

# **Communiqué by the Ministers Responsible for energy in the Southern African Development Community (SADC) on Diminishing Generation Surplus Capacity and The Introduction of Cleaner Fuels**

**22<sup>nd</sup> October 2004  
Johannesburg, South Africa**

The Honourable Ministers responsible for energy in the Southern African Development Community (SADC) met in Johannesburg, South Africa, on 22 October 2004. The Ministers were from Angola, Botswana, DR Congo, Lesotho, Malawi, Namibia, South Africa, Swaziland, Tanzania, Zambia, and Zimbabwe. The meeting was held as a follow up to their meeting held in Namibia on 30 July 2004 and to review the recommendations from the SADC Summit held in Mauritius in August 2004. The Ministers were meeting under the SADC umbrella with the mandate given by the Heads of State at the SADC Summit held in Mauritius in August 2004.

The Ministers have reaffirmed their commitment to ensure that there is no deficiency in generation surplus capacity in the SADC region. The Ministers have committed their governments to work together in addressing the diminishing generation surplus capacity in the region. The Ministers:

1. Noted the progress made by the Southern African Power Pool (SAPP) in the implementation of the identified short-term and long-term generation and transmission projects. Most of the short-term generation projects in the region are on course and expected to be completed and commissioned as planned. Steps are being taken to secure funding for the short-term generation and transmission projects.
2. Agreed to convene a regional electricity investment conference that will raise funding for the short and long-term generation and transmission projects. This conference will involve a wide range of stakeholders including governments, private sector, and cooperating partners. SAPP has been mandated to organise the Investment Conference in Namibia in May/June 2005 in consultation with other stakeholders.
3. Noted the progress made on the revision of the Inter-Government Memorandum of Understanding (IGMOU), which has been circulated to Member States. The Ministers noted that some Member States have indicated acceptance of the revised document and others are still undertaking internal consultation. The Ministers are urging the remaining members to expedite the process of internal consultation so that the document can be signed by March 2005.
4. Mandated SAPP to work with the SADC Secretariat in implementing the principle of subsidiarity as directed by the SADC Council of Ministers.
5. Urged Member States to support the on-going efforts by the Regional Electricity Regulators Association (RERA) and other stakeholders in developing a conducive regulatory environment that includes the principles of cost reflective tariffs. Member States are encouraged to accelerate the process of establishing regulatory agencies where these are not established.
6. Pledged to promote private sector participation in the proposed SAPP generation and transmission projects.

In pursuance of the Dakar Declaration regarding cleaner fuels, the SADC countries are on track to end the use of leaded petrol and to change to unleaded petrol in a harmonised manner. The Dakar declaration was made in 2001 by Sub Saharan African countries to remove lead from petrol. The

Dakar declaration brought Africa into line with global trends to end lead in petrol. Almost 85% of the world's petrol is unleaded today. Lead is a toxic poison that affects human health and has the greatest effect on under nourished children.

The Ministers also noted that:

7. The change over will happen from 2005 to 2006. Tanzania will be fully unleaded by the end of November 2004. To harmonize the change over, supply chain logistics are important. It is for this reason that all countries need to work together on supply chain issues.

However, there is a need for regional harmonisation of other technical specifications to facilitate cross border trade and tourism. A technical committee of experts will meet in December this year to discuss such fuel specifications. Concerns about the effect of unleaded petrol on old cars are exaggerated. Individual countries will make the necessary arrangements to accommodate such concerns.

8. Public education programs in Member States will precede the change over.

The Ministers expressed their thanks to the South African Minister of Minerals and Energy, Honourable Ms. Phumzile Mlambo-Ngcuka, for hosting the meeting and for the warm hospitality given.