

FIRST ANNUAL REGULATORY CONFERENCE

For the Global Regulatory Network

RWANDA UPDATES & ISSUES

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Key Events and Activities in 2002 through March 2003

products

- The Rwanda Utilities Regulatory Agency is a Multisector one with the mission to regulate the following utility sectors : Telecommunications, Electricity, Water, removal of wastes, extraction and distribution of gas, persons and goods transport ;
- Establishment of the Regulatory Board and of the Managing Director of The Rwanda Utilities Regulatory Agency on October 30th, 2002(according to Law n°39/2001 of September 13th 2001) :
 - 7 Board members and the MD, all appointed and revoked by the order of the Prime Minister at proposal of the designated Minister (currently the Minister of Finance and Economic Planning) ;
 - Recruitment (January 2003) of 3 senior staff responsible of 3 sectors to be regulated, namely the Telecommunications, Transport, Energy & water and sanitation. Ongoing recruitment process.
- Drafting of the organizational chart and others documents such as the Internal Operating Rules, the Charter of the Rwanda Utilities Regulatory Agency ;
- Availability of the only Law on Telecommunications;
- Negotiations of the Privatisation of the management of Electrogaz : (Rwanda Water and Electric Power Utility) and conclusion of the management contract with Lahmeyer International ;
- Promotion of the involvement of Independent Power Producers (IPP's), and signature of 2 Memorandum of Understanding with two companies –Cogelgas S.A. and Dane Associates Limited (DAL)- which intend to generate power from the methane gas huge reserves dissolved in Lake Kivu (about 50 BCM of exploitable reserves, that is about 40 millions TEP). On going Negotiations of gas concession contact and Power Purchase Agreement (PPA) with DAL

Key Anticipated Issues and Activities for the Next Year

- Drafting and adoption of Laws on Electricity, Gas, Water, Sanitation and Transport. The drafting of these Laws requires some proven expertise and sizeable funding;
- Amendment of the Law on Telecommunications, final approval of its application decrees allowing the issuance of licenses to various operators in the Telecommunications Sector ;
- With the Electricity and Gas Laws and other statutory instruments in place, kickstart of the Energy Sector Regulation.

The Status of the Introduction of Competition and Related Issues

- Initiate the competitive supply of energy through introduction of IPP's in Electric Power Generation ;
- 5 years Private Management of the Rwanda Water and Electric Power Utility ;
- Review the current structure of electricity tariffs and rates : a more efficient and cost based electricity tariff structure so as to improve profitability of the electricity operator and make electricity more affordable to a larger segment of the population ;
- Development and formulation of a comprehensive sector liberalization legislation for the energy ;
- In depth training of the Young Regulatory Agency in the Regional and International best practices on energy regulation.