JOINT SONGWE RIVER BASIN COMMISSION

SONGWECOM
Where it flows, communities grow

DEVELOPMENT OF LOWER SONGWE DAM, HYDROPOWER PLANT AND TRANSMISSION LINES PROJECT

Project Information Brief

PROJECT NAME	Lower Songwe Dam, Hydropower Plant, and Transmission Lines Project	
COUNTRY	United Republic of Tanzania and the Republic of Malawi	
LOCATION	Malawi and Tanzania	**SCOPE:** Lower Songwe River Basin
RECIPIENT(S)	Joint Songwe River Basin Commission (SONGWECOM)	
EXECUTING AGENCY(IES)	Joint Songwe River Basin Commission (SONGWECOM)	
PROJECT TYPE	Multipurpose (water, hydropower, irrigation, and ecosystem management)	
CONSTRUCTION PROJECT DURATION	**5 years**	
CAPACITY	180.2 MW	
GHGs REDUCTION	198,597 tCO_2e annually	
BENEFICIARY NUMBERS	2,129,756 population	
TOTAL COST (USD)	US$851,100,000	
POWER UNITS	686,000,000 kWh/year	
TARIFF	US$ 0.08/kWh	
PROPOSED MODEL OF FINANCING	Public-Private Partnership (PPP through the Build-Operate-Transfer (BOT) model	
ANNUAL REVENUES	US$ 66.1 million	

1.0 Overview

The Lower Songwe Dam, Hydropower and Transmission Lines Project is a 180.2 MW flagship multipurpose infrastructure initiative jointly developed by the Governments of the United Republic of Tanzania and the Republic of Malawi under the Joint Songwe River Basin Commission (SONGWECOM). The project addresses energy access, flood control, irrigation, and climate resilience in the transboundary Songwe River Basin. With a total cost of USD 851.1 million and an expected construction period of five years, the project will be implemented through a Public-Private Partnership (PPP) using a Build-Operate-Transfer (BOT) model.

2.0 Core Components

1. **Dam**: Roller-compacted concrete gravity dam (118m high, 517m crest length), forming a 330 million m^3 reservoir.
2. **Hydropower Plant:** 180.2 MW installed capacity generating 686 million kWh/year; estimated annual revenue USD 66.1 million.
3. **Transmission Lines:** 16 km from the power plant to a new substation, 45 km to Karonga (Malawi), 25 km to Kasumulu (Tanzania); 132/400 kV connections.
4. **Carbon Benefits:** 198,597 tCO_2eq emission reductions annually.

3.0 Strategic Justification and Benefits

The Songwe Basin suffers from seasonal flooding, land degradation, low energy access, and underutilized water resources. Over 15,000 hectares of productive land and 52,000 people are regularly affected by flooding. The project will:

1. Control flooding across the lower basin
2. Expand clean electricity access for more than 60% of the basin population
3. Support irrigation on over 6,200 hectares
4. Enhance water supply for 460,000 people
5. Create over 8,000 jobs across construction, agriculture, and operations

4.0 Institutional Framework

The project is governed by the Council of Ministers and the Joint Steering Committee under SONGWECOM, supported by national ministries, utilities (TANESCO, ESCOM, EGENCO), and local government authorities. Implementation will be coordinated through SONGWECOM, supported by a Special Purpose Vehicle (SPV) representing both countries.

Table 1: Implementation structure

Institution	Role
Council of Ministers	Strategic decision-making.
Joint Steering Committee	High-level project oversight.
SONGWECOM Secretariat	Day-to-day coordination
Special Purpose Vehicle (SPV) under SONGWECOM	Represent the governments of Malawi and Tanzania in the project
Government Ministries (Tanzania/Malawi)	Guarantee, technical, and regulatory support.
Investor	Financing, Build, Operate, and Transfer.

5.0 Project Readiness and Next Steps

A. Project Status

Since 2003, the project has progressed through feasibility studies, detailed design, environmental and social assessments, and stakeholder consultations. Key completed documents that need to be updated include:

- Updated Feasibility Study (2014)
- Environmental and Social Impact Assessment (ESIA) and Resettlement Action Plans (2015)
- Gender Mainstreaming Strategy (2022)
- Stakeholder Engagement Strategy (2022)

B. Next Steps

1. Engage Investor: Secure a capable investor to finance the USD 851.1 million project and lead its implementation through a BOT model.
2. Appoint Transaction Advisor: USD 1.2 million required to engage a Transaction Advisor to manage the PPP structuring, procurement, and capacity building.
3. Update Studies: USD 2.5 million is required to revise the feasibility, design, and environmental studies to reflect current conditions.

6.0 Development Impacts

- **Climate Resilience:** Reduced vulnerability to climate-induced floods and droughts
- **Energy Security:** Increased grid stability and reliability in both countries
- **Food Security:** Increased food access and reliability in both countries
- **Poverty Reduction:** Sustainable livelihoods via agriculture, eco-tourism, fisheries, and employment
- **Gender and Youth Inclusion:** Guided by the 2022-2027 Gender Mainstreaming Strategy, the project will empower women and youth through leadership and economic opportunities

7.0 Alignment with National & Global Priorities

The project supports:

1. **SDGs**: 2 (Zero Hunger), 6 (Clean Water), 7 (Clean Energy), 13 (Climate Action), 17 (Partnerships)
2. **Nationally Determined Contributions (NDCs)**: Climate commitments of both countries
3. **Sectoral Strategies**: National policies on energy, water, agriculture, and climate change in Tanzania and Malawi.

8.0 Financial Summary

Component	Description	Cost (USD)	Time Frame	Source
Dam Construction	Civil works	446.3 million	2026-2028	Investor
Hydropower Plant	Power generation	240.5 million	2027-2031	Investor
Transmission Lines	Interconnections	90 million	2028-2030	Investor
Admin and Others	O&M, project costs	74.3 million	2025-2031	Investors and Governments
Total		**USD 851.1 million**		

CONTACT
To explore investment or partnership opportunities, contact:

Joint Songwe River Basin Commission (SONGWECOM),
P.O. Box 300, Kyela, Tanzania.
Phone: +255 25 2957412
email: executivesecretary023@gmail.com.
secretariat@songwecom.org