

# Promotion of a Climate-friendly Electricity Market in the ECOWAS Region (ProCEM II)

## Context

West Africa has a great potential of various Renewable Energies (RE) resources that is far from being exhausted. The deepening of the integration of the electricity market as well as the promotion of RE and energy efficiency (EE) are among the political priorities of ECOWAS energy institutions. A common electricity market would allow more cross-border use of RE and other energy resources, improving the quality of energy supply, lowering costs and reducing investment risks. So far, however, only small amounts of electricity are traded by small groups of neighbouring countries, and existing regional policies/regulations are only partially implemented. Despite improvements in recent years the regional electricity market is not yet fully functional.

Energy utilities still face structural deficits and need to enhance their operational performance. The full potential of renewable energies in the region has also barely been exploited despite the maturity of these technologies and their decreasing costs. Staff is not yet well-qualified to actively participate in the market.

The prerequisites for a climate-friendly electricity market in the ECOWAS region are therefore still lacking at both the regional as well as national level (core problem).

The results achieved by the precedent programme **ProCEM** contributed to improving the functioning of the electricity market and laid the foundation for the current programme **ProCEM II**.

In fact, the optimal framework conditions (technical, legal and regulatory frameworks) for operationalising the second phase of the electricity market have been improved for RE-based energy generation (on grid/off grid). Plus, the support to electricity distribution companies led to significant reduction of energy losses (up to 5%) and improved their operational performance. Network of regional training centres was operationalised and network and e-learning courses strategies are important milestones.



Left. to right:  
Target region of ProCEM II  
Beneficiary of the Female Installers Scholarship programme as part of ECSES  
Illustration e-forum/exchange platform of energy distribution companies of the ECOWAS region  
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## Objective

The programme strives to improve the institutional, technical, legal and regulatory frameworks for a climate-friendly regional electricity market.

## Approach

The implementation partners of ProCEM II comprise the ECOWAS institutions in the energy sector such as: West African Power Pool (WAPP), ECOWAS Regional Electricity Regulatory Authority (ERERA) and ECOWAS Centre for Renewable Energy and Energy Efficiency (ECREEE). All three institutions have a strong mandate and are well-connected in the region.

The focus on sustainability is put on drafting the findings together with the partner institutions and having these findings disseminated exclusively by those institutions. Changes are sought in strategies, policies and regulations that continue beyond the end of the module. The Capacity development strategy of the programme involves further developing skills and capacities at the three levels: individual (key market players), organisational (improvement of service delivery processes, development of new service offers) and societal (dialogue at regional levels).

Programme name	Promotion of a Climate-friendly Electricity Market in the ECOWAS Region (ProCEM II)
Commissioned by	German Federal Ministry for Economic Cooperation and Development (BMZ)
Region	ECOWAS region: Benin, Burkina Faso, Cabo Verde, Côte d'Ivoire, Gambia, Ghana, Guinea, Guinea-Bissau, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone, Togo
Lead executing agency	ECOWAS Commission
Duration	2022 – 2024



Left to right:  
Elearning illustration  
Wind power installation  
Field visit of representatives of distribution companies in ICC (Cotavi, Benin)  
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## Intervention areas/ Outputs

ProCEM II focuses its interventions on four main areas:

### Operationalisation of the Regional Electricity Market

This output aims to accompany WAPP, ERERA and other key stakeholders involved in the regional electricity trading to develop and implement the necessary instruments and processes for implementing the second phase of the regional electricity market. The drafted instruments and processes will be introduced and used by the responsible institutions, which will finally lead to the improvement of the institutional, legal and regulatory framework for the operation of the regional energy trading and the integration of Renewable Energies into the grid.

### Strengthening the operational performance of utilities

The objective is to improve the operational performance of selected energy utilities and to enable them to actively participate in the regional electricity market. The energy utilities will objectively evaluate their existing deficits, develop strategies and actions plans whose achievements will impact their operational performance as well. Energy utilities will be strengthened and perceived as reliable business partners in the regional energy market.

### Improving the framework conditions for the expansion of renewable energy including Battery Energy Storage Systems

It is expected to work with relevant regional and national stakeholders to draft instruments aiming at improving the technical, legal and regulatory frameworks for expanding RE power plants and grid-connected Battery Energy Storage Systems (BESS). The developed instruments will be introduced and used at regional and national levels, thus facilitating the climate-friendly and socially responsible expansion of RE power plants and BESS in accordance with international standards.

## Expanding the capacity building offer for key actors in the sub-region

This area strives to reinforce the network of regional training centres of WAPP and other regional training institutions to continuously offer a high quality and demand-oriented range of (online) training courses of technical and non-technical nature in the energy sector. The actors in the energy sector benefitting from these courses will be able to effectively and efficiently handle the electricity market, to develop and implement RE and EE projects.

The integration of gender-related aspects into the training courses and the consideration of female trainers in running the training courses are integral parts of this output.

In all its interventions ProCEM II strives to ensure a gender transformative approach with the hope to contribute positively to societal change processes regarding the role of women in the energy sector.

Published by

Deutsche Gesellschaft für  
Internationale Zusammenarbeit (GIZ) GmbH  
Registered offices Bonn and Eschborn, Germany

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As at

June 2022

GIZ is responsible for the content of this publication.

In cooperation with



On behalf of

Federal Ministry for Economic  
Cooperation and Development (BMZ)

Division

WestAfrika II and Madagascar

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