BUILD BACK BETTER INITIATIVE · SUDAN & EAST AFRICA

Evidence for Resilience - Policy. Communities. Change.

Sudan's Grid Rebuild:

The Egyptian Track Record Next Door

Facilitator. Editorial: Forward-looking policy brief

3Bi

Sudan Should Go Straight to the Egyptian Consortiums Already Building Gigawatts Next Door

2026-09-21 · Research Team

WWW.3BISUDAN.ORG

Contents

The Ask 1
Why Now 1
The Evidence 1
Addressing the Counter-Case 3
What 3Bi Recommends, Specifically 3
Sourcing & Contact 4

Egyptian EPC consortiums are simultaneously building a $2.9bn dam in Tanzania, a hydrogen-ready plant in Hungary, and a $2.6bn plant in Saudi Arabia. Sudan should use the same firms and the existing interconnection channel to rebuild its own grid.

The Ask

Sudan's Ministry of Energy and Petroleum and the National Electricity Corporation should open direct, government-to-government negotiations with the specific Egyptian EPC consortiums — Arab Contractors, Elsewedy Electric, and Orascom Construction — that are simultaneously building a $2.9 billion hydropower dam in Tanzania, a hydrogen-ready gas plant in Hungary, and a $2.6 billion, 3-gigawatt (GW) power station in Saudi Arabia, to rehabilitate Sudan's war-damaged hydropower and thermal generation assets. The capacity, the financing structures, and the diplomatic channel to do this already exist; what is missing is the decision to use them.

Why Now

A survey published today by attaqa.net's energy research desk, citing the Washington-based Enterprise/Energy specialized platform, catalogues three live Egyptian-led power projects abroad: the Julius Nyerere Dam in Tanzania (2,115 megawatts, MW), a new 520MW combined-cycle unit at the Matra plant in Hungary, and a newly awarded 3GW combined-cycle plant in Saudi Arabia (attaqa.net, 21 September 2026). None of this is speculative pipeline — the Tanzania dam is already generating and transmitting power, Hungary's unit broke ground with its energy minister in attendance, and Saudi Arabia's contract was announced this month.

This matters to Sudan specifically because of timing, not just capability. 3Bi's 16 September 2026 brief documented that Sudan and Egypt are actively negotiating Phase 2 of their cross-border interconnection upgrade, lifting capacity from 75MW toward 300MW and eventually 1,000MW, with a preparatory financing conversation already open through the Multilateral Cooperation Center for Development Finance. That negotiation gives Sudan a live diplomatic channel to the same government and, through it, to the same state-linked and private Egyptian firms now building gigawatt-scale plants on three continents. The window to fold a direct EPC track into that same conversation is open now, while officials from both governments are already at the table for a related project — not a hypothetical future one.

The Evidence

Arab Contractors and Elsewedy Electric are already proving they can deliver exactly the kind of hydropower rehabilitation Sudan needs, at the scale Sudan needs it. The Julius Nyerere Dam

and power station on Tanzania's Rufiji River — a $2.9 billion contract awarded to the Egyptian-led consortium by the Tanzanian government in December 2018 — is a 1,025-metre roller-compacted-concrete dam feeding nine vertical Francis turbines at 235MW each, for a combined 2,115MW and a targeted annual output of 6,307 gigawatt-hours (attaqa.net, 21 September 2026). The reservoir holds 34 billion cubic metres of water, regulating river flow for both power generation and flood control. Sudan's own hydropower fleet — Roseires, Sennar, and Merowe, all sitting on the Nile system with comparable dam and turbine engineering — has absorbed war damage since 2023 that has affected roughly 40% of the country's generation and transmission system, per UNDP and Actum Sudan reporting cited in 3Bi's prior brief. The consortium rehabilitating and expanding one of East Africa's largest hydropower assets is not a theoretical partner for that kind of work; it is currently doing that exact category of work one river system away.

Elsewedy Electric's Hungary project shows the same firms can deliver thermal generation that is built for a decarbonizing future, not a fossil-locked one. The new 520MW unit at Hungary's Matra plant, developed with Hungarian and Spanish partners and due online by 2028, will be Hungary's largest combined-cycle plant in decades — and it is being built hydrogen-ready for up to 30% of its fuel mix (attaqa.net, 21 September 2026). Hungary's energy minister, Csaba Lantos, said at the groundbreaking that the country had not built a new power plant in over 15 years and needed flexible gas capacity specifically to balance growing solar and wind output. Sudan's damaged thermal stations face an analogous choice: rebuild as pure fossil capacity, or rebuild hydrogen- and renewables-ready from day one, the same design discipline 3Bi's 16 September brief urged for the Egypt interconnection's Phase 2. The firm making that choice available to Hungary is available to Sudan through the same corporate structure.

Orascom Construction's Saudi Arabia win demonstrates these consortiums can mobilize multi-billion-dollar blended financing quickly — precisely the constraint that has stalled Sudan's own reconstruction. Orascom, partnered 50-50 with Spain's Técnicas Reunidas, won a $2.6 billion contract for a 3GW gas-fired combined-cycle plant with dedicated carbon-capture infrastructure and a 380-kilovolt substation (attaqa.net, 21 September 2026). Orascom's chief executive, Osama Bishai, said the deal builds on the company's track record in Egypt's own energy sector and that its combined Middle East and Africa portfolio already exceeds 30GW. That regional footprint means Orascom's financing partners and risk models already account for currency and political volatility across markets adjacent to Sudan's — the same currency exposure that 3Bi's prior brief identified as the binding constraint on Sudan's renewable buildout, with local developer costs effectively quadrupling against a collapsing currency. A consortium that structures $2.6 billion deals across volatile regional markets is better positioned to price and absorb Sudan-specific currency risk than a first-time entrant would be.

The common thread across all three projects is government-to-government award, not open international tender — Tanzania awarded its dam contract directly, Hungary's project moved from groundbreaking to construction on a government-brokered consortium, and Saudi Arabia's

award proceeded through direct negotiation with an established regional player. Sudan's own interconnection agreement with Egypt is itself a government-to-government instrument. Extending that same channel to a generation-rehabilitation EPC track would not require inventing a new procurement mechanism — it would require using the one already open.

Addressing the Counter-Case

The strongest objection is that Sudan's active conflict and insecurity make it an unrealistic destination for private EPC consortiums and their commercial insurers, regardless of Egyptian geographic and political proximity — multilateral or state-guaranteed vehicles, the objection runs, are the only credible financing route while fighting continues, and courting private contractors now risks a public embarrassment if no serious bid materializes.

This is a fair caution, and 3Bi is not recommending an immediate construction mobilization into active conflict zones. But the recommendation here is narrower and lower-risk: opening exploratory, government-to-government talks now, during the Phase 2 interconnection negotiation that is already underway, costs nothing beyond diplomatic bandwidth, and it can be scoped from the outset to stabilized geography and planning-phase work — feasibility studies, engineering assessments, and financing-structure design for Roseires, Sennar, and Merowe rehabilitation — rather than immediate on-the-ground construction. Tanzania's award process shows these consortiums are willing to enter complex, higher-risk emerging markets when a government-backed contract and blended financing structure de-risk the entry; Sudan's task is to start that conversation early enough that a financeable structure exists by the time security conditions allow construction to begin, rather than starting the conversation only after the fact.

What 3Bi Recommends, Specifically

First, Sudan's Ministry of Energy and Petroleum should use the existing Phase 2 interconnection talks with Egypt as the diplomatic entry point to raise a parallel, government-to-government exploratory track with Arab Contractors, Elsewedy Electric, and Orascom Construction specifically, rather than waiting for a general international tender process.

Second, that exploratory track should be scoped explicitly to feasibility and engineering-assessment work on Roseires, Sennar, and Merowe hydropower rehabilitation, and on repair of Sudan's most severely war-damaged thermal stations, so that a financeable, hydrogen- and renewables-ready design exists ahead of any construction decision.

Third, Sudan's negotiators should request that any resulting financing structure include the same currency-risk buffer 3Bi recommended for the interconnection project on 16 September — given that Orascom and Elsewedy already price similar volatility into their regional portfolios, this is a request within the range of deals these consortiums already structure elsewhere.

Fourth, 3Bi will publish a follow-up note if any exploratory agreement, memorandum, or feasibility mandate is announced, tracking whether the terms include the safeguards recommended here.

Sourcing & Contact

Sources: attaqa.net Energy Research Desk (Ahmed Badr), "3 [illegible] [illegible] [illegible] [illegible] [illegible] [illegible])," citing the Enterprise/Energy specialized platform (Washington, D.C.) and Forbes Middle East, 21 September 2026; 3Bi Research Team, "Lock In De-Risking Now — Sudan's Egypt Interconnection Upgrade Is the Cheapest Chance to Get Renewables Into the Grid," 16 September 2026, citing Middle East Monitor (14 September 2026) and UNDP Sudan's *Solar Energy Value Chain Study* (March 2026). Methodology note: project figures (capacity, cost, timelines) are as reported by the cited sources at time of publication and have not been independently re-verified by 3Bi beyond cross-referencing across the sources listed. For follow-up, contact 3Bi's Research Team via 3bisudan.org.

This publication was produced through 3Bi's automated daily publications workflow, which monitors regional and international climate and energy reporting.

This publication is produced with support from 3Bi's institutional donors; see the full funder list at 3bisudan.org.

Publisher: 3Bi
Location: Khartoum, Sudan