

Background Note - **The Lobito Corridor**

Draft



**OECD
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**Making Connectivity Work for
Resilient Global Value Chains**

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The Lobito Corridor

Background note

Key findings

- The Lobito Corridor is a transformative infrastructure initiative aimed at enhancing connectivity between Angola, the Democratic Republic of Congo (DRC), and Zambia. By linking mineral-rich regions to global markets via the Atlantic, the corridor reduces dependency on alternative transport routes such as the TAZARA railway and Beira port, improving trade efficiency and economic integration.
- The corridor plays a crucial role in reshaping Africa's critical mineral supply chains. With growing interest from key importers of critical minerals—including the U.S. and EU—seeking to establish alternative transport routes, the Lobito Corridor presents an opportunity for regional economies to maximise the value of their mineral exports while diversifying partnerships and reducing reliance on single markets.
- To unlock its full potential, the Lobito Corridor requires substantial investment in infrastructure, including rail modernisation, port expansion, and streamlined customs processes. Effective governance and coordination among Angola, DRC, and Zambia are essential to ensure sustainable development, attract responsible investment, and foster regional economic growth.

Executive summary

The Lobito Corridor is a 1 300 km rail and infrastructure project stretching from the Angolan port of Lobito to mining regions in the Democratic Republic of the Congo (DRC) and Zambia. It is poised to spur trade, industrialisation, and regional integration across Southern Africa. The project provides an alternative route to transport minerals such as cobalt and copper, helping to diversify mineral supply chains in the region. Backed by multilateral investments exceeding USD 10 billion from the United States, European Union, African Development Bank, and private sector consortia, the Corridor is not only strengthening and diversifying trade links but also creating opportunities for industrial hubs, agro-processing zones, and renewable energy value chains.

Despite its promise, the Lobito Corridor faces significant operational and policy challenges. Rising transport costs and geopolitical tensions, weak regulatory alignment, inadequate soft infrastructure, and legacy issues such as landmine contamination and environmental degradation pose risks to its sustainability and inclusivity. Governance complexities across Angola, the DRC, and Zambia require harmonised customs, trade, and transport regulations to ensure smooth cross-border logistics. Moreover, achieving equitable access to infrastructure and protecting local communities from the adverse effects of mineral-centric development remain crucial for long-term social and economic benefits. Strategic cooperation through institutions like the Southern African Development Community (SADC) and the African Continental Free Trade Area (AfCFTA) will be essential to overcome these hurdles and maximise regional gains.

The OECD is working to facilitate the success of the Lobito Corridor through policy guidance, capacity building, and high-level convening. By promoting environmental, social, and governance (ESG)

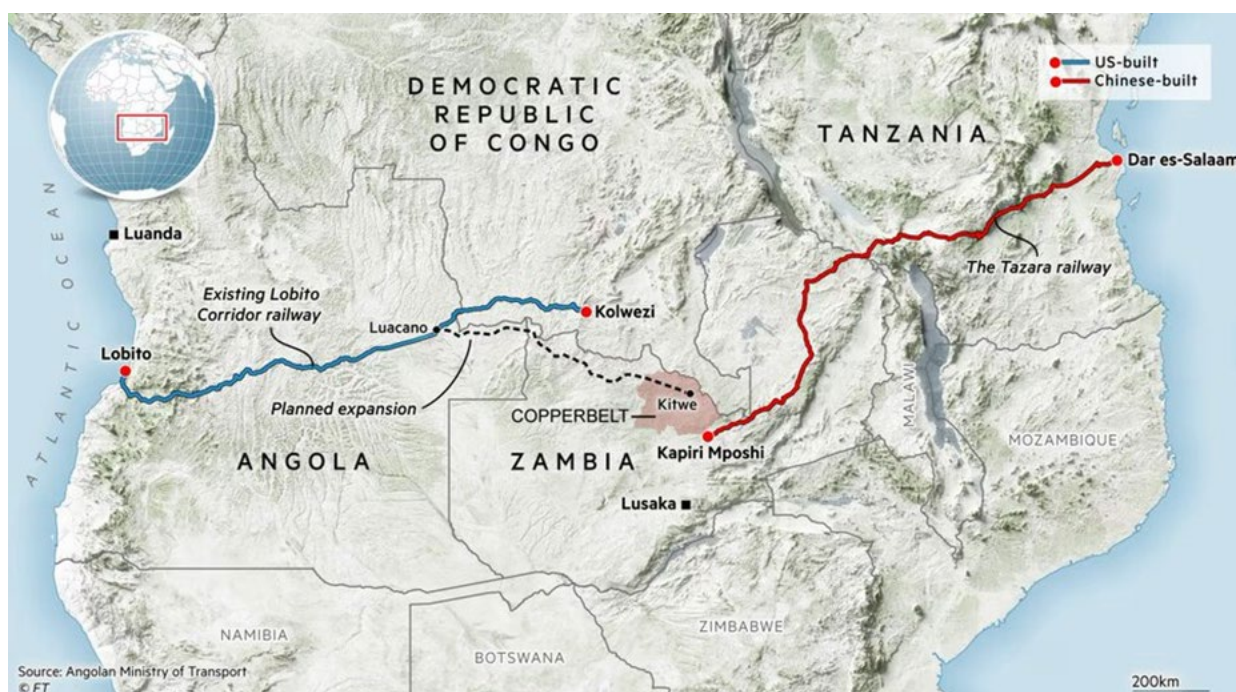
standards, supporting responsible mineral value chains, and enhancing regional coordination, the OECD can support Angola, the DRC and Zambia to unlock the full developmental potential of their mineral wealth.

Context

Background

Originally developed as the Benguela Railway and completed in 1931, the Lobito Corridor was once central Africa's main export route for minerals, connecting landlocked countries to the Atlantic (see **Figure 1**).¹ Decades of civil conflict in Angola (1975–2002) caused severe damage to the railway, reducing operations to just 34 km and shifting Zambia's copper exports to the Beira and Dar es Salaam corridors.²

Figure 1. Lobito Corridor Map



Source: [Financial Times](#), 2024

Reconstruction of the railway began in 2004 under a USD 2 billion oil-for-infrastructure deal with China, leading to full rehabilitation by 2014.³ The upgraded railway features 67 stations, a design speed of 90 km/h, and capacity for 20 million tons of cargo and four million passengers annually—although actual usage has lagged expectations.⁴ (See Keybox Country Profiles for Angola, DRC, and Zambia.)

Today, the corridor is regaining its strategic role as a vital trade and transit route for copper, cobalt, and other critical minerals, offering an alternative to eastward routes like TAZARA. Its broader development

¹ Financial Times, [The US-backed railway sparking a battle for African copper](#), 2024

² Ibid.

³ World Bank, [Building Bridges : China's growing role as infrastructure financier for sub-saharan Africa](#), 2019

⁴ UNDP, [Potential Impact of the Lobito Corridor and Support to the Regional Transformation Agenda](#), 2024

includes investments in road, energy, and digital infrastructure, positioning it as a catalyst for regional integration, industrialisation, and agricultural diversification. With an estimated cost exceeding USD 10 billion⁵, the project aims to bridge Africa’s infrastructure gap while promoting job creation, food security, and post-conflict recovery across participating countries.

Country Profiles

Country	Key Minerals	Critical Minerals Strategy/Recent Developments
Angola	Diamonds, Rare Earth Elements (REEs), Copper, Cobalt, Lithium	Angola is diversifying beyond oil and diamonds, promoting critical minerals exploration and processing. The government is enhancing mining regulations, attracting foreign investment, and seeking strategic partnerships to develop local value chains.
The Democratic Republic of Congo	Cobalt, Lithium, Tantalum, Tungsten (3Ts), Copper, Tin	The DRC holds the world’s largest cobalt reserves, around 70%, ⁶ and ranks as the world's second-largest copper producer . The government is working on policies to improve governance, local beneficiation, and attract ethical investment while reducing dependency on Chinese processing.
Zambia	Copper, Nickel, Manganese, Cobalt	As one of the world’s top ten largest copper producers, Zambia is strengthening policies to boost value addition, encourage local smelting and refining, and attract Western investment. Zambia is Africa's second-largest copper producer after Democratic Republic of Congo and the country is positioning itself as a major supplier in clean energy and EV industries.

⁵ Financial Times, [The US-backed railway sparking a battle for African copper](#), 2024

⁶ USGS, [Mineral Commodity Summary](#), 2024

Box.1. The TAZARA Railway – Key facts

Historical Importance and Current Decline

The TAZARA Railway, built in the 1970s with a USD 500 million interest-free loan from China under Mao Zedong, was once a symbol of African independence and Sino-African cooperation. It was designed to help landlocked Zambia export its copper and other resources through Tanzania's port of Dar es Salaam, bypassing white-controlled apartheid-era Southern Rhodesia (now Zimbabwe) and South Africa. However, decades of underfunding, mismanagement, and infrastructure neglect have left it operating at a fraction of its former capacity. Trains frequently face delays, breakdowns, and slow journey times, frustrating passengers and businesses that rely on the railway.

China's Revitalisation Plans

Zambia and Tanzania are currently negotiating a USD 1 billion deal with China Civil Engineering Construction Corporation, a state-owned enterprise, to rehabilitate and operate TAZARA. This agreement would place the railway under a long-term concession, allowing CCECC to modernise infrastructure, improve operational efficiency, and enhance regional connectivity. This project is part of China's new approach to African infrastructure investment, moving away from large, debt-financed projects under the Belt and Road Initiative (BRI) toward public-private partnerships (PPPs) and equity investments. By taking a stake in the railway rather than just issuing loans, China hopes to create a sustainable business model while securing direct access to African minerals, particularly copper, which is crucial for the global energy transition.

Strategic Importance and Global Competition

The TAZARA Railway faces renewed scrutiny amid shifting geopolitical and economic dynamics. With the emergence of the Lobito Corridor as a potential alternative, reliance on TAZARA and other existing transport networks, such as the Beira port, is being reevaluated.

As Zambia, a key copper producer, navigates this evolving landscape, major economic players are vying for influence over critical mineral supply chains. While China continues to inject billions into copper and cobalt mining projects, the United States and its allies are fostering independent transport corridors to reduce dependency on traditional infrastructure. In this changing environment, the future of TAZARA will depend on its ability to modernise and integrate with these broader regional development initiatives. Both the Lobito and TAZARA railway projects highlight the increasing interest for African critical mineral supply chains.

Source: Jeune Afrique, [Lobito-Tazara : entre la Chine et les États-Unis, une intense compétition par corridors interposés - Jeune Afrique](#), 2024; Financial Times, [The railway that China hopes will take on the US in Africa](#), 2024

Regional Co-operation and Governance of the Lobito Corridor

The Lobito Corridor is poised to become a transformative trade and development route, strengthening the region's economic integration and enhancing its global competitiveness. However, to fully realise its potential to drive sustainable growth across participating countries, effective governance and policy co-ordination will be crucial in the coming years.

In 2023, the DRC, United States and Zambia signed a Memorandum of Understanding (MoU) to integrate the Lobito Corridor into the electric vehicle battery value chain⁷, underscoring its strategic importance for critical mineral exports. This momentum continued with the signing of the seven-party MoU for infrastructure investment in 2023, followed by the Lobito Corridor Transit Transport Facilitation

⁷ US Department of State, [The United States releases signed MoU with the DRC and Zambia](#), 2023

Agency Agreement in January 2023, supported by the Southern African Development Community (SADC).⁸ This agreement seeks to harmonise policies, develop joint infrastructure strategies, and improve trade facilitation **across** Angola, the DRC, and Zambia.

That same year, the Lobito Atlantic Railway consortium—comprising **Mota-Engil (Portugal), Vecturis (Belgium), and Trafigura (Singapore-based)**—secured a **30-year concession** to operate the railway and its mineral terminal, committing to invest **USD 455 million in Angola and USD 100 million in the DRC**.⁹ The concession is extendable by **20 to 50 years**, conditional on the construction of a **259 km branch line** between **Luacano and Jimbe**, estimated at **USD 1 billion**.

The Lobito Corridor is governed by the Lobito Corridor Transit Transport Facilitation Agency (LCTTFA), headquartered in Angola. This agency coordinates cross-border operations, harmonises policies, and oversees infrastructure development in Angola, the DRC, and Zambia.

International investment and partnerships

Interest in the Lobito Corridor has surged as major global and regional players, including the United States, European Union (EU), African Development Bank (AfDB), and African Finance Corporation (AFC), commit resources to its expansion.

One of the key developments is the United States and EU partnership announced during the G20 Summit in 2023 under the **Partnership for Global Infrastructure (PGII)**.¹⁰ The United States allocated USD 1 billion through the AFC to upgrade the Lobito rail line up to Zambia. Additionally, the African Development Bank has estimated that USD 1.6 billion will be required for the extension work and has committed USD 500,000 while leading further fundraising efforts.¹¹

A significant milestone in the corridor's expansion is the MoU signed between the EU and Zambia in 2023. This agreement focuses on enhancing transport infrastructure, promoting economic development, and facilitating trade under the EU's Global Gateway strategy, which aims to mobilise EUR 300 billion in public and private investments between 2021 and 2027.¹²

Furthermore, the DRC and Zambia have reached an agreement to establish a **regional electric vehicle battery manufacturing hub**.¹³ This development positions the Lobito Corridor as a potential hub for renewable energy technologies, aligning with global trends toward sustainable and green economies.

Key Policy Considerations

Trade corridors are characterised by three core elements: infrastructure (hard infrastructure), institutions (soft infrastructure), and related services, which determine trade and economic performance. It is important to harmonise these dimensions to ensure the success of a corridor. The section leverages the analytical framework of the draft OECD Scoreboard for Measuring Corridors

⁸ European Commission, [Connecting the Democratic Republic of the Congo, Zambia, and Angola to Global Markets through the Lobito Corridor](#), 2023

⁹ Trafigura, [Concession for railway services transferred to Lobito Atlantic Railway in Angola](#), 2023

¹⁰ European Commission, [Connecting the Democratic Republic of the Congo, Zambia, and Angola to Global Markets through the Lobito Corridor](#), 2023

¹¹ African Development Bank, [Press release](#), 2023

¹² European Commission, [Global Gateway: EU signs strategic partnerships on critical raw materials value chains with DRC and Zambia and advances co-operation with US and other key partners to develop the Lobito Corridor](#), 2023

¹³ ECA, [Zambia and DRC sign co-operation agreement to manufacture electric batteries](#), 2022

Connectivity. The Scoreboard is designed to monitor and assess connectivity across multiple countries, namely to evaluate integration into global transportation networks, identify infrastructure gaps and enable evidence-based assessment of policies. It is structured around hard infrastructure, which assesses physical connectivity, and soft measures such as policy, governance, regional cooperation and performance outcomes.¹⁴

This section provides an initial analysis of the necessary steps for the Lobito Corridor to reach its full potential as a trade corridor that promotes regional development, trade and sustainable development across participating countries. It draws from available literature to describe the hard infrastructure, soft infrastructure and performance outcomes to inform a more in-depth application of the OECD scoreboard to the Lobito Corridor.

Hard infrastructure

Significant infrastructure investments are being made to rehabilitate and expand key transport networks along the Lobito Corridor, ensuring improved regional connectivity and trade facilitation. A major component of this initiative is the rehabilitation and expansion of railway links between Zambia and the Lobito Atlantic Railway (LAR). This includes better integration with Zambia Railways and the DRC transport networks, aligning with SADC policies to enhance cross-border interoperability.

To strengthen **rail freight capacity**, LAR has procured an initial batch of 275 new container wagons from Galison Manufacturing in South Africa. Each wagon, weighing 13.5 tons, has a load capacity of up to 60.5 tons and is designed to transport either one 40-foot container or two 20-foot containers.¹⁵ This investment enhances LAR's cargo-handling efficiency, supporting long-term goals of increasing commercial freight volumes.

Additionally, the Lobito-Luau railway is undergoing extensive upgrades to **improve safety, reliability, and operational efficiency**. The project includes the rehabilitation and modernisation of the railway line and supporting infrastructure, as well as the construction of two new freight transit terminals in Lobito and Luau to facilitate cargo handling.¹⁶ Two new passenger train stations are being developed to enhance accessibility, while railway workshops in Lobito, Huambo, Cubal, and Luau are being expanded and maintained to ensure long-term operational efficiency. The rehabilitation of the **Lobito mining terminal** will further strengthen the corridor's capacity for transshipment and bulk cargo handling, while a transport training center in Huambo is being developed to support workforce development and technical expertise within the sector. The right-of-way for the Lobito Corridor is set at 50 meters on each side in urban areas and 100 meters in rural areas, with some sections requiring new greenfield developments to accommodate the expansion.

Complementing the railway improvements, the **road infrastructure** within Angola's Lobito Corridor is undergoing significant rehabilitation to enhance multimodal connectivity. A EUR 381.5 million upgrade is planned to improve road conditions, repair or construct 186 bridges, and strengthen transport links between Angola, the DRC and Zambia.¹⁷ These improvements are critical to ensuring seamless logistics, reducing transit times, and lowering trade costs across the region.

¹⁴ OECD, Proposing a Framework for Monitoring Economic Corridors' Connectivity, 2025

¹⁵ Lobito Corridor Investment Promotion Authority, [Lobito Corridor to Enhance Freight Capacity with 275 New Wagons from South Africa's Galison Manufacturing](#), 2024

¹⁶ World Bank, [Lobito-Luau Railway Corridor Project](#), 2024

¹⁷ Lobito Corridor Investment Promotion Authority, [Lobito Corridor's Road Network in Angola Set To Receive €381.5 Upgrade](#), 2024

The infrastructure investments are expected to strengthen the region's position in global critical mineral supply chains, offering more efficient export pathways while enhancing economic competitiveness and regional integration.

Soft infrastructure

Soft infrastructure is essential to the success of the Lobito Corridor because even the most well-developed hard infrastructure will be ineffective if trade regulations remain fragmented and inefficient. By addressing customs inefficiencies, harmonising regulations, and strengthening regional policy co-ordination, Angola, Zambia, and the DRC can maximise the economic benefits of the corridor. Efficient soft infrastructure will not only enhance the ease of doing business but also attract more investment, improve trade competitiveness, and solidify the corridor's role in global supply chains.

One of the biggest challenges facing the corridor is the inefficiency of customs procedures, which could create significant bottlenecks and slow down trade flows. The involvement of three national governments as well as numerous subnational governments adds a layer of complexity, as each country operates under different political agendas, legislative frameworks, and administrative capacities. Beyond political considerations, shipment processing is subject to distinct customs regulations and systems in each country, often leading to inefficiencies and delays. Harmonising customs policies across the corridor is essential to streamline trade, improve logistics, and enhance overall efficiency. Enhancing transparency in mineral exports is also critical to curbing illicit trade and improving government revenue collection. Strengthening customs co-operation mechanisms and modernising border infrastructure will be essential in reducing corruption and improving trade efficiency along the corridor.

Regulatory barriers across the three countries must also be addressed for the corridor to function optimally. Currently, differences in tax policies, licensing requirements, and transport regulations create trade inefficiencies and increase costs for businesses. A harmonised approach to trade documentation, freight handling, and rail transport fees is necessary to ensure goods can move quickly and cost-effectively across the corridor. Fair and transparent concession agreements for railway and port operations will be crucial to preventing monopolistic pricing and ensuring competition benefits all stakeholders. Regulatory co-operation should also focus on enforcing environmental and labor protections to ensure sustainable trade growth, balancing economic development with social and environmental responsibility.

Regional organisations such as the Southern African Development Community (SADC) and the African Continental Free Trade Area (AfCFTA) play a strategic role in ensuring policy alignment and translating infrastructure investments into tangible economic benefits. These organisations can help harmonise tariffs, trade agreements, and investment policies across Angola, the DRC and Zambia, ensuring that regulatory inconsistencies do not hinder trade. Coordinated transport policies will establish uniform regulations for rail and port logistics, while expanded market access beyond the corridor will integrate Lobito's trade flows into broader African supply chains. Additionally, these organisations provide dispute resolution mechanisms, which are vital for maintaining smooth cross-border trade operations and addressing any conflicts that may arise.

Economic and trade performance

Trade efficiency and costs

The Lobito Corridor is set to improve trade efficiency by providing a faster and more cost-effective route for transporting goods across Angola, the DRC and Zambia. The improved infrastructure will reduce transportation costs, minimise delays, and facilitate smoother cross-border transactions. Currently, trade inefficiencies, including bureaucratic customs procedures and logistical bottlenecks, slow down economic activity and increase the cost of doing business in the region. By harmonising regulations, digitalising customs clearance, and streamlining trade documentation, the corridor will enhance trade flows and attract greater investment.

Reducing reliance on road transport and shifting freight to rail will also contribute to lower costs and increased sustainability. The modernisation of railway infrastructure and improved connectivity with ports will ensure goods reach international markets more efficiently. The corridor will leverage existing bilateral and regional trade agreements to facilitate greater integration into global markets while boosting intra-African trade. In the context of the African Continental Free Trade Area (AfCFTA), the corridor can potentially boost intra-African trade and connect producers and consumers across Africa, increasing trade volumes and fostering economic co-operation.

Mineral exports and trade diversification

Mineral exports remain a dominant economic driver for Angola, the DRC and Zambia with the Lobito Corridor expected to play a crucial role in strengthening global supply chains for critical minerals. By offering a direct rail link between the Copperbelt and the Atlantic coast, the corridor provides a competitive alternative to existing export routes that may help to reduce transit times and logistical costs for copper, cobalt, and other minerals.

Despite their vast mineral wealth, these countries continue to primarily export raw materials while importing finished goods, limiting their participation in global value chains. The Lobito Corridor presents an opportunity to shift this dynamic by enabling greater mineral beneficiation and industrialisation within the region. Improved transportation infrastructure should support the establishment of processing and refining facilities, allowing countries to add value to their mineral exports before they reach international markets. This will increase revenues, create employment, and enhance long-term economic resilience.

Building a battery precursor plant in the DRC is estimated to cost three times less than in the United States or China due to lower land and construction costs.¹⁸ Relocating battery precursor production from other regions to the DRC would also reduce transport-related emissions associated with battery production.¹⁹ These factors position the Lobito Corridor as a potential driver of industrialisation and trade expansion in Southern Africa, strengthening the region's role in global supply chains.

The development of industrial hubs along the corridor would further support trade diversification by encouraging investment in manufacturing and related industries. By improving access to both regional and global markets, the corridor can stimulate economic activity beyond mining, fostering broader economic transformation. Aligning regulatory policies and trade facilitation mechanisms will be essential to ensuring a smooth flow of minerals and other goods, maximising the corridor's impact on regional trade.

Agricultural and non-mining economic potential

Beyond mining, the Lobito Corridor offers significant potential for agricultural trade and the development of logistics hubs, strengthening regional food supply chains and reducing dependence on food imports. The improved transport infrastructure will allow Angola, the DRC and Zambia to develop integrated agro-processing industries, increasing value addition for key crops such as maize, soybeans, and horticultural products. By linking agricultural zones to transport corridors, the region will be able to boost intra-African trade, expand export markets, and enhance food security through improved connectivity and market access.

The DRC, which currently relies heavily on agricultural imports, stands to benefit significantly from improved transportation links, allowing for more efficient sourcing of agricultural goods and reducing costs for consumers and businesses. Angola's imports from Zambia accounted for 76% of all exports in 2022, while DRC's agricultural imports from Angola and Zambia were valued at over USD 33,000 combined in

¹⁸ BloombergNEF, [The Cost of Production Battery Precursors in the DRC](#), 2021

¹⁹ UNDP, [Potential Impact of the Lobito Corridor and Support to the Regional Transformation Agenda](#), 2024

2023.²⁰ These figures highlight the potential for further expansion of agricultural trade if infrastructure and trade facilitation measures are improved.

The development of agro-processing activities along the Corridor will drive the growth of regional agricultural value chains, serving as a foundation for industrialisation and economic expansion in Southern Africa and beyond. By establishing a reliable transport route, particularly for perishable agricultural goods, the Corridor enhances regional quality standards for both animal and crop value chains. Additionally, by connecting Zambia and the DRC to Angola's more advanced smart agricultural regions, the Corridor facilitates technology transfer and strengthens agricultural value chains across the region.²¹

In addition to agriculture, the corridor presents **opportunities for broader economic development**, including investments in energy, logistics, and industrialisation. The increased economic activity generated by the corridor can create employment opportunities, particularly for youth, in sectors such as transportation, administration, and environmental management. Already, more than 500 jobs have been created, and this number is expected to rise significantly as construction and operations expand.²² Small and medium-sized enterprises (SMEs) will also benefit from increased market access and improved business conditions, further contributing to economic growth. The Corridor traverses numerous cities and towns across the participating countries, including four provinces spanning over 1,300 km in Angola alone. Its development will drive economic growth and urban expansion, ensuring the prosperity of the cities, towns, and communes along its route.²³

By **facilitating trade, investment, and regional integration**, the Lobito Corridor has the potential to transform the economies of Angola, Zambia, and the DRC. The project will not only strengthen mineral exports but also create opportunities in agriculture and non-mining industries, fostering inclusive economic growth and enhancing the region's competitiveness on the global stage.

Environmental, social and local considerations

Despite its significant economic potential, the Lobito Corridor faces **multiple challenges** that could impact its long-term viability, sustainability, and equitable distribution of benefits. These challenges span across economic accessibility, social inclusion, environmental impact, and governance.

One of the primary concerns is the **rising cost of railway transport** following its privatisation. Increased tariffs have made rail services unaffordable for many local businesses and farmers, limiting their ability to benefit from improved connectivity. The cost for a single container skyrocketed from 300,000 kwanzas (approximately USD 325.20) to 3 million kwanzas (approximately USD 3 252.00)²⁴, forcing major operators like Angola's top food distributor Carrinho and cement producer Cimenfort to switch to road transport.

However, **road infrastructure** remains inadequate, particularly in remote mining and agricultural regions. Unlike traditional trade corridors where roads offer an alternative to rail, many areas linked to the Lobito Corridor lack reliable road networks, exacerbating transport inefficiencies. This disproportionately affects smallholder farmers and businesses, further restricting their access to markets.

Privatisation has also **shifted railway priorities** toward mineral exports, potentially marginalising small-scale goods transport and passenger services. Millions of rural residents depend on the railway to sell agricultural products and access essential services. If passenger services and small-scale freight transport

²⁰ UNDP, [Potential Impact of the Lobito Corridor and Support to the Regional Transformation Agenda](#), 2024

²¹ Ibid.

²² Ibid.

²³ Ibid.

²⁴ The Rio Times, [Rising costs and abandoned routes: the Lobito Corridor's struggle](#), 2024

are deprioritised in favor of mineral exports, traders and farmers reliant on station-side commerce may suffer significant economic losses.

Compounding these challenges is the **legacy of Angola's prolonged civil war**, which left extensive landmine contamination along the corridor. Infrastructure development and community safety remain at risk, necessitating continued clearance efforts by organisations such as The HALO Trust, a humanitarian mine clearance organisation that removes explosive remnants of war—an essential task for enabling safe construction and transport along key trade routes.²⁵

Beyond economic concerns, the corridor presents **significant environmental and social risks**. Environmental degradation, including deforestation and pollution, remains a significant concern. One of the primary environmental criticisms of railways is their carbon emissions, which contribute to air, soil, and water pollution while accelerating deforestation and harming living organisms. Despite these risks, railways remain the most environmentally sustainable mode of transport. However, they can also create physical barriers that restrict movement and disrupt local habitats.²⁶ In many cases, railway construction cuts through ecologically sensitive and vital ecosystems, which may contribute to soil erosion, land degradation, flooding, and habitat destruction. For example, provinces such as Bié and Moxico in Angola have experienced multiple train derailments due to erosion processes, highlighting the environmental vulnerabilities associated with railway infrastructure.²⁷

Weak institutional frameworks further heighten risks of environmental degradation and labor exploitation, particularly in the mining sector. Without stringent regulations, increased mineral extraction could worsen deforestation, soil erosion, and water pollution. Child labor remains a pressing issue in artisanal mining, and the corridor's expansion could exacerbate labor rights violations if oversight remains inadequate. Without strong governance, these risks could undermine the project's goal of fostering sustainable development, instead deepening economic inequality, social unrest, and ecological harm.

Way Forward

In the context of rising geopolitical instability, enhanced international collaboration is vital to ensure that mineral resources are used to support producing countries' own transformation while advancing global decarbonisation efforts. As a multi-partner initiative, the Lobito corridor has the potential to incentivise investment into mining and infrastructure across the region, supporting increased production capacity in line with high environmental and social standards. This approach highlights the need to view critical minerals not just through the lens of economic resilience, but as a tool for sustainable development that prioritises the needs and aspirations of producer countries.

The initiative has been significantly advanced through **collaboration among OECD Members**, particularly Italy, the United States and the European Union, which are jointly investing around USD 1.6 billion coupled with technical guidance to optimise logistics and security. As a flagship project under Italy's 2023 G7 leadership and a core element of the Mattei Plan, the corridor reflects Italy's focus on fostering sustainable development and resilient infrastructure in Africa. Being the first initiative launched under the G7's Partnership for Global Infrastructure and Investment (PGII), it aims to create secure, diversified supply chains and support regional stability, investment, and growth.

This multilateral effort has the potential to improve transport efficiency and greater adherence to high ESG standards, positioning the Lobito corridor to promote sustainable development and resilient critical mineral supply chains. This proposal outlines how the OECD can contribute to this project by facilitating

²⁵ HALO, [Clearing the Lobito Corridor | The HALO Trust USA](#), 2024

²⁶ UNDP, [Potential Impact of the Lobito Corridor and Support to the Regional Transformation Agenda](#), 2024

²⁷ Angola Press Agency, [Environmental Impact on Lobito Corridor under analysis in Catumbela](#), 2024

investment into participating countries, promoting ESG standards, and ensuring that producer countries make the most of their mineral resources through value chain integration and sustainable development.

The OECD is well-positioned to play a role in the development of the Lobito Corridor by fostering regional coordination, promoting sustainable policies, and enhancing value chain integration in the critical minerals sector. Through comprehensive regional assessments, the OECD can identify common challenges and best practices to support policy recommendations that drive responsible mining, processing, and investment in Angola, the DRC, and Zambia. By leveraging its expertise in areas such as tax policy, contract negotiations, and responsible business conduct, the OECD can provide targeted capacity building and technical assistance to ensure the effective implementation of these policies.

The OECD has also longstanding experience with economic corridors and its work can help unlock the full potential of such initiatives by identifying policy bottlenecks and supporting coordinated reforms. Through the development of a connectivity scoreboard, the OECD offers a systematic approach to assess the performance of regional corridors across key dimensions such as infrastructure, regulatory alignment, digitalisation, and trade facilitation. The application of this tool to the Trans-Caspian Transport Corridor (Middle Corridor) has revealed critical insights: while infrastructure investments have increased capacity, limited multimodal integration and persistent inefficiencies in logistics continue to drive up costs. Similar challenges, including fragmented border cooperation and insufficient trade-related information, underline the need for a holistic policy approach. This expertise and methodology could be effectively applied to the Lobito Corridor, providing a structured framework to assess and enhance its connectivity, promote regional cooperation, and guide targeted investments and policy reforms. By leveraging OECD tools, the Lobito Corridor could improve its competitiveness, streamline cross-border processes, and support inclusive and sustainable economic development across the region.