# MINISTRY OF ENERGY AND POWER DEVELOPMENT ZIMBABWE

Zimbabwe-Zambia Energy Projects

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**INVESTMENT OPPORTUNITIES IN ZIMBABWE**

# Presentation Layout

- Current Policies
- Legislation in the Energy Sector
- Overview of the Sector
- Climate Change Effects/Challenges
- Financing Challenges
- Opportunities in Electricity Generation

# Presentation Layout…Cont'd

- Opportunities in Transmission and Distribution
- Opportunities in Regional Power Trading
- Green Economy and Climate Financing
- Mining and Industrial Solutions
- Rural Electrification and Off-grid Solutions
- Zimbabwe-Zambia Collaboration
- Conclusion

# Current Policies

- National Energy Policy (Under Review)
- National biofuels Policy
- National Energy Efficiency Policy
- National Renewable Energy Policy
- National Electric Vehicle Policy
- National Clean Cooking Strategy
- National Integrated Energy Resource Plan
- National Electrification Strategy

# Legislation in the Energy Sector

1. Electricity Act of 2002
2. Rural Electrification Fund Act of 2002
3. Petroleum Act of 2006
4. Energy Regulatory Act of 2011

# Overview of the Sector

- ZPC's installed generation capacity is 2,640MW (Kariba – 1,050MW, Hwange 1 to 6 – 920 MW, and Hwange 7&8 – 670MW). The dependable capacity is between 1,200MW and 1,600MW.
- The national installed electricity generation capacity for both on-grid and off-grid is 2,962MW, with large hydro contributing 1,050MW (35.4%), coal contributing 1,680MW (56.7%), and small hydro, bagasse and solar IPPs contributing 232MW (7.8%).
- Despite the installed generation capacity exceeding peak demand of 2,000MW, the dependable capacity has remained constrained resulting in the need for imports and load shedding to ensure system stability.

# Overview of the Sector…Cont'd

- The Zimbabwe transmission network forms the Central Transmission Corridor (CTC) of the Southern African Power Pool (SAPP). However, the transmission and distribution networks consist of old equipment with inadequate transfer capacity which requires replacement, rehabilitation and expansion. It is therefore estimated that 80% of trading on SAPP is failing because of lack of transmission infrastructure

# Overview of the Sector…Cont'd

- The distribution network needs reinforcement, expansion and rehabilitation to improve reliability of supply. The power utility has a backlog of 467,470 of client connections as of May 2025 characterized by high connection costs which the majority of customers cannot afford, leaving some clients in reticulated areas remaining unconnected

# Climate Change Effects/Challenges

- The sector has been affected by the effects of climate change, in particular Kariba Hydropower Station hence the need to invest in other renewable energy sources such as solar, wind and biomass for a diversified power supply mix in order to mitigate climate change and ensure energy security.

# Financing Challenges

- Financing Constraints: Insufficient access to financing hinders infrastructure upgrades and expansion needed to improve transmission capacity and foster regional integration and integration of high share of variable renewables.
  -Limited availability of low-cost long-term capital
  - High perceived risks- There is high perceived risk associated with large energy investments in the country.
  Limited credibility of the utility-The national utility (ZESA Holdings) currently has substantial creditor obligations and thus limited credibility as a bulk off-taker
  Currency convertibility complexities – this has posed challenges mostly in convertibility of investments remittances by IPPs

# OPPORTUNITIES IN ELECTRICITY GENERATION

1. Renewable Energy (Solar, Hydro, Wind, Biomass)
-Over 2,000 MW solar potential ready for development.
-Mini-hydro opportunities on rivers in eastern and northern regions (150MW).
-Biomass from agriculture, timber and sugar industries for cogeneration.
-Incentives: duty-free equipment importation, independent power producer (IPP) licensing, guaranteed off-take arrangements.

2.Thermal Power Modernisation
-Opportunities in repowering, refurbishment and cleaner coal technologies.
-Partnerships for carbon-capture and transition projects.

# Opportunities in Transmission and Distribution

- Expansion of high-voltage lines for the Zimbabwe–Zambia interconnector upgrade (e.g., Kariba–Lusaka–Harare).
- Smart grids, loss reduction technologies, prepaid metering, and modern substation upgrades.
- Public-private partnerships (PPPs) for grid extension to mining, agriculture, and rural communities.

# Opportunities in Regional Power Trading

1. Opportunities for energy wheeling between Zimbabwe, Zambia, South Africa, DRC and Mozambique.
   - Investment prospects in:

-Cross-border transmission corridors

-Regional balancing markets

-Joint operational control centres

-Harmonised regulatory frameworks

# Green Economy & Climate Finance

- Access to climate finance for renewable energy, green hydrogen and carbon markets.
  - Joint Zimbabwe–Zambia proposals to international financiers for sustainable energy transitions.
  - Growth of ESG-aligned investments and blended finance mechanisms.

# Mining & Industrial Energy Solutions

- Large mines require captive power(solar farms, battery storage and hybrid systems).
- Demand for energy-efficient technologies and industrial heat solutions.
- Opportunity to anchor energy projects on mining load centres.

# Rural Electrification & Off-Grid Solutions

- Partnerships for mini-grids, solar home systems, and productive energy use solutions.
- Expansion of rural agro-processing, irrigation, water pumping and cold-chain facilities powered by renewables.

# Zimbabwe–Zambia Collaboration Opportunities

- Expansion around Kariba, development of Zambezi River hydro potential e.g Batoka Hydropower plant
- Upgrading cross-border interconnectors.
- Coordinated maintenance, refurbishment and expansion of transmission lines

# Conclusion

- Zimbabwe’s energy sector presents significant opportunities for investment, innovation and joint collaboration with Zambia. With shared natural resources and aligned development ambitions, our countries can build a resilient regional energy hub that powers economic growth, job creation and sustainable development.

# Thank you