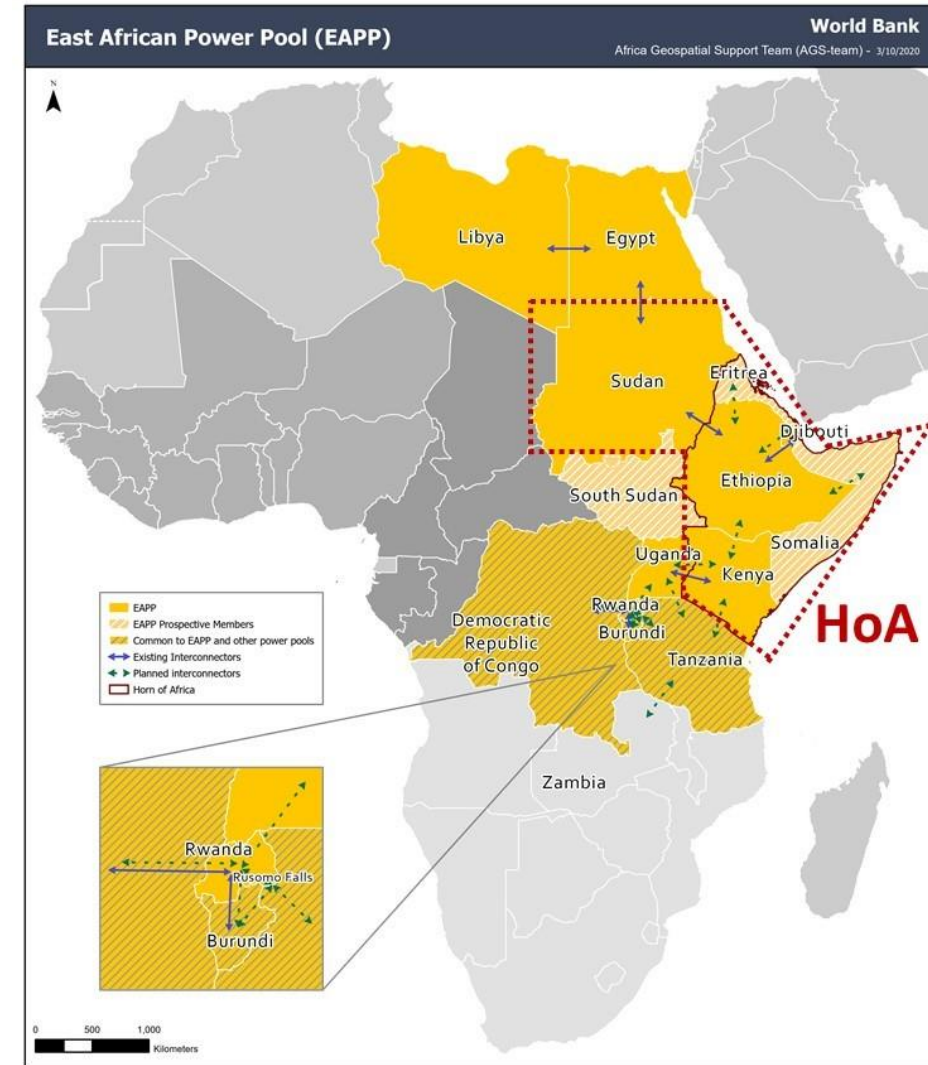


2nd Horn of Africa Initiative Regional Power Trade Technical and Coordination Workshop

APRIL 11, 2022

World Bank Support for Regional Power Trade in Eastern Africa

- The region can benefit substantially from power trade to lower overall costs of supply
- Efficient enabling frameworks, and credible institutions are critical
- WB has a comprehensive package of support to the EAPP and HoA region focused on the development of regional power trade. Including technical assistance being implemented by EAPP GS:
 - a \$10 million IDA grant under the Tanzania-Zambia interconnector project, and,
 - a \$5 million project preparation grant for the HoA RISES project
 - more than \$7 million in bank-executed TF resources
- With critical infrastructure being developed, there is increased focus on the enabling soft infrastructure, institutional strengthening and stakeholder outreach.
- Critical agreements/decisions around institutional arrangements and design are needed with active participation of EAPP member countries.
- Sustained regional coordination and active participation of member countries, is needed
- **The World Bank remains committed to supporting the EAPP and its members in advancing this strategic and important agenda**



Horn of Africa Regional Integration for Sustainable Energy Supply (HoA RISES) Project

Project Rationale

- An integral part of the HOA Initiative to enhance regional integration infrastructure
- Lower supply costs (e.g., Sudan, Djibouti, Somalia) and generate revenue (e.g., Ethiopia)
- Promote peace by extending energy services to the most fragile, vulnerable population in HOA borderlands
- Reap significant climate co-benefits

Proposed Project Objectives and Scope

- HoA RISES aims to enhance regional integration of energy supply and to improve energy access in the borderlands in Horn of Africa region including **Ethiopia, Kenya, Djibouti, Sudan** and **Somalia**
- The following components comprise the proposed project:
 - Component 1: New interconnector infrastructure and strengthening existing interconnector between Ethiopia-Sudan, US\$509m
 - Component 2: Energy access in the borderlands through off-grid solar, mini-grids, grid infrastructure, clean cooking solutions, US\$60m
 - Component 3: Technical assistance and capacity building for regional power integration, and financing preparatory assessments for prospective Ethiopia- Somalia interconnectors, US\$6m
 - Component 4: Project preparation and implementation support to regional implementing agencies (EAPP, IGAD) and project countries, US\$25m
- Total estimated project cost is **\$600m**. Project is currently under preparation and planned for **FY23**.

Expected Project Outcomes

- Increase carrying capacity for power trade 2000-3000MW through regional interconnectors
- Create scalable market for access to modern energy services for last-mile communities in the borderlands

