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INVESTMENT



Selected infrastructure project opportunities contained in the

Southern African Development Community Regional Infrastructure Development Master Plan Short Term Action Plan

March 2013

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Abbreviations

%	Percent
ASDP	Agricultural Sector Development Program
bn	Billion
BOOT	Build Own Operate and Transfer
BOT	Build Operate and Transfer
BPC	Botswana Power Company, the national power utility of Botswana
CBN	Cahora Bassa North Bank
CCGT	Combined Cycle Gas Turbines
CEC	Copperbelt Energy Corporation Plc
CESUL	Centro-Sul
CFM	Caminhos de Ferro de Mozambique, the national railway of Mozambique
COD	Commercial Operation Date
COMESA	Common Market for Eastern and Southern Africa
CTC	Central Transmission Corridor
DBSA	Development Bank of Southern Africa
DRC	Democratic Republic of Congo
EAC	East African Community
EDM	Electricidade de Moçambique, the national power utility of Mozambique
EIA	Environmental Impact Assessment
ESIA	Environmental and Social Impact Assessment
EPC	Engineering, Procurement and Construction
ESCOM	Electricity Supply Corporation of Malawi
HCB	Hidroelectrica de Cahora Bassa
HMNK	Hydroelectrica Mphanda Nkuwa S.A., an independent power producer in Mozambique
HVAC	High Voltage Alternating Current
HVDC	High Voltage Direct Current
ICD	Inland Container Depot

Abbreviations

ICT	Information and Communications Technology
IGMoU	Inter Governmental Memorandum of Understanding
IUMoU	Inter-Utility Memorandum of Understanding
JDA	Joint Development Agreement
KOBWA	Komati Basin Water Authority
kV	Kilo Volt
LHDA	Lesotho Highlands Development Authority
LIMCOM	Limpopo Watercourse Commission
m	Million
MoU	Memorandum of Understanding
Mtpa	Metric ton per annum
MW	Megawatt
NamPower	Namibia Power Corporation, the national power utility of Namibia
NEPAD	New Partnership for Africa's Development
NRZ	National Railways of Zimbabwe
O&M	Operations and Maintenance
OKACOM	Okavango River Basin Water Commission
ORASECOM	Orange-Senqu River Commission
PIDA	Program for Infrastructure Development in Africa
PPA	Power Purchase Agreement
PPP	Public Private Partnership
RAHCO	Reli Assets Holding Company
RBOs	River Basin Organisations
RIDMP	Regional Infrastructure Development Master Plan
RioZim	RioZim Limited, an independent power producer in Zimbabwe
RISDP	Regional Indicative Strategic Development Plan
RSAP	Regional Strategic Action Plan

Abbreviations

SADC	Southern African Development Community
SAPP	Southern Africa Power Pool
SPV	Special Purpose Vehicle
SRBDP	Songwe River Basin Development Program
STAP	Short Term Action Plan
Tanroads	Tanzania National Roads Agency
TAZARA	Tanzania Zambia Railway Authority
TEUs	Twenty-foot Equivalent Units
TMSA	TradeMark Southern Africa
ToR	Terms of reference
TRC	Tanzania Railways Corporation
UK TI	United Kingdom Trade and Investment
USD	United States dollar
WB	World Bank
ZAMCOM	Zambezi Watercourse Commission
ZESA	Zimbabwe Electricity Supply Authority
ZESCO	Zambia Electricity Supply Corporation
ZETDC	Zimbabwe Electricity Transmission and Distribution Company
ZINARA	Zimbabwe National Roads Agency
ZIBABONA	Zimbabwe, Zambia, Botswana and Namibia
ZPC	Zimbabwe Power Company
ZRA	Zambezi River Authority

Introduction and context

This booklet sets out potential opportunities for British companies which may exist in infrastructure projects listed in the Southern African Development Community (SADC) Regional Infrastructure Development Master Plan (RIDMP) Short Term Action Plan (STAP).

The STAP includes projects expected to be implemented between 2013 and 2017 and focuses on six sectors: Energy, Transport, Water, Tourism, Meteorology and ICT. Opportunities identified in this booklet may be of interest to British infrastructure project participants and service providers, including *inter alia* consulting firms, funders, investors/developers, construction, and operations and maintenance providers. This booklet focuses on three sectors only, namely; Energy, Transport and Water.

Regional Infrastructure Development Master Plan (RIDMP)

Definition

The RIDMP is a Strategic Framework designed to guide the implementation of infrastructure networks in all the sectors of the SADC Regional Infrastructure Program.

It seeks to define SADC's strategy in terms of focus areas and aims to provide a basis to prioritise projects, define implementation strategies as well as basis of implementation. The framework includes an implementation roadmap for a 15 year period split into four 5-year sub periods: the STAP period of 2012 to 2017, the medium-term period to 2022 and long-term period to 2027.

Objective

The RIDMP is a key input into NEPAD's Program for Infrastructure Development of Africa (PIDA), and the COMESA-EAC-SADC Inter-regional Infrastructure Master Plan. Its purpose is to be used directly as a guide to the implementation of SADC regional infrastructure programs.

The key objectives of the RIDMP are to address the regional infrastructure development requirements in order to address the intent and objectives of:

- Trade Protocol in the SADC region;
- Protocol on facilitation of Free Movement of Persons;
- The proposed COMESA, EAC, SADC Grand Free Trade Area Framework;
- The SADC Regional Indicative Strategic Development Plan (RISDP);

- Facilitation of infrastructure connectivity among SADC and Tripartite Member States; and
- Achievement of SADC's goal on facilitation of universal access to infrastructure underpinned by cost efficiency.

History of the development of the RIDMP and its sponsors

The SADC secretariat undertook an initiative in 2009 to develop the RIDMP. The first draft plan was completed in January 2011. The RDIMP was further developed from July 2011 with the support of Trademark Southern Africa (TMSA) and the Development Bank of Southern Africa (DBSA).

SADC regional infrastructure

The projects listed in the SADC RIDMP range from low complexity projects that involve two Member States only to highly complex projects that involve several or all Member States, and seeks to address overall regional objectives, namely poverty alleviation and regional integration.

It should be noted that a multinational dimension may not always be present in certain of the listed projects, specifically in the Water and Meteorology Sectors.

Sectors addressed in the RIDMP

The development of the RIDMP is premised on sectoral strategies which are central to achievement of infrastructure access and connectivity objectives. Sectors included are Energy, Transport, Water, ICT, Tourism and Meteorology.

Envisaged application

The RIDMP shall constitute the approved SADC Regional Infrastructure Development Program and shall guide the process of selection and implementation of regional infrastructure projects at the level of feasibility assessments, preparation for bankability and investment.

It is also intended to constitute the basis for SADC Member States' commitment to a common infrastructure development program, which will be captured as a declaration, as well as the basis of review of progress in implementation.

Short-Term Action Plan

Overview

STAP 2013 to 2017 is the five year program of the SADC RIDMP and consists of projects which are at different levels of development, which comply with the criteria set out in the RIDMP. These criteria consist of projects that are:

- A priority for SADC region;

- Expected to be implemented by 2017;
- Beneficial to two or more of the SADC member states; and
- Promote regional integration as stipulated in the RIDMP.

The document introduction reads as follows:

“... The program constitutes hard infrastructure projects as well as soft projects relating to policy, regulatory and institutional capacity building. The latter is geared towards the creation of enabling environment that will facilitate effective execution and delivery of projects contained in SADC RIDMP Short-Term Action Plan.

The STAP comprises projects from the six sectors of Energy, Transport, ICT, Tourism, Meteorology and Water which constitute the SADC Infrastructure Regional Master Plan. Projects contained in the STAP will commence implementation during the first five years of the plan period...”.

Selection process

Projects included in the STAP have commenced preparation, and are at different development stages.

Project Profiles preparation

Project profiles containing detailed information on projects included in the STAP were prepared by Member States and implementing institutions.

Status of opportunities per project and assessment of potential opportunities

Legend:

● Potential opportunity identified	● Not known	● No opportunity identified	n/a	Not Applicable	
✓ Completed	WIP	Work in progress	✗ Not yet commenced	NIA	No Information Available

Sector	Project name	Page number	Current stage of project			Status of funding			Transaction advisors appointed?					EPC/O&M Appointed?	
			Pre-feasibility Study	Feasibility Study	Commercialisation or Implementation	For pre-feasibility study	For feasibility study	For commercialisation or implementation	Technical	Environmental	Financial and commercial	Insurance	Legal	EPC	O&M
Energy															
Mozambique	Transmission (Backbone) Project (CESUL)	7	✓	✓	WIP	✓	✓	WIP	●	●	●	●	●	●	●
	Cahora Bassa North Bank Power Station	9	✓	✗	✗	✓	✗	✗	●	●	●	●	●	●	●
	Mpanda Nkuwa Hydro Power Station – Phase 1	11	✓	WIP	WIP	✓	✓	WIP	●	●	●	●	●	●	●
	Mozambique – Malawi 220kV Interconnector	13	✓	✗	✗	✓	✗	✗	●	●	●	●	●	●	●
Tanzania	ZTK Power Interconnector	15	✓	✓	WIP	✓	WIP	WIP	●	●	●	●	●	●	●
Zimbabwe	ZIBABONA Interconnector	18	✓	✓	WIP	✓	✗	WIP	●	●	●	●	●	●	●
	Central Transmission Corridor Network (CTC) Phase II	20	✓	WIP	✗	✓	WIP	●	●	●	●	●	●	●	●
	Hwange Power Station 7&8 Expansion Project	22	✓	✓	WIP	✓	✓	✗	●	●	●	●	●	●	●
	Gokwe North Power Station	24	✓	WIP	✗	✓	✓	✗	●	●	●	●	●	●	●
Namibia	Kudu Gas Power Station	26	✓	WIP	WIP	✓	✓	✗	●	●	●	●	●	●	●
Transport															
Mozambique	A Heavy Haul Railway Line and Port at Ponta Techobanine, Mozambique	29	✗	✗	✗	✗	✗	✗	●	●	●	●	●	●	●
	Sena Line	32	✓	WIP	✗	✓	WIP	✗	●	●	●	●	●	●	●
	Nacala Line and New Coal Terminal	34	✓	WIP	✗	✓	✓	✗	●	●	●	●	●	●	●
Tanzania	Nacala Port Modernisation and Expansion	36	WIP	WIP	✗	✓	✓	✗	●	●	●	●	●	●	●
	Dar es Salaam-Chalinze Toll Road	38	✓	✗	✗	✓	✗	✗	●	●	●	●	●	●	●
	Rehabilitation of Makambako-Songea Road	40	✓	WIP	✗	✓	✓	✗	●	●	●	●	●	●	●
	Isaka-Keza-Kigali/Msongati Railway line	42	✓	✓	✗	✓	✓	✗	●	●	●	●	●	●	●
	Tanzania Railway Limited Revival	44	✓	✓	✗	✓	✓	✗	●	●	●	●	n/a	●	n/a
	Construction of Mtware-Songea-Mbamba Bay railway line with spurs to Mchuchuma/Liganga	46	✓	✓	✗	✓	✓	✗	●	●	●	●	●	●	●

Legend:

- Potential opportunity identified
- Not known
- No opportunity identified
- n/a
- Not Applicable
- Completed
- WIP
- Work in progress
- Not yet commenced
- NIA
- No Information Available

Sector	Project name	Page number	Current stage of project			Status of funding			Transaction advisors appointed?					EPC	O&M
			Pre-feasibility Study	Feasibility Study	Commercialisation or Implementation	For pre-feasibility study	For feasibility study	For commercialisation or implementation	Technical	Environmental	Financial and commercial	Insurance	Legal		
Zimbabwe	Cargo Freight Stations - Kisarawe Dar es Salam	48	✓	✗	✗	✓	✗	✗	●	●	●	●	●	●	●
	Manyoni – Tabora – Kigoma Road	50	✓	✓	WIP	✓	✓	WIP	●	●	●	●	●	●	●
	Upgrading of Mbanga – Mbamba Bay road	52	✓	✓	✗	✓	✓	✗	●	●	●	●	●	●	●
	Beitbridge-Harare-Chirundu road upgrading	54	n/a	✓	✗	n/a	✓	✗	●	●	●	●	●	●	●
	National Railways of Zimbabwe revival	56	✓	WIP	✗	✓	✓	✗	●	●	●	●	n/a	●	●
	Rehabilitation of the Plumtree-Bulawayo-Gweru-Harare-Mutare	58	✓	✓	✗	✓	✓	✗	●	●	●	●	●	●	●
Water															
All member states	Capacity enhancement in Infrastructure Project Preparation, Resource Mobilisation and Piloting	61	NIA	NIA	NIA	NIA	NIA	NIA	●	●	●	n/a	●	●	●
	Institutional reforms to reduce operational inefficiencies of Municipal water service providers in the Capital Cities of the SADC Member States	62	✗	✗	✗	✗	✗	✗	●	●	●	n/a	●	●	●
	Institutional reforms for RBOs, River/Water Authorities and utilities	64	✗	✗	✗	✗	✗	✗	●	●	●	n/a	●	●	●
	Monitor water pollution in reservoirs and rivers of shared watercourses of SADC	66	WIP	✗	✗	✗	✗	✗	●	●	●	n/a	●	●	●
	Water Supply and Sanitation at 12 border locations	68	WIP	✗	✗	✗	✗	✗	●	●	●	n/a	n/a	●	●
Mozambique	Lomahasha/Namaacha Water Supply & Sanitation	70	✓	WIP	✗	n/a	✓	✗	●	●	●	●	●	●	●
Tanzania	Songwe River Basin Development Programme	72	✓	WIP	✗	✓	WIP	✗	●	●	●	●	●	●	●
	Ruhuhu Valley Irrigation Scheme	75	✓	✗	✗	n/a	✓	✗	●	●	●	●	●	●	●
Namibia	Agriculture Water Management & Food Security – Upper Okavango Basin	77	✓	✗	n/a	✓	✗	n/a	●	●	●	n/a	●	●	●

Project Summaries

Energy

1. Mozambique: Transmission (Backbone) Project (CESUL)
2. Mozambique: Cahora Bassa North Bank Power Station
3. Mozambique: Mpanda Nkuwa Hydro Power Station (HMNK) - Phase 1
4. Mozambique: Mozambique Malawi 220kV Interconnector
5. Tanzania: ZTK Power interconnector
6. Zimbabwe: ZIZABONA Interconnector
7. Zimbabwe: Central Transmission Corridor Network (CTC) - Phase II
8. Zimbabwe: Hwange Power Station 7&8 Expansion Project
9. Zimbabwe: Gokwe North Power Station
10. Namibia: Kudu Gas Power Station

Mozambique Backbone Transmission Project (CESUL)

Project details

Project description

Mozambique has large generation potential in the north of the country; however the existing infrastructure does not have sufficient capacity for this energy to be transported to the south of the country and remainder of the SADC region which is short of supply and where there is rising demand. Alternate routes to the power markets in the region have been explored (e.g. through Zimbabwe), however these routes also do not have capacity.

The project aims to connect north and south Mozambique with sufficient transmission capacity and also to provide access to the central region. Further it will allow electricity to reach other members of SADC, and in particular, South Africa, the largest regional consumer.

The project is the combination of an 800 kV high voltage direct current (HVDC) overhead electrical transmission line (OHL) and a 400 kV high voltage alternating current (HVAC) OHL. The maximum transfer capacity is 2,650 MW and 1,100 MW for the 800 kV and 400 kV lines respectively with a total simultaneous transfer capacity of 3,100 MW during normal operation with an ultimate potential of 6,000 MW.

This project has been defined by the Government of Mozambique as a key priority investment for the country's development.

Phase 1 of the proposed development will provide more than 3,100MW of north south transfer capacity.

Phase 2 will seek to provide an ultimate potential transfer capacity of more than 6,000MW.

Type

400/880 kV power transmission lines

Approximate total value of the project

Phase 1: USD 2.8 bn, Phase 2: Information not yet known

Expected commencement and completion dates

Phase 1:	Project preparation start date:	2011
	Expected project completion date (COD):	2017
Phase 2:	Project preparation start date:	Not yet known
	Expected project completion date (COD):	Not yet known

Shareholders

The shareholding structure still needs to be finalised. EDM is expected to hold 51% equity and other third parties the balance of 49%.

Transaction Structure

The transaction structure still needs to be finalised.

Project contact

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Government support (actual approval stage)

Details of direct and indirect financial support by government:

- The Mozambican government has authorised the setting up of the project SPV. Shareholding has not yet been finalised.
- The Government of Mozambique is considering providing guarantees for loans advanced to the project SPV/EDM.
- Regulatory approvals still to be received.

Transaction advisor

Advisors were engaged to perform an environmental and social impact assessment. No further information about advisors appointed/to be appointed is available.

Feasibility studies

Completed. ESIA completed in April 2011.

Commercialisation

Negotiations of a joint-development agreement (JDA) between EDM and other parties are in progress and are expected to be concluded in March 2013.

Financial funding procurement: stage and timing

The shareholders (EDM and other third parties) will fund the remaining studies and design work.

A number of multilateral funders have indicated appetite to fund construction of Phase 1 of the project.

EPC and O&M procurement process: Stage and timing

Development of the tender documents for EPC and O&M appointment are currently in progress, however the timing of procurement is not yet known.

Cahora Bassa North Bank Power Station

Project details

Project description

Cahora Bassa North Bank (CBN) is a peaking Hydroelectric Power Plant that is planned to be located on the Zambezi River in Tete, a province in the north west of Mozambique. It has a proposed installed capacity of 1,245 MW.

The objective of the project is to increase generation capacity in the region. The electricity generated would be delivered to the southern parts of Mozambique and South Africa, and exported to the rest of SADC.

Type

Power capacity generation – hydro power

Approximate total value of the project

USD 800 m

Expected commencement and completion dates

Project preparation start date: 2013

Expected project completion date (COD): 2018 (45 months after the commencement of construction)

Shareholders

Shareholding in the project SPV still to be finalised, but will include EDM, and Hidroelectrica Cahora Bassa (HCB).

Transaction Structure

The transaction structure is still to be finalised. A limited recourse project finance structure is anticipated.

Project contact

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Transaction advisors

Not yet appointed.

Pre-feasibility studies

Initial prefeasibility studies completed. EIA completed.

Feasibility studies

Not yet commenced.

Commercialisation

Not yet commenced.

Financial funding procurement: stage and timing

Not yet secured.

EPC and O&M procurement process: Stage and timing

Not yet commenced.

Mpanda Nkuwa Hydro Power Station (HMNK)

Project details

Project description

The objective of the project is to increase power generation capacity in SADC. The increased electricity generated will be exported to SADC through power trading arrangements coordinated by the Southern African Power Pool (SAPP).

The project entails the construction of a hydro power station in the Tete province of Mozambique situated along the Zambezi River, 61km downstream from Cahora Bassa.

Phase I of the project is estimated to provide 1,500 MW generating capacity with Phase II adding a further 900 MW of capacity. The plant is mid merit and will be able to provide both peak and off peak power. The plant is expected to be able to supply approximately 850 MW of firm power. The electricity generated is expected to be transported down the CESUL transmission line.

The project's anchor customers are expected to be EDM (10% to 20% of offtake) and a power utility of a neighbouring country. PPAs have not been finalised.

Type

Hydro power generation

Approximate total value of the project

USD 3 bn

Expected commencement and completion dates

Project preparation start date: 2006

Expected project completion date (COD): 2017

Shareholders

A consortium including EDM.

Transaction Structure

IPP – Hydroelectrica Mphanda Nkuwa S.A.

Project contact

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Government support (actual approval stage)

The inter-governmental MoU between Mozambique and South Africa is under development, and is expected to be signed in the near term.

Transaction Advisor

Legal, financial, technical and environmental advisors have been appointed. Insurance advisors not yet appointed.

Pre-feasibility studies

Completed.

Feasibility studies

Completed, except for the EIA.

Commercialisation

PPA discussions are in progress and this process is expected to conclude in Q2 2013.

Financial funding procurement: Stage and timing

Funding is not yet secured.

EPC and O&M procurement process: Stage and timing

EPC contractor has been determined. O&M contractor still needs to be appointed.

Mozambique Malawi 220kV Interconnector

Project details

Project description

The objective of the project is to link Malawi to the SAPP grid, via Mozambique and consists of a 220 kV, 200km interconnector between Mozambique and Malawi.

The first stage will involve the design, supply and installation of the 220 kV overhead transmission line from the Mozambique-Malawi border to a new substation at Phombeya.

The second stage will entail the design, supply and installation of the new 220 kV Phombeya substation. Other stages include the extension of Matambo substation (Mozambique) and upgrading of the SCADA systems (EDM and ESCOM of Malawi).

Type

220 kV power transmission line.

Approximate total value of the project

USD 94 m

Expected commencement and completion dates

Project preparation start date: 2005

Expected project completion date (COD): 2015

The project is likely to be delayed as the MoU between Mozambique and Malawi has not yet been signed and the date the MoU is expected to be executed is not currently known.

Shareholders

Electricity Supply Corporation of Malawi (ESCOM), Hidroelectrica de Cahora Bassa (HCB).

Transaction Structure

Not finalised as awaiting execution of MoU.

Project contact

Malawi contact

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Transaction Advisor

Except for EIA consultants, advisors have not yet been appointed. The proposed timing for the procurement of other transaction advisors is not known.

Pre-feasibility studies

EIAs have been completed and the necessary approvals have been obtained from relevant authorities in the two member States.

Feasibility studies and commercialisation

Not yet commenced.

Financial funding procurement: Stage and timing

Not yet commenced.

EPC and O&M procurement process: Stage and timing

Not yet commenced.

ZTK Interconnector

Project details

Project description

The objective of the project is to connect the Eastern Africa Power Pool and Southern Africa Power Pool.

The project forms part of the Zambian, Tanzanian and Kenyan power interconnection system. It consists of the construction of a 667 km 400 kV AC transmission line which is split into three individual construction phases, namely

- (a) Iringa - Dodoma 225km 400 kV AC line;
- (b) Dodoma - Singida 217 km 400 kV AC line; and
- (c) Singida - Shinyanga 225 km 400 kV AC line.

The project also includes a component for expanding the substations at Iringa, Dodoma, Singida and Shinyanga.

The project started in 1995 as the Zambia-Tanzania Interconnector. The power utilities of Zambia, Tanzania and South Africa carried out feasibility studies, which inter alia confirmed that the transmission line would cover 700km, 330kV capable of power transfer of 200MW.

Type

400 kV transmission line

Approximate total value of the project

USD 860 m

Expected commencement and completion dates

The project target is to have the line operational by end of 2015/2016. The expected commencement date for project preparation is first quarter of 2013, and construction is expected as follows:

- Kenya – Tanzania 400kV (506 km): construction expected in 2013/14 and commissioning in 2016/17;
- Iringa – Singida (442 km): No information provided;
- Iringa – Mbeya (292 km): Construction expected on 2012/14 and commissioning in 2015; and
- Mbeya – Kasama (301 km): No information provided.

Owners/stakeholders

Governments of Zambia, Tanzania and Kenya.

The Iringa – Shinyanga, line will be developed by the Government of Tanzania only.

Government of Kenya is involved in the Kenya – Tanzania transmission line (Singida – Arusha – Isinya, included in construction stage (2017) above) which is in its feasibility study stage and which was expected to be completed by the 30th October 2012. The expected commissioning date is 2017.

Government of Zambia will be involved in the Kasama (Zambia) – Mbeya (Tanzania) 400 kV transmission line.

Transaction Structure

Still under discussion - a PPP structure with all three governments participating with the private sector is being considered.

Project contact

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Details of project development stages

(i) Kenya - Tanzania 400kV interconnector transmission line: Tanzania (Singida – Arusha) – Isinya (Kenya) 506 km.

Construction is expected to start in 2013/14 and commissioning in 2016/17. It was agreed that each country will operate and maintain its own section of the line. The Tanzanian section is 414 km in length and the Kenyan section is 93 km in length.

(ii) Iringa - Singida – Shinyanga 400kV or Backbone Transmission Investment project (BTIP).

This is 442 km in length and to be developed by the Government of Tanzania only.

(iii) Iringa – Mbeya, 292 km in length.

The construction is expected to start in 2013/14 and commissioning in 2015.

(iv) Mbeya (Tanzania) - Kasama (Zambia), 301 km.

This is also a part of the ZTK which is still pending.

Transaction advisors

Transaction advisors have been appointed in the areas of legal, finance, and technical to support the governments of Tanzania and Zambia. No information is available to confirm appointment of advisors in Kenya.

Pre-feasibility studies

Completed.

Feasibility studies

Completed. The EIA for Tanzania and Zambia was completed in 2004 and for Kenya in 2006 and EIA has been updated.

Commercialisation

Offtake negotiations with Kenya Electricity Transmission Company Ltd, Tanzania Electric Supply Company and Zambia Electric Supply Company are currently underway.

Financial funding procurement: Stage and timing

Sourcing of funding in progress.

Procurement process: Stage and timing

EPC and O&M contractors expected to be procured between July 2014 and June 2015 for Kenya - Tanzania 400kV interconnector transmission line: (Tanzania (Singida –Arusha) –Isinya (Kenya) 507.5 km.

ZIZABONA Interconnector

Project details

Project description

The objective of the project is to increase transmission capacity to Namibia, Botswana, South Africa, Zambia and Zimbabwe.

The transmission assets created by the Project will be used to wheel power (initially 300MW and later up to 650MW), primarily from Zambia, through Zimbabwe, Botswana and Namibia to customers in Namibia and in the Northern Cape Province of South Africa under long-term take-or-pay wheeling agreements with the ZIZABONA operator. It is expected that the underlying agreements will be for an initial term of 20 years.

The project will interconnect the four countries; create an alternative wheeling path between north and south, and decongest the Central Transmission Corridor. It will, in particular, facilitate evacuation of power from upcoming projects in Zambia to demand centres in South Africa and Namibia, thereby facilitating regional power trading.

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

Type

330 - 400kV power transmission lines

Approximate total value of the project

USD 240 m

Expected commencement and completion dates

Project preparation start date: 2007

Expected project completion date (COD): 2016

Shareholders

A special purpose vehicle (SPV) will be formed to develop, finance, construct and operate the transmission infrastructure.

The shareholding structure is expected to be finalised by end of 2012. The preliminary structure is as follows: BPC 20%, NamPower 20%, ZESCO Limited 20%, ZESA 20%, Third parties 20%. The JDA and shareholding agreement still need to be negotiated.

Transaction Structure

The transaction structure still needs to be finalised.

Project contact

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Government support (actual approval stage)

The project has been agreed upon in principle but the Inter-governmental MoUs are yet to be signed. ZESA, ZESCO, BPC and NamPower signed an inter-utility MoU in December 2007 which will facilitate the establishment and operation of the project SPV. In addition, a JDA is in the process of being concluded between the ZIZABONA parties.

Transaction advisors

Technical advisors have been appointed. No other advisors have been appointed to date and the date of procurement is not known.

Feasibility studies

Completed.

Commercialisation

Wheeling agreements and the terms and conditions of shareholding in the SPV are currently being negotiated between the ZIZABONA sponsors. Each participating utility shall own, operate and maintain its portion of the ZIZABONA infrastructure.

Financial funding procurement: Stage and timing

Procurement of funding currently in progress. Selection and appointment of Lender Arranger and/or Lender group expected between January 2013 and March 2013.

Procurement process: Stage and timing

EPC and O&M contractors not yet appointed.

EPC tender documentation expected to be finalized in December 2012.

EPC tendering process expected between January 2013 and June 2013.

Construction using an EPC Contractor is expected to commence in the 4th Quarter of 2015 for a period of 12 months.

Drafting of O&M agreements is expected to take place in Q1 or Q2 of 2013.

Central Transmission Corridor Network (CTC) – Phase II

Project details

Project description

The Central Transmission Corridor Network (CTC) project is aimed at increasing transmission capacity within Zimbabwe and to its neighboring states. Zimbabwe is at the epicenter of the SAPP transmission grid that facilitates power from north to south.

The project will decongest the ZESA system to benefit wheeling parties.

The 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 sections:

- A second 330kV Alaska - Sherwood line of 160km;
- A second 330kV Marvel - Insukamini line of 40km (this project may be completed under the Hwange 7&8 expansion project);
- A 330kV Mutorashanga – Bindura line of 80km;
- An SVC feeder bay at Sherwood substation (this project may be done under the Hwange 7&8 expansion project); and
- A 330kV Orange Grove – Triangle line, substation and feeder bays: a potential funder has been identified for this portion of the project. ZETDC is currently awaiting feedback from the Ministry of Finance and clearance from the State Procurement Board, expected in the first quarter of 2013, before proceeding with the identified funder.
- Upgrading the Tokwe – Triangle line to 330kV.

Type

330kV power transmission lines and feeder bays.

Approximate total value of the project

USD 100 m

Expected commencement and completion dates

Project preparation start date: 2012

Expected project completion date (COD): 2016

Shareholders

ZESA Holdings Limited as the Project Sponsor in conjunction with a regional utility, in a project SPV. An IUMoU between these parties is expected to be signed in the near term.

Transaction structure

The transaction structure still needs to be finalised.

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Transaction Advisor

A joint utility steering committee will be formed to steer the project forward. Draft Terms of Reference (ToR) for the technical and commercial teams is currently under development. Other advisors will be appointed once the project reaches implementation phase.

Pre-feasibility

Complete.

Feasibility

Updates to technical feasibility studies completed in 2012.

Other studies are still to be carried out.

EIA expected to be updated in 2013.

Commercialisation

Commercial agreements are currently being negotiated.

Financial funding procurement: stage and timing

Funding for project preparation has been secured.

Procurement process: Stage and timing

EPC & O&M contractors are not yet due for appointment and the proposed date for procurement is not yet known.

Hwange Power Station 7&8 Expansion Project

Project details

Project description

The project aims to increase power generation capacity in Zimbabwe and entails developing a 600MW (2 x 300MW) base load plant, associated transmission lines and substations as well as investment in coal mining at the site of the existing power station.

An additional 420 KV power line is required to provide for redundancy in the evacuation system.

Type

Power capacity generation and 420kV transmission line.

Approximate total value of the project

USD 1,1 bn

Expected commencement and completion dates

Project preparation start date: 2008

Expected project completion date (COD): 2016

Shareholders

Zimbabwe Power Company

Transaction structure

The transaction structure still needs to be finalised.

Project contact

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Details of project readiness

Government support (actual approval stage)

The project was given National Project status in September 2011.

The project has yet to be granted a generation license by the Energy Regulator, it is expected that the license will be awarded in the near term.

Transaction Advisor

Financial, legal, Technical & environmental advisors have been appointed. There is no intention to appoint an Insurance Advisor.

Pre-feasibility studies

Complete.

Feasibility studies

Review of feasibility studies was carried out and completed in June 2011 and EIA was carried out and completed in September 2011. The EIA report was submitted to the Environmental Management Agency of Zimbabwe (EMA) in September 2012. The EIA is currently under review by EMA. Additional studies such as ongoing work on soil analysis will need to be carried out specifically by the selected EPC. EIA review and issuing of the EIA certificate by end of Q4 2012.

Technical solution studies completed in 2011.

Financial model demonstrating financial viability developed and completed in 2011.

Viable off taker market assessment completed in 2012.

Viable regulatory environment assessment completed in end of 2012.

Commercialisation

Offtake agreements are being negotiated with bulk customers. A PPA between the SPV and ZETDC is currently being negotiated.

Financial funding procurement: Stage and timing

The process for commercial bank funding is expected to commence in 2013. EPC bidders expected to provide funded bid submissions.

Procurement process: Stage and timing

The tender process for the selection of an EPC to construct the project is currently underway; ZPC have already received proposals from potential contractors. Selection of an EPC is expected by Q1 2013.

O&M not yet due for appointment and the proposed date for appointment is not yet known.

Gokwe North Thermal Power Station

Project details

Project description

The objective of the project is to increase power generation capacity in Zimbabwe and contribute to the economic revival of the country.

The project was awarded to an IPP, RioZim Limited.

Type

Coal fired thermal power station.

Approximate total value of the project

USD 3 bn.

Expected commencement and completion dates

Project preparation start date: 2008

Expected project completion date (COD): 2017

Shareholders

The Gokwe North Thermal Power Project will be undertaken by RioZim, an IPP.

Project contact

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Government support (actual approval stage)

The government of Zimbabwe has issued generation and transmission licences to the IPP.

Transaction Advisor

No information available.

Pre-feasibility

Completed.

Feasibility

Feasibility studies are in progress.

Commercialisation

Power generated will be transmitted and sold through ZETDC.

Financial funding procurement: stage and timing

Funding still needs to be commenced as feasibility study still in progress.

Procurement process: Stage and timing

EPC & O&M contractors are not yet due for appointment and the proposed timing of procurement is not known.

Kudu gas power station

Project details

Project description

The Kudu power station will increase the generation capacity in Namibia and allow for the export of surplus energy. The size/output of the power plant is planned for an 800MW base load, mid merit using Combined Cycle Gas Turbines (CCGT) technology.

Upstream: Gas Field, Pipeline and Processing Development are to be undertaken by a consortium including NamCor, Itochu and Energy Africa.

Downstream: 800 MW CCGT Power Station.

Transmission Integration 400 kV line to Namibia, 400 kV & 220 kV lines to South Africa.

Type

Gas fired power station

Approximate total value of the project

Information not available

Expected commencement and completion dates

Project preparation start date: 2004

Expected project completion date (COD): 2017

Shareholders

NamPower Limited and private sector strategic equity partners to be determined.

Transaction Structure

Limited recourse project financed special purpose project company with long term offtake agreement with NamPower.

Project contact

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Government support (actual approval stage)

Government of Namibia is project sponsor through NamPower.

Transaction Advisor

Legal, Financial/commercial, Technical, Environmental advisors have been appointed.

Pre-feasibility

Completed.

Feasibility

Currently in progress.

Commercialisation

Currently in progress.

Financial funding procurement: Stage and timing

Not yet commenced.

Procurement process: Stage and timing

Procurement of EPC and O&M contractors not yet commenced.

Transport

11. Mozambique: A Heavy Haul Railway Line and Port at Ponta Techobanine, Mozambique
12. Mozambique: Sena Line
13. Mozambique: Nacala Line and New Coal Terminal
14. Mozambique: Nacala Port Modernisation and Expansion
15. Tanzania: Dar es Salaam - Chalinze Toll Road
16. Tanzania: Rehabilitation of Makambako-Songea Road
17. Tanzania: Isaka-Keza-Kigali/Msongati Railway Line
18. Tanzania: Tanzania Railways Limited Revival
19. Tanzania: Construction of Mtwara-Songea-Mbamba Bay Railway Line with spurs to Mchuchuma/Liganga
20. Tanzania: Cargo Freight Stations - Kisarawe Dar es Salaam
21. Tanzania: Manyoni – Tabora – Kigoma Road
22. Tanzania: Upgrading of Mbanga - Mbamba Bay Road
23. Zimbabwe: Beitbridge-Harare-Chirundu road upgrading
24. Zimbabwe: National Railways of Zimbabwe Revival
25. Zimbabwe: Rehabilitation of the Plumtree-Bulawayo-Gweru-Harare-Mutare Road

A Heavy Haul Railway Line and Port at Ponta Techobanine, Mozambique

Project details

Project description

The project consists of a new heavy haul railway line and a deep sea port.

The new railway line will serve as a coal export route through Zimbabwe, Botswana and Mozambique. The aim is to develop a modern, high speed, heavy haul railway system to open a gateway to the Asian markets for Botswana and the SADC region.

The railway line will feed a new deep sea port at Ponta Techobanine. The project is expected to be developed by Zimbabwe, Botswana and Mozambique, and will benefit the land locked countries of Botswana, Zimbabwe and Swaziland

Type

Railway line and deep sea port.

Approximate total value of the project

USD 7 bn to USD 11 bn for both the railway line and sea port.

Expected commencement and completion dates

Project preparation start date: 2012

Expected project completion date (COD): 2019

Shareholders

The governments of Botswana, Zimbabwe and Mozambique, along with private sector participation.

The main parties to be included in the project are the Ministries of Transport, the National Railway companies and private sector companies.

Transaction structure

Not yet finalised.

Project contact details

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Government support (actual approval stage)

The inter-governmental MoU was signed in August 2011.

There is support for the project from all three governments involved (Botswana, Zimbabwe and Mozambique). The project implementation would be through the respective Transport Ministries of the three countries through a Joint Implementation Framework.

Transaction Advisor

Consultants are currently being procured to conduct the prefeasibility study.

Pre-feasibility

The pre-feasibility study will commence as soon as a consultant team has been appointed.

Feasibility

The governments of Botswana, Mozambique and Zimbabwe have committed USD 1.8 m for feasibility studies.

Commercialisation

Not yet commenced.

Financial funding procurement: Stage and timing

Funding for feasibility studies committed. Procurement of funding for project construction not yet commenced.

Procurement process: Stage and timing

EPC and O&M contractors are not yet due for appointment.

Sena Line

Project details

Project description

This project comprises the rehabilitation and upgrade of the existing Sena railway line from Moatize to the Beira port. The railway line is important for the development of the Malawian economy.

The rolling stock, ancillary facilities including workshops, operating plant and equipment as well as telecommunication systems would have to be replaced and/or refurbished and modernised.

The project will be in two phases:

Phase 1 – upgrade rail capacity to between 6.5 and 12 mtpa.

Phase 2 – upgrade rail capacity to between 18 and 20 mtpa.

Type

Railway line rehabilitation and upgrade.

Approximate total value of the project

Phase 1 – USD 200 m

Phase 2 – Not yet known

Expected commencement and completion dates

Phase 1: Project preparation start date: 2012

Expected project completion date (COD): 2013

Phase 2: Project preparation start date: 2013

Expected project completion date (COD): 2015

Shareholders

CFM (100%)

Transaction structure

The proposed structure for Phase 2 is a PPP long term concession. CFM would go to the market to secure a private sector concession holder.

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Government support (actual approval stage)

Phase 1 - Funding from government

Phase 2 – Government and private sector financial support

Transaction Advisor

CFM completed project studies internally for Phase 1. No advisors have been appointed for Phase 2.

Pre-feasibility

Complete for Phase 1 and 2.

Feasibility

Feasibility studies have been completed for Phase 1. Phase 2 feasibility studies have not yet commenced.

Commercialisation

No agreements have been concluded for both phases.

Financial funding procurement: Stage and timing

The government of Mozambique is funding Phase 1. No further funding has been secured to date.

Procurement process: Stage and timing

Phase 1 – CFM is the EPC & O&M contractor.

Phase 2 – The EPC contractor still needs to be appointed, CFM is likely to perform the O&M.

Nacala Line and New Coal Terminal

Project details

Project description

The project entails the construction of a 228 km new railway line and the rehabilitation of a 684 km railway line from Moatize to Nacala-a-Velha via Malawi, and the construction of a new coal terminal at the Nacala-a-Velha port with a capacity of 30 mtpa. The transportation of coal for export purposes from Moatize in Tete is the primary driver for the project. The new terminal will be built north of Nacala Bay.

Mozambique and Malawi are the participating countries and the railway line would route through Malawi from Moatize.

Type

Railway line and new port dedicated to coal handling and shipment.

Approximate total value of the project

Coal terminal – USD 1 to 1.5 bn

Railway line – USD 3.5 bn

Expected commencement and completion dates

Project preparation start date: 2012

Expected project completion date (COD): 2018

Shareholders

CLIN is the implementing agency with CFM and a private sector mining company as the main project sponsors and shareholders.

Transaction Structure

The transaction structure is a concession on the railway line.

Project contact

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Government support (actual approval stage)

The Mozambican government would provide direct financial support into the project should CFM require it.

A concession agreement has been signed in Q2 2012 with the Government of Malawi to link the railway line through Malawi.

Transaction Advisor

Advisors have been appointed.

Pre-feasibility

The pre-feasibility was completed in 2011.

Feasibility

Engineering feasibility studies are in progress.

Commercialisation

Mining companies in Tete will be the primary users of the railway line and new coal terminal.

Financial funding procurement: Stage and timing

Private sector party and CFM to fund project.

Procurement process: Stage and timing

The EPC and O&M contractors are expected to be appointed by the end of 2012/early 2013.

Nacala Port Modernisation and Expansion

Project details

Project description

The objective of the project is to improve and increase the capacity of the Port of Nacala. The Port Master Plan, funded by Japanese International Corporation Agency (JICA) will be rolled out in two phases:

Phase 1 (2009-2014) will include:

- i. Rehabilitation of the fuel and general cargo terminal;
- ii. Construction of a bypass road; and
- iii. Procurement of equipment e.g. rubber tyre gantry cranes (RTGs), Stackers, etc.

Phase 2 (2014-2017): will include

- i. Dredging of the channel;
- ii. Expanding storage space to 600,000 TEUs;
- iii. Construction of new container terminal; and
- iv. Construction of a coal terminal.

Type

Upgrading of an existing sea port.

Approximate total value of the project

Phase 1 and 2: USD 260 m

Expected commencement and completion dates

Phase 1:	Project preparation start date:	2009
	Expected project completion date (COD):	2014
Phase 2:	Project preparation start date:	2014
	Expected project completion date (COD):	2017

Shareholders

JICA and CFM.

Transaction Structure

The proposed structure is a BOOT.

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Government support (actual approval stage)

The MoU between the government of Mozambique and JICA under negotiation and is expected to be signed in the near term.

Transaction advisor

Transaction advisors have been appointed for Phase 1 of the upgrade. There is no information available for Phase 2.

Pre-feasibility

Complete for Phase 1.

Feasibility

The EIA for Phase 1 and 2 is expected to be approved by end of 2012. All other studies are complete.

Commercialisation

No commercial agreements have been signed.

Financial funding procurement: Stage and timing

Procurement of funding in progress.

Procurement process: Stage and timing

The EPC and O&M contractors have not yet been appointed.

Dar es Salaam – Chalinze Toll Road

Project details

Project description

The project entails widening the road between Dar es Salaam and Chalinze from four to six lanes and converting it into a toll road.

The objective of this project is to relieve congestion on the most important arterial road in Tanzania.

Type

Upgrade of an existing highway.

Approximate total value of the project

USD 585 m

Expected commencement and completion dates

Expected date of project preparation is 2013 and Commercial Operation is expected in 2017.

Shareholders

The Government of Tanzania through Tanzania National Roads Agency (Tanroads) which acts on behalf of the Ministry of Works.

Private partner(s) has/have not yet been secured and therefore no shareholding structure has been agreed to until the firm(s) which will be awarded the project are formally known.

The expected date to approach the market for private sector participation is not yet known.

Tanroads and the Ministry of Works will have further consultations regarding a proposed shareholding structure.

Transaction structure

A PPP model toll road transaction structure is being considered. The Ministry of Works to Tanzania has requested a PPP structure which needs to be finalised by the Tanzanian Investment Centre (TIC).

Project contact details

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Government support (actual approval stage)

The project is considered as a priority in the National Five Year Development Plan (2011/12 – 2015/16).

Transaction advisor

A transaction advisor has not yet been appointed and awaits approval by TIC. This approval pertains only to the registration of the project as a PPP project and will be completed prior to private partner procurement.

Pre-feasibility studies

Completed in 2010.

Feasibility studies

A feasibility study has not yet been undertaken. It is currently being considered whether the government or a private institution will perform the feasibility study.

Commercialisation

Not yet commenced.

Financial funding procurement: Stage and timing

Not yet commenced.

Procurement process: Stage and timing

Project not yet at this stage of development.

Rehabilitation of Makambako – Songea Road

Project details

Project description

The project entails the upgrading of a road which was originally constructed in 1979. The relevant section of road measures 295 km. The rehabilitation work plans are to maintain the current 2 lane trunk road standard with service roads in built up areas. It also includes safety barriers at high fills and bends and the strengthening of the pavement structure.

Type

Road rehabilitation and upgrade.

Approximate total value of the project

USD 92 m to USD 100 m

Expected commencement and completion dates

Expected date of project preparation is in 2013 and commencement of rehabilitation works is anticipated in 2014. The project is expected to be completed in 2018. However, all plans are pending the availability of funds for rehabilitation works.

Shareholders

The Government of Tanzania through the Ministry of Works and Tanroads. Tanroads is an Implementing Agency under the Ministry of Works and is responsible for the day to day maintenance, construction and rehabilitation of roads.

Transaction Structure

Public financing and procurement has not yet been finalised and therefore the transaction structure has not yet been finalised.

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Government support (actual approval stage)

The Government is engaging with various donors and international funding agencies to secure funding for the project.

Transaction advisor

A consultant has been appointed to conduct the feasibility study and detailed design.

A supervising consultant will be required to oversee the rehabilitation works.

Pre-feasibility studies

Completed.

Feasibility studies

The feasibility study and detailed design for Makambako – Songea road are in progress. The study and detailed design work is financed and supported by the World Bank and is expected to be completed by the end of 2012.

Commercialisation

This road is not intended to be implemented as a toll road.

Financial funding procurement: Stage and timing

In progress.

Procurement process: Stage and timing

Planned dates of EPC appointment is expected to be in 2014 but depends on the availability of funds.

Planned date O&M appointment is between 2014 and 2018, also dependent on availability of funds.

Isaka-Keza-Kigali-Msongati Railway line

Project details

Project description

The project entails the upgrading of the existing railway line to standard gauge, and to connect to the new railway line to be constructed from Isaka/Keza-Kigali-Gitega-Musongati. The length of new and upgraded line totals 1,103 km. The railway section, measuring 982 km in length, is part of the former TRC railway network running from east to west (central corridor) and passing through seven regions, namely Shinyanga, Tabora, Singida, Dodoma, Morogoro, Coast and Dar es Salaam.

The upgrading of the Tabora - Kigoma section (411 km) to a standard gauge line will connect Tanzania to Burundi and the DRC and the upgrading of Isaka-Mwanza to standard gauge will connect Tanzania to Uganda through Lake Victoria and eventually connect Uganda to the DRC.

Construction of the new railway section, 692 km in length, is the proposed line that will connect Tanzania, Rwanda and Burundi. The railway line will run from Isaka to Keza in Tanzania, and thereafter will branch to Kigali in Rwanda and Musongati in Burundi. The proposed railway line will be constructed at standard gauge.

Type

The upgrade of an existing railway line and construction of a new section of railway line.

Approximate total value of the project

USD 3.13 bn

Expected commencement and completion dates

The expected date of project preparation is 2013 and commencement of construction works is 2014. Completion of the project is expected to be 2017; however; all plans are pending funding to be secured for construction works.

Shareholders

Reli Assets Holding Company (RAHCO) is the implementing agency. RAHCO is a company that was established through the Railway Act No. 4 of 2002. The Company confers the mandate to RAHCO to promote, develop, manage and maintain rail infrastructure and to provide rail transport services through joint venture and concession. RAHCO is empowered by section 12 of the Railway Act 2002 and delegates its powers to provide rail transport service to Tanzania Railways Limited (TRL).

Transaction Structure

A study on a PPP model is in progress and the results of the study are expected before the end of 2013.

Project contact

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Government support (actual approval stage)

The ministry supports a PPP model for the execution of this project. This is one of the strategic projects that the government of Tanzania plans to implement in order to improve trade connectivity with neighbouring countries, Rwanda, Burundi and the DRC.

A MoU between the countries involved is still being negotiated.

Transaction advisor

Advisors have been appointed to conduct a detailed engineering study which is currently in progress.

Pre-feasibility studies

Completed.

Feasibility studies

The feasibility study was completed in 2007 and detailed design in 2012. Both were funded by the Government of Tanzania.

Commercialisation

A joint development arrangement is under development.

Financial funding procurement: Stage and timing

Funding for this construction phase of project has not yet been secured.

Procurement process: Stage and timing

The contractor for upgrading and construction, procurement of sleepers, rails and fittings has been appointed.

Tanzania Railways Limited Revival

Project details

Project description

The project involves various activities key to the revival of Tanzania Railway Limited, including:

- Procurement of rolling stock;
- Refurbishment of signalling and telecommunication equipment;
- Maintenance of an existing railway line of 2,707 km;

It is anticipated that the implementation of this project will improve the competitiveness of the Tanzanian rail service and increase its share of market.

Type

Upgrade of existing railway lines and equipment and procurement of rolling stock.

Approximate total value of the project

- Procurement of rolling stock USD 252 m.
- Refurbishment of signalling and telecommunication equipment USD 106 m.
- Maintenance of 2,707 km of existing railway lines USD 3 m.

Expected commencement and completion dates

Between 2013 and 2019.

Shareholder/owner

The Government of Tanzania through the Ministry of Transport and Tanzania Railways Limited as the executing Agency.

Transaction structure

A PPP structure is being considered however this has not yet been finalised.

Project contact

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Transaction advisor

The transaction advisor has not yet been appointed and the anticipated date of procurement is not known.

Pre-feasibility studies

Completed.

Feasibility studies

Completed.

Commercialisation

The procurement of rolling stock is in the initial stages of tender. Some of the tenders have already been advertised and tender awards are anticipated to be made at the end of 2012/early 2013.

The two further procurements have not yet been put out to tender and the date of procurement is not available.

Financial funding procurement: Stage and timing

Currently in progress.

Procurement process: Stage and timing

Procurement of rolling stock is currently in progress.

Procurement for the refurbishment of equipment and the maintenance of the railway line has not yet commenced.

Construction of Mtwara-Songea-Mbamba Bay Railway Line with spurs to Mchuchuma/Liganga

Project details

Project description

The project entails the construction of a new railway line from Mtwara Port to Songea–Mbamba Bay with spurs to the mineral fields of Mchuchuma and Liganga, south west of Tanzania (in total approximately 1,000 km). The proposed railway line will be constructed at standard gauge.

The railway line will provide connectivity from Mtwara Port to Liganga Iron Ore fields located about 874 km west of Mtwara Port. It will also provide connectivity from Mtwara Port to Mchuchuma coal fields located 946 km from Mtwara around Lake Nyasa in the South-western part of the country. Mineral reserves in Mchuchuma coal fields are an estimated 159 million tonnes as proven reserves and 377 million tonnes as inferred reserves.

Type

Construction of a new railway line of approximately 1,000 km in length.

Approximate total value of the project

USD 1.4 bn

Expected commencement and completion dates

2012/13 to 2015

Shareholders

Proposed to be Reli Assets Holding Company (RAHCO) and the Government of Tanzania.

Transaction Structure

A transaction structure still needs to be finalised but a PPP model is likely to be implemented.

Project contact

Mr. Eng. Mohamed R. Mohamed, RAHCO

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Email: mrm221958@yahoo.com

Transaction advisor

Not yet appointed and date of proposed appointment has not been set yet.

Pre-feasibility studies

Completed.

Feasibility studies

A partial feasibility study has been completed, and will be concluded once a transaction advisor has been appointed.

Commercialisation

Not yet commenced and date for the potential solicitation of private sector participation has not yet been set.

Financial funding procurement: Stage and timing

Funding not yet secured.

Procurement process: Stage and timing

EPC and O&M Contractors not yet appointed and would be part of the private sector participation procurement.

Cargo Freight Stations - Kisarawe Dar es Salaam

Project details

Project description

The project entails the provision of a dry port at Kisarawe, 35 km from Dar es Salaam, as an extension of the current port of Dar es Salaam. It aims to reduce motor vehicle traffic currently experienced at the port and city traffic in general. It will include rail shuttle transport; re-alignment of existing container yards at Dar es Salaam Port; a new dry port terminal, new truck road access, new mainline (RAHCO and TAZARA), spur lines, freight stations, customs, clearing and forwarding buildings, truck parking spaces, and other associated facilities.

Type

Inland container terminal development and associate transport infrastructure

Approximate total value of the project

USD 120 m

Expected commencement and completion dates

2012/13 to 2014. Project preparation has commenced and a pre feasibility study completed in 2010. Commercial Operation is expected in 2015.

Ownership

The Government of Tanzania, with the implementing agencies namely: the Ministry of Infrastructure Development/Tanroads (roads construction and maintenance), Ministry of Transport (Tanzania Ports Authority (TPA) and Tanzania Railways Limited (TRL)) for railway construction and maintenance. TPA will own the Structure i.e. buildings, all operational equipment and operational areas including roads and railway lines within the operations area, Tanroads/TRL will own and maintain roads/railway outside the gates of Kisarawe ICD, those within the ICD will be maintained by TPA.

Transaction Structure

The proposed structure is a PPP, to be finalised at a later date which has not yet been determined.

Project contact

Mr. Monga Gasonya, Tanzanian Ports Authority

Tel: +255 786 364622

Email: gassoyamonga@gmail.com

Details of project readiness

Government support (actual approval stage)

The Government is working together with TPA to source financial support for the project.

Transaction advisor

Consultants for feasibility study have not yet been appointed.

Pre-feasibility studies

The following pre feasibility studies have been completed and are available:

- The 2010 World Bank pre-feasibility study;
- CDS Action Plan Vol 1 App A by the Tanzania Ports Authority; and
- The 2009 Development Plan and Ports Master Plan Report.

Feasibility studies

Call for Expression of Interest was sent out in October, 2011, for interested consultants to undertake a full feasibility study.

Consultants are expected to be short listed at a central tender board scheduled for the end of 2012/early 2013. Thereafter, a submission will be made to the World Bank for acceptance as it is financing the study.

Commercialisation

Not yet commenced, awaiting results of feasibility study.

Financial funding procurement: Stage and timing

Not yet commenced. Funding for feasibility study has been committed.

Procurement process: Stage and timing

Not yet commenced.

Manyoni – Tabora – Kigoma Road

Project details

Project description

Upgrading of the road between Manyoni, Tabora and Kigoma port to dual carriageway, to bitumen standard.

The road is part of the Central Corridor which starts at Manyoni to Kigoma through Tabora. It provides linkages between Tanzania and neighbouring countries the DRC and Zambia through Lake Tanganyika district.

Type

Upgrade of existing road.

Approximate total value of the project

USD 450 m

Expected commencement and completion dates

2013 to 2017

Ownership

Government of Tanzania through the Ministry of Works and Tanroads as the executing agency.

Transaction structure

This is a Government project that will be funded through public funding, loans and grants.

Project contact

Mr. Stanford Makala, Senior Economist, Ministry of Works

Tel: +255 787 329034

Direct: +255 787 329034

Email: shamakala2002@yahoo.co.uk

Government support (actual approval stage)

The project is administered through Tanroads by the Department of Works and is an official government approved project.

Transaction advisor

No legal, financial, technical, environmental or insurance advisors will be appointed.

Pre-feasibility studies

Completed.

Feasibility studies

Completed.

Commercialisation

Part of the project is in the construction stage, however further stages still require funding.

There is currently no intention of implementing of a toll road.

Financial funding procurement: Stage and timing

Funding has been approved for certain sections of the road. Further funding is required to complete the project as stated above.

Procurement process: Stage and timing

Construction contractors have been appointed for the section which has been funded.

Upgrading of Mbanga - Mbamba Bay Road

Project details

Project description

This project is part of the Mtwara – Masasi – Tunduru – Namtumbo – Songea – Peramiho – Mbanga – Mbamba Bay road (829 km) under the Mtwara Development Corridor Initiative.

The project entails upgrading works on a 50 km section of the road, which will involve the construction of a two lane trunk road with service roads in built up areas. It also involves the improvement of safety barriers at high fills and bends and with a pavement structure.

Type

Road rehabilitation and upgrading.

Approximate total value of the project

USD 53 m

Expected commencement and completion dates

Expected date of project preparation is 2013. Commencement of construction works is 2014 and the completion of the project is expected to be 2017. However, all plans are pending funds to be secured for construction works.

Ownership

The Government of Tanzania through the Ministry of Works with Tanroads as the implementing agency. Tanroads deals with day to day maintenance, construction and rehabilitation of roads.

Transaction Structure

The feasibility study was completed in 2007 and detailed design was completed in 2012. Both were financed by the Government of Tanzania. The Government is now approaching various donors to secure funds for construction work, and then public procurement procedures will follow.

Project contact

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Government support (actual approval stage)

The project is considered a priority in the National Five Year Development Plan (2011/12 – 2015/16).

The Government of Tanzania has funded elements of project preparation.

Transaction advisor

Technical project preparation work has been completed.

Pre-feasibility studies

Completed.

Feasibility studies

The detailed design for the Mbinga – Mbamba Bay road section was completed in 2011.

Feasibility study, detailed design reports and construction tender documents have been prepared.

Commercialisation

This road is not intended to be implemented as a toll road.

Financial funding procurement: Stage and timing

The Ministry of Works together with Tanroads are in the process of seeking funding for construction works. Various donors and international funding agencies have been approached.

Procurement process: Stage and timing

Procurement of contractors for civil works has not yet commenced and this will go to tender when funding has been secured.

Beitbridge-Harare-Chirundu road upgrading

Project details

Project description

The objective of the project is to upgrade the existing road from Chirundu to Harare and from Harare to Beitbridge, a total distance of 575 km. The existing motorway plays a major role in Zimbabwe's industrial, mining and agricultural development and -sectors.

The upgrade will be achieved by rehabilitating and resealing existing sections of the road, as well as new construction on certain sections where dual carriage ways will be put in place.

Type

Rehabilitation and upgrade of an existing road.

Approximate total value of the project

No information available.

Expected commencement and completion dates

No information available.

Ownership

Ministry of Transport through the Department of Roads and possible third parties.

Transaction Structure

This project will offer opportunities for private sector participation through a BOOT transaction structure.

Project contact

Eng. N. Kudenga

Director of Roads

Department of Roads, Zimbabwe

Tel: +263 4 704303

Government support (actual approval stage)

The government will provide guarantees for funding borrowed by the Department of Roads from third parties.

Transaction Advisor

Technical and environmental advisors have been appointed.

Feasibility studies

The DBSA funded both the technical and environmental feasibility studies.

Harare – Chirundu section

Technical studies were completed in 2010.

Other feasibility studies are in progress for this section of the road.

Harare – Beitbridge section

The EIA has been completed.

Commercialisation

A toll road owned and operated under a BOOT transaction structure is under consideration.

Financial funding procurement: Stage and timing

DBSA is funding feasibility studies.

Procurement of project finance is in progress.

Procurement process: Stage and timing

Procurement for private sector participation under BOOT structure expected to commence in 2013.

Revival of National Railways of Zimbabwe

Project details

Project description

The objective of the project is to revitalise the National Railways of Zimbabwe (NRZ) infrastructure through refurbishment of existing infrastructure including railway track and signalling equipment, and procurement of new rolling stock.

Type

Refurbishment and replacement of railway infrastructure and rolling stock.

Approximate total value of the project

USD 476 m

Expected commencement and completion dates

Project preparation start date: 2012

Expected project completion date (COD): 2017

Ownership

NRZ

Transaction structure

Not yet finalised.

Project contact

Mr. Lewis A. Mukwada

Director (Technical Services)

National Railways of Zimbabwe

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Government support (actual approval stage)

The project has, in principle, been approved by the government. The government will issue guarantees on debt funding raised by NRZ.

Transaction advisor

Unlikely to be appointed, work is expected to be done internally.

Pre-feasibility

Completed.

Feasibility

Internal feasibility study completed.

Commercialisation

No commercial agreements have been concluded as this stage has not yet been reached.

Financial funding procurement: Stage and timing

Procurement of funding in progress.

Procurement process: Stage and timing

EPC and O&M – NRZ intends to perform a significant portion of the rehabilitation internally.

Rehabilitation of the Plumtree-Bulawayo-Gweru-Harare-Mutare Road

Project details

Project description

The objective of the project is to upgrade the existing road and improve the road condition. The upgrade consists of rehabilitating and resealing existing sections of the road, as well as new construction on some sections close to urban areas. New construction will be done on some sections of the corridor as well. Dualisation of the road is also included, commencing with sections around towns.

This motorway plays a major role in the development of the country's tourism, industrial, mining and agricultural sectors.

Type

Road rehabilitation, resealing and dualisation.

Approximate total value of the project

USD 206 m

Expected commencement and completion dates

Project preparation start date: 2012

Expected project completion date (COD): 2013

Shareholders

ZINARA and private sector party (already identified)

Transaction Structure

A PPP between ZINARA and private sector party (already identified).

Project contact

Eng. N. Kudenga

Director of Roads

Department of Roads, Zimbabwe

Tel: +263 4 704303

Government support (actual approval stage)

Construction of some sections of the road through the Department of Roads.

Transaction advisor

Appointed.

Pre-feasibility studies

Complete.

Feasibility studies

Complete.

Commercialisation

BOOT and tolling structure. Toll fees are already being collected on completed portions of the roads.

Financial funding procurement: Stage and timing

Funding secured from the DBSA.

Procurement process: Stage and timing

EPC: contract awarded

O&M: contract awarded

Water

26. All member states: Capacity Enhancement in Infrastructure Project Preparation, Resource Mobilisation and Piloting
27. All member states: Institutional reforms to reduce operational inefficiencies of Municipal water service providers in the Capital Cities of the SADC Member States
28. All member states: Institutional Reforms for RBOs, River/Water Authorities and Utilities
29. All member states: Monitor water pollution in reservoirs and rivers of shared watercourses of SADC
30. All member states: Water Supply and Sanitation at 12 border locations
31. Mozambique: Lomahasha/Namaacha Water Supply & Sanitation
32. Tanzania: Songwe River Basin Development Programme
33. Tanzania: Ruhuhu Valley Irrigation Scheme
34. Namibia: Agriculture Water Management & Food Security - Upper Okavango Basin

Capacity Enhancement in Infrastructure Project Preparation, Resource Mobilisation and Piloting

Project details

Project description

The objectives of this capacity enhancement project is to enable the SADC national/bi-national/RBOs to be fully capacitated so as to be able to develop, prepare and package bankable water infrastructure projects that can be submitted to international financial institutions.

It is intended that the RSAP III Programs, Programs 7, 8 and 9 (Infrastructure Project Preparation, Resource Mobilisation for Infrastructure Development and Infrastructure Piloting respectively) will be rolled out to all the SADC regional/RBO/national institutions that are going to prepare, package, promote, execute, operate and manage the new water sector infrastructure. There will thus be 2 phases to this project; preparation of training manuals and the training itself. The SADC national/bi-national/RBOs will be capacitated in the project preparation, packaging, promotion for funding, execution, operation and management of the new water sector infrastructure within their river basins and countries. This will greatly assist in the successful execution of the SADC water sector RIDMP.

Type

Institutional

Approximate total value of the project

USD 1 m

Expected commencement and completion dates

2012 until 2014

Shareholders

SADC Water Division and the SADC national/bi-national/RBOs.

Transaction Structure

This is a capacity building project and future benefits will manifest in efficient execution of the water sector projects in SADC.

Project contact

Dr. Gift Manase Program Manager, Regional Strategic Water Infrastructure Development Program, SADC Secretariat

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Project Status

No information available.

Institutional reforms to reduce operational inefficiencies of Municipal water service providers in the Capital Cities of the SADC Member States

Project details

Project description

The majority of the capital cities of the SADC region experience high levels of water and revenue losses as a result of inefficient staffing structures, poor billing systems, poor maintenance, non-cost reflective tariffs, aging infrastructure and illegal connections. The poor revenue collection and high levels of water losses have resulted in poor financial sustainability of service provision for most of these municipal service providers. Poor revenue collection for water services remains a major challenge that impacts negatively on sustainable service delivery. In many cases, the government controls the water tariffs, which may be politically motivated, resulting in insufficient funds being available to investment in maintenance and infrastructure. Illegal water connections result in water theft and reduced revenue to municipal water service providers. It is thus important that, whilst focus on developing new sources of water is given, the optimisation of existing water sources, usage and efficient operation and maintenance of existing infrastructure, are also given priority. As an example, purified waste water can be used to water golf courses, parks and sports grounds.

It is expected that revenue streams and the management of the municipal water service providers will be improved with resultant improved infrastructure operation and maintenance.

Type

Institutional

Approximate total value of the project

USD 5 m

Expected commencement and completion dates

2013 to 2014 (24 months) after securing grant finances in 2012.

Shareholders

SADC Water Division and the 15 SADC Member State capital cities water service providers.

Transaction Structure

This is a capacity building project resulting in pre-investment studies for later execution.

Project contact

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Project status

The project is at pre-feasibility stage and currently no funds have been secured, although discussions are currently in progress.

Institutional Reforms for RBOs, River/Water Authorities and Utilities

Project details

Project description

This project's objective is to study and assess the pros and cons of changing the mandates of existing RBOs to gear them for joint infrastructure development or for SPVs to be set up within the River Basin for planning, developing, managing and operating joint infrastructure in the SADC region.

It is understood that the intention of the SADC Revised Protocol on shared watercourses is for shared watercourse institutions to be sufficiently empowered to manage the shared watercourse, bearing in mind the definition of "managing a shared watercourse" which includes infrastructure development, operation and management and protecting the watercourse's biodiversity. Currently, not all the RBOs in the SADC region are focused on infrastructure development. Instead, they have an investigative and advisory mandate with the emphasis being more on determining an overall management system for the basin that balances socio-economic development needs with the need for protecting the basin's biodiversity e.g. OKACOM, ORASECOM, LIMCOM and ZAMCOM. The SADC Institutions that have a mandate for infrastructure development, management and operation are institutions which were created as SPVs to execute particular projects e.g. KOBWA, ZRA, and LHDA. Against this background, it will be investigated whether, for river basins where there is a significant development potential, the core business of the RBOs should be oriented towards the preparation, development, implementation, management and operation of the SADC's water sector RIDMP projects.

The SADC RBOs will have legal and financial capacity to raise financing independent of the watercourse states and will have the mandate for infrastructure development, management and operation over and above their current investigative and advisory roles. Where these arrangements cannot be instituted, then SPVs can be created for infrastructure development, operation and management.

Type

Institutional

Approximate total value of the project

USD 0.1 m

Expected commencement and completion dates

2013 until 2014

Shareholders

SADC Water Division, the SADC RBOs, River/Water Authorities and Utilities

Transaction Structure

This is an Institutional Reform Project and grant finances will be sought.

Project contact

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Project status

The project is at pre-feasibility stage and currently no funds have been secured.

Monitor water pollution in reservoirs and rivers of shared watercourses of SADC

Project details

Project description

The objective of the project is to:

- Obtain information on the water quality of the SADC water resources;
- Identify the polluters, sources of pollution and pollution “hot spots” to enable corrective action to be taken; and
- Improve on data sharing amongst the riparian states of the SADC shared watercourses.

The SADC region has witnessed increased developments in the mining and irrigation sectors in recent years. The planning and implementation of these developments have occurred with little or no coordination among stakeholders in the neighbouring states sharing watercourses. The concomitant environmental impacts characterised by increasing levels of water pollution have also not been addressed at the river basin level.

While this proposed project is not an infrastructure development project per se, it is an initiative that will inform the extent of the effect to which the development and utilisation of water resources linked infrastructure will have and has had in each of the 15 SADC shared watercourses. Polluted water is more expensive to use as it requires treatment. In some cases reservoir waters become unusable, with negative consequences to ecosystems and the environment. Further, the polluters and the “hot spots” in respect to pollution will be identified and highlighted facilitating corrective action. The data collected on water resources management and pollution will also be of importance in the debates on equitable water allocation across all user sectors in these shared watercourses. Critical aspects to be monitored and reported upon include: water pollution, soil loss and sustainable development. Data sharing amongst the riparian states will be imperative if sustainable water resources management is to be achieved in these shared watercourses.

Details of pollution sources, polluters and pollution “hot spots” will assist in the better management of the shared watercourses, improvement in the water quality of the SADC surface and ground waters as well having sufficient information to enforce pollution control regulations.

Type

Institutional

Approximate total value of the project

USD 15 m

Expected commencement and completion dates

2012 until 2016

Project Owners

The Departments with the water quality responsibility in each of the SADC shared watercourse riparian states as well as the appropriate RBO Secretariat.

Transaction Structure

This is a study with infrastructure requirements being the construction of water quality monitoring stations.

Project contact

Dr. Gift Manase Program Manager, Regional Strategic Water Infrastructure Development Program, SADC Secretariat

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Transaction Advisor

No information available.

Pre-feasibility

ToR for the project and identification of polluters and “hot spots” should be completed in 2013.

Feasibility

Detailed designs and tendering for construction for any necessary monitoring stations is planned for 2014.

Financial funding procurement: Stage and timing

Currently in progress.

Procurement process: Stage and timing

Procurement of equipment and instruments and the construction of the monitoring stations is expected to start in 2015 and be completed by 2016. Monitoring and reporting would commence thereafter.

Water Supply and Sanitation at 12 border locations

Project details

Project description

To provide a safe and adequate water supply and sanitation services to 12 border towns so as to improve the quality of life, serve regional tourism, transport and mitigate against cross border water borne diseases in these border towns and surrounding areas.

The towns and their border locations are: Kazungula-Kasane (Zambia-Botswana), Siavonga-Kariba (Zambia-Zimbabwe), Luangwa-Zumbo-Kanyemba (Zambia-Mozambique-Zimbabwe), Chanje-Maluera (Zambia-Mozambique), Chipata-Mchinji (Zambia-Malawi), Nakonde-Tunduma (Zambia-Tanzania), Mpulungu-Kasanga-Mutungu (Zambia-Tanzania-DRC), Nchelenge-Kilwa (Zambia-DRC), Kalabo-Musssuma (Zambia-Angola), Kasumbalesa-Kasumbulesa (Zambia-DRC) and Chavuma-Caripande (Zambia-Angola). The project will undertake new investments as well as rehabilitation of water supply and sanitation facilities in the cross-border towns. New protected wells, boreholes and VIP latrines will be constructed during the project period. Existing water supply and sanitation facilities that are not functioning properly will be rehabilitated. This will ultimately increase access to safe water and sanitation services which is currently low in these border towns. The project will also serve regional tourism, transport and mitigate cross border water borne diseases in the border towns and surrounding areas.

The 6,000 boreholes will serve an estimated 720,000 people whilst the 3,500 rehabilitated boreholes will serve an estimated 420,000 people. The 310,000 latrines will serve an estimated 1.9 million people. Some of the cross-border locations like Siavonga-Kariba have piped water supply and sanitation services. It is estimated that a total of 250,000 people will benefit from expansion and rehabilitation of such existing water supply and sanitation services carried under this project.

This project is expected to construct 6,000 boreholes and re-habilitate 3,500 boreholes and wells by the year 2015 and improve the existing water supply and sanitation services at these 12 locations. Under sanitation, 310,000 latrines will be constructed. The project will also serve regional tourism, transport and mitigate against cross border water borne diseases in border towns and surrounding areas.

Type

Water supply and sanitation

Approximate total value of the project

USD 165 m

Expected commencement and completion dates

2012 until 2020

Project Owners

Governments of DRC, Tanzania, Malawi, Mozambique, Zimbabwe and Angola.

Transaction Structure

Investment Project financed as a BOT, Grants or from Loans

Project contact

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Transaction Advisor

No information available.

Pre-feasibility

Pre-Feasibility studies and a comprehensive Environmental and Social Impact Assessment need to be completed by 2013.

Feasibility

After consensus on the project is achieved with the other project riparian states, feasibility studies would follow in 2014.

Detailed Designs and tendering for construction will then be done in 2015. Implementation and construction of the associated project components is expected to then start in 2016 and will be completed by 2020.

Financial funding procurement: Stage and timing

No information available.

Procurement process: Stage and timing

Current planning as set out above.

Lomahasha/Namaacha Water Supply & Sanitation

Project details

Project description

The purpose of the project is to provide a reliable and adequate water supply and sanitation services to Lomahasha in Swaziland and across the border serving the Namaacha area of Mozambique.

It is anticipated that a dam with a storage capacity of 300 x 106 m³ will be constructed to supply a total population of 100 000 people with a safe drinking water supply and sanitation service as well as irrigating 1,000 hectares of land.

The project aims to:

- Improve health of the residents;
- Promote economic activity;
- Create employment opportunities;
- Increase food security and reduction of poverty; and
- Provide additional revenue for the water utilities.

The project began as the Siteki Lomahasha water supply project, funded under the Government of Swaziland capital projects budget. Due to the financial constraints, the Corporation concentrated on the Siteki component which is now almost complete. Fiscal constraints also resulted in the suspension of the Lomahasha component, pending further identification of infrastructure funding possibilities.

Type

Water supply and sanitation infrastructure

Approximate total value of the project

USD 31 m

Expected commencement and completion dates

Project preparation start date: 2013

Expected project completion date (COD): 2017

Ownership and stakeholders

Government of Swaziland (DWA), Government of Mozambique (DNA) and Government of South Africa

Transaction Structure

A PPP structure is likely to be implemented.

Project contact

Mr Helio M J Banze

Deputy National Director, Ministry of Public Works and Housing, Mozambique

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Government support (actual approval stage)

The tripartite inter-governmental agreement between the governments of Swaziland, Mozambique and South Africa has been signed.

The project was discussed in the last meeting of the Tripartite Permanent Technical Water Commission (July 28th, 2011) in Maputo.

Advisor

A technical/transaction advisor is required and has not yet been appointed.

Pre-feasibility

ToR for the feasibility study and development of PPP models has been finalised. Funds have been secured to conduct the feasibility study.

Feasibility

Not yet commenced.

Commercialisation

No agreements concluded.

Financial funding procurement: Stage and timing

Funding in the amount of USD 2 m for the completion of feasibility studies has been secured.

Procurement process: Stage and timing

Tendering for construction is planned for 2014. Implementation and construction of the associated project components is expected to start in 2015, to be completed in 2017.

Songwe River Basin Development Programme

Project details

Project description

The overall goal of the Songwe River Basin Development Program is to contribute to improved living conditions of the basin population and the socio-economic development in the two countries, Malawi and Tanzania. The specific objective is to prepare and design joint investment projects for implementation and to create an effective enabling environment for transboundary water resources management in the Songwe River Basin through the creation of the Songwe River Basin Authority.

The project is structured in five components:

- 1 Preparation of a shared vision towards 2050 and a 10 year Songwe River Basin Development Program (SRBDP);
- 2 Detailed design and preparation of priority investments;
- 3 Performance of a Strategic Environmental and Social Assessment and Environmental and Social Impact Assessment for the Program;
- 4 Establishment of a Songwe River Basin Authority and associated integrated water resource management capacity building at local level; and
- 5 Support to project management and resource mobilisation for the implementation of capital investments under the program.

In respect of water sector infrastructure development projects, the Songwe River Basin Development Project will construct the Lower Dam with a capacity of 10 x 106 m³ which will irrigate approximately 200 ha and also generate about 153 MW of electricity. It is estimated that the project will benefit approximately 250,000 people who will also have improved water supply and sanitation services.

Type

Irrigation water supply, sanitation and hydropower generation

Approximate total value of the project

Between USD 425 m and USD 505 m

Expected commencement and completion dates

The construction phase for all the projects under this umbrella is estimated to take 10 years.

Sponsors and stakeholder

Governments of Malawi and Tanzania

Transaction Structure

Still to be determined however, private sector participation for the construction of dams and irrigation schemes as well as capacity building will be procured. In addition, private sector participation for the construction of the power plant is also under consideration.

Project contact

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Name: Mrs Modesta Lennie Kanjaye

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Email: mkkanjaye@malawi.net

Government support (actual approval stage)

This project has the support of both the Ministry of Irrigation and Water Development (Malawi) and Ministry of Water and Livestock Development (Tanzania). As such, a MoU for a detailed design phase and investment preparation has been signed between the governments of Malawi and Tanzania.

Transaction advisor

For all the packages in this project, consultants have been appointed for the feasibility studies which are currently in progress. Financial advisors have not yet been appointed.

Pre-feasibility studies

Completed

Feasibility studies

A feasibility study was undertaken in 2002 and 2003. This is currently being updated in conjunction with the implementation of the design phase as stated above. The design phase is planned to span approximately two years from October 2012 to September 2014.

The Environmental Impact Analysis has been undertaken and documented.

Commercialisation

Hydro power is the main contributor to the financial viability of this project and as such, makes the total project economically viable. The other projects are mainly for flood relief purposes as well as provision of irrigation water to the communities of Malawi and Tanzania.

Power purchase agreements have not yet been concluded.

Financial funding procurement: Stage and timing

Funding for the completion of feasibility studies have been secured.

Procurement process: Stage and timing

Tendering for construction is projected to commence in 2014, subject to funding.

Implementation and construction of the associated project components are expected to start in 2015, for completion in 2021.

Private sector participation will be required for the construction of the dam, irrigation, hydropower construction and capacity building.

Ruhuhu Valley Irrigation Scheme

Project details

Project description

This project entails the development of an irrigation scheme along the Ruhuhu Valley, specifically the Lituhi (2,400 ha) and Manda (700 ha) Irrigation Schemes on the left and right banks of the river respectively.

This irrigation project is expected to have qualitative benefits in terms of social goods and services. The anticipated outcome of the increased agricultural produce will be to increase food security, alleviate poverty, reduce rural–urban migration and generally improve standard of living of the people in and around the project area. Farm activities in the developed area are expected to attract hired labour hence providing employment to a number of the otherwise jobless people.

The project components are the construction of a dam and road at Kipingu which will serve both sides of the river. The irrigation scheme will include canals and drains, earthworks, lining of the main canal, service roads and bridges, environmental protection and management, as well as farmers' training.

It is estimated that the capacity of the dam will be $25 \times 106 \text{ m}^3$ and the water stored will further meet the domestic water supply and sanitation needs of 15,000 people.

Type

Development of irrigation scheme and supporting infrastructure

Approximate total value of the project

SADC in conjunction with Tanzania estimate the total project cost to be USD 6 bn.

Expected commencement and completion dates

Projected project preparation start date: 2014

Expected projected completion date (COD): 2018

Stakeholders

Ministry of Agriculture, Food Security and Cooperatives in Tanzania.

Transaction Structure

Social infrastructure project to be financed by grants or potentially loans.

Project contact

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Government support (actual approval stage)

A Task Force involving the Districts of Mbinga and Rudewa (which shares the River as the border), and the Ministry of Agriculture, Food Security and Cooperatives has been established to oversee the implementation of the project feasibility study in accordance with the Agricultural Sector Development Program (ASDP). The Government is fast tracking this project which will also put in place a bridge linking these two districts which have high agricultural potential.

The Government of Tanzania has budgeted USD 925 000 for the initial phases of the Project.

Transaction/technical advisor

Not yet appointed however process to appoint is planned to commence in April 2013.

Pre-feasibility studies

ToR for the feasibility studies have been finalised.

Feasibility studies

Feasibility Studies are planned to be undertaken in 2013 and USD 500 000 has been secured from the Tanzanian Government.

Commercialisation

Not yet commenced.

Financial funding procurement: Stage and timing

Funds have been committed for the feasibility study, detailed engineering design and preparation of tender documents for construction of a dam cum bridge across Ruhuhu River & Irrigation Development.

Procurement process: Stage and timing

Procurement for consultants to conduct the feasibility study, deliver the detailed engineering design and prepare tender documentation is expected to commence in April 2013.

Agriculture Water Management & Food Security – Upper Okavango Basin

Project details

Project description

The objective of this cross border water infrastructure and capacity building project is to identify and disseminate technical knowledge of improved approaches to water management and agriculture.

Type

Institutional capacity building

Approximate total value of the project

USD 66 m (Provisional allocation of funding – Angola USD 38 m, Namibia USD 28 m).

Expected commencement and completion dates

No planned start date as the project will only start once the required funding is available and approved. The project is expected to take 5 years to complete.

Stakeholders

The Ministry of Agriculture in Angola and the Ministry of Agriculture, Water and Forestry in Namibia.

Transaction Structure

Public Sector project by the Governments of the participating countries.

Project contact

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Government support (actual approval stage)

At this stage no formal agreement is in place between the Namibian and Angolan Governments to proceed with the cross border project.

Transaction/technical Advisor

No advisors appointed and there is no plan to do so unless funding is available.

Pre-feasibility

Completed.

Feasibility

Not yet commenced.

Financial funding procurement: Stage and timing

Government of Namibia in progress to source funding for its contribution. Government of Angola has committed its contribution.

Procurement process: Stage and timing

Not yet commenced.