



# REL

Ruzizi III Energy Limited

## Frequently Asked Questions

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### Who is REL?

- ▶ Ruzizi III Energy Limited (REL) is a special purpose vehicle that was established and registered in Rwanda to develop the Ruzizi III Regional Hydroelectric Power Project.

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### When was REL established?

- ▶ Ruzizi III Energy Limited was established in March 2017.

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### What is the Ruzizi III Regional Hydroelectric Power Project?

- ▶ The project is one of the largest infrastructure projects in the Economic Community of the Great Lakes (CEPGL) region comprising Burundi, the Democratic Republic of Congo (DRC), and Rwanda (the Contracting States). It will be a 206 MW hydroelectric power project, with an average annual energy production of about 1,200 GWh.



A view of the site that will accommodate Ruzizi III Hydroelectric power Plant

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### Where will the Ruzizi III Regional Hydroelectric Power Project be located?

- ▶ The project will be located at the border between DRC and Rwanda on the Ruzizi River, between Lake Kivu and Lake Tanganyika. It will be part of the Ruzizi cascade, already equipped by Ruzizi I and Ruzizi II plants.

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### What is the project area of the Ruzizi III Regional Hydroelectric Power Project?

- ▶ The project area is in both DRC and Rwanda. In Rwanda, it is in Rusizi District; Nzahaha and Bugarama sectors. In DRC, it is in the Kamanyola and Karhongo cluster (Groupement), Walungu territory (Territoire), South Kivu Province.

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### Who are the owners of the Ruzizi III Regional Hydroelectric Power Project?

- ▶ The project will be a public-private partnership during construction and operation. The shareholders of the project during the initial development period are Industrial Promotion Services (IPS) and SN Power AS (SNP) owned by Scatec ASA.

After the financial close, the shareholders will be the Ruzizi III HPCL (comprising SNP and IPS) and the Contracting States with the private and public parties holding 70% and 30% of the company's share capital respectively.

## 7 Who are the affected communities under the project?

- ▶ The affected communities under the Ruzizi III Regional Hydroelectric Power Project are population owning lands and other properties in the project affected area. In Rwanda, they are the population from Nzahaha Sector, Murya as well as Nyenji Cell and Bugarama Sector; Nyange Cell. In DRC, they are the population from Groupement Kamanyola, villages of Kayenge, Bugano, as well as Kafunda and Groupement Karhongo, villages of Nachihembe, Nachirongwe, Ibambiro, Bujenjere and Ruduha.

## 8 How many people are likely to be affected by the project

- ▶ The activities of developing the Ruzizi III Regional Hydroelectric Power Project will affect around 2,151 households both in DRC and Rwanda. It comprises 1,546 households in the DRC and 605 households in Rwanda. It will physically displace only 2 households in Rwanda and 50 in the DRC.

## 9 Who are the lenders of Ruzizi III Regional Hydroelectric Power Project?

- ▶ The project equity for construction will be provided by capital from public and private sector partners contributed to REL. To finance the project, the Contracting States will use concessional loans and grants from European Investment Bank (EIB), Kreditanstalt für Wiederaufbau (KfW) the German development agency, and the French Development Agency (AFD), African Development Bank (AfDB), and the World Bank among others.

There will also be non-concessional debt from different private actors. Further, project debt will be raised by REL under a combination of typical project finance arrangements (non-recourse finance) and on-lent funds from the Contracting States.

## 10 What are the opportunities from the project for affected people and host communities?

- ▶ Under the Ruzizi III Regional Hydroelectric Power Project, there will be different opportunities for the project affected people and the host communities. The opportunities will include:
  - Employment opportunities in the project area
  - Community development programs in the project area
  - Increase electricity production in the region
  - Improved infrastructure (Roads, Bridges...)
  - Availability of opportunities for local businesses and opportunity for creating new businesses
  - Fishing opportunities in the reservoir
  - Enhancing gender equality through labor recruitment
  - Strengthening family cohesion through financial skills development training

## 11 Who will pay the compensation packages?

- ▶ The Contracting States will pay fair compensation packages to the affected people.

## 12 Which share of electricity each country will get from the project?

- ▶ The energy from the plant will be shared equally between the Contracting States.



Affected population get involved in the Project activities