



ICPs want cooperation taken to a higher level

INTERNATIONAL COOPERATING Partners in the SADC Energy Thematic Group want the group to go beyond its current focus on information sharing to joint funding of mutually agreed regional infrastructure projects in the energy sector.

This was said at the 6th SADC Energy Thematic Group (ETG) meeting in Gaborone, Botswana on 23-24 March. While acknowledging notable successes since the new found cooperation between SADC and its ICPs under the Windhoek Declaration of 2006 that formalised thematic coordination, participants at the Gaborone meeting unanimously agreed to go beyond information gathering and sharing, which was the focus of the group's last three nascent years, under the leadership of Norway.

To start with, ICPs agreed on a proposal to pool resources for the purpose of funding mutually agreed one or two projects in the SADC region. Work on identifying such select projects will commence in May 2010.

The 6th ETG further called on Energy Ministers meeting 27-29 April in Angola to initiate a process of reviewing the SADC Activity Plan and all the related sector policy documents which have now become outdated. The Activity Plan is a critical document for the SADC Secretariat and ICPs as it spells out the key activities or priorities for implementation in the short-to-medium term. It is guided by other key documents such as the Protocol on Energy.

The current Activity Plan is almost 10 years old and was guided by, among other documents, the Protocol and the SADC Energy Cooperation Policy and Strategy, all of which have also been overtaken by new developments such as climate change as well as the renewed thrust towards energy access, renewable energy and energy efficiency.

In light of Germany's intention to wean off the Programme on Basic Energy and Conservation (ProBEC), ICPs are urging Member States to put in

place measures to ensure implementation of biomass programmes and projects that go beyond German funding.

SADC has also been called upon to assume a more proactive role in mediating or intervening as necessary to unlock political deadlocks that may arise between two or more countries with the effect of derailing implementation of what may otherwise be promising regional projects.

A case in point is the Malawi-Mozambique Interconnector which has been a high priority project for more than 20 years and had recently secured funding from the World Bank but failed to take off following disagreement between the two countries involved. The World Bank has since withdrawn its funding pledge following several extensions which were not taken advantage of. The SADC Secretariat could have played a mediatory role to bring the Member States concerned to a common understanding.

In light of the critical role played by Statistics in planning at both the regional and national levels, SADC has been urged to seek professional assistance to develop a Statistical Database. ICPs in the energy sector would be willing to support such an initiative.

In addition, the ETG noted that a draft Carbon Markets Programme of Action document is expected to be tabled for adoption by the ministers in Angola. A common regional strategy would allow coordinated approaches which is critical in view of the fact that climate change impacts cut across political boundaries.

The ETG meeting started with opening remarks from Ambassador Tove Bruvik Westberg of the Norwegian Embassy in Mozambique, and Engineer João Caholo, SADC Deputy Executive Secretary – Regional Integration. It was attended by representatives of ICPs interested in the SADC energy sector, SADC Secretariat, RERA, SAPP and SARDC.

The next ETG meeting will be held on 9-10 November 2010 in Gaborone. □

Germany exits SADC energy sector

GERMAN SUPPORT for the Programme on Basic Energy and Conservation (ProBEC), which is currently running in nine southern African countries, is coming to an end this year.

However, SADC and Member States have indicated that ProBEC activities should continue in the countries and the brand name of ProBEC be retained.

The Germany Agency for Technical Co-operation (GTZ) has been funding the programme for the last few years.

To ensure continued biomass and basic energy focused activities after 2010, Member States have been urged to consider directly supporting ProBEC activities in their countries. Swaziland recently announced that the amount of 30,000 euros will be allocated to biomass energy activities from central government. This will ensure the retention of key ProBEC staff and the continuation of implementation activities.

ProBEC also recently appointed a consultant to undertake an exploratory study amongst ProBEC national counterparts to ascertain governments' willingness to support biomass energy activities post 2010. Member States committed to direct financial support of national biomass programmes and this commitment was confirmed at the SADC Energy Ministers Meeting held in Maputo in April 2009.

For its final year of being implemented by GTZ, ProBEC will focus on achieving its goals and objectives as set out by the approved project proposal submitted to the German Government in October 2009, while endeavouring to create and resource a variety of sustainable structures that will ensure ongoing activities on biomass and basic energy conservation.

The programme consists of two components, namely establishing national markets for basic energy efficiency products and services; and improving the political framework conditions that ensure the security of supply and access

of basic energy for low-income groups.

ProBEC's traditional stove work will continue under the first component, but with more focus on proven stove technologies as there is no scope to embark on technology development activities at this stage of the programme. A target of ensuring 700,000 people have long term improved access to better energy products and services in households, institutions and small enterprises have been set. Provisional country target for stove sales have been set as in the table below.

Stove targets per country for period 1 Jan - 31 Dec 2010

Mozambique	49 000
Lesotho	100
Malawi	30 000
Tanzania	26 000
Zambia	20 000
Swaziland	1 040
Botswana	1000
Target for period	127 140

ProBEC will also continue its work in facilitating the establishment of a sustainable supply chain for mass produced energy efficient stoves in the region. The South African importer recently ordered the second container of stoves and reports excellent market growth and prospects for the stove. Activities are on-going to link the imported stoves with retailers and to encourage other importers in the different countries to directly import a container, as this saves significantly on the transport cost of the stove.

Under its policy component, ProBEC will actively embark on a process to support national governments that developed a BEST strategy to develop implementation plans and strategies for project implementation emanating from the BEST strategy. Countries

interested in developing a BEST (for example Mozambique, Zambia and Tanzania) will be supported.

Apart from these activities, ProBEC is well advanced with the establishment of a regional carbon facility which will generate sustainable income from carbon for public benefit in the biomass energy sector.

ProBEC has been working with the SADC Secretariat's Infrastructure and Services Directorate to establish a SADC Regional Carbon Facility (SRCF) which will provide a powerful framework for development of regional, multi-country projects under the Clean Development Mechanism (CDM) and other carbon financing structures. The SRCF will be mandated by SADC but managed by an independent partner, preferably an experienced carbon project developer. It is intended to be a for-profit entity but with a public-benefit mandate.

The first project under the SRCF will be a multi-country Programme of Activities (PoA) on improved biomass-fuelled cookstoves, also being developed by ProBEC and presently in advanced stages of preparation. The selected partner will be responsible for continuing the development of this PoA, as well as for developing future regional PoAs and projects under SADC auspices.

The SRCF itself will be a SADC entity and is therefore potentially operational in all 15 SADC countries, although participation will require individual Member State consent. By contrast, the initial cookstoves PoA will be limited to those countries in which ProBEC is presently operational, or will be operational by end of 2010. Future expansion of the cookstove PoA within SADC would be contingent on DNA approvals.

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SAPP to add 800 MW to regional grid

SOUTHERN AFRICA expects to commission projects that will add about 800 Megawatts (MW) of electricity to the regional grid this year.

The Southern African Power Pool (SAPP), which coordinates the planning, generation, transmission

and marketing of electricity on behalf of Member State utilities in the SADC region, said 70 MW of the targeted figure, has already been installed in Botswana.

The other remaining 733 MW is expected to be available by December 2010. (See table below)

GENERATION PROJECTS COMMISSIONED IN 2010						
No.	Utility	Country	Name	Type	Units	Capacity [MW]
1	IPP	Botswana	Diesel Gen.	Diesel	1	70
GENERATION PROJECTS TO BE COMMISSIONED IN 2010						
No.	Utility	Country	Name	Type	Units	Capacity [MW]
1	Eskom	South Africa	Co-generation	Gas	1	282
2	Eskom	South Africa	Komati	Thermal	1	316
3	ENE	Angola	Gove	Hydro	1	60
4	ENE	Angola	Lobito	Hydro	1	60
5	ZESCO	Zambia	Kariba North	Hydro	1	15
						733

Funds secured towards construction of ZIZABONA project

CONSTRUCTION OF the much-anticipated Zimbabwe-Zambia-Botswana-Namibia (ZIZABONA) transmission line could begin soon following the availability of some of the funds.

The Southern African Power Pool (SAPP) said at the recent SADC Energy Thematic Group meeting held in Gaborone, Botswana, that US\$500,000 has been secured from the Government of Norway.

Another US\$500,000 has been made available by the Development Bank of Southern Africa (DBSA) while the AFD and NEPAD have also expressed an interest in funding the project.

The ZIZABONA transmission line links the four southern African countries. The main aim of the project is to decongest the central transmission corridor that passes through Zimbabwe.

The line has the capacity to carry an additional 200 megawatts (MW) in phase 1 and 400MW in phase 2 as well as allow member states to easily

access any generation capacity installed in the four countries.

Project owners – ZESA Holdings of Zimbabwe, ZESCO of Zambia, BPC of Botswana and NamPower of Namibia signed a Memorandum of Understanding in December 2007 and a Development Plan in April 2008.

Currently, electricity from the Hwange Power Station is being routed to Namibia through South Africa.

The transmission line among the four southern African countries would also benefit the transfer of power from Inga in the Democratic Republic of Congo and Hydroelectric de Cahora Bassa in Mozambique to South Africa and the rest of the region thus decongesting the central transmission corridor.

In the long run the project will serve electricity transmission needs of all the four Member States and facilitate power transfer from a number of power generation projects earmarked in the respective countries. □

The power would come from South Africa's Eskom, which aims to commission a total of 598 MW from two plants - Komati Thermal Station and Co-Generation Gas plant.

Angola's ENE will weigh in with 120 MW from its two hydro plants in Gove and Lobito while Zambia's Zesco will add 15 MW from the Kariba North hydro plant.

This new power is expected to help the SADC region boost its supplies as well as partially meet its growing demand.

In the year 2009, SAPP was able to add a total of 2,187 MW against a planned target of 2,400 MW. □

Regional trading system commissioned

SADC COUNTRIES have launched a more competitive regional power trading system aimed at among other things to boost pooling of electricity across the region.

The system, which is being coordinated by the Southern African Power Pool (SAPP), was commissioned in December 2009.

According to SAPP, there has been little activity when the Day Ahead Market (DAM) opened for live trading since 15 December 2009, largely due to the Christmas and New Year holiday. More activity is however, expected during the course of the year.

Only about five percent of all power traded in southern Africa is in the DAM, with prices set by the seller and administered by SAPP. The rest is exchanged via bilateral long-term contracts with fixed tariffs.

Under DAM, prices will be set based on demand and supply between the utilities in the countries where the power pool operates.

The new system has the capacity to attract more players, including independent power producers. □

Highlights of the SADC energy ministers meeting

SOUTHERN AFRICAN Energy Ministers met in Luanda, Angola on 29 April to review the power situation in the region in an effort to ensure that supply and demand are evenly matched.

Key decisions made at the meeting include the following:

- Need to address a number of structural, operational and political challenges to unlock the huge energy potential in the region
- Put in place necessary policies to support the continuation of ProBEC activities as espoused in the GTZ Exit Strategy
- Equip member states with necessary human and financial resources to competently participate in the regional energy planning activities
- Undertake a comprehensive review and rationalization of the entire SADC Energy sector Governing Instruments such as the SADC Energy Protocol, SADC Energy Policy, SADC Energy Strategy and Action Plan and SADC Energy Activity Plan
- Agreed on a plan to establish a SADC Carbon Facility to generate income from the sale of carbon credits, emanating from ProBEC and other similar activities
- Adopted the SADC Framework for Sustainable Biofuels development in order to promote fair, equitable and environmentally sustainable use of biofuels in the region
- approved the proposed "Guidelines for Regulating Cross-border Power Trading in Southern Africa"
- Urged member states to develop national energy pricing policies and strategies that include cost reflectivity
- Ministers noted that the pace of migration towards cost reflective tariffs is too slow and requires commitment to speed up the transition to mitigate against electricity / energy shortages and prevent a full-blown crisis in the long run in the region
- Need to accelerate implementation of power projects in member states and comprehensively deal with other market and regulatory related challenges affecting the pace of project implementation
- Urged member states to develop roadmaps based on the SADC Regional Energy Access Strategy and Plan of Action Plan. The plan must take into account opportunities from the climate change process
- The ministers took note that SADC could continue to experience serious energy challenges beyond 2013 as most projects being undertaken by the region are actually slower than expected.

Africa Hydro Symposium for Tanzania

ENERGY EXPERTS from Africa are expected to meet in September for the Africa Hydro Symposium to explore ways of harnessing hydro electricity.

The 22nd symposium scheduled for 15-17 September in the United Republic of Tanzania is expected to among other things review the prevailing investment environment in Africa in a bid to craft attractive policies that lure investment into the sector.

Hydro energy, which involves use of water to turn turbines and generate electricity, is regarded as one of the most reliable and clean forms of power that does not pollute the environment compared to other forms such as thermal.

However, the energy source remains largely untapped in Africa despite the fact that the continent is hugely endowed with watercourses such as the seven major river systems of Congo, Limpopo, Niger, Nile, Orange, Senegal and Zambezi. □

April

21, Austria

High Level Meeting of the Africa-EU Energy Partnership

22-23, Mozambique

Mozambique Mining and Energy Conference

27-29, Angola

SADC Energy Ministers Meeting

May

4-5, South Africa

Energy Industry Leaders Summit Infrastructure Partnerships for African Development (iPAD) Power Industry Forum

6-7, Angola

Eastern Africa Energy Conference 2010

10-12, Kenya

Bio energy Markets Africa: Expanding sustainable bioenergy production

11-13, Mozambique

Wind power Africa 2010 conference

12-14, South Africa

June

2-4, Kenya

Green Business Africa Summit and Expo 2010

15-17, Turkey

9th World Wind Energy Conference

21-23, Ghana

and Renewable Energy Exhibition World Future Council Strategy

29, Switzerland

Workshop: Power Kick for Africa Africa Energy Forum

August

23-27, Swaziland

35th SAPP Meeting Eastern African Power Industry Convention

31, Kenya

September

6-8, Botswana

3rd IASTED African Conference on Power and Energy Systems World Energy Congress 2010 Africa Hydro Symposium RERA Executive Committee Meeting Africa Energy Week

12-16, Canada

15-17, Tanzania

27, South Africa

27-30, South Africa

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