



## **ESWATINI ENERGY REGULATORY AUTHORITY**

### **PRESS STATEMENT**

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#### **GENERATION CAPACITY PROCUREMENT THROUGH COMPETITIVE TENDERS**

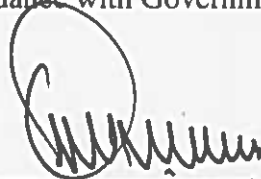
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Eswatini Energy Regulatory Authority (ESERA) is pleased to announce that it will shortly launch the first competitive tender process for the procurement of new renewable electricity capacity in Eswatini.

Following the Minister of Energy's announcement on the 25<sup>th</sup> July 2018, and in accordance with section 25 of the Electricity Act of 2007, ESERA has commenced the process of preparing a tender process for the first round of generation capacity procurement as envisaged in the Short term Generation Expansion Plan (SGEP). ESERA has established a procurement committee which includes representatives from the Government of Eswatini and the Eswatini Electricity Company to assist in the procurement of new renewable generation capacity, and is taking the necessary steps to launch an initial call for tenders in line with Government's policy. This tendering process is being adopted to advance Government's partnership with the private sector and also to ensure the orderly development of new generation capacity to help achieve the country's strategic objectives of increasing the amount of renewable energy in our generation mix while improving our country's self-sufficiency at the same time. This competitive tendering process will benefit electricity users in the country as bidders will offer the most competitive tariffs for the new generation capacity.

1. In line with the above statement, the procurement of new capacity will now be led by ESERA and will be conducted through a competitive bidding process. In Executing this function, ESERA will be guided by the SGEP , the Energy Policy and the Energy Master Plan of Eswatini.
2. The tendering process will be conducted in accordance with the Eswatini Public Procurement Regulatory Agency Act of 2011 and the Electricity Act of 2007. There will be a request for qualification (RFQ) followed by a request for proposals (RFP) and this process will be launched openly by inviting bidders through the media.

3. Screening and evaluation of the submitted proposals will be undertaken by the procurement committee which may be supported in this regard by a technical committee, that will be comprised of key technical representatives from relevant key institutions.
4. The procurement committee will report directly to ESERA on the outcome of the evaluation process. ESERA will make the final adjudication decision in cooperation with the Minister as required in terms of section 25 of the Electricity Act 2007.
5. Licensing of the Independent Power Producer (IPP) will follow the normal process in Eswatini.
6. In the spirit of competitiveness, fairness and transparency, and in line with regional and international procurement best practices, unsolicited bids for generation capacity will no longer be considered.
7. All interested parties will be given an opportunity to compete equally and fairly to qualify and, if pre-qualified, to bid for the capacity to be procured as advertised.
8. All necessary preparations and consultations with all relevant stakeholders are being done to ensure that the transition to the new procurement approach is seamless.
9. We call upon all our esteemed stakeholders to participate in this process and to assist us in developing this sector in accordance with Government policy.



VUSUMUZI MKHUMANE

**CEO: ESWATINI ENERGY REGULATORY AUTHORITY**