

The EU Technical Assistance Facility (TAF) for Sustainable Energy.

ECOWAS SUSTAINABLE ENERGY FORUM ACCRA, GHANA.

Continental Harmonization of the Electricity Sector in Africa.

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1. Significance of Harmonisation of Electricity Sector in Africa

- The usual approach of limiting **energy planning and service provision to the national level**, has not helped with enhancing energy accessibility in Africa
- Development of regional integrated energy markets will improve the **quality and security of supply** at both the **national and regional levels**, while helping to **mobilize investments**
- In the electricity sector, this will lead to sharing of **operational reserves and installed capacity**, and reduce the **domestic investment in capacity**
- This will however require **harmonization of policies, legislation, regulatory and institutional frameworks**
- This led to development of “**Strategy**” and “**Action Plan**” **documents** for the development of a **Harmonized Regulatory Framework by the AUC** for the electricity sector in Africa



1.1 objectives of the Harmonization Agenda

- The regulatory harmonization is expected to **accelerate Africa's development and improve access to electricity**. It is based on the following 6 strategic objectives:
 - *Developing effective Regional and Continental Electricity markets;*
 - *Improving the operational efficiency and performance of the Electricity Supply Industry;*
 - *Creating stable, transparent and predictable environment to attract investment;*
 - *Enhancing electricity market frameworks to increase access;*
 - *Enhance Renewable Energy Frameworks;*
 - *Establish norms, standards and frameworks for energy efficiency;*



2. EU TAF Support to the African Union Commission

- A collaboration between the AUC and the EU started in 2015
- This was implemented by the EU Technical Assistance Facility through provision of **strong support and expertise** to the Department of Infrastructure and Energy of the AUC
- **The support was implemented in 3 phases as follows:**
 - **Phase 1 (2015-2016):** Development, validation and approval (by the AU Summit) of the “**Strategy**” and the “**Action Plan**” for a ***Harmonised Regulatory Framework for the Electricity Market in Africa.***
 - **Phase 2 (2017):** Implementation of the Strategy and Action Plan with the following outcomes:
 - ❖ enhance the continental coordination role of AUC
 - ❖ **Continental Transmission Tariff Methodology for the Electricity Sector** for international bilateral transactions
 - ❖ Institutional and Policy Models for **Micro and Mini-Grids**



2.1 EU TAF Support to the African Union Commission

- **Phase 3 Support (2018-2019):**

- ❖ **Transmission Tariff Computational Model.**

- A transmission tariff model was **developed and tested** on selected international interconnectors in the **West and Central African Power Pools**

- Energy **Efficiency Labelling and Minimum Energy Performance (MEPs) Standards** with the following objectives and outcomes:

- ❖ developed **Guidelines** for **implementing energy efficiency label schemes** in Africa with a focus on the appropriate legal and regulatory framework

- ❖ **investigated, identified and recommended** types of Minimum Energy Performance Standards and energy labels that can be adopted

- ❖ the Guidelines covered both **on-grid and off-grid** appliances

- ❖ the proposed time horizon of implementation is a **10-year period**



2.2 EU TAF Support to the African Union Commission

- **Phase 4 (Current Phase), 2019 – 2021: The following activities are being undertaken in 4 broad areas, which is also divided into 7 Lots as follows:**

- **Area A** - Monitoring & Coordination Framework – Support to AUC/DIE: **Lot 1**
- **Area B** - Energy Efficiency - MEPS Labelling: **Lot 2 & Lot 3**
- **Area C** - Quality Assurance framework for Off-grid Appliances: **Lot 4**
- **Area D** - Transmission System Tariff and Network Management: **Lots 5, 6 & 7.**



3. Current Phase (2019-2012) - Details of Lots

- **Lot 1:** Monitoring & Coordination Framework – Development of a **digital online information platform**
- **Lot 2:** Monitoring of the implementation of the **Minimum Energy Performance Standards and Energy Labelling**
- **Lot 3:** MEPs **enforcement and market surveillance**
- **Lot 4:** Energy Efficiency Quality Assurance Frameworks for **Off-grid Appliances**
- **Lot 5:** **Capacity Building and Training** on Transmission Tariffs Calculation Model
- **Lot 6:** **Reduction of Technical Losses** of Transmission and Distribution Lines and Smart Networks Management
- **Lot 7:** **Monitoring the Implementation** of Continental Transmission Tariff Methodology for international bilateral transactions



4. Objectives of Current Assignment

4.1 Monitoring and Coordination Framework - Develop a Digital online Information Platform

- monitor the **progress of harmonization of the regulatory frameworks** for the electricity sector
- Develop a continental **energy market digital online information platform- portal**, issuing regular reports on the **continental legal, regulatory and institutional developments**

4.2 Monitor Implementation of the Minimum Energy Performance Standards and Energy Labelling

- monitor the **harmonization of the MEPs and energy labelling** in Africa
- monitor the **adoption and implementation** of the MEPs and Energy Labelling and provide annual reports at AUC level



Objectives of Current Assignment – continued

4.3 MEPs Enforcement and Market surveillance

- Facilitate the promotion of MEPS and labels at **continental, regional and national level**
- **Assess existing energy labelling test laboratories and capacities** to support continental efforts to promote MEPs and energy labelling
- Design a **support system** for energy labelling testing laboratories to promote implementation of MEPS
- Design a market surveillance framework

4.4 Energy Efficiency Quality Assurance Frameworks for Off-grid Appliances

- Develop a **Guide for Application of Standards** for appliances used in rural electrification systems
- Develop energy efficiency **quality assurance frameworks** for selected off-grid appliances



Objectives of Current Assignment – continued

4.5 Capacity Building and Training on Transmission Tariffs Calculation Model

- Build the capacity of regional regulators, power pools and TSOs to understand the principles of the tariff methodology and how to operationalise the tariff computational model for international bilateral transactions

4.6 Reduction of Technical Losses of Transmission and Distribution Lines and Smart Networks Management

- Develop Continental Guidelines and Strategies for reducing network losses and for maintenance of the electricity networks

4.7 Monitor Implementation of Continental Transmission Tariff Methodology

- Examine the level of compliance and application of transmission tariff methodology in international bilateral transactions
- Identify the challenges affecting the implementation of the tariff methodology



THANKS FOR YOUR ATTENTION.

**Dr. William Gboney,
EU TAF Consultant
wkgboney@yahoo.com.**

