Early Warning System

WB-P520214

Cameroon: Nachtigal Enhanced Payment Security Guarantee Project

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Quick Facts

Countries	Cameroon
Financial Institutions	World Bank (WB)
Status	Proposed
Bank Risk Rating	A
Voting Date	2026-12-22
Borrower	Government of the Republic of Cameroon
Sectors	Energy, Hydropower
Investment Type(s)	Advisory Services
Investment Amount (USD)	$ 0.39 million
Project Cost (USD)	$ 155.00 million

Project Description

According to bank provided information, the project objective is to (i) enhance Nachtigal Hydropower Plant’s financial sustainability and (ii) ensure its continued availability to provide reliable, low-cost electricity to Cameroon’s power system.

The proposed operation would provide a temporary supplemental IBRD payment guarantee of up to EUR 139 million to support an enhanced letter-of-credit arrangement for the operational Nachtigal Hydropower Project. Together with the existing EUR 86 million payment guarantee, total coverage would increase to up to EUR 225 million, equivalent to approximately nine months of current NHPC invoices. The temporary enhancement would be accompanied by Government and SOCADEL measures to restore payment discipline, including replenishment of the existing LC, adequate budget and escrow support for current invoices, a binding plan for undisputed arrears, progressive increases in SOCADEL's payments to NHPC, and broader utility-turnaround reforms. The operation will not finance new infrastructure, civil works, additional generation capacity, or expansion of the already operational hydropower facility.

Investment Description

- World Bank (WB)

Contact Information

Contact information not provided at the time of disclosure

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

ACCOUNTABILITY MECHANISM OF THE WORLD BANK

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

- Initial Project Information Document (PID) - Cameroon: Nachtigal Enhanced Payment Security Guarantee