4. Luapula Hydropower Project

Project description and objectives

The Luapula Hydropower project is located on the Luapula river and consists of **hydropower plants and transmission line construction** at three sites: Mumbotuta CXb, Mambilima Vb, and Mambilima Y, with an estimated **total installed capacity of 789 MW**. The **project objectives** are to:

- **Provide clean energy** by contributing to sustainable industrial and economic development in DRC and Zambia
- **Reduce** the current levels of **power deficits** in DRC and Zambia
- **Increase access** to electricity to various parts in DRC and Zambia
- **Improve the network stability** in the southern region of DRC and the Northern region of Zambia
- **Contribute to increase** in Southern African Power Pool (SAPP) energy market **capacity**.

Map of Three Potential Sites

[Link: https://www.dakarfinancingsummit.org/projects/luapula-hydroproject]

Project status

The project has completed Pre-feasibility stage and is progressing to **Feasibility stage**. In **2021** (S2B), due to challenges in raising the required amount of grant funding for the three sites, the Project Sponsors selected to **commence technical studies** on the **most economically viable site**.

Financial needs

- **Project Cost Estimate**: USD 540 Million
- **Feasibility**: USD 7.5 Million
- **Project Structuring**: USD 1 Million
- **Transaction Support and Financial Close**: USD 1 Million.

Key parties

- Private sector opportunities
  - There is strong track record of private participation in hydropower generation in both DRC and Zambia, and both countries have an adequate legal/regulatory framework for private investments in infrastructure.

Implementation timing

[Diagram showing implementation timeline]

- Zambia and DRC signed an intergovernmental memorandum of understanding
- **2015**: Pre-feasibility study undertaken and associated environmental screening study
- **2019**: TOR prepared to do a full Feasibility Study
- **2021**: Feasibility Study
- **2024**: Financial structuring plan developed
- **TBD**: Project Structuring
- **TBD**: Further steps to be defined
- **Financial close**