

# Angola

Population: **29 million**  
 GDP Growth: **1.0%**  
 GDP/Cap (PPP): **\$4,418**  
 Ease of Doing Business: **175**

"60 percent of the population, more than 14 million inhabitants should have electricity based on these projects and structures that are being built"

- João Baptista Borges, Minister of Energy and Water

## ENERGY SECTOR OVERVIEW

A major oil-exporting country and OPEC member, Angola is sub-Saharan Africa's third-largest economy. Increasing the access to electric power is a high priority for the Government of Angola, which has set targets of 9.9 gigawatts (GW) of installed generation capacity and a 60% electrification rate by 2025. The generation mix is projected to be 58% hydro, 12% natural gas, and 30% diesel powered generation by the end of 2018. Large-scale projects implemented in 2017/18 include the Soyo combined cycle natural gas plant (750 MW), and the Lauca hydroelectric project (2.1 GW). In 2014, mapping studies identified the potential for 55 GW solar power, 3 GW wind power, and 18 GW in hydropower throughout the country.



### GENERATION CAPACITY

**Installed Capacity: 6,400 MW**

- Hydroelectric: 3,700
- Thermal: 2,700

### Power Africa New MW to Date

- Reached Financial Close: 0 MW

**Power Africa 2030 Pipeline: 2,109 MW**



### CONNECTIONS

**Current Access Rate: 36%**

- Rural: 8% Urban: 43%

**Households without Power: 3.4 million**

- Target: 60% by 2025

**Power Africa New Connections: 10**

## INVESTMENT AND ENABLING ENVIRONMENT

### Biggest Issues and Bottlenecks

1. Macroeconomic forces/governance
2. Lack of creditworthy utilities/cost-reflective tariff
3. PPAs priced in local currency, little interest in USD PPAs or PPAs indexed to the USD

### Power Africa Interventions

1. Technical Assistance to the Ministry of Energy & Water
2. Grid expansion and stability studies
3. Support to the regulator



## POWER AFRICA'S ENGAGEMENT IN ANGOLA

### MW GENERATION

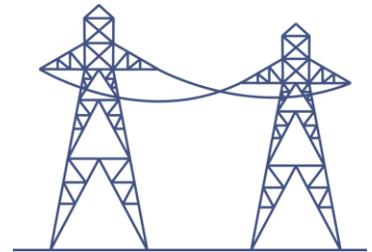
Power Africa provided an embedded Transaction Advisor to support the Ministry of Energy's efforts to improve the regulatory and enabling environment and to help structure projects with potential for private sector participation. The Department of Commerce's Commercial Law Development Program is supporting a review of Angola's standard Power Purchase Agreement (PPA) to better align with international norms, improve negotiation outcomes and ultimately arrive at bankable PPAs.

### CONNECTIONS

Power Africa conducted an economic and technical analysis for integrating three of Angola's five transmission systems and modeled power flows between the North, Central, and South grids, which will support the government's objective of reaching 60% electricity access in the next decade. Power Africa technical assistance to the Ministry of Energy includes work with the National Renewable Energy Directorate to identify off-grid and renewable energy projects for private investment.

### SUCCESS STORY

From September 2015 through May 2017, Power Africa supported economic and technical analysis, conducted by Deloitte and Black & Veatch, for integrating three of Angola's five transmission systems, allowing power flow between the North, Central, and South grids, and supporting the government's objective of reaching 60% electricity access in the next decade (currently ~30%). Power Africa development partners at the African Development Bank and Japanese International Cooperation Agency are incorporating the results from these studies into a series of high voltage transmission projects that will form a transmission backbone capable of transporting electricity across the country.



### ABOUT POWER AFRICA

Power Africa is comprised of 12 U.S. Government Agencies, over 145 private companies, and 18 bilateral and multilateral development partners to support sub-Saharan governments by working together to increase the numbers of people with access to power. Power Africa's goal is to achieve 30,000 MW of new generated power and 60 million new connection by 2030 to reach 300 million Africans.

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