



# nile basin discourse

## one Nile, one family

### THE NELSAP POWER INTERCONNECTION PROJECTS FACT SHEET

Advocacy Office  
Nile Equatorial Lakes Sub Region

#### Background

The Multinational Interconnection of Electric Grids of the Nile Equatorial Lakes Countries Project is one of the NELSAP Power Projects within its power development program. The interconnection projects are a pool of several investment projects that are multinational in nature and consists of construction of 440, 220 and 110 KV transmission lines and Substations to interconnect the electric grids of the Nile Equatorial Lakes (NBI) countries of Burundi, Kenya, Democratic Republic of Congo(DRC), Rwanda and Uganda.

#### Financing Mechanisms

The projects are financed separately under different financing mechanisms under three project portfolios. The projects seek to improve the living conditions of the people, as well as the quality of the socioeconomic development environment of the region, based on the availability of affordable electric energy and access by the communities to electricity through increased cross-border electric power trade. NELSAP has to date mobilized about USD 383 million for the Project from African Development Bank, JICA, European Union, the Government of Norway, Government of Germany through KfW and Government of the Netherlands. African Development Bank is the lead financier but other development partners have also made significant contributions including the European Union and the Government of Norway. In addition, the 5 national governments also finance the social safeguard measures of resettlement and compensation in the projects.



#### Scope of Projects and Financing Partners

Project	Scope
1. Kenya (Lessos)-Uganda (Bujagali) Interconnection	220 KV 256km financed by AfDB/AfDB
2. Uganda (Mbarara)-Mirama- Rwanda (Shango) Interconnection	220 KV 172 km financed by AfDB/JICA
3. Rwanda (Ruzizi III) – DRC (Goma)	220 KV financed by AfDB
4. Rwanda (Ruzizi III) – Burundi (Bujumbura)	220 KV 142 km–financed by AfDB/KfW
5. Rwanda (Birembo –Shango-Gisenyi-Kibuye)-DRC(Goma) Interconnection	220 KV 200km financed by AfDB/KfW/Government of Netherlands
6. The Rusumo Transmission project	Strengthening the existing regional interconnected system (Burundi +Rwanda) and create new regional interconnection with Tanzania. WB is financing feasibility at a cost of Euro 357,144.
7. Kenya – Tanzania Power Interconnection	400 KV transmission line starting from Isinya substation to Singida in Tanzania through Arusha. Financing of the study: USD 3.4 million by Norway.
8. Iringa – Mbeya Transmission line in Tanzania	Reinforcement of the Tanzania grid and extend 400 KV Tanzania Backbone Iringa – Shinyanga (Northern West) and Kenya – Tanzania Interconnection towards Zambia.
9. Uganda – DR Congo (Beni - Bunia) Power Transmission Line	Objective is to build a high voltage transmission line from Nkenda Western Region of Uganda up to Bunia via Beni in the North Eastern region of the D R Congo studies to be financed by Norwegian Government.



## Implementation Arrangements

- Countries are implementing the projects through their national power utilities in charge of transmission ie; Energy, Water and Sanitation Authority (EWSA), Rwanda; Uganda Electricity Transmission Co.Ltd (JETCL); REGIDESO(Burundi); Kenya Transmission Company Limited (KETRACO), TANESCO in Tanzania and SNEL in DRC.
- National Project Implementation Units have been established.
- Regional Project Coordination Unit (PCU) has also been established at NELSAP-CU since February 2010.
- Project Steering Committee and Project Technical Committees are in currently place.

## Key Challenges:

### 1. Modeling of Transmission Interconnection

The project scope of the Interconnection project of the grids of 5 countries in the first portfolio of projects has changed since the feasibility study in 2007 and hence needs to be remodeled to adjust the projects. However, some of the changes have cost implications such as the project design changes in Uganda which will now be financed by ADB.

### 2. Commercial Rules of Practice

Regardless of whether cross border trade takes place based on a cooperative or competitive framework, it is important for a clear, transparent and harmonized set of commercial rules of practice to be put in place and adhered to by the interconnected national power utilities aiming at:

- Setting up a commercial framework for energy exchange/trade
- Agree on pricing principles
- Agree and set technical standards
- Oversee and settle transactions
- Arbitrate between the power utilities

Under the NBI Grant is an unfunded component on consultancy services for setting up regional guidelines for energy trade that AfDB needs to consider financing to meet this requirement

### 3. Capacity Building

There is need to assess if each country has the necessary capacity to plan, build, operate, and manage cross border interconnection to ensure system efficiency and reliability sustainability. Without the necessary capacity to plan, build, operate and manage cross-border electricity interconnections, system efficiency and reliability cannot be sustained. Capacity building activities should target the issue of harmonization. The Capacity development of Civil Society Actors should form a key element of this intervention

Additional information on these projects are available on <http://nelsap.nilebasin>.



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