

REGIONAL ASSOCIATION OF ENERGY REGULATORS FOR EASTERN AND SOUTHERN AFRICA



**REMARKS BY THE CHAIRPERSON OF THE PLENARY OF THE
REGIONAL ASSOCIATION OF ENERGY REGULATORS FOR
EASTERN AND SOUTHERN AFRICA (RAERESA)**

ENERGY AND PETROLEUM REGULATORY AUTHORITY (EPRA)

**AT THE OPENING SESSION OF THE 13TH ANNUAL GENERAL
MEETING (AGM) OF RAERESA**

15 MAY 2024

CAIRO, EGYPT

Guest of Honour,

Ambassador Dr. Mohamed Kadah, Assistant Secretary General of COMESA in Charge of Programmes,

Dr. Mohamed Musa Omran, Executive Chairperson of the Egyptian Electric Utility and Consumer Protection Regulatory Agency EgyptERA)

Dr. Mohamedain Seif Elnasr, CEO of RAERESA,

Distinguished Delegates, RAERESA's Members, Associate Members and Observers,

Invited Guests,

Ladies and Gentlemen,

I am delighted this morning to welcome you all to Cairo, Egypt and to the Thirteenth Annual General Meeting (AGM) of the Regional Association of Energy Regulators for Eastern and Southern Africa (RAERESA). From the outset, on your behalf dear distinguished delegates, and indeed on my own behalf, allow me to express our gratitude to the Guest of Honour, Dr. Mohamed Musa Omran, Executive Chairperson of the Egyptian Electric Utility and Consumer Protection Regulatory Agency EgyptERA), for having found time to be with us to officially open this meeting.

Let me also express our gratitude to the Government and People of the Arab Republic of Egypt for the hospitality accorded to all of us since our arrival in this beautiful city of Cairo, and for the excellent facilities that have been put at our disposal, by the Egyptian Electric Utility and Consumer Protection (EgyptERA).

**Guest of Honour,
Distinguished Delegates,
Ladies and Gentlemen,**

As you are aware, the main challenge for many COMESA countries is that generation capacity is not enough to cover the nations own needs and allow for cross-border trade. Even though there are plans underway to improve the transmission capacity across borders, there is not yet enough transmission capacity to secure an unimpeded trade across the countries and regions.

**Guest of Honour,
Distinguished Delegates,
Ladies and Gentlemen,**

In order to address and overcome these barriers and challenges it has been established that an aligned regulatory framework is a necessity in order to stimulate investments in power production and transmission as well. Moreover, and for reasons of sustainability, it is also necessary to stimulate production from renewable energy sources, for which the COMESA region has expansive potential, in terms of solar, wind,

geothermal, bioenergy, among others. There is also a need also to stimulate energy efficiency in order to reduce electricity demand, especially at peak periods.

There is an important energy saving potential in limiting the conversion losses in power production and in reducing the losses in transmission and distribution grids, in addition to demand side management measures.

**Guest of Honour,
Distinguished Delegates,
Ladies and Gentlemen,**

In this regard, I wish to indicate the total installed power generation capacity in the COMESA region as of end of 2016 was at 66,000 megawatts (MW), now it is around 100,000 megawatts (MW). This had increased from 50,000MW in 2013, representing a double (100%) increase over the last ten years.

Thermal power generation still dominates power generation in the region, accounting for more than 76%. Hydro (large and small) accounts for 24%. The share of renewable energy increased from 1 per cent to 6 per cent. This is due to the policy and regulatory reforms undertaken in the Member States which are bearing fruit as demonstrated by the increasing share of renewable energy and private sector participation which is becoming prominent.

**Guest of Honour,
Distinguished Delegates,
Ladies and Gentlemen,**

As you are all aware, the analysis of landscape of RAERESA which have been based on some surveys undertaken, indicates that some RAERESA members have advanced and unbundled electricity market structures with multiple public and private sector ownerships managed by fully autonomous regulators with very active independent power producers (IPPs) and viable distribution companies. The regulatory frameworks and energy market structures could, therefore, act as role models for the other countries.

It has also been established that in some countries, the vertically integrated power utilities are carrying out power generation, transmission, distribution, and retail supply functions. While in some countries the generation, transmission and distribution functions have been unbundled but are still under government control.

**Guest of Honour,
Distinguished Delegates,
Ladies and Gentlemen,**

Since its inception in 2009 and operationalization in 2010, RAERESA has expanded by 100% in terms of membership. However, we are looking forward for further expansion. In this regard, I would like to

kindly urge those countries which have not yet joined RAERESA to expeditiously join the group.

Moreover, I am glad to share with you that RAERESA has started to collaborate and cooperate with these Associate Members, who are in the process of establishing their regulators, to establish their regulatory authorities.

**Guest of Honour,
Distinguished Delegates,
Ladies and Gentlemen,**

I wish also to report that RAERESA has managed to develop and adopt several baseline reports and guidelines, through support from some of COMESA's development partners, which are intended to facilitate the harmonization of energy regulatory frameworks in the COMESA region in an effort to facilitate the attainment of the following:

- a. make the environment conducive to attract investment in energy sector, in particular, encouragement of private sector investment and participation;
- b. facilitate trade in energy technologies; and
- c. Promote the use of renewable energy technologies.

**Guest of Honour,
Distinguished Delegates,
Ladies and Gentlemen,**

To this end, allow me, to thank, on your behalf, the African Development Bank (AfDB), the European Union and the United States Agency for International Development (USAID) for providing technical assistance to support RAERESA, to develop its capacity and to enhance its strategic, sustainable, integrated and coordinated governance. This support demonstrates the commitment of these development partners to enhance the regional energy markets in the region which, in turn, will enhance COMESA's regional integration agendas and facilitate improvement of the standard of living of the people in the region.

**Guest of Honour,
Distinguished Delegates,
Ladies and Gentlemen,**

In conclusion, allow me, to thank on your behalf, our Guest of Honour DR. Mohamed Muda Omran, Executive Chairperson of the Egyptian Electric Utility and Consumer Protection Agency for being with us today. Our profound thanks go to the Government and People of the Arab Republic of Egypt and the Egyptian Electric Utility and Consumer Protection (EgyptERA), for hosting this meeting in the beautiful settings of Cairo, Egypt. Allow me also to thank you all for having found time to come to Cairo, Egypt to participate in the Annual General Meeting of RAERESA.

Thank you for your attention.