TRAINING WORKSHOP ON SMALL HYDROPOWER DEVELOPMENT IN AFRICA
DECENTRALIZED RENEWABLES IN COMESA REGIOON
COMESA RENEWABLE ENERGY GUIDELINES

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Outline of the Presentation

- Introduction
- Brief on the General COMESA Energy Status
- The COMESA Energy Programme
- Business Opportunities for Decentralized Renewables in the COMESA Region
- Conclusions

INTRODUCTION

Brief on the Common Market for Eastern and Southern Africa (COMESA)

Established in 1994

21 countries

The aims and objectives

to facilitate the removal of the structural and institutional weaknesses of member States so that they are able to attain collective and sustainable development through regional integration. On energy, the Treaty provides that "the member States undertake to co-operate in the joint development and utilization of energy resources including hydro, fossil and biomass

INTRODUCTION

Brief on COMESA

Trade and investment are important instruments for promoting and deepening economic integration in COMESA

The development of appropriate physical infrastructure and facilitation in energy, transport and communications are key

Free Trade Area (FTA) was launched in 2000 (16 countries)

Customs Union (CU) was Launched in June 2009

BRIEF ON GENERAL COMESA ENERGY STATUS

Immense energy resources

100,000MW hydro potential in DRC, 45,000MW in Ethiopia, 6,000MW in Zambia

Over 50 billion barrels proven crude reserves

Renewable resources include solar, geothermal, biomass, wind

Electricity Installed capacity, around 70,000 megawatts

- **approximately 67 % thermal**
- **approximately 30 % hydro**

Other renewables such as solar, wind are growing but still constitute a small part

BRIEF ON GENERAL COMESA ENERGY STATUS

The total installed power generation capacity in the region as of end of 2016 was estimated at 65,791MW, now more than 70,000MW

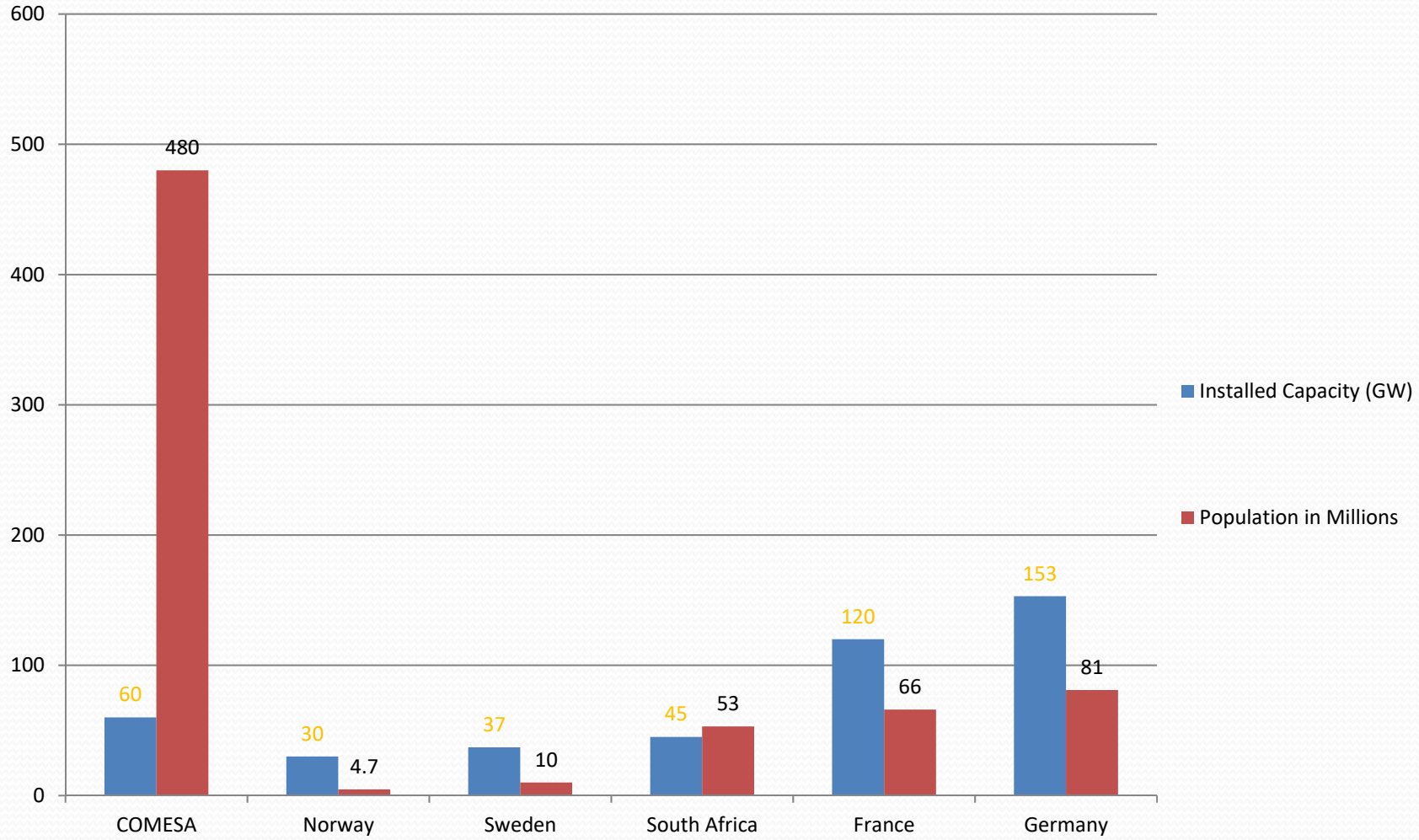
This had increased from 48,352MW in 2012, representing a 36% increase over the last five years

Thermal power generation still dominates power generation in the region, accounting for more than 67%

The share of renewable energy increased from 1 per cent to 3 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.

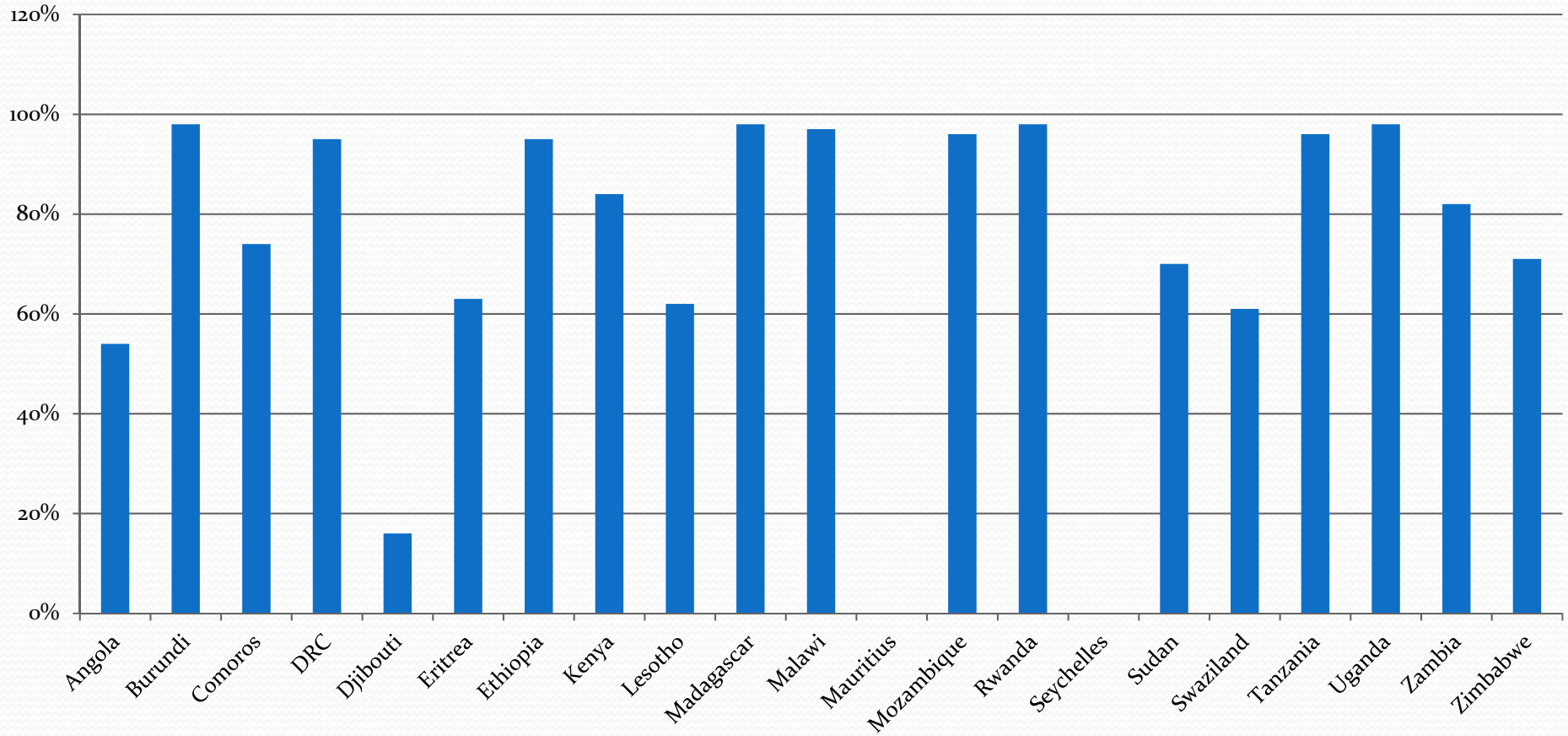
BRIEF ON GENERAL COMESA ENERGY STATUS



BRIEF ON GENERAL COMESA ENERGY STATUS

- Still huge reliance on biomass

Percentage of population relying on traditional use of biomass – 2013



Source IEA Report 2015

BRIEF ON THE GENERAL COMESA ENERGY STATUS

Selected Power Indicators

Population with access to electricity

2010	2015	2020	2030
34%	47%	62%	80%

Per capita electricity consumption (KWH)

475	605	781	1200

Installed capacity (MW)

48,730	68,346	95,859	188,569

7% growth rate, shall double each 10 years

THE COMESA ENERGY PROGRAMME

Constraints and challenges facing the energy sector in general are manifested by:

- **Lack of adequate level and coverage of physical energy infrastructure due to lack of adequate investment in the energy sector**
- **inefficiency and unreliability of existing energy infrastructure services**
- **increased demand for economic growth and population growth**
- **high cost of operating energy infrastructure facilities**
- **Both low and high electricity tariffs depending on countries**

THE COMESA ENERGY PROGRAMME

Constraints and Challenges

- **energy poverty (47% access rate, COMESA average), Heavy reliance/unsustainable use of biomass, traditional fuels (wood fuels)**

- **the issue of clean energy security in terms of clean energy supply options like renewable and energy efficiency**

THE COMESA ENERGY PROGRAMME

The main objective is to promote regional cooperation in energy development, trade and capacity building in order to address the supply side constrain, to reduce the cost of doing business and enhance COMESA's competitiveness in its regional and extra-regional markets

The intention is to harmonize energy policy and regulatory frameworks, facilitate trade in energy services, development of regional energy infrastructure

THE COMESA ENERGY PROGRAMME

COMESA's energy arms to implement the COMESA Energy Programme

Policy level

COMESA Secretariat

Regulatory Level

The Regional Association of Energy Regulators for Eastern and Southern Africa (RAERESA)

Power Trade Level

The Eastern Africa Power Pool (EAPP)

BUSINESS OPPORTUNITIES FOR DECENTRALISED RENEWABLES IN COMESA REGION

COMESA Guidelines for Private Sector Investments in Renewable Energy Projects

COMESA/RAERESA, through a support from USAID-East Africa, developed six renewable energy guidelines to assist member countries to facilitate private sector players in developing renewable energy projects in their respective countries

These six guidelines were adopted by the COMESA Infrastructure Ministers and later endorsed by the COMESA Council of Ministers in 2015 and 2016

BUSINESS OPPORTUNITIES FOR DECENTRALISED RENEWABLES IN COMESA REGION

COMESA Guidelines for Private Sector Investments in Renewable Energy Projects

- **Guidelines for Feed-in-tariff (FIT)**
- **Guidelines for negotiating Power Purchase Agreement (PPA)**
- **Guidelines for attracting Public Private Partnership (PPP)**
- **Guidelines for multiple countries to development projects jointly**
- **Guidelines for developing the necessary regulatory framework on off-grid electrification**
- **Best regulatory practices for renewable energy development.**

BUSINESS OPPORTUNITIES FOR DECENTRALISED RENEWABLES IN COMESA REGION

COMESA Guidelines for Private Sector Investments in Renewable Energy Projects

These guidelines are expected to encourage private sector investment in renewable energy

COMESA Member States will apply the different instruments to enhance energy security, reliability accessibility and affordability

This is intended to address the legal, policy, regulatory, institutional, financial, and other barriers to investments in renewable energy projects through targeted policy support to countries in the region.

BUSINESS OPPORTUNITIES FOR DECENTRALISED RENEWABLES IN COMESA REGION

COMESA Guidelines for Private Sector Investments in Renewable Energy Projects

Among the intention is to increase investment in decentralized renewables and to spur their growth and to promote clean energy initiatives in efforts to facilitate attaining the following:

- **encouraging private sector investment and trade in renewable energy technologies**
- **promoting use of renewable energy technologies to mitigate global climate change**

COMESA/RAERESA are in the process to assist COMESA Member States to implement these guidelines and best practices

CONCLUSIONS AND KEY MESSAGES

- **Renewable energy technologies such as solar, wind, small hydro, geothermal, bio-fuels are key to rural electrification which, in turn, constitute an important element in rural development**

- **The rate of electrification in rural areas should expedited to support the livelihood of the people by providing them with one of the major production inputs, i.e., electricity. Such an action would not only support the livelihood, but it would boost production and productivity in rural areas and hence surplus in production would be created. This would help among other things to increase the growth rate of the economies**

CONCLUSIONS AND KEY MESSAGES

- **Decentralized renewables allow to increase the contribution of other renewable sources of energy in the energy balance;**

- **To utilize other renewable sources of energy for income and employment generation, through utilizing the advantages of small large-scale applications**

THANK YOU FOR YOUR KIND ATTENTION