

Press Release

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SOUTHERN AFRICAN COUNTRIES PARTNER TO SOLVE ENERGY SHORTAGE BY 2016

In the next seven years Southern African countries should have enough energy to capacitate the projected demand required to sustain the region's multitude of businesses and homes, according to Professor Mosad Elmissiry, energy expert for the NEPAD Secretariat and a steering committee member of the ENERGY INDABA 2010.

The current estimated availability of energy in Southern Africa is 46,449MW, short of the 1272MW needed to fulfill the region's maximum demand with 10.2% safety reserve. This concerning matter was central to the discussions at an 18-month planned Energy Investors Round Table Conference held in Livingstone, Zambia on 15-17 July 2009 and organised by the Southern African Power Pool (SAPP), SADC and the Region Regulations Agency RERA. In attendance were also Energy Ministers, utilities CEO's, banks, investors, donors and important energy stakeholders in the Southern Africa Region. Twelve energy generation and transmission projects from the SAPP member countries were presented at the conference to help address the energy deficit and to meet the expected energy demand growth in the region.

"Assuming that these projects are implemented according to schedule, we will have sufficient energy by 2016 to supply the current and expected increase in energy consumption levels," assures Prof. Elmissiry. However, he adds that this estimation does not include new rural electrification projects as it is measured upon the current consumption patterns with a modest GDP rate.

Among the twelve generation and transmission projects presented, there were eight power generation projects. The power generation projects selected by the committee came from Mozambique, Zambia and Zimbabwe. These are a combination of hydro and thermal driven initiatives that are all already in advanced stages of planning. Examples are:

- The Benga thermal power station in the Tete Province of Mozambique on the Riversdale's Benga Coal Concession. The power station will produce 500MW (with a capacity to ramp up to 2000MW). Power would be transmitted to EDM of Mozambique and to ESKOM of SA.
- Moatize thermal power station in Tete Province of Mozambique, Zambezi Valley, 120km from Cahora Bassa hydro power plant. The station will generate 600MW (to ramp to 2400 MW) of power. The power will be transmitted to Bindura (Zimbabwe) and to Apollo (South Africa) via Matambo and Songo substations (Mozambique).

- Mphanda Nkuwa hydro power station, on the Zambezi river in the Tete Province of Mozambique, 61 km from Cahora Bassa power station. The station will generate 1500 MW (mid merit) and be transmitted to Eskom of South Africa using the proposed backbone transmission line.
- Itezhi Tezhi hydro power station to be built on an existing dam in the Kafu River, Zambia. The station is of capacity 120 MW. ZESCO is the sole off taker of the generated power and will transmit it to Zambia national grid at Lusaka West. This will be via new transmission lines to be built by ZESCO from ITT to Mumbwa and from Mumbwa to Lusaka West.
- Kariba North Bank Extension (existing dam on the Zambian side) will generate 350MW of hydro power by extending the hydro power station at the Kariba North Bank on the Zambezi river.

Zimbabwe power generation projects have been on cards for some time and there is a need to update their feasibility studies that were previously carried out in the past. The first project is to extend the Hwange thermal power station by adding two new units, 7 & 8 which will generate 600 MW to the Zimbabwean network. The second project is the extension of Kariba South hydro plant. This will add 300MW to the network. The country will also be embarking on a new thermal project, Gokwe North, which is an IPP. It is forecasted that the project will generate 1400MW to support the country as well as SADC countries.

While it is anticipated that these projects will come to a financial close by the end of this year so that implementation starts thereafter, Prof Elmissiry says there are ways to help tackle the perceived shortage of power in the interim. He refers to demand side management, energy conservation and full utilisation of renewable energy resources that are abundant in the region.

“Africa is blessed with enormous solar energy resources and these resources need to be exploited. In fact, solar irradiation in Africa is among the highest in the world, yet solar energy usage in Africa is the lowest,” Prof. Elmissiry states. “The European Union is aiming for 20 per cent of its power to be sourced from renewable energy by 2020. Unfortunately in Africa there is no well-defined continental renewable energy policy to follow or targets to achieve. The investment allocated by our national governments to utilise renewable energy resources is very minimal - if none at all - resulting in many having to rely on foreign funds for such projects. African countries need to allocate a specific percentage of its GDP for promoting and usage of environmentally energy sources.”

Prof. Elmissiry is a steering committee member of the ENERGY INDABA 2010 to be held at the Sandton Convention Centre in Johannesburg from the 24 - 26 February 2010. As well as consulting to many international organisations and regional energy industries, Prof Elmissiry was director of The Energy Technology Institute, Industrial Research and Development Centre in Zimbabwe. He continues to play a leading role in identifying regional energy projects and facilitating their implementation through the NEPAD network.

Note to Editors:

ENERGY INDABA 2010: A Time of Change

ENERGY INDABA 2010 – A Time for Innovation, Solutions and Alternatives is the event theme chosen by the Steering Programme Advisory Committee for ENERGY INDABA 2010.

The flagship African energy event is an annual event on the Africa business calendar with a specific focus on exploring solutions for a new energy future for Africa. With the recent ever increasing world-wide attention to Energy, ENERGY INDABA 2010 provides an ideal platform to encourage debate as well as creating the stage for a networking climate conducive for companies and individuals to interact.

The event forms part of the African business calendar, which will promote sustainable development initiatives across the African continent.

DATES: 24 – 26 February 2010
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