

People and Organisation	Market opportunity - EDM fails to fully take advantage of the NCC in terms of regional sales.	<b>Medium</b>	<b>Low</b>	The action will provide training and technical assistance to the market operator of EDM to ensure the company captures value from the NCC component for sales in the regional market.
Planning, processes and systems	Delays in the project implementation, mainly regarding procurement as well as the actual construction.	<b>High</b>	<b>Medium</b>	Mitigation measures include the utilisation of e-Procurement platforms. The steering committee will closely monitor those aspects. During construction, the supervising engineer will reduce the risks of works delays in closely monitoring contracts implementation.
Planning, processes and systems	Difficult coordination and complexity for EDM management due to the number of partners around the table.	<b>High</b>	<b>Low</b>	A steering committee is up and running to ensure appropriate coordination and complementarities. The project is supposed to be split in complementary lots for a better management of the donors' budget and respective implementation and procurement modalities.
Planning, processes and systems	Delay in the backbone project (STE) connecting the Northern and Southern grid and thus no/late interconnection	<b>Medium</b>	<b>Medium</b>	The STE project is a flagship project for the Mozambican government. Phase 1, the Temane Transmission Line Project is ongoing with funding from the World Bank, the African Development Bank, Norway, the Islamic Bank and the OPEC Fund for International Development. Interconnection, if only with limited capacity, will be reached by 2023 after commissioning of the new 110 kV transmission line from Mavuzi to Temane.
Legality and regularity aspects	Corruption	<b>High</b>	<b>Low</b>	The funds are to be forwarded in full and unremunerated by the Ministry of Economy Finance to the project-executing agency EDM by way of an on-granting agreement which is part of the disbursement requirements for KfW. The award of contracts for supplies and services is based on transparent procurement procedures, which include tender based on international competitive bidding and KfW's approval. Monitoring of the project by a supervising engineer.
Legality and regulatory aspects	Prioritisation of fossil fuels as the main source for electricity production	<b>Medium</b>	<b>Medium</b>	The EU, with other development partners, have engaged in a dialogue with the government on Mozambique's energy transition to clean and sustainable energy and support several programmes contributing to that aim like the ongoing EU funded PROLER which will provide addition 160MW of renewable energy and the programme GET FiT aiming at additional 135MW. The government committed to 62% of renewable energy in the energy mix by 2030 at the COP26. The 'Integrated Master Plan for Mozambique Power System Development (2018-2043)' sets a target of 20% of renewables in the energy mix (solar and wind - excluding hydro) to be reached by 2043.