



INVESTORS
CONFERENCE | MAR
30
Batoka Gorge Hydro-Electric Scheme | **2017**

**SPEECH BY HONOURABLE DAVID MABUMBA,
MP., MINISTER OF ENERGY ZAMBIA, AT THE
INVESTOR CONFERENCE FOR THE BATOKA
GORGE HYDRO-ELECTRIC SCHEME
HELD ON 30TH MARCH 2017, AT THE DAVID
LIVINGSTONE SAFARI LODGE,
LIVINGSTONE, ZAMBIA**

- Her Honour, Mrs. Inonge M. Wina, MP, Vice President of the Republic of Zambia,
- Honourable Felix C. Mutati, MP., Minister of Finance for Zambia;
- Honourable Patrick Chinamasa, MP., Minister of Finance and Economic Development for Zimbabwe;
- Honourable Dr. Samuel Undenge, MP., Minister of Energy and Power Development for Zimbabwe;
- Honourable Lloyd M. Kaziya, MP., Minister of Water Development, Sanitation and Environmental Protection for Zambia;
- Honourable Oppah M. Kashiri MP., Minister of Environment, Water and Climate for Zimbabwe;
- Honourable Margaret Mwanakatwe, MP., Minister of Commerce, Trade and Industry for Zambia;
- Honourable Charles Banda, MP., Minister of Tourism & Arts for Zambia;
- Honourable Christopher Yaluma, MP., Minister of Mines & Minerals Development for Zambia;

- Honourable Ronald Chitotela MP., Minister of Housing & Infrastructure Development for Zambia;
- Honourable Edify Mukambala Hamukale, MP., Provincial Minister for Southern Province in Zambia;
- Mr. Amadou Hott, The Vice President of the African Development Bank;
- Members of Parliament Present from Zambia and Zimbabwe;
- Permanent Secretaries from Zambia and Zimbabwe;
- Ambassadors and High Commissioners here present;
- Your Royal Highnesses, Chief Mukuni and Chief Shana;
- Representatives of the World Bank, African Development Bank & Swedish International Development Cooperation Agency
- Investors and Contractors present
- Senior Government Officials Present
- Representatives of ZESCO and ZESA Holdings;

- Management and Staff of Zambezi River Authority
- Distinguished Guests, Ladies and Gentlemen,

On behalf of the people and Governments of Zambia and Zimbabwe, allow me to warmly welcome you to Livingstone, the tourist capital of Zambia and in particular to this Investors Conference.

**Your Honour the Vice President,
Distinguished Guests, Ladies and
Gentlemen,**

I wish to begin by expressing our gratitude to everyone here present for responding to our call for partnership in the development of the Batoka Gorge Hydro-Electric Scheme. Your presence and participation in this Conference is a clear

expression of your willingness to partner with us in the development of this project.

The two countries are endowed with natural resources which can foster economic growth but cannot be fully harnessed because of inadequate supply of electricity.

It is against this background that the two countries have embarked on a project to develop the 2,400 Mega Watts Batoka Gorge Hydro-Electric Scheme. The scheme will comprise the construction of 181m high arch gravity roller compacted concrete dam as well as, two surface power stations located on either banks with an installed capacity of 1,200 Mega Watts each.

It is for this reason that we have invited you as potential financiers, developers, contractors and off-takers for the project, to this Investors Conference.

The reasons why we have called you to this conference is for us to: -

- present our vision and strategic orientation on the proposed project; and
- showcase the available investment opportunities that this project provides.

The Theme of this conference is “***Batoka Gorge Hydro-Electric Scheme – Harnessing Sustainable Power Generation Potential of the mighty Zambezi River***”.

This theme is an expression of the two countries’ desire to develop the shared water resource in a sustainable manner for power generation to improve the socio-economic status of the two countries and the region.

Therefore, in order to stimulate investment in the mining and manufacturing sectors and also to promote social and economic development, a

stable and reliable supply of electricity is paramount.

Your Honour, Distinguished Guests, Ladies and Gentlemen,

In preparation of this project, the two Governments, with the support of the World Bank and the Cooperation in International Waters for Africa (CIWA), engaged independent consultants to undertake preconstruction studies, such as Updating of the Engineering Feasibility Studies and the Environmental and Social Impact Assessment Studies. Further, the two Governments have engaged Ernst & Young to provide Legal and Financial Transaction Advisory Services.

I am reliably informed that the updating of the Engineering Feasibility Studies validates the Engineering Feasibility Studies of 1992/1993 which confirmed the technical feasibility of the project.

Further, based on these studies the project will be one the least cost generation projects in the region. Preliminary indications suggest that the Batoka Gorge Hydro-Electric Scheme will have a unit generation cost of 3.6 US Cents per kwh compared to the average regional tariffs of 8.25 US\$/Kwh.

Your Honour, Distinguished Guests, Ladies and Gentlemen,

The two Governments prioritise the importance of Environmental and Social safeguard principles in the implementation of projects. As such, the results of the environmental and social impact assessment will be seriously taken into account and mitigation measures put in place. We shall also ensure that an environmental and social management plan is prepared and that there will be a public disclosure of the outcomes to ascertain that their concerns have been taken into consideration.

Your Honour, Distinguished Guests, Ladies and Gentlemen,

Zambia and Zimbabwe are committed to the resolutions of the 34th Southern African Development Community Energy Ministers meeting held in Gaborone, Botswana, 2015, one of which was the fast tracking of the implementation of regional projects with cost reflective tariffs.

The mode of development adopted for the project creates an enabling environment for the participation of private investment in the project. The two Governments recognise the critical role the private sector continues to play in partnering with Governments in delivering infrastructure

projects of this magnitude which projects are aimed at enhancing socio-economic development.

In this regard, and arising from your participation in this conference and continued support, the two Governments are assured that the project will be successfully implemented.

In conclusion, I wish to state that the two Governments remain committed to creating an enabling environment that will allow for the private sector to continue investing in power infrastructure projects such as the Batoka Gorge Hydro-Electric Scheme.

It is my sincere hope that your stay here will be warm, fruitful, and enjoyable and that you will find time to sample some of the world-renowned

tourist and heritage sites such as the Victoria Falls as well as the warm hospitality which the people of Zambia and Zimbabwe have to offer.

-Thank you for your attention-