



Infrastructure and Development Bank of Zimbabwe

IDBZ BOARD APPROVES THE GUTU SOLAR POWER GENERATION PROJECT

Today, the IDBZ Board of Directors approved the proposed 5 MW Gutu Solar Power Generation Plant.

Project development started with the signing of Memorandum of Understanding in 2018 between Gutu Rural District Council (GRDC) & the IDBZ. This was followed by the creation of a Special Purpose Vehicle (SPV), Chatsworth Energy (Private) Limited, which was registered in July 2020. Thereafter, a Framework Agreement (FMA) was concluded in December 2020 for the development and construction of a 20MW Solar Plant in Chatsworth. However, due to the long distance (28km) between the proposed site of the solar plant at Chatsworth and the nearest substation, the site was relocated to land which is only 1km away from the ZETDC 33/11kV Substation. Furthermore, in the light of the Grid Impact Assessment Study commissioned by the Bank and conducted by Zimbabwe Electricity Transmission and Distribution Company (ZETDC) in June 2021, it was agreed that the maximum capacity that could be safely evacuated by the nearby infrastructure was 5MW.

Under the Framework Agreement, the IDBZ was to provide funding for the preparation and development of the project while GRDC was to avail leased land for the project. The land is currently zoned as a resettlement area and owned by the State. GRDC applied for a 25-year lease from the Ministry of Lands, Agriculture, Water, Fisheries and Rural Development (MoLAWFRD). The lease application was approved on 6 October 2023. In addition to land ownership through the Lease, the GRDC has already commenced land clearing, construction of access road and boundary security fencing.

For project preparation, the Bank, through the Ministry of Finance, Economic Development & Investment Promotion, secured funding from the French Development Agency, AFD, to co-finance the detailed Feasibility and ESIA Studies for the project. An open tender was launched and a contract was awarded to SOWITEC Kenya Limited, in partnership with MAZEDECK Ventures (Pvt) Limited (Zimbabwe) in July 2022.

An EPC Contractor is to be procured for project implementation which is expected to last 12 months.

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