

Maamba Collieries: A decade of sustainable growth and excellence



■ MCL celebrates 10 years of unwavering support and commitment to Zambia's energy security and development of the community

This year marks a decade since the privatisation of Maamba Collieries Limited (MCL). Maamba Collieries is the country's largest coal mine and Independent Power Producer generating 300 megawatts of electricity for the national grid – about 10.6% of Zambia's installed capacity.

Over the past four years since commissioning in August 2016, MCL has been pivotal in reducing load-shedding hours, thanks to its two eco-friendly coal fired generators in Sinazongwe District, Southern Province.

Zambia's largest coal mining concession was incorporated as Maamba Collieries Limited in 1971, under ownership of the government, following the dissolution of the National Coal Board of Zambia.

However, as the years rolled by, lack of recapitalisation and general neglect eroded the company's value, sending the once-vibrant mine spiralling into growing operational and financial distress, prompting the Government, through ZCCM-IH, to pursue privatisation, seeking a strategic partner to achieve normalcy in mining operations, to contain the degradation and improve the environment and set up a coal-fired power plant to diversify energy security of the country.

The privatisation which took place in 2010, took the form of a joint venture between Nava Bharat Singapore Pte Limited (NBS), which acquired a 65 percent stake, with ZCCM-IH retaining the balance 35 percent.

NBS is the external investment wing of Nava Bharat Ventures Limited, India.

Under the new management, MCL was able to attract new financiers, which greatly improved its financial outlook, and within a year succeeded in recommencing mining operations. However, decades of neglect had left the once picturesque valley littered with mining waste, which mainly comprised polluting thermal-grade coal.

In keeping with the Government's mandate and its stated aim of setting up an

environment friendly power plant, Maamba Collieries, with its new sponsors and a new management embarked on the ambitious project to set up a state-of-the-art 300 MW thermal power plant, that could use polluting thermal-grade coal as fuel, cleaning up the environment and at the same time contribute significantly to alleviate Zambia's growing power shortage.

The construction of the plant, funded to the tune of over US\$900 million by the sponsors and a consortium of international lenders and comprising two 150MW generators, a 48km 330kV double-circuit transmission line and raw water pump house with a 21km-long pipeline for Lake Kariba started in 2011. The plant was completed in Aug 2016 and was commissioned on August 6, 2016, by the Republican President His Excellency Mr. Edgar Chagwa Lungu.

His Excellency, in his commissioning speech, said: "We are here today to witness the inauguration of this magnificent project, which goes a long way to demonstrate our resolve to diversify our energy production.

"All forms of energy are part of our plan: thermal plan will be part of this drive to make Zambia energy-secure.

"Zambia is currently dependent on hydropower, which is being impacted negatively whenever there is

“Maamba Power Plant meets the baseload needs of the nation, thereby reducing the deficit that Zambia is facing due to declining water levels in key reservoirs.”

- H.E. Edgar Chagwa Lungu

a deficit of rainfall and in this climate change situation in which we are, we don't know how much rain we will receive next time, so it is important we have a good mix of sources of energy.

"Maamba Power Plant meets the baseload needs of the nation, thereby reducing the deficit that Zambia is facing due to declining water levels in key reservoirs. This power plant



His Excellency Mr. Edgar Chagwa Lungu commissions the Maamba Collieries thermal power plant in August 2016

will provide the much required source of energy. I just hope you can expand to 600MW in due course.

"The power plant will provide dependable and sustainable

development projects in

created Maamba Development Trust – a special purpose vehicle that spearheads all our community development projects," explained Maamba Development Trust (MDT)

at Lake Kariba. We are also in the process of setting up an eye clinic at Maamba General Hospital in partnership with other stakeholders. The Trust also runs facilities which provide skills development and livelihood training, environmental restoration and running the 'Green Maamba' campaign, as well as providing sporting facilities for the locals and other interventions, all aimed at sustainable development of the community.

In the past decade since the privatization of Maamba Collieries Ltd., Sinazongwe district has seen the impact of this huge investment in the district and has seen significant development thanks to the company's multiplier effect and community sustainability initiatives. And if the last decade is anything to go by, Sinazongwe and the surrounding areas are destined for further growth and development, even as the thermal power plant continues to augment the country's energy security.

electricity supply to the nation and will contribute significantly to reducing the energy deficit. The power plant has been constructed as by international standards and certainly is a role model for the entire sub-Saharan region."

The value addition MCL brings is the conversion of waste polluting coal to much needed baseload electricity for use by all sectors of Zambia's economy.

and around Sinazongwe District and remains a shining example of corporate social initiatives helping sustainable development.

"At MCL we believe our role in this country is not just to help grow the coal mining and electricity sectors, but equally to bring tangible sustainable development to the communities in which we operate. To achieve this, MCL, on privatisation,

Manager Jethro Sikalunda.

MCL's community work extends from running the biggest private school while supporting other schools, improving health care through support of Maamba General Hospital and running periodic outreach medical camps, building key public infrastructure like township roads, a dam for local livestock farmers, and a modern health centre for remote communities



About Maamba Collieries Ltd

Maamba Collieries Limited (MCL), in Sinazongwe District in Southern Province, is Zambia's largest coal mine and the nation's biggest Independent Power Producer (IPP) with Zambia's only coal-fired Thermal Power Plant (TPP).

The company operates a 300 MW (2 X 150 MW units) modern, eco-friendly coal-fired power plant - the only one of its kind in Zambia – with the capacity to supply 10 percent of the country's current installed electricity generation capacity.

MCL is owned 65 percent by Nava Bharat Singapore

Pte and 35 percent by ZCCM-IH, with some US\$919 million invested since 2010.

The plant provides diversity in the nation's energy mix and contributes to the nation's base load electricity demand with high-availability power that is independent of climate change.



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