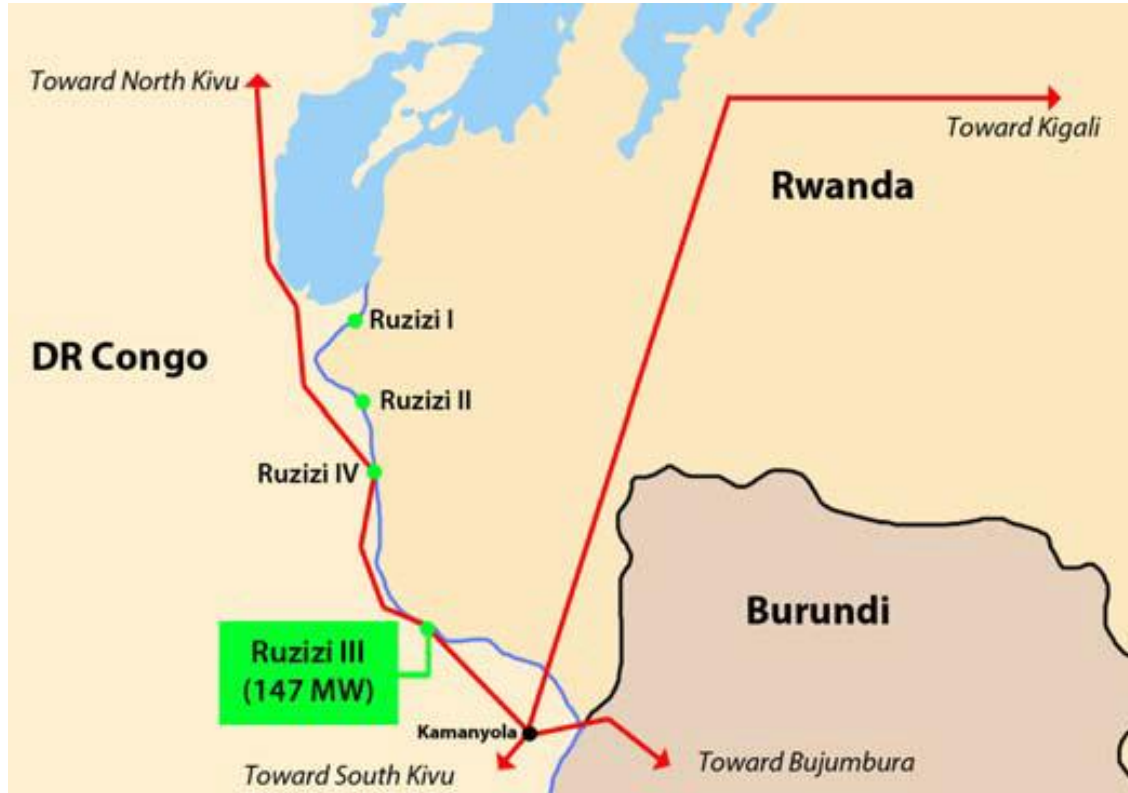




GREAT LAKES ILLUSTRATIVE PROJECTS

RUZIZI III HYDROPOWER PROJECT 147 MW



Project Country (ies)	Rwanda, DRC, Burundi
Project Sector	Energy/ Electricity (hydro power)
Project Source/Sponsor/Funder(s)	CEPGL/ ECGLC (Sponsor); PPP-private investor/World Bank Group; EIB; AFDB; AFD; KFW and EU
Investment Opportunity	Design; engineering and independent power production concession
Stage of Project:	All feasibility studies completed / Preferred Bidder appointed
Type of Project:	Energy, PPP
Duration of Project:	Estimate 36 months to develop
Cost of Project:	Approx. US\$600 million
Funding Available:	Sponsors equity, DFI's concessional credits and grants, Commercial Lenders, Government funding
Funding Gap:	None



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Description of the Project

Ruzizi III is a 147MW run-of-river hydropower plant on the Ruzizi River at the border between DRC and Rwanda, associating Burundi. The project is being implemented by EGL, the Energy Commission of the Great Lake Countries (DRC, Rwanda and Burundi). Multiple donors and DFIs are involved in the project in different capacities: EIB (historic lead), AFD, AfDB, DBSA, EU, KfW, and WBG. Sithe (Blackstone group)/IPS (Aga Khan) was selected as developer in 2012.

The project will supply electricity in equal proportion to Rwanda; Burundi and the Kivu region of the Democratic Republic of Congo (DRC). As a run-of-the-river hydro-project type this will also allow for the control of the water level in the river basin. By ensuring reliable and affordable electric power, the Ruzizi III Hydropower Plant Project will increase the region’s access to electricity by 300% thereby contributing to the sustainable socio-economic transformation of the region.

The current proposal is for the total project cost of approximately \$625m to be funded by Sponsors’ equity, Government equity, Concessional funds and Commercial debt. In December 2015 the African Development Bank confirmed the approval of \$188m of funding for the project.

The parties are currently in negotiations for financial close. Key funders are busy with due diligence of studies and final approvals are expected in 2016.

There are a number of key issues which make the success of this project:

- Government is likely to be an equity participant in the project;
- Discussions are being held to allow certain pre-financial close development costs to be guaranteed or reimbursed should the project not reach financial close. This support is to be provided by the Government and DFI’s;
- Concessional funds are to be used to improve tariff sustainability;

Further Information

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