ZIMBABWE

ZERA
ZIMBABWE ENERGY REGULATORY AUTHORITY
For sustainable energy

PERFORMANCE CONTRACT

BETWEEN

THE BOARD CHAIRPERSON OF ZIMBABWE ENERGY REGULATORY AUTHORITY

AND

THE CEO OF ZIMBABWE ENERGY REGULATORY AUTHORITY



2026

PERFORMANCE EVALUATION
What gets measured gets done!

PERFORMANCE CONTRACT 2026

This Performance Contract (hereinafter referred to as "Contract") is entered into between the Board of Directors (hereinafter referred to as "Board") (together with its assignees and successors) and the CEO of Zimbabwe Energy Regulatory Authority (hereinafter referred to as the "the CEO"), a State Enterprise/ Parastatal (together with its assignees and successors) bearing in mind that:

- The Board is committed to ensuring that public offices are well managed and cost effective in delivering efficient and quality service to the public;
- This Contract represents a basis for continuous improvement as we reinvent SEP to meet the needs and expectations of the Zimbabwean people;
- This Contract guides the programmes and management priorities of the SEP for the budget year.

PART I

VISION:
Regulator that promotes universal access to sustainable energy by 2030.

MISSION:
ZERA regulates the Zimbabwean energy market, cost effectively, through incentive regulation, in a fair and transparent manner to achieve sustainable energy.

TERMS OF REFERENCE/MANDATE:
ZERA derives its mandate from the following: -

Constitution of Zimbabwe Amendment 13
Energy Regulatory Authority Act, 2011 [Chapter 13:23]

OVERALL FUNCTIONS:

The functions of the Zimbabwe Energy Regulatory Authority (ZERA) are outlined in the Energy Regulatory Authority Act [Chapter 13:23], Part II, section 4 (1) and these are:

1. To regulate the procurement, production, transportation, transmission, distribution, importation, and exportation of energy derived from any energy source;
2. To create, promote and preserve an efficient energy industry market for the provision of sufficient energy for domestic and industrial use;
3. To promote the procurement, production, transportation, transmission and distribution of energy in accordance with public demand and recognised international standards;
4. To promote coordination and integration in the importation, exportation and pooling of energy from any energy source in the SADC and COMESA region;
5. To exercise licensing and regulatory functions in respect of the energy industry;
6. To ensure that prices charged by licensees are fair to consumers in the light of the need for prices to be sufficient to allow licensees to finance their activities and obtain reasonable earnings for their efficient operation;
7. To maintain and promote effective competition within the energy industry.
8. To promote and encourage the expansion of the energy industry and the advancement of technology relating thereto.
9. To promote, identify and encourage the employment and development of sources of renewable energy;
10. To represent Zimbabwe internationally in matters relating to the energy industry;
11. To advise the Minister on all matters relating to the energy industry.
12. To advise and educate consumers and licensees regarding the efficient use of energy;
13. To ensure the maximisation of access to energy by consumers that is affordable and environmentally sustainable;
14. To establish appropriate consumer rights and obligations regarding the provision of energy services;
15. To establish or approve operating codes for safety, security, reliability, quality standards and any other sector related codes and standards for the energy industry or any sector thereof;
16. To arbitrate and mediate disputes among and between licensees and consumers;
17. To assess, promote studies of and advise the Minister and licensees on the environmental impact of energy projects before licensing;
18. To undertake such other things which it considers is necessary or convenient for the better carrying out of or giving effect to the functions of the Authority

PROGRAMMES

1) Governance and Administration
2) Energy Regulation and Market Development

OUTCOMES

1. Improved Governance and Administration.
2. Increased energy access.
3. Enhanced financial sustainability of energy companies.
4. Increased regulatory compliance.

OUTPUTS

1) Licensing frameworks produced/reviewed
2) Sector Legislation drafted/reviewed
3) Sector performance reports produced
4) Energy Prices reviewed
5) Sector Projects implemented
6) Consumer protection awareness programmes conducted
7) Performance contracts signed
8) Sector Annual report produced

PART II

OBLIGATIONS AND COMMITMENTS OF THE CHIEF EXECUTIVE OFFICER

The Chief Executive Officer undertakes to do the following;

1) Implement the Corporate Governance Framework
2) Implement a Results Based Performance Management System to guide the operations of the SEP
3) Develop and implement a Results Based Strategic Plan of the SEP,
4) Ensure the Strategic Plan is linked to National policy documents,
5) Ensure appropriate work plans are developed on the basis of the Strategic Plan,
6) Develop comprehensive performance targets,
7) Assign weights to performance indicators,
8) Ensure achievement of the agreed performance targets, and
9) Ensure that employees of the SEP are prepared for the desired changes in working behaviour, attitude and work ethics.

The **Chief Executive Officer** is accountable for the performance of the **Zimbabwe Energy Regulatory Authority**. The **Chief Executive Officer** is further committed to completing the **outputs** that will contribute to the achievement of the **outcomes** contained in the Performance Contract Matrix below. The **Chief Executive Officer** is also committed to Service Delivery Standards, Management of Resources and Organizational Development, and dealing with Cross-cutting National Priorities also contained in the Performance Contract Matrix and explained in detail in the addendum attached.

The **Chief Executive Officer** shall submit quarterly and annual performance reports as well as demand reports to the Board and other Government Agencies in the prescribed format as per the provisions of this Performance Contract Matrix.

This performance contract will run for twelve months from the 1st day of January 2026 to the 31st December 2026.

PERFORMANCE CONTRACT MATRIX

Please note that the last three columns (Actual Performance, Raw score and Weighted score) are to be completed when rating performance, at the end of the performance cycle, while all other columns have to be completed at the beginning of the performance cycle.

	PERFORMANCE AREA/CATEGORY	**Measurement Unit**	**Weightage**	**Performance Previous Year**	**Performance Target For Budget Year**	**Allowable variance**	**Actual Performance**	**Raw score**	**Weighted score** (*Raw score x weight)*
A	**DELIVERY OF MANDATES/OPERATIONS CONTAINED IN THE STRATEGIC PLANS**								
1	**OUTCOMES –** State all outcomes and outcome indicators contained in the Annual Plan								
	Outcome 1: Improved Governance and Administration		**10**						
	Outcome Indicator: Client satisfaction index	**%**	**2**	78.7%	80%	+/-1%			
	Outcome Indicator: Employee satisfaction index	**%**	**3**	80%	82%	+/- 1%			
	Outcome Indicator: Compliance level	**%**	**3**	100%	100%	0			
	Outcome Indicator: Revenue collected	**% increase**	**2**	81% (ZWG 765 726 231)	13.53% (ZWG 869 334 017)	+/-10%			
	Outcome 2: Increased energy access								
	Outcome Indicator: Percentage of	%	**2**	62%	70%	+/-6%			

	PERFORMANCE AREA/CATEGORY	**Measurement Unit**	**Weightage**	**Performance Previous Year**	**Performance Target For Budget Year**	**Allowable variance**	**Actual Performance**	**Raw score**	**Weighted score** (*Raw score x weight)*
	population with access to energy – Electricity								
	Outcome Indicator: Percentage of population with access to energy – Clean cooking	%	**2**	38%	44%	+/-4%			
	Outcome Indicator: Percentage of rural geographical location with access to energy – Petroleum within specified radius (50,40,30,20,15km)	%	**2**	-	90%	+/-5%			
	Outcome Indicator: Percentage change in energy investments	%	**2**	**-**	10%	+/-1%			
	Outcome 3: Enhanced financial sustainability of energy companies								
	Outcome Indicator: Cost reflective energy prices	%	**6**	100%	100%	0%			
	Outcome 4: Increased regulatory compliance								
	Outcome Indicator: Regulatory Frameworks adherence rate	%	**6**	75%	76%	±1%			
	Weight Sub Total		**30**						
2	**OUTPUTS**– State strategic results under the prescribed Output categories as contained in the Annual Plan								
	Output 1: Licensing frameworks produced/reviewed		**2**						

	PERFORMANCE AREA/CATEGORY	Measurement Unit	Weightage	Performance Previous Year	Performance Target For Budget Year	Allowable variance	Actual Performance	Raw score	Weighted score (*Raw score x weight)*
	- Quantity	No.		1	2	0			
	Output 2: Sector Legislation drafted/reviewed		**2**						
	- Quantity			5	2	0			
	Output 3: Sector performance reports produced		**3**						
	- Quantity	Number		4	4	0			
	Output 4: Energy Prices reviewed		**2**						
	- Quantity	%		100%	100%	+/-10%			
	Output 5: Sector Projects implemented		**3**						
	- Quantity	Number		3	20	+/-2			
	Output 6: Consumer protection awareness programmes conducted		**3**						
	Quantity	Number		83	80	0			
	Output 7: Performance contracts signed		**3**						
	Quantity	Number		2	5	0			
	Output 8: ZERA Annual report		**2**						

	PERFORMANCE AREA/CATEGORY	Measurement Unit	Weightage	Performance Previous Year	Performance Target For Budget Year	Allowable variance	Actual Performance	Raw score	Weighted score (*Raw score x weight)*
	produced								
	Quantity	Number		1	1	0			
	Weight Sub Total		**20**						
B	**SERVICE DELIVERY STANDARDS**								
	i) Production of Client Service Charter	Number	**8**	1	1	0			
	ii) Ease of doing business: Service Delivery Innovations	Number	**12**	1	1	0			
	Weights Sub total		**20**						
C	**MANAGEMENT OF RESOURCES AND ORGANIZATIONAL DEVELOPMENT**								
	1. Financial Management		**10**						
	• Strategic allocation of resources in line with policy priorities	Ratio	**6**	ZWG 168.99M	ZWG 913 544 017	+/-10%			
	• Mobilization of alternative resources (rates / grants)	Amount	**4**	US$6,1m	US$2.5m	0			
	2. Organizational Capacity		**15**						
	• Compliance with the Corporate Governance Framework	%	**2**	82%	100%	0			

	PERFORMANCE AREA/CATEGORY	Measurement Unit	Weightage	Performance Previous Year	Performance Target For Budget Year	Allowable variance	Actual Performance	Raw score	Weighted score (*Raw score x weight)*
	• Skills development: Training and Capacity Building	number	2	105	110	+/-5			
	• Internal Process Efficiency Measures e.g. ISO Certification	%	**2**	100%	100%	0			
	• E-Government Flagships (IT Infrastructure and operating systems)	Number	**3**	4	2	0			
	• Research and Development	Number	**2**	2	2	0			
	• Maintenance of buildings	%	**2**	100%	100%	0			
	• Disposal of idle assets	%	**2**	100%	100%	0			
	Weights Sub total		**25**						
D	**CROSS -CUTTING GOVERNMENT PRIORITIES**								
	i) Promotion of Integrity/Corruption Eradication	%	**2**	50%	100%	0			
	ii) Promotion of Wellness programmes	number	**2**	100%	44	+/-2			
	iii) Inclusive Programming: Youth, Disability and Gender mainstreaming	%	**1**	88%	100%	0			
	Weights Sub total		**5**						

REGULATORY AUTHORITY

I hereby undertake to achieve the results specified in this contract.

CEO for Zimbabwe Energy Regulatory Authority

Name	EDINGTON T. MAZAMBANI	Signature	Date

Board Chairperson

Name	DR. ENG, FARAI MAVHIYA-BHIZA	Signature	Date

Rating Scale

RATING	DESCRIPTION
6	Clearly Exceeds Set Targets – beyond variance
5	Performance Above Set Targets – but within variance
4	Met All Agreed Set Targets
3	Performance Below Set Targets – but within variance
2	Performance Below Set Targets – below variance but at least 50% of target
1	Performance below target, below variance and below 50% of target (Unsatisfactory Performance)

AGREED RATINGS (*Please use the Rating scale for guidance in allocating raw scores***)**

SECTION	HEADING	RATING
A1	**Outcomes**	
A2	**Outputs**	
B	**Service Delivery Standards**	
C	**Management of Resources and Organisational Development**	
D	**Cross-cutting Government Priorities**	
TOTAL		

Final Score

REGULATORY AUTHORITY

CEO for Zimbabwe Energy Regulatory Authority

Name EDINGTON T. MAZAMBANI	Signature	Date

Board Chairperson

Name DR. ENG, FARAI MAVHIYA-BHIZA	Signature	Date

ADDENDUM TO PARTS A, B, C AND D OF THE RESULTS MATRIX

The following are the specific explanations for each target:

A. RESULTS MATRIX

1. OUTCOME PERFORMANCE KPI CALCULATION

PERFORMANCE AREA/CATEGORY	Measurement Unit	Weightage
DELIVERY OF MANDATES/OPERATIONS CONTAINED IN THE STRATEGIC PLANS		
OUTCOMES – State all outcomes and outcome indicators contained in the Annual Plan		
Outcome 1: Governance and Administration		**10**
Outcome Indicator: Client satisfaction index	**Client Satisfaction Index** The Client Satisfaction Index (CSI) gauges the satisfaction levels in % of clients interacting with the ZERA, focusing on services provided by various departments and Units. The CSI will be conducted as follows: **Annual Survey.** Engage an external consultant annually (during the last quarter) to conduct annual client satisfaction surveys to collect quantitative and qualitative data on client perceptions regarding the same parameters: service delivery, responsiveness, and communication effectiveness. The independent survey will be conducted in **November** each year.	
Outcome Indicator: Employee satisfaction index	**Annual Survey.** Engage an external consultant annually (during the last quarter) to conduct an annual employee satisfaction survey to collect quantitative and qualitative data on employees. The independent survey will be conducted in **November** each year.	
Outcome Indicator: Compliance level	The following compliance reports will be submitted A) Statutory Audits – [20%] B. Statutory Reports – [20%] i. Quarterly Financial Reports -30% ii. Annual Procurement Plan - 40% iii. 12 Quarterly Procurement Reports -30% C) Statutory Payments returns will be submitted on a monthly basis - [20% i. NSSA	

	ii. PAYE iii. ZIMDEF	
Outcome Indicator:	%	
Outcome 2: Increased energy access		**8**
Outcome Indicator: : Percentage of population with access to energy – Electricity	70% of population with access to grid and minigrid electricity and 1kW solar system or above. 62% is the baseline for 2022 and not previous year performance. This is because the indicator is being implemented in 2026	**2**
Outcome Indicator: Percentage of population with access to energy – Clean cooking	44% of the households using clean cooking including LPG The 38% is the baseline for 2022 and not previous year performance .This is because the indicator is being implemented in 2026	**2**
Outcome Indicator: Percentage of rural geographical location with access to energy – Petroleum	100% of population access energy services within 50km radius	**2**
Outcome Indicator: Percentage change in energy investments	10% increase in investment from the previous year	**2**
Outcome 3: Enhanced financial sustainability of energy companies		**6**
Outcome Indicator: Cost reflective energy prices	100% price reviews and announcements	
Outcome 4: Increased regulatory adherence		**6**
Outcome Indicator: Regulatory Frameworks adherence rate	76% compliance to infrastructure and quality of energy services	
Weight Sub Total		**30**

PARTS B, C AND D

B. SERVICE DELIVERY STANDARDS
C. MANAGEMENT OF RESOURCES AND ORGANIZATIONAL DEVELOPMENT
D. CROSS-CUTTING GOVERNMENT PRIORITIES

B	SERVICE DELIVERY STANDARDS	Measuring Unit (Indicator Calculation)	Weightage
	i) Production of Client Service Charter	The following activities will be conducted: **1st quarter:** • Review and update the Client Service Charter where necessary. 20% **2nd Quarter:** • Translation of Client Service Charter into local languages: translation and addition to website uploads of 2 additional languages 5% • Display of translated Client Service Charter on all Client points 30% • Upload the Client service charter on ZERA website and all online platforms 35% • Mainstreaming Client Service Charter awareness in all educational, publicity/awareness activities will be done throughout the year on conferences, exhibitions and exhibitions.10%	**8**
	ii) Ease of doing business: Service Delivery Innovations	ZERA will ensure the online licensing portal is operational throughout the year	**1**2
	Weights Sub total		**20**
C	**MANAGEMENT OF RESOURCES AND ORGANIZATIONAL DEVELOPMENT**		
	3. Financial Management		**10**
	• Strategic allocation of resources in line with policy priorities	Under strategic allocation of resources in line with policy priorities, the following will be considered: Performance and effectiveness require priorities to be set and efficient allocation of ZERA resources for the organization to meet its mandate and maximize the impact of its actions. In that regard, ZERA has as part of its financial strategy, constitute a budget and prioritization committee with representatives from its 2 Programs. Program-based budgeting minutes will be provided. The Committee comes up with the budget for the year to cover priority areas of the	**6**

		programs and subprograms.	
	• Mobilization of alternative resources (outside rates)	This refers to raising revenue/funds apart from the Regulator's own revenue streams. ZERA has targeted to raise USD2.5 million of total revenue from own revenue generating activities that are outside normal revenue streams for year 2026.	**4**
	4. Organizational Capacity		**15**
	• Compliance with the Corporate Governance Framework	Completion of the Corporate governance Survey for the compliance rating	**2**
	• Skills development: Training and Capacity Building	A total of 110 staff members will participate in local ,regional and international training programmes .This will be in compliance to the attached human resources development plan	**2**
	• Internal Process Efficiency Measures	The Authority will have internal quality management systems audits and have 1 SAZ audit in April 2026	**2**
	• E-Government Flagships (IT Infrastructure and operating systems)	The Authority will develop 2 systems Enterprise Risk Management System and the Statistics Analysis system	**3**
	• Research and Development	2 internal researches will be conducted in 2026	**2**
	• Maintenance of buildings	The following building will be maintained Head Office -Mt Pleasant Harare regional Office- Athanasia Eastlea Gweru Regional Office Bulawayo regional Office	**2**
	• Disposal of idle assets	The following will be done under disposal of idle assets: 1. Survey report on Assets for disposal - 30% 2.Disposal committee's Recommendations - 50% 3. Implementation of Disposal committee Recommendations Disposal by sell/transfer/ etc 20%	**2**
	Weights Sub total		**25**
D	**CROSS -CUTTING GOVERNMENT PRIORITIES**		
	i) Promotion of Integrity/Corruption Eradication	The following will be done: -Integrity Pledges renewed - 60% (Q2) -Integrity Committee update reports - 10% (to be done every quarter) -Evidence of actions taken to detect corruption - 30%, -Tip off anonymous lines established (every quarter)	**2**

		-Trainings on integrity for all staff Q2 and Q4 -Training on Ideology for Management Q1 and Board in Q4	
	ii) Promotion of Wellness programmes	The following activities will be done: -Gym 10 people -Golf 8 people -Marathon 20 people -Chess 6 people	**2**
	iii) Inclusive Programming; Youth, Disability and Gender mainstreaming	The inclusive programing framework will include those people with disabilities, youth and mainstreaming of gender in all the programs and engagements. Considerations will be done on the following: • Recruitments • Staff training • Activity implementation	**1**
	Weights Sub total		**5**