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Review of SADC energy protocol progressing well

THE REVIEW process of a regional framework that guides energy development in southern Africa is progressing well.

Senior Programme Officer responsible for Energy at the SADC Secretariat, Moses Ntlamelle said this at the 24th Energy Thematic Group (ETG) meeting held on 22 October in Gaborone, Botswana.

The revised SADC Protocol on Energy is expected to have clear, practical and more manageable targets to enable the region to strengthen its energy security and ensure that power supply meets demand.

The existing protocol was adopted in 1996 and is now outdated since it does not capture some of the changing dynamics in the energy sector at regional, continental and global levels such as the push towards greater uptake of renewable energy sources and technologies, and the impact of climate change.

Another challenge with the existing protocol is that its provisions are not legally binding, making it difficult to enforce and implement it.

“The review team has covered a lot of ground in realigning the SADC Protocol on Energy to new and emerging trends,” Ntlamelle said, adding that “gaps have been identified” and the next stage is to submit the revised document for legal scrutiny.

Thereafter the document will be subjected to various reviews, including by the ministers of energy and those responsible for justice.

Once approved by the minister, the instrument will be tabled before the SADC Council of Ministers before it is elevated to the summit of SADC heads of state and government for final approval.

The protocol entered into force in 1998 and aims to promote the harmonious development of national energy policies and matters of common interest for the balanced and equitable development of energy throughout the region.

It outlines the institutional mechanisms and financial provisions in place for implementing the energy programme for the region.

In May 2019 the SADC energy ministers approved a roadmap to finalize the review of the protocol, and

urged member states who have not yet acceded to the legal instrument to do so.

As of August 2018, before the admission of the Union of Comoros as the newest member of SADC, all member states, except Democratic Republic of Congo, Madagascar and Seychelles, had ratified the Protocol on Energy.

Speaking at the same meeting, Director of Infrastructure at the SADC Secretariat, Mapolao Mokoena said energy is a key enabler of sustainable development and regional integration.

As such, it was important for cooperating partners to support as well as align their assistance towards energy development.

Alignment of support towards energy development will ensure the smooth implementation of agreed activities and programmes, thereby promoting socio-economic development and deeper integration.

The annual SADC ETG meeting discussed ways of ensuring a coordinated approach to regional energy development in southern African.

The SADC ETG consists of representatives of the SADC Secretariat, SADC energy subsidiary organisations, International Cooperating Partners (ICPs) and a knowledge partner, the Southern African Research and Documentation Centre (SARDC).

The lead ICP for the energy sector is the United States Agency for International Development (USAID). SADC energy subsidiary organisations are the Regional Electricity Regulators Association of Southern Africa (RERA), SADC Centre for Renewable Energy and Energy Efficiency (SACREEE), and the Southern African Power Pool (SAPP).

SAPP is a regional body that coordinates the planning, generation, transmission and marketing of electricity in southern Africa on behalf of member state utilities, and all mainland countries with exception of Angola, Malawi and Tanzania are connected to the regional grid.

SACREEE is responsible for spearheading the promotion of renewable energy development in the region, while RERA regulates energy trading in the region.



Study on regional gas plan begins

A **STUDY** on the modalities and operations of a regional policy framework to guide the exploration of gas and oil is now underway and expected to be finalised by April 2020.

The study being undertaken by the SADC Secretariat with support from the Development Bank of Southern Africa (DBSA) commenced in November 2019.

According to the Terms of References, SADC has resolved to adopt a phased and incremental approach to developing the Regional Gas Master Plan, and the phases are:

- Phase 1: Defining the Conceptual and Policy Framework (focused on investigating natural gas supply and demand dynamics); and
- Phase 2: Master Planning (Visioning and Mapping the Strategic Location of Natural Gas Based Industries/Projects) and Final Master Plan and Investment Blueprint.

The SADC region has some of the largest deposits of natural gas in the world, hence the development of a regional gas master plan will go a long way in enabling the region tap its potential and address its energy challenges.

Update on Communicating Energy in Southern Africa intervention

THE COMMUNICATING Energy in Southern Africa intervention has contributed towards increasing access and availability of energy knowledge and information.

Implemented by the Southern African Research and Documentation Centre (SARDC) in consultation with the SADC Secretariat Energy Division with support from the Austrian Development Agency (ADA), the intervention is however coming to an end in December 2019.

Some of the key indicators recorded by the project in its last phases covering July 17 to December 2019 include the following:

- Regular update of the Energy Portal for the ETG group available at <https://sadc-energy.sardc.net>;
- Production of five editions of the ETG Bulletins capturing key outcomes of ETG meetings;
- Produced of six policy briefs covering a range of topics such as renewable energy and energy efficiency, renewable energy financing, and mainstreaming energy in the energy sector;
- Production of 15 editions of the bimonthly magazine, SADC Today in 3 official SADC languages;
- More than 150 articles focusing on energy and energy-related issues produced and distributed on the weekly online news service, the Southern African News Features;
- Production of the second edition of the SADC Energy Monitor, which documents progress made by Member States towards the implementation of the SADC energy commitments; and
- Production of two editions of the SADC Energy Investment Year Book that tracks investments made in the SADC energy sector.

Motivated by the success posted since inception, the SARDC stand ready to continue working with the energy stakeholders in the region to implement most of the project activities beyond the current funding

SADC to add 26,000MW of new power by 2023

SOUTHERN AFRICA aims to commission a total of 25,927 Megawatts of new electricity between 2020 and 2023 as the region aims to ensure that energy demand meets supplies.

According to the Southern African Power Pool (SAPP), which coordinates the planning, generation, transmission and marketing of electricity in southern Africa on behalf of member state utilities, a total of 8,7881MW will be commissioned in 2020, while 6,181MW will be added in 2021.

In 2022 and 2023 a total of 8,932MW and 2,033 will be commissioned respectively. See Table 1 on the committed generation capacity including what each SADC Member State will contribute.

See Table 1: Committed Generation Capacity 2020 to 2023

| Country | Committed Generation Projects , MW | | | | Total (MW) | % Share |
|------------------------|------------------------------------|--------------|--------------|--------------|---------------|-------------|
| | 2020 | 2021 | 2022 | 2023 | | |
| Angola | 34 | 67 | 0 | 0 | 101 | 0.4% |
| Botswana | 10 | 0 | 500 | 0 | 510 | 2% |
| DRC | 360 | 0 | 0 | 0 | 360 | 1% |
| Eswatini | 10 | 0 | 0 | 0 | 10 | 0.04% |
| Lesotho | 0 | 20 | 0 | 0 | 20 | 0.1% |
| Malawi | 60 | 278 | 0 | 258 | 596 | 2% |
| Mozambique | 30 | 0 | 550 | 0 | 580 | 2% |
| Namibia | 40 | 44 | 180 | 0 | 264 | 1% |
| South Africa | 6667 | 4837 | 4920 | 600 | 17,024 | 66% |
| Tanzania | 0 | 235 | 2530 | 1012 | 3,777 | 15% |
| Zambia | 970 | 100 | 252 | 163 | 1,485 | 6% |
| Zimbabwe | 600 | 600 | 0 | 0 | 1,200 | 5% |
| TOTAL (MW) | 8,781 | 6,181 | 8,932 | 2,033 | 25,927 | 100% |
| Decommissioning | | 75 | 1870 | 2280 | 4,225 | |

Source: Presentation by SAPP to the SADC ETG Meeting held in October 2019



Enabling environment key to energy development

SIGNIFICANT PROGRESS has been made in improving the regulation and policy landscape in the SADC energy sector.

This is thanks to the Southern Africa Energy Program (SAEP) being implemented by the United States Agency for International Development (USAID).

Running since March 2017 until March 2022, the SAEP has assisted regional regulators and institutions to develop or revised 19 laws, policies, strategies, plans and regulations to improve the enabling environment and reduce barriers to energy sector growth.

For example, SAEP assisted the Mozambique Energy Regulatory Authority in the development of a Road Map to begin regulation of local (natural gas) distribution companies.

Furthermore, SAEP was instrumental in the finalization of an assessment of options for electrifying the City of Windhoek's peri-urban settlements.

SAEP also developed, designed and delivered the e-module on regulatory governance to support skills building activities for are the Regional Electricity Regulators Association of Southern Africa (RERA) members and teach the importance of regulatory governance arrangement and measures, including public trust.

The main objective of the SAEP is to strengthen the regional enabling environment and facilitating transactions through technical assistance.

Key energy development since April 2018

A **NUMBER** of activities to address the energy situation in southern Africa have been put in place including approval of 15 ministerial decisions. Some of the decisions approved by SADC since April 2018 include the following:

- Approval of a roadmap for review of the SADC Protocol on Energy of 1996
- RERA to be a regional regulatory agency
- Operationalisation of the SADC Centre for Renewable Energy and Energy Efficiency (SACREEE)
- Signing of the SACREEE Intergovernmental Memorandum of Agreement by Zambia and Zimbabwe to increase number of Member States that signed from five in April to eight in June 2019; and
- Initiative to develop a regional Gas Master Plan as well as the roadmap on migration to cleaner liquid fuels and efficient vehicles in the transport sector.

Mozambique, DBSA sign US\$81.30 million power deal

MOZAMBIQUE'S NATIONAL energy utility, Electricidade De Mozambique (EDM) has received a loan facility of \$81.30 million from the Development Bank of Southern Africa (DBSA) for the rehabilitation and upgrading of energy supply network.

The finance support is in line with Mozambique's plans to upgrade the country's power network in order to provide universal electricity access by 2030. EDM has launched several projects aimed at strengthening the transmission grid and improving distribution capacity in Mozambique. Esi-africa

Towards energy efficient lighting and appliances

EFFICIENT ELECTRICITY use in homes, businesses and public facilities is one of the fastest and cheapest ways of accelerating sustainable development.

A preparatory phase of promoting efficient lighting and appliances in southern and eastern Africa is thus being championed by the SADC Centre for Renewable Energy and Energy Efficiency (SACREEE) East African Centre of Excellence for Renewable Energy and Efficiency (EACREEE).

Supported by the United Nations Industrial Development Organization (UNIDO), Swedish Energy Agency (SEA) and the Swedish International Development Corporation (Sida), the preparatory phase of the project commenced in August 2018, with full operational in June 2019 until 2024.

Over the five years (2019 – 2024), the project will implement a broad range of activities on energy efficient lighting and appliances across the 21 Member countries of SADC and the East African Community (EAC).

For example, market incentives will be put in place to stimulate the uptake of energy efficient lighting and appliances, while a regional framework for lighting and harmonised minimum energy performance standards for various product groups will be developed.

Furthermore, a network for sharing knowledge within the regions will be established, and an awareness campaign will be conducted about the benefits of efficient technologies amongst market players, policy makers and consumers will be critical

Continent-wide electricity market masterplan

THE AFRICAN Development Bank (AfDB) and the African Union Development Agency (AUDA-NEPAD) have agreed to jointly develop a blueprint for a pan-continental electricity network and market.

The agreement to set up a Continental Power System Master Plan between the Bank and AUDA-NEPAD was unveiled at the workshop held on the sidelines of Programme for Infrastructure Development (PIDA) Week convened in November in Cairo, Egypt.

The workshop also produced the Masterplan's terms of reference, which will inform the energy component of a PIDA Action Plan, which focuses on key regional integration projects.

"The Continental Power System Master Plan will ensure that competitive electricity markets are developed at regional and continental levels, creating unique opportunities to optimally utilise Africa's vast energy resources for the benefit of Africa," said Prof Mosad Elmissiry, a senior energy advisor to AUDA-NEPAD's CEO.

The workshop was aimed at advancing the launch of an Integrated Continental Transmission Network to link national power utilities into regional power pools and, ultimately, into a continent-wide transmission network.

Zimbabwe to construct methane gas plant

ZIMBABWE HAS made major strides towards developing a methane gas plant after preliminary exploration by Shangani Energy Exploration proved the existence of a considerable methane resource.

At least US\$780 million is needed for the methane gas project to be implemented in three phases, starting from exploration to full scale power generation of 400 megawatts over a 10 year period.

Zimbabwe. Part of the investment is expected to come from a US\$1 billion deal signed in May 2018 between Zimbabwe and Sinosteel, which will also go towards the construction of additional chrome smelters at Zimasco's Kwekwe smelting complex and in new ones in Mberengwa. The Herald