

 Early Warning System

WB-P513960

Mpatamanga Hydropower Storage Project Guarantee



Quick Facts

Countries	Malawi
Specific Location	Shire River (Southern Malawi)
Financial Institutions	World Bank (WB)
Status	Proposed
Bank Risk Rating	A
Voting Date	2027-02-19
Borrower	Government of Malawi - Ministry of Energy
Sectors	Energy, Hydropower
Investment Type(s)	Guarantee
Investment Amount (USD)	\$ 100.00 million
Project Cost (USD)	\$ 1,636.00 million



Project Description

According to the Bank's website, the objectives of this project are to increase peak power generation capacity, secure green electricity for domestic users and industries in Malawi, and expand renewable energy trade between Malawi and the SAPP.

The Mpatamanga hydroelectric power project is a 358.5 MW power plant situated on the Shire River in southern Malawi. The Mpatamanga project is a Build-Own-Operate-Transfer (BOOT). The draft Power Purchase Agreement (PPA) has a duration of 35 years, with five years construction and 30 years of operation. The PPA has a capacity-based tariff, and the payment obligation is guaranteed by the Malawian government. Total estimated power production when commissioned is 1,544 GWh/year.



Early Warning System Project Analysis

SOP-2 adds no new works and does not change the footprint; the intrinsic risk profile is unchanged. Given the nature of a large hydropower scheme in a sensitive river system with protected areas downstream, Environmental risk remains High.

Direct, indirect, and cumulative impacts are expected on aquatic/riparian biodiversity (habitat loss from inundation; flow/thermal/sediment regime alteration), quarry/spoil risks, hazardous materials, GHG from reservoir formation, and dam safety. Design avoidance/minimization include the regulating dam to attenuate peaking flows and comprehensive BAP (incl. offset options for unavoidable natural terrestrial and aquatic habitat loss).

SOP-2 adds no new works and does not change the footprint; the intrinsic risk profile is unchanged. The project will entail land acquisition and displacement (economic and physical) due to the dams, reservoirs, power plant etc, road upgrade and diversion and transmission lines from the project. Significant labor influx is expected which will increase the risks of disease transmission including sexually transmitted infections into the community. Other risks associated with influx include increased risk of crime, tensions between workers and the community and increased risk of SEA/SH against community members notably women and girls. Risks to workers' rights exist including lack of contracts, extended working hours, fair pay and payment on time. Given the size of the workforce these risks are likely to be greatest for casual workers and workers of subcontractors of the main contractor.



Investment Description

- World Bank (WB)

IDA recommitted as a Guarantee: US\$ 100.00 million

Total Operation Cost: US\$ 1,636.00 million



Contact Information

World Bank

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Borrower/Client/Recipient

Republic of Malawi

Implementing Agencies

Ministry of Energy, Republic of Malawi

ACCESS TO INFORMATION

To submit an information request for project information, you will have to create an account to access the Access to Information request form. You can learn more about this process at: <https://www.worldbank.org/en/access-to-information/request-submission>

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Bank Documents

- [Concept Environmental and Social Review Summary \(ESRS\) Mpatamanga Hydropower Storage Project Guarant](#)
- [Concept Project Information Document \(PID\)](#)