

EXECUTIVE SECRETARY'S REPORT

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1. INTRODUCTION

This report highlights the activities of the African Forum for Utility Regulators (AFUR) under each of the organisational strategic objectives from April to July 2021. It also outlines some of the major organisational issues and challenges. South Africa is still experiencing levels of lockdown but as some sort of normality returns to the continent so the activities of AFUR are picking up especially between AFUR and the AUC and NEPAD.

2. HIGHLIGHT OF ACTIVITIES UNDER EACH STRATEGIC OBJECTIVE

The major activities undertaken under each of the organisational strategic objectives are summarised as follows:

2.1 Information Sharing

The website (www.afurnet.org) is used extensively to publicise AFUR and its activities, including Technical Assistance and Capacity Building and the current project on Mainstreaming mini-grid tariff settlement tools and methodologies across African regulators <https://afurnet.org/mini-grid-project/>. Documents are continuously uploaded onto the website as they become available.

Again we haven't had any movement on the forum section of the website. The Technical Manager was to create a weekly feed of relevant information for members as from 1st April, this however hasn't happened yet.

AFUR Website Statistics for May – Aug 2021

<http://www.afurnet.org>



Month 2020	Unique visitors
May	1881
Jun	2008
Jul	2301
Aug	236+

2.2 Capacity Building

We are waiting on CIGRE to confirm the progress on “The development of Regulatory Guidelines for Climate Change: Mitigation and Adaptation Measures in Water & Sanitation and Energy”. There was to be a workshop in June however due to unforeseen circumstances this never took place.

2.3 Partnerships and Resource Mobilisation

- **African Union Commission:**
 - **Formal Recognition of AFUR** – We have now engaged the help of AUDA-NEPAD to assist with this matter. Since the Summit held in July we haven’t received correspondence from the AUC.
 - **Letter of Support for the AFUR Training Program** – With the assistance of Dr William Gboney a comprehensive training program has been developed covering courses on the fundamentals of regulation and tools for effective regulation; quality of service and cost of service. The AUC has approved the training courses and has agreed to further design the proposed training courses to accommodate the work currently being done regarding AfSEM (The Africa Single Electricity Market) regulatory framework. We are waiting for the AUC to develop the concept note in collaboration with the EU-TAF for approval by the EU.
 - **Third Ordinary Session of the Specialized Technical Committee on Transport, Transcontinental and Interregional Infrastructure and Energy (STC-TTIIE)** – this took place on the 28th and 29th June. The theme of the meeting was The Role of Infrastructure & Energy In The Post Covid-19 Africa. The expected results was the validation of the final list of PIDA PAP 2 priority projects and the financing strategy, adopted YD/SAATM dispute settlement mechanism and the revised Windhoek targets on aviation security, and the launch of AfSEM, among other key decisions. The STC-TTIIE is also expected to adopt Plans Action for Transport and Energy for the period 2021-2023 that take into account a post COVID-19 recovery.
- **OFGEM (Office of Gas and Electricity Markets UK)** – A meeting was held on 30th June to discuss the work of AFUR as well as the possibility of collaboration between AFUR and OFGEM, particularly in the context of COP26 and the common challenges we face in decarbonising energy systems. We are exploring opportunities of peer-to-peer knowledge exchange. We are waiting for the next steps from OFGEM.
- **GIZ** – A meeting was held on the 8th July to discuss the partnership between GIZ and AFUR on the development (and dissemination) of a set of African Mini-Grid Regulation Models, encompassing the key pieces of necessary mini-grid regulation such as main grid arrival, technical standards, licensing/concessions, and tariff regulation and tariff

calculation models. GET.transform is able to fund the work not covered under the Carbon Trust project.

- **CRIDF (The Climate Resilient Infrastructure Development Facility) / CIGRE** – We are still waiting for Mr Sluis Van Sanders to develop the draft roadmap.
- **Carbon Trust / UKAid - Transforming Energy Access – African Led Partnerships – Mainstreaming mini-grid tariff settlement tools and methodologies across African Regulators.** The project is gaining momentum. The steering committee is active and includes PURC, Ghana; NERC, Nigeria; CRSE, Senegal; ARSE, Togo; ARSE, Burkina Faso; EPRA, Kenya; ERB, Zambia; ERA, Uganda, LEWA, Lesotho, NERC, Nigeria and EWRC, Sierra Leone. The committee meets every month together with the consultant, funders and developers. A detailed update on the project will be provided by the Technical Manager.
- **EnergyNet UK** – AFUR was represented at the Africa Regulators Roundtable Series presented by EnergyNet. This was a two hour closed door session catering for the Heads of Regulators in Africa. Topics covered including seeking answers to some of the pressing challenges resulting from the pandemic including regulation for growth; considering what private sector investors are looking for, preparing regulatory frameworks for new technologies and the role that regional co-operation can play. A follow-up meeting will be held in February 2022.
- **Energy Regulators Regional Association (ERRA)** – ERRA together with Energy Exemplar organised a workshop on 1st July for regulators from emerging markets. AFUR was well represented. Mr. Manda presented on Mainstreaming Mini Grid Tariff Settlement Tools and Methodologies.

3. ORGANISATIONAL ISSUES

3.1 Membership

As part of our strategy to grow AFURs membership we have reached out to EWRC, Sierra Leone. We are still waiting to hear from Burundi, Benin, Zanzibar and Liberia. Egypt ERA has indicated that they are members of Medreg and couldn't afford to be members of both organisations but want to be observers.

3.2 The Sectoral Committees

The following projects, over and above the collaboration with partners above, are underway:

Energy:

There are currently two projects –

- **Upstream Petroleum Markets Forum** – This is an ongoing project, a meeting has still to be scheduled.
- **Mainstreaming mini-grid tariff settlement tools and methodologies across African regulators** – as disclosed above.

Water and Sanitation:

Discussions have been held with ESOWAS and CRIDF, awaiting next steps.

Transport:

A meeting has still to be scheduled with the new member, ARTI and the other transport members.

3.3 The Executive Committee sub-committees:

- **Ad-hoc Committee on Membership fees** – two options for membership fees were presented to the AGA on 18 February, members were requested to vote on the options but requested to rather send their preference to the Secretariat. To date, other than the committee members (PURC, NERSA, ARSEL and CRSE) EPRA, EWURA, ECB, LEWA, NERC, ARSE Togo, RURA, ARSE Burkina Faso and ERB have sent their votes. Of the 24 paid up members (2020) 54% have responded. The issue now is with the lower paying members who have all indicated that they cannot pay more than they are already paying. The committee meets on the 18th August to discuss this.
- **Ad-hoc Committee on the Strategic Plan** - A survey was sent to all members and stakeholders on 30th November 2020 and resent on the 6th January and 1st March 2021 however the response has been very slow. This is ongoing.

3.4 Membership Fees

Membership contributions to AFUR in terms of subscription fees remained the same as in previous years, but collections have been very slow. Twenty-eight invoices were issued, with twelve members having paid to date – ERA, Uganda; EPRA, Kenya; ARTI, Ivory Coast; PURC, Ghana; ECB, Namibia; LEWA, Lesotho; CRSE, Senegal; EWURA, Tanzania, ARSEL, Cameroon, ARSE, Togo, ZERA, Zimbabwe, RURA, Rwanda.

3.5 Eighteenth AFUR Annual Conference and General Assembly

The theme and Concept Note has been developed and sent to all members on 15th June - **“Towards Convergence Of Regulatory Practices In Africa. The Case Of: Environmental Protection, Utility Sustainability And Consumer Protection”** <https://afurnet.org/events/18th-virtual-afur-conference/>. The closing date for abstracts is 20th August. This will again be a virtual conference, the dates need to be finalised.

4. CHALLENGES

The most vital challenge for the organisation remains the continued support of AFUR by the members and partners. It is thus critically important that in order to ensure long term sustainability, continued African leadership and ownership of the regulatory agenda in Africa as well as the attainment of the objectives outlined at the formation of the organisation that members provide AFUR with continued support and that an exerted effort is made to get donor funding for projects that will benefit its members and the African continent as a whole. Having said this the organisation is seen as a specialised institution in regulation, although not formal, by the African Union Commission. We have the support of the African Development Bank and UKaid through Carbon Trust and TEA as well as CRIDF and now GIZ.

End.