COMMON MARKET FOR EASTERN AND SOUTHERN AFRICA



STATEMENT

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AMBASSADOR DR. MOHAMED KADAH COMESA ASSISTANT SECRETARY GENERAL

AT

THE OPENING SESSION

OF

THE THIRTEENTH ANNUAL GENERAL MEETING OF THE REGIONAL ASSOCIATION OF ENERGY REGULATORS FOR EASTERN AND SOUTHERN AFRICA (RAERESA)

15 MAY 2024

Our Guest of Honour, Eng. Dr. Mohamed Musa Omran, Executive Chairman of the Egyptian Electric Utility and Consumer Protection Regulatory Agency – EgyptERA,

Chairperson of the Regional Association of Energy Regulators for Eastern and Southern Africa (RAERESA),

Distinguished Delegates,

Invited Guests,

Members of the Media,

Ladies and Gentlemen,

On behalf of COMESA Secretary General, H. E. Chileshe Mpundu Kapwepwe, who is sending you her best regards, I have the honour and privilege to heartily welcome you all to the 13th Annual General Meeting (AGM) of the Regional Association of Energy Regulators for Eastern and Southern Africa (RAERESA). I believe that the hospitality, warmth, development experience and potential of this country, the Arab Republic of Egypt, provide an ideal environment to take the process of regional economic co-operation and integration in this important field to greater heights.

Your presence here today is a testimony to the importance of the occasion for which we have gathered, and it also provides ample demonstration of the importance that you accord to the work of the Regional Association of Energy Regulators for Eastern and Southern Africa (RAERESA) and ultimately to the development of the energy sector in the COMESA region.

Distinguished Audience,

2

COMESA is one of the oldest and biggest Regional Economic Communities in Africa. It is a pioneer in several fields, including energy, investment, competition and trade facilitation. Despite the wide diversity of its membership, COMESA has managed to forge ahead with its integration agenda, including its Free Trade Area and the Customs Union under establishment. Not least, COMESA and its network of affiliated institutions and specialized agencies such as RAERESA have been supporting policy and regulatory harmonization, providing capacity building and technical assistance and opening new horizons to Member States across the spectrum of regional integration.

Indeed, one of the unique features of COMESA is its wide network of institutions and specialized agencies. Several institutions were established over the past years to facilitate the production and movement of goods within the region. These agencies and institutions include the Eastern and Southern Africa Trade and Development Bank (PTA Bank), Africa Trade and Investment Development Insurance Agency, COMESA Business Council (CBC), COMESA Clearing House, ZEP-RE, COMESA Monetary Institute (CMI), Africa Leather and Leather Products Institute (ALLPI), COMESA Federation of Women in Business COMFWB), Alliance for Commodity Trade in Eastern and Southern Africa (ACTESA), COMESA Competition Commission (CCC), and COMESA Regional Investment Agency (RIA) based here in Cairo.

On energy, COMESA established the Regional Association of Energy Regulators for Eastern and Southern Africa (RAERESA) and the Eastern African Power Pool (EAPP).

These institutions, with their respective functions, strive to facilitate access to energy, trade and development finance, insurance services

3

and to market the region as a destination for foreign direct investment. Our duty now is to consolidate the achievements that we have made so far and to move ahead to higher and deeper levels of integration.

Ladies and Gentlemen,

It has been established that the main challenges regarding energy needs in the region include:

- Capital markets challenges such as inadequate physical energy infrastructure due to insufficient investment in the energy sector, unreliability, and inefficiency of existing energy infrastructure.
- Market design, which continues to hamper the development and efficient running of the energy sector. Some of the issues around market design include non-cost reflective tariffs, the need to enhance the capacities of regulatory agencies in order to respond to current challenges and opening up the market to private sector participation especially in renewable energy.

To address these challenges, it is essential that energy sector players, including governments, multilateral and bilateral development and financial institutions, private sector, and the academia join hands to finance the energy infrastructure deficit in the COMESA region.

On this account, I would like to commend Member States for taking a keen interest in developing infrastructure in the region. We are seeing positive results from their sustained efforts to mobilize resources for energy infrastructure development from both multilateral and bilateral development partners and banks.

Distinguished Delegates,

4

The energy challenges the region is facing should equally be seen as opportunities for additional power generation on a regional scale and building regional power interconnectors to facilitate trade in power from surplus to deficit countries. In addition, high priority should be accorded to developing the regional energy infrastructure necessary to achieve economies of scale.

For example, the COMESA region is on its way to complete the Cape to Cairo electricity corridor by implementing the Zambia-Tanzania-Kenya interconnector project. This project will interconnect the Southern African Power Pool with the Eastern African Power Pool.

In this regard, COMESA will continue to support the enhancement of energy security in the region through facilitating the domestication of adopted energy regulation instruments, particularly those related to renewable energy and energy efficiency, which COMESA recently developed and adopted with support from the European Union such as:

- The Renewable Energy and Energy Efficiency Strategy and Action Plan (REEESAP), its monitoring and evaluation framework and its on-line monitoring tool.
- The Regional Guidelines for Renewable Energy Integration.
- The Credit Facility Guidelines to Support Renewable Energy Projects.
- The Renewable Energy Procurement Guidelines.
- The Gender Mainstreaming Strategy and Action Plan in Renewable Energy (RE) and Energy Efficiency (EE).
- The On-Line Monitoring Tool for the Implementation of Minimum Energy Performance Standards (MEPS) and Labelling Standards.
- The Regional Guidelines on Demand-Side Management.

- The Regional Guidelines on Power System Losses Measurement and Mitigation.
- The Lifeline Tariff Policy and Guidelines.
- The Credit Facility Guidelines for Energy Efficiency Projects.

These tools are intended to facilitate more investment in renewable energy and energy efficiency by encouraging private sector investment and trade in renewable energy products and services and to promote the use of renewable energy technologies to mitigate global climate change.

COMESA is truly grateful for this support and looks forward to further collaboration and cooperation with the European Union.

Ladies and Gentlemen,

It would also be a remiss not to mention the role of the African Development Bank (AfDB) in developing Africa's infrastructure, including in the field of energy. In this regard, I wish to acknowledge and applaud the sterling contribution of the African Development Bank (AfDB) to advance the implementation of many continental, regional and national projects, including the Project on Regional Harmonization of Regulatory Frameworks and Tools for Improved Electricity Regulation in COMESA, which is being implemented by RAERESA and your meeting will receive a progress report on the status of its implementation.

Allow me to also seize this opportunity to thank the World Bank for the great support it is providing to COMESA through two very important energy programmes whose focus is to accelerate sustainable and clean energy access in the region. These two programmes are the Regional Infrastructure Finance Facility (RIFF) and Accelerating Sustainable and

Clean Energy Access Transformation (ASCENT) in Eastern and Southern Africa, and they are being implemented by the Infrastructure and Logistics Division of the COMESA Secretariat.

Guest of Honour, RAERESA Chairperson, Distinguished Audience,

I am sure that the 13th Annual General Meeting (AGM) of RAERESA is a valuable opportunity to review the annual report of activities of the agency, with a focus on enabling RAERESA to enhance its contribution to the energy sector in the region.

In this regard, I wish to emphasize the firm commitment of the COMESA Secretariat to provide full support to RAERESA.

Finally, I thank you for your kind attention and wish you successful and fruitful deliberations.