



Beyond Extraction: Aligning European and African Interests to Unlock the Full Potential of the Lobito Corridor

by **Pietro Rinaldi, Filippo Simonelli and Darlington Tshuma**

Africa's critical minerals boom presents an opportunity to strengthen its economic sovereignty. This requires leveraging Africa's minerals wealth to drive regional industrialisation, boost productivity, create quality jobs and generate domestic revenues needed to finance own development ambitions. For Europe, access to critical raw materials is a strategic necessity, underpinning the green transition and reducing dependence on single suppliers. At a time of intense geopolitical competition, the added value of Europe's proposal should be the concrete contribution to local African development, most importantly through infrastructure investment that connects markets and builds the foundations for sustainable growth. The Lobito Corridor, a critical infrastructure stretching from Angola's Atlantic coast to mineral-rich regions of the DRC and Zambia, offers an illustrative example where African and European interests align. European private capital and expertise are being deployed through industrial offtake agreements to unlock investment in energy infrastructure to power large-scale mining operations while simultaneously extending energy access to predominantly rural communities across the region.

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With the global race for critical minerals accelerating, Africa and Europe have a rare opportunity to forge a mutually beneficial partnership that aligns strategic interests with sustainable development priorities, most notably with regard to the so-called Lobito Corridor. This envisaged partnership must avoid repeating the historical mistakes of purely extractive models, prioritising sustainable development and investment in local communities instead. Drawing on their past experiences with extractive industries, African countries and their European peers can shape a development model that ensures investments in the Corridor extend far beyond the six million people who live along the area. This approach should simultaneously deliver tangible benefits for local communities, protect the environment and safeguard the interests of future generations.

The Lobito Corridor is a strategic railway project spanning approximately 1,300 km, extending from the Atlantic port city of Lobito in Angola to the borders with the Democratic Republic of Congo (DRC) and Zambia. The project's ambition is to create a fast and efficient transport link connecting Lobito's westward-facing



The Lobito Corridor is first and foremost a regional infrastructure priority and it is simultaneously a strategic CRM corridor

port infrastructure to the mineral-rich regions of the DRC and Zambia, which hold some of the world's largest deposits of critical raw materials (CRM). The Corridor represents a key infrastructure project under the Programme for Infrastructure Development in Africa (PIDA) of the African Union (AU). Its development and modernisation are seen as pivotal for regional and continental integration, creating jobs and driving regional industrialisation. It is important to state that the Corridor operates on two distinct, albeit reinforcing logics: it is first and foremost a regional infrastructure priority, with transformative potential for connectivity, trade and development, and it is simultaneously a strategic CRM corridor, critical to global supply chains and the energy transition.

The railway may hold enormous transformative value if it keeps its promises. Cutting the transportation time of goods from DRC and Zambia to the Angolan coast from one month to just one week has the potential to improve the environment for local businesses to thrive.¹ It can become a cradle for new industries, spanning from mining industries to clean energy to agricultural value chains, while also significantly boosting trade both within the continent and with global markets. Crucially, it opens new commercial opportunities for local small and medium-sized businesses and communities that have historically been cut off from regional and international supply chains.

Yet harnessing this potential is far from easy. The rollout faces deep financial, normative and social hurdles at the regional and country levels. It needs both political and logistical coordination, a challenge that requires aligning the interests of a multitude of actors.

Firstly, while the goals of the three African countries involved are often broadly compatible, such as increasing productivity, mobility and job creation, the specific priorities and expected returns diverge in ways that require careful analysis. Angola is primarily seeking to revitalise its trade and diversify its economy beyond oil, while the DRC and Zambia are more focused on the mining and mineral dimension of the project.

Moreover, each country aims to use the infrastructural opportunity to address other structural weaknesses: Zambia's recent power crisis has shown how quickly mining and investment plans suffer when electricity becomes unreliable; in the DRC, power shortages continue to weigh on industrial activity and on the feasibility of value addition; the longstanding overreliance on fossil fuels revenues has left Angola highly vulnerable to global commodity price fluctuations. Customs procedures, cross-border coordination and skills shortages add further costs before firms can treat local processing as a serious commercial option.

¹ European Commission DG for International Partnerships website: *Lobito Corridor*, https://international-partnerships.ec.europa.eu/node/4522_en.



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Nonetheless, all three countries share the understanding that the Corridor has the potential to enhance their citizens' well-being through regional integration. Quality job creation, which inevitably leads to improved living standards, is of primary interest to these governments, especially considering that the three Corridor countries rank among the lowest in the world across a range of socio-economic indicators, such as child mortality, access to housing and education.² At the same time, government budgets are severely constrained. The DRC and Zambia are classified by the World Bank as meeting the criteria for the Highly Indebted Poor Countries (HIPC) category. For them, this infrastructure project could serve as a vehicle to attract new private capital for sustainable initiatives that foreign investors would otherwise be unlikely to fund. At the same time, solid and concrete policy measures should be drafted by African legislators to prevent private partners from exacerbating existing vulnerabilities and conflicts.

Second, and perhaps more complex to navigate, is the need to align Western bloc interests with African development needs. Under the recent EU Critical Raw Materials Act, supply-chain diversification is framed as a central policy objective:³ by 2030, no more than 65 per cent of the Union's annual consumption of each strategic raw material should come from a *single* third country. The project has been largely financed by Western actors, with the EU and the United States providing the largest share of funding, over six billion dollars, and Italy emerging as a particularly committed partner, having individually pledged 250 million euros through its Mattei Plan. The project's inclusion in the G7's Partnership for Global Infrastructure and Investment (PGII) further underscores its significance for global partners. For European players, the Corridor is primarily a supply chain de-risking strategy, one designed to reduce dependence on China for critical raw materials and secure inputs for European industry.

1. AFRICAN PRIORITIES: MANUFACTURING, PRODUCTIVITY AND JOB CREATION

Three interconnected priority areas warrant particular attention. First, there is an urgent need for strategic investments in critical anchor sectors, including physical and soft infrastructures.⁴ Investments in

² The Global Multidimensional Poverty Index, produced by UNDP, ranks the DRC as the 13th poorest country globally, Angola as the 19th poorest and Zambia as the 23rd poorest.

³ European Commission DG for Internal Market website: *Critical Raw Materials Act*, https://single-market-economy.ec.europa.eu/node/2053_en.

⁴ They include energy systems, road and rail networks, ports and digital connectivity and skills development programmes, regulatory reform and regional coordination



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these sectors are crucial to move up the CRM value chain through local beneficiation, regional industrialisation processes and value addition, thereby driving economic productivity and large-scale job creation. For instance, in the last decade alone, the manufacturing share of African GDP has stagnated at about 11 per cent, less than half the share of peers in Asia.⁵ Reversing the continent's premature deindustrialisation through deliberate industrial and economic policies aimed at expanding manufacturing capacity, enhancing productivity and strengthening regional value chains offers a chance for large-scale job creation. However, addressing the challenge of manufacturing and productivity in Africa requires addressing infrastructure gaps and policy constraints that limit manufacturing.

The scale of future demand underscores the strategic importance of this window of opportunity. By 2040, global demand for lithium is projected to increase by 4.5 times, while demand for graphite is expected to rise by 2.3 times, driven by the global decarbonisation agenda and the next wave of technological transformation.⁶ Sub-Saharan Africa sits at the centre of global critical mineral production: the DRC alone accounts for over 70 per cent of global cobalt output alongside other critical minerals like manganese, lithium and nickel.⁷ Yet despite holding over 30 per cent of global critical mineral reserves, African countries capture less than 1 per cent of the global value generated from clean energy technologies and component manufacturing.⁸

This imbalance highlights the need for a development model that prioritises industrial upgrading, domestic value retention and long-term structural transformation of African economies. If African countries were to gradually move up the critical minerals value chain to more complex processing steps, including smelting, processing and refining, they will be able to capture greater value from their resources and generate sufficient revenue to finance own development and create quality jobs.

The second priority concerns the provision of infrastructure and services, which must go beyond a narrow view of these projects as being designed solely for the mining sector to investing in complementary sectors and anchor industries, including agri-food

mechanisms.

⁵ Newfarmer, Richard, "Africa's New Economic Transformation: More than Manufacturing", in Pierre Nguimkeu (ed.), *Foresight Africa 2026*, Brookings, 19 February 2026, p. 55-57, <https://www.brookings.edu/?p=1850039>.

⁶ World Bank, *The Changing Wealth of Nations 2024*, 2024, <https://www.worldbank.org/en/publication/the-changing-wealth-of-nations>.

⁷ Chen, Wenjie et al., "Harnessing Sub-Saharan Africa's Critical Mineral Wealth", in *IMF Country Focus*, 29 April 2024, <https://www.imf.org/en/news/articles/2024/04/29/cf-harnessing-sub-saharan-africas-critical-mineral-wealth>.

⁸ Everill, Bronwen, "Critical Mineral-Rich Africa Can Look after Itself", in *The World Today*, Spring 2026, <https://www.chathamhouse.org/node/38159>.



Investments in the Corridor can leverage the agro-industry to absorb labour and generate quality jobs

systems, special economic zones (SEZs), urban infrastructure for cities and towns along the corridor. This has the potential to unlock job creation, expand the provision of public goods beyond mining enclaves, while contributing to long-term stability and security. For instance, investments in the Corridor can leverage the agro-industry to absorb labour and generate quality jobs. With over half of the labour force of DRC, Angola, and Zambia employed in agriculture, Africa's agri-food industry is the most scalable job-generating frontier when accompanied with the right set of policy frameworks.⁹ For instance, by strengthening linkages between labour, domestic demand, finance, technology and regional markets, Africa's agri-food industry sector can generate large-scale employment while building a critical skills base. Similarly, for a continent that holds over 60 per cent of the world's uncultivated arable land, transforming agriculture into an interconnected food system industry that integrates climate adaptation and resilience, renewable energy, and nutrition holds immense socioeconomic potential.

Upgraded infrastructure along the Corridor can simultaneously address food resilience and food security issues. Almost 40 per cent of all locally produced agricultural products and commodities in African countries are lost in transportation.¹⁰ Sustainable investment in communities therefore requires that the underlying infrastructure that supports mining and extractive industries, including ports, railroads and rural roads, are leveraged to reduce the time, cost and uncertainty in the transportation of food, especially by smallholder and medium-sized farmers. For scalable impact, these components need to be activated simultaneously rather than treated in isolation. Already, upgrades and the rehabilitation of the railway line have unlocked over six thousand jobs, with local procurement exceeding 60 per cent of the total value. An additional fifty thousand smallholder farmers are receiving training through agriculture support programmes, while digital literacy and financial inclusion initiatives are projected to reach an additional three hundred thousand residents.¹¹

Similarly, supporting the development of industries in SEZs and cities along transportation and energy corridors serving the mines can leverage the underlying infrastructure and investments required for the export of mining products. For instance, Morocco's Tanger Med port has become a hub for industrial activity, supported by a

⁹ World Bank Data, *Employment in Agriculture (% of total employment) (modelled ILO estimate) – Sub-Saharan Africa*, 17 January 2026, <https://data.worldbank.org/indicator/SL.AGR.EMPL.ZS?locations=ZG>.

¹⁰ African Union Commission, *Post-Harvest Loss Management Strategy*, August 2018, <https://au.int/en/node/34934>.

¹¹ European Commission DG for International Partnerships website: *Lobito Corridor*, cit.



With the right investment frameworks and industrial policies, Africa's extractive sector could increase African GDP by at least 24 billion dollars

network of business parks that now host over 1,200 companies, generate more than 110,000 jobs, and drive annual exports exceeding fifteen billion dollars. Tanger Med port's success reflects a broader ecosystem, where infrastructure investment and a business-friendly environment have been just as decisive as the port's own development.¹²

The third priority is Africa's natural wealth, which provides a significant foundation for sustained socioeconomic transformation. It is imperative that policymakers in Africa and Europe seize this opportunity to scale up productivity to generate quality employment and expand economic and social opportunities. An estimated ten to thirteen million Africans enter the labour market each year, yet collectively the continent creates less than three million jobs annually.¹³ With the right investment frameworks and industrial policies, Africa's extractive sector could increase African GDP by at least 24 billion dollars, unlocking opportunities for job creation through investments in infrastructure and skills training programmes for young people.¹⁴

While African countries collectively hold at least 30 per cent of the world's proven CRM reserves, with renewable resources alone accounting for more than five trillion dollars, the distribution of value within global supply chains remains deeply unequal.¹⁵ According to the International Monetary Fund, global revenues from the extraction of copper, nickel, cobalt and lithium, minerals that are abundant in the DRC and Zambia, could reach sixteen trillion dollars over the next 25 years. However, African countries are projected to capture only a fraction of this value, estimated at roughly 10 per cent, or approximately two trillion dollars.¹⁶ This imbalance has intensified calls across the continent for stronger legislation and industrial policies requiring local beneficiation and value addition before mineral exports.

However, regional integration cannot thrive on trade and markets alone. The provision of public goods, from energy security, infrastructure, peace and security and environmental protection, are all integral to the future success of the Lobito Corridor.

¹² Eljehtimi, Ahmed, "Morocco's Tanger Med Port Expects to Exceed Nominal Container Capacity", in *Reuters*, 10 June 2024, <https://www.reuters.com/business/morocco-tanger-med-port-expects-exceed-nominal-container-capacity-2024-06-10>.

¹³ World Data Lab, *Africa Youth Employment Outlook 2026*, 2026, <https://impact.worlddatalab.org/africa-youth-employment-outlook-report>.

¹⁴ International Energy Agency (IEA), *Stepping Up the Value Chain in Africa*, October 2025, <https://www.iea.org/reports/stepping-up-the-value-chain-in-africa>.

¹⁵ IEA, *Global Critical Minerals Outlook 2025*, May 2025, <https://www.iea.org/reports/global-critical-minerals-outlook-2025>.

¹⁶ Chen, Wenjie et al., "Harnessing Sub-Saharan Africa's Critical Mineral Wealth", cit.



Europe faces the Lobito Corridor challenge from a position of industrial exposure

2. EUROPEAN PRIORITIES AND THE CONDITIONS FOR STRATEGIC ALIGNMENT

Europe faces the Lobito Corridor challenge from a position of industrial exposure. The energy transition has heightened demand for minerals used in batteries, grids, digital technologies and advanced manufacturing; many of those supply chains remain geographically concentrated and politically exposed. The Corridor places that European concern alongside the industrial and development choices of Angola, the DRC and Zambia. The Zambian Copperbelt, the southernmost region of the country and one of the richest in the world in terms of rare earths and minerals, and surrounding areas may become important to Europe's resilience strategy, provided that cooperation does not stop at transport. Secure and efficient logistics are central in a corridor built around movement, but the longer-term value of the project will depend on processing capacity, bankable investments and local industrial participation: an infrastructure designed only for extraction would be hard for African leadership to justify to its citizens and would favour instead the repetition of the same dependence pattern. Moreover, it would also weaken the political credibility of an initiative that African partners expect to support local development and community strengthening, at a time when credibility itself has become one of the scarcest currencies in international politics.¹⁷

Moreover, the wider global competition for securing Africa's support remains the overarching background. China has been part of the continental industrial landscape for a long time, leaving an often-bittersweet taste that may open new opportunities for Western partners. Recent work on African debt owed to China have illustrated how Chinese lending may support infrastructure and productive capacity while also increasing exposure to debt distress where fiscal management is weak and repayment conditions narrow political room for manoeuvre.¹⁸ Any European initiative is carried out in an environment already influenced by deep commercial networks, consolidated processing capacity and investment cycles set in motion well before the current attention to the Lobito Corridor. It also faces a broader political caution toward foreign involvement, especially where infrastructure and mineral resources appear as

¹⁷ European Commission DG for Internal Market website: *Critical Raw Materials Act*, cit.; European Commission DG for International Partnerships website: *Lobito Corridor*, cit.; UN Economic Commission for Africa (UNECA) et al., *Potential Impact of the Lobito Corridor and Support to the Regional Transformation Agenda*, October 2024, <https://hdl.handle.net/10855/50261>.

¹⁸ Mutai, Noah Cheruiyot et al., "Examining the Sustainability of African Debt Owed to China in the Context of Debt-Trap Diplomacy", in *Scientific African*, Vol. 24 (June 2024), Article e02164, <https://doi.org/10.1016/j.sciaf.2024.e02164>.



Finance, guarantees, and technical capacity should therefore concentrate on activities that go beyond transport and transformation only

parts of the same strategic design. The Lobito Corridor, although seen as highly valuable in African capitals, will not resolve European (and Western) problems all at once. European involvement may be relevant and desirable if the bloc achieves an effective expansion of the range of financing, technical and regulatory options available to African partners. If national strategies of all the parties involved aim to retain more value locally and reduce dependence on a narrow set of external operators, this may turn into a further opportunity for European companies to operate in a new environment, joining investments that have originally been designed for separate initiatives. This scenario is meant to build on the EU's main strengths, including normative power, aiming at a diversification that depends on the accumulation of investment, processing capacity, standards and industrial partnerships around the Corridor and the countries involved.¹⁹

Finance, guarantees, and technical capacity should therefore concentrate on activities that go beyond transport and transformation only. Processing, energy supply, customs coordination, skills and cross-border trade offer a broader focus, and create more opportunities for Europe as well, because they provide the conditions under which Europe's supply-chain agenda can overlap with African industrial priorities through broader projects and, most relevantly, technological transfer, which is never to be neglected when aiming to build long-term, sustainable development projects. Without that connection, the project would remain strategically visible and significant but developmentally thin, limiting the opportunities for future European involvement.²⁰ Italy's approach gives this discussion a concrete financial blueprint to begin with: in June 2025, Cassa Depositi e Prestiti (CDP), SACE and Africa Finance Corporation²¹ signed a 250-million-euro financing agreement under the broader Mattei Plan-Global Gateway framework; CDP provides a ten-year loan, while SACE guarantees 80 per cent of the amount. The operation supports strategic infrastructure in Africa and includes the Lobito Railway Corridor among its reference projects. It also points to opportunities for Italian firms in infrastructure, transport, logistics and components for renewable power generation. The relevance of the instrument lies in the connection between public finance, risk

¹⁹ Nantulya, Paul, "China's Critical Minerals Strategy in Africa", in *Africa Center Spotlights*, 9 December 2025, <https://africacenter.org/?p=1017087>.

²⁰ Karkare, Poorva and Bruce Byiers, "The Lobito Corridor: Between European Geopolitics and African Agency", in *ECDPM Discussion Papers*, No. 386 (April 2025), <https://ecdpm.org/work/lobito-corridor-between-european-geopolitics-and-african-agency>.

²¹ CDP is Italy's public development bank, controlled by its Ministry of Finance; SACE is Italy's export insurance company, controlled by the Ministry of Finance as well; Africa Finance Corporation is Africa's multilateral finance institution set up by sovereign states.



Italian participation will be judged by the projects it supports, the risks it helps absorb and the productive activities it supports along the Lobito Corridor

mitigation and African institutional finance. It gives Italy a way to act inside a European framework while keeping a national industrial profile. It can also help the Mattei Plan avoid remaining a political label. The test is practical. Italian participation will be judged by the projects it supports, the risks it helps absorb and the productive activities it supports along the Lobito Corridor. The presence of Italian companies is not enough. Their participation becomes politically stronger when it is tied to local employment, skills transfer, energy systems for productive uses and infrastructure that serves markets around the railway as well as the export route.

European instruments already point in this direction, as they tentatively move beyond rail rehabilitation. Team Europe²² has mobilised more than two billion euros of investments across Angola, the DRC and Zambia, and the European Commission's own presentation of the Lobito Corridor puts emphasis on the link between transport and local economies, jobs, agricultural value chains, skills, water, energy and responsible CRM value chains. The important element is not the size of the figure alone, which is still not negligible at all, but the broader attempt to treat the Corridor as a development space. The Lobito Corridor is not only a chance for the development of a single project, but rather to give a credibility boost to the whole Global Gateway-Team Europe approach, which has yet to deliver most of the promises that were made in the early days of its launch in 2021.

Along the Lobito Corridor, the normative blueprint proposed by the EU will be tested much earlier than public communication usually suggests when contracts are written, guarantees negotiated, land allocated, environmental costs calculated, and communities involved – or left outside – before decisions become operative and impactful. European normative standards should be part of the deal from the start, because bankability is never just a technical question. Investors asking for lower risk are also asking for choices about who absorbs costs, how long public guarantees remain in place and how much exposure is left to communities, land users and ecosystems that often have little influence over the transaction. Better preparation and patient finance can reduce part of that burden before it is displaced elsewhere. For Europe, the financial bargain itself has to maintain the standards it promises.²³

The Lobito Corridor, as it is today, concentrates several weaknesses that have often limited European external action: fragmented instruments, slow implementation, uneven coordination between EU and EU member-state initiatives, and a tendency to communicate

²² Team Europe, shorter for team Europe Approach, consists of the European Commission, the member states and the European Investment Bank.

²³ European Commission DG for International Partnerships website: *Lobito Corridor*, cit.; Karkare, Poorva and Bruce Byiers, "The Lobito Corridor", cit.



Energy access represents one area where African and European priorities genuinely converge

frameworks before their effects are clear. In this broader political landscape, African governments already receive multiple external offers: they have no reason to privilege European initiatives unless those initiatives are predictable, coordinated and relevant to their domestic priorities. Europe will have to prove itself: announcements must translate into active/concrete projects, while high standards must remain in the room during contracts negotiations, not only in the language of press releases and communiqués. Industrial cooperation is a harder test: whether African partners gain more capacity within the value chains connected to the Lobito Corridor, or simply a faster route for raw materials to leave the region.²⁴

3. LEVERAGING THE LOBITO CORRIDOR FOR ENERGY SECURITY AND ACCESS

As observed, there are several topics where African and European priorities are not superimposable, requiring compromises across different areas, from localisation and displacement of industries to debt sharing. Energy access²⁵ represents one area where African and European priorities genuinely converge, and where concrete steps are already being taken. Unlike the areas of tension discussed above, both sides are already pointing in the same direction.

The electricity sector in Sub-Saharan Africa exhibits several critical structural weaknesses: frequent power outages, low electrification rates, particularly in rural areas, over-reliance on single energy sources, and underdeveloped grid infrastructure. These problems are acutely present in the three countries along the Lobito Corridor. In Zambia and Angola, only 51.1 per cent of the population has access to electricity; in the DRC, the figure falls to just 22.1 per cent.²⁶ This means that nearly 114 million people across the three countries lack electricity access, a challenge that sits at the top of both the AU's Agenda 2063 and the national agendas of all three countries.²⁷ Closing this gap requires substantial investment: in generation capacity, grid strengthening, and new connections. These are costs that local governments cannot meet alone, given their fiscal constraints and

²⁴ Vines, Alex, "Caught in the Corridor: Angola, Europe and America", in *ECFR Commentaries*, 18 December 2025, <https://ecfr.eu/?p=147246>; Ekanem, Solomon, "Trump Renews Push for Africa's \$4 Billion Regional Rail Corridor despite Rising Tariff Tensions", in *Business Insider Africa*, 7 April 2025, <https://africa.businessinsider.com/fzn79dx>.

²⁵ Energy access is to be intended as both access to electricity and access to clean cooking.

²⁶ World Bank Data, *Access to Electricity (% of population)*, 2023, <https://data.worldbank.org/indicator/EG.ELC.ACCS.ZS>.

²⁷ African Union, *Agenda 2063: The Africa We Want*, 2015, <https://au.int/en/node/3657>. The three countries have developed rural electrification roadmaps to increase the national level of electrification.



Large-scale mines and processing facilities require constant, high-volume electricity

high borrowing costs, making external investment essential.

The Lobito Corridor creates an entry point for that investment. Mining and processing operations, the primary industries developing along the corridor, require reliable, stable electricity to function. The number of mining operations in Zambia's Copperbelt region has grown in recent years, and new mines, smelters and refineries are set to follow, increasing demand on national grids.²⁸ This pressure is compounded by the recent adoption of policies requiring greater local processing of raw materials, keeping more of the value chain in-country, and adding a further layer of industrial electricity demand.²⁹ For mining companies and investors, persistent outages and grid unreliability are not only inconveniences; they bring operations to a halt at high cost. This creates a strong vested interest among private actors in financing new energy infrastructure, making the case for external investment both commercially attractive and operationally necessary.³⁰ At the same time, this creates a policy challenge, where weak public institutions struggle to impose conditions on powerful private operators. International partners must therefore be present and intervene with targeted support for regulatory capacity and public governance, ensuring that states retain meaningful oversight of how and where these benefits are distributed.

One of the obstacles to energy investment in Sub-Saharan Africa is the offtake problem. Building a power plant requires substantial upfront capital, the recovery of which depends on a reliable and sustained stream of demand from consumers. Households and small businesses, however, cannot provide this at the scale and consistency that investors require, making the business case for new generation capacity difficult to build.

Mining operations change this dynamic. Large-scale mines and processing facilities require constant, high-volume electricity, and are willing to enter into long-term offtake agreements to secure it. This makes them anchor consumers that can underwrite the construction of new energy infrastructure, providing the revenue certainty that private investors need. Mining is, in this sense, already driving power investment across the continent: mining companies are increasingly committing to large-scale energy generation and securing long-term supply agreements to support transmission infrastructure.³¹ As global demand for African critical minerals grows, this trend is set to

²⁸ Tesfaye, Meron and Daniel Johansson, "Mining Power Demand in Africa Is Rising – Firms Are Hedging While Policy Flies Blind", in *Energy for Growth Hub Blog*, 14 May 2026, <https://energyforgrowth.org/?p=9588>.

²⁹ Bekele, Liya, "Africa's New Local Content Rules Signal a Turning Point for Global Mineral Value Chains", in *Further Africa*, 18 November 2025, <https://wp.me/p6zXGE-iKS>.

³⁰ Johansson, Daniel, "The Energy Crisis in Zambia Is Undermining the Lobito Corridor's Potential – and DFC's Investments", in *Energy for Growth Hub Blog*, 16 April 2025, <https://energyforgrowth.org/?p=7094>.

³¹ Tesfaye, Meron and Daniel Johansson, "Mining Power Demand in Africa Is Rising", cit.



The policy challenge is to ensure that investments do not remain confined to mine sites

accelerate.³² The policy challenge is to ensure that these investments do not remain confined to mine sites, but are structured so that their benefits extend to surrounding communities and broader grid development.

This is where the alignment of European and African interests becomes most concrete. African nations gain access to capital and technical expertise for energy infrastructure that would otherwise be fiscally out of reach. European partners, in turn, secure the reliable electricity supply that their mining and processing operations require. The result is a dual-use model: energy plants built to serve industrial demand can simultaneously expand electricity access for the wider population, an outcome that serves both commercial and development objectives, and one well-suited to the region's considerable renewable energy potential.³³

The transformative potential of the Lobito Corridor reinforces this model in ways that go beyond the mining sector. The Corridor's transport infrastructure enables the movement of materials and equipment needed to build energy systems inland, reducing one of the key logistical barriers to deployment in remote areas. Moreover, the dual-use model is not limited to mining: the same logic can be applied to agriculture, agro-processing, and other industries developing along the corridor. Where anchor industrial demand exists, energy investment becomes viable, and from that foundation, broader electrification can follow. The Corridor thus offers not only a specific opportunity, but a replicable template for energy-led development across the region.

Several power projects have emerged from strategic collaborations between energy providers and mining companies, where often one of the two parties is European. Within this framework, the typical model involves partnering with the national utility provider, such as ZESCO in Zambia, while simultaneously securing a power purchase agreement with a mining company. The Lobito Corridor is frequently cited in these deals. One prominent example is Anzana, a Mauritius-based renewable energy developer, backed by the British investment company Gridworks, which has signed a 500 million US dollar joint venture with ZESCO to expand the national grid and connect two million Zambians along the Lobito Corridor.³⁴

A second category of deals responds to the growing energy demand along the Corridor without relying on mining-backed guarantees, instead drawing on financing from European or G7 institutions. This is

³² IEA, *Global Critical Minerals Outlook 2025*, cit.

³³ Hermann, Sebastian et al., "Estimating the Renewable Energy Potential in Africa. A GIS-based Approach", in *IRENA Working Papers*, 2014, https://www.irena.org/-/media/Files/IRENA/Agency/Publication/2014/IRENA_Africa_Resource_Potential_Aug2014.pdf.

³⁴ *Hydropower & Dams, New Hydro Plants Planned to Supply Zambian Mining Industry*, 28 April 2026, <https://www.hydropower-dams.com/?p=54064>.



Grid interconnection is emerging as a critical workstream

the case of MCA, a Portuguese energy developer operating in Angola, which has built the country's two largest solar plants, both located along the Lobito Corridor tracks, with support from Germany's export credit agency and reinsurance from the export agencies of Portugal and South Korea. Anchored by the Lobito Corridor framework, these plants now supply electricity to over a hundred thousand Angolans.³⁵ It is important to note that most new power plants are solar. Solar remains the least-costly option and offers the shortest development times, averaging between six and twelve months.³⁶ Increasingly, the latest projects are pairing solar generation with battery storage systems to better regulate the power injected into the grid.

Ultimately, grid interconnection is emerging as a critical workstream. Large transmission capacity is essential, particularly for hydropower, where generation and consumption are often geographically distant. To address this, US developers, in partnership with the governments of Angola, the DRC and Zambia, are building a 1.2-gigawatt interconnector designed to transmit Angolan hydropower to DRC mining operations. Once complete, it will span 1,150 km, making it the longest 400 kilovolt alternating current transmission line in the world.³⁷

TABLE 1 Main power projects along the Corridor

Location	Project	Provider	Capacity	State
Luau - Angola	Solar + Battery	MCA - Portugal	31.85 MW + 75.26 MWh	Operational
Cazombo - Angola	Solar + Battery	MCA - Portugal	25.40 MW + 75.26 MWh	Operational
Garneton North - Zambia	Solar	Copperbelt Energy Corporation - Zambia InnoVent - France	20 MW	Under construction
Itimpi Solar II - Zambia	Solar	Copperbelt Energy Corporation - Zambia	136 MW	Operational
Kansanshi/Sentinel - Zambia	Solar + Wind	Total Eren - France Chariot Energy - US	230 MW + 200 MW	Under construction
North-West Zambia Region	Hydropower	Anzana - Mauritius (backed UK)	50 MW	Under construction

³⁵ Power Gen Advancement, *MCA Starts Up Africa's Largest Off-Grid Solar Park in Angola*, 8 May 2026, <https://www.powergenadvancement.com/?p=19360>.

³⁶ African Union Development Agency (NEPAD), *The African Continental Power Systems Masterplan. Support Studies – Solar Power*, June 2023, <https://africa-eu-energy-partnership.org/wp-content/uploads/2023/08/Solar-SSS-Summary-UPDATED-CLEAN-1.pdf>.

³⁷ See Hydro-Link website: <https://www.hydro-link.us>.



The energy sector offers a rare solution where commercial logic and development objectives genuinely reinforce one another

A table visualising several of the projects that are developing along the Corridor (table 1) makes it possible to understand that the energy sector offers a rare solution where commercial logic and development objectives genuinely reinforce one another. If that model can be replicated, along other corridors, in other sectors, with the same discipline around dual-use infrastructure, it may prove to be one of the most consequential lessons the Lobito Corridor has to offer.

RECOMMENDATIONS

The following set of recommendations is addressed to European and African policymakers, local investors and international financiers. Effective implementation requires all three stakeholders to act in tandem and coordinate across all of them.

- *Link European support to local industrial capacity:* EU and member-state financing for the Lobito Corridor should not focus only on transport efficiency and access to CRM. Guarantees, technical assistance and project preparation should prioritise processing capacity, energy supply, skills development, customs coordination and cross-border trade. The attention to these areas is essential if the Corridor is to strengthen productive activity and regional integration between Angola, the DRC and Zambia, rather than simply accelerate the export of raw materials.
- *Provide strategic alternatives through instruments, not geopolitical branding:* Europe should treat the Lobito Corridor as a way to broaden the range of financing, regulatory and technological options available to African partners. This would allow the EU and its member states to support diversification without presenting the project mainly as a counterweight to China. The European offer will be more credible if it produces industrial partnerships, local value creation, and predictable normative standards around the Corridor. In terms of CRM developments, a *European Technical Assistance Hub* can be created to export the know-how and strengthen the technical expertise of African partners and provide an additional advantage to the European proposal compared to other international offers.
- *Make bankability compatible with safeguards:* Global Gateway, the Mattei Plan and related financial instruments should reduce investment risk without transferring costs onto public budgets, local communities, land users, or fragile ecosystems. Procurement transparency, debt sustainability, environmental assessment, and community involvement should be integrated into project design and financing from the start. High standards should become part of the European competitive offer, not a separate layer added after investment decisions are made. The Corridor runs along protected forests and biodiversity; the EU, in partnership with the African



counterparts, could develop a timely monitoring system on the sustainability of mining practices and biodiversity protection.

- *Strengthen the governance of the African Sovereign Wealth Fund through European support:* The economic windfall from Africa's critical minerals resource boom is an opportunity to assert 'resource sovereignty'. With technical assistance from international development finance institutions, such as CDP, and strategic investment funds, such as the Fondo Strategico Nazionale del Made in Italy, Italy could support African countries in strengthening governance of Sovereign Wealth Funds (SWFs) as instruments for long-term economic resilience and structural transformation. Well-designed and governed SWFs can help stabilise public revenues, mitigate the effects of external shocks, and reduce vulnerability to commodity price volatility. They can also play an important role in managing exchange-rate pressures associated with resource booms, thereby preserving the competitiveness of non-resource sectors and supporting broader economic diversification and industrial development.
- *Improve coordination of the actors involved through a one-stop interface:* One of the most pressing issues is to coordinate between the several international frameworks that are involved in the coordination of the Corridor (Global Gateway, PGII, Mattei Plan). There is therefore the need to create a clear system of coordination to understand each partner work, and to avoid gaps and duplications. The World Bank, in partnership with the AU, could be the voice behind this coordination effort, creating a more comprehensive design of global governance. At the same time, the Lobito Corridor Transit Transport Facilitation Agency, an intergovernmental institution established by Angola, the DRC and Zambia to streamline cross-border trade and infrastructure development along the Lobito Corridor, has to become the point of reference for foreign investors.
- *Scale up the dual-use energy model as a replicable template:* The energy projects developing along the Lobito corridor reinforce that commercial and development objectives can reinforce one another. EU and member-state instruments should formalise this dual-use model as a financing template replicable across the Corridor and beyond. Concretely, Global Gateway and the Mattei Plan should prioritise technical support for long-term offtake agreements between mining companies and national utilities, extending grid access to surrounding communities beyond mine sites. Additionally, project preparation facilities should be strengthened to reduce the time for developing solar and battery storage projects, which currently offer the shortest development cycles. At the same time, African governments should provide coherent and strong legislation to ensure that private companies are held accountable and that progress in energy access is tangible.



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