



**ECOWAS Regional Electricity Regulatory Authority
(ERERA)**

**ERERA'S STRATEGIC PLAN
AND ACTIVITY PROGRAMME
2016 - 2020**

JANUARY 2016

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1 - INTRODUCTION

1.1 Background

The distribution of low-cost energy resources is extremely uneven across the 15 Member States of ECOWAS. In some countries they are very limited, whilst the region as a whole is resource rich with hydropower, oil and gas reserves. The high cost of electricity in ECOWAS Member States retards economic growth and access to electricity, particularly for low-income households. Consequently, ECOWAS Member States have agreed to the pooling and optimal sharing of energy resources in the region through a regional electricity market.

The vision of a regional electricity market in West Africa is rooted in Article 26 of the ECOWAS Treaty adopted in May 1978 and revised in 1993.

The ECOWAS Energy Protocol (Protocol A/P4/1/03 of 31 January 2003) addressed a strategy to achieve this Vision by establishing the legal framework intended to promote long-term cooperation in the ECOWAS energy sector. To implement this strategy, a number of decisions were taken, at the time, by the authorities of ECOWAS. Among these decisions are namely:

- Decision A/DEC.3/5/82 of the Authority of Heads of State and Government relating to the energy policy of ECOWAS
- Decision A/DEC.5/12/99 of the Authority of Heads of State and Government of 10 December 1999 relating to the establishment of the West African Power Pool (WAPP)
- Decision A/DEC.6/01/05 of the Authority of Heads of State and Government of 19 January 2005 relating to the development of a regional regulatory framework for the power sector within ECOWAS
- The Supplementary Act A/SA.2/1/08 of 18 January 2008 relating to the establishment of the ECOWAS Regional Electricity Regulatory Authority (ERERA)

1.2 ERERA– The Regional Electricity Regulator

ECOWAS Regional Electricity Regulatory Authority (ERERA) was created in January 2008 by the Authority of Heads of State and Government of ECOWAS with the mandate of regulating cross-border electricity exchanges, creating an enabling investment environment for regional power projects and providing technical support to national regulators of the electricity sector of ECOWAS Member States. The Regulation C/REG.27/12/07 of 15 December 2007, as amended by Regulation C/REG.24/11/08 of 29 November 2008 defines the composition, organisation, functions and operations of ERERA.

Chapter II of Regulation C/REG.27/12/07 of 15 December 2007, as amended by Regulation C/REG.24/11/08 of 29 November 2008, presents the missions, powers and functions of ERERA.

1.2.1 Missions of EREDA

The overall missions of EREDA are to:

- a) regulate the cross-border power pooling among ECOWAS Member States,
- b) oversee the implementation of the necessary conditions to ensure rationalization and reliability,
- c) contribute to setting up a regulatory and economic environment suitable for the development of the regional market,
- d) oversee compliance with the principle of freedom of electricity transit in accordance with the provisions of article 7 of the Energy Protocol
- e) oversee the establishment of a clear, transparent and predictable tariff setting methodology for regional power pooling,
- f) be responsible for the technical regulation of regional power pooling and the monitoring of regional market operations,
- g) assist the ECOWAS Commission in defining the strategic direction of the regional policy and the harmonization of policies, legislations and regulation of national power sectors,
- h) establish effective dispute resolution procedures between regional power market players and control its proper application,
- i) maintain partnership relations with national regulatory authorities in Member States and provide them with technical advice and assistance at their request;
- j) ensure that there is proper communication among the various actors of the sector

1.2.2 Powers of EREDA

EREDA has the power to:

- a) set, specify or interpret technical and commercial rules on cross-border power pooling;
- b) make any recommendation to various regional or national participants in the ECOWAS power sector;
- c) authorize, approve and control the activities of various participants in the regional power market;
- d) initiate investigations, carry out audits, and enforce any necessary injunction measure to conserve or safeguard and sanction breaches and violation of established rules on cross-border power pooling
- e) Resolve disputes between participants on any issues that have been submitted before it concerning litigation or behaviors affecting the organization or of cross-border power pooling.

- f) Take decisions on mediation, conciliation or dispute resolutions submitted before it, or in the case of sanction of observed defaults or violations.

2-FIVE-YEAR STRATEGIC PLAN 2016-2020

The five-year strategic plan of ERECA provides a vision, a mission statement, and values for the overall organization of the institution and strategic objectives for ERECA to fulfil its mandate. The five-year strategic plan have been widely discussed by all stakeholders in the regional market.

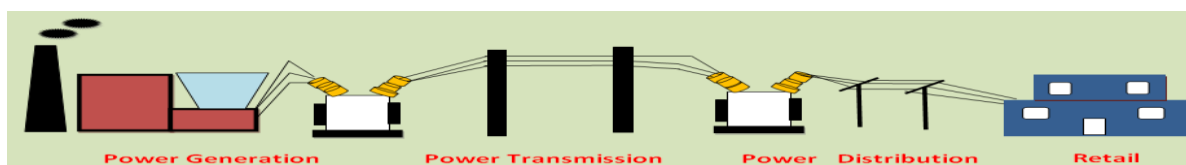
2.1 Situational Analysis of ERECA

2.1.1 Sectoral analysis

The WAPP Member States are at different stages of the reforms of their electricity sector.

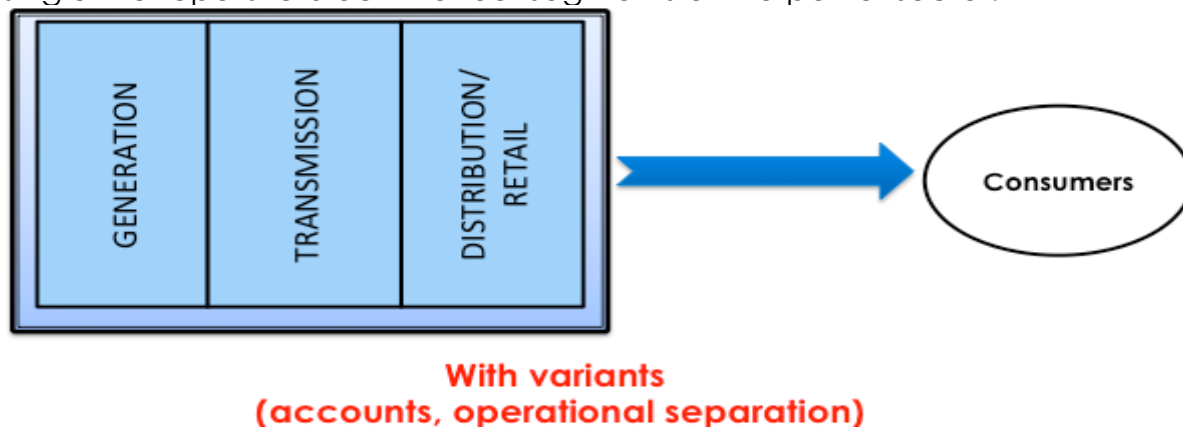
2.1.1.1 Review of the structure of the power sector

The power sector is organized around four major divisions or segments: generation, transmission, distribution and retail (or sale)

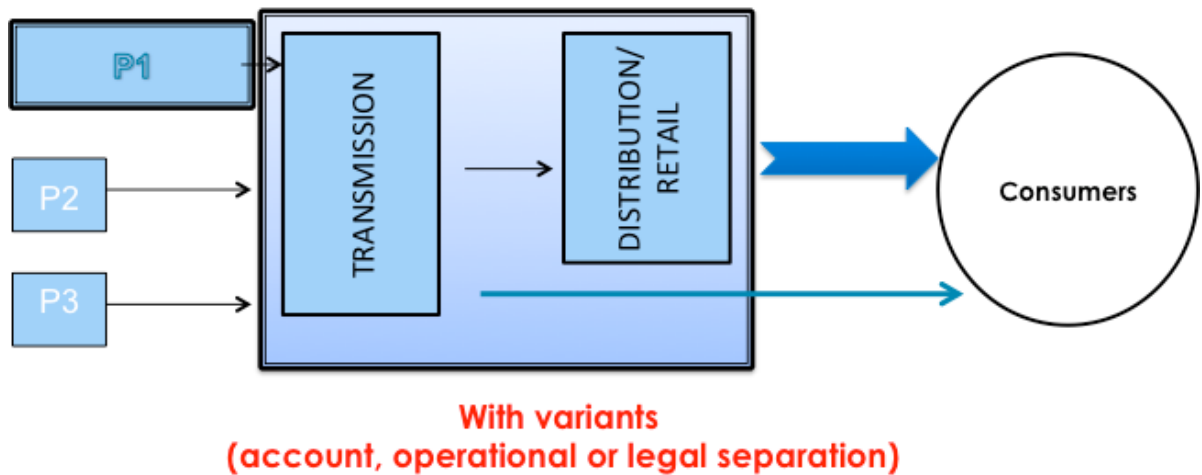


There are several structures of these segments. The main structures with their variants are:

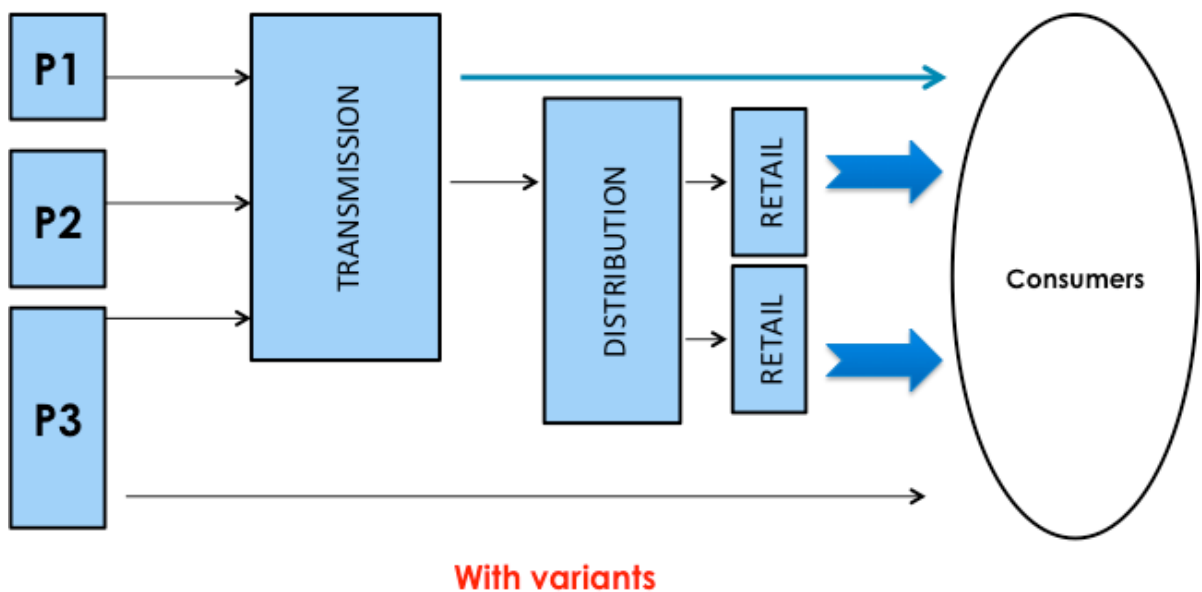
1. The **vertically integrated** structure: historical structure that integrates in a single monopolistic block the four segments of the power sector.



2. The **Single Buyer** structure: structure in which the segment of generation is open to competition.



3. **Entirely unbundled** structure: structure that has a legal separation of the four segments of the power sector.



2.1.1.2 Convergence criteria

There are certainly many factors that affect the normal operations and development of a regional power market.

At least two fundamental factors, however, determine the existence of the market:

1. the need for basic infrastructure: a supply network involving all potential consumers and sufficient to cover the expected demand installed capacity and
2. An institutional and regulatory framework for the market to operate in a sustainable manner.

The implementation of the WAPP infrastructure projects will enable the realization of the first factor.

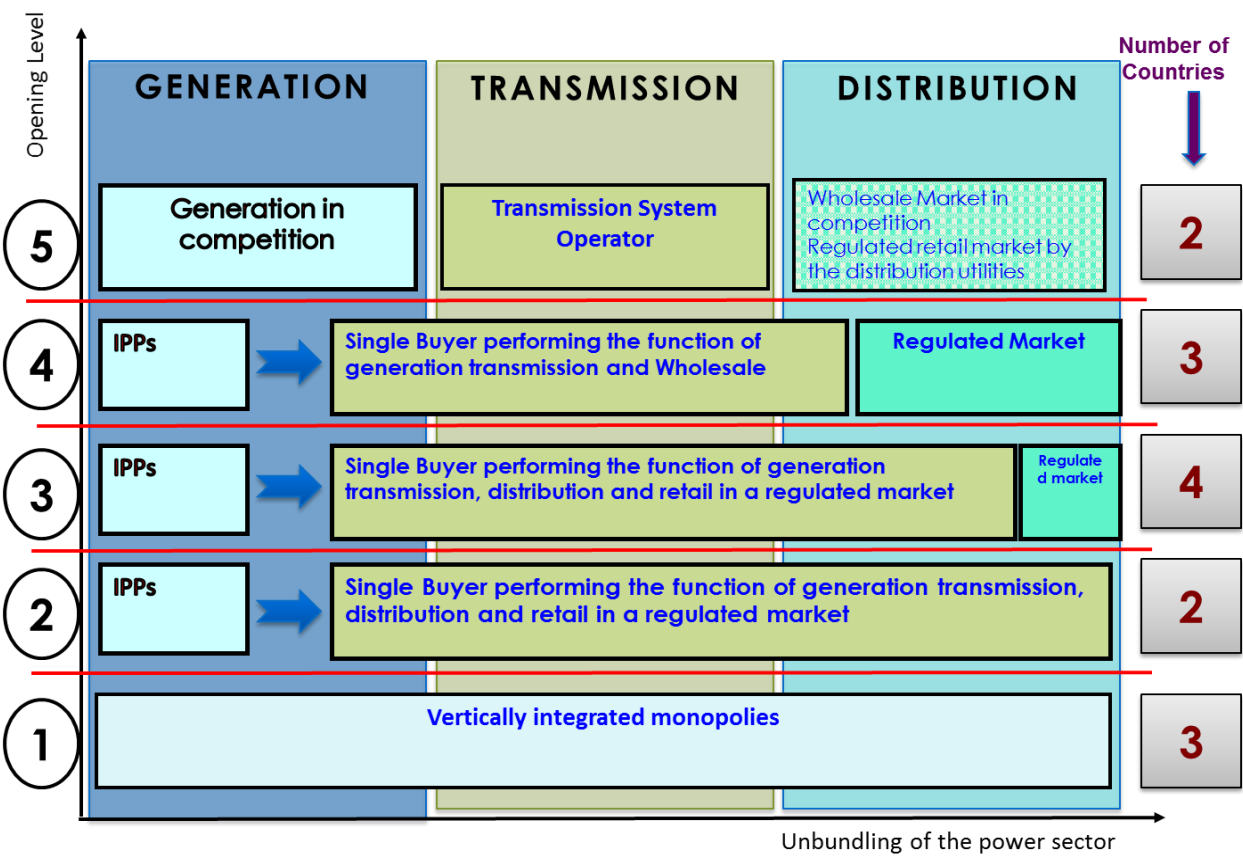
The second criteria can be met by the implementation of the Directive C/DIR/1/06/13 of 21 June 2013 on the organization of the regional electricity market that sets the criteria for bringing national power systems of ECOWAS to converge towards a harmonized model that allows an open access to a growing number of users and establishes the fundamental principle of the structural independence of the transmission system operator.

2.1.1.1 Structure in the different States of ECOWAS

The benchmarking study conducted by ERERA on the WAPP countries, has identified five different organizational structures that can be grouped into three categories of countries:

1. Countries whose structures already comply with the ECOWAS Directive of June 2013 (2 countries);
2. Countries that can comply with the convergence criteria of the Directive in the short-term (9 countries);
3. Countries that need a little more time to fulfill the convergence criteria (3 countries).

The figure below gives an overview of the structures of national markets within the ECOWAS.



Opening Level	WAPP Countries
1	BURKINA FASO ; GUINEA ; GUINEA BISSAU
2	THE GAMBIA ; NIGER
3	COTE D'IVOIRE, LIBERIA, MALI ; SENEGAL
4	BENIN ; SIERRA LEONE, TOGO
5	GHANA ; NIGERIA

2.1.2 External factors analysis

The analysis of the external factors that may impact the attainment of ERERA's strategic objectives, is made through a "PESTLE" analysis which examines the Political, Economic, Social, Technological, Legal and Environmental factors. The conclusions of this analysis are summarized as follows:

2.1.2.1 Political factors

- Inconsistency of political will at both the national and regional level and instability of regulatory regimes
- Non-uniform regulation of cross-border exchanges
- Some ECOWAS Member States do not yet have a national regulator

2.1.2.2 Economic factors

- Economic growth in most countries
- Resistance of the main players to the sector reform and the increased private participation in the sector.
- Few private sector power projects in the region, due to legal, political and economic obstacles
- Lack of tariff methodologies based on cost recovery and regulatory processes governing them in most countries
- Transmission pricing methodology disparate and not harmonized.

- Very low investment capacity of public utilities in the countries of the region.

2.1.2.3 Social factors

- Strong household demand in the region for access to an affordable supply of electricity is unmet.
- Several residential consumers in the region have a very low ability to pay for the electricity service

2.1.2.4 Technological factors

- Poor reliability of regional transmission network
- Inconsistency of Regional Technical rules and lack of uniform regulation on third party access
- Insufficient generation and transmission infrastructure to enable significant cross-border power trade in the region
- Availability of experience and expertise in the regulation of a regional power market

2.1.2.5 Legal factors

- Institutional and contractual framework inappropriate for regional power trade in most countries
- Several WAPP countries do not have a third-party access mechanism
- Differences in the power sector regulatory approaches in many countries.

2.1.2.6 Environmental factors

- Pressure within and outside of ECOWAS for an increased access to the renewable energy market
- Environmental and social guidelines are available for the region
- Some Member States have policies and laws on Renewable Energy

2.1.3 Internal factors analysis

2.1.3.1 Organisation of ERERA

The structure of ERERA as defined by its Internal Rules adopted by Decision No. 001/ERERA/11 of the Regulatory Council of 4 February 2011 comprises:

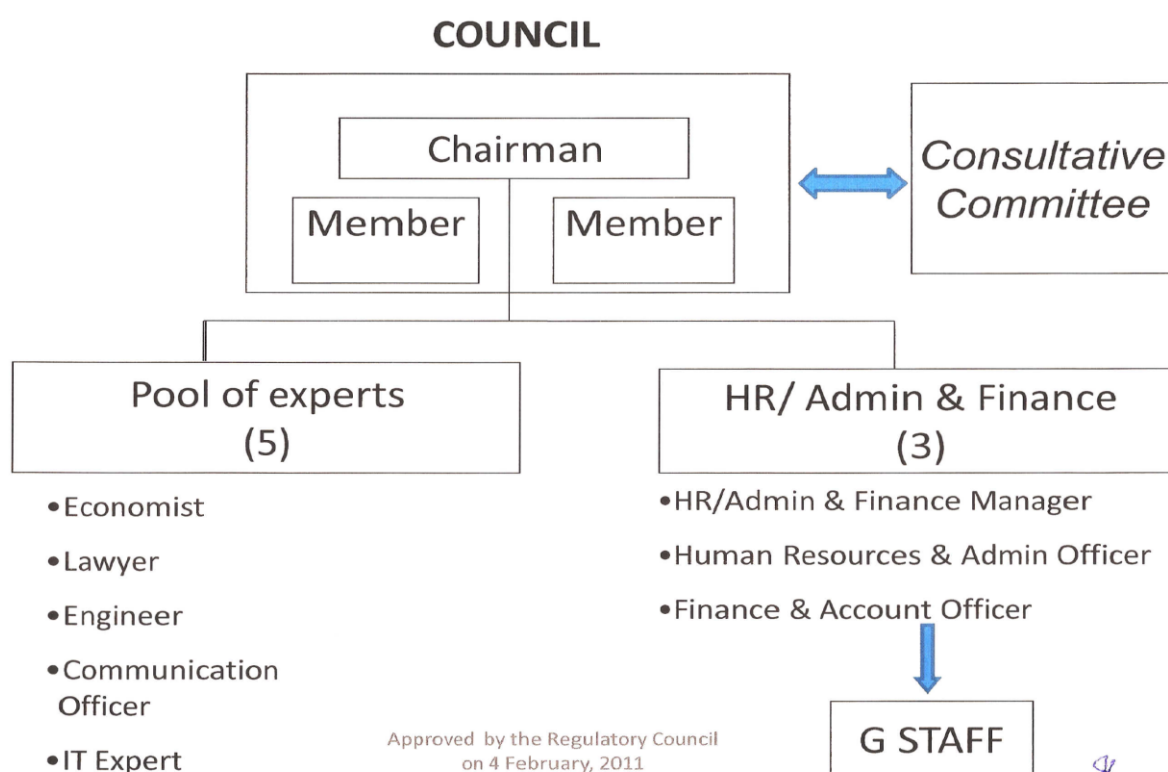
- the Regulatory Council
- the Pool of Experts
- the Human Resources, Administration and Finance Unit.

The Regulatory Council has approved by Decision No. 002/ERERA/11 of 4 February 2011, two organograms of this structure:

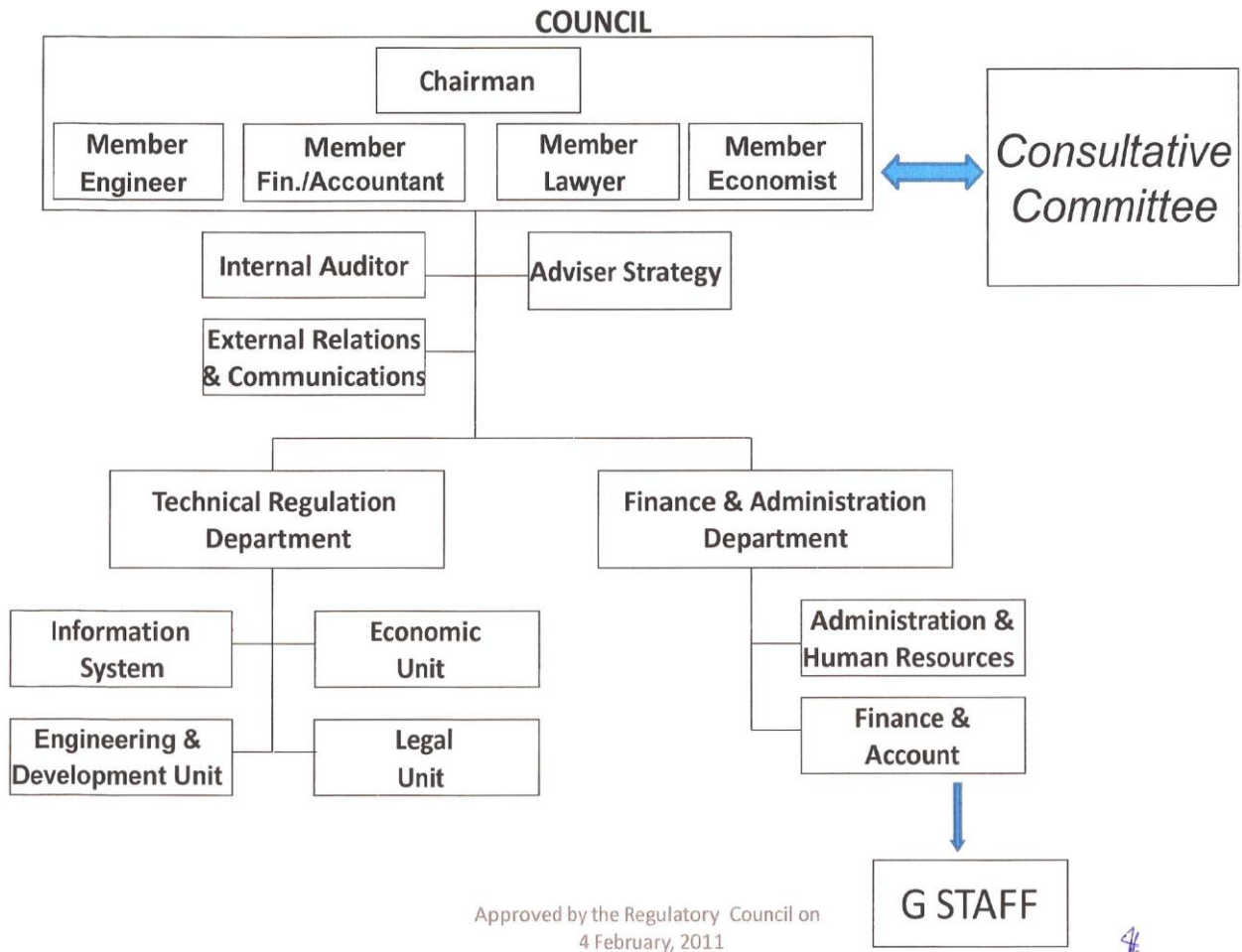
- the first organogram for the short term: it is the current organogram;
- the second organogram for the medium term: it is the organogram that will be functional when the evolution and development of the Regional market justify it.

Both organograms are reproduced below:

SHORT TERM (1-2 Years) ORGANOGRAM OF ERERA



MEDIUM TERM (3-5 YEARS) ORGANOGRAM OF ERERA



2.1.3.2 SWOT Analysis

The analysis of the internal factors acting in favor or against the achievement of ERERA's strategic objectives is made by a "SWOT" analysis which is an analysis of the Strengths, Weaknesses, Opportunities and Threats of ERERA.

The two main components considered for this analysis are:

- The operating framework, including the analysis of the operations of ERERA in the recent past, in relation to its mission, action plans and;
- The organizational environment including the evolution of ERERA.

The SWOT analysis (Strengths, Weaknesses, Opportunities and Threats) is presented below in tabular form:

Strengths	Weaknesses
<ul style="list-style-type: none"> • A clearly-defined mandate from the ECOWAS Commission • A clear view on its priorities in the mandate • Commitment to the mandate from the ERERA Regulatory Council and from the ECOWAS Commission • Commitment to capacity building and recognition of requirements in this regard • “Clean Slate” enables ERERA to avoid problems faced by other international regulators 	<ul style="list-style-type: none"> • Under-resourced for ERERA's mandate • Lack of committed funding for the future • In the founding text/legislation of ERERA, regulatory powers were split • ECOWAS Commission oversees senior staff recruitment • ERERA does not yet have a communications strategy • Inadequate number of core regulatory staff • The Consultative Committee for Consumers (i.e. large consumers connecting at HV) has not yet been formed, although it is currently planned for 2016 • Internal capacity building needs in transmission pricing, technical operations, communications, information technology, etc
Opportunities	Threats
<ul style="list-style-type: none"> • Strong economic growth in the region, due largely to strong demand for natural resources (oil, minerals, cocoa, etc), increases the demand for access to affordable supplies • Vast regional scope for utilising remote/stranded energy resources (particularly hydropower & renewables), trading power, and promoting economic growth through more accessible and more affordable electricity • Pressure from donors for the national governments to promote renewable energy 	<ul style="list-style-type: none"> • Region is unattractive to international private sector investors, • Regulatory regimes and political decision-making of national governments can be volatile in some Member States; • Differences between Anglophone and Francophone legal systems frustrate efforts aimed at harmonization of legislation • National utilities have low investment capacity, generally

<ul style="list-style-type: none"> • Several - more mature - regional regulatory bodies are higher up the learning curve • Need for harmonization of legislation and enforcement in the sector • Improvements needed in legal/contractual arrangements between members, i.e. balancing power • Need for many more interconnections before WAPP realises its full potential • Existing or up-coming – albeit limited – opportunities for regional trade in electricity • Donors well disposed towards regional integration projects such as interconnections 	<ul style="list-style-type: none"> • There is a lack of synergy in the regulatory frameworks of some Member States
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2.2 ERERA Mission, Vision and Values

2.2.1 Mission

Implementation of effective regulatory mechanisms for the development of regional electricity trade in ECOWAS.

2.2.2 Vision

Ensuring the highest standards of regulation to achieve a sustainable and efficient regional electricity market for ECOWAS.

2.2.3 Values

Expertise, Integrity, Accountability, Transparency, Collaboration, Credibility.

2.2.4 Motto

The best regulatory practices for the benefit of the ECOWAS Community.

2.3 ERERA Strategic Objectives 2016-2020

After the situational analysis of ERERA, and in line with the ECOWAS priorities identified in the current Community Strategic Framework, ERERA defined its strategic objectives for 2016-2020 within the following priority areas: Energy security and interconnectivity, developing organizational and institutional capacity and environmental sustainability for the promotion of renewables and energy efficiency.

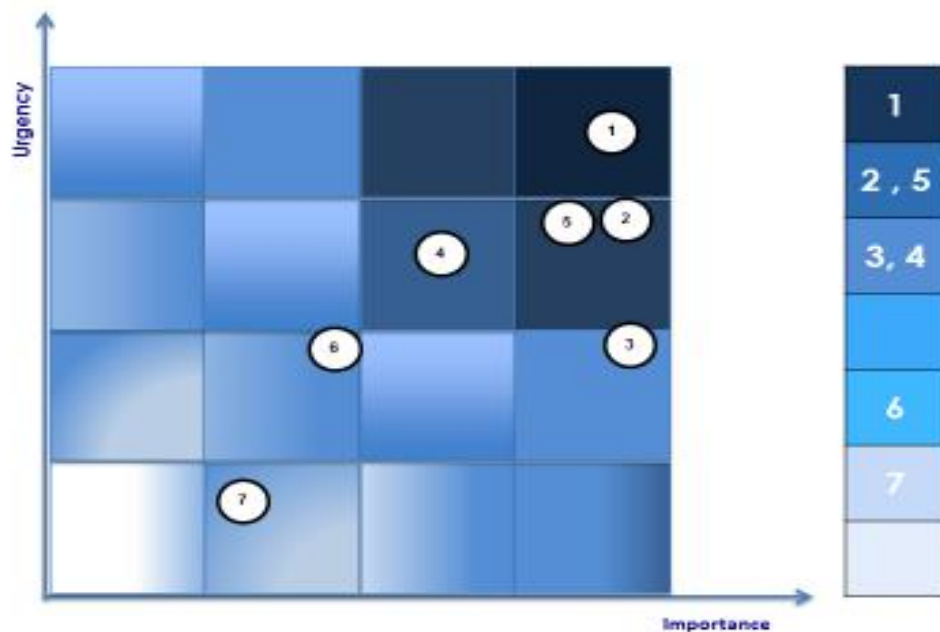
The strategic objectives include:

1. Implementing appropriate regulatory measures for establishing the regional power market
2. Developing means for the monitoring of the regional power market and the enforcement of ERERA's rules
3. Harmonizing regional energy policy and regulation
4. Developing and implementing a programme of capacity building of institutions
5. Reinforcing of the functioning of ERERA
6. Promoting the integration of renewable energy in the regional power grid.
7. Providing regional support to national energy efficiency policies

2.3.1 Prioritisation of strategic objectives

Prioritization of strategic objectives is necessary to properly design programmes of activities or action plans for strategic objectives. Indeed, a very simple approach based solely on two basic factors, importance and urgency was used. The approach is thus to assign to each objective a degree of importance or urgency from "low", "medium", "moderately high" to "high."

N°	OBJECTIVES	IMPORTANCE	URGENCY
1	A.1 Implementation of appropriate regulatory measures for establishing the regional power market	High	High
2	A.2 Developing means for the monitoring of the regional power market and the enforcement of ERERA's rules	High	Moderately High
3	A.3 Harmonizing regional energy policy and regulation	High	Medium
4	B.1 Developing and implementing a programme of capacity building of institutions	Moderately High	Moderately High
5	B.2 Reinforcing of the functioning of ERERA	High	Moderately High
6	C.1 Promoting the integration of renewables in the regional power market	Medium	Medium
7	C.2 Providing regional support to national energy efficiency policies	Medium	Low



2.4 Stakeholder analysis

This stakeholder analysis aims to identify the individuals, groups and organisations whose interests need to be taken into account in setting the strategy for fulfilling ERERA's objectives.

2.4.1 ERERA primary stakeholders

ERERA has a large number of stakeholders. The more readily identifiable stakeholders are:

1. ECOWAS Community
2. ECOWAS Commission
3. West African Power Pool (WAPP)
4. National regulators
5. National operators/utilities
6. Sub-regional energy organisations
7. National Ministries of Energy
8. West African Gas Pipeline Authority (WAGPA)
9. ECOWAS Centre for Renewable Energy and Energy Efficiency (ECREEE)

10. ECOWAS Court of Justice
11. Development Partners (USAID, AFD, EU, WB, AfDB, GIZ, etc)
12. Consultative Committee of Regulators
13. Consultative Committee of Operators
14. Consultative Committee of Consumers (planned, but only likely to represent large consumers connected at HV)
15. ERERA Staff
16. Electricity consumers, (actual and potential)

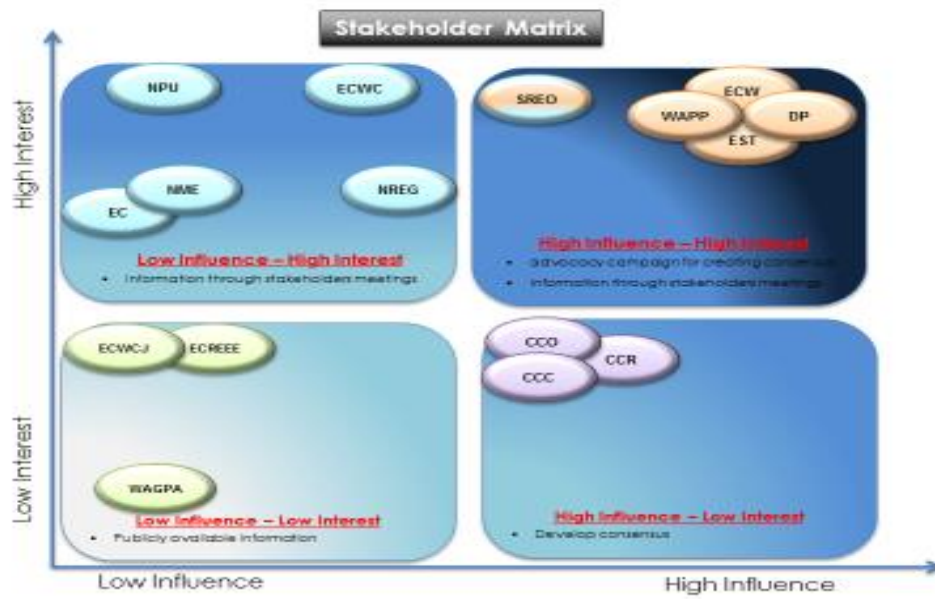
2.4.2 Stakeholder analysis matrix

The stakeholder analysis matrix describes the stated and unstated interests of the various stakeholders with respect to ERERA's objectives, as well as the degree of their influences on ERERA's activities. The abbreviations used in the table below are just for the purpose of graphical presentation of the stakeholders' analysis matrix below.

STAKEHOLDERS	ABBREVIATIONS	INTERESTS	INFLUENCES
1. <i>ECOWAS Community</i>	<i>ECW</i>	H	H
2. <i>ECOWAS Commission</i>	<i>ECWC</i>	H	M
3. <i>WAPP</i>	<i>WAPP</i>	H	H
4. <i>National regulators</i>	<i>NREG</i>	M/H	M
5. <i>National Power utilities</i>	<i>NPU</i>	H	L
6. <i>Sub-regional energy organisations</i>	<i>SREO</i>	H	M/H
7. <i>National Ministries of Energy</i>	<i>NME</i>	M/H	L
8. <i>WAGPA</i>	<i>WAGPA</i>	L	L
9. <i>ECREEE</i>	<i>ECREEE</i>	M	L
10. <i>ECOWAS Court of Justice</i>	<i>ECWCJ</i>	M	L
11. <i>Development partners (USAID, AFD, EU, WB, AfDB)</i>	<i>DP</i>	H	H
12. <i>Consultative Committee of Regulators</i>	<i>CCR</i>	M	M/H
13. <i>Consultative Committee of Operators</i>	<i>CCO</i>	M	M/H
14. <i>Consultative Committee of Consumers</i>	<i>CCC</i>	M	M/H
15. <i>ERERA Staff</i>	<i>EST</i>	H	H
16. <i>Electricity consumers, (actual and potential)</i>	<i>EC</i>	M/H	L

One axis of the matrix represents the stakeholder's influence over the strategic decisions made by ERERA, whilst the other axis represents its level of interest in the

activities of ERERA.



3- ERERA FIVE-YEAR ACTIVITY PROGRAMME FOR 2016-2020

3.1 Review of the implementation of the previous activity programmes

Following the creation of ERERA in 2008, a programme of activities was developed for the period 2009-2013. Some activities of this programme such as the recruitment of members of the Regulatory Council and the establishment of a headquarters were related to the operationalization of ERERA, while others focused on the organization and the development of the regional electricity market. At the end of its first five-year programme implemented from 2009 to 2013, ERERA conducted a number of regulatory studies to establish an effective legal and regulatory framework for the establishment and operation of the regional electricity market of ECOWAS. These studies led to the adoption of a five-year strategic plan for the period 2014-2018.

Thus, after two years of implementation, an assessment was conducted particularly concerning the objectives in order to re-align these with the overall objectives of ECOWAS under the revised Community strategic framework and also to develop a programme tailored to the current needs of the institution.

3.1.1 The implementation of the programme of activities for 2009-2013

3.1.1.1 Summary of the five-year Programme of activities for 2009-2013

The programme of activities 2009-2013 was composed of two main activities including the establishment of ERERA and the organization and monitoring of the regional market operations.

A. Activity 1: Establishment of ERERA

This activity included tasks to be undertaken over the period 2009-2013 following the launching of ERERA. It comprised a total of 19 tasks with the recruitment of the ERERA's Regulatory Council Members and support staff, the physical installation of its Headquarters, the adoption of regulatory (internal regulations and procedures) and operational instruments for ERERA.

B. Activity 2: Organization and monitoring of the regional market

This activity consisted of actions to be carried out with regards to the organization and monitoring of the regional market operations over the period 2009-2013. This involved a total of 16 tasks grouped into three activities namely:

- (i) Improvement of the operating rules of the current exchanges
- (ii) organization of the regional wholesale power market
- (iii) harmonization of rules and institutions of national power sectors.

3.1.1.2 Synthesis of implementation and outcomes of the 2009-2013 Programme at the end of 2013

A - Activity 1: Establishment of ERERA

Tasks scheduled for Activity 1	End of Implementation					Comments on results
	2009	2010	2011	2012	2013	
1.1 Recruitment and designation of the President of the Council						Completed
1.2 Recruitment and designation of the first 2 Members of the Council						Completed
1.3 Recruitment and designation of the last 2 Members of the Council						Outstanding
1.4 Signature of the Headquarters Agreement & setting up of ERERA						Partially Completed
1.5 Finalization and adoption of the ERERA's Internal regulations						Completed
1.6 Definition and adoption of the organization chart						Completed
1.7 Recruitment of the staff						Partially Completed
1.8 Establishment and adoption of the programme of activities, annual and triennial budgets						Completed
1.9 Finalization of administrative procedures						On-going
1.10 Finalization of the internal manual procedures						On-going
1.11 Adoption of internal manual procedures						Outstanding
1.12 Development of a RIMS						Outstanding
1.13 In-house training						Completed
1.14 Cooperation agreement with other regulators and regional institutions						Completed

Tasks scheduled for Activity 1	End of Implementation					Comments on results
	2009	2010	2011	2012	2013	
1.15 Website & official Bulletin						Completed
1.16 Setting up of Consultative Committees						Partially Completed
1.17 Settlement on the ERERA royalties rates						Partially completed
1.18 Development of a Strategic Plan 2011-2015						Completed
1.19 ERERA Forum						Completed

B- Activity 2: Organization and monitoring of the regional market

(i) Activity 2.1: Improvement of the operating rules of the current exchanges

Tasks scheduled for Activity 2.1	End of Implementation					Comments on results
	2009	2010	2011	2012	2013	
2.1.1 Approval WAPP Operations Manual						On-going
2.1.2 Harmonization of agreements						Outstanding
2.1.3 Planning						Completed
2.1.4 Access of eligible customers to the regional network						Outstanding
2.1.5 Calculation of transmission costs and tariffs						Outstanding
2.1.6 Benchmarking						Completed
2.1.7 Exchange with non-ECOWAS countries						On-going

(ii) Activity 2.2: organization of the regional wholesale power market

Tasks scheduled for Activity 2.2	End of Implementation					Comments on results
	2009	2010	2011	2012	2013	
2.2.1 study on the market organisation						Completed
2.2.2 Directives on the market						Completed
2.2.3 short term wholesale market						Outstanding
2.2.4 Capacity-building						Outstanding
2.2.5 Regulation on sanctions						Outstanding
2.2.6 Management of special account funded by sanction fines payments						Outstanding

(iii) Activity 2.3: harmonization of rules and institutions

Tasks scheduled for Activity 2.3	End of Implementation					Comments on results
	2009	2010	2011	2012	2013	
2.3.1 Adoption of the Regional Grid Code						Outstanding
2.3.2 Harmonization of the national market organization						On-going
2.3.3 Harmonization of missions and powers of national regulators in cross-border exchanges						On-going

3.1.1.3 Summary of the assessment of the outcomes of the 2009-2013 Programme

It can be noted that:

Activity 1, "Establishment of ERERA" of the programme of activities 2009-2013 was almost achieved at the end of the five-year period as most of the professional staff had been recruited at the end of the period. The internal procedures and a Regulatory Information Management System (RIMS) that were outstanding were included in the new programme of activities for 2014-2018.

Activity 2, "Organization and monitoring of the regional market" encountered many delays due to the fact that there was a delay in the recruitment of the key staff who would have been responsible for the implementation of this activity. With the

exception of the regulatory studies that were completed, all other tasks under this activity were partially completed or not performed. This activity has been resumed and redefined in the programme of activities for 2014-2018.

3.1.2 The implementation of 2014-2018 Activity Programme

The programme of activities 2014-2018 is based on the EREDA five-year strategic plan established for the same period. Five main programmes were planned as follows:

1. Development of the regional power market
2. Regulation of the regional power market
3. Capacity building of institutions
4. Securing the Financing of EREDA
5. Institutional development

3.1.2.1 Development of the regional power market

The objective was the setting up of a regulatory and economic environment conducive to the launching of Phase 1 of the regional power market by 31 December 2016. The following actions have been undertaken.

1. The Regulatory Council of EREDA approved:
 - The Regional Market Rules for the West African Power Pool (WAPP) in August 2015; and
 - The West African Power Pool (WAPP) Operation Manual in September 2015.
2. The Regulatory Council of EREDA also adopted the Regional Transmission Tariff Methodology for the West African Power Pool (WAPP) in August 2015.
3. Within the framework of the project "Promotion of climate-friendly interconnected power system in West Africa" of GIZ, additional PSSE SIEMENS software was acquired for WAPP and EREDA for the implementation of the approved tariff methodology. This project, which is ongoing, include assistance to EREDA for the finalization of the Bilateral Contracts templates, and the approval of the transmission pricing model
4. With the same support of GIZ, EREDA has conducted missions to different countries of ECOWAS to assess with the national authorities, the status of the implementation of the Directive on the Organization of the Regional Electricity Market and eventually to recommend urgent actions to be taken towards the implementation of the Directive. The countries visited so far are: Benin, Burkina Faso, Cape Verde, Côte d'Ivoire, The Gambia, Ghana, Guinea, Guinea Bissau, Liberia, Mali, Niger, Senegal, Sierra Leone and Togo. EREDA presented the outcome of this assessment to the 6th Meeting of the Consultative Committee (17-18 November 2015). The report is being finalized

to be submitted to the Council of Ministers for their consideration and further action.

5. Within the framework of Component 3 of the 10th EDF regional project, ERERA has launched:
 - a) the review and update of its Strategic Plan and Activity Programme
 - b) the Development of Enforcement and Dispute Resolution Rules and Procedures.

3.1.2.2 Regulation of the regional power market

This objective was to enhance the visibility of ERERA's regulatory activities and strengthen its operations as well as the operations of its Consultative Committees.

During the reporting period two working groups were established: one for the collection of data essential for regulatory decision and the other for consultation on ERERA's work programme.

3.1.2.3 Institutional development

The objective was to provide means and resources to ERERA and its key stakeholders (national regulators) in order to perform efficiently the regulation of the emerging regional power market.

In this regard, ERERA completed in June 2015 the recruitment of two accounting assistants needed for the operation of the ECOLink Project (by ERERA).

3.1.2.4 Synthesis of the Implementation of 2014-2018 Strategic Plan

Programme / Project	Activity/ Deliverable	Planned / target for the period	Actual achievement to date	Physical Implementation Rate**
Programme 1: Development of the regional power market (DRM)	DRM1&2 : Approval of the Regional Market rules & Approval of the WAPP Operations Manual	Completed by 31 st December 2015	Approved by ERERA's Regulatory Council	100%
	DRM. 3: Approval of the transmission pricing methodology	Completed by 31 st December 2016	Approved by ERERA's Regulatory Council	100%
	DRM.4&5: Approval of various templates of Bilateral Contracts & Approval of standard Connection and Use of Network Agreements	Completed by 31 st December 2015	Ongoing. Procurement for technical assistance achieved. Work to be started.	20%
	DRM.8: Procedures for dispute resolution and sanctions	Completed by 31 st December 2015	Final report delivered. Consultative process ongoing before adoption of the procedures.	70%
	DRM.9: Harmonization of the organisation and the regulation of national markets	Compliance with ECOWAS Directive	Assessment visit to 11 Countries	40%

Programme / Project	Activity/ Deliverable	Planned / target for the period	Actual achievement to date	Physical Implementation Rate**
	DRM.11: Monitoring of WAPP regional infrastructure development projects	4 meetings with WAPP per year	2 meetings held	50%
	DRM.12: Regional Forum and International meetings	1 Forum annually	None	0%
Programme 2: Regulation of the regional power market (RRM)	RRM.1: Development of the Regulatory Information Management System (RIMS)	The RIMS is designed	None	0%
	RRM.3: Development of Communication Policy and strategy	The design of the policy and the strategy is completed	None	0%
Programme 3: Capacity building of the institutions (CBI)	CBI.6: Power exchange contracts	Completed by 31 st December 2015	None	0%
	CBI.9 : Electricity tariff design	Completed by 31 st December 2015	None	0%
Programme 4: Securing the Financing of ERERA (SFE)	SFE.1 : Collection of Countries contributions	Completed by 31 st December 2015	None	0%
	SFE.2: Mobilisation of extraordinary sources of funds:	Continuing process Financing of all Programmes	- Agreement with GIZ - Agreement with EU delegation	10%
Programme 5: Institutional development (IDE)	IDE.3: Recruitment of the remaining staff	Completed by 31 st December 2015	Two accounting assistants	20%
	IDE.4: Cooperation with other regulators and regional institutions	Continuing process	- MOU with EMRA - AFUR Conference	
	IDE.5: Harmonization of the ERERA strategic plan with ECOWAS strategic framework 2016-2020	Completed by 31 st December 2015	The activity is ongoing	90%
	IDE.7: Technical audit of ERERA	Completed by 31 st December 2015	None	0%

3.1.2.5 Constraints for the Implementation of 2014-2018 Programmes

In 2014/2015 ERERA faced some serious challenges that hindered its performance

1. Funding of its activities

The main challenge encountered by ERERA during the reporting period was the non-funding of its programmes. In 2014, no budgetary allocations were approved for ERERA's programmes and only about 60% of the total amount of allocated budget was disbursed (excluding programmes). The situation was the same for 2015 as no programmes were funded under the approved budget. This tight cash flow situation during the period strongly impacted the implementation of the activities covered by the approved budget.

ERERA's cooperation with the French Development Agency (AFD) which helped finance the activities of ERERA from 2009 ended in 2013 with no extension during

the reporting period.

2. Ebola Outbreak in West Africa

Furthermore, the Ebola outbreak in some West African countries in the reporting period adversely affected some activities that ERERA could have conducted with the support of some donors. As a result no Consultative Committees meeting was held in 2014.

3. Lack of office accomodation and sufficient Professional Staff

Other challenges include staffing constraints with only two key regulatory staff on board as well as the challenge of an adequate and conducive office premises as the Government of Ghana is yet to provide an adequate and permanent office accomodation for ERERA.

3.2 The activity programme for 2016-2020

ECOWAS, as part of its strategy to enhance regional integration, has developed a Community Strategic Framework (CSF) for 2016-2020, which provides basic direction and guidelines for future ECOWAS policies and programmes. It is in line with this CSF that ERERA has reviewed the previous strategic plan and developed a new strategic plan for 2016-2020.

The purpose of the present document is to provide a programme of activities corresponding to the five-year strategic plan of ERERA by specifying the action plans and tools for monitoring and evaluation.

3.2.1 Description of the strategic objectives for 2016-2020

For the creation of a common electricity market, the most important element is that access must be non-discriminatory to cross-border grid capacity and to the domestic grid. It is therefore a first priority for ERERA to build consensus on this principle, and to ensure its effective implementation by rigorous monitoring, harmonization of institutions, rules and practices as well as strengthening capacities of all stakeholders.

A. Energy security and interconnectivity

A.1 Ensure implementation of appropriate regulatory measures for establishing the regional power market

ERERA needs to identify the rules that need to be implemented (and later monitored) in order to have a well-functioning, regional market. Within the timeframe of 2016-2020, the targeted rules, which must be worked out and implemented in the laws of the ECOWAS Member States are:

A.1.1 Rules for access to cross-border grid capacity and access to domestic grid

Concerning access to cross-border grid capacity: the current rule is first-come-first-served. The rules which must be worked out must specify how this should be implemented (monthly allocation, annual allocation, multi-year allocation). In addition, there must be regulations protecting against hoarding of capacity (i.e. some type of use-it-or-lose-it clauses).

When more commercial market players emerge, the first-come-first-served method will not be sustainable. New methods for allocating cross-border grid capacity must be established. The new methods must be established and decisions made on how to allocate the capacity by means of day-ahead, month-ahead and year-ahead allocation methods, for example.

Probably, the first-come-first-served approach is expected to be in place until 2020. Hence, the development of more advanced allocation procedures is an on-going task expected to go beyond the period 2016-2020.

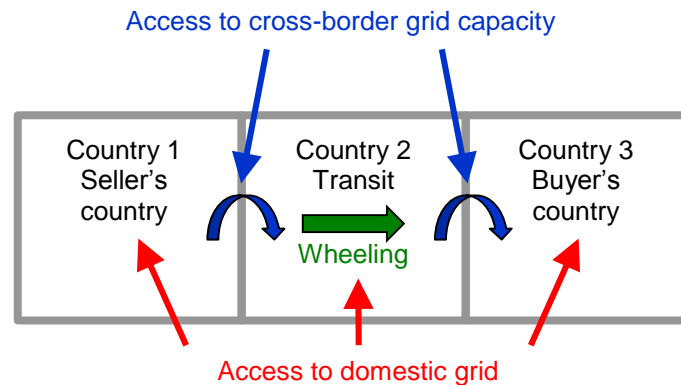


Fig. 1 Multinational trading of electricity

Concerning access to domestic grid, the rules will not necessarily be the same for the various ECOWAS Member States. However, the rules must be non-discriminatory for all commercial players – whether they are domestic or foreign.

A.1.2 Rules for wheeling tariffs

This is the establishment of a pricing model. The establishment of the calculation model is ongoing. However, the rules may need updating. In addition, the parameters of the model may also need annual updating.

A.1.3 Planning regional market development

Among other things, this entails review of the Masterplan proposed by WAPP and reviewing the market rules and procedures for cross-border trading. ERERA has to approve selection criteria of operators involved in the development of regional electricity infrastructure.

A.1.4 Monitoring of regional market agreements and procedures

This concerns both new agreements and old agreements for cross-border trading. In this context, “old agreements” are agreements made before the establishment of the rules listed in the items A.1.1 – A.1.2.

The old agreements must be registered with ERERA and there must be rules for how to handle contradictions between old agreements and the new market rules. Such contradictions must be identified.

In addition, some type of use-it-or-lose-it clause must be introduced. This will prevent interconnectors from being “legally congested”, although they are actually not physically congested.

A.2 Develop means for monitoring of the regional power market and enforcement of ERERA's rules

This is the establishment of ERERA's capacity and authority to monitor the common electricity market. As stated by ERERA's Act, it may, on its own or at the request of any entity, individual or corporate body having legitimate interest, instigate proceedings on any violation of the provisions of the Energy Protocol, as well as any Act or Regulation relating to the operations of the regional market.

In co-operation with national regulators (or corresponding national authorities), ERERA must have the capacity to monitor the ECOWAS electricity market.

A.2.1 Regulation on sanctions

According to article 30 of ECOWAS Regulation C/REG.27/12/07 of 15 December 2007, the rules and levels of the sanctions shall be specified by a regulation of the ECOWAS Council of Ministers. ERERA will initiate the drafting of the rules on sanctions for adoption. This regulation is needed for implementing ERERA Enforcement Proceedings in practice.

A.2.2 Definition and review of detailed rules and proceedings for market surveillance

ERERA must start a process, which clarifies its role. This concerns the division of work between ERERA, national regulators/authorities, TSOs and SMO(s). ERERA's role must be clarified and should be incorporated in the laws of the ECOWAS Member States.

It must be made clear, what "*surveillance of the ECOWAS electricity market*" means. This clarification of the market surveillance process will also automatically lead to a stipulation of ERERAS' and the national regulators' authority.

A.2.3 Collection of Regulatory data and Benchmarking

A regional electricity benchmarking was done by ERERA in 2013 on current regulatory practice. ERERA will continue to carry out regular benchmarking on the performance of utilities and national regulators using key indicators such as (contractual rules used, financial and technical performances of the sector and operators, etc.), or more targeted (technical efficiency, generation and transaction costs, effective implementation of regulatory mechanisms, etc).

A.2.4 Development of the Regulatory Information Management System (RIMS)

A collection and data management system must be established in partnership with national regulators, WAPP, national operators and other regional and sub regional stakeholders in order to collect useful information for the smooth implementation of ERERA's mandate; ERERA will define by rules the nature of required information and the procedures for their presentation and collection.

The RIMS will position ERERA as the leading centre/agency and repository of Electricity related information in the ECOWAS region, thereby promoting investment in the sector as well.

A.2.5 Audit of the Regional market

After the end of each financial year, the System Market Operator (SMO) shall appoint one or more properly qualified Auditors to carry out the audits which report must be reviewed and approved by ERERA.

A.3 Support harmonized regional energy policy and regulation

A.3.1 Harmonization of the organization of national markets

Following the adoption of the Directive C/DIR/1/06/13 of 21 June 2013 on the organization of the regional electricity market that establishes minimum requirements to make the structure of national markets compatible with the operating of the regional market, ERERA shall ensure, help, and assist Member States to implement the Directive.

The implementation of the Directive C/DIR/1/06/13 of 21 June 2013 on the organization of the regional electricity market in all Member States will ensure the effective implementation of the first phase of the regional market.

ERERA will undertake a study on the organization and evolution of national markets. From this study, ERERA will prepare the texts of the Directives defining the conditions precedent for the development of the second phase of the regional market.

A.3.2 Harmonization of the mission and practices of regulation in the region

It is important to have a degree of synergy between national and regional levels of regulation, and there is also need to establish best practices and promote good regulatory governance across the region.

ERERA will develop an assistance programme for national regulatory bodies of the Member States, after having identified constraints to their normal operation, as well as appropriate procedures and practices used by other States in the region. It will also define and implement an action plan for harmonization of regulatory practices at the national level.

In addition, ERERA will continue to provide programme support to States that are about to or have recently set up a regulatory body.

A.3.3 Enhancing synergy with sub-regional energy organizations and non-ECOWAS Countries

ERERA's Regulations define the relationships that it could have with the various regional community or international organisations likely to participate in the regional electricity market. In the view of the need to harmonize the rules

governing electricity exchanges in the all region, it is therefore necessary to clarify the interactions between ERERA and other sub-regional electricity institutions existing in the region, like OMVS, OMVG and CLSG. The existing (or future) electricity infrastructural facilities belonging to these sub-regional organisations should be integrated in the regional interconnected network. The enforcement of the Regional Market Rules by ERERA or the SMO (WAPP), which has exclusive authority over all cross-border exchanges within ECOWAS space, will expose overlapping powers or conflicts of authority with the bodies set up by these organisations to manage the operation of their interconnected networks. Thus, ERERA should anticipate or resolve the potential risks of overlapping powers and conflicts of authority, by establishing, in connection with WAPP, consultation and collaboration with these sub-regional organisations in order to harmonize their roles and structures with the regional market road-map.

Furthermore, ERERA shall consider how to regulate cross-border electricity exchanges with non-ECOWAS Member States. For instance, the existing electricity exchanges between the Member States of the OMVS (Guinea, Mali and Senegal; and Mauritania), which are interconnected, should be governed by the regional electricity market rules. As Mauritania is part of this trade without being a member of ECOWAS, then the question of the enforceability of ECOWAS rules and decisions (including those of ERERA) vis-à-vis this country must be considered.

All the issues mentioned above should lead ERERA to define and adopt an approach to resolve or mitigate these potential risks of conflicts of jurisdiction or authority in order to clarify roles and to develop a consistent and harmonised regulatory framework for electricity trade in the whole region.

B. Developing organizational and institutional capacity

B.1 Develop and implement a programme of capacity building of institutions

B.1.1 Development of courses for national regulators

ERERA has previously carried out a needs assessment study on capacity building for regulators. ERERA therefore plans to carry out formal regulatory training for regulators in the region. The idea is to set up an “academy for ECOWAS regulators”. Facilitators can, for example, be employees from regulators in ECOWAS Member States, who have been regulators for several years. Such facilitators have local knowledge and experience that will be beneficial to new regulators.

Among other things, the training can tackle fundamentals of regulation, public consultations, tariff regulation, quality of service, enforcement, market monitoring, etc.

B.1.2 Development of twinning programmes for national regulators

Apart from workshops, twinning projects are also a way in which more experienced ECOWAS regulators can assist new ECOWAS regulators.

The twinning programme will involve exchange of staff between existing ECOWAS regulators new regulators.

For the monitoring of the implementation of the training courses and twinning projects, ERERA should develop tools for evaluation in order to ensure a sustainable arrangement.

B.1.3 Development of regional and international regulatory cooperation

Establish cooperation with similar regional and international institutions relevant to the development of the regional electricity market. The purpose of the cooperation is to exchange knowledge, information and good practices in regulation. This will be built on already existing cooperation agreements between ERERA and some partners (ERRA, AFUR, EMRA, etc).

B.2 Reinforcement of ERERA's capacity

B.2.1 Internal Capacity Building

Implement capacity-building activities such as training, twinning programmes, internships, study tours, etc., for ERERA staff in the various areas of electricity regulation.

B.2.2 Technical Assistance

During the implementation of the previous strategic plan, ERERA total staff strength was 20 made up of:

- The Regulatory Council consisting of three members: the Chairman, The Council Member, Legal and the Council Member, Economist;
- The Pool of Experts composed of four members: the Principal Legal Regulatory Officer, the Principal Power Regulatory Officer, the Information and Technology Officer and the Communication Officer. The position of Economist expert is still vacant.
- The Human Resources, Administration and Finance Unit composed of 14 members: the Administration and Finance Officer, the Administrative Officer, the Accountant, two (2) Administrative Assistants, three (3) Bilingual Secretaries, two (2) Accounting Assistants and four (4) Drivers.

Thus, with only two key regulatory experts, there is an urgent need to recruit an Economics Expert, given the fact that a regulatory body cannot function without an Economist, considering the future studies and activities with high economic and financial components that ERERA has undertaken. There is also need for regulatory officers in all the areas of operations by ERERA (legal, economics, power, IT, communication, etc.).

The technical assistance will consist of providing at least four regulatory experts with appropriate logistics to support ERERA's Staff for the implementation of the programmes of activities.

B.2.3 Development and Implementation of Administrative Regulatory Procedures

According to ERERA's regulations, the internal organization and operational procedures of ERERA shall be defined in the rules of procedure, which shall be adopted by the Regulatory Council. ERERA shall also organize meetings with its Consultative Committees to present its annual activity report, discuss key challenges and receive proposals on the improvement of the regional regulation process. Where the need arises, ERERA shall establish other consultative committees, organize, if necessary, public hearings for consultation and receive proposals on the improvement of the regional regulatory process.

All of these issues shall be settled through the development of internal administrative procedures and regular meetings of Consultative Committees to promote the consultative approach in decision-making.

B.2.4 Resource Mobilisation for ERERA

Given the scarcity of resources and the irregularity of the current financing of ERERA activities, a committee was set up to propose a strategy and an action plan for the mobilization of resources needed for the implementation of ERERA's activity programme.

The Regulatory Council, after review, adopted the proposed strategy and directed the Committee to start immediately its implementation. This concern activity related to the implementation of ERERA's resource mobilisation strategy.

B.2.5 Development of Communication Policy and Strategy

ERERA needs to develop a strong communications culture and improve communications techniques and networks to bring it closer to its stakeholders, employing modern technologies, even while articulating its mandate and strategic objectives.

The task for this activity is to develop a policy and communication strategy that includes the elements of an action plan to be implemented.

B.2.6 Evaluation and Monitoring of the Performance of ERERA

According to Article 36 of the ERERA Regulation, ERERA is mandated to every three (3) years, undertake an independent technical audit of its accounts, organization and procedures for the evaluation of its efficiency in relation to its missions.

B.2.7 ERERA's Headquarters

Among the challenges faced by ERERA that have hindered its performance is the challenge of an adequate and conducive office premises as the Government of Ghana is yet to provide an adequate and permanent office accommodation for ERERA. The current state of affairs continues to impact negatively on ERERA's activities and will make it difficult to meet various targets set in its strategy plan. It also reflects very poorly on the image of ERERA as an international institution.

To address this challenge, an adequate and permanent office accommodation with the required equipment must be provided for ERERA.

C. Environmental sustainability: renewables and energy efficiency

C.1 Renewables

ECOWAS Member States have a target to increase the percentage of energy generated from renewable to 10% by 2025.

According to its missions, ERERA is obliged to promote the integration of clean energy sources and also promote regulations on Energy Efficiency.

ERERA will have to promote a capacity building programme for Regulators in the region on Renewable Energy Regulation on such issues as planning, design, permits and authorizations, connection agreements, design and modelling of Feed-in-Tariffs, auctions etc. It can also provide an opportunity to expose regulatory gaps at the regional and national levels that can trigger the necessary Community directives to close the gaps and achieve a harmonized framework to create a sustainable regulatory environment for renewable energy.

In addition, ERERA can also sensitize market participants on topical issues such as Clean Development Mechanisms, Carbon Finance, etc. in order to hone into the global agenda and attract much needed investments to sustain clean energy development in the region.

C.1.1 Adoption of the Principles of Regulating Clean Energy in ECOWAS

Following the development of the principles of regulating clean energy with the support of USAID and NARUC, ERERA will work with ECREEE and national stakeholders to draft national guidelines from the principles and adopt them.

The purpose of the Principles is to provide ECOWAS regulators and policy makers an inventory of fundamental assumptions, approaches, mechanisms, tools, best practices, and country-specific lessons learned on key issues in the field of clean energy as a practical guide to facilitate the integration of clean and modern energy practices into evolving traditional energy markets. ERERA gave its commitment to institutionalizing the *Principles among all ECOWAS Member States* and shall continue updating the *Principles* as a living document. The overall objective is to develop Support Mechanisms for Clean Energy/Energy Efficiency/Renewables that are sufficient, predictable, stable and sustainable.

C.1.2 Implementation and harmonization of the regulation of Renewable Energy in the Member States

Following the adoption of the principles of regulating clean Energy in ECOWAS, ERERA will work with the national authorities to translate those principles into their policy and regulatory frameworks.

C.2 Energy efficiency

The issues addressed above in C.1 also apply also to energy efficiency. ERERA must ensure that regulatory framework supports energy efficiency. ERERA will propose common standards for ECOWAS Member States to be adopted by national regulators.

3.2.2 Matrix of 2016-2020 Strategic Plan

The table below summarizes the strategic objectives and sub-objectives, the activities to be implemented and their costs, as well as the performance indicators for the period 2016-2020.

Priority areas (from ECOWAS CSF)	Strategic objectives	Strategic sub-objective (where applicable)	Activities	Potential Key Actors	Performance indicator	Budget	Period of Implementation
A. Energy security and interconnectivity	A.1 Ensure implementation of appropriate regulatory measures for establishing the regional power market	A.1.1 Rules for access to cross-border grid capacity and access to domestic grid.	Drafting of the Regulation: setting up a work group, at least 6 meetings per year	WAPP, ERERA, Ministries, National Regulators, Consultant	1. First version of the regulation ready by the end of 2017. 2. Number of ECOWAS Member States which transposed the rules in their laws	605,929	2016-2018
		A.1.2 Calculation model for the wheeling tariffs	1. Development of the pricing model based on the adopted tariff methodology 2. Drafting of procedures for annual updating of the model's parameters.	WAPP, ERERA, Consultant: need to set up a work group, including TSO's representatives, and have regular meetings in the group on the updating of the parameters.	Number of Operators using the model		
		A.1.3 Planning regional market development	1. Monitoring the implementation of the Master Plan	WAPP, ERERA: working Group with WAPP	1. Reviewed Master Plan adopted by WAPP 2. Selection criteria approved	174,220	2016-2020
			2. Review and drafting the Market Rules and Procedures for the Phase 2		Market Rules and procedures reviewed and adopted for Phase 2		
			3. Review of the Operation manual		Operation Manuals reviewed and adopted for Phase 2		
		A.1.4 Monitoring of Regional Market Agreements	1. Review of the Market Contracts Templates submitted by WAPP	ERERA, WAPP: Setting Up a Technical Working Group with Stakeholders for Monitoring (specially to handle contradictions between old agreements and the new market rules)	1. Number of contracts signed based on the templates	543,588	2016-2020
			2. Review of Regional market procedures submitted by WAPP for Phase 1		2. Regional Market procedures approved		
	A.2 Develop means for monitoring of the regional power market and enforcement of ERERA's rules	A.2.1 Regulation on Sanctions	Drafting of ECOWAS Regulation on the sanctions for the surveillance of the Market	ERERA, Ministries, National Regulators, WAPP: setting up a work group, at least 4 meetings per year	Regulation adopted	464,350	2016-2017
		A.2.2 Definition and review of detailed rules and proceedings for Market Surveillance	Drafting of the rules defining the market surveillance.	ERERA, WAPP, National regulators, operators	Rules adopted	449,600	2016 - 2020

Priority areas (from ECOWAS CSF)	Strategic objectives	Strategic sub-objective (where applicable)	Activities	Potential Key Actors	Performance indicator	Budget	Period of Implementation
A. Energy security and interconnectivity		A.2.3 Collection of regulatory data - Benchmarking	Establishing of procedure for collecting data	All the Stakeholders	Issuing of the report	(ERERA's operation budget)	2016-2020 On annual basis
		A.2.4 Development of the Regulatory Information Management System (RIMS)	1. Design of the system	ERERA, Ministries, National Regulators, Consultant	How many stakeholders are regularly connected to the system	903,740	2016-2019
			2. Definition and updating of the parameters	ERERA, Establishment of a technical working group			
		A.2.5 Audit of the Regional market	1. Drafting of the ToR for the Auditor' selection	ERERA, SMO	Issuing of the report	162,000	2018-2020
			2. Conduct of the Audit	ERERA, SMO, Consultant			
	A.3 Support harmonized regional energy policy and regulation	A.3.1 Harmonization of the organisation of national markets	Review of the actual Directive and Draft of a new Directive.	ERERA, Ministries, National Regulators	Adoption of the Directive	624,918	2016-2017
		A.3.2 Harmonization of the mission and practices of regulation in the region	1. Updating national policies and laws	ERERA, Ministries, National Regulators	Benchmarking report on annual basis	854,076	2016-2020
			2. Reinforcement of the missions and roles of the regulators				
			3. Benchmarking of the regulatory practices				
			4. Assistance to national regulators on request				
		A.3.3 Enhancing synergy with sub-regional energy organizations and non ECOWAS countries	Clarifying roles and Harmonizing rules with OMVS, OMVG, CLSG	ERERA, WAPP, OMVS, OMVG, CLSG	Number of agreements signed	268,600	2017-2018
			Cooperation framework with Mauritania	Mauritania Ministries & National Regulator, ECOWAS Commission, ERERA, WAPP	Cooperation agreement signed	116,128	2017-2018
B. Developing organizational and institutional capacity	B.1 Develop and implement a programme of capacity building of institutions	B.1.1 Development of courses for national regulators	Drafting of the course programmes.	ERERA, national regulators	Number of courses carried out and the evaluation of the courses	879,631	2016-2020 / The first version of the course programmes must be ready by mid-2017.

Priority areas (from ECOWAS CSF)	Strategic objectives	Strategic sub- objective (where applicable)	Activities	Potential Key Actors	Performance indicator	Budget	Period of Implementation
		B.1.2 Development of twinning programmes for national regulators	1. Setting up of an exchange platform and drafting of a programme	ERERA, national regulators	Number of twinning programmes carried out and the evaluation of the programmes	413,440	2016-2017
			2. Development of tools for evaluation of courses and twinning projects			101,920	
		B.1.3 Development of regional and international regulatory cooperation	Annual Forum	ERERA & All Stakeholders, - Consultative Committees	One Forum per year	1,331,395	Once a year
	B.2 Reinforcement of the functioning of ERERA	B.2.1 Internal Capacity Building	Implementation of internal capacity building programme	ERERA	Number of courses carried out for ERERA's Staff and the evaluation of the courses	668,073	2016-2020
		B.2.2 Technical Assistance	Recruitment of Regional Experts	ERERA, Technical Partners	At four experienced External Experts to work closely with ERERA's Staff	3,480,000	2016-2020
		B.2.3 Development and Implementation of Administrative Regulatory Procedures	Development of ERERA's Administrative Procedures of Regulation	ERERA	Resolution on ERERA's Regulations process and procedures	49,400	2016-2020
			Organisation of Consultative Committees		Two Ordinary Consultative Committees meeting per year	901,127	
		B.2.4 Securing the Financing of ERERA	Operation of Resource mobilization committee	ERERA, ECOWAS COMMISSION & All Stakeholders	Regulation on ERERA's levy adopted	347,880	2016-2020
			Regulation on ERERA's levy			417,850	
		B.2.5 Development of Communication Policy and strategy	Development of Communication Policy and strategy	ERERA	ERERA's communication strategy adopted	325,600	2016-2020
		B.2.6 Evaluation and Monitoring of the Performance of ERERA	Technical Audit of ERERA (Art. 36)	ERERA, ECOWAS Commission	Audit Report adopted	227,200	2016/2019
		B.2.7 ERERA's Headquarters	Construction & equipment of ERERA's Headquarters	ERERA	Building completed and fully operational	3500000	2017-2019

Priority areas (from ECOWAS CSF)	Strategic objectives	Strategic sub- objective (where applicable)	Activities	Potential Key Actors	Performance indicator	Budget	Period of Implementation
C. Environmental sustainability	C.1 Support the integration of renewable in the regional power market	C.1.1 Adoption of the principles of regulating clean energy in ECOWAS	1 Setting up of a Working Group with ECREEE	ECREEE, ERERA, ECOWAS	Guidelines adopted	434,513	2016-2018
			2. Sensitization - Dissemination of the principles.				
			3. Drafting of the guidelines through Consultative Process with Regulators and all stakeholders				
		C.1.2 Implementation and harmonization of the regulation of R.E in the Member States	i. Updating national policies and laws	ECREEE, ERERA, ECOWAS Commission	Number of Member States having transposed the principles in their laws	646,001	2016-2020
			ii. Monitoring of the reinforcement of the missions and roles of the regulators				
			iii. Benchmarking of the regulatory practices				
	C.2 Regional support to national energy efficiency policies	Promotion of energy efficiency	Drafting of the guidelines with ECREEE (Working Group)	ECREEE, ERERA, ECOWAS	Number of Member States having implemented the Guidelines adopted	595,657	by the end of 2016
TOTAL PROGRAMMES (2016-2020)						19,637,632	
TOTAL ADMINISTRATION AND STAFF EXPENSES (2016-2020)						29,997,144	

3.2.3 ERERA's Strategic Plan detailed activities and tasks

A. ENERGY SECURITY AND INTERCONNECTIVITY

A.1 Ensure implementation of appropriate regulatory measures for establishing the regional power market

Sub objective	Activities	Tasks	Budget	Period of implementation				
				2016	2017	2018	2019	2020
A.1.1 Rules for access to cross-border grid capacity and access to domestic grid.	Drafting of the Regulation	1. Recruitment of a Consultant 2. Setting up a work group 3. Developing 1st draft by Consultant & ERERA 4. Meetings of the work group (at least 6 annual meetings for 2 years). 5. Call for comments 6. Review by Consultative Committees (2 meetings) 7. Review & approval by Regulatory Council 8. Validation by Energy Ministers Meeting 9. Adoption by ECOWAS Council of Ministers	605,929					
A.1.2 Calculation model for the wheeling tariffs	1. Development of the pricing model base on the adopted tariff methodology 2. Drafting of procedures for annual updating of the model's parameters.	1. Recruitment of a Consultant 2. Setting up a work group 3. Developing 1st draft by Consultant & ERERA 4. Work Group Meetings (1 meeting/year) 5. Call for comments 6. Review by Consultative Committees (1 meeting) 7. Review & Adoption by Regulatory Council	150,800					

Sub objective	Activities	Tasks	Budget	Period of implementation				
				2016	2017	2018	2019	2020
A.1.3 Planning regional market development	1. Monitoring the implementation of the Master Plan 2. Review and drafting the Market Rules and Procedures for the Phase 2 3. Review of the Operation manual	1. Meetings of ERERA&WAPP Working Group (at least 4 annual meetings) 2. Call for comments - Review by Consultative Committees (for the drafting of market rules & procedures - Phase 2) 3. Review & Adoption by Regulatory Council	174,220					
A.1.4 Monitoring of Regional Market Agreements	1. Review of the Market Contracts Templates submitted by WAPP 2. Review of Regional market procedures for Phase 1	1. Recruitment of a Consultant (ongoing with GIZ) 2. Developing 1st draft by Consultant & ERERA 3. Call for comments 5. Review by Consultative Committees (1 meeting) 6. Review & Adoption by Regulatory Council 7. Setting Up a Technical Working Group for Monitoring (especially to handle contradictions between old agreements and the new market rules).	543,588					

A.2 Develop means for monitoring of the regional power market and enforcement of ERERA's rules

Sub objective	Activities	Tasks	Budget	Period of implementation				
				2016	2017	2018	2019	2020
A.2.1 Regulation on Sanctions	Drafting of the rules defining sanctions and procedures	1. Recruitment of a Consultant 2. Setting up a Technical working group 3. Developing 1st design by Consultant & ERERA 4. Work Group Meetings (at least 4 annual meetings). 5. Review by Consultative Committees 6. Review & Approval by Regulatory Council 7. Validation by Energy Ministers Meeting 8. Adoption by ECOWAS Council of Ministers	464,350					
A.2.2 Definition and review of detailed rules and proceedings for Market Surveillance	Drafting of the rules defining the market surveillance.	1. Technical Working Group: ERERA, national regulators, TSOs and SMO (at least 15 members and 4 annual meetings: the same as Activities A 1.3) and developing 1st draft. 2. Call for comments 3. Review by Consultative Committees 4. Review & Adoption by Regulatory Council	449,600					
A.2.3 Collection of regulatory data - Benchmarking	Establish a procedure for collecting data	ERERA&WAPP Working Group (exchange of information, monitoring)	0 (Oper. Budget)					
A.2.4 Development of	1. Design of the	1. Recruitment of a Consultant	903,740					

Sub objective	Activities	Tasks	Budget	Period of implementation				
				2016	2017	2018	2019	2020
the Regulatory Information Management System (RIMS)	system 2. Definition and updating of the parameters	2. Setting up a Technical working group 3. Developing 1st design by Consultant & ERERA 4. Work Group Meetings (at least 6 annual meetings). 5. Review by Consultative Committees 6. Review & Adoption by Regulatory Council						
A.2.5 Audit of the Regional Market	Adoption and Implementation of Annual Audit of the operation of the regional market	1.Drafting of ToR for recruitment of Auditor 2.Recruitment of an External Auditor Consultant 3. Adoption of the Report	162,000					

A.3 Support harmonized regional energy policy and regulation

Sub objective	Activities	Tasks	Budget	Period of implementation				
				2016	2017	2018	2019	2020
A.3.1 Harmonization of the organisation of national markets	Review of the actual Directive and Draft of a new Directive.	1.Recruitment of a Consultant 2. Setting up a Technical working group 3. Developing 1st draft by Consultant & ERERA 4. Work Group Meetings (at least 2 meetings). 5. Review by Consultative Committees 6. Review & approval by Regulatory	624,918					

Sub objective	Activities	Tasks	Budget	Period of implementation				
				2016	2017	2018	2019	2020
		Council 7. Validation by Energy Ministers Meeting 8. Adoption by ECOWAS Council of Ministers						
A.3.2 Harmonization of the mission and practices of regulation in the region	1. Harmonization of Rules 2. Harmonization of practices	1.Updating national policies and laws: Evaluation Missions by ERERA 2.Monitoring of the reinforcement of the missions and roles of the regulators: Evaluation Missions by ERERA 3. Benchmarking of the regulatory practices (by ERERA Staff) 4. Assistance to national regulators and/or States on request: Support for drafting legal texts , establishing regulatory body	854,076					
A.3.3 Enhancing synergy with sub-regional energy organizations and non ECOWAS countries	1. Clarifying roles and Harmonising rules with OMVS, OMVG, CLSG	1 Recruitment of a Consultant to define overlapping and/or conflicts areas and and propose mitigation measures 2 Setting up a Technical working group(ERERA/WAPP/OMVS/OMVG/CLSG) 3 Developing of the 1st draft of agreements by Consultant & ERERA 4 Work Group Meetings (at least 2 meetings). 5. Review, approval & signature by Heads of Institutions	268,600					

Sub objective	Activities	Tasks	Budget	Period of implementation				
				2016	2017	2018	2019	2020
	2. Establishing a cooperation framework with Mauritania	2.1 Initiating contacts with Mauritania Authorities 2.2 Setting up a Technical working group (ECWCssion/ERERA/WAPP/Mrtna Ministry of Energy/ ARE-Mrtna) 2.3 Drafting Cooperation Agreement in Energy 2.4 Signature (ECW-Mauritania)	116,128					

B. DEVELOPING ORGANIZATIONAL AND INSTITUTIONAL CAPACITY

B.1 Develop and implement a programme of capacity building of institutions

Sub objective	Activities	Tasks	Budget	Period of implementation				
				2016	2017	2018	2019	2020
B.1.1 Development of courses for national regulators	Drafting of the course programmes.	1.Recruitment of a Consultant 2. Developing of 1st draft of Regional Programme by Consultant & ERERA 3. Implementation (at least 2 courses per year)	879,631					

Sub objective	Activities	Tasks	Budget	Period of implementation				
				2016	2017	2018	2019	2020
B.1.2 Development of twinning programmes for national regulators	1. Setting up of an exchange platform and drafting of a programme 2. Development of tools for evaluation of courses and twinning projects	1. Call for expression of interest 2. Implementation 3. Monitoring by ERERA 4. Evaluation by ERERA	515,360					
B.1.3 Development of regional and international regulatory cooperation	Annual Forum	Organisation of the Forum by ERERA	1,331,395					

B.2 Reinforcement of the functioning of ERERA

Sub objective	Activities	Tasks	Budget	Period of implementation				
				2016	2017	2018	2019	2020
B.2.1 Internal Capacity Building	Implementation of internal capacity building programme	1. Definition of the Courses 2. Implementation 3. Monitoring by ERERA 4. Evaluation by ERERA	668,073					

Sub objective	Activities	Tasks	Budget	Period of implementation				
				2016	2017	2018	2019	2020
B.2.2 Technical Assistance	Support for the implementation of the strategic plan	1. Recruitment of an External International Expert by ERERA 2. Financing of an expert provided by a national regulator	3,480,000					
B.2.3 Development and Implementation of Administrative Regulatory Procedures	Development of ERERA's Administrative Procedures of Regulation Organisation of Consultative Committees	1. Recruitment of a Consultant 2. Developing 1st draft by Consultant & ERERA 3. Call for comments 4. Review by Consultative Committees 5. Review & Adoption by Regulatory Council 6. Organisation of ordinary Consultative meetings	950,527					
B.2.4 Securing the Financing of ERERA	Operation of Resource mobilization committee	1. Committee Meetings 2. Fortnightly reports 3. Missions (donors meetings, working visits)	347,880					
	Regulation on ERERA's levy	1..Recruitment of a Consultant 2. Working Group meetings (at least 3 annual meetings) 3. Energy Ministers Meeting (ECW Commission) 4. Adoption by ECW Council of Ministers 5. Dissemination and Implementation	417,850					

Sub objective	Activities	Tasks	Budget	Period of implementation				
				2016	2017	2018	2019	2020
B.2.5 Development of Communication Policy and strategy	Development of Communication Policy and strategy	1. Recruitment of a Consultant 2. Developing of 1st draft by Consultant & ERERA 3. Implementation	325,600					
B.2.6 Evaluation and Monitoring of the Performance of ERERA	Technical Audit of ERERA (Art. 36)	1. Drafting of ToR for recruitment of Auditor 2. Recruitment of Auditor 3. Adoption of the Report	227,200					
B.2.7 ERERA's Headquarters	Construction & Equipment of ERERA's Headquarters		3,500,000					

C. ENVIRONMENTAL SUSTAINABILITY

C.1 Support the integration of renewable in the regional power market

Sub objective	Activities	Tasks	Budget	Period of implementation				
				2016	2017	2018	2019	2020
C.1.1 Adoption of the principles of regulating clean energy in ECOWAS	Drafting and adoption of the guidelines through Consultative Process with Regulators and all stakeholders	1. Setting up of a Working Group with ECREEE 2. Sensitization - Dissemination of the principles. 3. Developing of 1st draft of the Guidelines by ECREEE & ERERA Working Group 4. Consultative Process with Regulators and all stakeholders (1 Workshop, 1 Consultative Meeting) 5. Review & Adoption by Regulatory Council	434,513					
C.1.2 Implementation and harmonization of the regulation of R.E in the Member States	1. Drafting and adoption of the Regulation through Consultative Process with Regulators and all stakeholders 2. Updating national policies and laws.	1. Recruitment of a Consultant 2. Developing 1st draft by Consultant, ECREEE & ERERA 3. Call for comments 4. Review by Consultative Committees 5. Review & approval by Regulatory Council 6. Validation by Energy Ministers Meeting 7. Adoption by ECOWAS Council of Ministers 8. Monitoring of the transposition in national policies and laws (Evaluation Missions)	646,001					

C.2 Regional support to national energy efficiency policies

Sub objective	Activities	Tasks	Budget	Period of implementation				
				2016	2017	2018	2019	2020
Promotion of energy efficiency	Drafting and adoption of the guidelines through Consultative Process with Regulators and all stakeholders	1. Recruitment of a Consultant 2. Developing 1st draft by Consultant, ECREEE & ERERA 3. Call for comments 5. Review by Consultative Committees 6. Review & Adoption by Regulatory Council 7. Monitoring the implementation	595,657					