



Participants seek to reignite Energy Thematic Group at 8th meeting:

Call for more engagement with senior SADC management

THE 8TH Energy Thematic Group (ETG) meeting in Gaborone in March took time to reflect on issues of concern to the group with a view to reinject some optimism amid what seems to be waning interest from cooperating partners in light of recent developments.

In particular, the International Cooperating Partners (ICPs) noted with concern that SADC was often not represented at a more senior level at the ETG meetings, a situation that is not ideal for more engagement on substantive issues.

The ICPs therefore called for a more high level representation at the next meeting, usually convened at six-monthly intervals.

In her opening remarks to the meeting, Norwegian Ambassador to Mozambique, Mrs Tove Bruvik Westberg said, "Looking back to the 7th meeting [in 2010], we were left with increased optimism... [Having been] assured of more active participation... That optimism we had has diminished into scepticism because we have not heard much since then."

She added, "ICPs would wish for more engagement with more senior SADC management. To be able to continue, we would need to see more commitment from SADC... we would want to hear in a clear voice, what would be the added value of this group."

Regarding the review of the SADC Energy protocol for which terms of reference have already been drawn, the ICPs called for more ownership of the process from SADC. They want more clarity on what SADC is putting on the table, and what exactly is required from the ICPs.

The meeting also noted with concern that there appeared to be a disconnect between the decisions of the Energy Ministers to which the ETG directly feeds and those of the SADC Council of Ministers which are more binding.

The SADC Energy Unit reported that its capacity remains constrained as the budget for its parent directorate, Infrastructure and Services, was trimmed by 40 percent by Council.

Other issues raised with regard to the future of the ETG included what seems to be waning interest from some ICPs on the ETG work programme.

As an update on SADC Energy Sector activities and programme, there were presentations from SADC Secretariat, Southern Africa Power Pool (SAPP) and the Regional Electricity Regulators Association (RERA).

The meeting was attended by ICPs, SADC institutions and other regional partners of SADC. □

ETG Thematic coordination objectives

The main objectives of the thematic coordination include creating:

- Platforms for SADC and representatives of the ICP for networking/confidence-building;
- Fora for exchanging ideas and enhancing dialogue on strategic issues;
- Networks for exchanging and disseminating information such as progress reports, SADC decisions, global developments, etc;
- Fora for coordinating activities to avoid overlaps and achieve maximum synergies with other donors, other SADC activities, as well as sub regional and global initiatives/actions;
- Resource mobilization mechanisms on funding gaps, as well as serving the purpose of coordinating the utilization of secured funding; and
- Platforms for developing joint financing and technical cooperation arrangements which could include basket funding mechanisms, etc, in line with the New SADC/ICP Partnership and Paris Declaration. □

SADC moves towards clean energy sources

SOUTHERN AFRICA aims to reduce its energy dependence on coal by more than 23 percent over the next five years in a bid to promote the use of cleaner sources that result in less carbon emissions.

The region currently generates about 74 percent of its electricity from thermal as coal is in abundance. Thermal stations are easier and cheaper to construct compared to hydro or wind plants.

However, renewable energy sources such as hydro and solar are fast emerging as the most lucrative source of energy because they do not pollute the environment.

Hydro only accounts for about 20 percent of the energy mix in the region yet SADC is hugely endowed with water courses such as the Congo, Limpopo and Zambezi.



If fully exploited the Zambezi River, for example, has an estimated hydropower generation capacity of more than 20,000 Megawatts (MW).

The Southern African Power Pool says the energy mix needs to be addressed to achieve a balance.

As such, the region intends to reduce its energy dependence on coal to about 59 percent by 2015. This move will see other energy sources including solar, wind and gas register a significant increase in usage while nuclear power would be reduced.

Gas/Diesel, which accounts for about 2 percent of the regional energy mix, is expected to contribute more than 18 percent by 2015.

Wind and Solar are expected to account for about 2 percent by 2015. Currently, both sources of energy are not considered as major contributors to the regional energy mix. This is largely because solar and wind plants are expensive to construct. □

South Africa launches energy-saving initiative

SOUTH AFRICA has launched the biggest energy saving initiative in the country. Deputy President Kgalema Motlanthe said the 49M initiative aims to spur all South Africans to embrace energy savings as a national culture.

49M refers to the population of South Africa and is used as a mechanism to emphasize that everyone in South Africa has a part to play in energy saving and energy efficiency.

The main objective of the initiative - endorsed by government and business partners is a better future for all South African's economically, socially and environmentally.

"By taking action on a personal level to reduce waste, acting as an electricity influencer at home and in the workplace, we can begin the process of saving electricity and contributing to the health of our environment," he said.

"We each have it within our power to make an individual difference to energy efficiency in South Africa."



Motlanthe said there is need for the country to work with other regional countries in tackling the challenges.

"We can work with other nations toward finding ways of reducing emissions and so relieve the burden on our environment." □

Namibia's wind plant on course

THE DEVELOPMENT of Namibia's first-ever wind power generation plant, with a capacity to generate 44 Megawatts (MW) of electricity has begun with a detailed wind assessment at Diaz Point in Lüderitz.

The project is expected to cost N\$1 billion (US\$150 million). The plant is set to be operational by 2013 - after which it would consid-

er plans to boost generation to about 90 MW.

Namibia is among a number of SADC countries that are experiencing serious energy challenges hence plans to avert the shortages through an array of programmes such as building new power plants as well as refurbishing and expanding the existing ones. □

Regional energy trading system active

THE RECENTLY launched competitive regional power-trading system aimed at boosting the pooling of electricity across the region is making gradual progress with more member countries trading amongst themselves.

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 significant activity has been experienced since the Day Ahead Market (DAM) opened for live trading on 15 December 2009.

A total sale bids of 367,704 Megawatt hours (MWh) and 156,787 MWh buy bids have been received on the DAM trading platform as of January. (See table)

SAPP said 41,519 MWh was matched on the DAM trading platform. However, only 26,040 MWh was traded, which is approximately 1 percent of the market sale bids.

SAPP to commission 1,250 MW in 2011

SOUTHERN AFRICA expects to commission six energy projects that will add about 1,250 Megawatts (MW) of electricity to the region in 2011.

The power will come from South Africa, which aims to commission a total of 530 MW and Zimbabwe 300 MW. Angola will weigh in with 150 MW, the Democratic Republic of Congo with 80 MW while Botswana will add about 120 MW and Namibia about 20 MW.

However, about 1,110 MW of the new power will be added to the regional grid as Angola is not yet connected to the SAPP grid.

In 2010, SAPP added about 1,110 MW of electricity. In the year 2009, SAPP was able to add a total of 2,187 MW against a planned target of 2,400 MW.

Summary of bids submitted as of 31 January 2011



Source: SAPP

"A total of 15,479 MWh was matched but could not be traded due to transmission constraints. This represents 37.3 percent of what was matched," SAPP said.



SAPP said revenue performance was good adding that market cross was achieved generally for more than 60 percent of the time and for an average of around 20 hours in a day.

On some days, the market cross was achieved for 24 hours and the average price was 14USc/KWh. Trading prices are set by the seller and administered by SAPP. The rest of the trading is exchanged via bilateral long-term contracts with fixed tariffs.

Prices are also set based on demand and supply between the utilities in the countries where the power pool operates.

SAPP said participation by member utilities has gone up to eight from five in September 2010 and six of the utilities are active on a daily basis. More utilities are expected to come on board soon.

However, various challenges have been noted on the DAM trading. These include price gaps between buyers and sellers, low and inconsistent participation by members and balancing of national priorities. Other constraints include the sudden migration affecting the trading from a cooperative to a competitive pool. □

SADC energy meeting set for May

THE SADC Energy Ministers Meeting is scheduled for May in Botswana. The meeting is expected to review the energy situation in the region to ensure demand and supply is evenly matched.

Other issues on the agenda would be on the status of implementation of projects as well as key decisions made at the last meeting in 2010.

These include the need to address structural, operational and institutional challenges hindering development in the energy sector.

The ministers are also expected to discuss the review of SADC's energy governance instruments including the Protocol on Energy. □

Africa to tap wind energy

ENERGY EXPERTS from Africa will meet in May in South Africa to explore ways of harnessing wind power.

The Wind Power Africa conference is scheduled for 9-11 May. The African Wind Energy Association said the conference will "examine the current and future wind energy markets in Africa and highlight attractive business opportunities, with in depth analysis and country case studies." □

2011 Tariff Publication to be unveiled at energy meeting

THE REGIONAL Electricity Regulators Association of Southern Africa (RERA) is expected to present highlights of the 2011 SADC Tariff Publication at the forthcoming Energy Ministers meeting set for Botswana.

The 2010 publication was launched in November last year. Its main objective is to provide a comparative analysis of tariffs in the SADC region as well as some selected performance indicators that are critical in decision making, monitoring and benchmarking. □

December 2010

1, South Africa	IPP World Africa
5-6, Canada	Renewable Energy Finance Forum
12-13, Kenya	African Power Pools Forum
14-15, South Africa	Renewable Energy Taskforce Meeting
27-30, Senegal	Solar Energy and Environment

May

2-5, Norway	Conference on Wind Energy and Wildlife Impacts
3-6, South Africa	World Economic Forum
4-6, Zambia	Zambia Mining and Energy Indaba
9-11, South Africa	Wind Power Africa Conference
12-13, Zimbabwe	ZiZaBoNa Meeting
12-16, Canada	World Forum on Energy Regulation
26, Botswana	SADC Ministers for Energy

June

2, Zimbabwe	Generation Planning Group Meeting
5, Turkey	International Green Energy Conference
6-9, Congo	Central Africa Electricity Forum & Exhibition
7-9, South Africa	Energex Africa
8, Germany	Solar Investment Forum
14, Zimbabwe	SAPP-SIDA-NORAD Meeting
14-16, France	Africa Energy Forum
13-14, London	World Biogas Conference
20-23, South Africa	Africa Investment Summit
22-23, Zimbabwe	Generation Planning Group meeting

July

27-29, South Africa	Renewable Energy Africa Conference
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