



IFC-43014

Mpatamanga



Quick Facts

Countries	Malawi
Specific Location	Shire River
Financial Institutions	International Finance Corporation (IFC)
Status	Proposed
Bank Risk Rating	A
Borrower	MPATAMANGA HYDRO POWER LIMITED
Sectors	Agriculture and Forestry, Energy, Hydropower, Infrastructure
Investment Type(s)	Loan
Investment Amount (USD)	\$ 150.00 million
Loan Amount (USD)	\$ 150.00 million
Project Cost (USD)	\$ 900.00 million



Project Description

As stated on the project disclosure page, the International Finance Corporation (IFC), as part of the World Bank Group (WBG), is considering support to the Mpatamanga Hydropower Storage Project (MHSP) a 358.5 MW dual-dam hydropower development on the Shire River in Malawi. The Project is expected to almost double Malawi's current electricity generation capacity, significantly strengthening the country's clean energy supply, energy security, and resilience.

The contemplated project funding includes several loans of up to US\$900 million in debt financing, comprising an IFC Loan of up to US\$150 million, an International Development Association (IDA) Private Sector Window loan US\$150 million, parallel loans of up to US\$600, and risk-mitigation instruments. IDA is also providing a US\$350 million grant financing to the Government of Malawi (GoM), and a US\$100 million Partial Risk Guarantee benefitting to the Project Company (MHSP). MIGA is expected to provide political risk insurance of up to US\$180 million to MHPL's shareholders. The total financing package aligns with the WBG's objective to expand access to renewable energy and improve grid stability across Malawi and the region.

MHSP is proposed as a Public-Private Partnership (PPP) implemented through the Special Purpose Vehicle (SPV), Mpatamanga Hydro Power Limited (MHPL). MHPL is currently co-owned (50:50) by Electricité de France (EDF) and SN Malawi (majority owned by TotalEnergies). It is anticipated that GoM, through Electricity Generation Company Malawi Limited (EGENCO), and IFC as project developers will enter the SPV's shareholding prior to or at Financial Close. Upon finalization, shareholding is expected to be allocated as follows: EDF (27.5%), SN Power (27.5%), EGENCO (30%), IFC (15%).

The MHSP is a greenfield hydropower development comprising:

- (i) Main Dam & Peaking Plant (301 MW) with a reservoir 22 km long and 20 km² in area;
- (ii) Regulating Dam & Baseload Plant (57.5 MW) with a reservoir 6.6 km long and 1.36 km² in area;
- (iii) Transmission Infrastructure: 64 km of 400 kV lines and 11 km of 132 kV lines, with substations at both dam sites;
- (iv) Road Infrastructure: Upgrading 26 km and constructing 7 km of the S137 road, plus a service road between the two dams;
- (v) Resettlement: Establishing three resettlement villages for physically displaced households;
- (vi) Biodiversity Offsets: Natural terrestrial and aquatic habitat management measures aligned with mitigation hierarchy principles;
- (vii) Construction Facilities: Worker camps, contractor areas; and,
- (viii) An Operator's Village to house workers during the operation phase.

The Project's total land take requirement is estimated at 5,863 hectares, covering reservoir areas, dam infrastructure, road upgrades, transmission corridors, biodiversity offset zones, and resettlement sites. Land acquisition will result in both physical displacement (160–200 households) and economic displacement (1,600–2,200 households), along with impacts on community infrastructure such as graveyards, churches, boreholes, and local assets. These impacts will be addressed through Resettlement Action Plans to be developed in accordance with Good International Industry Practice and IFC Performance Standards (PSs).

The Shire River is part of the Zambezi international waterway, and seven riparian countries were notified in August 2024, with no objections received. A technical notification was also submitted to the Zambezi Watercourse Commission on February 24, 2025.

The project area falls within the Zambezian-Limpopo Mixed Woodlands ecoregion, a landscape significantly modified by agriculture, charcoal production, and community use. While the project does not overlap with protected areas, several sensitive biodiversity areas lie within the broader Area of Influence, including Majete Wildlife Reserve (300 m downstream), Lengwe and Liwonde National Parks, and the Elephant Marsh Key Biodiversity Area (KBA)/Ramsar site (30 km downstream). Aquatic ecosystems in the Shire River have already been affected by upstream and downstream hydropower operations



Investment Description

- International Finance Corporation (IFC)



Private Actors Description

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Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
Electricité de France (EDF)	Parent Company	Energy	owns	Mpatamanga Hydro Power Limited	Client	Hydropower
Total Energies SE	Parent Company	Energy	contracts with	Electricité de France (EDF)	Parent Company	Energy
Total Energies SE	Parent Company	Energy	owns	Mpatamanga Hydro Power Limited	Client	Hydropower



Contact Information

No contacts provided at the time of disclosure.

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Bank Documents

- Environmental & Social Impact Assessment Volume II – Main ESIA Report



Other Related Projects

- WB-P158805 Shire Valley Transformation Program - I
- WB-P163582 Lower Shire Valley Landscape Project
- WB-P165704 Mpatamanga Hydropower Project
- IFC-40830 InfraV-Mpatamanga Hydro
- AFDB-P-MW-AA0-024 SHIRE VALLEY TRANSFORMATION PROJECT
- WB-P174226 Mpatamanga Hydropower Project
- WB-P176575 Shire Valley Transformation Program - Phase II
- AFDB-P-MW-AA0-039 Malawi – Shire Valley Transformation Program – Phase 2 (SVTP-2)