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Experts Meet on Harmonization of Grant of License Criteria for the ECOWAS Electricity Market

Experts from ERERA's Legal and Licensing Working Group and others have met to kick-start the process of developing a harmonized framework for granting of licenses and authorizations for participation in the ECOWAS regional electricity market. This includes guidelines for grant of export and import licenses for cross-border power trading in ECOWAS countries as well as model export and import licenses for adoption by Member States.

Participants at the meeting which took place virtually on 5th August 2021 acknowledged the existence of different licensing rules and procedures in ECOWAS countries and agreed that a harmonized licensing framework will help ensure that licensing does not restrict entry by players into the regional electricity market.

They also noted that a harmonized licensing framework will provide the regulatory tools that will help regulators to keep an oversight of the market.

The meeting, which featured presentations introducing participants to guidelines for harmonization of licensing criteria and authorization for participation in the Regional Electricity Market, will ensure the overall improvement in energy governance and further development of the regional power market.

With the imminent launch of the second phase of the regional electricity market, ERERA is expected to put in place the enabling regulatory framework which will help in fast-tracking the development of the regional electricity market.

ERERA as well as participants anticipate an increase in cross-border electricity transactions among utilities, considering the evolution of the power market from the first phase to the second phase.

Described as being in line with international best practices, the meeting noted that the Harmonization of Criteria for Grant of Licenses has been undertaken by different regions as regional power pools and regional electricity markets develop.

The meeting was held with the support of the European Union under the Technical Assistance to ECOWAS for the 11th EDF Energy Governance Programme in West Africa.