibility studies;
2	Shared satellite network development to connect remote research centres, schools, meteorology stations, wildlife conservation areas, border posts, clinics, emergency services and postal branches	All SADC Member States	0.94	Fiche prepared; Project concept to be studied and formulated; Complements regional & national integrated broadband;	Funds for feasibility studies
3	Regional/national internet exchange points (IXPs)	All SADC Member States	0.21	Fiche prepared; Contributes to continental programme; Project implementation has commenced in conjunction with the AUC who is providing only capacity building.	Support the sourcing of necessary equipment Technical assistance for the SADC Region