Early Warning System

WB-P520365

Volobe Hydropower Project

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Quick Facts

Countries	Madagascar
Financial Institutions	World Bank (WB)
Status	Proposed
Bank Risk Rating	A
Voting Date	2027-12-17
Borrower	Government of Madagascra
Sectors	Energy, Hydropower
Investment Type(s)	Loan
Investment Amount (USD)	$ 120.00 million
Project Cost (USD)	$ 797.00 million

Project Description

According to the bank provided information, the Government of Madagascar (GoM) is developing the Volobe Hydropower Project (HPP), located on the Ivondro River, approximately 50 km west of Toamasina. With a design capacity of 127 MW and projected annual generation of approximately 760 GWh -- equivalent to one-third of Madagascar's current total electricity production -- Volobe HPP represents the most significant addition to the national generation mix in decades. Once commissioned, Volobe HPP will materially reduce the country's dependence on expensive imported fossil fuels, strengthen energy supply security, and deliver the affordable and reliable electricity needed to underpin long-term economic growth, sustainable job creation, and private capital mobilization. The proposed operation, part of One World Bank Group package, will support the development and implementation of this pioneering large-scale clean energy PPP initiative in Madagascar. The project is anchored in Mission 300 and Government's development strategy and is aligned with the WBG Country Partnership Framework.

The project has two components:

Component 1: Construction activities. This component will deliver a large-scale, climate resilient generation facility that significantly expands Madagascar’s clean energy capacity, providing firm and peaking hydropower for both Malagasy citizens and businesses (dam, diversion tunnels, powerhouse, equipment).

Component 2: Project management and sector reforms. This component will support the implementation of the Project, and in advancing the sector reforms on which the Project's long-term viability depends. It will finance Project Management Office, necessary studies, independent reviews, as well as design and implementation of priority energy reforms.

Investment Description

- World Bank (WB)

Total Operation Cost: 797.00

Total Financing: 797.00

of which IBRD/IDA: 120.00

Financing Gap 0.00

Private Sector Investors/Shareholders

Equity

Government Contribution: 35.00

Private sector Equity: 141.00

Debt

IDA: 120.00

IFC A Loan: 110.00

Direct Loans under IFC Umbrella: 115.00

Other IFIs - Concessional Terms: 158.00

Other IFIs - Commercial Terms: 68.00

Payment/Security Guarantee

IDA Guarantee 50.00

Contact Information

World Bank

Maksudjon Safarov

Senior Energy Specialist

Borrower/Client/Recipient

Ministry of Economy and Finance

Implementing Agencies

Ministry of Energy and Hydrocarbons

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 Environmental and Social Review Summary (ESRS) - Volobe Hydropower Project - P520365
- Initial Project Information Document (PID) - Volobe Hydropower Project - P520365