Inga 3 Information Sheet

This sheet provides basic background information on the Inga 3 dam project, and an added special focus on recent findings from a TMP report addressing the socio-economic impacts of the dam to South Africa.

What is Inga 3

- The Grand Inga Project is a seven phase, US$80-100 billion mega-hydropower project with a total capacity of 44,000MW.
- The Inga 3 dam is the first planned phase of the Grand Inga project, to be developed on the Congo River in the Democratic Republic of Congo (DRC).
- Construction costs are conservatively estimated at between $14 and $18 billion.

Off-takers

- South Africa signed a treaty with the DRC in 2013 to purchase 2,500 MW of power from the Inga 3 dam. The agreement expires in 2023; no Power Purchase Agreement (PPA) has been signed.
- DRC's mining industry, some of DRC's neighbors, multinational mining companies have expressed interest in buying power from Inga 3 if it is built, but no agreements have been made.

Investors

- The World Bank canceled its $73 million technical assistance project to develop Inga, citing severe governance concerns.
- The African Development Bank (AfDB) has frozen its $55 million technical assistance support for Inga 3 since 2016.
- No investors have committed to financing construction of Inga 3.

Developers

- A joint consortium of developers led by China Three Gorges Corporation and Spain's Actividades de Construcción y Servicios (ACS) were given exclusive rights to develop Inga 3. ACS withdrew from the project consortium in 2020.

Transmission costs and losses

- If built, the transmission line would be over 3000 km long and, at an estimated $4.3 billion, would be the world's most expensive. The DRC-SA treaty indicates that South Africa would be responsible for the the cost of the transmission line from the DRC-Zambia border to South Africa. The transmission line would have to pass through Zambia and Zimbabwe.
- The TMP Systems study estimates that as much as 500 MW of power would be lost before it reaches South Africa.

Cost of electricity from Inga 3

- The cost of electricity from Inga 3, including the potential cost of the transmission lines, is likely to be between $0.11/kWh – $0.122/kWh which is significantly higher than the current price of electricity in South Africa.
- This could lead to additional costs to Eskom of between $874m - $1.18bn (R13.07 - 17.65bn), which will ultimately be paid by South African consumers and taxpayers.

Contribution to South Africa's debt

- Inga 3 and its transmission lines are not commercially viable so they would have to be funded through public finance to Eskom, which is already heavily indebted to the tune of at least R450 billion.
- The public sector will carry the burden of debt, and should Eskom default, the National Treasury will be held liable.

Project delays and impacts on price

- Inga 3 has been delayed by about 8 years and has been in the pipeline for decades.
- The TMP Systems study estimates that Inga 3, if it is built at all, would not begin producing power until 2032.
- Any delays to Inga 3 will significantly increase the price of electricity that Inga would produce. TMP Systems estimates that electricity from Inga would cost nearly double the price of solar and nearly triple the price of wind.

Jobs

- Construction of Inga 3 and its transmission lines will create little to no jobs for South Africans, and those few would be related to transmission line development and maintenance. The vast majority of construction jobs would be in the DRC.
- If South Africa invested funds earmarked for Inga into solar or wind instead, it would create 8,089 full time jobs.

Displacements

- The transmission lines in South Africa would run through areas with high social risks where people are particularly vulnerable to the sort of disruption caused by major infrastructure construction work.
- The TMP Study estimates that between 211,920 and 333,423 people within South Africa could be disturbed or in some cases displaced by this work.

News and Views

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