

His Excellency, Honourable Kenneth Konga, Minister of Energy and Water Development of the Republic of Zambia
Dr Kasuka Mutukwa, Secretary General of the SADC Parliamentary Forum,
Honourable Members of Parliament and Distinguished Delegates from the SADC-Region,
All other Dignitaries here present,
Members of the Media,
Ladies and Gentlemen,

Representing the partner of the SADC-Parliamentary Forum and the co-co-sponsor in this event, I am grateful for the opportunity to add a few observations at this official opening.

First of all, let me say, it is great to be back here in Lusaka, and it is great to be back again together with the Forum. The last time I had come to Lusaka was in August 2005 when SADC-PF and FES had jointly organised a Roundtable bringing together the different Regional Parliamentary Bodies in Africa (i.e. the ECOWAS-Parliament, the East African Parliament and SADC-PF) together with the Pan-African Parliament, in order to look at the respective roles of and the possible synergies between the regional and continental parliamentary bodies with regard to African integration.

The meeting today, obviously, is quite different. It doesn't look at the powers and functions of Parliaments in regional and continental integration, or how to enhance the role of elected representatives of the people in driving integration in general terms. It is much more focused and much more specific. It does look at the role that Members of Parliament are supposed to play in dealing with a particular socio-economic and developmental challenge to the SADC region, namely the *current power emergency situation*.

With high electricity demand now frequently outstripping power supply in large parts of the region, the resulting power cuts have not only become a nuisance to ordinary citizens whose daily lives became seriously affected. It is also extremely bad for business and a dangerous bottleneck to further economic growth and development, given the fact that much of the region's economic growth in recent years has been relying on the availability of cheap power supply for mining and heavy

industries. This growth path now is under serious threat; let alone what repeated power cuts are doing to investor confidence.

Now with winter approaching, which is most likely to bring with it an increased seasonal energy demand and, hence, with new power cuts on the horizon, this *Parliamentarians' Forum on the Energy Crisis in Southern Africa* comes at an appropriate time. It comes at an appropriate time to *take stock* of what governments and public utility companies are currently doing to address the issue, as well as of challenges they are facing in doing so.

Overcoming the energy crisis is as much a national as it is a regional issue. Energy policy is perhaps the policy area where SADC regional integration and co-operation is at its most advanced level, with institutions such as the Southern African Power Pool (SAPP) or the Regional Electricity Regulators Association (RERA) underpinned by a joint electrical grid and electricity traded among SAPP-members.

In dealing with the crisis, interventions in the electricity market by governments, regulators and public utilities will have to deal with both sides of the equation: supply-side measures to increase power supply and facilitate power transmission, demand-side management measures to reduce demand through, basically, energy saving, and higher energy efficiency. Time is also an issue: There are certainly measures that can perhaps provide some, albeit limited, short-term relief, while the bulk of the decisions that have to be taken now will only bear their fruits in the middle to long-term.

In some respects, these policy decisions are a matter of *short-term pain for long-term gain*: considerably higher electricity prices seem to be unavoidable to provide the financial means and the incentives for investment into more power supply, i.e. for power to be available not now but in the future. In addition, higher prices can have the beneficial side effect of providing *incentives on the demand-side* to change personal consumption patterns, reduce wasteful use and encourage switching to more energy-efficient equipment, where such alternatives are available on the market. While this may work for the non-poor, serious consideration will have to be given to the effects on poor households who are currently squeezed not only by higher electricity prices, but also by higher fuel prices, transport costs and higher food prices. The feasibility of targeted subsidies or differential pricing policies *protecting the poor*, therefore, must be considered by policy makers.

There are other difficult decisions, trade-offs and choices to be made. Using still abundant and relatively cheap sources of fossil energy such as coal will accelerate global warming, while other – renewable sources – such as hydropower, solar- or wind power are not. In the short run, however, renewables, with the notable exception of hydropower, may still be too expensive sources of energy, or simply just not suitable to meet bulk demand all by themselves. In the long run, over the next decades, however the overall picture is likely to change fundamentally. Production decline and ultimately resource depletion, first starting with oil, ultimately will make a dramatic switch to renewables inevitable. The *appropriate energy supply-mix* and strategies to steadily increase the role of renewable energies therefore have to be key concerns for policymakers, not only but also for environmental reasons.

These and other issues that I haven't mentioned are often complex, highly technical and complicated. Not the stuff politicians like, you can often hear – and as I also heard prior to this forum. But as lawmakers and providers of oversight over the executive branch of government, MPs have a duty to acquaint themselves with issues, that fundamentally affect the lives of the people who have elected them; perhaps not to the extent that they become real experts in the field, but to the extent to be able to ask Government the right questions. There is also a case for specialization, with some Members of Parliament getting deeper into this than others and build capacity from which their colleagues can benefit.

As a minimum and this is my personal view, MPs must acquaint themselves with the plans and measures agreed upon and to be implemented by their governments. And in doing so, MPs must insist on *clear milestones* and *timeframes* for their execution - as the only way on how they can hold their governments accountable. Given the paramount importance of regional co-operation in the field of energy, this also holds for what governments agree upon with their peers on SADC-level, like, for instance, the road map adopted by the SADC Energy Ministerial Task Force (EMTF) in Gaborone in February this year, hence the importance of this policy forum with its clear focus on the regional dimension. It my firm belief that this gathering will add a lot of value to the understanding of the challenges the current energy situation provides and the policy implications this has, both on national and regional level.

Finally, I want to end my few remarks by thanking the people that have done their utmost to make this gathering a resounding success. First of all, I like to thank the National Assembly of Zambia, and in particular, the Speaker of Parliament, the Honourable Amusaa Mwanamwambwa, for having agreed to host the forum here in Zambia. I then like to thank Dr.

Kasuka Mutukwa, the Secretary – General of SADC-PF for having taken the initiative to have such a parliamentary meeting on the energy situation in the region as well as for the leadership in seeing it through right to its implementation, which we are witnessing today. I further want to thank Mr Barney Karuuombe, Regional Integration Officer and his colleagues at the SADC-PF-Secretariat for conceptualizing and implementing it – and also apologize for getting on their nerves every now and then - they are the ones that were ultimately make it happen. Last but not least I also want to thank my colleague Mr Gerd Botterweck and his team from FES Zambia for their part in the implementation of the forum – which will become particularly important in the aftermath of the meeting – as well as for allowing me to come over from Namibia to speak here on behalf of FES, despite this being his turf.

I THANK YOU!