

GOVERNMENT OF ZAMBIA

STATUTORY INSTRUMENT NO. 62 OF 2015

The Loans and Guarantees (Authorisation) Act
(Laws, Volume 20, Cap. 366)**The Loans and Guarantees (Authorisation) (Exemption)**
(No. 2) Notice, 2015

IN EXERCISE of the powers contained in section *fourteen* of the Loans and Guarantees (Authorisation) Act, the following Notice is made:

1. This Notice may be cited as the Loans and Guarantees (Exemption) (No. 2) Notice, 2015. Title
2. The agreements specified in the Schedule are exempt from the requirement to pay two percent of the amounts guaranteed under the agreements. Exemption

SCHEPULE
(Paragraph 2)

AGREEMENTS

1. The **Power Purchase Agreement** dated 1st September, 2011, between Maamba Collieries Limited and ZESCO Limited, under which—

- (a) Maamba Collieries Limited shall design, finance, commission, own, operate and maintain a coal-fired power generation plant with a design capacity of 300 Mega Watts as the project site in Maamba, being phase 1 of the Maamba Collieries Limited's contemplated development plan;
- (b) ZESCO Limited shall, on the terms and conditions set out in the Power Purchase Agreement, purchase and accept delivery of electrical energy generated by the power station at Maamba into its distribution system; and
- (c) ZESCO shall pay for the generation capacity available or deemed to be available to it at the power station, on a take or pay basis; and

2. The **Transmission Agreement** dated 10th April, 2012, between Maamba Collieries Limited and ZESCO Limited under which—

- (a) Maamba Collieries shall design, finance, commission, own, operate and maintain a coal-fired power generation plant with a design capacity of 300 Mega Watts at the project site in Maamba, being phase 1 of the Maamba Collieries Limited's contemplated development plan;
- (b) Maamba Collieries Limited shall design, construct and commission the power station and the transmission line to enable the transmission of electrical energy from the power station to the delivery point;
- (c) ZESCO Limited shall purchase and accept delivery of electrical energy generated by the power station at Maamba Collieries in a ZESCO grid system at the delivery point; and
- (d) Maamba Collieries Limited shall supply electrical energy to ZESCO Limited.

LUSAKA

11th August, 2015

[MF/IDM.15/3/14 PART 3]

A. B. CHIKWANDA,
Minister of Finance