

 Early Warning System

AFDB-P-SO-F00-003

SOMALIA - Rehabilitation and Expansion of Bosaso Power Grid and  
Strengthening of Energy Sector Institutions (ESPSEI)



## Quick Facts

<b>Countries</b>	Somalia
<b>Specific Location</b>	Bosaso
<b>Financial Institutions</b>	African Development Bank (AFDB)
<b>Status</b>	Approved
<b>Bank Risk Rating</b>	U
<b>Voting Date</b>	2025-12-08
<b>Borrower</b>	Government of Somalia
<b>Sectors</b>	Energy
<b>Investment Type(s)</b>	Grant
<b>Investment Amount (USD)</b>	\$ 22.87 million
<b>Grant Amount (USD)</b>	\$ 22.87 million
<b>Project Cost (USD)</b>	\$ 25.40 million



## Project Description

As stated in the project ESIA, electricity in Bosaso is primarily supplied by Puntland Electric Power Company (PEPCO), established in 2022 through a merger of Ente Nazionale Energia Elettrica (ENEE), GOLIS, SEPCO, RAHMO, and TOWHID Energy Service Providers.

Currently, the electricity supply system in Bosaso is owned and operated by four Energy Service Providers (ESPs) i.e. PEPCO, Tawfiq, Alfaradays and Somtel. PEPCO owns and operates a 15kV system (initially ENEE) and 11kV system (initially Golis) as well as Rahmo and Towhid power stations all of which are physically isolated. Power from Towhid and Rahmo power stations is generated and supplied to the surrounding areas at low voltage. Tawfiq, Alfaradays and Somtel EPs generate for their own use but supply excess to their neighbourhoods at low voltage. The Bosaso electricity supply system faces several challenges including unreliable power supply, high system losses, high electricity tariffs (arising from predominant use of high speed diesel in electricity generation), and a large number of customers, including commercial and industrial consumers in the eastern part of the city, who are not connected to the grid due to inadequate power generation and distribution system capacity constraints. Apart from generation deficit and weak power distribution system, the electricity sector in Somalia suffers from inadequate legal framework, low personnel capacity and lack of tools and materials resources to the extent that the energy sector institutions cannot effectively discharge their mandate.

This option proposes the establishment of a 7.15MWp/5.5MW solar PV plant and 3MW/11MWh Battery Energy Storage System (BESS) at PEPCO's Baalade power station to boost existing generation capacity as well as supply of 1000 standalone solar home systems to customers who are beyond economical reach of the grid. Energy Yield calculations carried out using PVSyst applications show that the power plant is expected to generate 14134MWh annually (based on P50 production probability).



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## Investment Description

- African Development Bank (AFDB)



## Contact Information

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### ACCESS TO INFORMATION

You can submit an information request for project information at: <https://www.afdb.org/en/disclosure-and-access-to-information/request-for-documents>. Under the AfDB's Disclosure and Access to Information policy, if you feel the Bank has omitted to publish information or your request for information is unreasonably denied, you can file an appeal at <https://www.afdb.org/en/disclosure-and-access-to-information/appeals-process>.

### ACCOUNTABILITY MECHANISM OF AfDB

The Independent Review Mechanism (IRM), which is administered by the Compliance Review and Mediation Unit (CRMU), is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an African Development Bank (AfDB)-financed project. If you submit a complaint to the IRM, it may assist you by either seeking to address your problems by facilitating a dispute resolution dialogue between you and those implementing the project and/or investigating whether the AfDB complied with its policies to prevent environmental and social harms. You can submit a complaint electronically by emailing [crmuinfo@afdb.org](mailto:crmuinfo@afdb.org), [b.kargougou@afdb.org](mailto:b.kargougou@afdb.org), [b.fall@afdb.org](mailto:b.fall@afdb.org), and/or [s.toure@afdb.org](mailto:s.toure@afdb.org). You can learn more about the IRM and how to file a complaint at: <https://www.afdb.org/en/independent-review-mechanism/>



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## Bank Documents

- [ENVIRONMENTAL AND SOCIAL IMPACT ASSESSMENT](#)