



Electricity Generation Company (Malawi) Ltd

Rehabilitation Works and Modernization of Kapichira 1 Hydropower Station, Malawi

DISCLOSURE NOTICE

The Electricity Generation Company (Malawi) Limited (EGENCO), through the Ministry of Energy of the Government of Malawi, is implementing the Rehabilitation and Modernization Works of Kapichira 1 Hydropower Plant Project with the support from the African Development Bank. The project will be implemented at Kapichira Hydro Power Station, T/A Kasisi in Chikhwawa District for a period of 22 months and is estimated to cost USD 25,185,650.00 (Twenty-Five Million, One Hundred Eighty-Five Thousand, Six Hundred and Fifty United States Dollars).

The objective of the project is to rehabilitate the electromechanical equipment (turbines and generators) and modernize the control systems at Kapichira 1 Power Station. It is envisaged that installing upgraded equipment at Kapichira 1 Power Station will improve performance, availability, efficiency, quality of supply and extend the technical useful life of the power plant thereby restore reliable rated output.

The proposed rehabilitation works of Kapichira 1 Hydropower Station will involve refurbishment of turbines, generators and associated equipment. The unit's control equipment (unit controls, SCADA, excitation & protection systems) will be modernized by replacing obsolete and aged control equipment with modern state-of-the-art technologies. The proposed work

shall involve design, manufacture, supply and installation of new equipment and parts, and recommissioning of the Units.

In accordance with the requirements of the national legislation on environmental and social safeguards, and the requirements of the Integrated Safeguards System (2023) Policy of the African Development Bank (AfDB), the Project needed to be planned and designed in a manner that enhances potential positive environmental and social impacts, which in turn would minimize potential negative environmental and social impacts. To achieve this, EGENCO conducted an environmental and social impact assessment and prepared an Environmental and Social Management Plan (ESMP), Grievance Redress Mechanism (GRM), Stakeholder Engagement Plan (SEP), and Traffic and Community Safety Management Plan (TCSMP). The specific objectives of these studies and plans are:

- Assess all environmental and social risks and impacts (negative and positive) of the project.
- Adopt measures, activities and mechanisms to be implemented to avoid or minimize E&S risks and negative impacts.
- Adopt measures, activities and mechanisms to be implemented to maximize/optimize the positive E&S impacts of the project.
- Assess the risks of damage/loss to physical assets (land, real estate) and sources of income, etc.
- Adopt participatory mechanisms to compensate for damage and loss of physical property and livelihoods.

In compliance with national legislation on environmental and social assessments, and the E&S requirements of the African Development Bank (AfDB) mentioned above, the Malawi Environment Protection Authority (MEPA) has approved the said documents as well as the management measures proposed therein. The approved reports are available for consultation by any interested parties at both Chikwawa District Assembly and at the following address:

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Signed
Maxon Chitawo
CHIEF EXECUTIVE OFFICER