

Mphanda Nkuwa Hydropower Project

UTIP Mission to MDBs (Multilateral Development Banks)

A delegation from UTIP, headed by the General Director, Eng. Nazário Meguigy, met with representatives of the World Bank Group (IDA, IBRD, IFC and MIGA), European Investment Bank (EIB) and Nordic Development Fund (NDF) on 17 - 28 February 2003 to discuss financing options and clarify their interest in providing loans and/or equity to the Project. This visit follows a Road Show in Europe in October 2002 to promote the Project towards the Power Industry including investors, contractors, suppliers and the service industry (consultants).

Mphanda Nkuwa Hydropower Project is well known to the institutions visited and potential environmental and social impacts of the Project are not considered a major concern.

Before banks involvement in the Project, there is a need for an extensive study of potential environmental and social impacts, a strong sponsor (leader investor) is required and a long-term power sales agreement.

As a main recommendation from the Financing Institutions, Hidroelectrica de Cahora Bassa (HCB) restructuring effort should be given a top priority in order to speed up a development of the other hydropower potentials in the Zambezi Valley.



UTIP DELEGATION VISTING MULTILATERAL DEVELOPMENT BANKS:

Eng. Nazário Meguigy, Director UTIP flanked by Mr. René van Zonneveld, Senior Technical Adviser Energy, Telecoms & Waste Management, European Investment Bank and Mr. Justin Loasby, Head of Division Southern Africa & Indian Ocean, European Investment Bank to his left and Mr. Odd K. Ystgaard - Project Manager Core Consultant of UTIP/ Financial Advisor and Kjell Haagensen - Legal Advisor UTIP to his right.