



Internal News

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ZESCO LIMITED SHINES AT
THIS YEAR'S TRADE FAIR

ZESCO LIMITED SHOWCASES
DIGITAL
TRANSFORMATION JOURNEY

UNITED

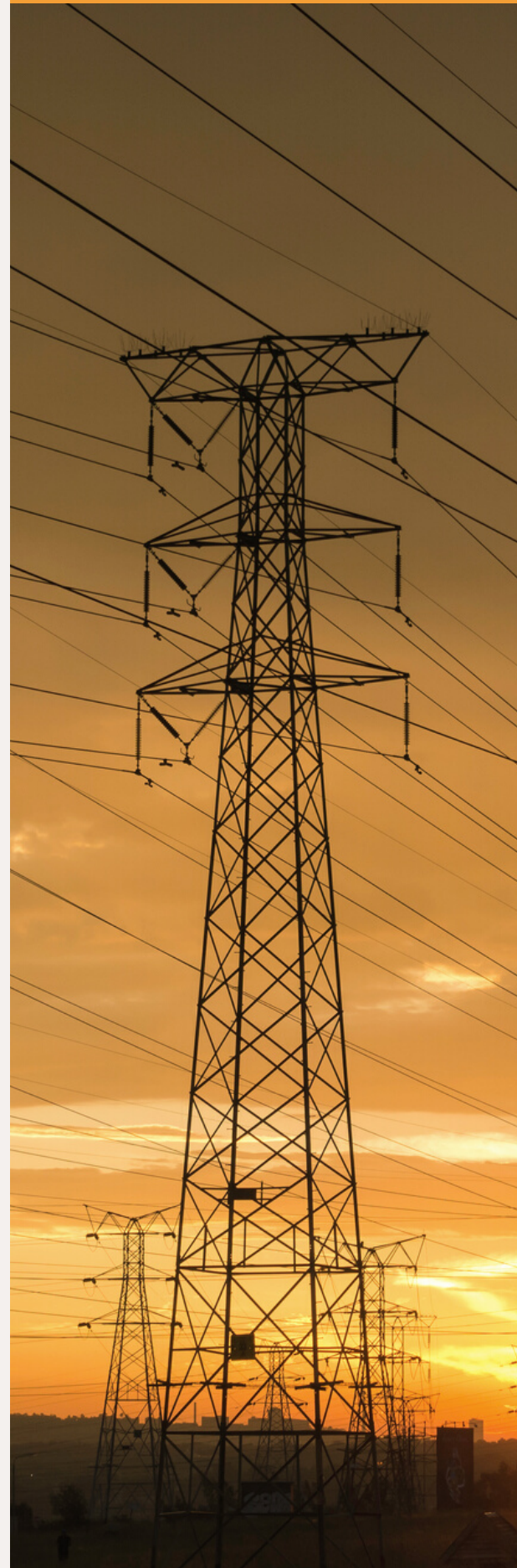
LAUNCH WOMEN'S AWARDS AT
COLOURFUL GALA DINNER



**ZESCO MD SAYS ZAMBIA'S
ELECTRICITY SECTOR NOW
OPEN TO BUSINESS**

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FOREWORD

We are pleased to present to you a special edition of the internal news bulletin covering activity highlights for the month of June. The month was jam packed with exciting activities and events where the Corporation showcased its brand and service offering at both international and local platforms.

ZESCO picked some awards at the 57th Zambia International Trade Fair in recognition of the Corporation's contribution to stimulating economic development through trade, partnerships and investments. Furthermore, ZESCO reasserted its commitment to support innovation by sponsoring the hosting of the Innovation Hub for the second year running. Under one roof, over 40 upcoming inventors and innovators showcased their creations in the agricultural, energy and health sectors catching the attention of various industry players.

The Corporation took to the international stage and joined the league of global power sector stakeholders who included project developers, consultants, government agencies, power utilities and lenders who converged at the Africa Energy Forum held in Nairobi, Kenya from 20 to 24 June 2023. As the country's leading power utility, ZESCO, alongside its subsidiaries, showcased the country's energy's performance and growth prospects while seeking partnerships to actualize enhanced regional power trading opportunities and infrastructure expansion.

As a trusted partner in the preservation of the country's rich cultural heritage, ZESCO extended its corporate social investment through sponsorship of two traditional ceremonies namely the Bene Mukuni of the Toka Leya speaking people of Livingstone and Kazungula districts and the Lwiindi Gonde of the Tonga speaking people of Moonze

Vandalism and theft of ZESCO installations continues to impeded the Corporation's quest to deliver excellent services, efficiently and effectively. However, efforts by the Security Services team yielded a successful conviction of two people by the Ndola High Court for vandalizing a Corporation transformer.

ZESCO's firm position towards environmental protection was yet again reaffirmed through its participation in the World Environment Day held with the theme, "Beat Plastic Pollution."

On a sporting note, ZESCO United Football Club with the support of its parent sponsor, ZESCO Limited and the team kit sponsor, Atlasmara Bank, held its 2023 Player Awards Gala dinner marking the end of the 2022/23 Zambian Super League season. The event, which has in the past years been centered around the men's team took a progressive turn by launching the Women's awards. ZESCO Limited is parent sponsor of the ZESCO Ndola Girls Football team which has already produced national team stars such as Avell Chitundu and Hazel Nali that will feature at the upcoming Women's World Cup.





ZESCO MD SAYS ZAMBIA'S ELECTRICITY SECTOR NOW OPEN TO BUSINESS

We are opening up the energy sector to business and there's absolutely no need to impede development to come through when the country is undertaking reforms and removing bureaucracies to make it easy for the private sector to thrive.

This is the message ZESCO Limited Managing Director Eng. Victor Mapani delivered to prospective investors during the Africa Energy Forum sector in Nairobi in June.

“Our Chief Marketing Officer His Excellency the President, Mr. Hakainde Hichilema has opened up the country for business and the energy sector is not spared. There's absolutely no need to impede development to come through when bureaucracies are being removed,” Eng. Mapani said.

He explained that the recently approved electricity tariffs, expected to reach economic levels in the next five years, should give enough comfort to prospective investors who previously shunned Zambia on account of non-cost-reflective tariffs. “With this multi-year tariff structure that has been approved and put in place, there is a clear starting point and an indication of how the tariff glides over five years, be it domestic, industrial and also some commercial services,” Eng. Mapani said, adding that; “we can now know how much revenue you can actually galvanise in the next four to five years. We may currently not be cost-reflective for the sales but we believe in the next five years, we may just hit that line and beyond five years, this structure will continue.”

He explained that ongoing energy reforms are aimed at increasing participation of private players and reducing ZESCO's dominance of the energy sector.

“That space is open. We can even actually allow a company that does not own assets to trade in power. You can just set up a business and you start running and the law allows that. We have signed up with one company so far, and almost done to start operating,” he said.

He also revealed that the process to set up an Independent System Operator (ISO) regime was planned for next year as part of ongoing initiatives to augment existing laws that support increased private sector participation in power generation and trading.



“By next year we should be able to have an ISO. We have now reached a stage where independent transmission services providers are allowed to own their own transmission lines and operate them but interconnected to the ZESCO system,” Eng. Mapani said.

Eng. Mapani also told investors that the Public-Private Dialogue Forum which the government established to foster cooperation between investors and government departments and agencies would be key to resolving some of the challenges private players may face when investing in the country.

“The government has put in place a public private forum to ensure that these locked up projects are unlocked. A lot of such interactions have happened and from there, quite a number of solutions have come up. And this public private forum created an atmosphere of willingness by the government to accept more and more investors to come into the energy sector,” said Eng. Mapani.

ZESCO LIMITED RAMPS UP SOLAR INVESTMENT TO MITIGATE ILLS OF CLIMATE CHANGE

ZESCO Limited says it is prioritising partnerships between Zambians and international investors in its aggressive drive to bolster investments in solar energy to mitigate the negative effects of climate change on the power system.

And Eng. Mapani says the utility is targeting investors with own battery storage.

Of Zambia's current 3,600 megawatts installed capacity, 86 percent is water-dependent with the remaining 14 percent apportioned to a coal-thermal fired power station and some solar plants.

With weakening rainfall patterns especially in the south of the country which is frequently battered by negative effects of climate change but where key hydropower stations are located, the need to diversify power sources has never been more compelling.

On its part, ZESCO Limited is up-scaling investments with a number of procurements in progress.

Managing Director Eng. Victor Mapani says the state power utility is currently looking for indigenous companies to support in the drive to boost Solar PV generation in the country.

"We've signed off quite a few indigenous IPPs and so it's not just for foreign investments. The local IPPs have limited borrowing capacity, therefore, very few have invested in energy projects, but that has been opened up". Eng. Mapani told delegates to the Africa Energy Forum in Nairobi last month. He cited the GET FIT Zambia programme where almost all participating companies had an indigenous component.

ZESCO is currently working to inject 150-MW Solar power into the national grid this year as part of its aggressive plan to deploy 800-MW of new solar PV sources to help increase the resilience of the power network through a well-diversified energy mix considering the source and geographical location.

"We want indigenous SMEs to be part of this and we are seeing that a number of indigenous companies are getting partners from abroad either through Joint Ventures or even through Special Purpose Vehicles," he said.

And Eng. Mapani said despite ZESCO Limited having signed commitments to develop up to 4,500 MW of solar energy in the next 10 years, there is room for other developers to participate.

"We are not going to lock capacity to a few people," he said.

Last January, ZESCO announced that it had signed an agreement to form a joint venture with the United Arab Emirates' renewable energy company Abu Dhabi Future Energy Company PJSC - Masdar to develop solar projects worth US \$2 billion starting with the phased installation of 500 MW.

Later in April, ZESCO signed a US \$3.4bn Power Purchase Agreement (PPA) with China's Integrated Clean Energy Power Company (CiEG) covering up to 2,400 Megawatts of solar capacity to be developed over several phases.

Eng. Mapani explained that ZESCO is targeting developers with renewable energy storage capacity to protect the integrity of the national power system.



“The 2,400 megawatts Chinese component is coming with energy storage and so it does not compromise our network,” Eng. Mapani said.

“The first tranche of the 500 megawatts from MASDAR is expected to come on in 2026 and so that gives us an opportunity that while you are growing another base load, we have worked out how our energy portfolio will look like.”

Eng. Mapani also explained the rationale behind capping of solar photovoltaic energy to be injected into the national grid to 1000-MW against the installed capacity of 3,600 MW.

“Between 18:00 hours and 21:00 hours, the power demand is very high. So, we would like to cover that part with backed-up energy storage,” said Eng. Mapani.

“With our initial planned percentage solar penetration capping at 27 percent, we don't need energy storage. But that has been exhausted and now, we required addition penetration to be augmented with some aspect of battery storage.”

ZESCO TO RESOLVE THE US \$ 1 BILLION DEBT TO IPPs BY 2025

ZESCO Limited says it is aiming to resolve the US \$1 billion it owes Independent Power Producers (IPPs) by 2025 after the new Corporate Leadership Team managed a new agreement on tariffs and interest rates to prevent a further rise in its debt.

The IPPs which include Maamba Collieries, Ndola Energy Company, Lunsemfwa Hydropower Company and Itezhi Tezhi Power Corporation account for about 14 percent of Zambia's installed power generating capacity.

By the end of 2021, ZESCO owed IPPs around \$1.7 billion and at the time, the figure was expected to continue rising due to the mismatch in power prices. While the IPPs sell power to ZESCO at around 0.11 US cents/kWh the utility sells it to domestic consumers for as little as \$0.05 U.S cents /kWh.

In a plenary session at the African Energy Forum in Nairobi last month, Managing Director Eng. Victor Mapani said the relationship between ZESCO Limited and IPPs had historic challenges entrenched in the mismatch between purchase and retail price for power. However, post 11 August 2021 ZESCO managed to resurrect previous failed attempts to renegotiate the tariffs with IPPs.

“The challenge which is there is where you procure electricity at a higher price and sell it at a lower price and that glided ZESCO into a huge debt challenge which as of 2021 December was sitting around \$1.7 billion,” Eng. Mapani said.



“That has since been moderated, tariffs have been negotiated and that debt has reduced to just about a \$1 billion, and progressively that will be resolved we believe by 2025 toward the IPPs...of course there is a genuine debt there and there's just debt that was speculative....because ZESCO is not paying and therefore the escalations are high and therefore the debt is much higher,” he explained.



ZESCO LIMITED SHINES AT THIS YEAR'S TRADE FAIR

Zambia's State-Owned electricity company ZESCO Limited, won the 1st prize in the Utilities Companies and Most Innovative Public Sector institution awards respectively during this year's 57th Zambia International Trade Fair under the theme: "Stimulating Economic development through Partnerships, Trade and Investment."

Meanwhile ZESCO Limited's quest to promote innovation among local entrepreneurs saw the corporation sponsor the Innovation Hub competition which provided a platform for young innovators to showcase their skills.



Ernest Kapesa collected the 1st prize amounting to K15,000 after showcasing his Ambia-Tourism App while Sean Banda's Character Animation Technology catapulted him to the 2nd prize worth K10,000.

Richard Meja's Encryption App secured 3rd position while Noel Chingeleshi and Golden Shipunga's Smart Irrigation emerged in 4th place pocketing K8,000 and K7,000 respectively.



NINE UNZA STUDENTS GET LIFELINE FROM ZESCO LIMITED

25 25-year-old Emmanuel Chipaso struggles to hide his excitement as he explains the opportunity of working for the national power utility, ZESCO Limited.

Chipaso is among the nine best graduating engineering students from the University of Zambia (UNZA) who have been offered a lifetime opportunity to work for the state-owned electricity company as a graduate engineer.

The other eight (8) are Mulenga Ernest, Njekwa Namate, Kachimba Musau, Harrison Sakala, Brian Moyo, Esther Banda and Shimika Luwi, all graduates from the School of Engineering who completed their studies in 2022.

“Excitement is an understatement. It is a dream come true. Working for a big power utility like ZESCO Limited is every young engineer’s dream because it gives you the platform to grow and develop,” Chipaso said.

“This is an opportunity that hardly crossed my mind, and I never thought it would come in this way. I am extremely motivated to join the company and to show ZESCO Limited management that I can serve the 18 million Zambians with excellency and help the company move forward.

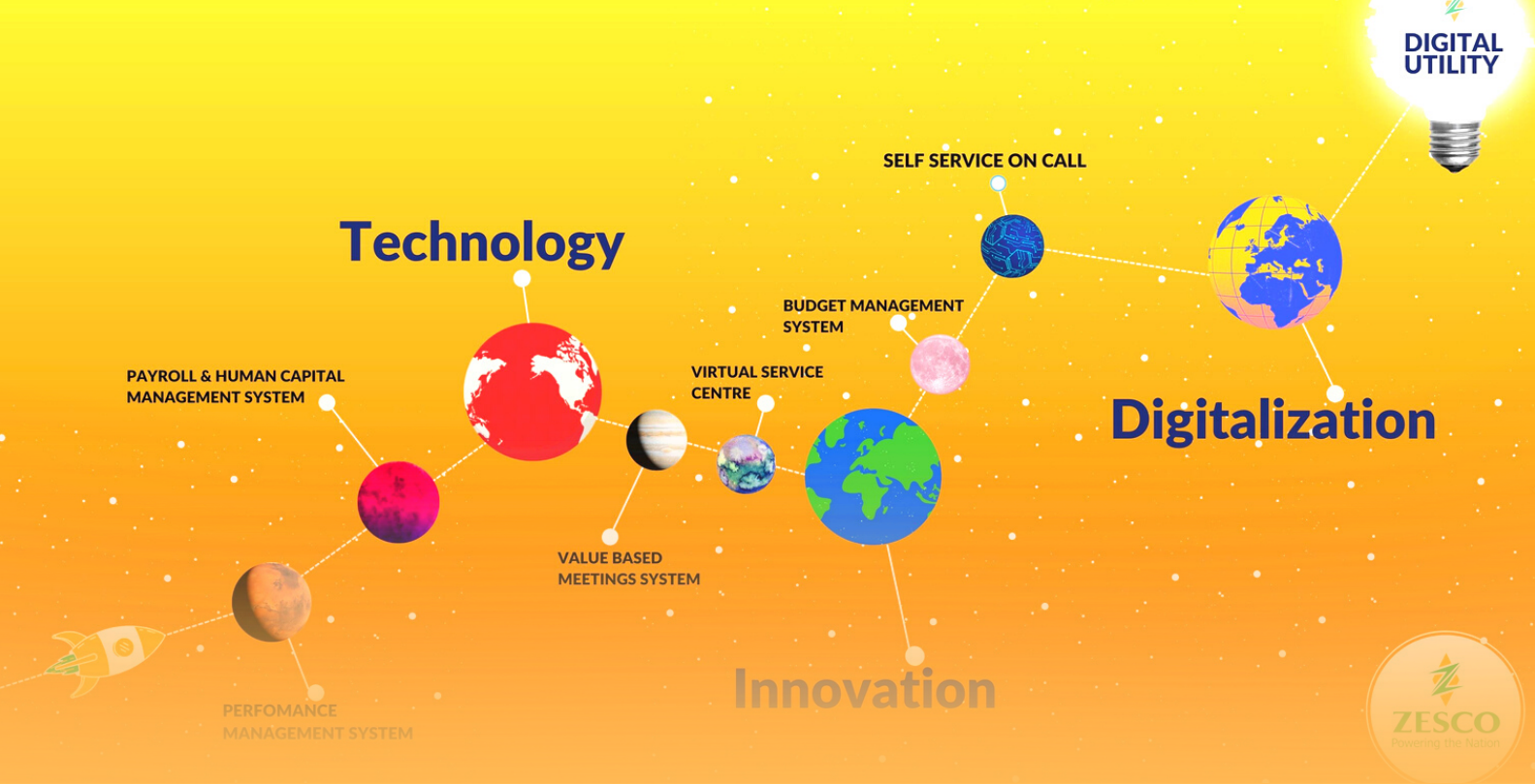
Five-years of painstaking studies doesn’t guarantee every graduating student a free pass to employment. However, for 26-year-old Valerie Mwaba that’s not a matter to keep her awake after completing her five-year engineering program thanks to ZESCO Limited.

Like Chipaso, Mwaba has been offered a fulltime job by ZESCO after emerging among the nine best graduating engineering students from UNZA.

“I feel privileged and very happy. It shows that hard work does pay off. We see a lot of people graduate but struggle to find jobs. It is often frustrating and makes you think that’s how your life will unfold after school.” Mwaba said.

“This is a lifetime opportunity for me and am sincerely grateful to ZESCO Limited management for extending this gesture to us. I can only urge them to continue with this as it will motivate other students to work hard,” she said.

The nine students who are under a 2-year program are expected to be deployed in various ZESCO stations after completing a nine-month orientation program to be spearheaded by the Corporations Learning and Development Unit.



ZESCO LIMITED SHOWCASES DIGITAL TRANSFORMATION JOURNEY

ZESCO Limited has advanced its digital transformation as it eyes to become a fully digital power utility by the year 2025.

To attain this ambitious and exciting milestone, the Corporation is leveraging home grown solutions built by an inhouse innovative team that have thus far yielded immense financial benefits for the Company in monetary savings once channeled to importing solutions that also came with huge maintenance costs.

On 7 June 2023, ZESCO took to the stage at a gathering of stakeholders and media to outline its achievements and the next steps to realizing its vision.

Managing Director, Eng. Victor Mapani said ZESCO has changed the narrative of an over dependency on imported technology solutions to the promotion and deployment of home-grown innovations by harnessing local skills and the ingenuity of its own staff.

The Managing Director applauded the Information Communication and Technology team for buying in his vision and quickly taking up the challenge to develop home grown solutions that was started with a payroll system.

In December 2021 ZESCO identified for automation 90 manual processes, categorized as internal processes and external manual processes. Internal processes addressed the challenges associated with process inefficiency, privacy and operational costs. These included the payroll system, employee self-service petty cash and subsistence allowance processing and the Corporate Leadership dashboard among others.

While external processes focused on developing customer centric digital initiatives out of which was born among other solutions, the virtual customer service center located on the website allowing for access to services such power connection applications and compliant reporting. Others are the Omni channels such as the USSD Code (*3600#) that have enhanced customer communication.

At the same event, the Company launched its latest home-grown solution, the Contact Center Interactive Voice Response (CCIVR) system dubbed Self Service on Call, an added service to the ZESCO Call Center. a Self Service on Call (SSC) provides customers with an option to pre-select their required service when calling the Call Center leading to quicker and customized service access.

ZESCO's digital transformation initiatives and milestones were applauded by Smart Zambia Institute Country Coordinator, Mr. Percy Chinyama who graced the occasion as guest of honour.

Mr. Chinyama encouraged ZESCO to ensure that the improvements in digitalizing its services were fully complemented with efficient provision of electricity services.



ZESCO EXHIBITS ENVIRONMENTALLY FRIENDLY SOLUTIONS DURING WORLD ENVIRONMENT DAY

ZESCO Limited is among energy sector players that have heeded the global call for environmental protection.

As Zambia's major power utility, ZESCO Limited bases its operations and expansion projects on sound environmental practices. Its own energy sources are predominately hydro based while its generation expansion plan embraces renewable sources such as solar, wind, geothermal and biomass.

To augment its green energy growth trajectory, the Corporation has embarked on an ambitious Solar Energy Harnessing (SEH) program through the development of Solar Power Plants across the country that will see the country yield an additional 2000 megawatts plus of solar energy in the next 10 years.

It is no surprise that on June 5, 2023, ZESCO was among the environmental preservation stewards that showcased environmentally friendly solutions at the World Environment Day commemorative event held at Bauleni Combined School in Lusaka. The theme for the event was; **'Beat Plastic Pollution.'**

The event was graced by the Minister of Green Economy and Environment, Hon. Eng. Collins Nzovu, MP.

ZESCO showcased environmentally friendly waste management processes prevailing within the organization.

The Corporation's contribution to the revegetation of some of the country's environmentally degraded areas and river basins through tree planting exercise and its strong stance on going paperless using E-platforms throughout the institutional operations were showcased.

The Company's homegrown digital communication solutions were promoted for use by customers as they too were paperless yet efficient and effective.

ZESCO Limited optimized the occasion to educate its customers and the public about the ongoing TID rollover exercise.

The event was graced by the guest of honour Minister of Green Economy and Environment Eng. Collins Nzovu.



ZESCO SECURITY TEAM SECURES CONVICTION OF TWO VANDALS

The Ndola High Court recently sentenced Mwewa Kabunda and Michael Saili to twelve years imprisonment with hard labour after being found guilty of vandalising a ZESCO Limited transformer.

Details of the matter are that on July 14, 2022, Kabunda aged 43 and Saili 37 of Chief Chiwala's area of Ndola, while acting together, vandalised a ZESCO transformer no. NND 0584 leading to loss of power.

The accused further punctured a 185 Millimetre squared cable valued at K6,350.00.

The duo who were arrested in 2022, appeared before High Court Judge Musonda on June 30, 2023 before being sentenced to twelve years imprisonment with hard labour with effect from July 5, 2022 after being found guilty of vandalism of public or private property necessary or incidental to the provision of necessary service to the public contrary to Section 341 D(1)(2)(a) of amendment act no.17 of 2007 of the penal code chapter 87 of the Laws of Zambia.

CALL CENTRE WEEK : CELEBRATING DEDICATION AND EXCELLENCE



During the recently celebrated Call Centre Week, the ZESCO Call Centre took center stage as they proudly showcased their dedication and commitment to their roles as the face of the company. The event served as a platform to honor and recognize the hard work of the call centre staff, while also serving as a reminder of their shared goals of being efficient, effective, and excellent in their service delivery.

Throughout the week-long celebration, the ZESCO Call Centre staff embraced the spirit of the occasion by participating in themed dressing. Each day brought forth a different theme, allowing the team to showcase their creativity and team spirit.



From African attire costumes to professional attire, the call centre staff brought a vibrant and energetic atmosphere to the workplace, setting a positive tone for the entire week.

Efficiency, effectiveness, and excellence are the guiding principles for the ZESCO Call Centre staff. They strive to provide prompt and accurate assistance to customers, ensuring that their needs are met and their concerns are addressed efficiently. By participating in Call Centre Week, they reinforce their dedication to achieving these goals and continuously improving their performance.



ZESCO LIMITED POWERS BENE MUKUNI AND THE LWIINDI GONDE TRADITIONAL CEREMONIES

ZESCO Limited's historical passion for and commitment towards the promotion of the country's rich cultural heritage was once again reiterated with the sponsorship of the Bene Mukuni and the Lwiindi Gonde traditional ceremonies of the Toka Leya speaking people of Kazungula and Livingstone districts and the Tonga speaking people of the Monze district, respectively. The Bene Mukuni ceremony was held on 2 July while the Lwiindi Gonde was held on 3 July 2023.



Through its corporate social investment, the Corporation aided the Bene Mukuni with the construction of an ablution block and the electrification of a borehole to enable the provision of clean water supply. Lwiindi Gonde received temporary site electricity supply and a monetary contribution.

UNITED LAUNCH WOMEN'S AWARDS AT COLOURFUL GALA DINNER



ZESCO United Football Club may have ended the 2022/23 Zambian league campaign without a trophy, but that did not dissuade the Club from adding another twist to their historical narrative of being trendsetters.

United's historical style of winding-up every league season with a special ritual of awarding deserving players with various accolades was this time around executed with a deft touch which saw the launch of the women's awards.

ZESCO Ndola Girls who secured a third-place finish in the 2022/23 Zambia Women's league season were feted in the same manner that the United's men's team has enjoyed in the past at every Players Awards Gala Dinner.

As Collins Sikombe and Kelvin Kapumbu received the Top Scorer and Player of the Year Awards respectively, the women's category saw Melody Kipimpi and Charity Mulenga each emerge Player of the Year and Top Scorer, respectively.

Mukuka Chanda, Enock Sakala cantered away with the Most Consistent Player of the Year and Young Player of the Year awards respectively while Sikombe collected the Most Disciplined Player of the Year.

In the Women's category, Avell Chitundu won the Most Consistent Player Award while Mable Bwalya bagged the Most Disciplined Player of the Year and Young Player of the Year Awards.

United management is resolved to offer equal opportunities to the women's team as a sure way of promoting gender equality in football.

"This is the first time we are holding a combined Player Award Gala Dinner involving our men's and women's teams. This event speaks to our commitment as ZESCO United management towards ensuring that women like the men's team, are given equal opportunities in the game.

"We want to provide them with the same spotlight and investment that the men's game continues to receive on the domestic and international stages," says ZESCO United Executive Management Committee Member, Muntanga Sibalwa.



ZESCO United Chairman, Maxwell Saya said, club management will ensure that women's football is professionalized.

"We have taken decisive steps to better organize the women's team in a bid to improve professionalism in the management of its affairs and to position it for elevation into the international realm of football."

And Atlas Mara acting Chief Executive Officer, Bobline Cheembela announced the extension of the shirt sponsorship with ZESCO United to another season. Atlas Mara has since 2018 been the official kit sponsor.

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