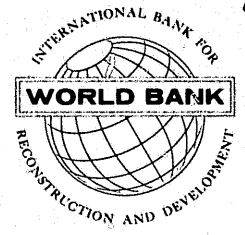


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INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

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Bank Press Release No. 68/2
January 9, 1968

Subject: \$24 million electric power
loan in the Sudan

The World Bank has approved a loan equivalent to \$24 million for the expansion of electric generating and transmission facilities in the Sudan. The loan will be made to the Central Electricity and Water Corporation and guaranteed by the Government of the Sudan. It will be for a term of 25 years, including a five-year grace period, and bear interest at the Bank's current lending rate of 6-1/4% per annum.

The Central Electricity and Water Corporation (CEWC) is carrying out a major expansion program, mainly to increase the supply of power in Khartoum and the Blue Nile area. Sales of power in the area have been increasing at a rate of over 16% annually over the past five years; the new installations will increase the supply of dependable power by about 80% by 1971.

In 1961 the World Bank and its affiliate, the International Development Association, and the Kreditanstalt fuer Wiederaufbau of Germany jointly provided the equivalent of \$51 million to the Sudanese Government for the construction of the Roseires Dam on the Blue Nile, to store water for irrigation. In 1963 consultants, who made a power survey financed by the United Nations Development Programme with the World Bank acting as Executing Agency, concluded that the installation of generating units at the Roseires Dam would be the most economic means of meeting the country's growing power demand. The substructure for a powerhouse was subsequently included in the Roseires Dam project. The loan announced today will assist in financing the construction of the powerhouse at Roseires, which will have three generating units with a combined capacity of 90 megawatts.

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The Republic of the Sudan has an area of 967,500 square miles and an estimated population of 13 million. Over 90% of the population live in rural areas without electricity. The remainder live in 68 towns, of which only 19 are supplied with electricity. CEWC is the Sudan's chief electricity supply authority, operating plants with a total capacity of 83 megawatts, most of which supply power to the Blue Nile Grid. Several small plants are operated by the Ministry of Works, and a number of the larger industries operate their own power plants.

In addition to the Roseires power plant, the new Bank loan will assist in financing the construction of a 306-mile (490-km) 220-kilovolt transmission line to connect the plant with Khartoum; some expansion of the 110-kilovolt transmission system; and the installation of a 15-megawatt gas turbine generating unit at a plant in the suburbs of Khartoum. CEWC also plans to improve other generating, transmission and distribution facilities over the period 1968-73 and to take over the small power undertakings now operated by the Ministry of Works. The cost of CEWC's power expansion program over the six-year period is estimated at the equivalent of \$68 million.

The Roseires power plant is expected to come into operation in 1971. To meet the demand of the system during the interim period, the gas turbine unit is to be installed at Khartoum for operation in mid-1969. Additional similar units will be installed later as required. These gas turbines will supply firm capacity during the dry season to augment supply from Roseires and to serve as standby capacity.

The total cost of the works to be undertaken with Bank assistance is estimated at the equivalent of \$42 million. The Bank loan of \$24 million will cover the bulk of the foreign exchange requirements estimated at \$28 million. The equivalent of \$4 million will come from the Government, and the remainder from CEWC's own resources. In addition, CEWC will be contributing the greater portion of the funds required for the remainder of its expansion program.