



Republic of Malawi

MINISTRY OF ENERGY and THE PUBLIC PRIVATE PARTNERSHIP COMMISSION

ANNOUNCEMENT OF THE FINAL PHASE OF THE TENDER PROCESS

in respect of

**IDENTIFYING A STRATEGIC SPONSOR FOR THE DEVELOPMENT, FINANCING,
CONSTRUCTION, OPERATION AND MAINTENANCE**

of the

MPATAMANGA HYDROPOWER PLANT PROJECT

The Government of Malawi (the “Government”) intends to develop a 350 MW hydropower project (the “Project”) on the Shire River at Mpatamanga Gorge under a Public Private Partnership (PPP) project finance development model. The Project is a national priority designed to address the country’s severe power deficit and reliability issues. The Project will consist of two hydro power plants: a main power plant, main dam and reservoir with daily storage capacity capable of generating 309 MW of electricity on a peaking basis and a regulating dam with a hydro power plant capable of generating 41 MW of baseload electricity, downstream from the main reservoir and power plant.

The Government partnered with the International Finance Corporation (IFC) as co-developer to undertake early-stage development activities for the Project, including the preparation of Project Agreements, technical and environmental & social studies and reports. The Project is being developed under a Public Private Partnership model. A comprehensive World Bank-financed feasibility study was completed in 2018. The Government further conducted the PPP Feasibility Study under the PPP Act, whose report was approved by the Ministry of Finance on 31st October 2019. The Public Private Partnership Commission (PPPC) issued a competitive tender for the procurement of a Strategic Sponsor for the development, financing, construction, operation and maintenance of the Project.

The invitation to participate in the prequalification phase of the request for proposal (RFP) was published in the widely circulated newspapers and

online industry publications in February 2020. Prior and subsequent to the RFP announcement, global marketing and outreach efforts were conducted to share information about the project, including a presentation at the leading hydropower industry conference in Porto, Portugal and two investor webinars.

Fifteen firms expressed interest during the pre-qualification phase, which included strict technical and financial criteria to ensure that the Project's selected Strategic Sponsor is fully qualified and capable of successfully executing this important project for Malawi.

The Malawi PPPC recently completed the prequalification phase of the tender process to identify a Strategic Sponsor for the 350 MW Mpatamanga Hydropower Project. Two of the fifteen firms that showed interest decided to team up and submitted a joint bid as a consortium. The consortium comprising of SN Power Invest Netherlands B.V and Electricité De France SA (SN Power and EDF SA) has been prequalified, signifying that they have successfully passed the prequalification stage for the Mpatamanga Hydropower Project and have subsequently been invited to submit a Proposal.

During the next and final phase of the tender process, the bidder will be required to submit a proposal that demonstrates, to the Government's satisfaction, the bidder's capability and commitment to implement a Project that is reliable and affordable for the people of Malawi.

The General public will continue to be updated regarding progress in the identification of a strategic sponsor for the development, financing, construction, operation and maintenance of the Mpatamanga Hydropower project.

For further questions, please contact:

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