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PROJECT MANAGEMENT NEWS FROM ZIMBABWE

By Peter Banda

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ZIMBABWE to Commission Largest US\$1.5bn Steel Plant in Africa this year

Zimbabwe is set to commission this year what is considered to become Africa's largest steel processing plant. Sponsored by CHINESE steel giant Dison Iron and Steel Company (Disco) to the value of US\$1.5 billion, construction of the plant started in 2019 and now almost 90% complete. Project Teams on site are currently carrying out test runs as it prepares to fire up the giant steel plant in Zimbabwe, and begin production in June 2024.

Disco, a unit of the Fortune 500-ranked Tsingshang, is constructing the plant at Manhize near Chivhu town which is located 120km south of Harare, at full production after commissioning, the plant is set to churn out five million tonnes a year of steel and ferrochrome operation, to position as 'Africa's largest'. Additional sub projects on site under the same project include construction of water and power supply facilities as well as a smart city. Wilfred Motsi, Projects Manager at Manhize told members of the press this week that they have also completed the installation of an 88kv powerline and are currently doing test runs for the plant.

“So far, we have connected an 88kv power line and it was energised, so we are now carrying out test runs for the plant to make sure it works properly, we are almost there. “So, until the test runs are over, we will begin production of pig iron,” Motsi said. “We are anticipating the test runs to be complete by the end of this month and by June we shall start production.”

The company was looking forward to constructing another 400-kilovolt powerline to link the plant to the national power utility company Zesa Holdings' grid at nearby Sherwood power grid station in Kwekwe.

“The 400 kilovolt (kv) powerline would be Disco’s second to link the Manhize-based plant to Zesa Holdings’ grid at Sherwood,” he told the members of the press. “Disco is already constructing another ‘quick win’ 88kv powerline to run on the same stretch. “We have the 88kv line, which we are constructing as a quick win and the 400kv powerline, which the contractor is finalising on resource mobilisation.” Motsi said they were also building a bigger dam, although it has different functions, but the most important of all is for a mini-hydro power.

The plant will require 100 megawatts (MW) during the first phase. On completion, power demand would rise to 800MW, according to Motsi. Under the 88kv deal, the Chinese firm said last year it would extend a US\$55 million loan to Zesa, which will be used to construct the powerline. The Manhize plant will be commissioned at a period when global steel prices are projected to remain subdued during 2024, despite a modest recovery in the Chinese market during the second half of 2023. To date the Manhize plant has created 1500 jobs for local Zimbabwe Youths from nearby villages, at full capacity the plant is expected to create 7000 jobs.

The depressed prices, which are expected in other markets outside China, may keep a leash on average global prices, according to research firms including BMI, a unit of Fitch Solutions. In its December Resource and Energy quarterly, the Australian Office of the Chief Economist said globally, steel prices remained weak due to falling demand from manufacturers and construction firms in developed markets. It is a sector wide concern that has unsettled markets across the globe, including in Zimbabwe.





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Peter Banda is an agile Portfolio Manager with Change Management, Marketing & Project Management Skills, and an accomplished entrepreneur with broad stakeholder management experience. He is a founder member of Zimbabwe's largest Association of Project Managers with a membership of over 4000, Project Management Zimbabwe (PMZ). He has worked in both the private & public sectors during the last 20 years in Zimbabwe, Botswana & South Africa. Peter is a born & passionate teacher, mentor & trainer with skills ranging from Personal Development Planning to Project Management. Peter has presented & published over 30 papers at high profile international conferences & leading newspapers & publications respectively during the last 10 years.

Peter is currently Secretary- General & CEO of PROJECT MANAGEMENT ZIMBABWE (PMZ). Responsibilities cover strategic navigation of PMZ towards the vision covering board advisory and stakeholder management. He was previously a Higher Education Examiner, Facilitator, Lecturer, Curriculum Developer and Assessor for both local and International Diploma and Degree courses for the Zimbabwe Ministry of Higher & Tertiary Education. Peter holds a Bachelors (Hon.) degree and MSc qualification, and is currently studying for a PhD & other certifications. A God-fearing father of 2 lovely daughters & 1 son, Peter likes reading & researching current affairs, coaching others to realise their dreams, and watching soccer & cricket.

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