



KNOWLEDGE SHARING WEBINAR ON THE TRADING PATTERNS IN SOUTHERN AFRICA POWER POOL (SAPP)

Context

This webinar is the first of 3 knowledge-sharing workshops, which will be delivered through the AEP platform in 2023.

The AEP is a digital platform and a one-stop-online-shop for energy sector news, insights, data and more. Launched in November 2018, the AEP focuses exclusively on the African continent, serving as a centralized repository of accurate and relevant information and data across the energy value chain.

The objectives of the AEP are two-fold:

- 1) To provide a virtual access point by which stakeholders involved in Africa's energy sector can obtain relevant information, at country and regional levels, to better engage the sector.
- 2) To provide market thought leadership through knowledge sharing to understand the challenges and opportunities that Africa should focus on to prepare its energy market for the future.

Background of Webinar on SAPP Power Trading Pattern

The Southern African Power Pool (SAPP) has been the frontrunner for power trading in Africa, having established the Short-Term Energy Market in 2001, the development of a competitive electricity market for the SADC region in 2004 and the day-ahead market (DAM) in 2009. With seventeen members from twelve member countries including national utilities, transmission companies and independent generators, the SAPP trading Platform was upgraded with Forward Physical Markets and the Intra Day Market in 2015.

The concept of cross-border electricity trading is to enable countries gain access to increased power supply in a wider geographical area, as well as improve the energy mix in some countries. It is particularly key for Africa where there are countries with excess generation capacity, and others with extreme generation deficit in the same geographical zone. For a continent like Africa where about 43% of the population, totaling around 600 million people currently live without electricity, it is understood that greater cross-border trade in electric power is a potentially cost-effective and efficient way of improving power supply across board, while also making efforts towards the energy transition by diversifying their energy mix with sustainable sources of energy from other countries.

Although this frontrunner has chalked great achievements over the years, there are also some outstanding issues faced by the SAPP, including on infrastructure and pricing that need to be addressed for the market to realize its full potential. In addition, the other regional power markets in Africa (Central, East and West) are yet to fully develop, and would learn from the lessons, and challenges from the pioneer regional market, SAPP.



The African Development Bank as part of its mandate of playing a catalytic role in the energy sector development on the continent, is organizing a knowledge sharing webinar to look at the power trading patterns of the SAPP. This would serve as a learning platform for other power pools as they operationalize their various power markets.

Objectives of the Webinar

As part of efforts to generate and share knowledge to improve the continent's energy future, the African Development Bank through the Africa Energy Portal (AEP) is delivering this Knowledge workshop to:

1. Allow participants to learn more about the trading patterns, challenges, and outlook of the Southern African Power Pool.
2. Discuss and share experiences from market participants, and officials within the Southern Africa Power Pool to encourage new participants.
3. To serve as a learning platform for the other three power pools in Africa (Central, East and West).

Format and structure of the event

This workshop will be delivered virtually through zoom on 13th June 2023 from 8:00-10:00 GMT.

The webinar will include two sessions:

○ Session 1: Presentation on the Power Trading Patterns in SAPP

This session will begin with a presentation by SAPP, focused on power trading patterns of the market, the highlights of their various markets, challenges, and their outlook in the medium and long-term.

○ Session 2: Expert Panel Discussion

Selected experts will deliberate on the power trading patterns of SAPP since its inception, with a deep dive on their various markets, the highlights, challenges, and outlook of the market. The goal is to elaborate the key challenges faced by SAPP including on infrastructure, and pricing and attempt to propose solutions and the way forward. This will also serve as a learning platform for the other power pools on the continent.



Agenda

Time	Topic	Speaker
8:00-8:10	- Welcome and introduction - Opening statements	MC - Rhoda Mshana, Chief Energy Sector Regulations Specialist, AfDB Mr. Wale Shonibare, Director, Energy Financial Solutions, Policy and Regulations, AfDB
8:10-8:30	<u>Session 1</u> Presentation: Overview of Power Trading in SAPP. (Pattern, Gaps, and outlook)	Eng. Stephen Dihwa, Executive Director, SAPP.
8:30-9:30	Panel Discussion:	Chair: Mr. Wale Shonibare, AfDB <u>Panelists:</u> <ul style="list-style-type: none"> • Ms. Ana Hadjuka, Africa Greenco • Owen Silavwe, Copperbelt Electricity Company • Anders Houmoller, Independent Consultant, European Electricity Markets • Dr. Mohamedain Seif Elnasr, ED, Regional Association of Energy Regulators for Eastern and Southern Africa (RAERESA) • David Kgoboko, CEO, Botswana Power Corporation • Marcelino Gildo Alberto, CEO, Electricidade de Moçambique
9:30-9:55	Q&A, Discussion	All
9:55-10:00	Closing Remarks	Mr. Farai Kanonda, Energy Sector Manager, Southern Africa, AfDB