Economic growth is synonymous with availability of energy and the ability of a country to meet its wider development objectives is largely determined by access to reliable energy. Electricity is a valuable input into all sectors of the economy and as such remains an important asset if the country is to develop to desired levels.

**CAUSES**

- Power Demand has outstripped supply
- On average, 25% of the country have access to electricity
- According to the Ministry of Finance, Zambia’s economy has been growing at an average of 5% per annum over the past 10 years.

The maximum power deficit the country faces is estimated at 560MW

- There was poor rainfall experienced during the 2014/2015 rain season.
- This resulted in the low water levels in the reservoirs.
- ZESCO has been compelled to reduce generation at its major power stations resulting in a national capacity deficit of 560 Megawatts and this has led to load-shedding.

**WHAT ARE THE EFFECTS?**

- Schools
- Hospitals
- Homes
- Industries
- Mining
- Agriculture

The recent countrywide load-shedding is negatively affecting businesses, hospitals, schools, households, industries and national productivity as a whole. The mines, as largest consumers of electricity will also be negatively affected in terms of production, ultimately resulting in reduced copper and minerals export.

**RECOMMENDATIONS**

1. PMRC urges the government to create incentives for private sector’s participation in Renewable Energy Technologies (RETs) especially in rural areas.
2. Tax incentives for local contractors procuring RET into the countries need to be put in place so as to promote investment even at micro level and create employment.
3. PMRC urges Government to establish feed-in tariff as a policy tool for encouraging development of renewable energy technologies. Feed-in tariffs thus essentially subsidize renewable energy generation to make them cost-competitive.
4. PMRC recommends that the Government urgently develop a renewable energy plan that will guide the development and implementation of renewable energy sources so as to provide a rich energy mix for Zambia.
5. Government should scale up investments in non-hydro power sources in view of ZESCO’s frequent load-shedding around the country.

Zambia’s economy has been growing at an average of 5% per annum over the past 10 years and this growth rate has certainly been matched if not exceeded by the growth in demand for electricity. Adding to this, new settlements have been established as well as new businesses, industries and new mines in North Western Province.

Electricity demand in Zambia outweighs supply especially during peak hours.