Early Warning System

WB-P175295

Sustainable Energy and Broadband Access in Rural Mozambique Project

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Quick Facts

Countries	Mozambique
Financial Institutions	World Bank (WB)
Status	Proposed
Bank Risk Rating	A
Voting Date	2021-10-06
Borrower	Government of Mozambique
Sectors	Energy, Technical Cooperation
Investment Type(s)	Grant
Investment Amount (USD)	$ 200.00 million
Project Cost (USD)	$ 205.00 million

Project Description

According to bank provided information, the project development objective is to increase access to energy and broadband services and strengthen the financial performance of the power sector.

The project has four components:

1. Component 1: Peri-urban and Rural Electrification (US $85 million). Building on the ongoing activities under the WB-financed Mozambique Energy for All (ProEnergia) Project (P165453), this component will provide access to electricity to over 1,000,000 beneficiaries primarily through grid densification and expansion. This component will finance the design, procurement of materials and construction works required to electrify all participating households, businesses and public facilities in the project target areas with high population density (in peri-urban and rural areas).
2. Component 2: Improvement of EDM financial performance (US $60 million). This component will improve financial performance of EDM and strengthen structural and institutional framework of the sector. This component will comprise the following two pillars: a) improve electricity sector financial sustainability through measures to enhance EDM's financial and operational performance; and b) enhance sector governance and institutional capacity by supporting the government's policy positions being proposed through a revision of the Electricity Law. It will also aim to capture opportunities to better leverage EDM's fiber-optic network and utilize its transmission infrastructure to support broadband market development while generating additional revenue.
3. Component 3: Off-grid energy and broadband service delivery (US $45 million). This component will support electrification of areas in Mozambique where off-grid solutions are the least-cost or most-viable solutions due to (i) high costs of the infrastructure required to reach customers through the grid, or (ii) difficulty to provide grid solutions due to risks related to the escalating conflict.
    a. Sub-component 3a: Off-Grid solutions for electricity access (US $25 million)
    b. Sub-component 3b: Broadband Access for Underserved Areas and Target Groups (US $15 million)
    c. Sub-component 3c: Clean Cooking Solutions (US $5 million and US$5 million from Clean Cooking Fund)
4. Component 4: Technical Assistance and Implementation Support (US $10 million). This component will finance capacity building, sector studies, implementation support for the implementing agencies (expected to be EDM, MIREME, FUNAE, and MCT), and verification of PBCs. The capacity of FUNAE will need to be substantially strengthened for implementation as its track record has been uneven.

Investment Description

- World Bank (WB)

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The World Bank Inspection Panel is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by a World Bank-financed project. If you submit a complaint to the Inspection Panel, they may investigate to assess whether the World Bank is following its own policies and procedures for preventing harm to people or the environment. You can contact the Inspection Panel or submit a complaint by emailing ipanel@worldbank.org. Information on how to file a complaint and a complaint request form are available at: https://www.inspectionpanel.org/how-to-file-complaint

Bank Documents

- Concept Project Information Document (PID) - Sustainable Energy and Broadband Access in Rural Mozamb [Original Source]