

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

## Context

The expansion of the electricity market and the promotion of renewable energies (RE) and energy efficiency (EE) remain among the political priorities of the ECOWAS Commission. To meet the growing demand for energy services and achieve the goal of universal access to modern energy services, there is an urgent need to invest in the expansion and modernisation of electricity generation, transmission and distribution.

In 2022, the Economic Community of West African States (ECOWAS) 15 member states adopted the regional policy for the diffusion of green hydrogen in the ECOWAS region and the regional ECOWAS Regional Climate Strategy including an action plan (2022 - 2030). The five action points of the ECOWAS Climate Strategy in the energy sector aim to establish a framework for national policies (e.g., introduction of regional standards, harmonisation of objectives).

A common electricity market enables greater cross-border electricity trading. This, in turn, increases the quality of energy supply, lowers costs and reduces investment risks.

Despite significant improvements, only small amounts of electricity are traded across borders so far. The energy sector is ill-equipped for electricity trading due to various reasons: Energy utilities still face structural deficits and lack operational performance. The full potential of renewable in the region has not yet fully exploited and 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*).

## Objective

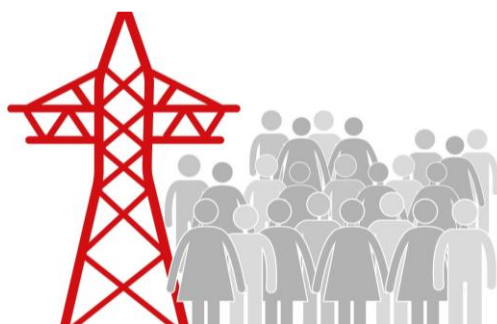
The programme strives to improve the institutional, technical, legal and regulatory frameworks for a climate-friendly regional electricity market in the ECOWAS region.

## Approach

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

The sustainability of the interventions is guaranteed by drafting the findings together with the partner institutions and disseminating them exclusively by those institutions. Changes are sought in strategies, policies and regulations that continue beyond the end of the module. The instruments, methods and information devised with the support of the project are also disseminated by participating project partners.

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 – 2027



Left. to right:  
High-voltage power transmission installation. ©GIZ  
Illustration e-forum/exchange platform for energy distribution companies in the ECOWAS region. ©GIZ/ ProCEMII  
Target region, ECOWAS region. ©GIZ



Left. to right:

Illustration of Solar PV installation.

A trainer and a group of participants during the Training on clean energy mini grids (2019)  
©ProMERCII

Illustration on BESS

## Intervention areas/ Outputs

ProCEM II focuses on four main intervention areas:

### Operationalisation of the Regional Electricity Market

WAPP, ERERA and other key electricity market players are supported in developing and introducing key instruments and processes for the operationalisation of the 2<sup>nd</sup> phase of the regional electricity market. The introduction and application of the developed instruments and processes contribute to improving the institutional, legal and regulatory framework for the functioning of the regional market and the integration of renewable energies into the grid in a medium to long-term horizon.

Important instruments in this context include the regional transmission pricing model, the Grid Code (technical, legal and regulatory parts), equipment necessary for monitoring the functioning of the market, and the financial clearing mechanism.

### Operational performance of utilities

The intervention consists in improving the operational performance of electricity companies and enabling them to actively participate in the regional electricity market.

Electricity companies are supported to evaluate their existing deficits, develop a regional strategy for leveraging their technical and economic potentials and take measures to improve their operational performance based on specific actions plans and a comprehensive system for losses monitoring. In this way energy utilities are accompanied to be perceived as reliable business partners in the regional energy market.

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

Relevant regional and national institutions are supported in developing key instruments aiming at improving the **technical, legal and regulatory frameworks for expanding**

### RE power plants and grid-connected **Battery Energy Storage Systems (BESS)**.

The introduction and application of such instruments thus assure the climate-friendly and socially responsible expansion of renewable energy power plants and BESS.

The key activities under this component consist in supporting the implementation of the *West Africa Clean Energy Corridor* (WACEC) programme, supporting the development of key instruments/documents such as regional standard contract documents (power purchase agreement, regional guidelines for the deployment of solar PV systems, etc.), and support for developing framework documents related to Battery Energy Storage Systems (regulatory and institutional, social and environmental frameworks, Least cost investment Plan, etc.).

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

WAPP's **network of regional Centres of Excellence** and other regional training institutions are strengthened to develop and implement high quality and practice-oriented technical and non-technical (online) training courses for the energy actors in the ECOWAS region.

The technical and methodological-didactic competences of selected trainer staff are perfected in special train-the-trainer courses.

The actors benefitting from these courses are able to effectively and efficiently handle the electricity market, implement renewable energy and BESS projects and contribute to the performance of their electricity companies.

The implementation of the *ECOWAS Certification for Sustainable Energy Skills* in collaboration with ECREEE and national examination and training centres is also a key focus of this component.

Targeted initiatives to empower Women in the sector within the ECOWAS region (training, mentoring, etc.) as well as gender-responsive guidelines and strategic documents (e.g. *Manual for Gender Assessments in Renewable Energy Projects, etc.*) are developed in order to contribute to an inclusive and just energy sector.

Published by

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

'Promotion of a Climate-friendly Electricity Market in  
the ECOWAS Region (ProCEM II)'  
08 BP 1132 Tri Postal  
Cotonou/ Benin  
T +229 21 31 76 49  
[procem@giz.de](mailto:procem@giz.de)  
[www.giz.de](http://www.giz.de)

Author

Assani-Massourou Dahouenon

Layout

Brunelle Padonou

As at

August 2025

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

Addresses of  
the BMZ offices

BMZ Bonn	BMZ Berlin
Dahlmannstraße 4	Stresemannstraße 94
53113 Bonn, Germany	10963 Berlin, Germany
T +49 (0)228 99 535-0	T +49 (0)30 18 535-0
F +49 (0)228 99 535-3500	F +49 (0)30 18 535-2501

[poststelle@bmz.bund.de](mailto:poststelle@bmz.bund.de)  
[www.bmz.de](http://www.bmz.de)