

Senegal starts clock on \$550m US grant to boost power supply

By [Bate Felix](#)

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Senegal has completed reforms that will unlock a five-year grant of \$550m from the United States that will help build high-voltage power transmission lines and substations to boost access to electricity.



Source: Galina Peshkova © [123RF.com](#)

The grant from the Millennium Challenge Corporation (MCC), the US government's main development fund, will enable Senegal to address critical problems in the power sector, Mahmoud Bah, acting chief executive officer of the MCC, told Reuters. It will be supplemented by \$50m from the government of the West African nation.

Bah said ahead of a signing ceremony in the capital Dakar on Thursday, 9 September, that Senegal recently passed regulatory reforms which were conditional for it to start the clock and receive the funds.

The country's parliament passed a pair of bills in June that break the monopoly of the state power company and open up the electricity market to private investment. The reform will create an independent regulator and grant private firms access to power transmission and distribution networks.

"There have been a series of laws that were passed and policies that were addressed and institutions that were set up. Those conditions are met today," Bah said.



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Rapid economic and population growth

Senegal, like most countries in sub-Saharan Africa, has seen rapid economic and population growth in recent years, with cities such as Dakar witnessing a construction boom, while critical infrastructure, including power, has lagged.

The country suffered severe power generation and supply outages a decade ago, crippling business and contributing to violent riots. Although supply has improved in recent years, Bah said the underlying problems remain.

"What got the power sector in trouble 10 years ago is still going to happen if the problems are not addressed," he said.

He added that over 70% of the funds will be used to build high-voltage overhead and undersea transmission lines, substations and automatic load shedding systems to boost supply and cost-effective electricity around the Dakar area.

The rest of the funds will improve electricity in other areas far from the capital and strengthen the country's power regulatory system.

The MCC has provided similar power sector funding to other West African nations, including Burkina Faso and Benin.

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