



ENERGY REGULATORS
ASSOCIATION
OF EAST AFRICA

REF: EXCO/11/2021

EXECUTIVE COUNCIL MEETING (EXCO)

VIRTUAL MEETING

17TH JUNE 2021

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**REPORT OF THE 21ST EXECUTIVE COUNCIL MEETING HELD ON THURSDAY 17TH
JUNE 2021 AT 2.00 P.M. VIA ZOOM**

AGENDA ITEM

MIN 1. EXCO/21/21: WELCOME AND OPENING PRAYER

The Opening Prayer was led by the Executive Secretary, Dr. Geoffrey Mabea.

MIN 2. EXCO/21/21: CONSTITUTION OF BUREAU

The Executive Secretary confirmed the Quorum for the 21st EXCO Meeting and noted the attendance of AREEN, EWURA, EPRA, ERA, PAU, and RURA.

RECEIVED the apologies of the substantive Heads of National Regulatory Institutions (NRI) and recognised their nomination and attendance of their representatives as follows;

- i) PAU, represented by Mr. Dozith Abeinomugisha
- ii) EWURA, represented by Eng. Poline Msuya

In the absence of the substantive chair (EWURA) and deputy chair (ZURA) the meeting proposed the Chair of the Committee on Finance and Administration (ERA) to chair the 21st EXCO meeting.

MIN 3. EXCO/21/21: ADOPTION OF THE AGENDA

ADOPTED the following agenda for the 21st EXCO Meeting.

1. Welcome & Opening Prayer.
2. Constitution of Quorum
3. Adoption of the Agenda
4. Declaration of Conflict of Interests
5. Introduction and Opening remarks
6. Tabling of the report from 20th EXCO Meeting held on 17th December 2020 in via zoom video conferencing platform
7. Matters Arising from the 20th EXCO Meeting held on 17th December 2020 in via zoom video conferencing platform
8. Tabling of the report from the 12th AGA Meeting held on 30th June 2020 via zoom video conferencing platform
9. Matters Arising from the 12th AGA Meeting held on 30th June 2020 via zoom video conferencing platform.
10. Presentation of Portfolio Committees Reports;
 - (i) Economic Portfolio Committee
 - (ii) Legal Portfolio Committee
 - (iii) Technical Portfolio Committee
11. EXCO Sub-Committees Reports;
 - (i) Report of EXCO Committee on Finance and Administration (CFA)
 - (ii) Report of EXCO's Strategic Planning and Human Resources Committee (SPHRC)
12. EREA's meetings and Leadership
 - (i) EXCO Chairperson and Deputy Chairperson
 - (ii) Meeting Frequency and Venue
13. Any other business.

MIN 4. EXCO/21/21: DECLARATION OF CONFLICT OF INTERESTS

Noted that none of the NRIs, the Members of the Committee had reported any conflict of interest in the business of the meeting.

MIN 5. EXCO/21/21: INTRODUCTION AND OPENING REMARKS.

The Heads of Delegation of AREEN, EWURA, EPRA, ERA, PAU and RURA introduced themselves and the members of their delegations.

The Chair welcomed the members present and made opening remarks highlighting the gains the association has made, condoled with members afflicted by the covid-19 pandemic and encouraged the members to embrace the new mode of working.

MIN 6. EXCO/21/21: TABLING OF THE REPORT FROM 20TH EXCO MEETING HELD ON 17TH DECEMBER 2020 VIA ZOOM VIDEO CONFERENCING PLATFORM

The Secretariat tabled the report of the 20th EXCO held on 17th December 2020 via zoom video conferencing platform. The EXCO;

ADOPTED; the report of the 20th EXCO held on 17th December 2020 subject to incorporation of minor amendments noted.

MIN 7. MIN 7. EXCO/21/21: MATTERS ARISING FROM THE 20TH EXCO MEETING HELD ON 17TH DECEMBER 2020 VIA ZOOM VIDEO CONFERENCING PLATFORM

The Secretariat submitted and reported on the status of the matters arising from the 20th Executive Council held on 17th December 2020 via zoom video conferencing. The EXCO;

OBSERVED;

- i) Eleven (11) out of fourteen (14) directives made by the 20th EXCO have been completed by 100%. Three (3) directives are work in progress.
- ii) The Statutory Audit for the FY2019/2020 was complete and EREA received an unqualified audit opinion

ADOPTED the report of Matters arising and execution status of the 20th EXCO resolutions held on 17th December 2020.

RESOLVED to recommend to the AGA;

To ADOPT:

- i) The FY2019/20 Audit report.

MIN 8. EXCO/21/21: TABLING OF THE REPORT FROM 12TH AGA MEETING HELD ON 30TH JUNE 2020 VIA ZOOM VIDEO CONFERENCING

The Secretariat tabled the report of the 12th AGA held on 30th June 2020 via zoom video conferencing platform. The EXCO;

NOTED;

The report of the 12th AGA as presented by the secretariat.

MIN 9. EXCO/21/21: MATTERS ARISING FROM THE 12TH AGA MEETING HELD ON 30TH JUNE 2020 VIA ZOOM VIDEO CONFERENCING PLATFORM

The Secretariat submitted and reported on the status of the matters arising from the 12th AGA held on 30th June 2020 via zoom video conferencing platform.

OBSERVED;

- i) Eight (8) out of twelve (12) directives from the 12th AGA have been completed by 100% and four activities are work in progress.
- ii) The presentation of the implementation of the four (4) work in progress resolutions was not clear as the details of specific work to be done per FY were not indicated.
- iii) The Eight (8) out of twelve (12) completion rate is low considering that the various activities, notably self –audit of EREA tools and peer review could have been achieved with proper planning and follow-up by the secretariat.
- iv) The increment in the subscription fee by six thousand (US\$6000) dollar per member to enable EREA meet the budget requirement for the FY2020/21 was continuous effective the AGA approval year.

DIRECTED;

- i) The secretariat to present the AGA resolutions at the half-year meetings to enable the EXCO to monitor their progress and intervene as necessary.
- ii) That going forward all planned activities should be Specific Measurable Achievable Realistic and Time bound (SMART) to ensure that they are effectively implemented.

RESOLVED to recommend to the AGA;

That the AGA approved subscription fee of US\$26,000 per member NRI remain in force until such time when the secretariat is able to mobilise resources for its sustainability.

MIN 10. EXCO/21/21: PRESENTATION OF PORTFOLIO COMMITTEE REPORTS

10.1. EXCO/21/21: ECONOMIC PORTFOLIO COMMITTEE

The Economic Portfolio Committee (EPC) presented its progress implementation report for financial year 2020/21 and the proposed work plan for financial year 2021/22. The EXCO;

OBSERVED:

- i) Nine (9) activities out of fifteen (15) activities have been completed at 100% while six (6) activities are work in progress.
- ii) That the EPC had migrated to working with the new normal and commended them for the work done.

APPROVED and ADOPTED

The EPC report and **directed** that;

- i) The reports prepared by the EPC should be circulated to the various NRIs in addition to publishing on the EREA website.
- ii) The Electricity Regulatory Index (ERI) gap analysis to consider the three categories i.e., Regulatory Governance, Substance and Outcomes.
- iii) The ERI analysis to bring out the specific gaps affecting each NRI for ease of undertaking corrective action.
- iv) The EPC to undertake a similar gap analysis based on the 2020 ERI study
- v) The EPC should include per unit cost of connection for each country as part of the comparisons undertaken.

- vi) The demand-supply balance undertaken by the EPC should include relevant recommendations to enable NRIs to take necessary actions. Further, a column for the regional reserve margin should be included in the demand – supply report.

EXCO/21/21: LEGAL PORTFOLIO COMMITTEE

The Legal Portfolio Committee (LPC) presented its progress implementation report for financial year 2020/21 and the proposed work plan for financial year 2021/22. The EXCO;

OBSERVED;

- i) Forty six percent (46%) completion rate for the activities for the financial year 2020/21.
- ii) The LPC had embraced the new mode of virtual working which was commended.
- iii) The process for establishing the Upstream Petroleum Committee was ready for submission to the 13th AGA.

APPROVED and ADOPTED;

The LPC report and directed implementation of the financial year 2021/22 action plan.

RESOLVED to recommend to the AGA;

To approve the amendment of the constitution to include the Upstream Petroleum Committee.

To approve that all MOUs entered into between the EREA secretariat and collaborating organization should be reviewed for a no objection by the LPC

EXCO/21/21: TECHNICAL PORTFOLIO COMMITTEE

The Technical Portfolio Committee (TPC) presented its progress implementation report for financial year 2020/21 and the proposed work plan for financial year 2021/22. The EXCO;

OBSERVED;

Three (3) activities were completed and three (3) were work in progress.

That new subcommittees for electricity and renewable energy and oil and gas were created to improve coordination of the work.

APPROVED and ADOPTED;

The TPC report and directed implementation of the financial year 2021/22 action plan.

MIN 11. EXCO/21/21: EXCO SUB-COMMITTEES REPORTS;

11.1. EXCO/21/21: COMMITTEE ON FINANCE AND ADMINISTRATION(CFA)

The Executive Secretary on behalf of the Chairperson of the EXCO sub-committee on Finance and Administration (CFA) tabled their report for consideration by the EXCO.

The EXCO **APPROVED** and **ADOPTED** the report by the Committee on Finance and Administration (CFA).

RESOLVED to recommend to the AGA to approve;

- i) The EREA budget performance as of end of May 2020/2021 including the payment of the statutory staff costs (NSSF and WHT)
- ii) The Budget estimates totalling US\$227,285.00 for EREA FY2021/22(attached as annex 1);
- iii) Opening of a local currency bank account with KCB bank in ARUSHA Tanzania to support the EREA secretariat meet the daily administration costs;

- iv) Admission of observer members to include other regional associations, NRIs outside EREA, Private investors and Development Partners with minimal fee of \$500; and
- v) The Secretariat to continue sourcing for funds and develop a masterplan for the establishment of the Energy Regulatory Centre of Excellence;

11.2. EXCO/21/21: STRATEGIC PLANNING AND HUMAN RESOURCE COMMITTEE

The Chairperson of the EXCO sub-committee on Strategic planning and Human Resource tabled their report for consideration by the EXCO.

The EXCO **APPROVED** and **ADOPTED** the report by the Human resource and Strategic Planning committee.

RESOLVED to recommend to the AGA;

To **TAKE NOTE** of:

- i) The EREA Strategic Plan that is in its final year (5th year) of implementation
- ii) Report of the EREA Medium term Strategic Plan review

To **APPROVE**:

- i) The Human Resource Schedules and provide a phased implementation of the EREA Secretariat staff allowances with priority given to Daily Subsistence and Mileage allowance
- ii) Approve the FY2021/22 Action Plans for the Secretariat and the Portfolio Committees.
- iii) Secretariat to develop the terms of reference and source the requisite funding for development of a new Strategic Plan for EREA.
- iv) The adhoc committee to undertake the gap analysis of the strategic plan to support the secretariat in the review of the strategic plan.

MIN 12. EXCO/21/21: MEETING VENUE AND LEADERSHIP

MIN 13. EXCO/21/21: EREA LEADERSHIP

The EREA schedule of leadership for the next cycle was presented by the secretariat.

The EXCO **RESOLVED** to recommend to the AGA;

The calendar of leadership for EREA organs for financial year 2021/22 as follows;

- i) AGA; Chairperson (PAU), Deputy Chairperson (EWURA) and
- ii) EXCO; Chairperson (RURA), Deputy Chairperson (ERA)

MIN 14. EXCO/21/21: EREA MEETINGS FREQUENCY AND VENUE

The EREA calendar of activities for the financial year 2021/22 was presented by the secretariat.

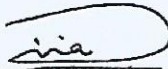
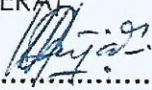



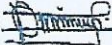
The EXCO **RESOLVED** to recommend to the AGA;

- i) To approve the calendar of EREA activities for the FY2021/22(Annexe2);
- ii) To approve the hosting of the 14th AGA by the Secretariat on 24th June 2022 or virtually, should the physical meeting be deemed infeasible.

MIN 15. EXCO/21/21: ANY OTHER BUSINESS

There being no other business the meeting was adjourned at 1755 hours.

Signed this 17th June 2021

- (1) **Eng. Ziria Tibalwa**..... 2021.06.18
13:46:47 +03'00'
Chairperson, Chief Executive Officer,
Electricity Regulatory Authority (ERA)
- (2) **Eng. Poline Msuya**.....
Member, for Director General
Energy and Water Utilities Regulatory Authority (EWURA)
- (3) **Mr. Balthazar Nganikiye**.....
Member, Director General,
Authority for Regulation of Water and Energy Sectors (AREEN)
- (4) **Mr. Daniel Kiptoo**.....
Member, Director General,
Energy and Petroleum Regulatory Authority (EPRA)
- (5) **Mr. Dozith Abeinomugisha**
Member, for Executive Director,
The Petroleum Authority of Uganda (PAU)
- (6) **Dr. Ernest Nsabimana**..... Digitally signed by
RURA Director General
Date: 2021.07.19 10:19:28
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Director General,
Rwanda Utilities Regulatory Authority (RURA)

Annexe 1 EREA FY2021/22 Budget

BUDGET CODE	BUDGET CATEGORY ITEM DESCRIPTION	Budget 2020/2021	Revised Budget 2020/2021	Proposed Budget 2021/2022	Changes 2020/21	% Change
		US\$	US\$	US\$	US\$	Percentage
1000-00000-000-00000000-00	Fund Closing Balance/KCB Bank Balances					
1000-00000-000-00000000-00	Existing Subscription Fee	\$140,000.00	\$140,000.00	\$182,000.00	\$6,000.00	3%
1000-00000-000-00000000-00	Increase in Subscription Fee	\$36,000.00	\$36,000.00	\$0.00	\$36,000.00	
1000-00000-000-00000000-00	A & A - Training and Workshops	\$122,300.00	\$122,300.00	\$15,000.00	\$107,300.00	12%
1000-00000-000-00000000-00	A & A - Observers (Utilities)	\$15,000.00	\$15,000.00	\$0.00	\$15,000.00	
1011-00000-000-00000000-00	Grants	\$0.00	\$0.00	\$50,000.00	-\$50,000.00	
Total		\$313,300.00	\$313,300.00	\$247,000.00	\$114,300.00	36%
BUDGET CODE	ITEM DESCRIPTION	Budget 2020/2021 US\$	Revised Budget 2020/2021 US\$	Proposed 2021/2022 US\$	Changes 2020/21 US\$	Change %
(A) Total Re-Current Expenditure						
Administration Expenses		\$27,634.00	\$32,483.70	\$29,187.00	-\$3,296.70	-10%
4155-00000-000-00000000-00	Membership Fees and Subscription (ERRA)	\$0.00	\$0.00	\$3,000.00	\$3,000.00	100%
4240-00000-000-00000000-00	Office General Expenses (Admin)	\$200.00	\$1,858.47	\$2,000.00	\$141.53	71%
4211-00000-000-00000000-00	Telephone, Fax and Internet (Zoom and Webinar)	\$1,000.00	\$2,000.00	\$3,160.00	\$1,160.00	116%
4212-00000-000-00000000-00	Staff Airtime	\$0.00	\$0.00	\$100.00	\$100.00	0%
4215-00000-000-00000000-00	Stamps, Postage and Courier Services	\$400.00	\$400.00	\$400.00	\$0.00	0%
4173-00000-000-00000000-00	Car Hire Expenses	\$300.00	\$1,100.00	\$600.00	-\$500.00	-167%
4150-00000-000-00000000-00	Consultancy Expenses - (Review of SP, Asset Tagging)	\$200.00	\$200.00	\$200.00	\$0.00	0%
4260-00000-000-00000000-00	Bank Charges on EREA Account	\$300.00	\$600.00	\$600.00	\$0.00	0%
4230-00000-000-00000000-00	Printing and Stationeries (Consumables)	\$1,070.40	\$1,808.87	\$1,070.00	-\$738.87	-69%
4270-00000-000-00000000-00	Depreciation Expenses- Computer Hardware + Office Equip.	\$274.30	\$274.00	\$1,454.00	\$1,180.00	430%
4271-00000-000-00000000-00	Depreciation Expenses- Furniture and Fittings	\$74.50	\$74.50	\$258.00	\$183.50	246%
4174-00000-000-00000000-00	Maintenance of Computer Hardware	\$105.00	\$105.00	\$200.00	\$95.00	90%
4175-00000-000-00000000-00	Maintenance of Computer Software - Maintain EREA's Accounting Package	\$15,000.00	\$10,503.06	\$2,500.00	-\$8,003.06	-53%
4176-00000-000-00000000-00	Maintenance of Other Equipment	\$502.80	\$502.80	\$200.00	-\$302.80	-60%
4058-00000-000-00000000-00	Newspapers, Magazines, Books and Ref. Materials	\$162.00	\$162.00	\$200.00	\$38.00	23%
4200-00000-000-00000000-00	Office Rent and Service Charges	\$6,395.00	\$6,395.00	\$6,395.00	\$0.00	0%
4101-00000-000-00000000-00	Electricity Charges	\$1,200.00	\$1,200.00	\$1,200.00	\$0.00	0%
4145-00000-000-00000000-00	Advertisement Expenses	\$0.00	\$0.00	\$0.00	\$0.00	100%
4104-00000-000-00000000-00	Water Utility Services	\$0.00	\$0.00	\$100.00	\$100.00	100%
4256-00000-000-00000000-00	EREA Tender Board Expenses	\$0.00	\$0.00	\$0.00	\$0.00	100%
4051-00000-000-00000000-00	Cleaning Expenses	\$150.00	\$150.00	\$300.00	\$150.00	100%
4241-00000-000-00000000-00	Entertainment Expenses	\$200.00	\$200.00	\$300.00	\$100.00	50%
Audit Expenses		\$9,420.00	\$9,420.00	\$8,700.00	-\$720.00	-8%
4250-00000-000-00000000-00	Audit of EREA Fund at ending 30 June, preceeding current FY	\$9,420.00	\$9,420.00	\$8,700.00	-\$720.00	-8%
Conferences and Workshop Expenses		\$0.00	\$0.00	\$0.00	\$0.00	100%
4185-00000-000-00000000-00	Board Expenses (AGA, EXCO, PCs & TWGs Conference Pac	\$0.00	\$0.00	\$0.00	\$0.00	100%
4052-00000-000-00000000-00	Travel/Transport Expenses(tickets, subst. Alhw)	\$0.00	\$2,000.00	\$2,000.00	\$0.00	100%
4160-00000-000-00000000-00	Facilitation of EREA's Day Conferences	\$0.00	\$0.00	\$0.00	\$0.00	100%
4108-00000-000-00000000-00	EREA Workshop and Conference expenses - outside host Cu	\$0.00	\$2,950.00	\$2,950.00	\$0.00	100%
4162-00000-000-00000000-00	Participation of EREA in Meetings organised by other Regional	\$0.00	\$0.00	\$0.00	\$0.00	100%
Total Staff Expenses		\$171,579.60	\$171,579.60	\$188,398.00	\$16,818.40	10%
4000-00000-000-00000000-00	Total Basic Salary and Wages (Annual Salary)	\$139,779.60	\$139,779.60	\$141,960.00	\$2,180.40	2%
4061-00000-000-00000000-00	Housing Allowance	\$16,200.00	\$16,200.00	\$16,200.00	\$0.00	0%
4052-00000-000-00000000-00	Utility Allowance	\$5,400.00	\$5,400.00	\$5,400.00	\$0.00	0%
4052-00000-000-00000000-00	Transport Allowance	\$10,200.00	\$10,200.00	\$10,200.00	\$0.00	0%
4020-00000-000-00000000-00	Employer Pension contribution (15% of Basic salary except ES	\$0.00	\$0.00	\$4,620.00	\$4,620.00	100%
4030-00000-000-00000000-00	Skills and Development Levy (04% of Basic Salary)	\$0.00	\$0.00	\$5,534.00	\$5,534.00	100%
4040-00000-000-00000000-00	Workers Compensation Fund (1% of Basic salary)	\$0.00	\$0.00	\$1,384.00	\$1,384.00	100%
4053-00000-000-00000000-00	Annual Leave Passage	\$0.00	\$0.00	\$0.00	\$0.00	100%
4121-00000-000-00000000-00	Legal Fees -Executive Secretary Resident & Working Permits	\$0.00	\$0.00	\$1,600.00	\$1,600.00	100%
4115-00000-000-00000000-00	Professional Development Skills (NBAA-CPD Hours)	\$0.00	\$0.00	\$1,500.00	\$1,500.00	100%
(B) Total Capital Expenditure		\$3,970.20	\$3,970.20	\$1,000.00	-\$2,970.20	-75%
6320-00000-000-00000000-00	Furniture and Fittings	\$3,398.50	\$3,398.50	\$1,000.00	-\$2,398.50	-71%
6420-00000-000-00000000-00	Office Equipment	\$571.70	\$571.70	\$0.00	-\$571.70	-100%
6512-00000-000-00000000-00	Computer Hardware	\$0.00	\$0.00	\$0.00	\$0.00	100%
Total Expenditure (A+B)		\$212,603.80	\$217,453.50	\$227,285.00	\$9,831.50	5%