



TDB supports the rehabilitation and expansion of power plants in Zimbabwe

The Trade and Development Bank (TDB) is providing USD 30 million in a USD 123 million funding package as part of a syndicate of lenders led by the Standard Bank of South Africa to Zimbabwe Power Company (ZPC). ZPC is mandated by Government of Zimbabwe to manage and develop the construction, operation and maintenance of power generation stations for the purpose of reducing the current power demand-supply gap.

ZPC owns and operates 1960 Mega Watts (MW) capacity across five power stations in Zimbabwe, four being coal fired power stations and the fifth a hydro power station. However, due to generation inefficiencies, the current supply range averages about 1,200MW (61% of installed capacity). These inefficiencies are largely attributable to the power stations being operated beyond their design lifespan and down time for regular repairs and maintenance due to excess demand. ZPC's existing plants are well over 30 years old and there has not been any new investment in power generation projects since the early 1980 until the recent ongoing expansion of the Kariba South Hydropower Station. This is against a socio economic backdrop of an increasing population, urban drift and industrialization.

TDB's participation in the syndication with a USD 30 million facility is instrumental in supporting ZPC to actualize its key strategic goals that involve securing, stabilizing and optimizing current capacity as well as increasing capacity. The funds from the syndication will be utilized towards the implementation of a list of critical rehabilitation works of the power plants at Kariba South Power Station (KSPS) and (HPS). This is very much needed to optimize the power stations to an acceptable level of performance as well as extend the life of these critical assets by an estimated 15-20 years. In addition, some of the proceed will be used to expand the KSPS.