ENERGY
CATALYST

# Country Guide: Zimbabwe

September 2023


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The Republic of Zimbabwe is a landlocked country in Southern Africa, between the Zambezi and Limpopo rivers, with a total land area of 390,757km. It is divided into 10 administrative provinces, including two metropolitan cities with provincial status: Bulawayo and the capital, Harare.

Formerly called Rhodesia under British colonial rule (1888 – 1965) and internationally unrecognised white minority rule (1965 – 1980), Zimbabwe gained full independence in 1980 after a 15-year civil war. The Zimbabwe African National Union - Patriotic Front (ZANU-PF) has ruled the country since then, initially under Robert Mugabe (1980 – 2017) and now under Emmerson Mnangagwa (2017 – present). The legitimacy of most recent general elections, however, including the 2018 election, has been called into question by the international community. Zimbabwe was once Southern Africa's economic success story, but destructive policy decisions in the last 20 years, combined with poor governance, have left the country in economic turmoil.


*Figure 1: Map of Zimbabwe. Source: d-maps.*

## Natural environment

*Figure 2: Victoria Falls, Zimbabwe*

Zimbabwe's climate is sub-tropical, though this is moderated by altitude. Most of the country consists of a central plateau with altitudes of between 1000 and 1600m, with the mountainous Eastern Highlands to the east. The Zambezi River forms a natural boundary with its neighbouring country Zambia, on which Victoria Falls is located, the world's largest curtain of falling water. On the Zambia-Zimbabwe border is Lake Kariba, the world's largest reservoir by volume at 180 km.

The rainy season is from November to March, with the highest rainfall occurring in January, at 161mm on average. Average rainfall decreases from east to west; the Eastern Highlands receive an annual average of more than 1000mm, while Bulawayo in the west receives an annual average of 610mm. Temperature variations correspond closely to altitude, with the low-lying areas in the south and northwest experiencing warmer

**Table 1. Zimbabwe at a glance**

temperatures than the high-lying areas in the east. Zimbabwe is particularly vulnerable to a changing climate. Two-thirds of Zimbabwe is classified as being arid, or semi-arid, and the country is facing growing exposure to drought, floods and extreme temperatures associated with climate change. Climate shocks and other effects of climate variability are being felt in both urban and rural areas. Droughts have affected rural areas where livelihoods are largely dependent on rain-fed agriculture, as well as resulting in water shortages in urban areas where diminished water sources are unable to support growing populations.

Droughts have also had severely negative impacts on the electricity supply. The water levels of the Kariba Dam, one of Zimbabwe's largest hydropower plants, has in recent times reached one of the lowest ever recorded dam capacity levels, at 27%, where a minimum level of 37% is required for power generation. In Bulawayo, one of the major cities of Zimbabwe, there is an ongoing water crisis due to drought, with the city implementing five-day weekly water-shedding exercises. In 2022, local authorities decommissioned two of the city's major supply dams, the Umzongwane and the Upper Ncema, as a result of falling water levels.

| | |
|---|---|
| **Capital** | Harare |
| **Total area** | 390 757km$^2$ |
| **Population** | 15,178,979 (2022 census) |
| **Official languages** | Sixteen official languages including Shona, Ndembele and Venda |
| **Urban population** | 32.40% |
| **GDP** | USD $29 billion |
| **GDP per capita** | USD $1,851 |
| **Currency** | USD $ |
| **Access to electricity** | 49% (2021) |
| **Electrification- urban areas** | 85% (2021) |
| **Electrification - rural areas** | 31% (2021) |

## Demographics and economics

Zimbabwe has a population of approximately 15.1 million, according to the 2022 census, with a population density of 37.3 people per km$^2$. This closely resembles the average population density in Africa (39 people per km$^2$). Outside the major urban agglomerations of Harare and Bulawayo, the population distribution of Zimbabwe is relatively evenly spread, with the eastern half having a slightly higher population density. 32.4% of the population resides in urban areas. The annual population growth estimate in 2022 stands at 1.95%.

Zimbabwe remains extremely poor. In 2017, the prevalence of poverty (people living on less that USD $1.90 per day) was measured at 86% in rural areas and 37% in urban areas, with an overall poverty rate of 70.5%.

In 2018, agriculture contributed 12.1% of Zimbabwe's GDP, with industries and service contributing 32.5% and 45.7% respectively.

Zimbabwe's economy has more recently shown some recovery, following decades of economic contraction, the sharpest of which occurred between 2000 and 2008, which almost halved GDP. This was exacerbated in 2008 when Zimbabwe experienced a peak of hyperinflation, driven by the Reserve Bank of Zimbabwe printing money in excess to fund the country's budget deficit. A multicurrency regime was subsequently adopted to stabilise inflation. This contributed to a period marked by economic stabilisation, from 2009 to 2012, with mining and agriculture as key sectors strengthening the economy.

In 2021 and 2022, GDP growth rates have been positive, with 3.9%P in 2021 and 5.1% in 2022.[1] In June 2019, however, the Reserve Bank of Zimbabwe abolished the multiple currency system and replaced it with a new Zimbabwe dollar based on the RTGS Dollar (real-time gross settlement dollar). This retriggered surging inflation which decreased from 837% in 2020 to 471% at the end of 2021. In March 2020, the Reserve Bank in Zimbabwe reverted to the US dollar, with the Reserve Bank now
adopting a fixed exchange rate system at the current interbank level of ZW $25 to USD $1 (although street rates indicate an exchange rate of ZW $44.5 to USD $1).

Zimbabwe has been subject to varying levels of sanctions since 2003, when the United States first imposed financial and travel restriction-related sanctions against then-president Robert Mugabe, state companies and close members of the president's inner circle, over rights abuses and rigged elections. The United States and the European Union have recently mandated sanctions against officials and entities linked to the governing party over the lack of progress in democratic and human rights reforms, as well as a restriction on press freedoms. US financial sanctions and travel restrictions currently apply to the president and 85 individuals, as well as 56 companies and organisations. President Emerson Mnangagwa has stated that these sanctions are slowing down Zimbabwe's progress and inhibiting economic recovery.

In 2019, GDP fell by 8.2%, mainly due to a severe drought and Cyclone Idai, which significantly reduced economic activity and particularly affected agriculture, water and electricity. Public debt remains above the statutory target of 70% of GDP, while in September 2022, external debt constituted 87% of total country debt, estimated at $14 billion, of which about $6 billion (73.75%) was accumulated arrears.

Economic crises, hyperinflation, and ensuing political turmoil have had significant effects on Zimbabwean society, which have resulted in the country experiencing mass emigration in recent years. With low wages and few opportunities at home, highly skilled workers are moving abroad, creating a skills exodus. The economic instability, along with the drought, has left 42% of Zimbabweans with food insecurity, making economic recovery extremely challenging. Furthermore, Zimbabwe's debt crisis and its inability to repay loans has made it difficult for the country to borrow new capital to stabilise the already fragile economy.

In the now-discontinued World Bank survey on "Doing Business", a comparison of business regulation in 190 economies, Zimbabwe scored lower than the sub-Saharan African average (80.1). The 2020 edition of Doing Business ranks Zimbabwe 140 out of 190, with a score of 72 out of 100 for the ease of starting a business. Figure 3 provides the ranking and scores of Zimbabwe compared to other economies for various "Doing Business" topics, showing areas where Zimbabwe is performing well and those that need to be improved. Accessing electricity and enforcing contracts are the biggest areas of weakness for Zimbabwe, which negatively impact and therefore limit business development.

[1] *Zimbabwe Economic Update* (World Bank, 2021).

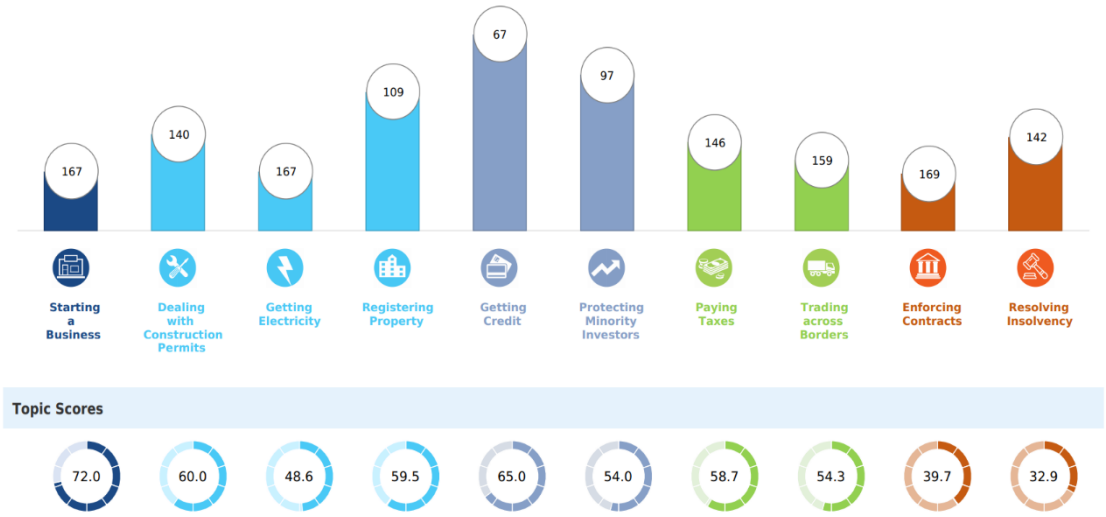


*Figure 3: World Bank 2020 global rankings and scores for various "Doing Business" topics in Zimbabwe. Source: World Bank Group, 2020.*

## Energy

The state-owned Zimbabwe Electricity Supply Authority (ZESA) is the holding company for both the national generation utility, the Zimbabwe Power Company (ZPC) and the Zimbabwe Electricity Transmission and Distribution Company (ZETDC). These two companies are the main actors involved in the power sector, responsible for power generation, and transmission and distribution, respectively.

The power generation sector has been liberalised, although ZPC remains responsible for approximately 95% of power production. Likewise, transmission and distribution are theoretically liberalised, as other players can obtain transmission and distribution licenses, but in practice, ZETDC remains the only significant operator responsible for transmission and distribution.

**Table 2. Zimbabwe power sources**

| Power plant | Owner | Capacity (MW) |
|---|---|---|
| **Kariba Dam (hydroelectric)** | ZPC | 750 |
| **Kariba South extension –(hydroelectric)** | ZPC | 300 |
| **Hwange Thermal Power Station** | ZPC | 920 |
| **DEMA Diesel Peaking plant** | ZPC | 100 |
| **Munyati (coal)** | ZPC | 100 |
| **Bulawayo (coal)** | ZPC | 90 |
| **Harare (coal)** | ZPC | 80 |
| **Triangle (bagasse)** | Triangle Ltd | 45 |
| **Hippo Valley Estates (bagasse)** | Hippo Valley Estates | 33 |
| **Green Fuel (bagasse)** | Green Fuel | 18 |
| **Small Hydro** | Various IPPS | 35 |
| **Solar PV** | Various IPPS | 11 |
| **Coal** | ZZEE Power | 50 |

More than half of the population is unelectrified, and as with most sub-Saharan African countries, there is a big difference between rural and urban electrification rates. Access to electricity in urban areas is estimated at 85% and rural electricity access is estimated at 31%. 68% of the population live in rural areas, which translates to approximately 7.1 million people without access to electricity.

The main sources of primary energy in Zimbabwe are coal, wood fuel, electricity and petroleum fuels, of which biomass fuel comprises the majority. According to the latest census report, in 2022, wood fuel comprises 60.6% of the total energy supply, followed by liquid fuels, biogas, and ethanol at 38.6% collectively. Coal charcoal stands at 0.5%, and paraffin at 0.2%.

As of 2022, Zimbabwe has an installed capacity of approximately 2,531MW, comprised of large hydro-powered stations (approximately 45% of installed capacity) and fossil fuel-powered stations (approximately 50%). The remaining 5.4% comes from Independent Power Producers (IPPs), of which the bulk is derived from three IPPs, primarily using biomass, but also mini hydropower projects and solar PV plants to a lesser extent.

However, Zimbabwe has a net deficit in power supply, as the actual capacity available (1,300-1,500MW) is much lower than the installed capacity (2,531MW), with supply unable to meet power demand (approximately 1,600MW). The inability to supplement the recent deficits has resulted in rolling electricity blackouts lasting as long as 18 hours a day.

This deficit has several causes, including droughts causing low water levels in the Kariba Dam, a shortage of coal, the government's debt crises (impacting the country's ability to purchase electricity from neighbouring countries), and fuel and power stations operating under capacity due to a lack of maintenance.

**Table 3: Projects under construction or commission as of 2021[2]**

| Name of power plant | Owner | Capacity *(MW) |
|---|---|---|
| **Plum Solar Limited** | ZETDC | 5 |
| **Richaw Solar Limited** | ZETDC | 5 |
| **Harava Solar Park** | ZETDC | 20 |
| **Kefelaos Limited** | Own consumption | 0.6 |
| **ZETDC** | ZETDC | 50 |
| **Power Ventures Limited** | ZETDC | 25 |
| **Guruve Solar Park limited** | ZETDC | 5.5 |
| **Hwange Electric supply** | ZETDC | 600 |
| **Caledonia Mining services** | Own consumption | 17.5 |

Besides the commissioning of the Kariba South extension (300MW hydro) in 2018, limited additional power generation capacity has been added to the grid in the last three decades. There are, however, projects in the pipeline to increase generation capacity. These include the expansion of the Hwange Power Station (600MW coal), the Mutare peaking plant (120MW), the Batoka Gorge Hydroelectric Power Station (2,400MW to be equally split between Zimbabwe and Zambia), and approximately 700MW from IPPs. Additionally, Zimbabwe's Rio Energy Ltd has signed a deal to build a 2,100MW thermal coal power plant with the China Gezhouba Group Corp in Sengwa, Northern Zimbabwe, for USD $3 billion.

Zimbabwe's Renewable Energy Policy (REP) supports renewable energy technologies including biomass, hydro, solar and wind power, and acknowledges the potential of renewable energy for rural electrification. To transform the policy intentions into reality, the REP was developed with an implementation strategy to achieve the goals set in Zimbabwe's National Energy Policy (NEP) and Nationally Determined Contribution (NDC).

[2] Source: Source: *Annual report* (ZERA, 2022)

The REP specifies targets for renewable energy and energy efficiency, and also articulates an implementation strategy with specific deliverables and timeframes. To meet the NDC's 33% emission reduction target, it aims for 1,100MW (or 16.5% of total demand) of electricity from renewable energy sources by 2025, and 2,100MW (or 26.6% of total demand) by 2030, excluding large hydro (such as electricity from Lake Kariba).

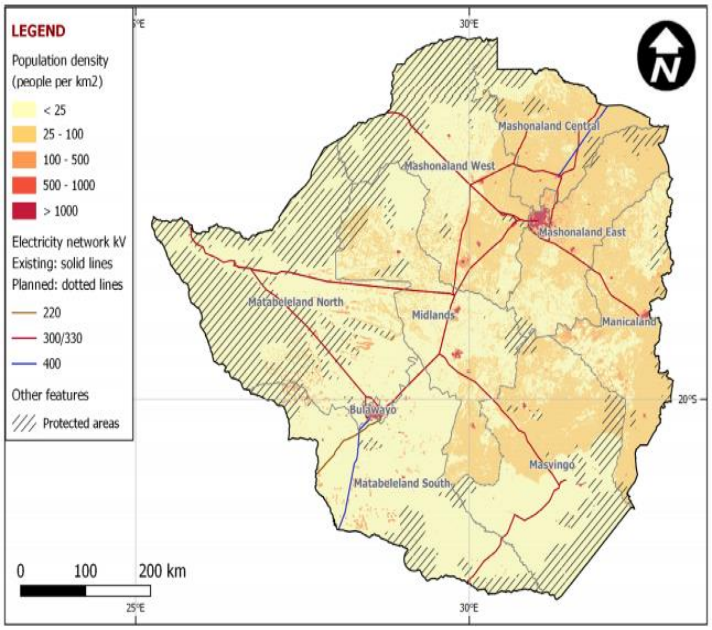


*Figure 4: Zimbabwe transmission and distribution network. Source: SE4All and African Development Bank, 2018.*

The policy also brought about the following key changes relevant to private sector players within the energy sector:

- The payable licencing fee threshold was increased from 100kW to 1MW.
- The Environmental Impact Assessment requirements have been relaxed for mini-grids up to 5MW.
- National Project Status and Tax Incentives will be awarded to renewable energy projects.
- A Green Energy Fund was set up to extend financial assistance for setting up renewable energy projects (including mini-grids) and is principally managed by the Infrastructure Development Bank of Zimbabwe (IDBZ) with some dotted line support from the Rural Electrification Fund.
- A Nodal Agency was set up to facilitate administrative approvals and assist with complex processes such as land acquisitions, transmission connectivity, and the signing of PPAs.

However, IPPs have faced significant barriers to participation in the power sector, due to a lack of clarity on regulation, a lack of incentives, and high offtake risk for independent generators. Yet investment in power generation projects such as small hydro and solar plants have been recognised by the government as critical. Recent government interventions, such as new policies (e.g. the REP) and frameworks, may aid in overcoming challenges previously faced by IPPs. The adoption of captive power and net metering by the IPPs has been used as an additional risk mitigation mechanism by some of the licences in this sector. In principle, the government is supportive of IPPs and mini-grid developers. It also recognises the importance that off-grid electrification will play in increasing electricity access, and the role that IPPs can have to increase the installed capacity of Zimbabwe.

With regards to transmission and distribution, Zimbabwe has a transmission system that is relatively well-distributed, with sufficient line and transformer capacity to avoid overloading the grid. Although the grid has sufficient capacity, the infrastructure is relatively old and rundown and requires upgrading and rehabilitation.

## Solar

Zimbabwe is a sunny country which enjoys about 3,000 hours of sunshine a year, with an average solar irradiation of 5.7 kWh/m$^2$/day. Solar PV has a technical potential of over 300MW, with the north and west regions having the highest irradiation potential.

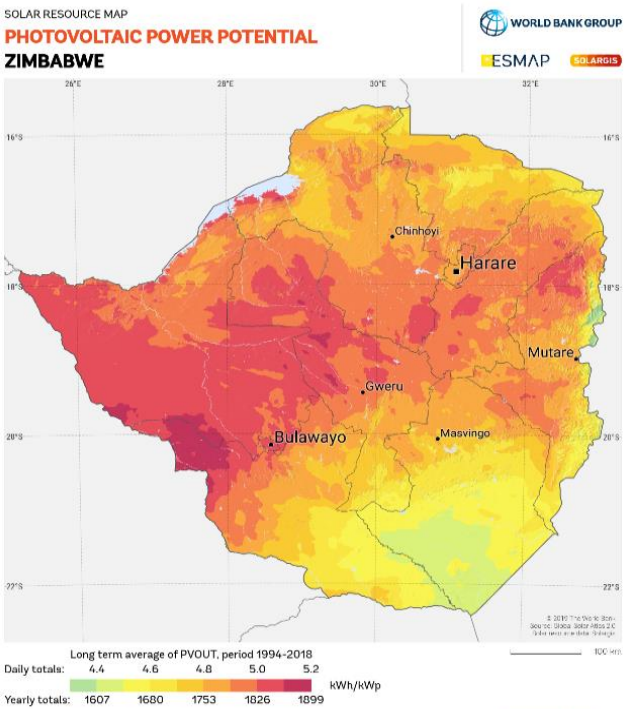


*Figure 5: Zimbabwe's solar resources (The World Bank, 2019). Source: Global Solar Atlas 2.0; solar resource data: Solargis.*

Only a limited portion of this solar energy potential has been utilised. Solar energy has traditionally been used for domestic and commercial solar water heating, refrigeration in rural clinics and hospitals, and solar-powered water pumping to a limited degree. Solar home systems are becoming increasingly common in rural and peri-urban areas, and can be commonly found in social institutions such as schools and clinics here.

The World Bank is providing aid to the Zimbabwean government to introduce a competitive programme for procuring large-scale PV power projects under the newly completed REP. Experts from the World Bank are advising the Zimbabwean government on a procurement programme, emphasising generation asset planning.

The illustrated scope of work includes demand and generation forecasts, grid flexibility analysis, committed generation, and a domestic resource assessment. The Zimbabwe Energy Regulatory Authority (ZERA) subsequently processed generation licences for seven new IPPs with a total generation capacity of 526MW, including three customer-based producers, two for their own consumption and two for selling to the national grid.

## Wind

Average wind speeds are relatively low in Zimbabwe, at an estimated 3.5m/s, though the Ministry of Energy and Power Development sees potential in the exploitation of the slow wind speeds for water pumping. Areas around Bulawayo and the Eastern Highlands show greater potential for larger power generation, with wind speeds ranging from 4 to 6m/s.

Besides wind-powered water pumping systems, there are no existing wind farms in Zimbabwe. A pilot project, which was implemented in three phases between 1990 and 2008, ran as part of the Power From Wind project, carried out by the Zimbabwe Environmental Research Organisation (ZERO). This project

involved the production of 1kW and 4kW wind turbines by a local manufacturer, Power Vision, and the installation of wind turbines in the Temaruru and Dumbanwe areas. The project ceased in 2008, however, due to vandalism of the turbines by local people and a lack of ongoing responsibility and ownership for the projects.

A proposed feasibility study to determine the wind potential of three sites was put on hold by ZERA in early 2018, due to a lack of available funding. The study aimed was to create an accurate knowledge base of Zimbabwe's wind resource potential, to inform future renewable energy projects.

## Hydro

Zimbabwe has a high potential for both large and small hydropower plants, totalling an estimated 17,500GWh per year. The large hydropower potential of the Zambezi River is estimated at 7,200MW. The total small and mini-hydro potential is estimated to be 120MW, based on 20MW from existing dams, 60MW from proposed dams, and 43MW from run-of-river sites.

By 2017, the installed capacity of small hydropower had reached 15.2MW, mainly from run-of-river schemes in the Eastern Highlands. The Eastern Highlands are particularly promising for small hydro development, as they have a wet climate with perennial streams and rivers flowing throughout the year.

However, droughts and variable rainfall have limited the viability of micro-hydro systems in Zimbabwe in recent years. Hybrid systems have been proposed to mitigate some of the risks from future droughts.

Table 4 outlines the state of micro and small hydropower in Zimbabwe. From this table, it is evident that the total capacity under development is 17.2MW, with 29MW operational and 1MW non-operational (due to aging equipment).

**Table 4: Micro and small hydropower in Zimbabwe[3]**

| Non-operational | | Operational | | Under development (PPAs completed) | |
|---|---|---|---|---|---|
| **Name** | **kW** | **Name** | **kW** | **Name** | **MW** |
| Chitofu | 20 | Mutsikira | 3 | Tokwe Mukosi | 15 |
| Dazi | 20 | Nyafaru | 20 | Mvura Dam | 0.6 |
| Svinurai | 30 | Chipendeke | 30 | Nyakupinga Power Station | 0.6 |
| Nyamarimbira | 30 | Sithole Chikwati | 30 | Peishong Investments | 1 |
| Aberfoyle | 35 | Ngarura | 30 | | |
| Kuends | 75 | Nyamwanga | 30 | | |
| Himalaya | 80 | Claremont | 300 | | |
| Rusitu | 750 | Nyamingura | 1,100 | | |
| | | Kupinga | 1,600 | | |
| | | Duru | 2,200 | | |
| | | Hauna | 2,300 | | |
| | | Pungwe A | 2,750 | | |
| | | Pungwe B | 3,750 | | |
| | | Pungwe C | 15,000 | | |
| **Total** | **1,040** | | **29,143** | | **17.2** |

[3] Source: *Annual report* (ZERA, 2022)

## Biomass

Biomass occupies the largest share of the total energy mix, though it is predominantly used for cooking and heating by the general population, rather than for electricity generation. There is currently 100MW of installed commercial electricity generation biomass capacity. This tends to be limited to sugar cane producers and sawmills and is generally for self-consumption (though in some instances, excess power is fed back into the grid). Biomass mini-grids are most likely to be viable near industrial sites producing organic waste such as forestry and sugar. Surplus power could be used by nearby communities.

**Table 1: Biomass power generation plants in Zimbabwe[4]**

| Plant | Fuel | Capacity |
|---|---|---|
| Triangel Sugar Mill (Tongaat Hulett (Pvt) Ltd) | Bagasse | 35MW |
| Chiredzi Sugar Mill (Tongaat Hulett (Pvt) Ltd) | Bagasse | 33MW |
| Chisumbanje Ethanol Plant (Green Fuel (Pvt) Ltd) | Bagasse | 18.3MW |
| Charter Sawmill Border (Timbers (Pvt) Ltd) | Wood Waste | 0.5MW |
| Hippo Valley Power Station | Bagasse | 39MW |

## Geothermal potential

As Zimbabwe is located on the southern end of the geologically active Rift Valley, geothermal power may be a viable generation option. In 1985, 50MW of geothermal potential was identified, but little has been done since to further catalogue the resource.

## Mini-grids

As indicated in ADB's 2018 Mini-Grid Market Opportunity Assessment for Zimbabwe[5], estimates are that 1.1 million people (approximately 6% of the non-electrified population) will be best served by mini-grid solutions in Zimbabwe. A further 2.2 million people (13% of the non-electrified population) will be best served by solar home systems (SHS) and 7.6 million people (44% of the non-electrified population) will be best served by grid extension, based on proximity to the existing grid (according to the current grid coverage, and taking into consideration any planned grid extensions that will reduce the estimated market size).

80% of the Zimbabwean mini-grid market is in the Manicaland, Masvingo and Matabeleland North and South provinces, due to their low electrification rates, limited grid coverage, and population densities high enough to support mini-grids. 251,000 and 246,000 people will be most economically served through mini-grids in Manicaland and Masvingo respectively, corresponding to around 11% of the population in each province. The provinces with the largest percentage of the population best served by SHS technologies are Mashonaland West and Masvingo, at 21% and 20% respectively.

[4] Source: *Annual report* (ZERA, 2022)

[5] gmg_zimbabwe-2.pdf (afdb.org)

In summary, estimates calculated in the 2018 Mini-Grid Market Opportunity Assessment indicate that the annual mini-grid market size is USD $54.4 million in Zimbabwe, based on an average mini-grid tariff of USD $0.28 per kWh, and an average household demand of 2.2 kWh per day. This implies annual electricity expenditure of $49.94 per capita within the population best served by mini-grids. Based on an estimated cost-reflective tariff of $0.4 per kWh across sub-Saharan Africa, it is estimated that 43% of project costs would need to be covered by subsidy (approximately USD $30m annually), to open up the mini-grid market to developers.

## Energy stakeholders and programmes

The Ministry of Energy and Power Development, the overarching regulatory authority, is responsible for policy formulation, performance monitoring, promotion of new and renewable sources of energy, and overseeing the performance of the state-owned utility company ZESA. The main energy stakeholders and their associated roles are further described in Table 6 below. Zimbabwe's energy-related support programmes, which outline the main project activities, and objectives, are described in Table 7.

**Table 6: Overview of the main stakeholders in the energy sector in Zimbabwe**

| Institution | Role |
|---|---|
| **The Ministry of Energy and Power Development (MoPED)** | The overarching regulatory authority, supported by the Rural Electrification Fund (REF) and the Zimbabwe Energy Regulatory Authority (ZERA). It is responsible for policy formulation, performance monitoring, promotion of new and renewable sources of energy, and overseeing the performance of the state-owned utility company, ZESA Holdings. REF's mandate is to facilitate electrification of rural areas and is responsible for planning and implementing rural electrification projects, as well as administering the funds for rural electrification. ZERA is responsible for regulating and monitoring public and private enterprises involved with energy production, transportation, distribution and supply as well as issuing licences and setting tariffs. ZERA regulates all energy sources, which include petroleum, gas, renewable energy and electricity derived from conventional thermal power. |
| **Zimbabwean Power Company (ZPC)** | Responsible for on-grid power generation and supply to the grid. |
| **Zimbabwe Electricity Transmission and Distribution Company (ZETDC)** | Responsible for the transmission and distribution of electricity, balancing supply and demand, and performing services such as grid impact assessments. |
| **ZESA Enterprises (ZENT)** | A flexible investment arm of ZESA Holdings that provides a diverse range of products and services, such as the manufacturing of equipment used in the power sector and fleet hiring. |
| **Powertel Communications:** | Public data network operator fully licensed by the Postal and Telecommunications Regulatory Authority of Zimbabwe (POTRAZ), providing data communications services. It was originally primarily responsible for providing communication services to the power companies. |
| **Zimbabwe National Water Authority (ZINWA)** | A government-owned entity managing the country's water resources. ZINWA was created through the ZINWA Act as part of the government's efforts to reform the country's water sector. |
| **Zimbabwe Revenue Authority (ZIMRA)** | Responsible for enforcing the customs code, i.e. SI47 of 2020 (exemption of solar products), reviewing the customs handbook and collecting VAT on solar products. |

| | |
|---|---|
| **Ministry of Industry and Commerce (MoIC)** | Responsible for enforcing the quality standards of all imports. |
| **Infrastructure Development Bank of Zimbabwe (IDBZ)** | Responsible for mobilising funds for the national Green Energy Fund and coordinating all Zimbabwe's green climate funds, under the 2019 National Renewable Energy Policy. |
| **Department of Climate Change** | Works under the Ministry of Environment, Climate, Tourism and Hospitality Industry, and has set up a climate fund to support renewable energy projects. |
| **Zimbabwe Energy Regulatory Authority (ZERA)** | Principal regulator of the energy sector, reviewing and tracking standards, supporting the review and implementation of the customs code, and supporting companies in activating the tax exemptions set out in the 2019 energy policy. ZERA has also been registering RE sector players, with a current total of 142 players registered and distributed nationally. |

**Table 2: Support programmes in Southern Africa applicable to Zimbabwe**

| Programme | Main activities |
|---|---|
| **Renewable Energy and Adaptation and Climate Technologies Program for Sub-Saharan Africa (REACT SSA) by the Africa Enterprise Challenge Fund (AECF)** | Zimbabwe is eligible to receive funding from the REACT SSA. The AECF is a development institution helping businesses build resilience and sustainable incomes in rural and marginalised communities in Africa. The programme will provide funding to promote the implementation of renewable energy projects by the private sector. It will match funding on a 1:2 basis to a minimum of USD $250,000 and a maximum of USD $1.5 million. Private funding of USD $125,000, for example, would be matched with USD $250,000 from the fund. Under the REACT programme, eight companies have been supported in e-learning, e-mobility, micro-finance institutions, solar household systems and productive use companies. SIDA committed USD $6.5million to Zimbabwe. |
| **Green Innovations Hub (GiHub) programme** | In 2017, the Swedish Embassy in Harare contributed USD $773,000 to the second-phase expansion of UNICEF's GiHub programme. The programme began in 2015 and serves as an incubation space for young people; young entrepreneurs are invited to come up with ideas for products and services that promote renewable energy and sustainability, and feasible projects will then receive funding for testing and technical support to be scaled up. Overall, GiHub aims to build capacity in the renewable energy and sustainability sectors, provide space for incubation and innovation, and cultivate a culture of environmental stewardship. 29 projects were funded and supported by mentorship and business coaching. The project closed in October 2019 and linked some of the promising projects to organisations like PFAN, ILO's Green EnterPRIZE project and others. Several other projects, including the ILO Green EnterPRIZE, have since been funded by the Swedish Embassy in Zimbabwe to run similar green innovation funding challenges which are currently being implemented. |
| **Energy and Environment partnership (EEP)** | The EEP has provided non-repayable grants and some concessional loans to six companies: Celfre Energy, Clamore Solar, Mobility for Africa, Powerlive Zimbabwe, Techno Plus and Zonful Energy. The total allocation for active funds is USD $1.3 million. |
| **Foreign, Commonwealth and Development Office (FCDO)** | The FCDO runs technical assistance programmes to promote an enabling environment for the growth of the solar energy sector. This programme is also working with technical working groups under the Ministry of Energy to activate the solar exemptions outlined in the 2019 energy policy. |
| **Green Climate Fund by UNDP** | The Fund supports feasibility studies for irrigation projects, as well as the rehabilitation of non-working sites and new sites on an ongoing basis. The total funding stated for the seven-year programme is USD $47 million. |

## Industry associations

**The Renewable Energy Association of Zimbabwe (REAZ)** is an independent, non-governmental and non-profit organisation. The mandate of REAZ is to facilitate the sustainable development and uptake of renewable energy technologies in Zimbabwe to the benefit of its members, stakeholders and consumers. REAZ was formed for all the energy stakeholders to speak with one voice. It partnered with Power for All in a 'global campaign to promote distributed energy', and outreach programmes were carried out in Harare, Gweru, Mutare, Masvingo and Bulawayo in partnership with the Ministry of Energy and Power Development. REAZ has over 28 members to date, including big companies such as Vitron Energy, Green Fuel, Nyangani Renewable Energy, Solar Energy Projects, Zimbabwe Bio Energy, Tendo Electronics and Rusununguko Nkululeko Holdings.

**The Renewable Energy Service Providers listing** is a regulatory requirement, requiring sector players to undergo an assessment and approval by ZERA. At the end of 2021, 142 providers were included in this database. Analysis of these providers indicates that 120 are based in Harare, four in Gweru, 11 in Bulawayo, two in Mutare, two in Kwekwe and two in Zvishavane.

## References and further reading

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https://eepafrica.org/wp-content/uploads/2023/06/EEP-AFRICA_ANNUAL-REPORT-2022.pdf

**Independent Power Producers**
https://www.zera.co.zw/electricity3/ipp/

**ZERA Annual Report 2021**
https://www.zera.co.zw/wp-content/uploads/2022/07/ZERA-ANNUAL-REPORT-2021-Final-21722.pdf

## Useful contacts

**British Embassy, Zimbabwe**
ukinfo.harare@fco.gov.uk

**Zimbabwe Embassy, UK**
www.zimlondon.gov.za
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**Ministry of Energy and Power Development**
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**Zimbabwe Energy Regulatory Authority (ZERA)**
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**Zimbabwe Transmission and Distribution Company (ZETDC)**
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**Zimbabwe Power Company (ZPC)**
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**Renewable Energy Association of Zimbabwe (REAZ)**
http://www.reaz.co.zw

Please contact your Client Relationship Manager if you want help with introductions to specific individuals with these institutions.