Early Warning System

MIGA-15099

Lobito-Luau Railway Corridor Project

Quick Facts

Countries	Angola
Specific Location	City of Luau to the Port of Lobito
Financial Institutions	Multilateral Investment Guarantee Agency (MIGA)
Status	Proposed
Bank Risk Rating	A
Borrower	ME Lobito SGPS LDA; Trafigura Pte Ltd
Sectors	Construction, Infrastructure, Transport
Investment Type(s)	Guarantee
Investment Amount (USD)	$ 180.00 million

Project Description

According to bank provided information, the Project consists of the operation, management and maintenance of approx. 1,350 km of railway line, a brownfield infrastructure asset which crosses Angola from east to west, from the city of Luau at the border with the Democratic Republic of Congo (DRC) to the Port of Lobito on the Atlantic coast; including the operation and maintenance of existing and new ancillary infrastructure along the railway line and at the mining terminal located at the Port of Lobito.

The Project involves the following components:

1. The operation, management and maintenance of the brownfield Lobito-Luau railway line and ancillary infrastructure;
2. The operation and management of the railroad service for the transport of merchandise on the Lobito-Luau railway line;
3. The construction, operation, and management of two freight transit terminals (in Lobito and Luau) to support the rail freight service;
4. The management and maintenance of the transport training center in the city of Huambo;
5. The operation, management and maintenance of railway workshops, located in Lobito, Cubal, Huambo, and Luena; and
6. The use of the Port of Lobito mining terminal for the reception, loading, unloading, and transshipment of goods within the perimeter of the Port of Lobito mining terminal, as well as the management and maintenance of its infrastructure, in Angola.

The Project entails one of Africa’s historical railway lines, an established corridor which aims to provide landlocked, mineral-rich, neighboring countries such as DRC and Zambia with an attractive route for the transport of their mining outputs – primarily copper and cobalt - for global export.

The proposed MIGA guarantee would cover Equity/Quasi-Equity and/or Shareholder Loan investments by Trafigura Pte Ltd (Singapore), ME Lobito SGPS LDA (Portugal) and/or any of their group holding companies, subsidiaries, or affiliates, into Lobito Atlantic Railway SA (the Project Enterprise) for a duration of up to 20 years. The guarantee is expected to cover the risks of Expropriation, Breach of Contract, War and Civil Disturbance, and Transfer Restriction and Inconvertibility.

Investment Description

- Multilateral Investment Guarantee Agency (MIGA)

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Lobito Atlantic Railway SA	Undisclosed	-
-	-	-	-	ME Lobito SGPS LDA	Client	-
-	-	-	-	Trafigura Group Pte Ltd	Client	-

Contact Information

Contact information not provided at the time of disclosure

ACCESS TO INFORMATION

You can submit a request for information disclosure at: https://www.miga.org/contact/access_to_information

You can also request general information about MIGA and for information on guarantees by emailing: migainquiry@worldbank.org

ACCOUNTABILITY MECHANISM OF IFC/MIGA

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org. You can learn more about the CAO and how to file a complaint at http://www.cao-ombudsman.org