

Hwange deal still on – Zimbabwe

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Article Type : News **Reports are “fabrications by journalists” and contain no shred of truth** By Desie Heita

Windhoek - The supply agreement between Namibia and Zimbabwe remains intact, and the news reports to the contrary are fabrications by journalists. Zimbabwe’s officials in the Ministry of Energy and Power Development, as well as the Zimbabwean Ambassador to Namibia, Chipso Zindoga, say the Zimbabwe Electricity Supply

Authority (ZESA) remains “committed to upholding the contract” it has with NamPower and that Zimbabwe “will not renege on its power obligations to Namibia”. The Zimbabwean government further says it has no intentions to renegotiate the five-year contract to supply NamPower with a guaranteed 150 MW of electricity. This is in contrast to news reports by Zimbabwean media, including the state-owned Herald newspaper that Zimbabwe has asked its energy utility company, ZESA, not to supply Namibia with power when the Hwange Power Station is not working properly.

In 2007, NamPower loaned US\$50 million to Zimbabwe to refurbish the Hwange Power Station in return for free 150MW of electricity. As part of the agreement, ZESA guaranteed a five-year supply of electricity to NamPower. Hwange Power Station has the capacity to generate 480 MW, but according to the Herald newspaper, the station has not been able to operate at full throttle due to numerous challenges. Despite the problems at Hwange, ZESA has continued to export power to Namibia, complementing the shortfall in the 150 MW contractual requirements with imports from neighbouring countries while implementing internal load shedding. Zindoga yesterday said Zimbabwe “has always supplied Namibia with electricity even when Hwange Power Station was facing operational challenges”.

Zimbabwean officials at the Ministry of Energy and Power Development told New Era that the reports are “fabrications by journalists” and contain no shred of truth. “There is nothing like that on our side, journalists like to create stories,” said the officials in the office of the Permanent Secretary and in the office of Minister for Energy and Power Development. Minister of Energy and Power Development, Elias Mudzuri, together with the Permanent Secretary Justin Mupamhanga, were out of office and did not return messages. The Zimbabwe Embassy in Windhoek said it “categorically dismisses” the report. “The embassy would like to state that there is no crisis in the ZESA and NamPower agreement, as regards the supply of the 150 MW to Namibia. We would therefore like to allay any fears that could have been roused by the said reports,” said Zindoga.

Harare gives Namibia power pledge

author/source:Business Day (SA) published:Thu 14-Jan-2010: News **"When Hwange has power, Namibia will get it...like today. Hwange has enough power, 370MW. So Namibia gets its share"**



Windhoek - Zimbabwean Energy Minister Elias Mudzuri said this week Harare would honour its \$40m power contract with Namibia, and would export electricity to its neighbour as long as key producer Hwange had enough capacity. Mudzuri's comments to The Namibian newspaper yesterday were meant to calm investor panic after reports said on Monday he had ordered the Zimbabwe Electricity Supply Authority (Zesa) to stop exporting electricity to Namibia from any other source but Hwange. Zesa supplies NamPower with 150MW daily. "That does not mean that Zimbabwe will cut Namibia off completely," he stressed. "When Hwange has power, Namibia will get it...Like today. Hwange has enough power, 370MW.

So Namibia gets its share," Mudzuri said. NamPower and Zesa entered into a nearly N300m agreement in 2007 to restore Hwange power station in exchange for 150MW for Namibia daily. Mudzuri said the deal was for Hwange only, which had not always been able to meet its target. At such times Zimbabwe had to import the necessary power from the Cahora Bassa hydroelectric plant in Mozambique, only to export on to Namibia. "I was importing it at 6c (a unit) and exporting it at 2,7c. I ran up arrears of hundreds of millions," Mudzuri said. In future, all power exported to Namibia would come from Hwange only. He did not explain what would happen if Hwange again failed. Last week Zesa signed an 8m deal with Botswana to revive a thermal power station in Bulawayo which had been shut down in 2008 due to the economic crisis. Botswana Power Company funds will be used for refurbishments and to buy coal from the country's main colliery.