United Nations Trade and Development (UNCTAD)

15th Multi-Year Expert Meeting on Commodities and Development
14-16 October 2024, Geneva

Structural transformation through domestic value addition in Zimbabwe: mining, mines and mineral commodities

Gloria Magombo
Permanent Secretary for Energy and Power Development, Ministry of Energy and Power Development, Zimbabwe

MINISTRY OF ENERGY AND POWER DEVELOPMENT
ZIMBABWE

session on

"Structural transformation through domestic value addition in commodity-producing developing countries: mining, mines and mineral commodities"

BY

DR. GLORIA S. MAGOMBO SECRETARY FOR ENERGY AND POWER DEVELOPMENT

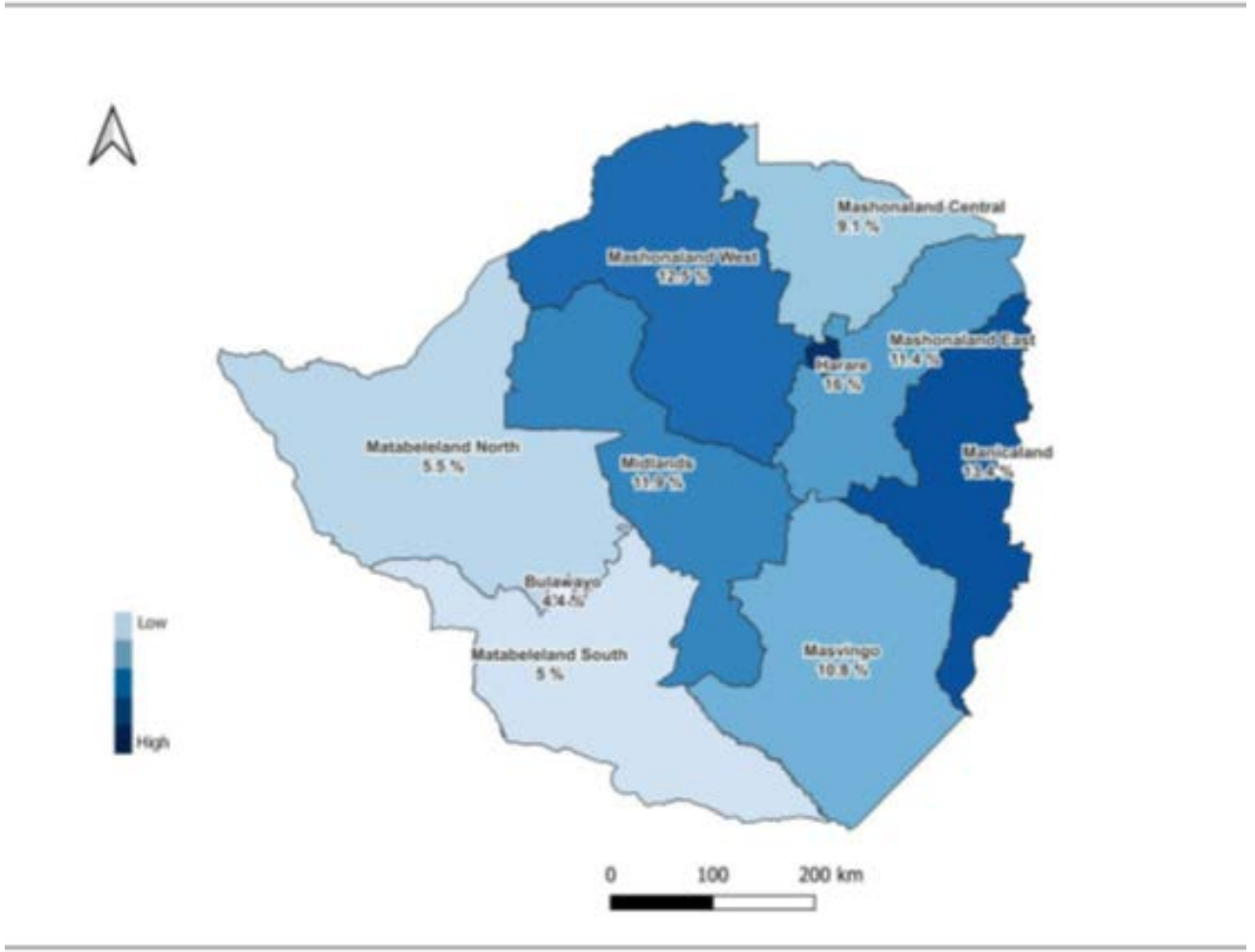
15th session of the Multi-Year Expert Meeting on Commodities and Development in Geneva **14 -16 October 2024**

Outline

- Country profile
- Energy supply situation
- Resource endowment
- Demand for CETM
- Creating Capacity to accelerate
- Moving up the value ladder

Zimbabwe Profile

- Zimbabwe has a population of 15,178,979, of which 48% are male and 52% are female of which 61.4% live in rural areas (ZIMSTATS, 2022).
- The country's annual population growth rate is 1.5 percent.
- The land area of the country is 390,757 square kilometres,
- average population density is 39 persons per square kilometre.
- The country is landlocked with Zambia to the North, South Africa to the South, Mozambique to the East and Botswana and Namibia to the West.
- National electrification rate of 62%



Energy Situation (cntd)

- **According to 2022 Census** 61.4% of our population live in the rural areas.
- **Access to energy**
- Fuel wood (61%), coal (8%), liquid fuels (18%) and electricity (13%) (Primary Energy balance 2019).
- **National electricity access is at 62%,**
  - on-grid - 34%
  - off-grid - 28% (Zimstats 2022)

Main Source of Energy for lighting

- Eighty percent of the households use polluting fuels for lighting including firewood, grass and oil lamps

Main Source of Energy for Cooking

- Firewood -Most households (60.7%).
- Clean technology 38.7 percent of Households

Declaration of Zimbabwe Strategic Minerals: Finance Act Cap. 21:05 of 2023

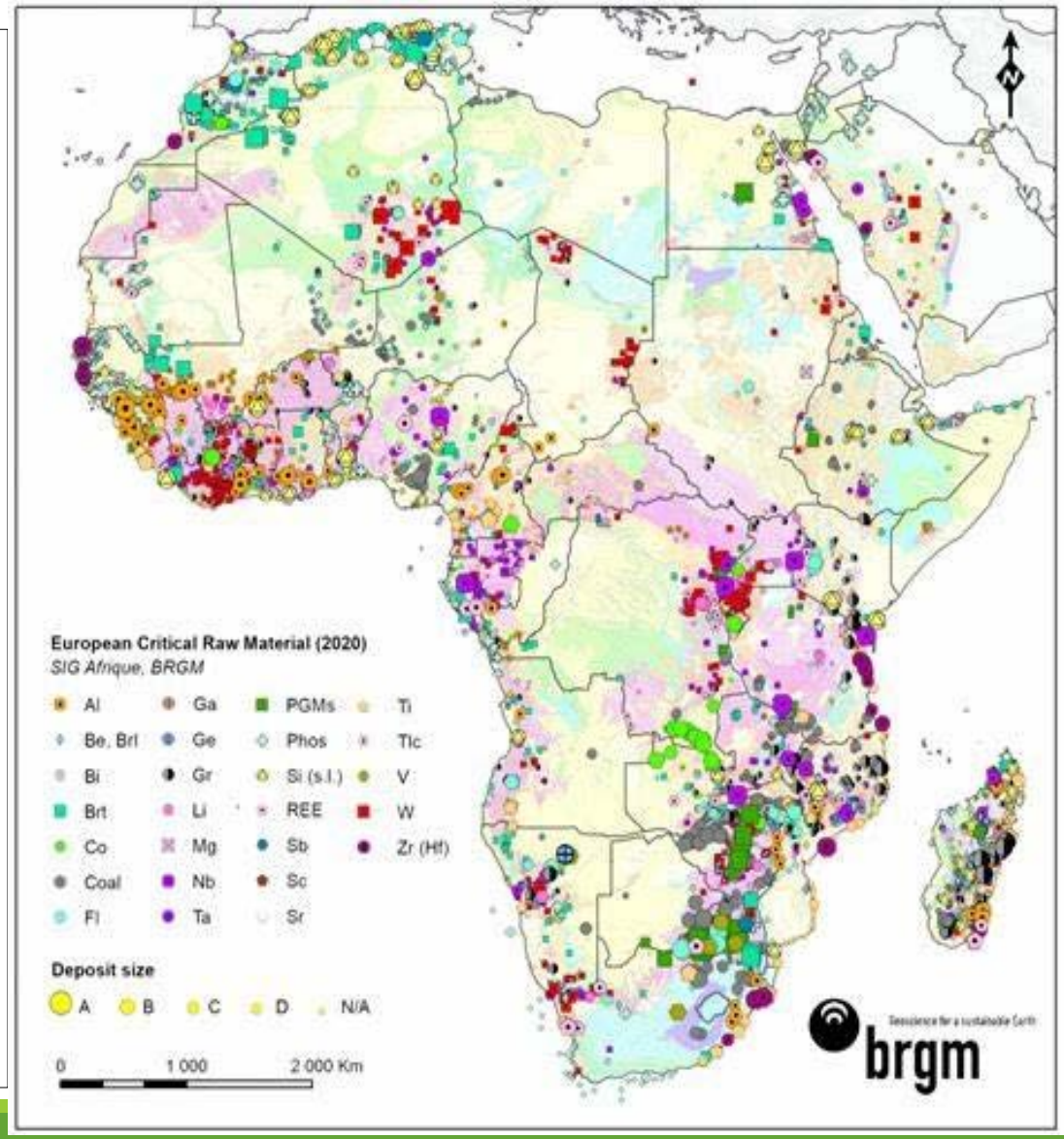
- The principal Act is amended by the insertion of the following Schedule, the existing Schedule becoming the "First Schedule"— "Second Schedule (Section 3A (8))
- DEEMED STRATEGIC MINERALS PART I Deemed Declaration of Strategic Minerals
- 1. Diamonds.
- 2. Rare Earth Minerals.
- 3. Lithium.
- 4. Copper.
- 5. Nuclear energy source materials.
- 6. Mineral oils.
- 7. Gaseous hydrocarbons.
- 8. Iron ore.
- 9. Coal.
- 10. Nickel.

Africa Resource Endowment and rise in demand

- **Significant quantities of the minerals needed for the energy transition and green industries are found in Africa.**

- **Of global reserves Africa hosts 6% of copper, 53% of cobalt, 25% of bauxite, 21% of graphite, 46% of manganese, 35% of chromite, 79% of phosphate rock, 91% of platinum group metals**

- Demand expected to increase 6X
- Supply constraints and disruptions:
- **Other continents and countries are strategizing to source raw materials from Africa to boost their energy security and national defense.**



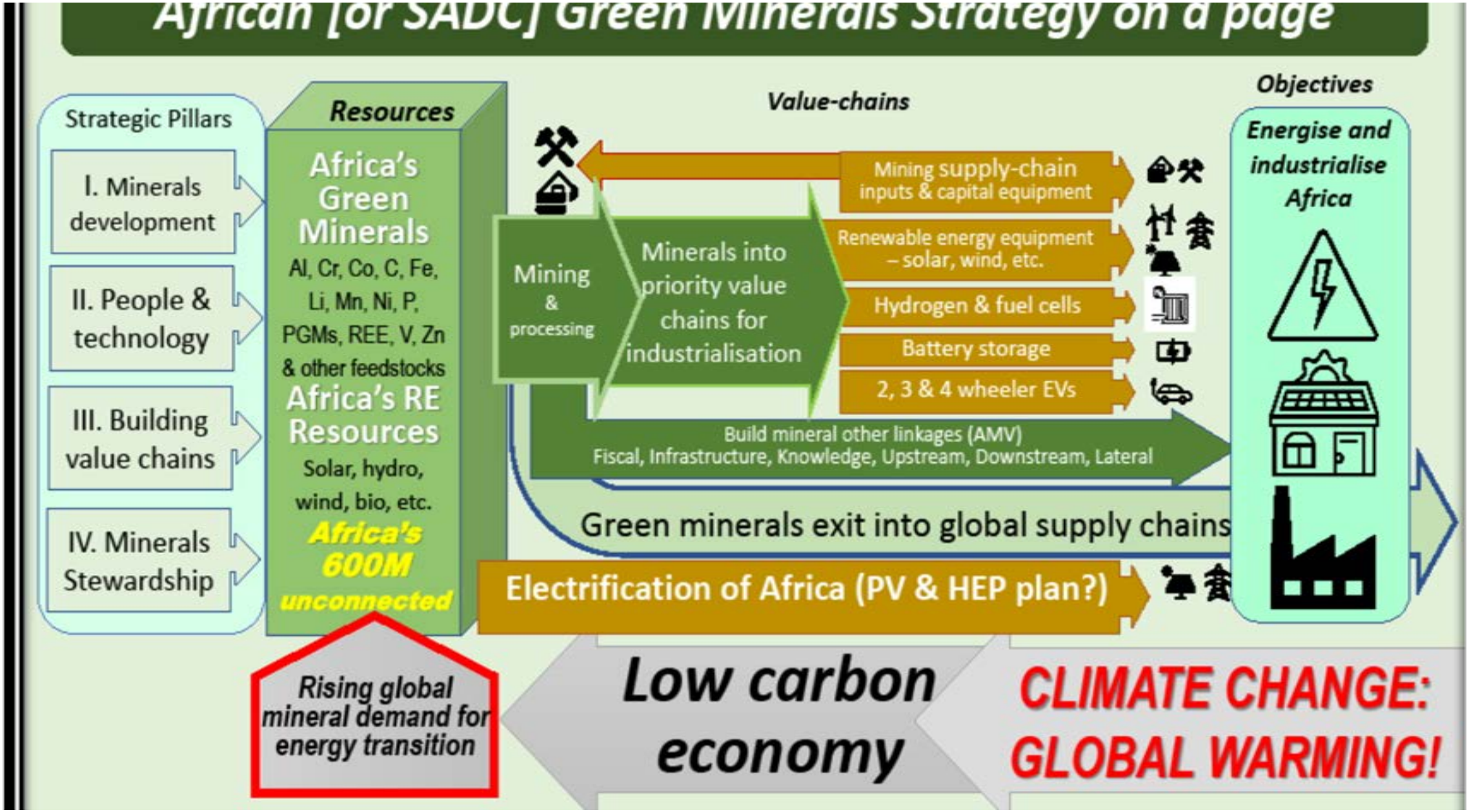
Why moving up the value chain?

- Zimbabwe and Africa as a whole would benefit from harnessing green minerals
- The country has legislations in place to support value addition of strategic minerals, nickel, lithium, copper, iron ore, etc
- Working on the development of Mapinga Industrial Park, which includes several beneficiation and power generation facilities, as well as a 30 ktpa Li(OH)2 plant.
- The country is encouraging lithium mining companies to work towards production of battery-grade lithium in Zimbabwe
- The need to fund Electrification infrastructure, creating green technologies and sustainable development to enhance the quality of life of its people.
- Exploring regionalization to enhance the market and supply of feedstock for value addition
- Reviewing its industrialization policy towards industry diversification and value addition of CETMs

Towards a SADC "Green" Minerals Industrialisation Strategy

Key value chains to develop under a SADC CETM Value chains – (Zimbabwe is a SADC member)

- Realisation of the African Mining Vision, inter alia, through building out priority value chains.
- Mining supply-chain: inputs and capital equipment;
- Renewable Energy Supply Chains (RESCs) equipment, plant and machinery manufacturing (wind: towers, turbines, blades, et al, solar: PV panel assembly, electrical plant, et al, Hydro: construction machinery, turbines, transmission pylons, cables, et al);
- Hydrogen and fuel cell localisation using PGMs;
- Lithium-ion phosphate batteries (LFP) and nickel manganese cobalt battery (NMC) precursor production Ni, Co, Cu, Mn, Graphite;
- LFP battery production step up from existing battery assembly?
- Light electric vehicle assembly for two and three wheelers (and small 4-wheelers).



Dr Paul Jourdan -African Integrated Development Expert
With Richard Goode -Energy Transition specialist

Opportunities for cooperation in CETM

- Zimbabwe is looking for investments to fast track energy access
- Learning from those who walked the road – Indonesia's story in terms of
  - Policies
  - Taxation
  - Value chains
  - Markets etc
  - Abundant Mineral Resources
  - Growing Global Demand
  - Investment and Partnerships
  - Value Addition and Downstream Processing
  - Sustainable Mining Practices

Thank you

Secretary for Energy and Power Development
Dr. Gloria Sibusisiwe Magombo
Email: officesecretary127@gmail.com
Phone: +263242705652