

AFRICA RISK CONSULTING

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As Zambia prepares for the upcoming 2026 elections, President Hakainde Hichilema's (2021-present) administration makes significant strides in amending the country's constitution. Concerns increase over rising cases of environmental pollution stemming from mining activities in the Copperbelt. Government's recent decision to open the TAZAMA Pipeline for use by other oil marketing companies sees a sharp drop in prices charged for importing fuel through the pipeline.

Hichilema pushes for constitutional amendments before 2026 election

As Zambia prepares for the upcoming 2026 elections, President **Hakainde Hichilema's** (2021-present) administration is making significant strides in amending the country's constitution. Officiating at this year's **Women's Day in Kasama (Northern Province)** on 8 March, Hichilema said there was an agreement as a nation to amend the constitution before the 2026 elections in order to among others, change to a proportional representation system and for him to appoint more women in decision making positions.¹

Proportional representation is an electoral system in which the distribution of seats corresponds closely with the proportion of the total votes cast for each party. Zambia currently uses the **First-Past-The-Post (FPTP)** system, under which the winning parliamentary candidate is simply the person who wins most votes, but the government says the constitution amendment initiative aims to address various governance issues and enhance the democratic process. The administration believes that by refining the legal framework surrounding elections, it can ensure greater fairness and reduce incidents of electoral malpractice. These changes also include the proposition for a more robust electoral commission, which is envisioned to operate independently and beyond political influence.²

One of the central themes of these proposed amendments is the enhancement of checks and balances within the government. By restructuring certain powers and responsibilities, the administration aims to prevent any potential overreach by executive authorities that could undermine democratic institutions. In tandem with these efforts, the government has initiated public consultations aimed at gathering input from various stakeholders, including civil society and local communities.

Despite these seemingly positive strides, opposition parties and civil society organisations have voiced strong critiques of the amendments accusing Hichilema of attempting to entrench power rather than genuinely reforming the governance framework.³ Concerns have also been raised that certain amendments could disproportionately favour the ruling **United Party for National Development (UPND)** party and impact electoral competitiveness.

The opposition has also emphasised the need for comprehensive engagement and transparency in the amendment process arguing that for the reforms to be seen as legitimate, there must be

¹ ZNBC, 8 Mar 2025

² Diggers, 14 Mar 2025

³ Lusaka Times, 14 Mar 2025

broad consensus across the political spectrum. The **Patriotic Front (PF)**, led by former president **Edgar Lungu** (2015-2021), has warned its members of parliament (MPs) against supporting the ongoing constitutional amendment process, threatening to campaign against those who do so in the 2026 elections.⁴ Faction leader of the opposition in parliament, **Brian Mundubile**, has said the PF rejected the approach taken by Hichilema's administration, arguing that it lacked a clear roadmap and adequate stakeholder consultations.

Furthermore, critics have pointed out that while the administration speaks of reform, the pace and manner of the proposed amendments have raised red flags with the opposition worried that the Hichilema administration may prioritise expediency over thorough evaluation and public involvement.

To counterbalance these criticisms, Hichilema's administration has reiterated its commitment to upholding democratic values, stating that the reforms are aimed at strengthening the nation's democratic institutions. The administration insists that these amendments are essential for fostering an environment conducive to not only fair elections but also broader civic engagement.⁵

As Zambia approaches the 2026 elections, Hichilema's push for constitutional amendments marks a critical phase in Zambia's political development but questions still linger over whether these changes will lead to the anticipated improvements in governance and civic participation.

Concern over rising pollution cases in Copperbelt

There are increasing environmental concerns stemming from mining activities in Zambia's **Copperbelt** with recent developments involving **Chinese** companies, **Sino Metals** and **Zhixing**, being accused of pollution threatening both the environment and public health.

Sino Metals, one of the significant mining enterprises in the Copperbelt, recently found itself embroiled in legal challenges due to allegations of environmental pollution and contamination of the **Kafue River**. On 18 February, a tailings dam collapsed at the Sino Metals copper mine releasing approximately 50 million litres of acidic and highly toxic waste into the Kafue River ecosystem.⁶ Activists and affected residents have come together to initiate court proceedings against the company with allegations that Sino Metals neglected its environmental responsibilities, leading to the contamination of local water sources and harm to surrounding ecosystems.

While the government has stated that pollution in the Kafue River has been contained, officials have also expressed that Sino Metals will be held responsible for implementing long-term clean-up measures. The Kafue River is a critical water source for both agricultural activities and communities in the region, and any contamination poses significant risks.

In another development, Zhixing's Copperbelt mine has been closed due to serious pollution issues after its tailings dam was found to be polluting the environment. Speaking during the inspection of Zhixing tailings dam, senior inspector of the environment department **Canisius Mwenya** ordered the mine to correct errors and stop the contamination of the environment after it was discovered that its tailings dam contains acid.⁷

⁴ Zambia Monitor, 15 Mar 2025

⁵ ZNBC, 8 Mar 2025

⁶ Diggers, 24 Feb 2025

⁷ ZNBC, 4 Mar 2025

The mines safety department has been conducting a 10-day inspection of all mines following the collapse of the Sino Metals leach tailings dam, reflecting an intensifying scrutiny of mining practices and the environmental impact these operations can have on local communities.

The recent pollution cases involving Sino Metals and Zhixing underscore the urgent need for a paradigm shift towards sustainable mining practices in the Copperbelt as local communities are increasingly vocal about their concerns, highlighting the direct link between mining activities and environmental degradation.

As Zambia navigates the challenges posed by environmental pollution from mining activities, the cases of Sino Metals and Zhixing serve as urgent reminders of the need for corporate accountability and responsible resource management.

Open access to TAZAMA pipeline brings down costs

Government's recent decision to open the **TAZAMA Pipeline** for use by other oil marketing companies (OMCs) has seen a drop in prices charged for importing fuel through the pipeline. The pipeline, which stretches approximately 1,710km, transports crude oil from the port of **Dar es Salaam (Tanzania)** to Zambia but the government had previously given exclusive rights for its use to one company, **Agro-Fuel Investments Limited**. In early February, the government took a significant step towards liberalising the oil industry by opening the TAZAMA Pipeline to other OMCs with the move aimed at not only encouraging competition but also a reduction in fuel prices.⁸

Before the open access regime, Agro-Fuel was quoting fuel at around \$113 per metric tonne. However, it lost the previous bid to companies that quoted the commodity at \$84 per metric tonne. To now beat the other suppliers for the latest contract, Agro-Fuel reduced their bid to \$54.12 per metric tonne, resulting in a price reduction for other competitors, as the **Energy Regulatory Board (ERB)** rule stipulates that when the winning company bids at a lower price, all other competitors must match the lowest bid.

The **Oil Marketing Companies Association of Zambia (OMCAZ)** is anticipating a reduction in fuel pump prices with the use of the TAZAMA Pipeline expected to significantly reduce the cost of transporting low sulphur diesel into Zambia. OMCAZ president **Kafula Mubanga**, who has commended government for the conversion of the pipeline, says the association has also demanded that the announced bulk procurement system of low sulphur diesel does not segregate Zambian OMCs but grants them to supply 50% of the product as an entitlement.⁹

The decision to open the pipeline to other OMCs represents a turning point for Zambia's oil market. The **International Monetary Fund (IMF)** had imposed a condition on Zambia to implement open access to the TAZAMA Pipeline by the multinational oil corporations through a tendering process.¹⁰ This is one of the key performance indicators of the IMF, referred to as Structural Benchmark (SB), and was initially expected to be implemented by the end of August 2024.

Planner

21 May 2025 **Lusaka (Zambia) Bank of Zambia (central bank) Monetary Policy Committee** decision

⁸ Diggers, 6 Feb 2025

⁹ Phoenix, 16 Mar 2025

¹⁰ Lusaka Times, 5 Nov 2024

May 2025 **Lusaka (Zambia) International Monetary Fund (IMF)** mission for fifth review of the **Extended Credit Facility (ECF)**

Jul 2025 **Lusaka (Zambia)** Mid-Year Budget Review

Chronology

17 Mar 2025 **Lusaka (Zambia)** *The Australian*. **Australia's Prospect Resources** has been granted two 25-year large-scale mining licences covering its **Mumbezhi** copper flagship project in the **Copperbelt**;

15 Mar 2025 **Lusaka (Zambia)** *Zambia Monitor*. **Zambia Police Service** refuses to grant clearance for the planned **Tonse Alliance** countrywide protests, claiming a serious threat to public order;

14 Mar 2025 **Lusaka (Zambia)** *Znbc*. President **Hakainde Hichilema** says government has set a target to export beef worth over \$1 billion within the next five to ten years;

14 Mar 2025 **Lusaka (Zambia)** *Diggers*. A consortium of civil society organisations calls on government to halt the proposed **Non-Governmental Organisations Bill 2025**, which seeks to provide for the self-regulation of NGOs, among other provisions arguing that if enacted, the bill will undermine the independence and effectiveness of NGOs;

13 Mar 2025 **Lusaka (Zambia)** *Diggers*. Energy minister **Makozo Chikote** says **Indeni Energy** needs approximately \$250m to become fully operational, comprising \$100m in working capital for fuel procurement and \$150m for capital expenditure;

11 Mar 2025 **Lusaka (Zambia)** *Zambia Monitor*. Cabinet approves several bills including the **Management and Trade Facilitation Act, No. 12 of 2018** targeted at enhancing cross-border transactions and trade processes;

8 Mar 2025 **Lusaka (Zambia)** *Lusaka Times*. President **Hakainde Hichilema** sets a target of 1000MW of electricity generation from solar energy by the end of the year;

5 Mar 2025 **Lusaka (Zambia)** *HRW*. **United States**-headquartered **Human Rights Watch (HRW)** says the government's failure to act against environmental law violations is worsening the exposure of children to health risks, predominantly lead poisoning in **Kabwe (Central Province)**;

3 Mar 2025 **Lusaka (Zambia)** *Znbc*. Experts from **Toyota** in **Japan** visit the country to conduct feasibility studies on investing in Zambia following President **Hakainde Hichilema's** official visit to **Tokyo** last month;

27 Feb 2025 **Lusaka (Zambia)** *Bloomberg*. Annual inflation rises to 16.8% in February, up from 16.7% in January, marking a more than three-year high, largely due to drought and the kwacha's depreciation;

27 Feb 2025 **Lusaka (Zambia)** *Diggers*. **Botswana's** minerals and energy minister **Bogolo Kenewendo** and energy minister **Makozo Chikote** hold talks on the proposal to establish the Zambia-Botswana inter-connector to strengthen energy cooperation;

26 Feb 2025 **Lusaka (Zambia)** *Znbc*. Mines ministry launches the **Zambia Integrated Mining Information System (ZIMIS)** which is designed to streamline processes, reduce administrative bottlenecks, and ensure greater accountability across the sector;

25 Feb 2025 **Lusaka (Zambia) Diggers**. Energy minister **Makozi Chikote** engages in discussions with **Dangote Petroleum Refinery in Nigeria**, as part of the ministry's commitment to ensuring fuel security, competitive pricing, and supply stability;

25 Feb 2025 **Lusaka (Zambia) MSN**. Two men are on trial in Zambia on charges of practicing witchcraft and possessing charms intended to harm President **Hakainde Hichilema**;

24 Feb 2025 **Lusaka (Zambia) Lusaka Times**. President **Hakainde Hichilema** arrives in **Cairo** for an official state visit where he will meet with **Egyptian** counterpart **Abdel Fattah al-Sisi**;

24 Feb 2025 **Lusaka (Zambia) ZNBC**. Commerce, trade, and industry ministry says **Morocco** has expressed interest in collaborating with Zambia in the production of electric vehicle batteries but there are significant challenges for the country to fully participate in the electric vehicle sector, such as a lack of skills and technology;

23 Feb 2025 **Lusaka (Zambia) Zambian Monitor**. Mines and minerals development ministry has revoked multiple mining rights within **Mopani Copper Mines Plc's** large-scale mining licence in **Mufulira** district, directing all affected parties to surrender their licences and vacate the site to ensure Mopani can continue its operations without disruption;

23 Feb 2025 **Lusaka (Zambia) Zambian Observer**. **World Bank's Zambia Poverty and Equity Assessment Report** for the period 2010-2022 indicates that Zambia's poverty was becoming more entrenched over time with both poverty and inequality rising;

19 Feb 2025 **Lusaka (Zambia) Diggers**. Power utility, **ZESCO Ltd** signs deals with 28 firms to produce 320MW of solar power, signifying a commitment to diversifying its electricity generation and enhancing energy security;

19 Feb 2025 **Lusaka (Zambia) Diggers**. Energy minister **Makozi Chikote** says despite the increase in the electricity tariffs in November, power utility, **ZESCO Ltd** was unable to meet the monthly target of \$15m in revenue, only raising \$5m per month;

19 Feb 2025 **Lusaka (Zambia) Mining Weekly**. Finance ministry says it will suspend a 15% export tax on precious stones and metals after reintroducing the tax in January, citing a need to enhance competitiveness and attract investment;

18 Feb 2025 **Lusaka (Zambia) Diggers**. **European Union (EU)** ambassador to Zambia **Karolina Stasiak** says the EU has secured €153 million (\$167m) for the implementation of the **Nexus Energy-Water for Zambia (NEWZA)** project for the period 2025 to 2027;

14 Feb 2025 **Lusaka (Zambia) Diggers**. Finance and national planning minister Dr **Situmbeko Musokotwane** says **Kansanshi Mine**, which is owned by **Canada's First Quantum Minerals (FQM)**, delivered \$54m through the royalty model in 2024.

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