AN INTRODUCTION TO THE AFRICAN FORUM FOR UTILITY REGULATORS (AFUR)

March 2023
BACKGROUND

Infrastructure forms the backbone of Africa’s economies. Without adequate energy, communications, transport, and water and sanitation services, Africa’s economies will not achieve their growth potential or be able to meet the needs of their citizens.

The large, network infrastructure industries are undergoing fundamental reform. These reforms need to be managed and regulated in such a way that Africa’s development imperatives are met.

Infrastructure regulation and the harmonisation of regulatory policies on the continent remains part of the strategy which the African Union’s New Partnership for Africa’s Development (AUDA-NEPAD) is promoting to attain the requisite enabling environment to attract investments, fast track the facilitation of infrastructure development, and regional integration as well as to meet the targets of the UN Millennium Development Goals, and the forthcoming UN Sustainable Development Goals.

The increasing demand for infrastructure investment and the integration of infrastructure systems in Africa has also resulted in a growing need to address regulatory issues at the regional and continental level. This has increased the need for an association such as the African Forum for Utility Regulators (AFUR) - where best practices, regulatory experience, and skills and guidelines are shared for the development of the appropriate framework for transactions to take place, to promote the harmonisation of market structures, and to facilitate the development of trans-border infrastructure development and management institutions and to provide oversight of transnational infrastructure initiatives as may be required.

AFUR is regarded as a key building block in the efforts of the African Union and its socio-economic programme, the New Partnership for Africa’s Development (NEPAD) in the integration and rebirth of Africa. AFUR’s vision and objectives are derived from Clause 110 of the NEPAD Framework Document, which recognises the establishment of the African Forum for Utility Regulation and regional regulatory associations.

AFUR was founded in November 2002 and the establishment of AFUR was again supported in the Declaration of the First Conference of African Ministers Responsible for Electrical Energy (FCAMRE), held in Addis Ababa, Ethiopia, from 20 - 24 March, 2006, amongst others, (19/f) committed to: “…encourage the establishment of Regulatory Associations at the regional and continental levels, support and strengthen the African Forum for Utility Regulation (AFUR)…” and a further Memorandum of Understanding regarding collaboration was signed with the NEPAD Planning and Coordination Agency (NPCA or the NEPAD Agency) in 2011.

INTRODUCTION

The African Forum for Utility Regulators (AFUR) focuses on issues related to the regulation of energy, telecommunications, transport, and water & sanitation industries, with a particular emphasis on issues that are common across sectors (but not necessarily limited to the primary focus sectors). It aims to establish and foster co-operation amongst utility regulators on the African continent in support of Africa’s growth and socio-economic development.

• Mission

To facilitate the development of effective utility regulation in support of Africa’s infrastructure development.
• **Mandate**

1. To provide a forum for the exchange of information and ideas among members and between members and other relevant organizations,

2. To act as an effective advocate for members by coordinating activities and increasing members’ influence with continental, sub-regional and national decision-makers, and

3. To collaborate with international partners, leaders and influence international decision-makers

• **Core Values**

1. **Cooperation:** Cooperation in line with the integrative processes on the African Continent and broader international trends amongst regulators;

2. **Commitment:** The members are committed to the ideals and goals of AFUR;

3. **Sharing:** Information, skills, experience and best practices are shared amongst regulators;

4. **Good Governance:** Accountability and transparency are promoted within AFUR and practiced by its members.

• **Structure**

AFUR operates as a formal association of African regulators, with its own constitution stipulating its objectives, functions and other operational requirements. AFUR is managed by a small Secretariat that is formally housed in the National Energy Regulator of South Africa under an MOU between the two organs.

AFUR founding members agreed that the organisation will operate according to the following principles:

1. **Objectives:** The objectives of AFUR can be broadly summarised as supporting the development of effective utility regulation in Africa through facilitating, the harmonisation of regulatory policies, exchange of information and lessons of experience amongst regulators, and capacity building in support of the socio-economic development of the continent.

2. **Participation:** AFUR exists primarily to meet the needs of African utility regulators (established as autonomous agencies or otherwise). Participation in AFUR activities is also open to other government officials with an interest in utility regulation and, when appropriate, other stakeholders in the regulation process.

3. **Sectoral Focus:** AFUR focuses on issues associated with the regulation of energy, communications, water and sanitation, as well as transport when sufficient transport regulators would have been established. The forum emphasizes issues that are common across sectors.

4. **Geographic Focus:** AFUR has a continental mandate with regions serving as building blocks for its activities.
• Membership

Membership to AFUR is open to African utility regulators, whether established as autonomous agencies or not, which are signatories to AFUR’s Constitution. Each regulator in a particular country is entitled to a single membership. AFUR presently has 36 members as well as 5 organisations that are classified as observers as indicated in the table below:

<table>
<thead>
<tr>
<th>No.</th>
<th>Organisation</th>
<th>Country</th>
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<tbody>
<tr>
<td>1</td>
<td>National Energy Regulator of South Africa (NERSA)</td>
<td>South Africa</td>
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<td>2</td>
<td>Agence de Régulation du Secteur de l'Électricité (ARSEL)</td>
<td>Cameroon</td>
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<td>3</td>
<td>Autorité Nationale de Régulation du Secteur de l'Energie (ANARE-CI)</td>
<td>Côte D'Ivoire</td>
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<td>4</td>
<td>Electricity Regulatory Authority (ERA)</td>
<td>Uganda</td>
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<td>Public Utilities Regulatory Commission (PURC)</td>
<td>Ghana</td>
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<td>6</td>
<td>Energy and Petroleum Regulatory Authority (EPRA)</td>
<td>Kenya</td>
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<td>7</td>
<td>National Communications Authority (NCA)</td>
<td>Ghana</td>
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<td>8</td>
<td>Communications Authority of Zambia (CAZ)</td>
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<td>9</td>
<td>Electricity Control Board (ECB)</td>
<td>Namibia</td>
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<td>10</td>
<td>Autorité de Réglementation du Secteur de l'Electricité (ARSE)</td>
<td>Togo</td>
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<td>11</td>
<td>Department of Water &amp; Sanitation (DWS)</td>
<td>South Africa</td>
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<td>12</td>
<td>Commission Malienne de Régulation d’électricité et d’eau (CREE)</td>
<td>Mali</td>
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<td>13</td>
<td>Energy Regulation Board (ERB)</td>
<td>Zambia</td>
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<td>14</td>
<td>National Water Supply and Sanitation Council (NWASCO)</td>
<td>Zambia</td>
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<td>15</td>
<td>Zimbabwe Electricity Regulatory Authority (ZERA)</td>
<td>Zimbabwe</td>
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<tr>
<td>16</td>
<td>Commission de Régulation du Secteur de l'Electricité (CRSE)</td>
<td>Senegal</td>
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<td>17</td>
<td>Nigerian Electricity Regulatory Commission (NERC)</td>
<td>Nigeria</td>
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<td>18</td>
<td>The Gambia Public Utilities Regulatory Authority ( PURA)</td>
<td>The Gambia</td>
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<td>19</td>
<td>Malawi Energy Regulatory Authority (MERA)</td>
<td>Malawi</td>
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<td>20</td>
<td>Autorité de Régulation des télécommunications et de la Poste</td>
<td>Niger</td>
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<td>21</td>
<td>Energy and Water Utilities Regulatory Authority (EWURA)</td>
<td>Tanzania</td>
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<tr>
<td>22</td>
<td>Commission de Régulation de l'Electricité et du Gaz (CREG)</td>
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<td>23</td>
<td>Lesotho Electricity Water Authority (LEWA)</td>
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<td>24</td>
<td>Autorité de Régulation de la Maurétanie (ARE)</td>
<td>Mauritania</td>
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<td>25</td>
<td>Energy Commission of Ghana (ECG)</td>
<td>Ghana</td>
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<td>26</td>
<td>Agence des Télécommunications de la Côte D'Ivoire (ATCI)</td>
<td>Côte D'Ivoire</td>
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<td>27</td>
<td>Nigeria Communications Commission (NCC)</td>
<td>Nigeria</td>
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### Public Contracts Regulatory Agency (ARMP)
Cameroon

### Surface & Marine Transport Regulatory Authority (SUMATRA)
Tanzania

### Autorité de Régulation du Sous-secteur de l'Electricité (ARSE)
Burkina Faso

### Water Regulatory Council (CRA)
Mozambique

### Rwanda Utilities Regulatory Authority (RURA)
Rwanda

### Autorité de Régulation du Secteur de l'Énergie (ARSE)
Niger

### Hydrocarbon Price Stabilization Fund (HPSF)
Cameroon

### National Ports Authority (APN)
Cameroon

### Autorité de Régulation du Transport Intérieur (ARTI)
Côte D'Ivoire

### Autorité de Régulation de l'Electricité (ARE)
Benin

In addition, the Executive Committee recognises the following organisations as observers:

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<tr>
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<td>Independent Communication Authority of South Africa (ICASA)</td>
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<tr>
<td>2</td>
<td>Swaziland Energy Regulatory Authority (SERA)</td>
<td>Swaziland</td>
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<td>3</td>
<td>Ethiopian Electricity Agency (EEA)</td>
<td>Ethiopia</td>
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<td>4</td>
<td>Sierra Leone Electricity Water Regulatory Commission (EWRC)</td>
<td>Sierra Leone</td>
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<tr>
<td>5</td>
<td>The Egyptian Electric Utility and Consumer Protection Regulatory Agency (EgyptERA)</td>
<td>Egypt</td>
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### SELECTED ACTIVITY

1. Building regulatory credibility through the development of regulatory guidelines such as for: transparency, independence and accountability, pro-poor regulation, etc.

2. Development of common minimum standards on Quality of Service in three sectors (CSC; ESC; WSSC)

3. AFUR’s worked is generally aimed at Regulatory harmonisation on the continent,

4. A lot of activities geared towards information sharing such as the publication of a bulletin, the development of a Content Management System and database,

5. Development of a voluntary peer review and learning network for regulators,

6. Harmonising regulatory frameworks and market structures for integration of infrastructure: e.g. quality of service standards, reporting and data requirements from providers,

7. Database: clarification on country reform agendas – governance arrangements, investment environment conditions, etc.,
8. Sustained regulatory capacity building initiatives (training in economic regulation + sectoral workshops),

9. Building the demand side for regulatory performance (consumer associations),

10. AFUR is developing structured partnerships with other regional and sectoral initiatives such as: ATU; WATRA; CRASA; SATA; RERA; the Power Pools; etc.,

11. Engaging the African Union Commission to initiate relevant declarations and decisions on the promotion of investment in infrastructural services within a regulatory context,

12. Closely working with the AUC and NPCA on the implementation of PIDA,

13. AFUR sits on several AUC-led initiatives and commissions such as the African Energy Commission (AFREC); and the Coordinating Commission for Major Hydro-electricity Integrative Projects in Africa (the process of becoming a specialised institution of the AU has been initiated),

14. AFUR is a member of the Steering Committees of the World Forum on Energy Regulation (WFER), the International Confederation of Energy Regulators (ICER) and Regulatory Energy Transition Accelerator (RETA)

SELECTED ACHIEVEMENTS

Since its establishment, AFUR has made significant progress and some of its achievements are summarized below:

1. Organized nineteen (19) annual workshops/conferences on cross-sectoral utility regulatory themes; facilitated several exchange and study visits between members; and developed a website,

2. Organized fourteen (14) regulatory training courses with the participation of over 250 regulatory staff members,

3. Training/Skills Audit Survey has been carried out and is being used in the design of regulatory training courses for members,

4. Identified and working with two institutions in the Southern African region on regulatory training programs and other capacity development services,

5. AFUR Framework Document on the Principles of Utility Regulation in Africa adopted by AFUR. This is being used by members and is being disseminated at various forums; also adopted Recommended Guidelines on Regulatory Transparency at its 3rd AGA and recently adopted Recommended Guidelines on Regulatory Independence and Accountability,

6. Established strong working links with both the African Union Commission; the AUDA-NEPAD; also established strong working links with regional organisations such as the Regional Electricity Regulatory Association of Southern Africa (RERA), the Southern Africa Power Pool (SAPP), and the nascent Association of West Africa Utility Regulators (AWAUR), African Ministers Council on Water (AMCOW), Central African Power Pool (CAPP),
7. AFUR made formal interventions at various conferences and investment forums including the NEPAD-OECD Investment Roundtable; the Africa Energy Forum; the Southern African Regional Electricity Investment Conference, the Pro-Invest organised ACP-EU Investment Conference in Public Utilities and Transport (INPUT), and the World Forum on Energy Regulation, AFUR is represent on the Steering Committee. AFUR also serves on the Steering Committee of the International Energy Regulatory Network (IERN) project and the Technical Advisory Board of the African Energy Commission (AFREC) as well as AFSEM (African Single Energy Market).

8. Established five Sectoral Committees on energy, communications, transport, water & sanitation and cross-cutting; and intensified efforts to mobilize resources for the programs and projects, as well as establishing a Petroleum Forum.

9. In addition to the proceedings of the above Annual Conferences, AFUR publishes reports on topical regulatory issues. Selected publications include:

- AFUR Guidelines on Independence and Accountability
- AFUR Common Guidelines on Minimum Quality of Service for Water and Sanitation
- AFUR Guidelines on Minimum Quality of Service and Reliability Standards for Electricity
- AFUR Quality of Service Standards for Communications Services
- AFUR Data Collection and Reporting Requirements for Water and Sanitation Services
- The AFUR Bulletin is published bi-annually in January and July

10. Initiated and presented workshops whose objectives are to increase capacity building within Regulators and Utilities in Africa as well as provide an additional source of revenue for the organization.

- Utility Pricing and Tariff Design for the Electricity and Water Sectors
- Designing Pro-Poor Tariffs for The Electricity and Water Sectors
- Enhancing Consumer Participation in Regulation of the Infrastructure Sector
- Workshop on Enhancing Consumer Participation in Regulation of the Infrastructure Sector
- Workshop on Electricity Market and Power Pools for The Energy Sectors
- Workshop on Corporate Governance


CONCLUSION

Regional infrastructure networks around the world are contributing to the integration of gas and electricity, the harmonisation of pricing and regulatory regimes and the invigoration of investment regimes to attract foreign capital.

These networks are underpinned by functioning and effective energy information systems to allow for sound analysis and planning for sustainable development. Reliable information based on comparable, detailed and timely data, is necessary for sound infrastructure development and related analysis and planning. Africa is the only region with no such regional network.
There is a need for an association such as AFUR where best practices, regulatory experience, skills and guidelines are shared for the development of the appropriate regulatory frameworks to facilitate transactions, harmonise market structures, and oversee trans-border initiatives.

After recent elections in March 2023, the leadership of AFUR is comprised of:

2023 – 2026  Mr. Jean Pascal NKOU, ARSEL, Cameroon (Chair)
             Mr. Robert Kahimise, CEO, ECB, Namibia (Deputy Chair)

The previous Chairpersons and Deputy Chairpersons were:

2019 – 2023  Mr. Henry Kachaje, CEO, MERA, Malawi (Chair)
             Mr. Jean Pascal NKOU, ARSEL, Cameroon (Deputy Chair)

2015 – 2019  Monsieur Moctar Toure, Director General, CREE, Mali (Chair)
             Prof. Ntoi Rapapa, LEWA, Lesotho (Deputy Chair)

2012 – 2015  Mr. Felix Ngomlagosi, CEO, EWURA, Tanzania (Chair);
             Monsieur Nani Ould Chrougha, ARE, Mauritania (Vice).

2009 – 2012  Professor ASSI Bénié, ANARE-CI, Cote d'Ivoire (Chair),
             Dr. Benon Mutambi, ERA, Uganda (Vice).

2003 – 2009: Mr. Smunda Mokoena, NERSA, South Africa (Chair),
             Mr. Ndouka Hell, ARSEL, Cameroon (Vice).

The AFUR Secretariat is located in Pretoria and hosted by NERSA (National Energy Regulator of South Africa). The Executive Secretary of AFUR is Mrs. Debbie Roets

- **Selected Proposed Projects for 2023 - 2026:**

1. Review of Regulatory Framework of the Water and Sanitation members,

2. Incorporating mini grids into the electricity regulatory framework.

3. Transforming Energy Access – Mainstreaming mini-grid tariff settlement tools and methodologies across African regulators. The Project Steering Committee (PSC) will continue meeting every month with updates on the project as well as discussions on mini-grid regulations. Five early adopters have been identified.

4. Infrastructure Asset Management – Funding will be sourced from donors to continue with the project.

5. AUDA-NEPAD – a concept note on the “Demonstration of Green Energy Corridors through Distributed Power Systems in the Continental Master Plan” has been developed and AFUR will collaborate with AUDA-NEPAD on this project.

6. AfDB – a proposal to include an additional index to the existing ERI indices will be submitted to the Bank. The proposed new index is the Electricity Security Supply Index. This will be done through a collaboration between AFUR, AfDB and AUDA-NEPAD.