













ZERA

ZIMBABWE ENERGY REGULATORY AUTHORITY

For sustainable energy

2025 ANNUAL REPORT

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Statutory Mandate

The Zimbabwe Energy Regulatory Authority (ZERA) presents its **2025 Annual Report**, a comprehensive account of our strategic interventions, regulatory milestones, and the progress made toward fortifying Zimbabwe's energy landscape. In a year defined by global energy dynamics and domestic economic transformation, this report reflects our unwavering commitment to balancing market sustainability with consumer protection.

Our Strategic Compass

ZERA was guided by a clear vision and mission that align with the national aspirations of Vision 2030 and the National Development Strategy 1 (NDS1):

- **Vision:** To regulate the energy sector, promoting universal access to sustainable energy by 2030.
- **Mission:** To regulate the Zimbabwean energy market cost-effectively, through incentive regulation, and in a fair and transparent manner to achieve sustainable energy.
- **Core Values:** Our institutional culture is anchored in Transparency, Responsiveness, Integrity, Teamwork, Innovation, and Accountability.

Legislative and Regulatory Framework

ZERA operates as a statutory body with a mandate derived from a robust legal architecture. Our primary authority is established under the Energy Regulatory Authority Act [Chapter 13:23], which empowers us to oversee the electricity, petroleum, and renewable energy sub-sectors.

In 2025, our regulatory activities were further governed by:

- The Electricity Act [Chapter 13:19]
- The Petroleum Act [Chapter 13:22]
- The National Energy Policy
- Renewable Energy Policy
- Bio-Fuels Policy and the
- Zimbabwe National Energy Compact

This framework ensures that our oversight of LPGas, liquid fuels, and electricity generation remains grounded in law, providing a stable environment for both investors and consumers.

2025 at a Glance

Throughout the 2025 reporting period, ZERA prioritized efficiency and sector stability. This report provides an in-depth analysis of our efforts to ensure Statutory Compliance, promoting investment and competition, enhancing energy efficiency across sectors as well as advancing energy sustainability.

We invite our stakeholders to explore this report for deeper insights into the developments that shaped the energy sector in 2025 and our roadmap for a resilient energy future.

Key Performance Highlights

Overall organisational performance index for the period under review was at **3.74 out of 6.**

Stakeholder Satisfaction Index for 2025 (survey index) was at **55.3%.**

11 097.4 GWh of energy supplied in 2025 against **11 082.2 GWh** of 2024, 0.14% increase.

IPPs supplied **574.5 GWh** in 2025 against **430.31 GWh** in 2024, marking a **27.23%** increase.

4 334 electricity inspections were conducted in 2025; a **99.68%** compliance rate was noted and seizure of **10.78kWh** of inefficient and banned lighting products.

Total number of Petroleum licensed retail operators rose to **1 080** in 2025 from **996** in 2024.

Out of a total **61** electricity generation licenses approved, **44** projects were for own use whilst **13** are earmarked to supply to selected customers and **4** are intended to supply to the grid.

Total fuel imports in 2025 amounted to **2.276 billion litres** against **1.794 billion litres** in 2024, marking an increase of **26.9%.**

Diesel imports surged from **1.13 billion litres** in 2024 to **1.48 billion litres** in 2025.

Petrol imports rose from **569 million litres** in 2024 to **713 million litres** in 2025.

Imports of Jet A1 declined from **95.1 million litres** in 2024 to **85.2 million litres** in 2025. Actual sales of Jet A1 to the aviation industry increased from **73.4 million litres** to **85.35 million litres** between 2024 and 2025.

652 LPG retail sites were inspected for infrastructure compliance standards

134.5 million kgs of LPGas were imported in 2025 as compared to **77.4 million kgs** in 2024.

Total Income rose by **49%** from **ZWG510.3 million** in 2024 to **ZWG760.5 million** in 2025.

Total Assets in 2025 rose to **ZWG868.5 million** from **ZWG601.4 million** in 2024.

1.0 Chairperson's Statement

Theme: Powering the NDS1 Conclusion & Looking Beyond



Dr. Eng F. Mavhiya Bhiza
Board Chairperson

1.1. Introduction and Strategic Context

The year 2025 was a significant period for the Zimbabwe Energy Regulatory Authority (ZERA) as it marked the conclusion of our 5-year Strategic Plan (2021–2025). Our activities remained firmly anchored in the National Development Strategy 1 (NDS1), contributing specifically to the "Transport, Infrastructure and Utilities" national priority area. Our vision remains resolute: to regulate the energy sector in a way that promotes universal access to sustainable energy by 2030.

1.2 Operational Highlights and National Impact

ZERA's role in NDS1 was pivotal in facilitating improvements in electricity infrastructure and increasing power supply toward the national target. The year 2025 saw increased number of electricity license applications from IPPs and companies who wanted power for own use, which significantly complemented the grid, and thereby stabilizing power supply across the country.

A notable milestone this year was the launch of the National Energy Compact, a blueprint set to change the energy landscape towards increased investment into the sector, particularly from foreign and private investors. The pillar though launched in NDS1, will remain the key driver in growing the energy sector towards the electrification of underserved "dark city" and rural communities" in Zimbabwe by 2030. This calls for concerted efforts across the different arms working under the Ministry of Energy and Power Development to coordinate and streamline their efforts towards the target of increasing access.

As a regulator, the focus is ensuring the energy sector speaks to the identified gaps and needs of the energy consumer. We take pride in stakeholder engagement which is why our regulatory frameworks and annual and five-year strategy is crafted from input that we receive at our pre-strategy stakeholder feedback.

1.3 Governance and Institutional Capacity

The Authority maintained a high standard of corporate governance, achieving an 82% compliance level with the Public Entities Corporate Governance Act (PECOGA). While the year presented governance transitions, including the expiration of the previous Board's term in July and the subsequent appointment of a new, partially constituted Board in September, ZERA remained stable and focused on its mandate. We are committed to addressing statutory gender balance requirements as we move into the next phase of our institutional growth.

1.4 Financial Highlights

The financial performance and position for the Authority were remarkable with income increasing by 49% to ZWG760.5 million from ZWG510.3 million and Operating surplus increasing by 192% to ZWG251.5 million from ZWG86.2 million.

Total assets increased by 44% from ZWG601.4 million to ZWG868.5 million and total liabilities decreased by 27% from ZWG150.2 million to ZWG109.7 million.

1.5 Future Outlook

As we conclude NDS1, we have already begun laying the foundation for NDS2. Our transition toward a more streamlined- two programme administrative structure in 2026 will enhance our agility and effectiveness in a rapidly evolving energy market.

1.6 Appreciation

I extend my gratitude to our valued stakeholders for their continued trust as we power Zimbabwe toward a sustainable and energy-secure future.



Dr. Eng F. Mavhiya Bhiza
Board Chairperson

2.0 CEO's Operational Overview



Mr. E.T Mazambani
Chief Executive Officer - Ex Officio

2.1 Overall Organisational Performance

I am pleased to report that ZERA achieved an overall organisational performance index 3.74 out of 6 for 2025. This reflects our success in meeting most of our strategic targets across governance, energy regulation, and stakeholder engagement.

2.1.1 Energy Market Performance

The electricity sub-sector saw significant growth, with the total energy internal supply reaching 11 339.8GWh, a 15.35% increase from 2024, driven by strong performance at Kariba and Hwange. Notably, renewable energy now accounts for 41.10% of our national energy mix including large Hydro. Our commitment to market liberalisation is evident in the approval of 61 electricity generation licenses, with a growing number of Independent Power Producers (IPPs) contributing to the grid and own-use projects.

The Net-Metering program has transitioned from a pilot phase into a significant contributor to the national energy mix. As of early 2025, the Authority recorded approximately 21.43MW of solar power successfully feeding back into the national grid from 313 sites inclusive of residential, commercial and industrial installations. Net-metering closed off the year 2025 at 73.72MW from 814 sites, a substantial leap by 244% toward the national target of 100MW.

2.1.2 Energy Regulatory Frameworks

The Authority developed nine regulations which aim to ensure safety, quality, and compliance as well as enhance operational efficiencies. The licensing regulations provide for licensing of electricity undertakings in generation, transmission, distribution and supply of electricity. It further provides for amendment, cancellation, renewal and transfer of licenses as well as areas that were not very pronounced in SI 103 of 2008 and the principal Act which are issue of temporary licenses, issue of retail supply licenses and conducting hearings.

To further incentivise participation, the Authority has finalised the Electricity (Net-Metering) Amendment Regulations, slated for promulgation in early 2026.

2.1.3 Petroleum and Gas Regulation

The petroleum sector experienced a surge in volume, with total liquid fuel imports rising by 26.9% to 2.276 billion litres. Diesel and petrol imports saw substantial growth, while the Liquefied Petroleum Gas (LPG) market continued its upward trajectory with imports reaching 134.5 million kgs. To support this growth, we have expanded our regulatory footprint, with LPG licensed retail operators now totalling 1,170 nationwide.

The quality of fuel and LPG dispensed to the public remained very high with fuel quality compliance rate reaching an all-time high of 99.6 % and LPG maintaining 100% compliance to quality standards during the year.

2.1.4 Energy Efficiency

ZERA intensified its drive for energy efficiency, conducting 4,334 inspections and achieving a 99.68% compliance rate. Our enforcement efforts led to the seizure and destruction of prohibited, inefficient lighting products, protecting both consumers and the grid. Furthermore, we initiated the drafting of nine new regulations to cover emerging areas such as Electric Vehicle charging safety and Net-metering updates.

2.1.5 Stakeholder Engagement and Advisory.

Our commitment to stakeholders is reflected in an 88.2% complaint resolution rate. As the Authority, we consistently held stakeholder education awareness sessions to increase knowledge on safe and efficient use of energy products, as well as offering platforms for consumer grievances against energy service providers.

2.0 CEO's Operational Overview *(continued)*

2.1.6 Regional and International Cooperation

In 2025, the Authority significantly amplified its regional and international influence by actively championing harmonized energy policies and knowledge exchange through its diverse memberships. A landmark highlight of the year was Zimbabwe's successful hosting of the Regional Electricity Regulatory Association (RERA) meetings in June 2025, a high-level assembly that reinforced our nation's role as a pivotal player in regional grid integration.

Our commitment to cross-border synergy was further demonstrated through strategic participation in the Zimbabwe-Zambia (Zim-Zam) Energy Summit and the inaugural SADC Sustainable Energy Week hosted in Botswana, both of which provided critical platforms for addressing shared energy security challenges.

Furthermore, ZERA remained at the forefront of regulatory excellence through sustained engagement with the African Forum for Utility Regulators (AFUR) and the Regional Association of Energy Regulators for Eastern and Southern Africa (RAERESA).

By collaborating with such bodies, the Authority continues to benchmark Zimbabwe's its regulations and standards against global best practices, ensuring a robust, investment-ready, and sustainable energy landscape for the nation.

2.1.7 Human Capital and workforce stability

Internally, ZERA has never been stronger. We achieved a 0% employee turnover rate in 2025 and reached a remarkably 80% Employee Engagement Index.

2.1.8 Financial Performance and Position

The Authority sustained its operations through internal generated financial resources, and income grew by 49% compared to the prior year. Total income of ZWG760.5 million was recognized in 2025, of which 49% was attributable to electricity levy and 38% to Petroleum levy.

Total expenditure was ZWG506.7 million out of which 42% relates to employment costs. The employment costs as a percentage of total income were 28% and within the approved ratio of 50%.

During the year funds to programmes were allocated as follows

Programme	Actual Allocation	Budgeted Allocation
Energy Regulation	52%	50%
Governance and Administration	39%	30%
Stakeholder Engagement Advisory Services	9%	20%
Total	**100%**	**100%**

The net worth of the Authority was at ZWG758.8 million compared to ZWG451.2 million in the prior year and this accounted for a 68% increase.

The Authority ended the year in a sound financial state.

The Authority for the third year running had an unqualified opinion by the external auditors.



Mr. E.T Mazambani
Chief Executive Officer - Ex Officio

3.0 Environmental, Social and Governance Report

3.1 Environmental

Significant efforts were made by ZERA to ensure compliance with environmental regulations and promote energy efficiency within communities throughout the 2025 Period:

- **Energy Efficiency Inspections**
  A total of 4334 Energy Efficiency Inspections were conducted on companies operating in Zimbabwe to verify adherence to standards and regulatory requirements particularly those relating to lighting products being supplied. The energy efficient lighting products reduce energy consumption and have a longer lifespan thereby reducing carbon emissions.
- LED Lighting Retrofitting Projects two projects were delivered at Victoria Chitepo and Gwanda Provincial Hospitals. The project sought to reduce electricity usage by lighting systems thereby reducing the energy cost at the hospitals. This is part of our corporate social responsibility initiative aimed at intensifying demand side management through reduction to the hospital's energy bill and its carbon footprint.
- All licensed projects for electricity, liquid fuels and LPGas conformed to environmental laws. Thermal projects had emissions levels lower than the World Health Organisation approved levels

3.2 Social

Under the Social pillar of Environmental Social and Governance efforts were done to enhance employee well-being. Initiatives undertaken throughout 2025 include:

- **Marathons:** ZERA organized 15 marathons, encouraging employees to stay physically active and fostering a culture of fitness. A total of 23 Employees attended marathons during the year.
- **Gym Memberships:** The company covered gym memberships for staff for the 2025 period ensuring employees had access to facilities that support their physical fitness goals. A total of 32 employees attended the Gym.
- **Golf:** ZERA supported staff participation in 15 Golf tournaments during the year. A total of four employees represented the Authority in these events which provided a valuable platform for networking, wellness by encourages a healthy work-life balance, enhancing employee morale, engagement and brand visibility for the Authority
- **Employee Wellness Workshops/Awareness:** a total of 8 employee wellness workshops/ awareness sessions were conducted. These included Cervical Cancer Presentation, Financial Wellness Workshop, Stress Management Workshop, Sexual Harassment Presentation, Prostate Cancer Awareness and Screening, Mental Health Awareness, circulation of AIDS Awareness Flyers to employees, Annual Health Check by the medical aid service provider (CIMAS) and ZERA Wellness Day for employees.
- **Consumer Education & Advisory Campaigns:** ZERA-initiated a total of eighty-three (83) Workshops and Public Outreach Events nationwide throughout the year. These workshops were designed to raise awareness within local communities about the importance of energy conservation and environmental protection through adoption of energy efficiency and renewable energy products and practices, as well as safe practices. The workshops emphasized the critical role that community members play in adopting and promoting sustainable practices. These combined efforts reflect on ZERA's commitment to environmental stewardship and sustainable development.

3.0 Environmental, Social and Governance Report *(continued)*

3.3 Governance

Board Composition: The current composition of the ZERA Board does not fully meet the requirements outlined in the Energy Regulatory Authority Act [Chapter 13:23] of 2011 in terms of the prescribed numbers and gender composition. The Act mandates that the Board shall consist of at least four female members; however, the currently appointed Board comprises three female members, resulting in partial non-compliance with the statutory gender composition requirement. The previous Board's term expired in July 2025, and a new Board, although not fully constituted, was appointed in September 2025.

The absence of a duly constituted Board had significant governance implications, including delays in strategic decision-making especially in relation to regulatory matters, limitations in policy approvals, and potential challenges in exercising effective oversight of organisational performance and risk management.

Ethics and Integrity: During 2025, the Authority strengthened its ethics and integrity framework through enhanced reporting mechanisms, awareness initiatives and institutional capacity building. A total of two ethics-related matters were recorded for noting and monitoring. Throughout the year the Authority promoted ethical conduct by subscribing to the Axcentium Ethics Line which provides a confidential platform for whistleblowing and the reporting of ethical concerns. In the second quarter of 2025, progress was made through the appointment of an Ethics and Integrity Officer reinforcing accountability and oversight. During the third quarter of 2025 employees participated in ethics sensitisation and integrity pledge-signing ceremonies facilitated by the Zimbabwe Anti-Corruption Commission. Ethics and integrity awareness training was conducted in the fourth quarter of 2025 for staff at Head Office and regional offices focusing on integrity principles, work ethics, and individual responsibility in promoting ethical conduct. Integrity Pledge signing for management and Board participation was deferred due to scheduling constraints and the absence of a fully constituted Board.

Compliance: The Authority has a compliance level of 82% adherence to the Public Entities Corporate Governance Act [Chapter 10:31] (PECOGA), indicating the Authority's alignment with statutory governance obligations and the implementation of prescribed governance structures. This reflects sustained efforts to ensure conformity with legislative requirements governing public entities.

4.0 Governance Structure:



Dr. Eng F. Mavhiya Bhiza
Board Chairperson



Col (Rtd) M. Mudzinganyama
Vice - Board Chairperson



Mrs. T. Madzivire
Board Member



Mr. D. Muhwava
Board Member



Mrs. L. Chitanda-Matowa
Board Member



Mr. L. Matutu
Board Member



Mr. E.T Mazambani
Chief Executive Officer
Ex Officio

4.1 Executive Management:



Mr. E.T Mazambani
Chief Executive Officer



Ngoni Ranga
Finance Director



Eng. Man'arai Ndovorwi
Technical Services Director



Jacqueline Mupamhanga
Corporate Secretary / Legal Advisor



Charity Machimbidzofa
Senior Manager
Monitoring and Evaluation



Rumbidzai Musiyiwa
Chief Audit Executive



Learnmore Nechitoro
Senior Manager
Economic Regulation

5.0 Governance & Administration

5.1. Corporate Governance

The Board is committed to ensuring that the highest standards of corporate governance are upheld within the Authority. The governance frameworks that are in place ensure that the Board Members effectively perform their fiduciary duties in a diligent manner that promotes the best interests of the Authority and satisfies the needs of key stakeholders. To ensure that the Board is up to date with governance and regulatory requirements, the Authority has in place a Board Continuous Development programme, focusing mainly on regulatory benchmarking, governance and business leadership. Training programmes that were attended during the year under review include Integrated Results-Based Management Performance Contracting, Utility Regulation and Strategy as well as Ethics and Integrity.

5.1.2 Governance Structure

5.1.2.1 The Board of Directors

The Authority's Board is appointed by the Minister of Energy and Power Development (herein after referred to as "the line Minister") in terms of section 11 of the Public Entities Corporate Governance Act [Chapter 10:31] (PECOGA). The Energy Regulatory Authority Act [Chapter 13:23] as read with PECOGA determines the composition, functions and powers of the Board. To ensure compliance with corporate governance best practice, the office of the Board Chairman is distinct from that of the Chief Executive Officer.

During the year under review, the term of the Board that was appointed in January 2021 expired on 17 January 2025. However, the Board Members continued to execute their duties for an additional period of six (6) months which is in terms of Section 2(2) of the Schedule to the Energy Regulatory Authority Act [Chapter 13:23],

On 15 September 2025, the line minister appointed a new Board constituted by four non-Executive Directors, two of which were reappointments. Additional Board Members were still to be appointed as at year end for the Board to be fully constituted

5.1.2.2 Board Meetings

The Board continued to meet on a quarterly basis in line with its annual calendar. Special Board meetings were held, as necessary, to discuss urgent business of the Authority.

The Board held its 12th Annual General Meeting (AGM) on 27 June 2025. The AGM was attended by representatives from key stakeholders including the Ministry of Energy and Power Development (MoEPD), the Office of the President and Cabinet - Corporate Governance Unit (OPC-CGU), the Accountant General and the Office of the Auditor General. One meeting was held between the Board and the line minister in terms of section 33(4) of PECOGA, instead of the prescribed two meetings.

5.1.2.3 Board Committees

For the Board to effectively discharge its duties and responsibilities, it relies on the functions that are undertaken by its seven (7) Committees.

An Integrity Committee was introduced in 2025 although no meetings were held during the year. The Committees comprise of Non-Executive Directors who are equipped with a variety of skills, expertise and experience thereby guaranteeing valuable deliberations and contributions together with quality decisions and sound recommendations. The Committees meet on a quarterly basis to discuss past performance and to provide strategic direction to Management on both operational and policy-related matters. Each of the seven (7) Committees is headed by a Non-Executive Director and operates in line with its Terms of Reference (TORs), according to which certain responsibilities of the Board are distributed for the fulfilment of specifically outlined goals. The Committees' key responsibilities are summarized below:

Human Resources and Governance Committee

The Committee provides general oversight in respect of strategic human resources and governance matters. It also ensures that the Authority discharges its responsibility to attract, motivate, develop, and retain the required staff competencies in line with its Strategic Plan.

5.0 Governance & Administration *(continued)*

b. Petroleum and Gas Committee

Discharges the Board's responsibilities with regards the regulation of the petroleum and gas sub-sectors in terms of the enabling Act as well as the Petroleum Act [Chapter 13:22] together with its subsidiary legislative instruments.

c. Risk Management Committee

Oversees the effectiveness of the Authority's risk management systems. It reviews, approves and recommends to the Board the methodologies used to identify, assess, control, monitor and report risks.

d. Electricity Committee

Discharges the Board's responsibilities with regards the regulation of the electricity sub-sector in terms of the Electricity Act [Chapter 13:19] including renewable energy and energy efficiency issues.

e. Finance Committee

Ensures that the Authority has created and maintained an effective environment for financial management and procurement processes in strict adherence to International Financial Reporting Standards (IFRS), the Public Finance Management Act [Chapter 22:19], and the Public Procurement and Disposal of Public Assets Act [Chapter 22:23].

f. Audit Committee

Ensures that the Authority has created and maintained an effective environment for internal control processes in line with PECOGA and other Board-approved policies and procedures.

g. Integrity Committee

The Committee assists the Board with discharging its responsibility to spearhead the prevention of corruption and other related malpractices and maladministration in the organisation. The Committee performs its duties by assessing the organization's ethical culture and adherence to the Code of Ethics as well as ensuring that high professional standards are upheld at employee, Management and Board levels.

The committee was established in 2025 but did not meet.

5.0 Governance & Administration *(continued)*

Appendix A – Composition of Board Committees as from 1 January to 17 July 2025

Human Resources and Governance Committee	Petroleum and Gas Committee	Risk Management Committee	Electricity Committee	Finance Committee	Audit Committee	Integrity Committee
Dr. S. Ziuku*	Mr. M. Kambarami*	Mrs. T. Madzivire*	Dr. Eng. F. Mavhiya-Bhiza*	Dr. T.K. Ncube*	Mr. M. Kambarami*	Mrs. T. Madzivire*
Dr. D. Madzikanda	Mrs. T. Madzivire	Dr. T.K. Ncube	Dr. T.K. Ncube	Dr. Eng. F. Mavhiya-Bhiza	Mrs. T. Madzivire	Dr. D. Madzikanda
Mr. M. Kambarami			Dr. S. Ziuku	Dr. S. Ziuku		

* Committee Chairperson

5.0 Governance & Administration *(continued)*

Appendix B – Board Members' Attendance of Board and Committee Meetings in 2025

BOARD MEMBER	BOARD OF DIRECTORS' MEETINGS (3)	SPECIAL BOARD OF DIRECTORS' MEETINGS INCLUDING THE ANNUAL GENERAL MEETING (2)	HUMAN RESOURCES AND GOVERNANCE COMMITTEE (2)	PETROLEUM AND GAS COMMITTEE (2)	ELECTRICITY COMMITTEE (2)	FINANCE COMMITTEE (2)	AUDIT COMMITTEE (3)	RISK MANAGEMENT COMMITTEE (2)	BOARD MEMBERS' MEETINGS WITH THE INTERNAL AUDIT DEPARTMENT (1)	STAKEHOLDER ENGAGEMENT MEETINGS/ WORKSHOPS (2)	BOARD'S MEETINGS WITH MINISTER OF ENERGY & POWER DEVELOPMENT (2)	TOTAL
Dr. D. Madzikanda*	2	1	2									5
Dr. Eng. F. Mavhiya-Bhiza**	3	1			2	2			1	2	1	12
Mrs. T. Madzivire**	3	2		2			3	2	1	2	1	16
Dr. T.K. Ncube*	2				2	2		2				8
Mr. M. Kambarami*	2	1	2	2			3					10
Dr. S. Ziuku*	2	1	2		2	2						9
Rtd. Col. M. Mudzinganyama ***	1	1							1	2	1	6
Mr. D. Muhwava***	1	1								2	1	5

* Term expired on 17 July 2025.

** Term expired on 17 July 2025. Was re-appointed on 15 September 2025.

*** New appointment on 15 September 2025.

6.0 Programmes

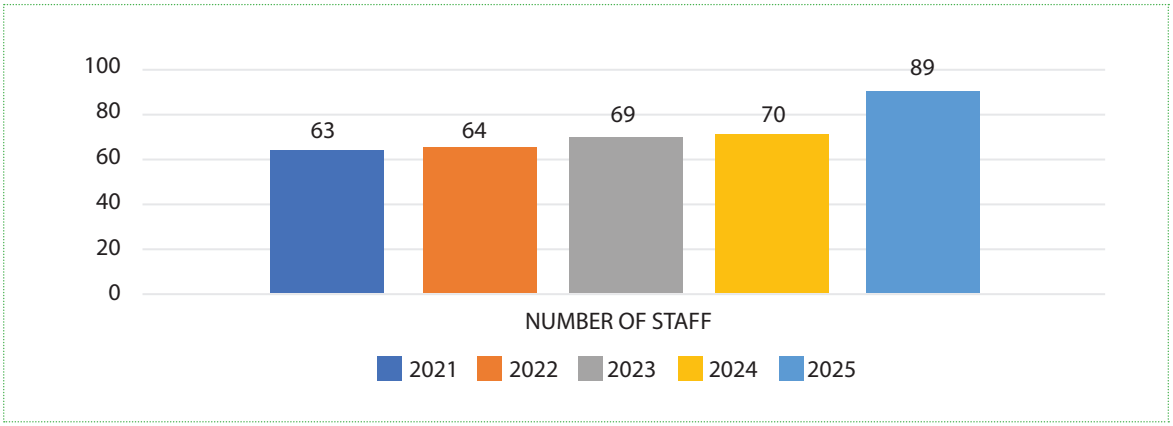
6.1. Finance & Administration

6.1.1 Human Capital

6.1.1.1 Head Count

During NDS1, the Authority recorded sustained growth in permanent staff complement, increasing from 63 to 89 employees, representing a 70% growth trend over the period. This upward trajectory reflects intentional capacity-building efforts aimed at improving regulatory effectiveness and reducing operational strain.

Head Count 2021 to 2025



Graph 1: Head Count 2021-2025

In addition to headcount growth, workforce stability improved significantly. Employee turnover reduced from 11% in 2021 to 0% in 2025, indicating improved employee satisfaction, organisational confidence, and leadership effectiveness.

6.1.1.2 Gender Mainstreaming

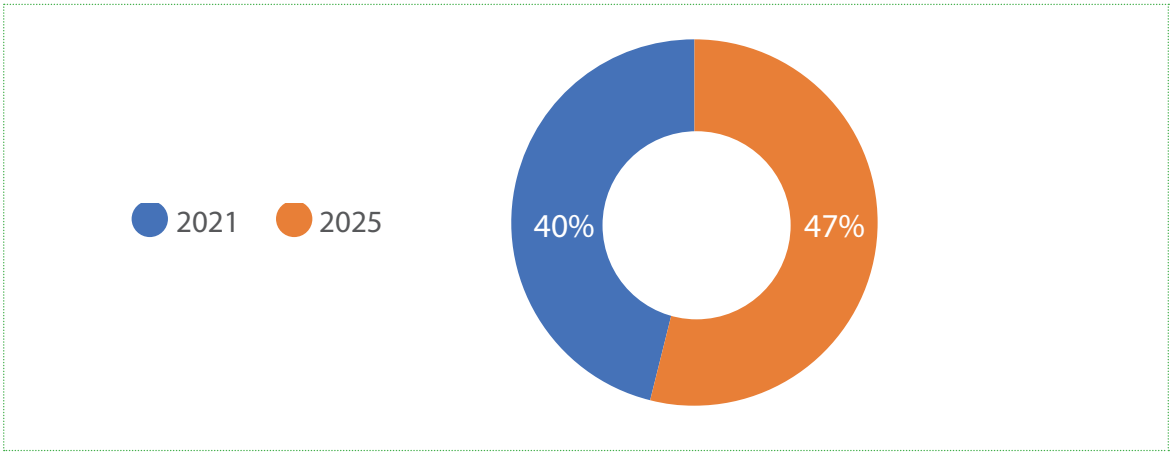
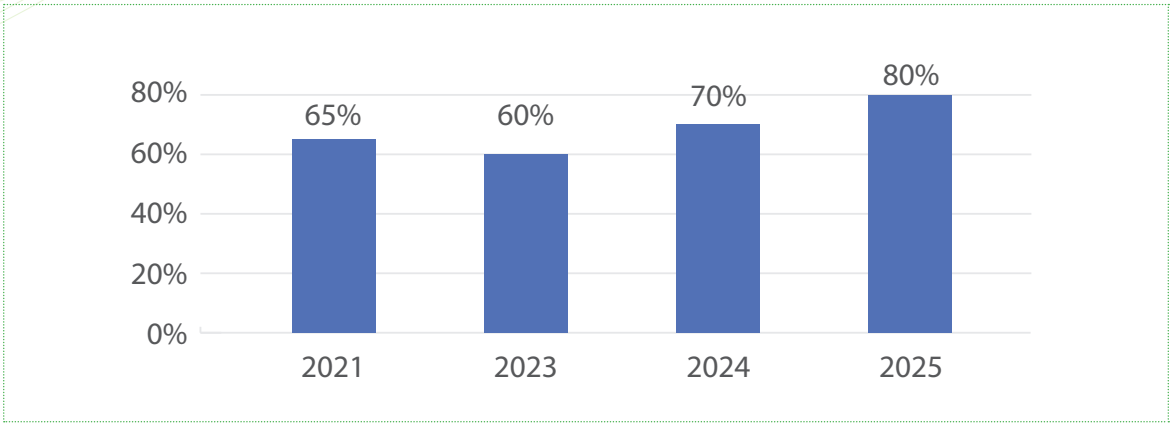


Figure 1: Gender Mainstreaming

6.0 Programmes *(continued)*

The Authority continued to advance gender mainstreaming in line with NDS1 commitments to inclusive and equitable participation. Female representation increased steadily from 40% in 2021 to 47% in 2025, reflecting a positive movement towards the national target of gender parity, while maintaining merit-based recruitment principles.

Employee Engagement Index



Graph 2: Employee Engagement Index

Employee engagement, a key driver of productivity and service quality under NDS1, showed a clear recovery and improvement over the review period. While engagement levels declined slightly between 2021 and 2023, targeted interventions led to a strong rebound, culminating in an 80% Employee Engagement Index in 2025.

6.1.1.3 Organisational Structure

The expansion of the approved organisational establishment from 75 to 123 positions, is strengthening public sector institutional capacity and improving service delivery. By prioritising the filling of critical positions, the Authority is adopting a phased, impact-driven approach that enhances operational efficiency, builds technical capability, and ensures optimal use of resources, thereby contributing to a more effective, resilient, and performance-oriented public institution aligned with national development priorities.

6.1.1.4 Wellness Programmes

The Authority has made significant and measurable progress in strengthening employee wellness programmes between 2021 and 2025. What began as a limited offering focused mainly on soccer, gym sessions, and wellness presentations has evolved into a broader, more inclusive programme incorporating marathon events, golf, and chess. This expansion reflects a purposeful shift towards a holistic employee well-being framework that supports physical health, mental wellness, and work–life balance, thereby contributing to improved morale, engagement, and productivity.

6.1.1.5 Learning and Development

From 2021 to 2025, the Authority consistently attended workshops, seminars, and structured training programmes, ensuring that staff remain current with evolving industry standards, regulatory frameworks, and technological advancements. These sustained investments in skills development have strengthened professional competence, enhanced regulatory effectiveness, and reinforced the Authority's capacity to deliver on its strategic mandate.

6.1.2 Finance

The Authority sustained its operations through internally generated financial resources. Details of the financial performance and position are as shown in the audited financial statements on pages 68-94 of this report.

6.0 Programmes *(continued)*

6.1.3 Administration

6.1.3 .1 Fleet Management

The Administration Section has continued to provide efficient and effective administrative and logistical support in line with the organisation's goals. To enhance asset management and coordination across departments, the section received an additional eleven vehicles in the first quarter of 2025.

The total cost of the eleven vehicles amounted to US$ 385,000



Figure 2: New fleet

Furthermore, the Administration Section remained focused on asset management, ensuring the upkeep of the Authority's furniture and equipment. Regular service of the Authority's vehicles was carried out, and ongoing maintenance of the Athanasia Court building was ensured to meet operational standards.

Additionally, to foster employee motivation, the section consistently provided provisions to support the staff's needs, helping maintain a positive and productive work environment.

6.1.3 .2 Office Space

With a view to reducing rental costs and expanding the Balance Sheet, the Authority pursued the following:

i) Procured a building for the Mutare Regional Office at a cost of US$ 165,000.

ii) Procured a building for the Bulawayo Regional Office at a cost of US$ 350,000.

iii) Substantial progress was made towards the completion of Mt Pleasant Head Office with progress standing at 98%.



Figure 4: Newly purchased Bulawayo Office



Figure 5: Head Office at 98% to completion

6.0 Programmes *(continued)*

6.1.4 ICT

Driving Digital Transformation

During 2025, the Zimbabwe Energy Regulatory Authority (ZERA) made significant strides in its digital transformation journey. The transition toward a tech-enabled regulatory environment progressed seamlessly, driven by two flagship initiatives designed to enhance operational efficiency and stakeholder engagement.

Key Digitalisation Projects

To modernize the energy sector, the ZERA prioritised and successfully advanced the following strategic projects:

- **End-to-End Petroleum Licensing Automation:** This project re-engineered the entire licensing lifecycle into a digital-first experience. By shifting away from manual processes, the authority empowered petroleum operators through:
  - **Self-Service Applications:** Facilitating the lodgement of new license applications and renewals via a dedicated portal.
  - **Integrated Digital Payments:** Enabling the settlement of all licensing fees through secure online payment gateways.
  - **Real-Time Tracking:** Providing a transparent, automated dashboard for monitoring application progress, which reduced the necessity for physical follow-ups.
- **24/7 AI-Powered Information Agent:** To bolster transparency and improve public access to information, ZERA initiated the development of an AI Information Chatbot. This AI Agent was designed to:
  - **Provide Instant Support:** Offer 24/7 assistance to stakeholders regarding energy-related inquiries in Zimbabwe.
  - **Centralise Knowledge:** Ensure critical data on energy regulations, pricing, and safety was readily available to the public.
  - **Bridge Communication Gaps:** Deliver consistent and rapid responses to a diverse range of stakeholders simultaneously.

Implementation Status

By the close of 2025, both the automated licensing system and the AI Chatbot reached the advanced stages of development. These projects remain on track for an official launch in the first quarter of 2026, marking a major milestone in ZERA's ongoing commitment to innovation and service excellence.

6.1.5 Risk Management

6.1.5.1 ZERA Risk Profile

Table 1 provides the top 10 risks faced by ZERA highlighting their order of priority and their respective residual risk ratings. Residual risk refers to the amount of risk that remains after risk mitigation measures have been implemented. The table enables stakeholders to understand potential threats that could materialise and impact the Authority's ability to achieve its strategic objectives ensuring proactive measures are taken to safeguard performance and operational continuity.

6.0 Programmes *(continued)*

Table 1: Top 10 risks

Risk No.	Risk Description	Residual Risk Rating
1	Litigation Risk	11.25
2	Key initiative Risk-Projects	9
3	Reputational Risk/ Brand Risk	9
4	Compliance Risk	8.4
5	Human Capital	8
6	Finance Risk	8
7	Business Interruption Risk	7.8
8	Pricing Risk	6.6
9	Ethics Risk	4
10	Strategic Risk	3.75

Key

Table 2: Risk profile

Residual risk exposure	Residual risk rating	Meaning and Response Required.
Maximum	21-25	The risk management process is not currently working and/ or risk exposure continues to remain high. The risk is said to be Maximum.
High	16-20	Some of the risk exposure appears to be controlled, but there are major deficiencies. The risks need constant monitoring so that they do not escalate to dark red but reduce to yellow or green. The risk is said to be high.
Medium	11-15	The risk management process needs improvement and there is room for improvement in terms of the risk controls. The risks require attention to ensure they do not become 'red'. The risk is said to be Medium.
Low	6-10	The risk is Low. Performance is adequate and some active risk management is occurring. Progress in managing this risk may have been delayed or a slight adverse trend may have arisen. May require attention to ensure they do not become 'orange.'
Minimum	0-5	This risk is minimum. Performance is satisfactory and on target. This indicates that the risk is well managed.

6.0 Programmes *(continued)*

6.1.5.2 ZERA OHS (Occupational Health and Safety)

ZERA is dedicated to preventing workplace injuries, illnesses, and fatalities, while minimising the associated suffering and financial impact. By adopting a risk-based approach focused on setting goals, tracking performance, and evaluating outcomes, the Authority aims to raise safety and health standards. This commitment is realized through identifying and controlling workplace hazards and illnesses, enhancing compliance with relevant laws and regulations, reducing costs including workers' compensation premiums, providing employees with tailored safety information, supervision, and training, continuously improving occupational safety and health standards, and boosting productivity and overall business operations.

6.1.5.3 Enterprise Risk Management Training and Assessments

Name of Training	Training Facilitator	Purpose of the Training
ERM/OSH/Emergency Response Inductions	Risk Officer/ Graduate Trainee -Risk	This induction familiarised new ZERA employees with workplace hazards, safety procedures, and emergency responses to prevent accidents and injuries. It also provided insight into ZERA's enterprise-wide approach to risk management
Safety and Health at the workplace	NSSA OSH promotions department	In accordance with SI 68 of 1990 Section 15(5). This training meant to promote a culture of safety as well as enhance ZERA's safety system by providing employees with the knowledge and skills to identify hazards, implement safety measures, and adhere to environmental sustainability practices while meeting regulatory compliance requirements
OSH Awareness conducted	Risk Officer	Mounting of ZERA OHS signage was done to ensure quick access to critical contacts during emergencies, identify responsible personnel to coordinate emergency response, guide employees on safe evacuation procedures, promote safe manual handling practices, raise awareness of workplace hazards, and alert employees and visitors to potential slip and fall risks to prevent accidents and injuries
BCP Awareness Training	Risk Officer	Educated all staff on how to effectively respond to emergencies and ensure the company's critical operations can continue during and after a disruptive event.
First Aid & Fire Fighting Training	Fire Prevention Zimbabwe St Johns Ambulance Services	The training provided employees with the skills to manage fire and medical emergencies, including understanding fire hazards, using firefighting equipment, and administering first aid.
Risk Register Review Training	Risk Officer	Employees were trained on the regional Risk Register, enabling them to identify, assess, prioritize, and implement tailored risk controls for effective risk management.
Manual Handling, Proper Lifting Technique and Proper Driving Techniques Training	NSSA	The training aims to teach safe lifting techniques and ergonomic practices, preventing injuries, reducing accidents and absenteeism, and enhancing productivity and well-being.

6.0 Programmes *(continued)*

6.1.5.4. Survey & Risk Assessments

Table 4: Survey and Risk Assessments

Survey & Risk Assessments	Purpose of the Survey/Inspection
Head Office Construction Assessment	- Identify, evaluate, and mitigate potential health, safety, and environmental hazards. - Ensure construction activities comply with legal and regulatory requirements.
ZERA fleet risk assessment	- Identify and evaluate potential risks associated with the operation, maintenance and management of the Authority's vehicles
Risk assessments for regions	- Identify, evaluate, and manage potential hazards or risks that could negatively impact people, assets, and operations. - Address the closure of previous findings.
ZERA Risk Culture and Risk Maturity Survey	- Assess the organization's risk culture and the maturity of its risk management practices. - Identify how employees perceive and respond to risk, evaluate the effectiveness of risk management processes, and highlight opportunities to strengthen awareness and accountability. - Embed a risk-conscious culture to support informed decision-making.
Fire Risk Survey	- Identify potential fire hazards and assess the adequacy of existing fire prevention and mitigation measures. - Evaluate the authority's preparedness to respond to potential fire incidents. - Enhance employee safety, ensure compliance with fire safety regulations, and guide the implementation of effective controls to minimize fire-related incidents and potential losses.

At ZERA, managing risk is fundamental to our operations and success. We employ a proactive approach to identify, assess, and address potential risks that could impact our compliance, and efficiency. Our strategy includes adhering to legal standards, maintaining business continuity, prioritizing and providing ongoing training. Regular monitoring ensures we stay resilient, protect our assets, and build trust with our stakeholders.

6.0 Programmes *(continued)*

6.1.6 Quality Assurance

ZERA managed to complete all the 2025 Quality Management System (QMS) engagements planned. These included 2 internal audits, 2 management review meetings and 1 recertification audit by the Standards Association of Zimbabwe (SAZ). The recertification of the Authority's QMS was the second one in the SAZ audit cycle since initial certification in 2019 and is evidence that the system is now fully embedded in ZERA's business operations.

To strengthen the implementation of the QMS, ZERA continues to upskill the competence of its staff in awareness and internal auditing processes. During the year, 4 employees successfully completed the QMS Lead Audit Training with SAZ.

6.1.7 Procurement

The Authority satisfied the Procurement Regulatory Authority of Zimbabwe's (PRAZ) licensing requirements and obtained a Class A license to conduct procurement in 2025. Goods and services worth ZWG287.9 million were procured during the year against a planned expenditure of ZWG468.0 million. Out of the total procurement spend in 2025, goods valued at ZWG172.7 million were purchased whilst services worth ZWG115.2 million were rendered to the Authority. Performance of key suppliers by procurement category was satisfactory . There were no adverse reports arising from Procurement Returns submited to PRAZ. The PMU handled major procurements which includes construction of the ZERA Head Office. Implementation of the Annual Procurement and Disposal Plan stood at 100% in 2025.

6.1.7.1 Awarded Tenders

The following tenders were awarded in 2025.

Table 5: Tenders Awarded

Tender Number	Tender Description	Winning Bidder	Award Amount
ZERA COMP 07/2025	Provision of Cleaning and Fumigation Services	Visions Fumigation and Cleaning Services	US$11,000.00 payable at the prevailing ZWG bank rate.
ZERA COMP 03/2025	RFP For Provision of a Vulnerability Assessment Solution	Westville T/A Omni Africa	USD8,720.52 payable at the prevailing ZWG bank rate.
ZERA COMP 02/2025	RFP For Proposal for The Supply, Installation and Configuration of Internal Audit Data Analytics Tools	Hodley Investments (Pvt) Ltd T/A Active Edge	US$25,208.00 payable at the prevailing ZWG bank rate.
ZERA FA 03/2025	Provision of Insurance Broking Services	Cancelled	Awaiting issuance of Cabinet Authority from Ministry of Finance and Economic Development
ZERA COMP 04/2025	Request For Proposal for Supply and Installation of Security Incident and Event Management (SIEM Solution)	Cancelled	Bidding Price was above budgeted price
ZERA COMP 07/2025	Supply and Delivery of Laptops and Desktops	Techsoft P/L	US$153 023.03 payable at the prevailing ZWG bank rate.
ZERA COMP 07/2025	Supply of an Electric 18 Seater Mini Bus	Build Your Dream (BYD)	US$58,980.00

6.0 Programmes *(continued)*

Tender Number	Tender Description	Winning Bidder	Award Amount
ZERA FA 01/2025	Framework Agreement for Supply and Delivery of Stationery	1. Printflow P/L 2. Contruxus P/L 3. First Pack Marketing P/L 4. Horbox Technology P/L	n/a
ZERA FA 02/2025	Framework Agreement for Supply and Delivery of Vehicle Batteries and Tyres	1. Byword Motors 2. Duly's Motors 3. Tyre Club 4. Innosimm Investments 5. Retvic Trading t/a Tiger wheel and tyres 6. Croco Motors	n/a
ZERA COMP 08/2025 RE-TENDER	Procurement of Electrical Equipment And Tools	Auralux	US$26,984.40
ZERA COMP 09/2025	Supply and Delivery of Laboratory Equipment	Gavton P/L	US$244 500.05
ZERA COMP 10/2025	LED Retrofit for Victoria Chitepo Provincial Hospital Mutare	Spectrum Engineering P/L	US$65,582.13 payable at 50% USD and 50% ZWG at prevailing bank rate
ZERA COMP 12/2025	LED Retrofit For Gwanda Provincial Hospital	Techold Engineering P/L	US$33,692.83 payable as 50% USD and 50% ZWG at the prevailing bank rate.
ZERA COMP 11/2025	Procurement of Solar Water Heating Services For Gweru Provincial Hospital	Black Rose Incorporated	US$67,999.50 payable as 50% USD and 50% ZWG at the prevailing bank rate
ZERA COMP 14/ 2025	Supply And Implementation of Microsoft 365 Business Standard And Microsoft 365 Copilot	Cancelled	Bidding Price was above budgeted price
ZERA COMP 13/2025	Temporary Construction of Exhibition Stands x8	Showcase IT	US$43,332.00 payable at the prevailing ZWG bank rate.
ZERA FA 06/2025	Framework Agreement For Ticketing Services (Travel Agencies)	1. Southern African Touring & Car Hire Services P/L 2. Blueberry Travel P/L 3. Pearlsard Travel Agents P/L 4. Es Financial Training Consultants T/A Hungwe Travel P/L	n/a

6.0 Programmes *(continued)*

Tender Number	Tender Description	Winning Bidder	Award Amount
ZERA FA 10/2025	Framework Agreement for vehicle rental services	1. The Best Car rental 2. Murare Investments T/A Murare Car Rental	n/a
ZERA FA 05/2025	Framework Agreement for Aircon Repair Services	3. Carrier Air Conditioning P/L 4. Stable Technologies T/A Panasonic Business Systems 5. Upper top trading 6. Air Excellence	n/a
ZERA COMP 15/2025	Provision of Road Shows	Abmatech Marketing P/L	US$27.900.00 payable in ZWG at the prevailing bank rate.
ZERA COMP 16/2025	Supply And Delivery of Promotional Material	Yearsigns	US$174,344.00 Payable in ZIG at prevailing rate
		Clechie	US$71,500.50 Payable in ZIG at prevailing rate
		Marketiv	US$62,306.00 Payable in ZIG at prevailing rate
ZERA COMP 20/2025	Supply And Delivery of a Toyota Landcruiser Prado PAP 2.8GD, Automatic Adventure Plus	CFAO Mobility	US$122,900.00
ZERA COMP 17/2025	Laboratory Equipment Maintenance and Calibration	Rekereg Investments	US$10,522.50 which is payable at the prevailing ZWG bank rate
ZERA COMP 18/2025	Supply and Delivery of Cell phones and Tablets	Venor Projects P/L Lacheln Investments P/L	US$ 27,265.50 US$ 12,975.00
ZERA FA 08/2025	Framework Agreement for Vehicle Towing Services	Melbey Motors Zimbabwe	N/A
ZERA COMP 21/2025	Mutepfe Clinic Solar Project Rehabilitation	Techold Engineering P/L	US$32,334.44 payable as 50% USD and 50% ZWG at the prevailing bank rate.
ZERA COMP 34/2025)	Supply And Installation of Electric Vehicle Chargers	Satewave Technologies P/L	US$34,533.92 payable as 50% USD and 50% ZWG at the prevailing bank rate.
ZERA COMP 22/2025	Provision of Consultancy Services for Revision of Fuel Additive Technology Framework	Wakandigara Consultants P/L	US$29 000.00 payable as 70% USD and 30% ZWG at the prevailing bank rate.
ZERA COMP 25/2026	Solarisation and Electrification Services for Bazha Primary School and Clinic	Sinet Africa P/L	US$53,200.73 payable as 50% USD and 50% ZWG.
ZERA COMP 24/2025	LED Retrofit for Mhlahlandlela Government Complex	Spectrum Engineering P/L	US$68,527.89 payable as 50% USD and 50% payable at the prevailing ZWG rate of the day.
ZERA COMP 27/2025	Supply And Delivery of ICT And Media Equipment	Lazenbury Engineers trading as Top Tech Computers	US$42,930.00

6.0 Programmes *(continued)*

Tender Number	Tender Description	Winning Bidder	Award Amount
ZERA COMP 29/2025	Provision of Belina Payroll Services	Kreston Zimbabwe Advisory Services	US$7 per employee
ZERA COMP 26/2025	Supply And Delivery of 2026 Diaries	Premier Corporate Gifts	USD29,660.00 payable in ZWG at the prevailing bank rate.
ZERA FA 04/2025	Framework Agreement for Telephone Repair Services	Panasonic Business Systems Zimbabwe	n/a
ZERA COMP 28/2025	Installation Of Solar PV Systems at Shonganiso Mission Schools	Interspheres Trading	US$28,125.78 payable as 50% USD and 50% ZWG at the prevailing bank rate.
ZERA COMP 30/2025	Provision of Mdlankunzi Clinic Solar System Installation	Sinet Africa P/L	US$15,020.40 payable as 50% USD and 50% ZWG.
ZERA COMP 31/2025	Provision of Siyakobvu Police Charge Office Solar System Installations	Interspheres Trading	US$19,996.38 payable as 50% USD and 50% ZWG.
ZERA FA 11/2025	Framework Agreement for Servicing of Printers	1. Horbox Technology 2. Stable Technologies P/L t/a Panasonic Business Systems	n/a
ZERA FA 09/2025	Framework Agreement for Building Maintenance Services	1. Upgrade Projects P/L 2. Matinanga Enterprises P/L 3. Tidoka Projects	n/a
ZERA COMP 32/2025	Provision of SAP Support Services	Synergy Chartered Accountants	US$94,710 payable in ZWG at the prevailing bank rate.
ZERA COMP 35/2025	Supply and Delivery of Roadshow Vehicle	Auto Eden	US$207,450.00

6.0 Programmes *(continued)*

6.1.8 Monitoring & Evaluation

6.1.8.1 Authority's Strategic Plan

The year 2025 marked the end of implementation of the Authority's 5 Year (2021-2025) Strategic Plan that was aligned to the National Development Strategy NDS (1). Through the 5 years (2021-2025), ZERA strategy contributed to the Transport, Infrastructure and Utilities National Priority Area. As required, ZERA adopted the "Whole of Government Approach," hence linking its plans and budget allocations through the 5 years to the overall NDS (1) national outcomes and targets. This ensured the Authority's activities contributed to the national objectives of universal energy access and sustainable growth.

ZERA's major role in NDS (1) was to facilitate the establishment of new electricity infrastructure, the increase of power supply from the current installed capacity of 2317MW to 3467 MW by the year 2025 and the construction of an additional 280km of transmission and distribution network by 2025.

"Powering the NDS1 Conclusion & Looking Beyond"

In 2025, ZERA actively pursued programmes and projects that ensured that NDS (1) was successfully concluded and that its achievements would lay the foundation for NDS (2).

i. Programme Based Budget Administrative Structure 2025

ZERA's 2025 annual strategic plan was implemented through 3 Programmes namely,

i. Governance and Administration.
ii. Energy Regulation; and
iii. Stakeholder Engagement and Advisory Services.

The following were its outcomes and key performance indicators.

Table 6: Key Performance Indicators

	Outcome	Key Performance Indicator
1.	Improved Governance and Administration	i. Client satisfaction index. ii. Employee satisfaction index iii. Compliance level iv. Administrative efficiency.
2.	Increased regulatory compliance.	i. Regulatory Frameworks Adherence.
3.	Enhanced cost reflective of energy prices.	i. Cost Reflective petroleum and gas prices. ii. Good returns for IPP tariff, iii. ZETDC monthly indexation tariff.
4.	Improved uptake of modern renewable energy and technological innovations.	i. Additional Mega Watts renewable energy. ii. Additional LP Gas Tonnage.
5.	Increased energy efficiency.	i. Megawatt hour saving.
6.	Improved stakeholder satisfaction.	i. Stakeholder Satisfaction Index (physical survey).

Programme outcomes and key performance indicators were designed to promote the population's universal access to sustainable energy, which is one of the prime objectives of NDS (1)

6.0 Programmes *(continued)*

ii. Quarter 1 2025 Strategy Review Workshop

The Q1 review workshop held in April 2025 had a special purpose, to ensure ZERA stayed on course to achieve all its 5-year outstanding objectives by the end of the year. It hence assessed the relevance and practicality of ZERA's 2025 strategies made in November 2024, the NDS (1) strategy execution progress made thus far, challenges already met, identified implementation gaps and came up with, for immediate implementation, strong mitigatory factors to steer ZERA towards successful NDS (1) completion.

In preparation for the Q1 workshop therefore, a gap analysis was made on the 2021-2024 period, and the outstanding targets were incorporated into the 2025 planned targets. Resolutions and plans with specific achievement dates for 2025 were set to address these gaps and these were monitored for implementation each month with a monthly progress report submitted. The result was that by the end of the 3rd quarter, ZERA had met all outstanding targets up to 2024 and most of the 2025 targets due for completion by December 2025 were on course for completion.

iii. 2025 Target Implementation Tracking and Monitoring

To ensure effective implementation of the strategy, performance contracts for senior managers were used as a tool to hold its employees accountable for delivering on NDS (1) targets. This resulted in delivery of NDS (1) development results.

Implementation of approved targets was monitored through use of structured and results-oriented frameworks and reports that tracked performance on a weekly, monthly, quarterly and annual basis. The work performance monitoring plans mapped monthly and annual activities to specific implementation periods and so tracked NDS (1) indicators. Performance tracking reports included the CEO's contract, organisational programme performance reports and the Business Review Report. The latter's report template required detailed updates, workings and proof of performance on quarterly targets as well as for Management to clearly identify where NDS (1) implementation was lagging, to enable immediate address before the end of 2025.

Field monitoring visits further enabled real-time data collection for evidence-based decision-making, identifying and addressing NDS (1) implementation challenges, and fostering accountability and transparency in meeting objectives. These visits functioned as an early warning system, allowing for the identification of issues, risks, and improvements.

ZERA's overall performance for 2025 was 3.74 out of 6.

iv. Quarter 3/Annual Strategy Implementation Review

As 2025 folded, ZERA held its second and final workshop in December, to assess its NDS (1) performance, Concerted effort was made to meet all outstanding performance targets and projects. In preparation for this workshop and the final assessment of NDS (1),

- ZERA conducted an NDS (1) terminal evaluation on its programmes and projects and this contributed to the Transport Infrastructure and Utilities Sector Working Group NDS (1) overall evaluation of NDS1 successes, outstanding works and failures. It informed decision-making and planning for the successor strategy, the NDS (2]. This was ZERA's national contribution to powering the NDS (1) conclusion.
- ZERA engaged the expertise of 3 specialised service providers to guide its NDS (1) terminal evaluation and learn therefrom to plan for NDS (2). The Public Service Academy, the OPC, which provided Government and IRBM expertise and a private firm Dimensions Management Consultants, that brought specialized expertise on the energy sector.

6.0 Programmes *(continued)*

6.1.8.2 2026 Programme Based Budget (PBB) Administrative Structure

Based on advice from the Ministry of Finance, Economic Development and Investment Promotion, and as part of lessons learnt from NDS (1) for NDS (2), ZERA changed its 2026 -2030 PBB Administrative Structure from the current three to two programmes. The new programmes are Governance and Administration and Energy Regulation and Market Development. A streamlined programme structure enhances programme implementation effectiveness by promoting efficiency, clarity, and adaptability as ZERA implements NDS 2

6.1.9 Internal Audit Overview

The year presented notable governance challenges; a fully constituted Board and Audit Committee were in place until 17 July 2025. Thereafter, the Authority operated for a period without a Board and Audit Committee, followed by the appointment of a partially constituted Board later in the year. This transitional period had an impact on the functional reporting line of the Internal Audit function.

Notwithstanding these constraints, the Internal Audit Function continued to discharge its responsibilities with professionalism and independence. In December 2025, Internal Audit conducted its annual independent meeting with the newly appointed Board, reaffirming the Function's independence and commitment to transparency, accountability, and sound governance.

6.1.9.1 Delivery of the 2025 Internal Audit Plan

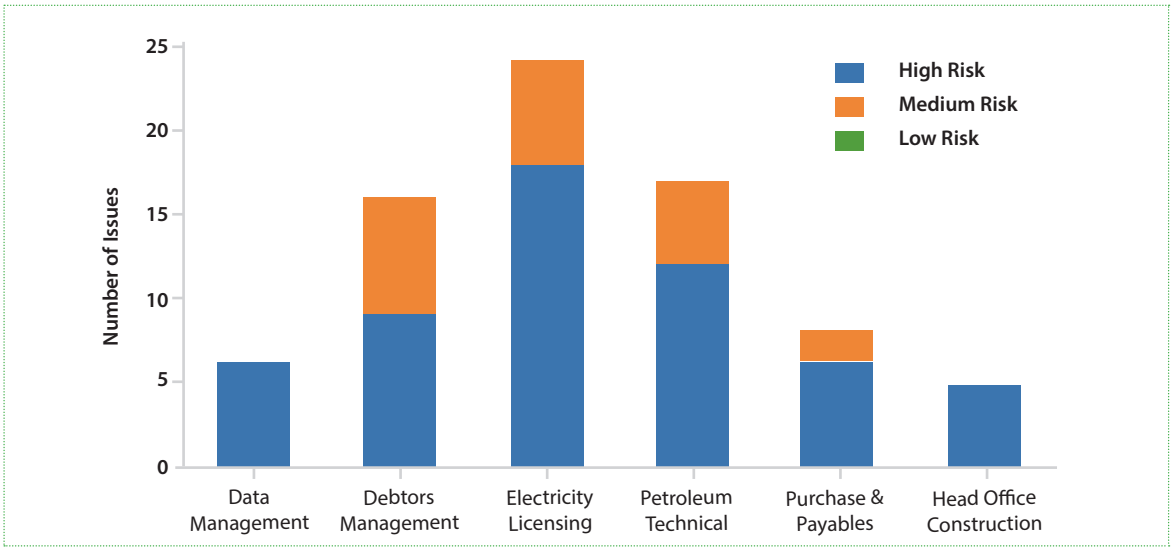
a) New Audit Engagements – Risk Profile

During 2025, the Internal Audit Function completed six new audit engagements, which resulted in a total of 76 audit issues. As illustrated on graph 3 (Risk Profile of Issues Identified), the issues comprised:

- 56 High-risk issues (74%)
- 20 Medium-risk issues (26%)
- No Low-risk issues

Internal Audit remains guided by the risk-based audit approach, with audit resources focused on areas of highest regulatory, financial, operational, and reputational impact.

Audit Engagements – Risk Profile of Issues identified (2025)



Graph 3: Risk profile issues identified Risk Profile of Issues Identified from Actual Audit Engagements (2025) The figure illustrates the distribution of high- and medium-risk issues identified during new audit engagements, reflecting the Internal Audit Function's focus on areas of highest risk and impact

6.0 Programmes *(continued)*

b. Follow-Up Audits – Implementation Status

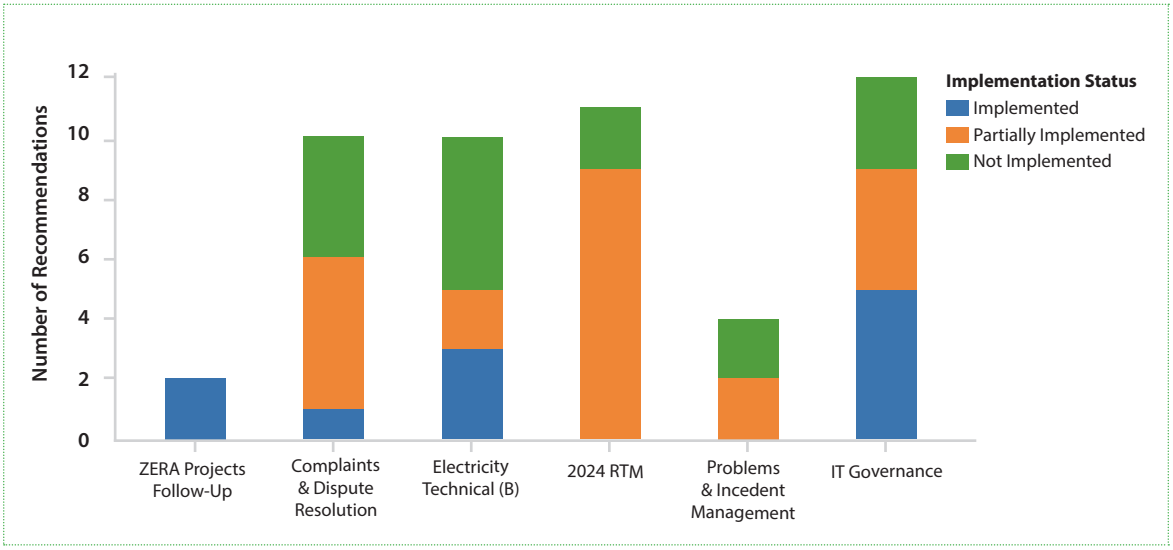
Six Follow-up audit engagements of prior year audits were conducted. These assessed the implementation status of previously issued audit recommendations. The outcomes were as follows:

- 18% implemented
- 49% partially implemented
- 33% not implemented

Approximately 67% of recommendations were either fully or partially implemented, demonstrating progress in addressing previously identified control weaknesses. However, the prevalence of partially implemented recommendations indicates that while corrective actions have commenced, full embedding of control remains in progress.

Graph 4 illustrates the status of implementation of audit recommendations arising from follow-up engagements, highlighting progress made and areas requiring further management attention

Follow-Up Audit Engagements: Implementation Status of Recommendations (2025)



Graph 4: Follow up Audit implementation status

c. Overall Assessment

Taken together, the results of the initial and follow-up audit engagements indicate that the Authority's Internal Audit Function continues to effectively identify material and high-impact risks aligned to the Authority's regulatory mandate. Management has initiated actions to address the control gaps identified; however, the timely and full implementation of corrective measures remains an area of ongoing focus.

External quality assurance and improvement review (EQAR)

A significant milestone was achieved in April 2025 when the Internal Audit Function underwent its first External Quality Assurance Review (EQAR). The Function received an overall rating of "Generally Conforms", a notable achievement given that the assessment was conducted against the newly issued Global Internal Audit Standards.

This outcome provides independent confirmation that the Function's practices, methodology, and conduct align with internationally recognized standards and reinforces confidence among stakeholders in the quality of assurance provided.

6.0 Programmes *(continued)*

People, Capability and Organisational Milestones

The year marked significant milestones for the Internal Audit Function:

- The Internal Audit Department marked its 10-year anniversary, having been established in December 2014 following the Authority's inception in 2012
- The milestone was commemorated during Internal Audit Awareness Month under the theme "Striding Towards Strength: Health, Inclusion & Internal Audit Action," with the Chairperson of the Zimbabwe Anti-Corruption Commission (ZACC) as guest speaker.
- Awards were presented to team members in recognition of dedication, professionalism, and performance, as well as to the winners of the May 2025 Internal Audit Awareness Fitness Competition, reinforcing a culture of excellence, wellness, and team engagement

Regarding the function's resourcing and capability:

- The position of Internal Audit Assistant was introduced in July 2025, enhancing operational effectiveness
- The Assistant Manager: Internal Audit role was filled in September 2025
- Recruitment of an IT Auditor could not be concluded due to organisation-wide constraints, resulting in a vacancy within the Function.

Additional operational challenges related to external payment and remittance processes which affected access to the audit management software and professional learning platforms. Despite these constraints, the team remained resilient and committed to delivering its mandate.

Professional Excellence and External Recognition

The professional standing of the Internal Audit Function continued to strengthen during the year:

- A member of the Internal Audit team achieved Top 10 global placement in the IIA Audit Challenge Championship.
- In October 2025, the Chief Audit Executive was selected to serve on the International Internal Auditing Standards Board of the Institute of Internal Auditors Global.

These achievements enhance the credibility of the Function and positively position the Authority within the global internal audit and governance community.

6.1.9.2 Outlook: Focus Areas for 2026

The 2026 Internal Audit Plan is risk-based and builds on assurance work completed in 2025 and emerging risk themes. Key focus areas include technology, data and cyber resilience, supported by the introduction of vulnerability assessments, ethics, fraud and governance, core regulatory and operational processes, financial controls and value for money.

The successful execution of the 2026 Internal Audit Plan will be significantly supported by the timely recruitment of an IT Auditor, which remains critical to strengthening technology-focused assurance and sustaining delivery across identified risk areas.



Figure 6: Outgoing ZERA Board Chairperson, Dr D. D. Madzikanda handing over a gift to ZACC Chairperson Mr M. Reza



Figure 7: L. Mukarati (center) flagged by the Board Chairperson and ZACC Chairperson



Figure 8: From left ZACC Chairperson, Mr T. Matyoramhinga ZERA IT Auditor (holding appreciation award), Board Chairperson and Mrs. R. Musiyiwa - Chief Audit Executive

6.0 Programmes *(continued)*

6.2 Energy Regulation

6.2.1 Electricity Tariff Reviews

The Authority reviewed tariffs in the electricity sector as follows:

a. Utility Tariff

The utility has been operating based on a cost-reflective electricity tariff approved in December 2023 and between then and 2025, no further adjustments have been done.

The approved average tariff of USc16.08/kWh has placed the utility on a financial recovery path aided by the installation of pre-payment meters and strict revenue measures.

b. Ferrochrome Tariffs

The Authority considered and approved tariffs between the utility and ferrochrome producers based on the utility recovering any differences between applicable tariffs and current tariffs in units or in monetary terms in future.

c. Use of System Charges

The Authority also considered use of system agreements between the utility and companies transferring electricity from various sources through the national grid either for own supply or for supply to their customers as an interim measure. The Authority fixed the use of system charges at USc1.25/kWh at both transmission and distribution levels.

In the meantime, the Authority has engaged a consultant to independently determine the tariff applicable to transmission and distribution as well as charges for banking energy into the grid.

d. Power Purchase Agreements (PPAs)

In terms of the provisions of Section 53 of the Electricity Act, the Authority considered and approved Power Purchase Agreements between Zimbabwe Electricity Transmission and Distribution Company and Independent Power Producers for the supply of electricity from various generation projects.

The Authority also considered cross border electricity transactions between local electricity companies and companies in neighbouring countries.

6.2.1.1 Development of Regulations

Some regulations were developed for the electricity sector as follows:

a. **Own use electricity projects below 5 MW** – these regulations are meant to expedite the development of small own-use projects through light-handed regulation which entails removing some administrative processes.
b. **Exports control** – these regulations aim to control the amount of electricity local generation projects can export to clients outside the country given that Government offers significant incentives for the development of power generation projects.
c. **Electricity licensing regulations** – these regulations meant to amend the Statutory Instrument 103 of 2002 by providing further guidance to processes including transfer of licenses, amendment, and cancellation.
d. **Electricity levy regulations** – these regulations are meant to provide further clarity on which electricity companies pay a levy on revenue of 1% to the Authority. At the time of its promulgation in 2006, only state-owned companies were operational. Since then, several independent companies have been licensed and are operational.

6.2.1.2 Electricity Generation Licenses Approved

In terms of section 40 of the Electricity Act, the Authority received and processed applications for generation of electricity by Independent Power Producers and supply for own use, selected customers and to the grid.

In the year 2025, the dominant category of projects licensed are those generating for own use in the farming, mining, industrial and commercial sectors. This model provides consumers with an opportunity to reduce electricity costs and improve reliability in the supply of electricity to their operations.

Out of a total 61 electricity generation licenses approved, 44 projects were for own use whilst 13 are earmarked to supply to selected customers and 4 are intended to supply to the grid.

6.0 Programmes *(continued)*

The table below shows all the generation licenses approved in 2025.

	LOCATION	TYPE OF TECHNOLOGY	CAPACITY OF PROJECT
Own Consumption			
1. Yellowcob Enterprises	SPAR Groombridge number 216 The Chase, Harare	Solar PV	0.96
2. Dinson Iron and Steel Company	Manhize, Mvuma, Midlands Province	Gas-Fired Thermal	20
3. National Foods Limited	Stand 54 of Aspindale Park, Harare	Solar PV	2.74
4. Africa University	Number 1 Fairview Road, Old Mutare, Manicaland Province	Solar PV	0.25
5. David Whitehead Kadoma	145 Robert Mugabe Way in Kadoma, Midlands Province	Solar PV	3.37
6. David Whitehead Chegutu	351 Heavy Industry in Chegutu, Midlands Province	Solar PV	3.5
7. Agric Value Chain Zimbabwe	1 Chimoio Road, Chegutu, Mashonaland West Province	Solar PV	1.28
8. Zimgold Oil Industries	72 Lytton Road, Workington in Harare	Solar PV	1.782
9. Carrera Ventures	Stand 32025 in Chegutu, Mashonaland West Province	Solar PV	0.473
10. Tobacco Processors Zimbabwe	Corner Auckland and Simon Mazorodze Roads, Southerton Harare	Solar PV	3.1
11. Lancet Properties	199 Enterprise Road, Chisipite in Harare	Solar PV	0.15
12. St John's College	5 Welmoed Close in Harare	Solar PV	0.2
13. St John's Preparatory School	179 Fisher Avenue in Harare	Solar PV	0.2
14. Sunny Yi Feng Tiles	Knockmallock Farm, Norton, Mashonaland West Province	Solar PV	20
15. Cheese Galore	Bhara Bhara Farm in Harare South	Solar PV	0.25
16. China-Zim Green Energy	Muzvondiwa Business Centre in Zvishavane, Midlands Province	Solar PV	85
17. J.H. Butler Farms (Private) Limited	Draycott Farms, Delport Road in Harare	Solar PV	0.5
18. Lotus Stationery	107 Coventry Road, Workington, Harare	Solar PV	0.25
19. Central Africa Building Society	3 Northend Close, Northridge Park, Borrowdale, Harare	Solar PV	0.5
20. Midlands Christian School	Long Road, Christmas Gift in Gweru	Solar PV	0.3
21. Proton Bakers	4 Longlands Road, Industrial Sites in Marondera	Solar PV	1
22. Cicada Katiyo (Private) Limited	Katiyo Estate in Honde Valley, Mutasa District, Manicaland Province	Solar PV	1.5
23. Palm Hospitality	Stand 1403 Parkway Drive in Victoria Falls, Matabeleland North Province	Solar PV	0.24
24. Natpak (Private) Limited	Number 1 Kelso Road, Workington, Harare	Solar PV	0.51

6.0 Programmes *(continued)*

25. Natpak (Private) Limited	Number 1 Plymouth Road in Southerton, Harare	Solar PV	1.53
26. Natpak (Private) Limited	Number 7 Craster Road, Southerton, Harare	Solar PV	1.2
27. The Buffalo Brewing	Number 5 Shamwari Road, Stapleford, Mount Hampden in Harare	Solar PV	1.3
28. Minerals Marketing Corporation	MMCZ Complex, 90 Mutare Road, Msasa, Harare	Solar PV	0.3
29. Airflo Trading	Stand 1591, Lot 5 of Arlington Estate, Europort Cold Storage Complex	Solar PV	0.33
30. Rapako Farm	Lot 1 of Dudley Estate, Bridge Road, Marondera	Solar PV	0.13
31. MC Meats	Stand Number 183 Willowvale Township	Solar PV	0.2
32. MC Meats	Carswell Farm in Nyabira	Solar PV	0.26
33. Unki Mines	Unki Special Mine Lease Area, Tongogara Rural District Council, Midlands Province	Solar PV	10.6
34. Brown Engineering	17 James Martin Avenue in Southerton, Harare	Solar PV	1.49
35. Dinson Colliery	Mpongola Village, Hwange District	Gas-Fired Power Plant	10
36. Ecobank Zimbabwe	Number 2 Piers Road, Borrowdale in Harare	Solar PV	0.25
37. Pride of Africa Exports	Lot 21 Woodlands Road, Harare	Solar PV	0.4
38. D G Rickards	Houmoed of Albion in Seke District of Mashonaland East Province	Solar PV	0.5
39. Kurima Farm	Imire Farm, Bridge Road in Wedza	Solar PV	0.15
40. Almin Metal Industries	Stand 703 Willowvale Township of Lot 6b Willowvale in Harare	Solar PV	1.5
41. Union Peak	Stand 9032 Kwekwe	Coal-Fired Thermal	100
42. Changshi Power	Gweru, Midlands Province	Coal-Fired Thermal	100
43. Undertreasure Mining	Chingamwe Estate in Manicaland Province	Solar PV	19
44. Almid (Private) Limited	Stand 9169 Gweru.	Solar PV	20
Captive Power			
1. Dolcin Trading	Lot 4 of subdivision A of Cromdale Estate in Chegutu, Mashonaland West Province	Solar PV	50
2. Innscor (Africa) - Bulawayo	Number 6 Leeds Street in Belmont, Bulawayo	Solar PV	0.986
3. Innscor (Africa) Harare	Number 1 Shepperton Road, Graniteside, Harare	Solar PV	1.232
4. Distributed Power Africa	63 Ridgeway North, Highlands in Harare	Solar PV	0.1
5. Distributed Power Africa	1 Old Strip Road, Chinhoyi, Mashonaland West Province	Solar PV	0.3

6.0 Programmes *(continued)*

6. Distributed Power Africa (Private) Limited - Lomagundi Primary School	1 Old Strip Road, Chinhoyi, Mashonaland West Province	Solar PV	0.2
7. Runtu Mining (Private) Limited	Gadzema Heights in Chegutu, Mashonaland West Province	Solar PV	10
8. Limpopo Way Power (Private) Limited	376 Willowvale, Harare	Solar PV	7.4
9. Dombo Energy (Private) Limited	Lot 1 of Lawfield Farm in Goromonzi, Mashonaland East Province	Coal-Fired Thermal	70
10. Lafrica Energy (Private) Limited	Stands 158 and 141 of Kalisine Village in Hwange	Solar PV	25
11. CAIPF Solar Park (Private) Limited	Zimpost Central Sorting Office Corner of Dieppe Road and Airport Road in Harare	Solar PV	0.6
12. Groove Solar Park (Private) Limited	Lot 3 of Hillandale Farm in Mutare, Manicaland Province	Solar PV	5.5
13. Sunny Jin Long Energy (Private) Limited	Sunny Yi Feng Industrial Park, Subdivision 2 of Lot 3 of Knockmallock Estate, Norton in Mashonaland West Province	Coal-Thermal	210
Grid Projects			
1. Zhong An Coking & Power Company	Ward 13 of Main North in Hwange	Heat Recovery	240
2. Enecon Engineering	Matshiloni Village, Ward 4, Beitbridge, Matabeleland South	Solar PV	30
3. Huoyuntong Investments	Bijou Farm, Ward 19 of Vungu in Gweru, Midlands Province	Solar PV	100
4. Oneputt Power	Ward 13 of Main North in Hwange	Solar PV	100

6.2.1.3 Electricity Generation Licenses Renewed

An application for the renewal of generation license submitted by Triangle Limited was approved for a further 18 years.

6.2.1.4 Electricity Generation Licenses Transferred

The Authority approved the transfers of generation licenses from Eureka Solar (Pvt) Ltd to Guruve Green Energy (Pvt) Ltd as well as generation license for Hwange 1-6 to Jindal Energy Zimbabwe (Pvt) Ltd.

6.2.1.5 Generation Licenses Amended

The Authority considered and approved the amendment of the generation license for New Glovers (Pvt) authorising an additional 100 MW to the 10 MW solar already completed.

The application for amendment of retail supply license for Intensive Energy User Group was also amended authorising the company to trade on the Southern Africa Power Pool.

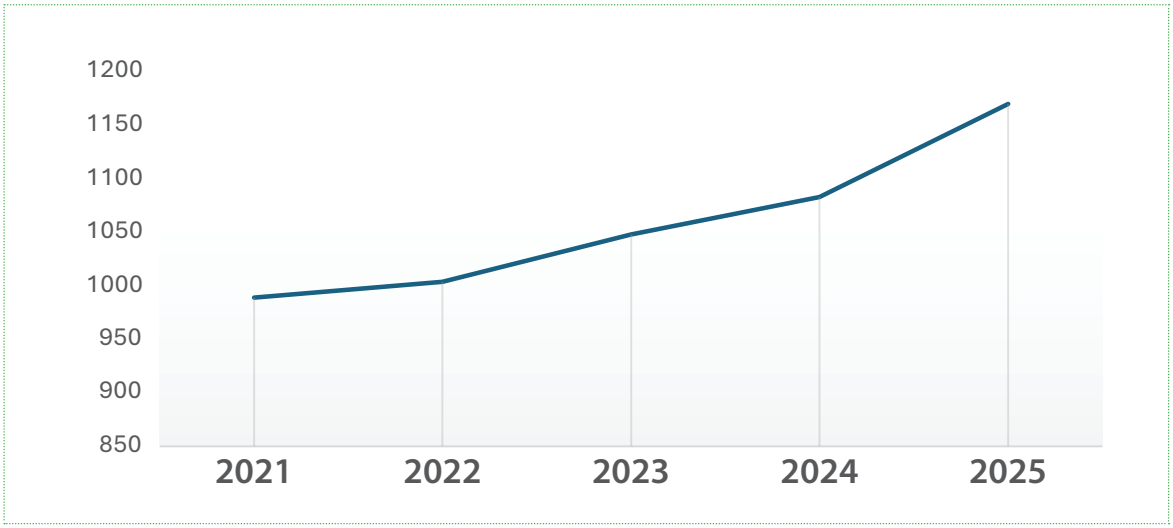
6.0 Programmes *(continued)*

6.2.2 Petroleum and Gas Regulation

6.2.2.1 Petroleum Licensing

There has been a steady increase in licenses issued to petroleum sector operators over the period 2021 to 2025. The total number of licensed operators increased from 989 in 2021 to 1,170 in 2025, representing an 18.3% growth. The growth reflects the wide demand in the sector over the years which is in tandem with economic performance over the period.

Petroleum licenses issued - 2021 to 2025



Graph 5: Petroleum licenses issued

The growth in licensed operators also offers evidence of improved regulation and enforcement of the petroleum sub-sector.

The overall growth as shown above is mostly attributable to more petroleum retail facilities being built in urban areas as well as highways.

The total numbers of licenses issued between 2021 and 2025 are shown in the table below:

Table 8: Petroleum licensing statistics, 2021-2025

	Year				
License Category	**2021**	**2022**	**2023**	**2024**	**2025**
LPG Retail	356	325	551	397	619
LPG Wholesale	18	29	25	20	26
Retail	882	905	936	996	1080
Procurement	69	69	75	59	59
Wholesale	26	18	24	16	19
Blending	11	11	12	11	11
Production	1	1	1	1	1
Total	1363	1358	1624	1500	1815

6.0 Programmes *(continued)*

6.2.2.2 Petroleum Pricing

The Authority continued to monitor the international petroleum prices for purposes of setting the local pump prices as provided in Section 54 of the Petroleum Act and Petroleum Pricing Regulations.

a. Brent Crude Oil Prices

The changes in the prices mainly responded to the following factors:

i. Production decisions of OPEC+ countries
ii. Geopolitical developments in the Supply and demand dynamics.
iii. Decisions and actions by the non-OPEC countries
iv. Changes in inventories in the major petroleum consuming economies.

The performance of the Brent crude price is as shown in the graph below:



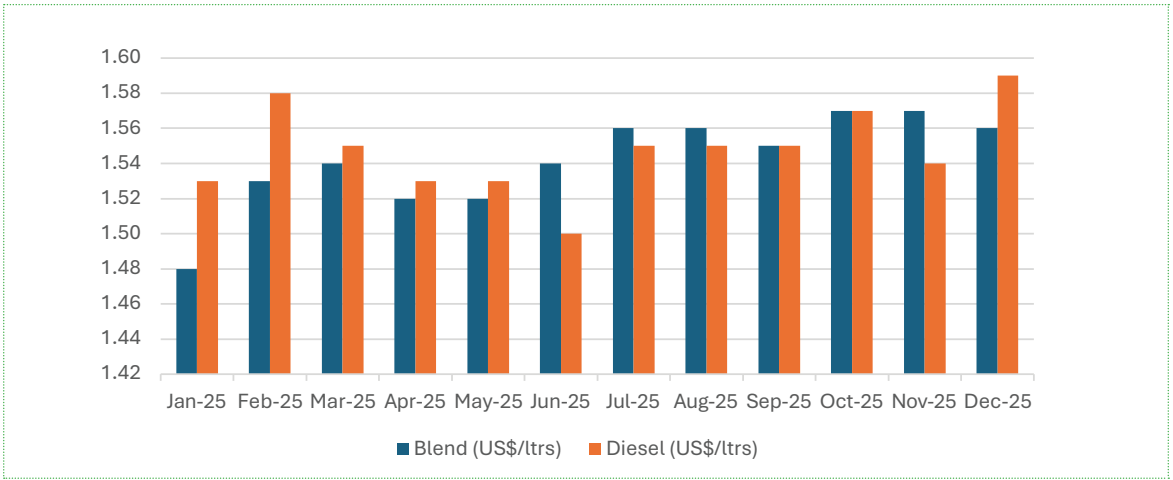
Graph 6: Performance of Brent Crude price

Zimbabwe, as a non-producing country, continued to experience the shocks to the local market.

b. Diesel and Blend Pump Prices

The final maximum prices as determined by the Authority are reflected in the graph below:

Maximum Pump Prices



Graph 7: Maximum pump prices

6.0 Programmes *(continued)*

c. LPG Prices

Starting January 2025, the Government removed the Value Added Tax of 15% on LPG importation and that had an impact of USc25/kg reduction on the final price.

The regulated LPG prices are shown in the table below:

Month	LPG prices (US$/kg)
Jan-2025	1.58
Feb-2025	1.61
Mar-2025	1.61
Apr-2025	1.57
May-2025	1.60
Jun-2025	1.59
Jul-2025	1.57
Aug-2025	1.51
Sept-2025	1.45
Oct-2025	1.48
Nov-2025	1.43
Dec-2025	1.47

6.2.2.3 Development of Standards and Regulations

During the year, the authority-initiated work to review the standard for fuel retail sites ZWS970:2020 to align it with changing stakeholder expectations and technological developments. The SAZ Technical Committee on Petroleum made significant progress in this regard resulting in the Association circulating the standard for public comments by the end of the year. It is expected that the revised standard will be published in 2026.

The review of the Petroleum Act Chapter 13:22 (2006) and the development of a framework for upstream regulation of petroleum and gas are anticipated to be completed in 2026.

6.2.2.4 Compliance Monitoring and Enforcement

ZERA conducted a total of 628 visits countrywide at fuel retail sites to monitor and enforce technical standards for infrastructure. The overall compliance to standards was 82.8% against a target of 75% showing a high level of safety at fuel retail sites. No accidents were reported at licensed fuel retail sites during the year.

The Authority conducted a total of 1468 site visits to fuel retail sites to test the quality of fuel being sold. Of the 2815 samples collected during these visits, 13 blend and 11 diesel samples failed quality tests due to water contamination, low flash point and incorrect ethanol blending levels. The offending sites were closed, prosecuted, and fined between $250 and $600 dollars per offence. Overall, the fuel quality compliance with standards was 99.1% in 2025 compared with 97.6 % in 2024.

In line with its mandate, the Authority conducted 18 third part testing of fuel samples for the ZRP and ZIMRA as they conducted their own investigations of fuel related offences and incidents.

6.0 Programmes *(continued)*

To ensure safety in the LPG sector, 652 site inspection visits were conducted nationwide during the year. The overall compliance with LPG standards was 82.4%. A total of 12 LPG accidents were investigated during the year, and the majority were caused by unlicensed and untrained people operating LPG retail sites without following LPG standards. In 2026, the Authority intends to recruit additional inspectors to scale up license enforcement work to curtail illegal selling of LPG. The country continued to receive good quality LPG imports as confirmed by the 100% compliance to specifications of the 202 LPG samples taken from the 40 LPG importers across the country during the year.

The Authority continued with its strategy to improve safety in the sector by training operators on petroleum industry standards. A total of 496 LPG fillers and 258 forecourt attendants were trained country wide by ZERA.

6.3 Stakeholder Engagement & Advisory Services

6.3.1 Complaints Handling

a) Statistics

The Authority received eighty-five (85) complaints in 2025, a (7.6%) decrease from 2024 and seventy-five (75) complaints were resolved, resulting in a complaint resolution rate of 88.2%. Table 10 highlights the complaints statistics.

The reduction in complaints is testimony to the Authority's efforts in ensuring that licensees deliver good service to their customers. The numbers are, however, expected to increase next year due to the increased visibility of the Authority's presence after the engagements conducted in most rural areas for the first time.

Table 10: Complaints resolved

Description	2019	2021	2024	Sub - Total	2025	Grand Total
Complaints Received in 2025 and Outstanding from previous years	1	2	11	14	85	99
Resolved YTD	1	2	9	12	75	87
Outstanding	0	0	2	2	10	12
Resolution Rate (%)						87.9%

Comparison of Complaints received in 2024 and 2025 only

Year	2025	2024	% Difference
Total Complaints	85	92	-7.6
Resolved	75	81	-7.4
Outstanding	10	11	-9.1
Resolution Rate (%)	88.2%	88%	0.2%

Comment:

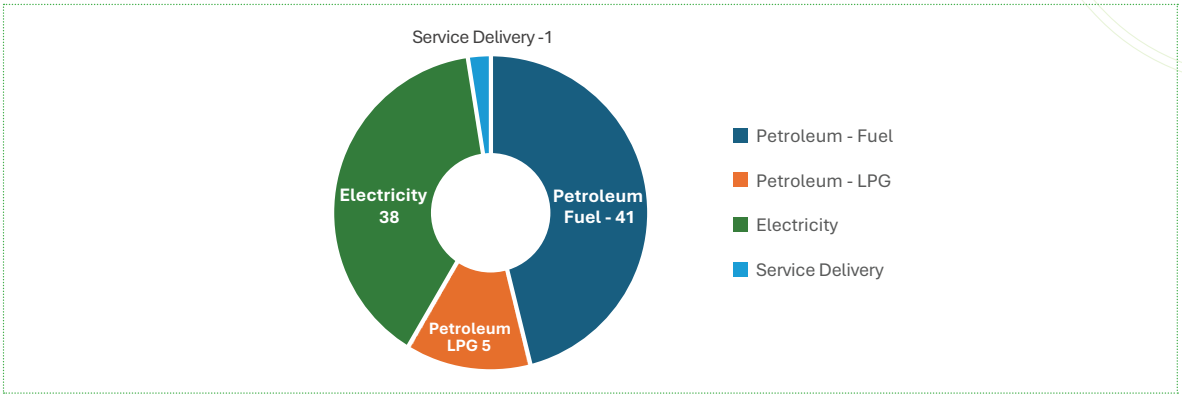
The table was placed to show a comparison of complaints received in 2024 and 2025 only not including outstanding complaints. Table 10 has been included to indicate all 2025 complaints including outstanding complaints. The actual outstanding complaints in 2025 were 14 from 2019, 2021 and 2024.

6.0 Programmes *(continued)*

The Complaints breakdown by sector was as follows, refer to Figure 16 below:

- Petroleum-Fuel: 41 (48%)
- Petroleum-LPG: 5 (6%)
- Electricity: 38 (45%)
- Service Delivery: 1 (1%)

Complaints by sector



Of the 41 petroleum complaints received, 35 (85%) concerned fuel contamination, and only 7(20%) of these were verified. Complainants were assisted to get compensation from the culpable Service Stations. Most complaints took an average of 30 days to resolve against the Stakeholder Service Charter promise of 60 days, which was an improvement from 68 days achieved in 2024

b) Nature of Complaints

The composition of the complaints received is given in Table 11 below.

Table 11: Composition of complaints received

SUB-SECTOR	NATURE OF COMPLAINT	RECEIVED
Electricity	Unattended fallen powerlines	10
	Delayed power restoration and connections	11
	Failure to replace faulty transformer/meter	3
	Failure to cut down trees encroaching on Power lines	2
	Power Voltage issues	2
	Refunds and Billing issues	2
	Abuse of Office and Corruption	2
	Reactive energy charges dispute	1
	Solar – Faulty installations/substandard batteries/non-response to malfunctioning equipment	5
	Total	38
Petroleum - Fuel	Fuel contamination	35
	Fuel measurement verification	1
	Misfuelling	2
	No fuel signage at pumps	1
	Failure to reimburse fuel coupons	1
	Illegal fuel networks	1
	Total	41
Petroleum - LPG	Illegal LPG Operations	4
	2.5t LPG Tank installation in high density areas	1
	Total	5
GRANT TOTAL		85

6.0 Programmes *(continued)*

A noteworthy increase in electricity complaints was observed in areas where educational and awareness programs were conducted i.e. complaints of fallen power poles in Guruve, Mashonaland Central Province and Kotwa, Mashonaland East Province. A complaint for dangling power poles was received at Suswe Growth Point in Mashonaland East Province. This indicates an improved understanding among consumers regarding their rights and the process of seeking redress. These efforts reflect the Authority's commitment to enhancing consumer protection and responsiveness.

c) Petroleum Complaints Handling Standards

In fulfilment of Section 51(1) of the Petroleum Act [Chapter 13:22], the Authority engaged Services Stations to submit their Complaints Handling Standards for review.

Forty-four (44) Standards out of 573 were received for review in 2025. Follow-up is being done with the remainder of the Service Stations yet to submit. The Standards will go a long way in assisting consumers in the resolution of their complaints.

d) Complaints Feedback Forms

To evaluate the consumers' degree of satisfaction with the Authority's complaints handling process, the Authority dispatched Customer Feedback forms for consumers to evaluate the Authority's complaints handling process. However, only six out of the eighty-five complainants responded and of these, four were favourable.

6.3.2 Stakeholder Engagement Meetings and Roadshows

In line with His Excellency's mantra of "Leaving no place and no one behind," the Authority conducted eighty-three (83) consumer education and awareness campaigns countrywide and aimed specifically at reaching the normally overlooked rural populations. The engagements comprised of fifty (50) stakeholder engagements and thirty-three (33) roadshows, ensuring that critical information and resources are accessible to all consumers, regardless of their location.

The focus of the community engagements was in driving behavioral changes in energy conservation, accelerating the transition to renewable energy change and reinforcing safe use and handling of energy products and services. Various initiatives were employed in the engagements including skits, demonstrations, videos and examples e.g. electrical accidents.

Next year the Authority will continue with a strategic focus on rural areas where information exchange is limited.

In addition to the above, the Authority conducted two Pre-Strategy Workshop Stakeholder Consultative and Feedback engagements in Harare and Bulawayo to achieve the following objectives:

i. **Review Stakeholder Concerns:** Evaluate issues raised during the Pre-Strategy Workshop in August 2024.

ii. **Analyze Feedback:** Identify ZERA's achievements, areas for improvement, and emerging issues based on stakeholder feedback, focusing on:
   a. ***Strengths:*** What ZERA did well that should continue.
   b. ***Weaknesses:*** What ZERA did not do well and should improve.
   c. ***Opportunities:*** New initiatives ZERA should start.
   d. ***Stop Initiatives:*** What ZERA should cease in its operations.

The feedback collected from these engagements was integrated into the Authority's strategic formulation for 2026 to 2030 which is aligned to NDS2.

6.0 Programmes *(continued)*

Table 12: 2025 Consumer Education and Awareness Campaigns Conducted

Region	Districts Covered	Stakeholder Engagements	Districts Covered	Roadshows
Harare	Mazowe	Concession – Amandas Primary School, Mvurwi – Umvukwes Primary School, Nzvimbo Growth Point.	Mutoko	Mutoko Growth Point, Loti Business Centre.
	Harare Metropolitan	City of Harare, Harare Pre-strategy Stakeholder Engagement.	Murewa	Murewa Town, Musami Business Centre, Cross Business Centre.
	Guruve	Nyamuseve High School, Guruve – St Francis and St Clare High School, Mudhindo – Chifamba High School.	Mudzi	Nyamapanda, Kotwa Growth Point, Suswe Business Centre.
	Muzarabani	Muzarabani Growth Point, Centenary Growth Point.	Goromonzi	Juru Business Centre
	Mbire	Mushumbi Pools Business Centre, Angwa Business Centre, Mahuwe Business Centre.		
Bulawayo	Tsholotsho	Mbamba Business Centre, Tshitatshawa Business Centre, Sipepa Business Centre, Chief Tategulu homestead, Chefunye Business Centre, Tsholotsho Growth Point.	Bulilima and Mangwe	Bhagani Business Centre, Dombodema Business Centre, Mathendele Township, Ingwizi Growth Point, Tshitshi Business Centre, Linda Business Centre, Brunaperg Business Centre, Plumtree Town, Dingumuzi Business Centre
	Binga	Binga Business Centre, Lusulu Business Centre, Tyunga Business Centre, Siabuwa Business Centre.		
	Bulawayo	Bulawayo Pre-Strategy Stakeholder Engagement.		
Gweru	Chirumanzu	Driefontein Mission, Lalapanzi Business Centre, Chaka Business Centre.	Zvimba	Banket – Kuwadzana
	Kwekwe	Zhombe – Rio Tinto, Zhombe High School, Munyati – Munyati ZPC Guest house.	Makonde	Chinhoyi – Gadzema, Mhangura Growth Point.
	Gweru	Gweru City Council	Kariba	Nhamhunga township
	Gokwe North	Nembudziya Growth Point, Chireya Business Centre, Nemangwe Business Centre, Kana Mission High School, Kana Business Centre, Gokwe Town Centre (SE	Hurungwe	Tengwe Business Centre, Karoi – Chikangwe Bus Rank, Magunje Growth Point, Chirundu Border Post (R)
	Mondoro Ngezi	Battlefields Business Centre		
Mutare	Chimanimani	Chimanimani Secondary school, Rusitu Secondary school, St Lwanga Secondary School, Lydia Chimonyo High School, St Patricks High School.	Mutasa	Watsomba Business Centre, Hauna Business Centre (R)
	Mutare	Zimbabwe National Army (ZNA) 3.1 Combat Group – Mutare.		Odzi Business Centre (R)
	Nyanga	Ruwangwe Business Centre, Nyamaropa Business Centre		Nyamhuka Bus Rank, Ruwangwe Business Centre, Nyamaropa Business Centre, Tombo 1 Business Centre, Tombo 2 Business Centre (R)
	Masvingo	Masvingo City Council (SE)		
	Chipinge	Chipinge Local Authorities (SE)		
	Chiredzi	Chiredzi Local Authorities (SE)		

6.0 Programmes *(continued)*

Specific Issues Emanating from Stakeholder Engagements and Roadshows

Table 13: Matters arising at roadshows

Petroleum	Electricity
1. Increasing number of illegal LPG operators with a view to ensure consumer safety. 2. Training of Rural District Councils (RDCs) on LPG licensing procedures to better inform aspiring LPG business owners about the requirements and processes. 3. No LPG service providers and service stations in Angwa (Mbire District). The Angwa Community travel to Mushumbi Pools to buy LPG from illegal operators. 4. Concern was also raised about the lack of licenced LPG operators at Mahuwe in Mbire District and illegal operators operated without proper safety standards. 5. There are also no LPG operators at Tsholotsho Business Centre at Matabeleland North, as well as Bulilima and Mangwe Districts in Matabeleland Province. LPG is transported by bus all the way from Bulawayo 6. The use of plastic containers for storing and transporting fuel was common among traders in Nyamandanda, Kotwa and Mutoko areas. 7. At the Nyamapanda roadshow, the issue of syphoning fuel from trucks was raised and this fuel was being sold in Nyamapanda and Kotwa areas. 8. The costs associated with obtaining an LPG license were identified as prohibitive, especially for small retailers in rural areas. High overall LPG licence costs do not tally with profits being made in rural areas. The rural stakeholders requested a review of the LPG licensing procedure in rural areas 9. Concern was raised on clustering of service stations in specific neighbourhoods, notably in areas such as Greencroft and Newlands in Harare. Stakeholders were asking about the allowed distance between service stations.	1. Unreliable electricity service. 2. Poor communication by ZETDC regarding maintenance schedules. 3. Lack of transparent loadshedding schedules to enable residents to plan their activities and minimize disruptions 4. Mandatory inspection of solar installations to safeguard against substandard or unsafe products. 5. Misuse of ZETDC uniforms by unauthorized personnel leading to impersonation and fraudulent activities. 6. Identification of substandard solar panels in the market and difficulties in obtaining refunds for subpar solar products were stressed as a challenge. 7. The licensing process for generators through ZERA and the Environmental Management Agency (EMA) was described as cumbersome, hindering access for consumers. 8. There was no electricity at Tshithatshawa Clinic, Tsholotsho District for more than 5 years, over 10 years at Lusulu Business Centre in Binga, over 15 years at Ingwizi shopping area in Mangwe district in Matebeleland South Province. 9. New stands are still not connected after 5 years of establishment despite the opting for the Customer-supplied material scheme at Binga Business Centre. The Binga Centre mortuary was not functioning due to loadshedding. 10. Unsafe wiring practices were highlighted, including illegal connections and the sharing of electricity among businesses without proper safeguards (Corner store Business Centre in Mashonaland East Province).

6.0 Programmes *(continued)*

A Pictorial Glimpse of Stakeholder Engagements carried out in 2025



Figure 10: Pre-Strategy Stakeholder Consultative Workshop on 22 October 2025 at Holiday Inn Harare.



Figure 11: City of Harare Stakeholder Engagement.



Figure 12: Nyamaropa Business Centre, Nyanga



Figure 13: Thsitatshawa Business Centre, Tsholotsho



Figure 14: Catch them young, students participating at an engagement in Gokwe Nembudziya

6.0 Programmes *(continued)*

A Pictorial Glimpse of RoadShows carried out in 2025



Roadshow at Odzi Business Centre – Mutare District, Manicaland Province



Roadshow at Kotwa Business Centre – Mudzi District, Mashonaland East Province



Roadshow at Murewa Bus Rank – Murewa District, Mashonaland East Province



Roadshow at Chikangwe Business Centre – Karoi, Mashonaland West Province.

Figure 15: A pictorial glimpse of road shows carried out in 2025

6.0 Programmes *(continued)*

6.3.3 Communications, Stakeholder Engagement and Corporate Social Responsibility

During the 2025 reporting period, the Zimbabwe Energy Regulatory Authority (ZERA) intensified its stakeholder engagement, public awareness, and corporate social responsibility initiatives. Through exhibitions, media outreach, policy communication, digital platforms, and community projects, the Authority strengthened transparency, enhanced public understanding of its mandate, and promoted safe and sustainable energy practices nationwide.

6.3.4 Strategic Stakeholder Engagement

ZERA actively participated in national and international platforms to engage stakeholders and highlight regulatory developments in the energy sector. Domestically, the Authority sponsored and contributed to Alpha Media Holdings' International Renewable Energy Conference, where it showcased Zimbabwe's renewable energy opportunities and regulatory framework. ZERA also exhibited at major events including the Zimbabwe International Trade Fair (ZITF) 2025, the Nembudziya Independence Day National Celebrations, and provincial shows in Midlands, Masvingo, Manicaland, and Gwanda, as well as sector specific exhibitions such as the Sanganai/Hlanganani Tourism Expo and Mine Entra. These platforms provided valuable opportunities to interact directly with consumers, industry players, and investors, while also strengthening ZERA's visibility at grassroots level. The Authority's exhibition strategy proved highly effective, earning first prize in the Parastatal Category at the Midlands Agricultural Show and Second place at the Gwanda Agricultural show.

Further strengthening its regional and international presence, ZERA exhibited at the Africa Renewables International Summit, (ARIS) and participated in the inaugural SADC Sustainable Energy Week in Botswana. The Authority also hosted the Regional Energy Regulators Association (RERA) sub committee meetings in June, reinforcing Zimbabwe's role in regional energy regulation. In addition, ZERA facilitated a Parliamentary Portfolio Committee on Energy and Power Development tour, which enhanced legislators' understanding of sectoral developments and regulatory priorities. Public consultations, including the National Energy Compact feedback indaba, ensured that stakeholder perspectives were incorporated into policy and regulatory frameworks.

6.3.5 Media Engagement and Public Awareness

To broaden access to information on energy regulation and safety, ZERA implemented a comprehensive media outreach programme across radio, television, social media and print platforms. Radio crossovers and infomercials aired on Skyz Metro FM, Breeze FM, ZiFM, Hevoi FM, Platinum FM and Radio Zimbabwe, covering consumer rights, LPG safety, fuel quality, and energy efficiency. The Authority also partnered with national print giant, Zimpapers to deliver regular Energy Talk segments, while sponsored television programmes such as the LPG safety awareness feature on the Mai Chisamba Show further extended reach.

As part of its regional engagement strategy, ZERA conducted a media workshop in Manicaland with journalists and editors, aimed at strengthening energy reporting skills and improving the quality of coverage on regulatory and safety issues. This initiative enhanced collaboration with the media fraternity and ensured more accurate dissemination of energy sector information.

Throughout the year, ZERA responded to media enquiries and provided expert commentary on topical issues including fuel pricing, ethanol policy, lithium battery safety, fuel contamination, and regulatory developments. These engagements helped dispel misinformation and reinforced public confidence in the Authority's regulatory role.

6.3.6 Community Outreach and Roadshows

Grassroots engagement remained a priority, with ZERA conducting community outreach programmes and roadshows to educate consumers on energy safety and compliance. A notable initiative was the Gokwe Roadshow, hosted in partnership with Radio Zimbabwe, which provided a platform for community dialogue on safe energy use, LPG handling, and consumer rights. Similar outreach campaigns were rolled out in provinces such as Manicaland, Midlands, and Matabeleland, complementing broader stakeholder meetings and media engagements.

6.0 Programmes *(continued)*

6.3.7 Corporate Social Responsibility

ZERA advanced its corporate social responsibility agenda through initiatives that directly benefited communities. The Authority successfully hosted three golf tournaments, two being charity events in Harare and Bulawayo, and a corporate tournament in Mutare. These raised US$16,235 and ZWL$48,306.86, which were donated to the Zimbabwe Albino Association for the procurement of sun protection materials, thereby improving the welfare of vulnerable groups.

Furthermore, ZERA implemented the Bazha Secondary School Solarisation Project in Matobo District, valued at US$100,000. The project installed a 20kW solar photovoltaic system with a 40kWh battery bank, providing reliable electricity to classrooms, staff accommodation, and administrative facilities. A solar powered borehole and water storage system were also established, improving access to clean water for the school and surrounding community. The initiative benefits over 300 learners and 16 teachers, supporting digital learning and enhancing living conditions in the remote community.

6.3.8 Publications and Knowledge Resources

To strengthen policy communication, ZERA edited and printed the National Energy Policy document and revised public education brochures, translating them into Shona and IsiNdebele languages to reach out to a more diverse audience. These publications ensured that regulatory and policy information was readily available to both the public and industry players.

6.3.9 Digital Communication and Information Dissemination

Digital platforms continued to play a central role in ZERA's communication strategy. The Authority's website and social media channels were used to publish regulatory updates, fuel price announcements, safety advisories, vacancy notices, and public statements. These platforms also served as key tools for addressing misinformation, promoting stakeholder events, and enhancing transparency in regulatory processes.

7.0 Energy Market Performance

7.1 Electricity Regulation

7.1.1 Compliance and enforcement

i. Generation plant compliance inspections

The Authority undertook twenty-five (25) generation compliance inspections during the year. The average compliance of the plants was at 76% for both grid connected and plants for own use. The inspections are part of the licensing conditions in view of promoting safe operation and interfacing with the grid.

ii. Generation projects under construction progress review

Quarterly reviews and site inspections were conducted on the licensed projects which are under construction. Four (4) projects were completed in 2025, this 28.57% of the projects under construction in the period under review. Majority of the ongoing projects are expected to be completed in 2026. Table 6.1 presents the project's construction status;

Table 14: Projects construction status

No	Plant	Licensed Capacity (MW)	Capacity under Construction (MW)	Overall Project status	Projected Project Commissioning
1	Maximind Thermal	15	15	100%	Project concluded
2	Massive Prestige Thermal	1200	Unit 1 - 50	100%	Project concluded
			Unit 2 - 50	45%	Jun 2026
3	Odzani Hydro	1	1	99.5%	Feb 2026
4	Power Ventures Solar	25	5	92%	TBA
5	Zhongjin Heli Thermal	240	Phase 1-100	100%	Project concluded
			Phase 2-140	20%	TBA
6	Richaw*	5	3.7	60%	TBA
7	New Glovers	10	10	95%	Feb 2026
8	Guruve Solar	10.5	7.28	85%	Mar 2026
9	Tsanga C	3.25	3.25	80%	Mar 2026
10	Zimplats Phase 1	35	35	100%	Project concluded
11	Zimplats Phase 2	45	45	25%	Dec 2026
12	Sunports	5	5	75%	TBA
13	Gwayi Shangani		10	50%	Jul 2026

**1.2MW completed and commissioned in October 2025.*

iii. Grid and distribution codes compliance audit

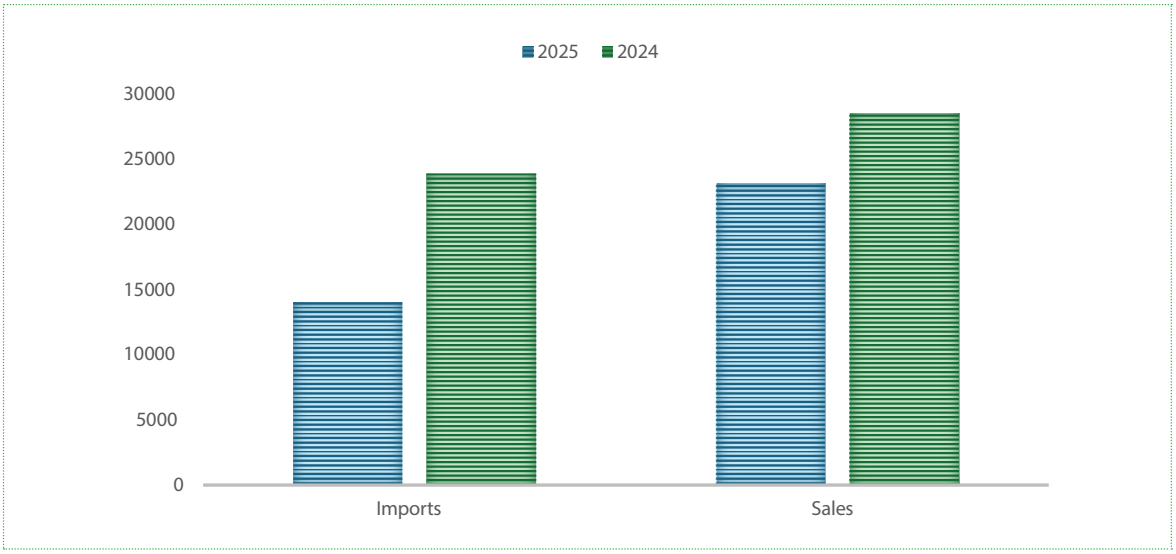
Compliance monitoring of the grid and distribution networks is conducted with respect to the minimum technical operational requirements as provided for at law. Twelve (12) grid code compliance audit and eighteen (18) distribution code compliance audits were conducted during the period under review. The average compliance level was 82% and 61% respectively for the grid and distribution codes compliance audits. The mandatory multi-stage process ensures that the infrastructure meets technical, safety, and operational standards.

7.0 Energy Market Performance *(continued)*

iv. Customer Supplied Prepayment Meter Scheme

The Authority continues to administer the scheme in a bid to improve the electricity connection rate. The year saw 14, 041 meters being imported into the country from mainly two Original Equipment Manufacturers (OEMs) as compared to 23,936 in 2024 whilst 23,117 meters were sold by 17 of the 20 registered Agents versus 28, 514 sold in 2024.

Scheme Performance



Graph 8: Customer supplied prepayment meter scheme performance

The imports and sales dropped by 41.34% and 18.93% respectively when compared to 2024.

7.1.2 Electrical accidents

The Electricity Supply Industry recorded 96 accidents in 2025, a 28% increase as compared to 2024. The number of human fatalities increased by 23.08%, whilst livestock fatalities increased by 13.33% from a total of 15 in 2024. The number of prosecutions doubled in 2025 from 2 that were finalised in 2024

Table 15: Electrical accidents statistics

	YTD 2025	YTD 2024	% Change
Notifications	96	75	28.00%
Fatalities	32	26	23.08%
Non-fatal	47	34	38.24%
Livestock	17	15	13.33%
Investigations conducted*	39	23	69.57%
Prosecutions	4	2	100.00%

** Only fatal and serious non-fatal accident are investigated*

Most of the accidents were recorded in ZETDC's Northern and Harare Regions, whilst Southern Region topped the list on the number of fire related electrical accidents. The accidents in 2025 were predominantly caused by human error (56.25%) whilst collapsed infrastructure contributed 40.63%. There has been a significant reduction in the number of electrical accidents due to theft and vandalism whilst an upward trend has been noted on the accidents involving the utility's employees.

7.0 Energy Market Performance *(continued)*

Table 16: Causes of accidents

		Total	% Distribution
1	Theft and vandalism on electricity infrastructure	3	3.13%
2	Infrastructure collapse	39	40.63%
3	Unsafe operations by employees	13	13.54%
4	Unsafe practices/operations by the public	41	42.71%
	Total	**96**	

7.1.3 Renewable Energy

i. Net Metering Statistics

The total cumulative installed capacity for the 814 connected points is 73.72MW as at end of December 2025. The capacity is distributed as follows: Commercial & Industrial - 92% and Domestic - 8%. The utility is currently processing 135 applications (35 MW pending). There has been an increased uptake of net metering from the commercial and industrial sector. ZETDC Net Metering target for 2025 was 100MW.

Capacity Contribution

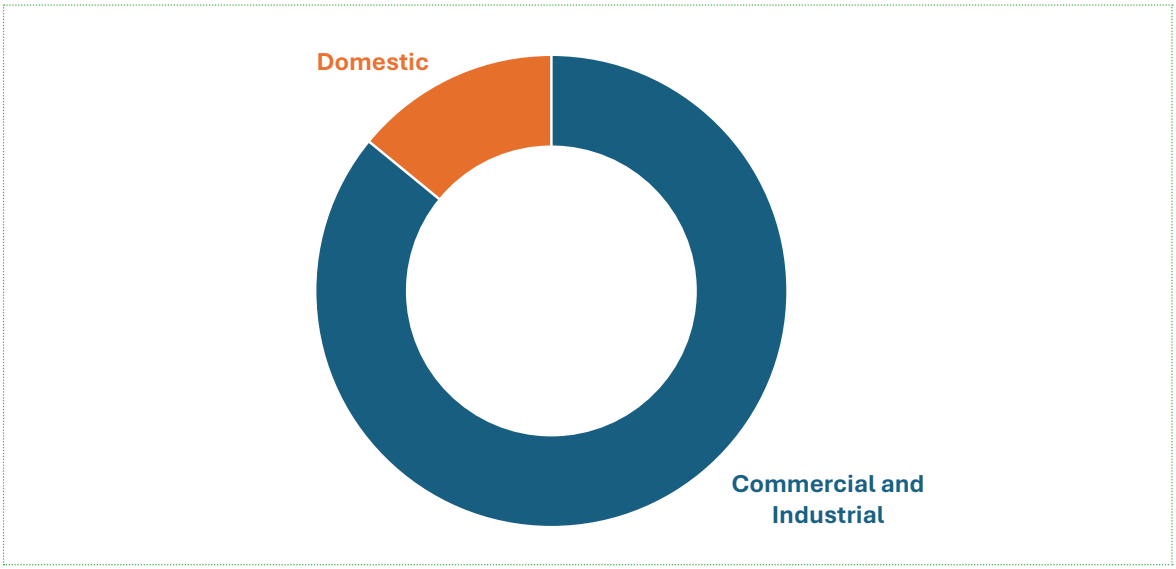


Figure 16: Capacity and contribution on Net-Metering

ii. Solar PV Installation Training

The Authority in partnership with SIRDC conducted Solar Photovoltaic (PV) Systems Design and Installation Training Workshops in Chinhoyi, Bindura, Marondera Gwanda and Victoria Falls. The objective of the training is to build local capacity for quality solar installations in the country. The training targeted people with a technical background who are working for companies that design, install, and distribute solar PV systems operating in Zimbabwe. The training details are as indicated in the table below:

7.0 Energy Market Performance *(continued)*

Table 17: Solar PV installation training statistics

Venue	Pass Rate	No. of Participants	% for Women
Chinhoyi	64	22	14%
Bindura	81	42	31%
Marondera	81	26	8%
Gwanda	77	53	28%
Victoria Falls	73	22	18%
	75%	165	22%

The total number of installers trained on the five workshops conducted is 165 of which 37 (i.e., 22%) were female technicians. The average pass rate recorded for the training workshops is 75%.

iii. Solar Product Registration System (SolarPRS)

ZERA has developed a solar Product Registration System with support from COMESA Regional Infrastructure Finance Facility (RIFF) project to support the implementation of quality standards for solar products in Zimbabwe. The PRS enables companies that are importing and manufacturing solar products to apply for the registration of their products with the Authority. For a product to be registered by ZERA it needs to conform to the quality standards adopted for that product. Applicants are required to provide valid documentation that demonstrates that the product complies with its associated standard(s). The key documents required to register the products are:

a. Product Test Report,
b. Test Certificate
c. CBCA certificate.

Registered products will be included in a list of registered solar products, which can be accessed using the link below:

https://solarprs.zera.co.zw

In addition, a product registration certificate will be provided for each product model. The Solar PRS is now up and running and all the glitches experienced were successfully resolved. The registration of the products is going to be enforced by the solar products and installations regulations which are under development. The registration fee is $10 per product model.

iv. Mini Grid Assessments

The Authority has been assessing and monitoring the development of mini grids installed in the country with a view to collect data and profile them. Mini grids play a pivotal role in electrifying rural, remote and marginalised communities in a bid to promote universal access to energy by 2030. Most of the solar mini grids in the country were of late developed by the Rural Electrification Fund (REF). Two of the mini grids that is Dete(120kW) and Hakwata (200kW) were developed by REF in partnership with UNDP.

These mini grids are operated and maintained by REF. The tariff of USD0.11 per kW is charged to recover the O&M costs only. The other mini grids were developed by development partners such as the NGOs and are generally community owned. The private sector for example, Distributed Power Africa (DPA) has at least developed one operational solar mini grid that is Ndolwane (23kW) and is also developing additional solar mini grids within the country. The Authority has adopted the AFUR mini grid tariff tool which is used to determine the cost reflective tariffs for mini grids as well as determining the level of subsidies required by mini grid developers as part of the viability gap funding to promote the uptake of mini grids. The national viability gap fund is yet to be established. Government through the Ministry of Energy and Power Development is in the process of developing the Mini Grids Policy Framework with support from the UK Government. Mini Grid Regulatory Framework and regulations are also going to be developed once the policy framework is in place. The table below shows the status of mini grids developed in Zimbabwe.

7.0 Energy Market Performance *(continued)*

Table 18: Mini Grids developed

#	Mini Grid Name	Capacity (kW)	Technology	Location	Ownership	Status	Points being Fed
1	Dete	120	Solar	Hurungwe	REA	Operational	66 connected points (26 households,37 business shops, 2 Schools, and 1 Clinic)
2	Gandavaroyi	97	Solar	Gokwe North	REA	Operational	22 connected points (Secondary school, Primary school, clinic, 11 staff houses, & 9 business shops)
3	Soti Source	160	Solar	Gutu	REA	Operational	The project beneficiaries are namely: Business shops, Primary & Secondary schools, Clinic, GMB, RIDA, Veterinary, ARDA, ZINWA offices and 4 Churches. The project has 4km of distribution network (LT6 line).
4	Chitulipasi	120	Solar	Beitbridge	REA	Operational	There are 42 connected prepaid meter points, covering Chitulipasi Primary school, 27 households, clinic, 18 business shops, ZRP Post, 2 Churches, Community Borehole, RIDA, Veterinary and Registry Offices
5	Chiwenga	45	Solar	Muzarabani	REA	Operational	Powers 21 shops, a clinic,15 households, primary and secondary school
6	Hakwata	200	Solar	Chipinge	REA	Operational	106 connected points (77 households, Primary school, 25 Business shops, Clinic& 2 productive loads)
7	Chiwore	60	Solar	Uzumba-Marambapfungwe	REA	Under Construction	
8	Bemba	59.4	Solar	Tsholotsho	REA	Operational	45 connected points (School, 6 staff houses, Clinic, 4 staff houses, 6 business shops &27 village houses)
9	Ndolwane	23	Solar	Bulilima District	Private Company -DPA	Operational	19 connected points (14 shops,4 households, hospital and primary school)
10	Nyafaru	28	Hydro	Nyanga	Community Based	Operational	26 connected points (Secondary School, Primary school, 20 staff houses, hostels, Clinic &base station)
11	Chipendeke	25	Hydro	Mutare RDC	Community Based	Operational	73 connected points (63 households, 8 business shops, Clinic and Primary School)
12	Mashaba	200	Solar	Gwanda	Community Based	Operational	19 connected points (11 commercial, 5 domestic & 3 social)
13	Himalaya	80	Hydro	Mutare RDC	Community Based	Not Operational	100 connected points (90 households, 8 business shops, grinding mill and Secondary School) * - Mini grid not operational at the time of visit as the transmission line required some repairs by REA

7.1.4 Energy efficiency

i. Provincial Hospitals Demonstration Projects

LED Retrofit Project

Two (2) LED retrofit projects, Victoria Chitepo and Gwanda Provincial Hospitals were completed in 2025. The projects at Victoria Chitepo and Gwanda Provincial Hospitals have been contracted to the tune of USD65,378.54 and USD34,957.09 respectively and a combined total cost of USD100,335.63 for a full retrofit of both institutions.

7.0 Energy Market Performance *(continued)*

The initiative sought to reduce electricity usage by lighting systems thereby reducing the energy cost at the hospitals. LED lighting, in addition, has a much longer lifespan and seldom requires maintenance. This enables reductions in the maintenance budget towards lighting at Hospital. These projects were corporate social responsibility initiative by ZERA aimed at achieving energy savings with efficient lighting systems in line with NDS1 objectives to intensify demand side management initiatives.

Table 19: Energy delivered

Source	2025 Supply (GWh)	2024 Supply (GWh)	Difference (GWh)	Variance %
Kariba	3336.3	1967.2	1369.1	69.60%
Hwange	2787.2	2491.1	296.1	11.89%
Hesco	4693.5	4918.4	-224.9	-4.57%
Bulawayo	0	0	0	-
Munyati	0	0	0	-
Harare	0	0	0	-
NRE hydro	93.4	60.2	33.2	55.15%
Kupinga	7.6	5.7	1.9	33.33%
Claremont	1.7	1.4	0.3	21.43%
Nre Solar	4.5	5	-0.5	-10.00%
Centragrid	48.3	17.2	31.1	180.81%
ZZZE-IEUG	308.5	318.6	-10.1	-3.17%
Solgas	7.7	8.5	-0.8	-9.41%
Guruve	4.8	3.8	1	26.32%
Odzi Hydro	1.5	1	0.5	50.00%
BLANKET MINE	1.1	21.5	-20.4	-94.88%
GZ hydro	42	5.5	36.5	663.64%
ZIMPLATS SMC	0	5.4	-5.4	-100.00%
Richaw	1.7		1.7	100.00%
Total Internal	**11339.8**	**9830.5**	**1509.3**	**15.35%**
ZESCO-ZIMPLATS	196.7	369	-172.3	-46.69%
ESKOM	103.4	882	-778.6	-88.28%
HCB (Schedule)	464.5	449.6	14.9	3.31%
EDM	154.5	368	-213.5	-58.02%
DAM	210.6	32.3	178.3	552.01%
Total Imports	**1129.7**	**2100.9**	**-971.2**	**-46.23%**
ZESCO	166.3	117.1	49.2	42.02%
ESKOM	0	0	0	-
DAM	12.1	22.8	-10.7	-46.93%
ENPOWER		30.9	-30.9	-100.00%
CEC (ZPC Exports)	858.9	305	553.9	181.61%
NAMPOWER (ZPC Exports)	334.8	373.4	-38.6	-10.34%
Total Exports	1372.1	849.2	522.9	61.58%
Total Supply	**11097.4**	**11082.2**	**1353.4**	**0.14%**

7.0 Energy Market Performance *(continued)*

The installed capacity of the captive power plants grew to 375.3MW with the additional capacity from Manhize (50MW Thermal) and Zimplats (35MW Solar) in 2025.

Table 20: Captive Power Plants

Plant	Installed capacity (MW)
Triangle	30
Hippo Valley	44
Green fuel	18.3
Manhize	50
Zhongjin Heli	100
Prestige Massive Xintai	50
Maximind Sabi Star	15
Tanganda	4.4
Turkey Mine	4.4
Zimplats	35
Blanket mine	12.2
Bikita Solar	12
Total	**375.3**

7.1.5 Energy mix

Coal fired thermal power plant contributed 58.90% to the energy mix and the large hydro is at 33.52%. Solar PV is at 3.33% whilst Bagasse and small hydro are at 2.95% and 1.29% respectively. Combined renewable energy contribution was 41.10% on the energy mix.

Energy mix

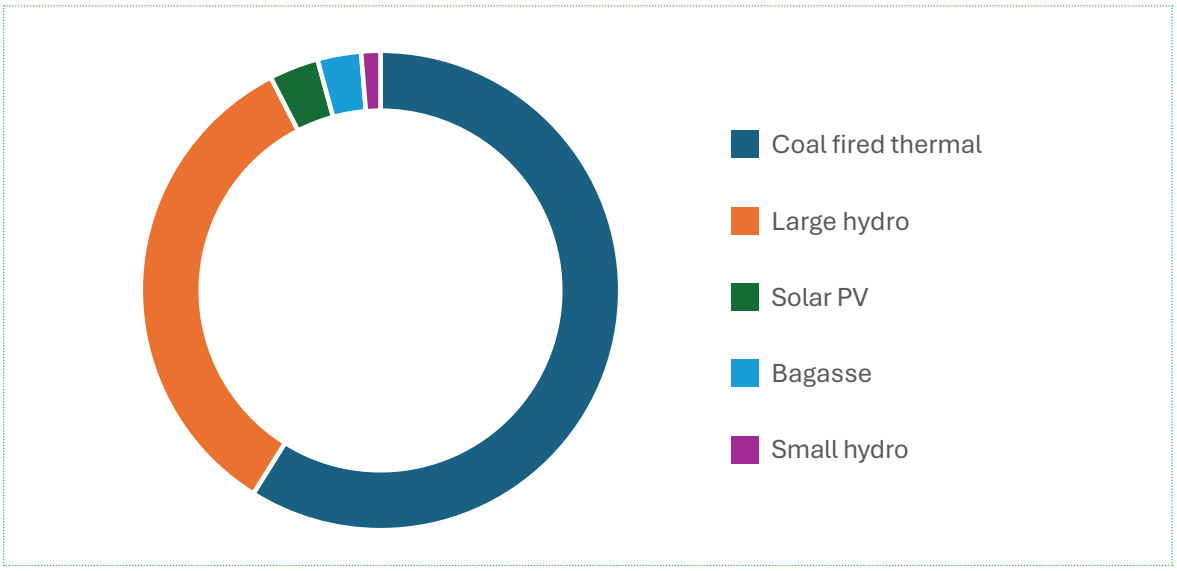


Figure 17: Energy mix

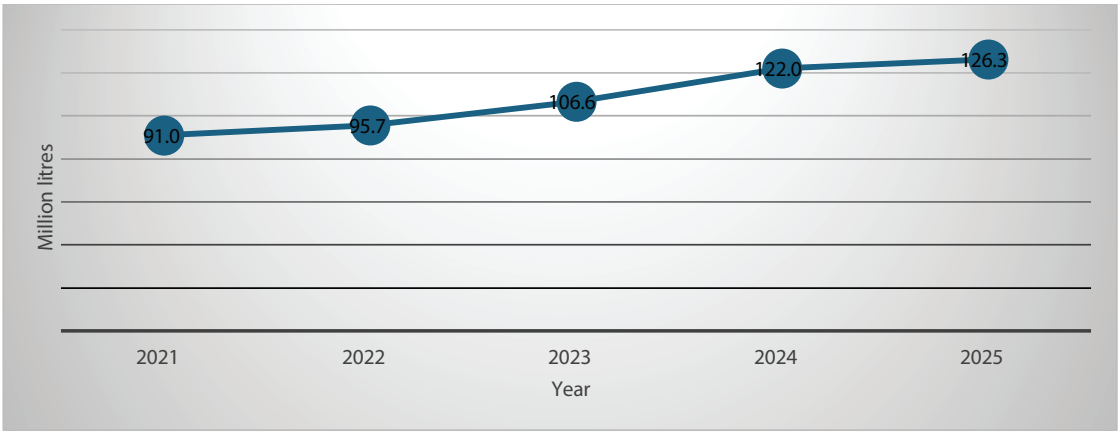
7.0 Energy Market Performance *(continued)*

7.3 Production and Imports of Petroleum Products

7.3.1 Ethanol Production

There has been continued increases in production of ethanol production by Green Fuel and Fuel Ethanol Company of Zimbabwe for the blending of anhydrous ethanol and petrol over the years. This has enabled sustained blending to ensure that the country meets its carbon emissions goals in line with NDCs. The blending program has placed Zimbabwe as a leader in introducing cleaner fuels in the SADC region.

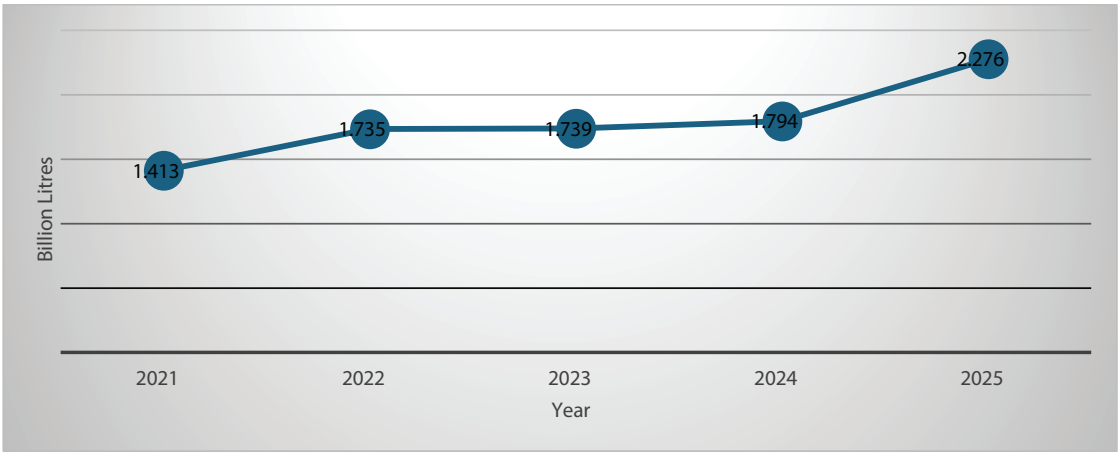
The graph below the growth in ethanol production between 2021 and 2025.



Graph 9: Ethanol production 2021-2025

7.3.2 Liquid fuel importation

The import figures for all liquid fuels (Diesel, Petrol, Paraffin and Jet A1) in Zimbabwe show a significant upward trend from 2024 to 2025. Total imports amounted to 1.794 billion litres in 2024 against 2.276 billion litres imported 2025 marking an increase of 26.9%. The graph below shows annual trends in imports over the past 5 years.



Graph 10: Total liquid fuel imports, 2021-2025

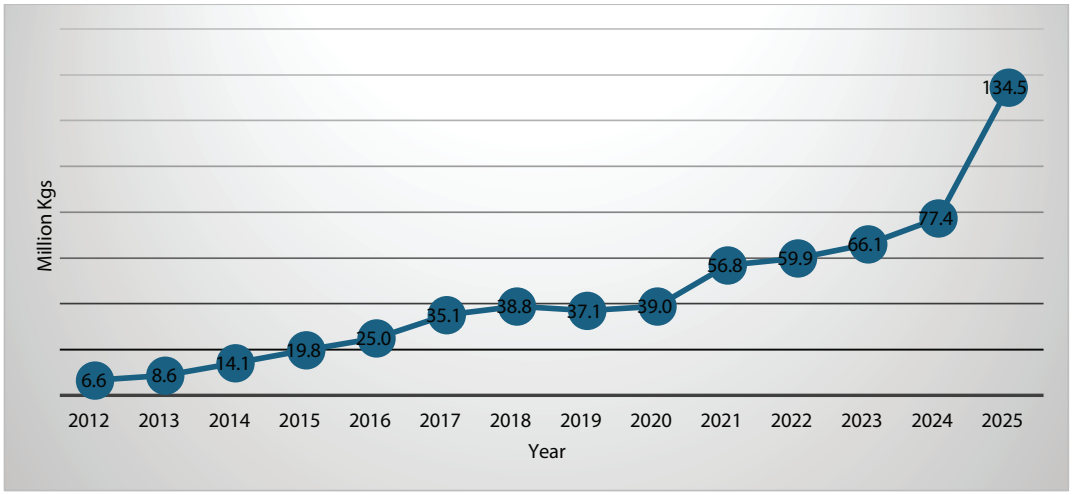
7.0 Energy Market Performance *(continued)*

Diesel imports surged from 1.13 billion litres in 2024 to 1.48 billion litres in 2025, reflecting a strong reliance on this fuel type both as an industrial and domestic fuel.

Petrol imports also saw considerable growth, rising from 569 million litres in 2024 to 713 million litres in 2025. Imports of Jet A1 declined from 95.1 million litres in 2024 to 85.2 million litres in 2025. Actual sales of Jet A1 to the aviation industry increased from 73.4 million litres to 85.35 million litres between 2024 and 2025 which reflects significant growth in the aviation industry.

7.3.3 Liquefied Petroleum Gas

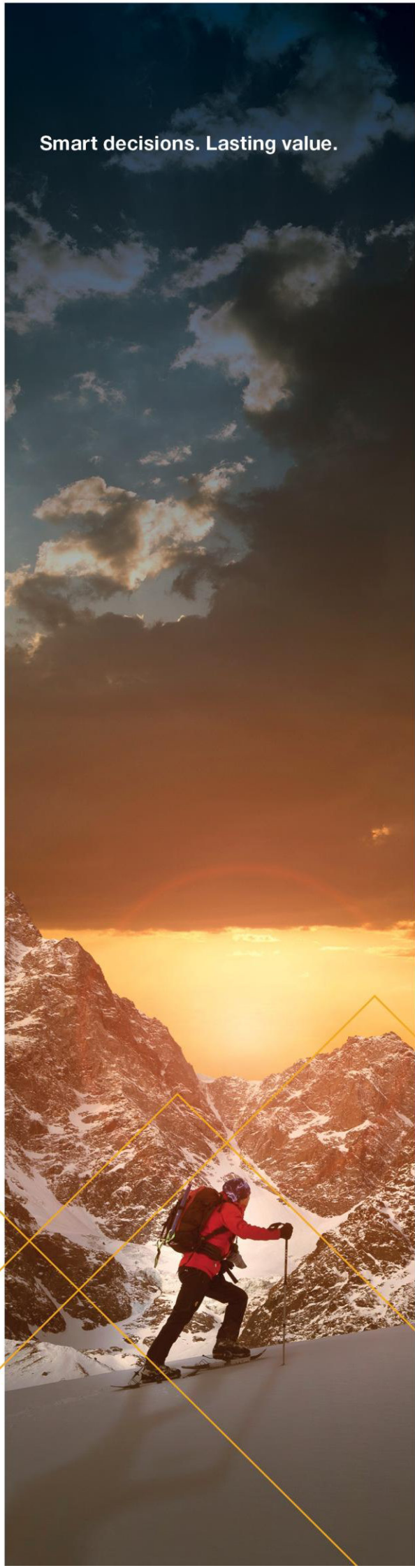
LPG imports have continued to show significant growth over the years which reflects increased usage and acceptance of the product especially in the domestic sector.



Graph 11: Liquefied Petroleum Gas imports

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ZIMBABWE ENERGY REGULATORY AUTHORITY

FINANCIAL STATEMENTS
Including the Report of the Independent Auditor
31 DECEMBER 2025

Audit / Tax / Advisory

ZIMBABWE ENERGY REGULATORY AUTHORITY

GENERAL INFORMATION
31 December 2025

NATURE OF ACTIVITIES:

The Zimbabwe Energy Regulatory Authority (ZERA) is a body corporate established in terms of the Energy Regulatory Authority Act [Chapter 13:23] of 2011. It is mandated to regulate the entire energy sector in Zimbabwe in a fair, transparent, efficient and cost-effective manner for the benefit of the consumers and energy suppliers.

BOARD MEMBERS:

Dr.Eng F Mavhiya- Bhiza	Chairperson (effective 26 Sep 2025)
Rtd Col. M. Mudzinganyama	Vice Chairperson (appointed 26 Sep 2025)
Mrs T. Madzivire	Member (appointed 26 Sep 2025)
Mr. D. Muhwava	Member (appointed 26 Sep 2025)
Ms L Chitanda Matowa	Member (appointed 16 Feb 2026)
Mr L Matutu	Member (appointed 16 Feb 2026)

MANAGEMENT:

Mr. E.T. Mazambani	Chief Executive Officer
Mr. N. Ranga	Finance Director
Ms. J. Mupamhanga	Corporate Secretary
Mr. L. Nechitoro	Senior Manager Economic Regulation
Mrs. C. Machimbidzofa	Senior Manager Monitoring and Evaluation
Mrs. R. B. Musiyiwa	Chief Audit Executive

REGISTERED OFFICE:

Stand No: 887-888,
Corner Endeavour Crescent and Venture Close,
Mount Pleasant
Harare, Zimbabwe

PRINCIPAL BANKERS:

ZB Bank Limited
4th & 5th Floors, ZB House Cnr
Speke Avenue/First Street
Harare, Zimbabwe

Stanbic Bank Limited
59 Samora Machel Avenue
Harare, Zimbabwe

AUDITORS:

Crowe Chartered Accountants (Zimbabwe)
7 Avon Rise
Avondale
Harare, Zimbabwe

LAWYERS:

Kantor & Immerman Legal Practitioners
MacDonald House
10 John Lander Nkomo Avenue
Harare, Zimbabwe

Wintertons Legal Practitioners
Beverly Corner,11 Selous Avenue
PO Box 452
Harare, Zimbabwe

Dube Manikai and Hwacha
DMH House, No 4 Fleetwood, Alexandra Park
Harare, Zimbabwe

ZIMBABWE ENERGY REGULATORY AUTHORITY

BOARD MEMBERS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS
31 December 2025

The Board members of Zimbabwe Energy Regulatory Authority ("ZERA" or "the Authority") are responsible for the maintenance of adequate accounting records and the preparation of the financial statements comprising:

- Statement of income and expenditure and other comprehensive income, statement of changes in accumulated reserves and statement of cash flows for the year ended 31 December 2025;
- Statement of financial position as at 31 December 2025;
- A summary of significant accounting policies applied by the Authority during the financial year ended 31 December 2025; and
- Notes to the financial statements.

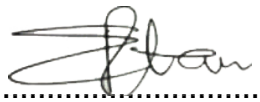
The Authority's independent external auditors, Crowe Chartered Accountants ("Crowe") have audited the financial statements, and their report appears on pages **61** to **65.**

The Board Members are also responsible for the implementation and maintenance of systems of internal controls. These are designed to provide reasonable, but not absolute assurance as to the reliability of the financial statements, and to safeguard, verify and maintain accountability of assets, and to prevent and detect material misstatements and losses. The systems are implemented and monitored by suitably trained personnel with an appropriate segregation of authority and duties. Nothing has come to the attention of the Board members to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review except those reported by the auditor.

The financial statements are presented on the going concern basis. There is no information that has come to the attention of the Board members to indicate that the Authority will not remain a going concern for the foreseeable future.

Approval of annual financial statements

The financial statements set out on pages **66** to **84** were approved by the Board members on the ……. and were signed on its behalf by:



……
Finance Director



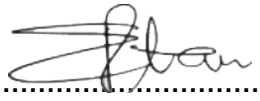
……
Chief Executive Officer



……
Board Chairperson

Preparer of the financial statements

The financial statements were prepared under the supervision of Mr. N. Ranga, a registered Public Accountant Zimbabwe (Reg number 05049).



……
Finance Director

Crowe

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF ZIMBABWE ENERGY REGULATORY AUTHORITY

Opinion

We have audited the financial statements of Zimbabwe Energy Regulatory Authority ("ZERA"/ "the Authority") set out on pages **66** to **84,** and comprising:

- Statement of income and expenditure and other comprehensive income, statement of changes in accumulated reserves and statement of cash flows for the year ended 31 December 2025;
- Statement of financial position as at 31 December 2025;
- A summary of significant accounting policies applied by the Authority during the financial year ended 31 December 2025; and
- Notes to the financial statements.

In our opinion, the financial statements give a true and fair view of the financial position of the Authority as at 31 December 2025, and its financial performance and cashflows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Compliance with International Standards on Auditing

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Authority in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Zimbabwe, and we have fulfilled our ethical responsibilities in accordance with these requirements and the IESBA Code.

Key audit matters

We summarise below the matters that had the greatest effect on our audit, our key audit procedures, and our findings from those procedures in order that the Authority's key stakeholders may better understand the process by which we arrived at our audit opinion. Our findings are the result of procedures undertaken in the context of and solely for the purpose of our audit opinion on the Authority's financial statements.

Revenue recognition – petroleum levy and electricity annual levies
(Refer to note 2 of the financial statements)

Key audit matter
Revenue is a key performance indicator of the Authority and is primarily derived from statutory levies, including:

- Electricity annual levies charged to the Zimbabwe Electricity Transmission and Distribution Company (ZETDC); and
- Petroleum levies collected by the Zimbabwe Revenue Authority (ZIMRA), as disclosed in Note 2 to the financial statements.

These revenue streams are material to the financial statements and collectively constitute the majority of the Authority's income.

The recognition of these revenues is dependent on data and processes managed by third parties, namely ZETDC and ZIMRA. As a result, the Authority has limited control over the underlying data used to determine revenue.

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REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF ZIMBABWE ENERGY REGULATORY AUTHORITY

This creates a risk that revenue may be incomplete or inaccurately recorded, particularly where there are limitations in independently verifying the completeness and accuracy of information received from these third parties.
Accordingly, revenue recognition for both electricity and petroleum levies was considered a key audit matter.

How the matter was addressed in the audit
Our procedures included, amongst others:

- Obtaining an understanding of the revenue recognition processes for both electricity and petroleum levies;
- Assessing the design and implementation of controls over the recording of revenue;
- Comparing revenue recorded to supporting schedules and remittances from ZETDC, ZPC and ZIMRA;
- Performing analytical procedures on revenue trends and comparing them to expected industry activity;
- Testing a sample of revenue transactions to supporting documentation; and
- Evaluating the adequacy of disclosures in Note 2 to the financial statements.

Based on the audit procedures performed, we found that revenue from petroleum levies and electricity annual levies was reasonably stated in all material respects and recognised in accordance with the Authority's accounting policies.

Valuation of property and equipment
(Refer to note 7 of the financial statements)

Key audit matter

The Authority's property and equipment are carried at revalued amounts, with a balance of ZWG 582,646,494 as at 31 December 2025.

The valuation of property and equipment was considered a key audit matter due to the significance of the balance and the high level of judgement and estimation uncertainty involved in determining fair values.

The revaluation process involves the use of external independent valuers and requires the application of valuation techniques that incorporate key assumptions, including:

- Market-based inputs and comparable sales data;
- Discount rates and other valuation parameters; and
- Judgements regarding the condition, location, and remaining useful lives of the assets.

In addition, given the economic environment in Zimbabwe, determining fair value requires careful consideration of market volatility and the availability of reliable observable inputs.

Small changes in key assumptions could have a material impact on the valuation of property and equipment and, consequently, on other comprehensive income and accumulated reserves.

Given the magnitude of the balance and the level of judgement involved, this area required significant audit attention.

How the matter was addressed in the audit

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REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF ZIMBABWE ENERGY REGULATORY AUTHORITY

Our procedures included, amongst others:

- Evaluating the competence, independence, and objectivity of the external valuers engaged by the Authority.
- Assessing the appropriateness of the valuation methodologies applied, with reference to the requirements of IFRS 13 Fair Value Measurement.
- Testing key inputs used in the valuation models by comparing them to observable market data, where available.
- Assessing the reasonableness of key assumptions, including discount rates and market comparables.
- Performing sensitivity analyses on significant assumptions to evaluate the potential impact on the valuation.
- Considering whether revaluations were performed with sufficient frequency to ensure that carrying amounts do not differ materially from fair value; and
- Evaluating the adequacy and appropriateness of financial statement disclosures relating to valuation techniques, assumptions, and estimation uncertainty.

Based on the procedures performed, we found the valuation of property and equipment to be reasonable in the context of the financial statements as a whole.

Other Information

Management is responsible for the other information, which comprises the statutory electricity receipts and expenditure statement for the year ended 31 December 2025 as set out on page 94.

Our opinion on the financial statements does not cover the other information and we do not express any assurance thereon. However, based on the work performed, we have concluded that the other information is consistent, in all material respects, with the financial statements and our knowledge obtained in the audit, and our opinion is not modified in respect of this matter.

Responsibilities of the Board members for the financial statements

The Board members of the Authority are responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standards. This responsibility includes, but is not limited to the following:

- Designing, implementing, and maintaining internal controls that ensure proper preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error;
- Formulating and applying appropriate accounting policies; and
- Making accounting estimates that are reasonable in the Authority's circumstances.

In preparing the financial statements, the Board members are responsible for assessing the Authority's ability to continue operating as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board members either intend to liquidate the Authority or cease operations, or have no realistic alternative but to do so.

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REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF ZIMBABWE ENERGY REGULATORY AUTHORITY

Auditor's responsibilities for the audit of the financial statements

Our responsibility is to obtain reasonable assurance about whether the financial statements are free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate they could reasonably be expected to influence the economic decisions of users taken based on these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatements of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board members.

- Conclude on the appropriateness of the Board members' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern. If we conclude that material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause ZERA to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board members regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we may identify during our audit.

We also provide the Board members with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board members, we determine those matters that were of most significance in the audit of the financial statements and therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF ZIMBABWE ENERGY REGULATORY AUTHORITY

Report on legal and regulatory requirements

In our opinion, these financial statements comply in all material respects, with the legal and regulatory requirements of the Energy Regulatory Act [Chapter 13:23] and the Public Finance Management Act [Chapter 22:19].

The Engagement Partner on the audit resulting in this independent auditor's report is Albert Tirivangani.



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CROWE CHARTERED ACCOUNTANTS

Albert Tirivangani
Engagement Partner
Registered Auditor
PAAB Practicing Number: 0584

ZIMBABWE ENERGY REGULATORY AUTHORITY

STATEMENT OF INCOME AND EXPENDITURE AND OTHER COMPREHENSIVE INCOME
for the year ended 31 December 2025

		INFLATION ADJUSTED		HISTORICAL COST RESTATED	
	Notes	2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
Revenue	**2**	755 927 678	485 012 453	750 557 230	318 607 072
Other income	**3**	4 536 916	25 238 151	4 504 685	19 954 946
Administrative expenses	**4**	(506 674 805)	(342 318 668)	(503 075 162)	(219 691 482)
Operating surplus		253 789 789	167 931 936	251 986 753	118 870 536
Net finance income	**5**	5 078 119	700 791	5 042 042	233 225
Monetary (loss)		(7 373 266)	(82 465 099)	-	-
Surplus for the year		251 494 642	86 167 628	257 028 795	119 103 761
Other comprehensive income:					
Items that will not be reclassified to profit or loss:					
Revaluation surplus		56 076 240	354 758 458	101 538 249	313 035 173
Total comprehensive income for the year		**307 570 882**	**440 926 086**	**358 567 044**	**432 138 934**
Total comprehensive income attributable to:					
ZERA		307 570 882	399 411 684	358 567 044	395 507 057
Rural Electrification Fund		-	41 514 403	-	36 631 877
		307 570 882	**440 926 086**	**358 567 044**	**432 138 934**

ZIMBABWE ENERGY REGULATORY AUTHORITY

STATEMENT OF FINANCIAL POSITION
as at 31 December 2025

		INFLATION ADJUSTED		HISTORICAL COST	RESTATED
		2025	2024	2025	2024
		ZWG	ZWG	ZWG	ZWG
ASSETS	**Note**				
Non-current assets					
Property and equipment	**6**	582 646 494	392 740 227	582 646 494	346 549 891
Intangible assets	**7**	2 546 910	108 064	2 546 910	95 354
Right of use asset	**8.2**	5 261 148	7 989 946	5 261 148	7 050 245
		590 454 552	400 838 237	590 454 552	353 695 490
Current assets					
Inventory	**10**	726 160	556 529	726 160	491 075
Accounts receivable	**11**	181 537 081	136 440 673	181 537 081	120 400 609
Cash and cash equivalents		95 746 807	63 586 407	95 746 807	58 171 644
		278 010 048	200 583 609	278 010 048	179 063 328
Total assets		**868 464 600**	**601 421 846**	**868 464 600**	**532 758 818**
RESERVES AND LIABILITIES					
Accumulated reserves					
Non-distributable reserves		414 658 647	754 853	666 075	666 075
Revaluation reserves		754 852	358 582 407	417 947 635	316 409 386
Retained income		343 367 468	91 872 826	340 167 257	83 138 462
		758 780 967	451 210 086	758 780 967	400 213 923
Non-current liabilities					
Lease liability	**8.3**	20 774	6 763 994	20 774	6 015 122
Current liabilities					
Accounts payable	**12**	103 908 686	137 913 589	103 908 686	121 693 117
Lease liability	**8.3**	5 754 173	5 534 177	5 754 173	4 836 656
		109 662 859	143 447 766	109 662 859	126 529 773
Total reserves and liabilities		**868 464 600**	**601 421 846**	**868 464 600**	**532 758 818**

Mr. N. Ranga
Finance Director

Mr. E. T. Mazambani
Chief Executive Officer

Dr.Eng F Mavhiya- Bhiza
Board Chairperson

17-Apr-26

ZIMBABWE ENERGY REGULATORY AUTHORITY

STATEMENT OF CHANGES IN ACCUMULATED RESERVES
for the year ended 31 December 2025

INFLATION ADJUSTED

	Note	Non Distributable reserves ZWG	Revaluation Reserves ZWG	Retained Income ZWG	Total ZWG
Balance as at 31 December 2023		**754 854**	**3 823 949**	**47 219 600**	**51 798 403**
Surplus for the year		-	-	86 167 628	86 167 628
Revaluation surplus		-	354 758 458	-	354 758 458
Transfer to Rural Electrification Fund Account		-	-	(41 514 403)	(41 514 403)
Balance as at 31 December 2024		**754 854**	**358 582 407**	**91 872 826**	**451 210 087**
Surplus for the year		-	-	251 494 642	251 494 642
Revaluation surplus		-	56 076 240	-	56 076 238
Balance as at 31 December 2025		**754 854**	**414 658 647**	**343 367 468**	**758 780 967**

HISTORICAL COST

	Non Distributable reserves ZWG	Revaluation Reserves ZWG	Retained Income ZWG	Total ZWG
Balance as at 31 December 2023	**666 075**	**3 374 213**	**41 666 084**	**45 706 372**
Surplus for the year	-	-	119 103 761	119 103 761
Revaluation surplus	-	313 035 173	-	313 035 173
Loss on restatement	-	-	(40 999 506)	(40 999 506)
Transfer to Rural Electrification Fund Account	-	-	(36 631 877)	(36 631 877)
Balance as at 31 December 2024	**666 075**	**316 409 386**	**83 138 462**	**400 213 923**
Surplus for the year	-	-	257 028 795	257 028 795
Revaluation surplus	-	101 538 249	-	101 538 249
Balance as at 31 December 2025	**666 075**	**417 947 635**	**340 167 257**	**758 780 967**

ZIMBABWE ENERGY REGULATORY AUTHORITY

STATEMENT OF CASHFLOWS
for the year ended 31 December 2025

		INFLATION ADJUSTED		HISTORICAL COST	
					RESTATED
	Note	2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
CASHFLOWS FROM OPERATING ACTIVITIES					
Surplus for the year		251 494 642	86 167 628	257 028 795	119 103 761
Adjustment for:					
Depreciation and amortisation		28 468 772	6 745 841	28 266 517	4 696 830
Bad debts		-	15 064	-	12 838
Bad debts provision		6 825 131	1 856 669	6 776 642	1 638 306
Loss on disposal of property and equipment		6 441 615	20 080 192	6 395 851	19 374
Foreign exchange gain		9 182 917	(5 121 954)	9 117 678	(598 920)
Inflation effects on cash		(27 499 311)	(133 040 916)		
Monetary loss / (gain)		7 373 266	82 465 099	-	-
Changes in working capital:					
Increase in inventory		(169 631)	(393 478)	(235 085)	(393 284)
Increase in accounts receivable		(45 096 408)	(86 950 872)	(61 136 472)	(90 619 720)
Increase in accounts payable		(33 620 750)	94 585 362	(24 400 066)	78 591 149
Cash generated from operating activities		**203 400 243**	**66 408 635**	**221 813 860**	**112 450 334**
Finance costs:					
Interest income		(5 915 162)	(1 564 002)	(5 873 138)	(994 913)
Interest expense		837 043	863 211	831 096	761 688
Net cash inflow from operating activities		**198 322 124**	**65 707 844**	**216 771 818**	**112 217 109**
Total comprehensive income for the year					
CASHFLOWS FROM INVESTING ACTIVITIES					
Acquisition of property and equipment	7	(164 933 600)	(31 545 653)	(163 761 838)	(27 835 556)
Acquisition of intangible assets	8	(2 125 414)	(2 365)	(2 110 314)	(2 087)
Interest received		5 915 162	1 564 002	5 873 138	994 913
Proceeds from disposal of property and equipment		1 130 855	53 870	1 122 821	29 904
Net cash outflow from investing activities		**(160 012 997)**	**(29 930 146)**	**(158 876 194)**	**(26 812 826)**
CASHFLOWS FROM FINANCING ACTIVITIES					
Lease liability		**(6 148 726)**	**(6 976 110)**	**(6 105 043)**	**(6 155 648)**
Net (decrease) / increase in cash and cash equivalents		**32 160 401**	**28 801 588**	**51 790 581**	**79 248 635**
Cash and cash equivalents at the beginning of the year		**63 586 407**	**34 784 819**	**58 171 644**	**20 928 789**
Effects of translation to presentation currency		**-**	**-**	**(14 215 418)**	**(42 005 780)**
Cash and cash equivalents at the end of the year		**95 746 807**	**63 586 407**	**95 746 807**	**58 171 644**

ZIMBABWE ENERGY REGULATORY AUTHORITY

STATEMENT OF ACCOUNTING POLICIES
for the year ended 31 December 2025

1 NATURE OF BUSINESS

Zimbabwe Energy Regulatory Authority ("ZERA"/ "the Authority") is a parastatal established by an Act of Parliament, the Energy Regulatory Act [Chapter 13:23] and is wholly owned by the Government of Zimbabwe. The mandate of ZERA is to regulate the energy industry.

2 SUMMARY OF ACCOUNTING POLICIES

2.1 Basis of preparation

The principal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are based on statutory records that are maintained under the historical cost convention except for certain financial instruments that are measured at amortised cost and property, plant and equipment that is measured using the revaluation model.

These financial statements have been prepared in accordance with International Financial Reporting Standards, International Accounting Standards and Interpretations (collectively IFRSs) issued by the International Accounting Standards Board (IASB).

The preparation of financial statements in compliance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the most appropriate application in complying with the Authority's accounting policies. The areas where significant judgments and estimates have been made in preparing the financial statements and their effect are disclosed on accounting policy note 13.

2.2 New or revised standard or interpretation

2.2.1 New standards, interpretations and amendments effective from 1 October 2025

The following new standards, amendments and interpretations are effective for the first time for periods beginning on or after 1 October 2025 but have not had a material effect on the Company and so have not been discussed in detail in the notes to the financial statements:

- Amendments to IFRS 3 Business Combinations Reference to the Conceptual Framework.
- Amendments to IAS 37 Provisions, Contingent Liabilities, Contingent Assets - Cost of Fulfilling a Contract.

2.2.2 New standards, interpretations, and amendments not yet effective

The following new standards, interpretations, and amendments, which are not yet effective and have not been adopted early in these financial statements, will or may have an effect on the Company's future financial statements:

- IFRS 19 – Subsidiaries without Public Accountability: Disclosures, effective for annual reporting periods beginning on or after 1 January 2027 (early adoption permitted).
- Amendments to IFRS 9 and IFRS 7 – Contracts Referencing Nature-Dependent Electricity, effective for annual reporting periods beginning on or after 1 January 2026.
- Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments, effective for annual reporting periods beginning on or after 1 January 2026.

None of the new standards, interpretations, and amendments, which are effective for periods beginning after 1 October 2025 have been adopted early, and management has not made an assessment and cannot ascertain if they will have a material effect on the Company's future financial statements.

2.3 Presentation and functional currency change disclosure

The financial statements of the Zimbabwe Energy Regulatory Authority are presented in Zimbabwe Gold (ZWG), which is the Authority's presentation currency. All amounts are rounded to the nearest ZWG.

a) Prior year balances previously translated into ZWG were used as comparative figures for the current reporting period.

b) All transactions for the year ended 31 December 2025 were denominated and recorded in ZWG.

c) Any exchange differences arising in prior periods were recognised in retained earnings.

2.4 Accounting convention

The financial statements are prepared from books and records maintained under the historical cost convention and are restated to take into account the effects of inflation in accordance with International Accounting Standard 29 (Financial Reporting in Hyperinflationary Economies). The historical cost financial information has been restated for changes in the general purchasing power of the Zimbabwe Dollar (ZWG). Accordingly, the inflation adjusted financial statements are the primary financial statements of the Authority. Historical cost financial statements have been provided by way of supplementary information.

ZIMBABWE ENERGY REGULATORY AUTHORITY

STATEMENT OF ACCOUNTING POLICIES
for the year ended 31 December 2025

2 SUMMARY OF ACCOUNTING POLICIES (continued)

2.4 Accounting convention

IAS 29 requires that the financial statements of an entity whose functional currency is the currency of a hyperinflationary economy be stated in terms of the measuring unit current at the reporting date and that the corresponding figures for the comparative periods be stated in the same terms. The financial statements and the corresponding figures for the previous year have been restated to take account of the changes in the general purchasing power of the Zimbabwe dollar. The restatement is based on conversion factors derived from the Zimbabwe Consumer Price Index (CPI) compiled by the Reserve Bank of Zimbabwe from the figures provided by Zimbabwe National Statistics Agency (ZIMSTATS). The indices and conversion factors used are as follows:

MONTHLY CPI

Month	CPI	Base factors	Conversion factors
December 2024	112.3915	127.37173	1.13329
January 2025	125.4	127.37173	1.0157
February 2025	125.8	127.37173	1.0126
March 2025	125.8	127.37173	1.0121
April 2025	126.2	127.37173	1.0094
May 2025	126.2	127.37173	1.0092
June 2025	126.1	127.37173	1.0103
July 2025	126.8	127.37173	1.0044
August 2025	126.9	127.37173	1.0039
September 2025	126.8	127.37173	1.0047
October 2025	127.0	127.37173	1.0027
November 2025	127.3	127.37173	1.0008
December 2025	127.4	127.37173	1.0000
Average			1.0072

Financial year end CPI

Yearly CPI	CPI	Conversion factor
31 December 2025	127.4	1.0000
31 December 2024	166.3	1.0000
31 December 2023	65 703.4	9.0855

The main procedures applied in the above-mentioned restatement of transactions and balances are as follows:

- All corresponding comparatives figures as of and for the period ended 31 December 2024 are restated by applying the change in the index from 31 December 2024 to 31 December 2025;
- Monetary assets and liabilities are not restated because they are already stated in terms of the measuring unit current at reporting date;
- Non-monetary assets and liabilities that are not carried at amounts current at reporting date and components of equity are restated by applying the change in the index from the date of the transaction or if applicable from their most recent revaluation;
- Property and equipment is restated by applying the change in the index from the date of acquisition or the date of their most recent revaluation to 31 December 2025. Depreciation and amortisation amounts are based on the restated amounts;
- Gains and losses arising from the net monetary position are included in the statement of comprehensive income; and
- All items in the cash flow statement are expressed in terms of the measuring unit current at the reporting date.

2.5 Revenue recognition

As per IFRS 15, revenue is recognized on accrual basis and the revenue categories of the entity are as follows;

2.5.1 Electricity annual levies

Levies are charged at 1% of electricity sales to electricity generating, transmission and distributing companies in terms of Statutory Instrument number 6 of 2008.

2.5.2 Electricity license application fees

License application fees are charged to all companies and individuals who submit applications to obtain any form of trading license in terms of the applicable regulation promulgated through statutory instrument.

ZIMBABWE ENERGY REGULATORY AUTHORITY

STATEMENT OF ACCOUNTING POLICIES
for the year ended 31 December 2025

2 SUMMARY OF ACCOUNTING POLICIES (continued)

2.5 Revenue recognition (continued)

2.5.3 License fees

Electricity license fees are charged to new companies who are into the generation , transmission and distributing companies in terms of the applicable regulation promulgated through statutory instrument.

License fees for the Petroleum sub-sector vary depending on the category of business as follows:

i) Blending
ii) Procurement
iii) Production
iv) Retail
v) Wholesalers

2.5.4 Petroleum levy

The Authority with the approval of the Minister commenced imposing of a levy of United States dollars (USD) 0.005 per litre to be part of the pricing of diesel and petrol, collectable upon importation of the products. This new revenue line was introduced in October 2024, through Statutory Instrument 168 of 2024.

2.5.5 Interest

Interest income is accrued on a time proportionate basis, by reference to the principal outstanding and effective interest method.

2.6 Financial Instruments

2.6.1 Loans and receivables

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of services to customers. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

For trade receivables, which are reported net, such provisions are recorded in a separate allowance account with the loss being recognised within other operating expenses in profit or loss. On confirmation that the trade receivable is not collectable, the gross carrying value of the asset is written off against the associated provision.

2.6.2 Financial liabilities

The Authority's financial liabilities comprise borrowings and accounts payable. Borrowings are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest-bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the statement of financial position. Interest expense in this context includes initial transaction costs as well as any interest or coupon payable while the liability is outstanding. Accounts payable are initially recognised at fair value and subsequently carried at amortised cost using the effective interest rate method.

2.6.3 De-recognition of financial assets

Financial assets are derecognized when the rights to receive cash flows from the assets have expired or where they have been transferred and the Authority has also transferred substantially all risks and rewards of ownership. Gains and losses are recognised in the statement of profit or loss when the financial assets are derecognized or impaired, as well as through the amortization process.

2.6.4 Impairment of financial assets

A financial asset is deemed to be impaired when its carrying amount is greater than its estimated receivable amount, and there is evidence to suggest that the impairment occurred subsequent to the initial recognition of the asset in the financial statements.

3 CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes cash on hand, deposits held on call with banks and other short-term deposits with an original maturity of three months or less and are measured at amortised cost.

4 EMPLOYEE BENEFIT COSTS

4.1 Short term benefits

The cost of all short-term benefits such as salaries, employee entitlements to leave pay, bonuses, medical aid and other contributions are recognised during the period in which the employee renders the related service. The Authority recognises the expected cost of bonuses only when it has a present legal or constructive obligation to make such payment and a reliable estimate can be made.

4.2 Post-employee benefits

Contributions to defined contribution pension schemes are charged to the statement of profit or loss for the year. All eligible employees contribute to the National Social Security Authority pension scheme.

ZIMBABWE ENERGY REGULATORY AUTHORITY

STATEMENT OF ACCOUNTING POLICIES
for the year ended 31 December 2025

5 PROVISIONS

Provisions are recognised when the Authority has a present legal or constructive obligation as a result of past events and a reliable estimate of the obligation can be made. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cashflows estimated to settle the present obligation, its carrying amount is the present value of those cashflows.

6 PROPERTY AND EQUIPMENT

Property and equipment are stated in the statement of financial position at their revalued amounts, being the fair value at the date of revaluation.

Costs include costs incurred initially to acquire or construct an item of property and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property and equipment, the carrying amount of the replaced part is derecognised.

Property and equipment are depreciated on the straight-line basis over their expected useful lives to their estimated residual value.

Depreciation on revalued assets is recognised in profit or loss. On the subsequent sale or retirement of a revalued property, the attributable revaluation surplus remaining in the property revaluation reserve is transferred directly to retained earnings.

Properties in the course of construction for administrative purposes are carried at revalued amounts. Cost includes professional fees and, for qualifying assets, borrowing costs. Depreciation of these assets, determined on the same basis as other property assets, commences when the assets are ready for their intended use. Land is not depreciated.

Item	Depreciation rates
Furniture and fixtures	20%
IT equipment	33.3% - 50%
Buildings	2.5%
Motor vehicles	20%
Office equipment	20%
Office partitions	4%
Other property and equipment	33.3% - 50%

Depreciation commences when the asset is ready for intended use and it ceases when the asset is no longer in use or is disposed. The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting period. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate. The gain or loss arising from derecognition of an item of property and equipment is included in profit or loss when the item is derecognized. The gain or loss arising from derecognition of an item of property and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

Impairment of property and equipment

The carrying amount of property and equipment is reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. Impairment loss is recognised directly in profit or loss when the carrying amounts of the assets exceed the fair values of the respective assets.

Derecognition of plant and equipment

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected from use or disposal.

7 INVENTORIES

On initial recognition, inventories are measured at cost. Cost comprises all costs of purchasing, direct materials, direct labour (where applicable) and other costs incurred in bringing the inventories to their present location and condition. Subsequently, it is measured at the lower of cost and net realisable value. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Cost is determined using the weighted average cost method. Obsolete and slow-moving inventories are identified and written down to their net realisable value. Write-downs to net realisable value and inventory losses are recognised in profit or loss in the period in which they are incurred.

8 BORROWING COSTS

Borrowing costs are recognised as an expense in the period in which they are incurred, except to the extent to which they meet the criteria for capitalization against a qualifying asset, in which case it should be capitalized as part of the cost of that asset.

9 LEASES

The determination of whether an arrangement contains a lease depends on the substance of the arrangement at inception date and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and whether the arrangement conveys a right to use the assets.

ZIMBABWE ENERGY REGULATORY AUTHORITY

STATEMENT OF ACCOUNTING POLICIES
for the year ended 31 December 2025

Right of use assets and lease liabilities are recognised for contracts containing a lease. The right of use at initial recognition will be recognised at cost and the Authority will recognise the lease liability at the present value of the lease payments not paid at that date. Right of use assets are depreciated in accordance with the accounting policy applicable to property and equipment. The corresponding rental obligations, net of finance costs, are included in long term borrowings. Lease finance costs are amortised to profit or loss over the duration of the leases so as to achieve a constant rate of interest on the remaining balance of the liability.

10 FOREIGN CURRENCY TRANSLATIONS

Transactions in foreign currencies are initially recorded in the functional currency at the exchange rate ruling at the date of transaction. At each reporting date, monetary assets and liabilities denominated in foreign currencies are translated at the functional currency exchange rate ruling at the reporting date. Non-monetary assets and liabilities which are carried at fair value denominated in foreign currencies are translated at rates prevailing at the date when the fair value was determined. All gains and losses arising on exchange rate movements are included in the statement of profit or loss for the period, except for exchange differences arising on non-monetary assets and liabilities where the changes in the fair value are recognized directly in reserves.

11 GOING CONCERN

The Directors have satisfied themselves that the Authority is in a sound financial position and has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they are satisfied that it is appropriate to adopt the going concern basis in preparing the financial statements.

12 TAX

Corporate tax
ZERA is exempt from paying corporate tax in accordance with the Income Tax Act [Chapter 23:06].

Value Added Tax (VAT)
VAT is accounted for on accrual basis but remittance to Zimbabwe Revenue Authority (ZIMRA) is on cash basis. This was after ZIMRA approved for the use of the cash basis. The difference which arises between accrual and cash basis are classified under long term liability as Deferred VAT liability in the Statement of Financial Position. However, there is no obligation to settle it with ZIMRA, the liability will clear when the cash amount received from electricity receivables exceeds the invoiced value. ZERA had collected amounts from which VAT is due to ZIMRA and is included in the Trade and other payables figure in the Statement of Financial Position.

13 CRITICAL JUDGEMENTS IN APPLYING THE AUTHORITY'S ACCOUNTING POLICIES

In preparing the financial statements, management is required to make estimates and assumptions that affect the amounts presented in the financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the financial statements. Significant judgements include:

13.1 Trade and other receivables

The Zimbabwe Energy Regulatory Authority assesses its trade and other receivables for impairment at each reporting date. In determining whether an impairment loss should be recorded in profit or loss, judgements are made as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

13.2 Impairment testing on property and equipment

The Zimbabwe Energy Regulatory Authority tests on an annual basis, whether an asset has suffered impairment. An impairment loss is the amount by which the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of an asset is the higher of its fair value less cost of disposal and its value in use. The determination of value in use requires the estimation of future cash flows and of a discount rate.

13.3 Residual values and useful lives

Property and equipment is depreciated over its useful life taking into account residual values, where appropriate. Useful lives and residual values are assessed annually after considering factors such as relevant market information, the condition of the asset and management's consideration. The estimation of the useful lives of assets is based on historical performance as well as expectations about future use and therefore requires a significant degree of judgement to be applied by management. The actual useful lives of these assets can vary depending on a variety of factors, including technological innovation and product life cycles.

13.4 Going concern

The Zimbabwe Energy Regulatory Authority assesses its going concern at each reporting date. Going concern assessment is an area involving management judgement requiring assessment as to whether the carrying amount of the assets can be supported by the net present value of future cashflows derived from such assets using cash flow projections which have been discounted at an appropriate rate.

ZIMBABWE ENERGY REGULATORY AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2025

1 INCORPORATION AND ACTIVITIES

The Zimbabwe Energy Regulatory Authority (ZERA) is a body corporate established in terms of the Energy Regulatory Authority Act [Chapter 13:23] of 2011. It is mandated to regulate the entire energy sector in Zimbabwe in a fair, transparent, efficient and cost-effective manner for the benefit of the consumers and energy suppliers. ZERA derives its mandate from the Energy Regulatory Authority Act [Chapter 13:23] of 2011 read together with the Electricity Act no 4 of 2002 [Chapter 13:19], the Petroleum Act [Chapter 13:22] of 2006 and subsequent amendments.

2 REVENUE

	INFLATION ADJUSTED		HISTORICAL COST	
				RESTATED
	2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
Electricity annual levies	372 777 797	354 896 365	370 129 417	216 609 887
Electricity license application fees	5 926 453	1 529 692	5 884 349	843 526
Electricity license fees (**Note 13**)	7 885 566	10 604 245	7 829 544	15 753 731
Liquid petroleum gas license fees	8 865 177	4 541 105	8 802 195	2 704 842
Petroleum license fees	65 603 093	38 863 503	65 137 020	19 748 444
Petroleum levy	294 869 592	74 577 543	292 774 707	62 946 642
	755 927 678	485 012 453	750 557 230	318 607 072

3 OTHER INCOME

	INFLATION ADJUSTED		HISTORICAL COST	
	2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
Fines and penalties	3 206 395	2 301 120	3 183 616	1 703 056
Foreign currency translation gains	-	5 121 954	-	598 920
Insurance proceeds	174 731	55 875	173 490	23 860
Realized gains on foreign currency account	344 292	17 116 373	341 846	17 166 970
Tender income	811 498	642 829	805 733	462 140
	4 536 916	25 238 151	4 504 685	19 954 946

4 ADMINISTRATIVE EXPENSES

Audit fees	563 100	599 858	559 100	364 522
Bad debts	-	15 064	-	12 838
Bad debts provision	6 825 131	1 856 669	6 776 642	1 638 306
Bank charges	9 454 606	7 656 593	9 387 436	5 071 156
Board fees	1 528 214	1 330 763	1 517 357	798 228
Computer expenses	943 085	322 462	936 385	257 766
Consulting and professional fees	12 015 787	7 058 450	11 930 421	3 314 784
Consumables	5 441 440	2 839 265	5 402 781	2 050 789
Corporate social responsibility and donations	7 851 251	6 308 819	7 795 473	4 175 425
Depreciation and amortisation	28 468 772	6 745 841	28 266 517	4 696 830
Employee costs (**note 4.1**)	211 395 322	172 826 781	209 893 475	107 166 539
Entertainment allowances	631 934	723 871	627 444	495 927
Foreign currency translation loss	9 182 917	-	9 117 678	-
Foreign travel and subsistence	12 988 931	6 203 041	12 896 651	3 534 415
Insurance	2 318 833	2 061 869	2 302 359	940 139
Lease rentals on operating lease	-	3 326 288	-	2 060 998
Local travel and subsistence	30 480 068	18 686 028	30 263 524	13 195 277
Loss on disposal of assets	6 441 615	145 696	6 395 851	19 374
Motor vehicles running expenses	23 472 389	20 080 192	23 305 631	13 398 062
Petroleum levy administration fee	29 486 959	7 457 754	29 277 471	6 294 664
Postage and telephone	10 015 145	8 439 746	9 943 993	5 134 370
Printing and stationery	691 237	899 921	686 326	568 187
Promotions, advertising and publicity	24 277 997	14 527 985	24 105 515	10 308 187
Repairs and maintenance and office administration	34 575 531	18 553 283	34 329 891	10 938 659
Research and development	2 157 484	1 062 225	2 142 157	578 942
Subscriptions	6 841 156	4 317 927	6 792 554	2 308 106
Workshops and seminars	28 625 901	28 272 277	28 422 530	20 368 992
	506 674 805	342 318 668	503 075 162	219 691 482

ZIMBABWE ENERGY REGULATORY AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2025

4 ADMINISTRATIVE EXPENSES (continued)	INFLATION ADJUSTED		HISTORICAL COST	
	2025 ZWG	**2024 ZWG**	**2025 ZWG**	**2024 ZWG**
4.1 Employee costs				
Salaries and wages	202 460 762	166 588 657	201 022 390	103 656 597
Social security costs	1 673 313	1 046 936	1 661 425	650 903
Medical aid	7 261 246	5 191 188	7 209 659	2 859 039
	211 395 321	172 826 781	209 893 475	107 166 539
5 NET FINANCE INCOME				
Interest income received	5 915 162	1 564 002	5 873 138	994 913
Interest expense - lease liability	(837 043)	(863 211)	(831 096)	(761 688)
	5 078 119	700 791	5 042 042	233 225

ZIMBABWE ENERGY REGULATORY AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2025

6 PROPERTY AND EQUIPMENT

INFLATION ADJUSTED	Buildings ZWG	Land ZWG	Furniture and equipment ZWG	Computer equipment ZWG	Assets Under Construction ZWG	Office Equipment ZWG	Other Assets ZWG	Motor vehicles ZWG	Total ZWG
6.1 Cost/Valuation									
Balance as at 31 December 2023	630 027	850 399	209 190	386 257	2 296 076	14 567	638 269	3 276 906	8 301 691
Additions	-	-	462 051	664 822	26 556 934	64 542	3 444 974	352 331	31 545 653
Disposals	-	-	-	(28 605)	-	-	(24 715)	(12 459)	(65 779)
Revaluation	9 891 789	1 688 162	2 558 718	5 153 814	280 126 154	244 418	8 958 414	44 337 193	352 958 663
Balance as at 31 December 2024	10 521 816	2 538 561	3 229 959	6 176 288	308 979 164	323 527	13 016 942	47 953 971	392 740 227
Additions	14 430 544	-	538 654	4 851 644	108 563 414	94 050	17 764 605	18 690 689	164 933 600
Disposals	-	-	-	(1 341 505)	-	-	(2 230 826)	(6 097 531)	(9 669 862)
Revaluation	1 394 680	7 181 439	644 604	(86 015)	23 582 422	(917)	3 334 569	(1 408 253)	34 642 529
Balance as at 31 December 2025	26 347 040	9 720 000	4 413 217	9 600 411	441 125 000	416 661	31 885 290	59 138 876	582 646 494
6.2 Depreciation									
Balance as at 31 December 2023	-	-	-	-	-	-	-	-	-
Depreciation charge for the year	29 927	-	118 381	195 080	-	12 133	560 791	797 029	1 713 341
Disposals	-	-	-	(39)	-	-	(9 636)	(4 106)	(13 782)
Revaluation	(29 927)	-	(118 381)	(195 041)	-	(12 133)	(551 155)	(792 923)	(1 699 559)
Balance as at 31 December 2024	-	-	-	-	-	-	-	-	-
Depreciation charge for the year	539 306	-	613 003	2 640 316	-	98 453	8 461 926	10 071 145	22 424 149
Disposals	-	-	-	(437 270)	-	-	(14 455)	(5 326)	(457 051)
Revaluation	(539 306)	-	(613 003)	(2 203 046)	-	(98 453)	(8 447 471)	(10 065 819)	(21 967 097)
Balance as at 31 December 2025	-	-	-	-	-	-	-	-	-
6.3 Net book amount									
Balance as at 31 December 2024	10 521 816	2 538 561	3 229 959	6 176 288	308 979 164	323 527	13 016 942	47 953 971	392 740 227
Balance as at 31 December 2025	26 347 040	9 720 000	4 413 217	9 600 411	441 125 000	416 661	31 885 290	59 138 876	582 646 494

ZIMBABWE ENERGY REGULATORY AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2025

7 PROPERTY AND EQUIPMENT

	HISTORICAL COST	Buildings ZWG	Land ZWG	Furniture and equipment ZWG	Computer equipment ZWG	Assets Under Construction ZWG	Office Equipment ZWG	Other Assets ZWG	Motor vehicles ZWG	Total ZWG
7.1	**Cost/Valuation**									
	Balance as at 31 December 2023	555 929	750 383	184 587	340 829	2 026 034	12 854	563 202	2 891 508	7 325 326
	Additions	-	-	407 709	586 632	23 433 562	56 951	3 039 809	310 893	27 835 556
	Disposals	-	-	-	(25 241)	-	-	(21 808)	(10 994)	(58 043)
	Revaluation	8 728 412	1 489 617	2 257 786	4 547 672	247 180 404	215 672	7 904 811	39 122 678	311 447 052
	Balance as at 31 December 2024	9 284 341	2 240 000	2 850 082	5 449 892	272 640 000	285 477	11 486 014	42 314 085	346 549 891
	Additions	14 328 023	-	534 828	4 817 175	107 792 131	93 382	17 638 397	18 557 902	163 761 838
	Disposals	-	-	-	(1 331 975)	-	-	(2 214 977)	(6 054 211)	(9 601 163)
	Revaluation	2 734 676	7 480 000	1 028 308	665 318	60 692 869	37 801	4 975 856	4 321 101	81 935 929
	Balance as at 31 December 2025	26 347 040	9 720 000	4 413 217	9 600 411	441 125 000	416 661	31 885 290	59 138 876	582 646 495
7.2	**Depreciation**									
	Balance as at 31 December 2023	-	-	-	-	-	-	-	-	-
	Depreciation charge for the year	26 407	-	104 458	172 137	-	10 706	494 836	703 290	1 511 834
	Disposals	-	-	-	(35)	-	-	(8 503)	(3 623)	(12 161)
	Revaluation	(26 407)	-	(104 458)	(172 102)	-	(10 706)	(486 333)	(699 667)	(1 499 673)
	Balance as at 31 December 2024	-	-	-		-	-	-	-	
	Depreciation charge for the year	535 474	-	608 648	2 621 558		97 753	8 891 819	9 999 595	22 754 847
	Disposals	-	-		(297 214)	-		(800 193)	(931 379)	(2 028 785)
	Revaluation	(535 474)	-	(608 648)	(2 324 344)	-	(97 753)	(8 091 625)	(9 068 216)	(20 726 062)
	Balance as at 31 December 2025	-	-	-		-	-	-	-	
7.3	**Net book amount**									
	Balance as at 31 December 2024	9 284 341	2 240 000	2 850 082	5 449 892	272 640 000	285 477	11 486 014	42 314 085	346 549 891
	Balance as at 31 December 2025	26 347 040	9 720 000	4 413 217	9 600 411	441 125 000	416 661	31 885 290	59 138 876	582 646 494

ZIMBABWE ENERGY REGULATORY AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2025

		INFLATION ADJUSTED		HISTORICAL COST	
		2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
7	**INTANGIBLE ASSETS**				
	Opening net book amount	**108 064**	**13 306**	**95 354**	**11 741**
	Additions	2 125 414	2 365	2 110 314	2 087
	Amortisation charge	(219 955)	(3 996)	(218 393)	(3 526)
	Derecognition	-	(3 849)	-	(3 396)
	Revaluation	533 387	100 237	559 634	88 448
	Closing balance	**2 546 910**	**108 064**	**2 546 910**	**95 354**

Intangible assets comprise of computer software and ZERA website. Amortisation of ZWG218 393 (2024: ZWG3 526) is included in administrative expenses in the statement of income and expenditure.

8 LEASE ASSET AND LIABILITY

8.1 IFRS 16 - Leases

Right of use assets and lease liabilities are recognised for contracts containing leases. The right of use assets at initial recognition will be recognised at cost and the Authority recognises the lease liability at the present value of the lease payments not paid at that date. Right of use assets are depreciated in accordance with the accounting policy applicable to property, plant and equipment. The corresponding rentals obligations, net of finance costs, are included in long term borrowings. Lease finance costs are amortised to profit or loss over the duration of the leases so as to achieve a constant rate of interest on the remaining balance of the liability.

		INFLATION ADJUSTED		HISTORICAL COST	
		2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
8.2	**Right of use asset (Buildings)**				
	Carrying amount at the beginning of year	**7 989 946**	**1 954 560**	**7 050 245**	**1 724 683**
	Additions / Revaluation	2 602 354	9 641 499	3 504 180	8 507 558
	Amortisation for the year	(5 331 152)	(3 606 112)	(5 293 277)	(3 181 996)
	Carrying amount at end of year	**5 261 148**	**7 989 946**	**5 261 148**	**7 050 245**
8.3	**Lease Liability (Buildings)**				
	Carrying amount at the beginning of year	**12 298 172**	**7 687 687**	**10 851 779**	**6 783 535**
	Interest on lease liability	837 043	863 211	831 096	761 688
	Movement in exchange rates	(1 211 541)	10 723 385	197 115	9 462 203
	Less: net total	**6 148 726**	**6 976 110**	**6 105 043**	**6 155 647**
	Lease payments: Interest payment	837 043	863 211	831 096	761 688
	Lease liability	5 311 684	6 112 900	5 273 947	5 393 959
	Carrying amount at end of year	**5 774 947**	**12 298 172**	**5 774 947**	**10 851 779**

December 2024	**Up to 1 year**	**Between 2 and 5 years**	**Over 5 years**	**Total**
Inflation adjusted				
Lease liability	5 481 316	6 816 856	-	12 298 172
Historical cost				
Lease liability	4 836 656	6 015 122	-	10 851 778

December 2025	**Up to 1 year**	**Between 2 and 5 years**	**Over 5 years**	**Total**
Inflation adjusted				
Lease liability	5 754 173	20 774	-	5 774 947
Historical cost				
Lease liability	5 754 173	20 774	-	5 774 947

ZIMBABWE ENERGY REGULATORY AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2025

		INFLATION ADJUSTED		HISTORICAL COST	
		2025	2024	2025	2024
9	**LEASE ASSET AND LIABILITY (continued)**	ZWG	ZWG	ZWG	ZWG
9.4	**Total cash outflows relating to leases**				
	Presented under financing activities				
	Cash payments for principal portion of lease liability and interest	6 148 726	6 976 110	6 105 043	6 155 647
10	**INVENTORIES**				
	Fuel Coupons	118 336	-	118 336	-
	Cartridges	484 439	262 142	484 439	231 311
	Consumables	60 868	273 448	60 868	241 288
	Stationery	62 516	20 939	62 516	18 476
	Total	**726 160**	**556 529**	**726 160**	**491 075**
11	**ACCOUNTS RECEIVABLE**				
	Trade receivable	136 372 851	81 304 209	136 372 851	71 748 766
	Less: allowance for credit loss	(8 827 567)	(2 324 285)	(8 827 567)	(2 050 925)
		127 545 284	**78 979 924**	**127 545 284**	**69 697 841**
	Staff debtors	27 057 794	12 760 169	27 057 794	11 259 441
	Other receivable	629 629	4 348 859	629 629	3 837 388
		27 687 423	17 109 028	27 687 423	15 096 829
	Prepayments	20 826 351	37 730 056	20 826 351	33 292 609
	Deferred value added tax asset	5 478 022	2 621 665	5 478 022	2 313 330
	Total accounts receivable	**181 537 081**	**136 440 673**	**181 537 081**	**120 400 609**

The carrying value of accounts receivable cost approximates their fair value. The movement in the impairment allowance has been included in the operating expenses line item in profit or loss.

Impairment of accounts receivable
The Zimbabwe Energy Regulatory Authority applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for accounts receivable. To measure expected credit losses on a collective basis, accounts receivable are group based on similar credit risk and their aging. The expected loss rates are based on the Authority's historical credit losses. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the Authority's clients.

At 31 December 2025 the lifetime expected loss provision for accounts receivable is as follows:

INFLATION ADJUSTED

	Current ZWG	61-90 days past due ZWG	91-120 days past due ZWG	More than 120 days past due ZWG	Total ZWG
Expected credit loss rate	0.30%	3.60%	6.60%	10.00%	
Gross carrying amount	32 696 916	10 312 304	5 171 300	78 655 559	136 296 804
Loss provision	98 091	371 243	341 306	7 865 556	8 827 567

HISTORICAL COST

	Current ZWG	61-90 days past due ZWG	91-120 days past due ZWG	More than 120 days past due ZWG	Total ZWG
Expected credit loss rate	0.30%	3.60%	6.60%	10.00%	
Gross carrying amount	32 696 916	10 312 304	5 171 300	78 655 559	136 296 804
Loss provision	98 091	371 243	341 306	7 865 556	8 827 567

ZIMBABWE ENERGY REGULATORY AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2025

		INFLATION ADJUSTED		HISTORICAL COST	
		2025	2024	2025	2024
11	**ACCOUNTS RECEIVABLE (continued)**	ZWG	ZWG	ZWG	ZWG
	Movement in the impairment allowance for trade receivables are as follows:				
	At 31 December 2024	2 050 925	467 616	2 050 925	412 619
	Increase during the year	6 776 642	1 856 670	6 776 642	1 638 306
	At 31 December 2025	8 827 567	2 324 285	8 827 567	2 050 925
12	**ACCOUNTS PAYABLE**				
	Trade payables	17 637 514	46 689 473	17 637 514	41 198 304
	Deferred Revenue	50 589 928	55 977 165	50 589 928	49 393 668
		68 227 442	102 666 638	68 227 442	90 591 972
	Other - statutory and pension	832 503	14 057	832 503	12 006
	Provisions	31 007 802	27 643 308	31 007 802	24 392 167
		100 067 747	130 324 003	100 067 747	114 996 145
	STATUTORY PAYABLES				
	Value Added Tax liability	3 840 939	7 497 159	3 840 939	6 615 415
	Withholding tax on tenders	-	72 596	-	64 058
	Withholding tax on non-executive board members fees	-	19 831	-	17 499
		3 840 939	7 589 586	3 840 939	6 696 972
		103 908 686	137 913 589	103 908 686	121 693 117

13 RESTATEMENT OF PRIOR PERIOD ERROR - REVENUE

During the current financial year, management identified a prior period error relating to the incorrect recognition of revenue in the prior year, arising from revenue transactions that were not recorded in the appropriate reporting period.

As a result, revenue for the year ended 31 December 2024 was understated by ZWG 9,273,012, with a corresponding understatement of retained earnings.

The error has been corrected retrospectively in accordance with IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors, and the comparative figures have been restated.

Impact on prior year (2024)

Description	Previously reported	Adjustment	Restated
Electricity license fees	6 480 719	9 273 012	15 753 731
Total revenue	309 334 060	9 273 012	318 607 072
Surplus for the year	109 830 749	9 273 012	119 103 761

14 TREASURY AND RISK MANAGEMENT

The Authority is exposed through its operations to the following financial risks:
1. Credit risk;
2. Liquidity risk;
3. Foreign exchange risk; and
4. Interest rate risk.

In common with all other businesses, the Authority is exposed to risks that arise from its use of financial instruments. This note describes the Authority's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Authority's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

ZIMBABWE ENERGY REGULATORY AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2025

14 TREASURY AND RISK MANAGEMENT (continued)

Principal financial instruments
The principal financial instruments used by the Authority, from which financial instrument risk arises, are as follows:
i. Cash and cash equivalents
ii. Accounts receivable
c. Accounts payable

A summary of the financial instruments held by category is provided below:

	INFLATION ADJUSTED		HISTORICAL COST	
	2025	2024	2025	2024
Financial assets	ZWG	ZWG	ZWG	ZWG
Cash and cash equivalents	95 746 807	63 586 407	95 746 807	58 171 644
Accounts receivable	181 537 081	136 440 673	181 537 081	120 400 609
	277 283 888	200 027 080	277 283 888	178 572 253

	INFLATION ADJUSTED		HISTORICAL COST	
	2025	2024	2025	2024
	ZWG	ZWG	ZWG	ZWG
Financial liabilities (at amortised cost)				
Lease liability	5 774 947	12 298 171	5 774 947	10 851 778

Financial instruments not measured at fair value
Financial instruments not measured at fair value include cash and cash equivalents, accounts receivable, accounts payable and borrowings. Due to their short-term nature, the carrying value of cash and cash equivalents, accounts receivable, and accounts payable and borrowings approximates their fair value.

General objectives, policies and processes
The Board has overall responsibility for the determination of the Authority's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Authority's finance function.

The main risks facing the Authority are credit risk, foreign exchange rate risk, interest rate risk and liquidity risk.

14.1 Credit risk
Financial assets which potentially subject the Authority to concentrations of credit risk consists primarily of bank balances and accounts receivable. The Authority's bank balances are placed with high quality financial institutions. The credit risk with respect to trade receivable is managed by individually assessing the credit worthiness of each customer before the Authority's standard credit terms are offered.

The Authority's maximum exposure to credit risk is equal to the carrying amount of the assets.

14.2 Foreign exchange risk
Foreign exchange risk arises when the Authority enters into transactions denominated in a currency other than their functional currency. The Authority is predominantly exposed to currency risk from foreign loans and imports of the assets and inventory. The Authority aims to manage foreign exchange risk at a local level by matching the costs in which revenue is generated and expenses are incurred.

14.3 Interest rate risk management
The Authority has adopted a non-speculative policy on managing interest rate risk. Only approved financial institutions with sound capital bases are used to borrow funds.

14.4 Liquidity risk
Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with liabilities. The Authority operates within Board approved borrowing limits, which are geared for peak and seasonal trading requirements. The Authority manages liquidity risk by maintaining adequate reserves and by continuously monitoring forecast and actual cash flows.

The table summarises the maturity profile of the Zimbabwe Energy Regulatory Authority's liabilities as at 31 December 2025based on contractual undiscounted payments:

ZIMBABWE ENERGY REGULATORY AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2025

14 TREASURY AND RISK MANAGEMENT (continued)

	Up to 3 month ZWG	Between 3 and 12 months ZWG	1 to 5 years ZWG	Total ZWG
At 31 December 2024				
Accounts payable	1 214 521	1 484 414	-	2 698 935
At 31 December 2025				
Accounts payable	13 839 439	27 358 865	-	41 198 304

15 COMPENSATION TO KEY MANAGEMENT

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Authority.

	INFLATION ADJUSTED		HISTORICAL COST	
	2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
Short term benefits	72 998 177	13 924 030	49 617 097	12 286 419

16 POST EMPLOYMENT BENEFITS

16.1 National Social Security Authority Scheme

The Authority makes contributions to the National Social Security Scheme, a Defined Contribution Pension Scheme promulgated under the National Social Security Act of 1989. The Authority's obligation under the scheme is limited to specific contributions legislated from time to time. In terms of statutory instrument 169 of 2021, the contributions are presently 4.5% of basic salary per employee per month limited to an amount of monthly earnings in respect of which contributions payable shall be seventy-five per centum of the prevailing previous month Total Consumption Poverty Line figure. Where the Total Consumption Poverty Line figure is not available or published, the last published figure is applicable.

	INFLATION ADJUSTED		HISTORICAL COST	
	2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
Contribution to the National Social Security Scheme	1 673 313	1 046 936	1 661 425	650 903

17 CAPITAL EXPENDITURE COMMITMENTS

The Authority had no capital commitments authorised by the Board Members or contracted for at the reporting date.

18 CONTINGENCIES

The Authority is involved in a number of legal matters arising in the ordinary course of its regulatory activities. Based on legal advice received, management has assessed the likelihood of outflows of economic resources in respect of these matters. Where such outflows are not considered probable, no provision has been recognised in accordance with IAS 37 – Provisions, Contingent Liabilities and Contingent Assets.

18.1 Zimbabwe Nantong International (Private) Limited vs ZERA – Arbitration

The Authority is involved in an arbitration matter with Zimbabwe Nantong International (Private) Limited relating to the construction of the Authority's Head Office Complex.

The claimant is seeking compensation for various claims, including exchange rate losses, retention fees and other related costs, with total claims amounting to approximately USD 2.9 million. The matter is currently under arbitration.

Based on legal advice received, management considers the likelihood of an outflow of economic resources to be possible but not probable. Accordingly, no provision has been recognised and the matter has been disclosed as a contingent liability.

ZIMBABWE ENERGY REGULATORY AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2025

18 CONTINGENCIES (continued)

18.2 Meadow Sweet Investments (Private) Limited - Intended legal proceedings

The Authority received a notice of intention to institute legal proceedings relating to the sale of Athanasia Court, with allegations of irregularities in the transaction.

At the reporting date, formal legal proceedings had not yet been instituted.

The potential financial exposure is estimated at approximately ZWG 9,284,341, being the value of the property in question.

Due to the early stage of the matter, management is unable to reliably assess the likelihood of an outflow of economic resources at this stage. Accordingly, no provision has been recognised and the matter has been disclosed as a contingent liability.

18.3 Mikana Incorporated (Private) Limited - Legal claim

The Authority is a defendant in a legal claim filed by Mikana Incorporated (Private) Limited, seeking damages of approximately USD 300,000.

The claim arises from the closure of a service station in September 2024 following alleged non-compliance with regulatory requirements.

The matter is currently at a pre-trial stage.

Based on legal advice received, management considers the likelihood of an outflow of economic resources to be possible but not probable. Accordingly, no provision has been recognised and the claim has been disclosed as a contingent liability.

18.4 General uncertainty

The timing and ultimate outcome of the above matters cannot presently be determined. Any potential financial impact will depend on the final resolution of the respective legal proceedings.

19 GOING CONCERN

The financial statements have been prepared on a going concern basis, which assumes that the Authority will continue in operational existence for the foreseeable future.

In assessing the appropriateness of the going concern assumption, management has considered the Authority's financial position, cash flow forecasts, and the nature of its revenue streams, including statutory levies collected through the Zimbabwe Revenue Authority (ZIMRA) and other regulated entities.

The Authority remains financially sustainable, with sufficient cash resources and continued inflows from its established funding model to meet its obligations as they fall due.

Management has also considered potential risks to operations, including reliance on third-party revenue collections and operational challenges identified during the year, and has implemented measures to mitigate these risks.

Based on this assessment, management is satisfied that the Authority has adequate resources to continue in operational existence for the foreseeable future and, accordingly, the financial statements have been prepared on a going concern basis.

20 EVENTS AFTER THE REPORTING DATE

Subsequent to year-end, the lease agreement between Central Africa Building Society (CABS) and the Zimbabwe Energy Regulatory Authority (ZERA) for Century Towers, originally due to expire on 31 January 2027, was terminated in February 2026.

In accordance with IAS 10 Events after the Reporting Period, this is a non-adjusting event as at 31 December 2025, as it relates to conditions arising after the reporting period.

The financial effects of the lease termination, including any derecognition or remeasurement of the related right-of-use asset and lease liability in accordance with IFRS 16 - Leases, will be recognised in the financial statements for the year ending 31 December 2026.

ZIMBABWE ENERGY REGULATORY AUTHORITY

OTHER INFORMATION
for the year ended 31 December 2025

1 INCOME ATTRIBUTABLE TO THE RURAL ELECTRIFICATION AGENCY

In accordance with Section 31 of the Energy Regulatory Authority Act [Chapter 13:23], the Authority is required to remit surplus funds arising from electricity-related activities to the Rural Electrification Fund (REF).

For this purpose, the Authority prepares a statutory electricity receipts and expenditure statement, which includes both operating expenditure and capital expenditure incurred in relation to electricity activities.

The allocation of expenses is based on management's assessment of costs directly attributable to electricity operations, together with an appropriate allocation of shared administrative overheads based on the following criteria:

a. Electricity related expenditure	100%
b. General expenditure-Electricity	85%
c. General expenditure-Petroleum	15%

Basis of preparation

This statement is prepared for statutory purposes and does not represent a separate set of financial statements prepared under International Financial Reporting Standards. Capital expenditure is included in accordance with statutory requirements governing the determination of amounts payable to the Rural Electrification Fund.

	INFLATION ADJUSTED		HISTORICAL COST RESTATED	
	2025 ZWG	**2024 ZWG**	**2025 ZWG**	**2024 ZWG**
Income				
Revenue- electricity portion (**Note 13**)	386 589 816	264 290 450	383 843 310	233 207 144
Operating expenses - electricity portion				
Administration overheads	44 600 926	13 236 009	44 284 061	11 679 317
Advertising and promotional costs	20 866 951	9 833 121	20 718 703	8 676 644
Audit fees	478 635	351 141	475 235	309 843
Bank charges	8 037 109	4 881 657	7 980 010	4 307 523
Board fees and sitting allowances	1 298 982	768 928	1 289 753	678 494
Cleaning consumables	570 205	267 988	566 154	236 470
Communication costs	8 474 282	4 924 421	8 414 077	4 345 258
Computer expenses	801 622	247 906	795 927	218 750
Consulting and professional fees	7 211 228	3 269 557	7 159 996	2 885 023
Corporate social responsibility	6 346 712	4 340 076	6 301 622	3 829 638
Courier and postage	1 348	4 822	1 339	4 255
Gifts and donations	1 048 825	-	1 041 373	-
Insurance	1 971 008	906 042	1 957 005	799 482
Legal charges	553 448	-	549 516	-
Motor vehicle expenses	4 623 921	12 459 819	4 591 071	10 994 415
Printing and stationery	2 263 851	1 132 025	2 247 768	998 887
Private mileage	67 346	-	66 867	-
Research and development	1 981 981	643 562	1 967 900	567 872
Staff overheads	178 373 851	102 775 356	177 106 603	90 687 905
Subscriptions	5 776 481	2 169 732	5 735 442	1 914 549
Travel - external	10 862 668	3 106 477	10 785 495	2 741 123
Travel - local	25 328 018	11 911 111	25 148 077	10 510 240
Workshops and seminars	24 677 819	19 377 379	24 502 497	17 098 398
	356 217 216	196 607 130	353 686 490	173 484 086
Surplus from operations for the year	30 372 600	67 683 321	30 156 820	59 723 058
Capital expenditure	127 316 381	26 168 918	126 411 869	23 091 181
Deficit/(surplus) for the year	(96 943 781)	41 514 403	(96 255 049)	36 631 877

For the year ended 31 December 2025, the electricity-related activities resulted in a deficit, and accordingly no remittance is due to the Rural Electrification Fund. For the year ended 31 December 2024, a surplus of ZWG 36,631,877 was recognised and remitted in accordance with statutory requirements.

