

AFRICAN UNION
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EX.CL/263 (IX)

**REPORT OF THE FIRST CONFERENCE OF AFRICAN
UNION MINISTERS IN CHARGE
OF ELECTRICAL ENERGY**

**REPORT OF THE FIRST CONFERENCE OF AFRICAN UNION
MINISTERS IN CHARGE OF ELECTRICAL ENERGY**

I. INTRODUCTION

1. The African Union Commission organized the First Conference of African Ministers in charge of Electrical Energy from 23 to 24 March 2006 at Addis Ababa, Ethiopia, on the theme: "Common Vision and Guidelines for a Continental Policy on the Electrical Energy Sector". The conference was preceded by an experts' session held from 20 to 22 March 2006.

2. The main objective of the conference was to define and adopt guidelines and strategies aimed at promoting the electrical energy sub-sector in Africa, taking into account immediate needs and medium and long term prospects.

II. PARTICIPATION

3. The meeting was attended by thirty-six (36) Member States, six Regional Economic Communities, the five regional energy pools, regulatory agencies, and representatives of four continental organizations and four international organizations.

III. MAIN OUTCOMES

4. The Conference adopted the following guidelines and strategies to revive the electric power sector in Africa:

- the need to undertake or pursue structural reforms in the electricity sector based on private management without necessarily privatizing national electricity corporations;
- the need for States to take regional factors into account in their electric power plans, and for REC and energy pools to incorporate continental requirements;
- development of main river basins in various regions as energy development pools;
- diversification of natural and market sources of energy.

5. The Conference adopted a Declaration known as the Addis Ababa Declaration and an Action Plan aimed at revitalizing and promoting the development of the electric energy sector in Africa. These were reflected in the following main decisions and commitments:

Main commitments:

- Consider energy as a vital sector in integrated national programmes and priorities by laying emphasis on universal access to modern energy

sources and to technologies and equipment capable of fostering socio-economic development;

- Support and strengthen the African Energy Commission (AFREC) to enable it to fully fulfill its mission;
- Highlight the importance of integrated regional projects, including the interconnection of electrical networks, the construction of gas and oil pipelines, and transborder rural electrification. Governments should give these projects priority;
- Harmonize regulations and promote good governance in order to create an environment conducive to direct investment, both national and foreign.

Main decisions:

- Set up under the auspices of the African Union Commission, the Conference of African Ministers in charge of Electrical Energy as a central organ to coordinate electric power policies and strategies at continental level;
- Work together to valorize Africa's energy resources, particularly hydro-electricity, as a major source of renewable energy to foster sustainable development, regional integration, energy security and poverty alleviation;
- Set up a committee to coordinate the construction of major integrative hydro-electric projects;
- Envisage a comprehensive vision and a master plan for the development of the electricity sector in Africa. It will draw inspiration from electrification policies in the Regional Economic Communities in a bid to rationalize medium and long-term use of energy resources;
- Set up an African Electricity Fund comprising a special window that will be devoted to rural electrification;
- Hold the constituent general meeting of the African Electrotechnical Standards Commission (AFSEC) under the auspices of AFREC.

EX.CL/263 (IX)
Annex

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I. INTRODUCTION

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The conference was preceded by an experts’ session held from 20 to 22 March 2006.

The main objective of the conference was to define and adopt guidelines and strategies aimed at promoting the electrical energy sub-sector in Africa, taking into account immediate needs and medium and long term prospects.

II. CONDUCT OF DELIBERATIONS

The meeting was attended by thirty six (36) Member States, namely: Algeria, Angola, Benin, Botswana, Burkina Faso, Burundi, Cameroon, Central African Republic, Congo, Côte d’Ivoire, Egypt, Ethiopia, Gabon, Gambia, Guinea Conakry, Kenya, Liberia, Libya, Madagascar, Malawi, Mali, Mozambique, Namibia, Niger, Nigeria, Rwanda, Senegal, Somalia, Republic of South Africa, Sudan, Tanzania, Togo, Tunisia, Uganda, Zambia and Zimbabwe.

The following Regional Economic Communities (REC) (UEMOA, ECCAS, CEN-SAD, COMESA, ECOWAS, SADC) and the five (5) regional energy pools (WAPP, SPP, EAPP, PEAC, COMECEC) as well as regulatory agencies also participated in the meeting.

Also in attendance were representatives of continental organizations (UPDEA, AFREC, ADB, NEPAD) and international organizations (ECA, IOF, EU, and UNEP).

The following Bureau was elected to steer the deliberations of the conference:

- Chairperson : South Africa (Southern Africa)
- 1st Vice-Chairperson : Congo (Central Africa)
- 2nd Vice-Chairperson : Egypt (North Africa)
- 3rd Vice-Chairperson : Uganda (East Africa)
- Rapporteur : Senegal (West Africa)

III. GENERAL VIEW OF THE ELECTRICAL SECTOR IN AFRICA

Based on various analyses and evaluations carried out on the electrical energy sub-sector, the situation can be summarized as follows:

- The continent's huge energy potential is still largely under-tapped;
- The numerous privatization schemes made within the framework of electricity sector reforms have failed because the contracts were poorly adapted, while the private purchasers have not invested in the sector;
- There is a lack of reliable data on the energy sector at the national, regional and continental levels, thus hindering any medium and long-term development planning in the sector;
- Different standards are applied, making it difficult to interconnect the electrical networks of various regions;

IV. GUIDELINES FOR THE REVIVAL OF AFRICA'S ELECTRICAL SECTOR

The Conference adopted the following guidelines and strategies to revive the electric power sector in Africa:

- the need to undertake or pursue structural reforms in the electricity sector based on private management without necessarily privatizing national electricity corporations;
- the need for states to take regional factors into account in their electric power plans, and for REC and energy pools to incorporate continental requirements;
- prioritization by States of the energy sector in their development strategies;
- development of main river basins in various regions as energy development pools;
- setting up by the African Union Commission of a major integrative hydro-electric projects coordination Committee;
- diversification of energy natural sources and their supply sources;
- maintaining of state responsibility in investments in the energy sector;
- introduction of an African mechanism for the monitoring and evaluation of performance in the sector in order to create an investment-friendly atmosphere.

The conference adopted the Addis Ababa Declaration and Action Plan aimed at revitalizing and promoting the development of the electric energy sector in Africa.

In the Declaration, while reaffirming the essential role played by energy in fostering growth and development, the Ministers;

Made the commitment, inter alia, to:

- Consider energy as a vital sector in integrated national programmes and priorities by laying emphasis on universal access to modern energy sources and to technologies and equipment capable of fostering socio-economic development;
- Formulate and implement in our States, sectoral strategies and policies for developing the energy sector as part of ongoing economic reforms that are based on a more integrated approach to development;
- Support and strengthen the African Energy Commission (AFREC) to enable it to fully fulfill its mission;
- Highlight the importance of integrated regional projects, including the interconnection of electrical networks, the construction of gas and oil pipelines, and transborder rural electrification. Governments should give these projects priority;
- Harmonize regulations and promote good governance in order to create an environment conducive to direct investment, both national and foreign;
- Urge multilateral and bilateral donors to create special windows and innovative funding mechanisms in favour of regional projects.

Decided to particularly:

- set up under the auspices of the African Union Commission, the Conference of African Ministers in charge of Electrical Energy as a central organ to coordinate electric power policies and strategies at continental level. The Conference will meet once a year and secretarial duties will be provided by the African Energy Commission (AFREC);
- Work together to valorize Africa's energy resources particularly hydro-electricity, as a major source of renewable energy to foster sustainable development, regional integration, energy security and poverty alleviation;
- Set up a committee to coordinate the construction of major integrative hydro-electric projects;
- Envisage a comprehensive vision and a master plan development for the electricity sector in Africa. It will draw inspiration from electrification policies in the Regional Economic Communities in a bid to rationalize medium and long-term use of energy resources;

- Reinforce and harmonize the legal and statutory frameworks, and ensure capacity building for human resources in order to boost sustainable energy development;
- Set up an African Energy Fund comprising a special window that will be devoted to rural electrification. A study conducted under the auspices of the African Union Commission will specify the realization modalities;
- Hold the constituent general meeting of the African Electrotechnical Standards Commission (AFSEC) under the auspices of AFREC.

V. RECOMMENDATIONS

Considering the importance of electrical energy in African development and integration and the relevance of the measures taken by the Conference, the Executive Council is hereby requested to:

- Take note of the report of the meeting of African Ministers in charge of electrical energy;
- Commend African Ministers in charge of electrical energy for their salient evaluation of the sub-sector and the adoption of a comprehensive Action Plan on the revival of the electricity sub-sector in Africa;
- Adopt the Addis Ababa Declaration of African Ministers in charge of electrical energy;
- Appeal to Member States to honour their commitments to give the energy sector enough priority in their development policies, particularly as concerns poverty reduction strategies;
- Request the Commission to take all the necessary measures, in conjunction with the United Nations Economic Commission for Africa, the African Development Bank, the African Energy Commission and the Regional Economic Communities towards the implementation of the Action Plan;
- Request the Chairperson of the Commission to submit a progress report on the implementation of these recommendations to the next session of the Executive Council.

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