

## General Report

The Second Global Regulatory Network Conference of the energy sector attended by about a hundred regulators from Africa, North and South America, Asia and Europe,

Sponsored by the Electricity and Water Regulatory Commission of Mali (CREE), the African Forum for Utility Regulators (AFUR), the Regional Energy Regulators Association (RERA) and the National Association of Regulatory Utility Commissioners (NARUC);

And co-sponsored by the United States Agency for International Development (USAID),

Was held from 26 to 27 July 2004 at Hotel Sofitel Amitié in Bamako, Mali.

The opening ceremony was presided over by His Excellency Ahmed Diane SEMEGA, Minister of Mines, Energy and Water, who represented the Prime Minister of Mali.

This was followed by welcome remarks from Mr. Moctar TOURE, Chairman of the Electricity and Water Regulatory Commission (CREE) of Mali; Mrs. Pamela White, Director of the USAID Mission in Bamako, Mali; Mr. Kevin Warr, Energy and Environment Policy Program Analyst for the USAID; and Mrs. Diane Munns, Chairperson of the Iowa Utilities Board (IUB) and second Vice-President of NARUC. Mr Jason Czys, Sub-Director of International Programs at NARUC, then presented the agenda, which focused on the topics introduced by panelists and discussed by all participants as follows:

1. The energy sector in West Africa as well as developments and regulatory issues affecting the West African power pool

The presentations and discussions on this topic highlighted Africa's backwardness in the domain of electrification, its insufficient investments, the exorbitant cost of KWh, the mediocrity of services and the need to break monopolies through integration, partnership and extension of integrated markets.

2. The role of the regulator as referee

Partnership presupposes an agreement on principles, standards and mutual contractual commitments. The application of partnership clauses requires each partner to respect the rules of the game. To that end, the regulator plays the role of referee. He must ensure that the biggest problems relating to cost and returns are resolved fairly in a bid to promote profitability, efficiency and equity. Essentially, he has to be vigilant with regard to the development of market indicators (supply and demand), tariffs, household needs and the development objectives of the productive sector (industry, agriculture, handicraft, etc).

In the exercise of his duties, the regulator will not always be understood. This notwithstanding, he has to act as a impartial, credible, independent, competent and fair referee.

He must be given financial and professional conditions that free him from nefarious political intrusion and financial delinquency. As such, he will not necessarily be popular, but he will certainly be respected.

3. How to guarantee customer satisfaction and promote investments becomes a permanent dilemma for the regulator. The balance between social, economic and profit considerations is not easy to maintain. Yet, the regulator has to bear all these considerations in mind in the conduct of his activities which affect the public, the private/public investor as well as the State.

The Conference participants thanked the organizers for having provided this opportunity to exchange experiences and consolidate the determination to accomplish the daunting task of regulator. They equally extended greetings to the people and Government of Mali for the warm reception (and excellent food).

**Drafting Committee:**

- Dr Oumar MAKALOU (Mali)
- Wendell Holland (USA)
- David Handly (USA)
- Dah Ould EHMEDANE (Mauritania)