3. Construction of the Dam and Development of the Palambo Hydroelectric Plant

Project description and objectives

The project comprises the construction of a dam to regulate the Ubungi and Congo rivers flow downstream of Bangui, mainly during the low water period, and a hydroelectric plant to serve the CAR’s capital and the neighbouring area.

The project objectives are to:

- **Produce** and ensure a regular and sufficient supply of electricity to Bangui and its immediate area as well as areas of Congo and DRC
- **Improve the navigation** in the Oubangi River, and consequently fluvial transportation between Bangui and Brazzaville and Kinshasa
- **Promote the development of economic activities** and services in Bangui and the DRC by the permanent supply of electricity to companies
- **Contribute** to the multimodal transport Corridor 13, part of the Central African Consensual Transport Master Plan
- Enable the Water Transfer project From the Oubangi to Lake Chad.

Project status

**Pre-feasibility studies were done in 1990** by SOGREAH, part of ARTELIA, an important French engineering company

Feasibility Stage (S2B) has not been launched yet; deficiency of funding is identified as the reason for the lack of progress so far

Financial needs

In the short term, financing is required to do the feasibility study (USD 3 Million) and the Transaction Support and Financial Close (USD 10 Million)

Key parties

Private sector opportunities

All involved countries have an advantageous PPP regulatory framework, including DRC that shows a relevant track record of hydropower projects and, in consequence, a big PPP potential.

Implementation timing

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<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
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<tbody>
<tr>
<td>1999</td>
<td>Set up of steering committee</td>
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<tr>
<td>2010</td>
<td>Feasibility Study on the Water Transfer Project from to Lake Chad (Palambo Dam covered)</td>
</tr>
<tr>
<td>2012</td>
<td>Palambo Dam Feasibility Studies</td>
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<tr>
<td>2025</td>
<td>Project Structuring</td>
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<tr>
<td></td>
<td>Transaction Support and Financial Close</td>
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<tr>
<td></td>
<td>Tendering and construction</td>
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<td>Starts operation</td>
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* To be determined
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