

African Development Bank Approves \$43.6 Million for Major Clean Energy Project in Mozambique

May 22, 2025



The Board of Directors of the African Development Bank Group has approved a significant financing package of \$43.6 million for the construction of the Namaacha-Boane Transmission Line and associated electricity infrastructure in Mozambique. This vital project will facilitate the transmission of up to 332 gigawatt-hours of clean wind energy from the upcoming 120 MW Namaacha Wind Farm, destined to power homes and businesses across Mozambique and the broader Southern African region.

The approved financing comprises \$33.2 million from the African Development Fund and an additional \$10.4 million from the Bank's Climate Action Window. This dedicated fund supports 37 low-income African countries in developing climate-resilient infrastructure, aligning with their commitments under the Paris Agreement. The Government of Mozambique is also contributing to the project's funding.

"This project marks a major step forward in Mozambique's transition to a low-carbon energy future," stated Kevin Kariuki, the African Development Bank Group's Vice President for Power, Energy, Climate, and Green Growth. "It will deliver affordable electricity, support local industry, and improve livelihoods."

The project will be implemented by Electricidade de Moçambique, Mozambique's national power utility, in collaboration with Central Eléctrica da Namaacha (CEN), a private sector-led development involving Globeleq Africa Limited and Source Energia. Construction will include two new 43-kilometer, single-circuit, 66-kilovolt transmission lines, alongside necessary network upgrades to ensure stable power delivery.

Upon completion, the project is expected to bring **thousands of new electricity connections** to rural and underserved communities. It will also contribute significantly to environmental sustainability by reducing carbon dioxide emissions by over 71,000 tons annually and bolstering regional energy trade within the Southern African Power Pool.

“This investment strengthens the backbone of Mozambique’s power system while accelerating access to clean energy for people who need it most,” added Wale Shonibare, Director of the Bank’s Energy Financial Solutions, Policy, and Regulations Department.

This initiative strongly aligns with the African Development Bank’s strategic priority, “Light Up and Power Africa,” and supports Mozambique’s national goal of achieving universal electrification by 2030, a target set in alignment with the broader **Mission 300 initiative**. Launched in 2024 by the African Development Bank, the World Bank, and other partners, Mission 300 aims to connect 300 million people across Africa to electricity by 2030, addressing the continent’s significant electricity access deficit and fostering sustainable economic growth.