

# Newsletter

JANUARY 2022

ISSN 1821 - 7273 ISSUE NO. 32

## EWURA RANKS THIRD IN ELECTRICITY REGULATORY INDEX FOR AFRICA



Motto: *"Fair Regulation for Positive IMPACT"*

## Previous Issue



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## COVER PHOTO:

*A group photo of the EWURA Acting Director General, Engineer Godfrey Chibulunje (center), with stakeholders from the Regional and National Projects Water Utilities Authorities during a session held at EWURA Headquarters in Dodoma: EWURA emerged the 3<sup>rd</sup> in electricity regulatory index for Africa 2021.*

**Motto: "Fair Regulation for Positive IMPACT"**





# FROM THE EDITOR

## **HAPPY New Year 2022 to our all esteemed readers!**

I warmly welcome you all to join us into reading our current edition of the Energy and Water Utilities Regulatory Authority (EWURA), Newsletter, the 32<sup>nd</sup> edition in series of EWURA Newsletters publications.

I have a honour and pleasure to invite you to read various interesting articles from all our four regulated sectors; three energy sub-sectors; Electricity, Petroleum and Natural Gas; and one Water sector dealing with water and sanitation services.

This 32<sup>nd</sup> Edition has accomodated various articles covering some of the activities undertaken for the period between October and December 2021.

During this period, the Authority undertook many regulatory decisions of which some of them have been covered in this edition in compliance with the EWURA Act, Cap 414 of the Laws of Tanzania, Section 6 (e).

Section 6 (e) stipulates that the Authority shall strive to enhance the welfare of Tanzania society by enhancing public knowledge, awareness and understanding of regulated sectors including; the rights and obligations of consumers and regulated suppliers; the way in which complaints and disputes may be initiated and resolved and the duties, functions and activities of the Authority.

In this Edition, activities that have got opportunity to be covered include; EWURA ranks third in Electricity Regulatory Index for Africa, Policy about-turn for Very Small Power Projects, EWURA's achievements 60 years of independence and Local suppliers and service providers' registration free of charge, no agents or middle men; and many more articles.

***You are welcome!***



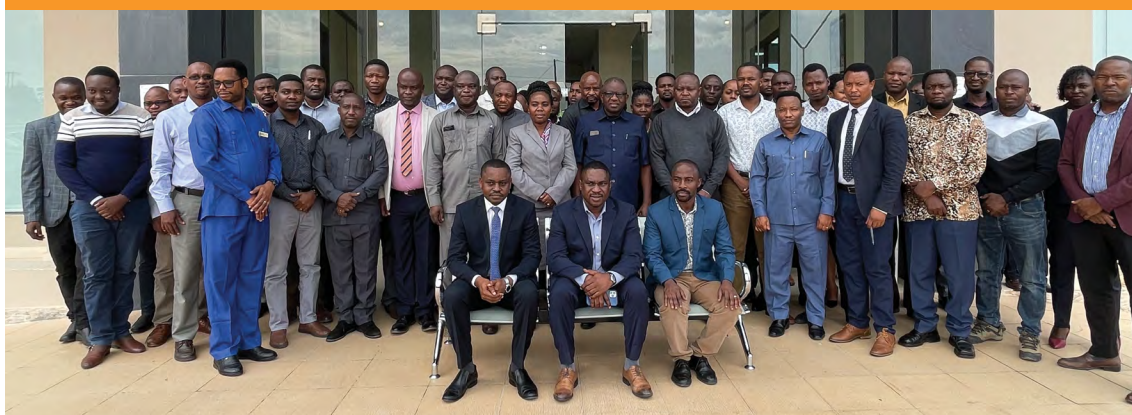
**Titus M. Kaguo**



# EWURA ranks third in Electricity Regulatory Index for Africa

By Wilfred Mwakalosi

The Energy and Water Utilities Regulatory Authority (EWURA) has ranked the third out of 43 national regulators across the African continent in Electricity Regulatory Index for Africa (ERI) 2021. According to the report released recently by Power, Energy, Climate Change and Green Growth Complex of the African Development Bank (AfDB), the report positions Tanzania behind Uganda and Kenya based on three indices of Regulatory Governance Index (RGI) Regulatory Substance Index (RSI); and Regulatory Outcome Index (ROI).



A group photo of the EWURA Acting Director General, Engineer Godfrey Chibulunje (center), with stakeholders from the Regional and National Projects Water Utilities Authorities during a session held at EWURA Headquarters in Dodoma: EWURA emerged the 3<sup>rd</sup> in electricity regulatory Index for Africa 2021.

The Ag. Director General of EWURA, Eng. Godfrey Chibulunje said: "The report recognizes that, regulators have a fundamental role in attracting private sector investment in the energy sector and, at EWURA, we have really managed this well."

Eng. Chibulunje noted that, investors expect transparency, predictability and good

governance from sectors in which they operate.

The ERI was developed from answers to a comprehensive survey administered to national regulators and utilities from 43 countries across the African continent.

ERI measures the level of development of electricity regulatory sector based upon

industry best practice and it has been developed as a tool to identifying areas in which improvements are most needed.

Eng. Chibulunje, however, says that the regulator will strive for improvement, especially on the Regulatory Outcome Indicator by cooperating with the power utility (TANESCO) in order to improve quality and reliability of power supply specifically on internationally recognized indicators – the System Average Interruption Index (SAIDI) and the System Average Interruption Frequency Index (SAIFI) which are used to measure the technical quality of service of utilities.

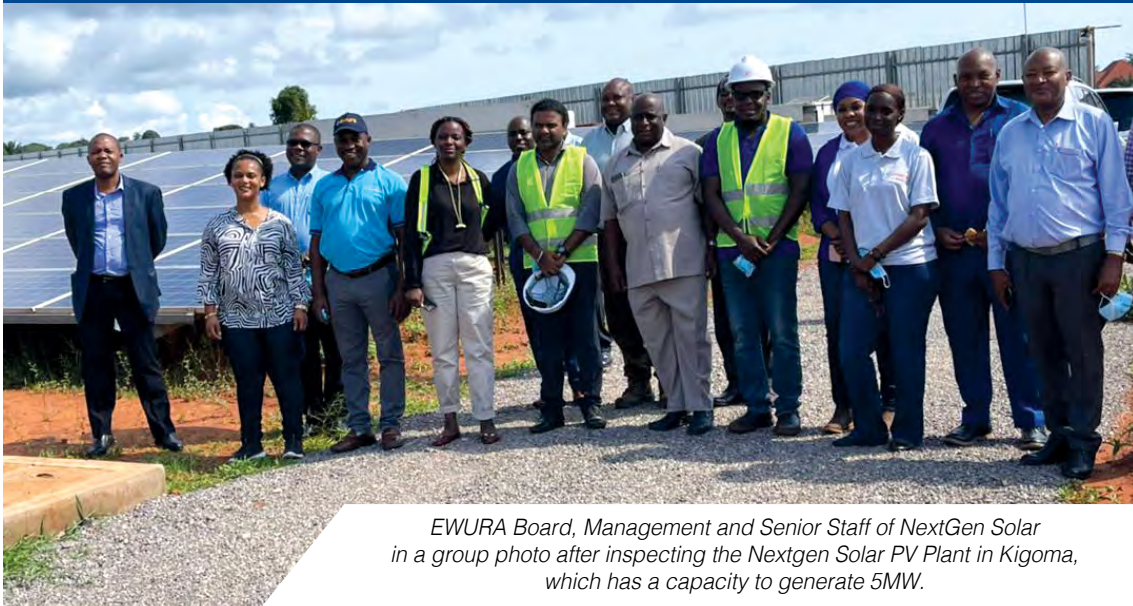




# Ewura's Board Satisfied With the Availability of Regulated Services in Kigoma Region

By **Tobietha Makafu**

The Board of Directors of the Energy and Water Utilities Regulatory Authority (EWURA) has been satisfied with the availability of regulated services of electricity and water; and sanitation services as well as the development of infrastructures in Kigoma region. This was revealed recently after the Board paid a visit to TANESCO power plants, SOLAWAZI, a private solar power plant as well as the Kigoma Water and Sanitation Authority (KUWASA) infrastructures.



*EWURA Board, Management and Senior Staff of NextGen Solar in a group photo after inspecting the Nextgen Solar PV Plant in Kigoma, which has a capacity to generate 5MW.*

Speaking on the electricity services, acting Manager of TANESCO Kigoma Region, Eng. Kije Mkuu said, electricity supply in Kigoma region is improving, compared to previous times as electricity problems have significantly decreased.

TANESCO is in the process of installing two new machines that will increase electricity production by 2.5 Megawatts, thus making the electricity generated by TANESCO Kigoma to 8.75 MW from 6.25 MW generated previously, making the electricity woes to Kigoma residents' "a history," said Engineer Kije.

Speaking on the water service, KUWASA CEO Eng. Mbike Jones, said, currently water supply service has improved, with hours of access to water services increased, from seven hours to the current 18 hours.

"Water service has improved after the Government made significant investments in water sources, making huge number of Kigoma residents access the service," said Eng. Mbike.

EWURA's Director General, Eng. Godfrey Chibulunje, said: "The improvement of these services has reduced number of complaints lodged

to the Authority, regarding the availability of such services in the region. I hope services will improve, especially after the Government achieves a goal on connecting the region to the National Grid.

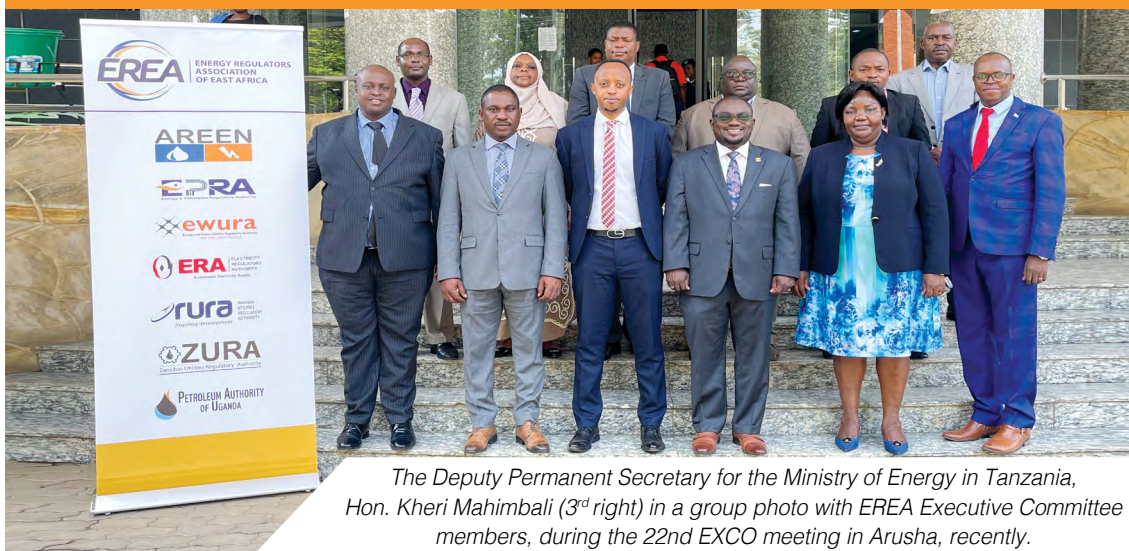
The Chairperson of Energy Committee of the EWURA Board, Ms. Victoria Elangwa, said the visit had a great success as they had witnessed huge Government's investments in water and electricity infrastructures, as well as a private investor producing an average of 5 MW and making the people of Kigoma to enjoy regulated services.



## EWURA participates in Energy Regulators Association of East Africa forum

By Staff Writer

The Energy and Water Utilities Regulatory Authority (EWURA) has recently participated in the 22nd Executive Committee Meeting and various portfolio committee meetings of Technical, Economic and Legal Affairs of the Energy Regulators Association of the East Africa (EREA) held in Arusha. The meeting discussed various matters related to energy sectors regulation in order to strengthen economic, commercial, social, cultural, political, technological and other ties for fast balanced and sustainable development within the East African region.



*The Deputy Permanent Secretary for the Ministry of Energy in Tanzania, Hon. Kheri Mahimbali (3<sup>rd</sup> right) in a group photo with EREA Executive Committee members, during the 22nd EXCO meeting in Arusha, recently.*

All EREA members participated in the meeting which include the Energy and Water Utilities Regulatory Authority (EWURA) of Tanzania, Energy and Petroleum Regulatory Authority of Kenya (EPRA) and Electricity Regulatory Authority of Uganda (ERA).

Others were; Rwanda Utilities Regulatory Agency (RURA), Authority of Regulation of Water and Energy Sectors (AREEN of Burundi), Petroleum Authority of Uganda (PAU) and Zanzibar Utilities Regulatory Authority (ZURA).

Speaking to the staff Writer, EREA's Executive Secretary, Dr. Geoffrey Mabea said; "These meetings will pool together the expertise in regulatory matters, relating to the energy sector, including but not limited to

facilitating the development of good policy proposals and legislation on energy regulation in line with international trends and best regulatory practices"

He added: "Among other things, the association will be able to promote regional cooperation in energy infrastructure planning, capacity building, development of sustainable energy projects and harmonized market structures".

Speaking about EWURA's participation in the meeting, EWURA's Acting Director General, Eng. Godfrey Chibulunje said, being a member of EREA, EWURA will strengthen its expertise through information and experience exchange, which is one of the principals of international best regulatory practices.

"In order to faster achievements of its vision, EWURA is also affiliated with other regional associations such as Regional Electricity Regulators Association of Southern Africa (RERA); African Forum for Utility Regulators (AFUR); Eastern and Southern Africa Water and Sanitation (ESAWAS) Regulators Association; African Refineries Association (ARA) and the Independent Regulatory Board of the East African Power Pool (IRB-EAPP)" said Eng. Chibulunje.

EREA was found in 2008 through a Memorandum of Understanding (MoU) by the then Chief Executive Officers of the Energy Regulators Association of the East African Countries, with the mission of supporting harmonization of national energy regulatory frameworks through advice, information sharing, capacity building for improved quality of life in the East African region.



# Electrical Installation Licence Education Reaches Students in Colleges

By **Tobietha Makafu**

**T**he Energy and Water Utilities Regulatory Authority (EWURA) has urged all students who graduate from electrical engineering colleges to have a license on installation of electrical systems offered by EWURA upon their courses' completion so that they can be able to perform electrical works. EWURA Northern Zone Manager, Eng. 'Lorivii Long'idu' made the call recently on a one-day seminar for students studying electrical engineering at Veta and Karanga college in Moshi, Kilimanjaro.



*EWURA's Legal Officer, Mr. Baraka Butoto, clarifying a matter to electrical cadre students at Karanga Vocational College, in Moshi, Kilimanjaro region.*

Speaking during the training, Eng. Long'idu said EWURA has decided to provide such training to students, who are about to graduate from college, because they are workforce looking to enter into labour market, so they should be aware of the rules and regulations that must be followed when doing their electrical installation activities.

"Electrical installation activities should be performed by qualified people, we are providing this training to Veta and Karanga technical college students, so that when they graduate, they will be able to apply for electrical installation licenses from EWURA before providing services to the consumers," said Engineer Lorivii.

Eng. Lorivii added: "According to the Electricity Act 2008 and the Electrical Installation Regulations

of 2019, it is illegal to carry out electrical installation activities without having a license from EWURA".

Eng. Lorivii further said that Authority had conducted various inspections and found that there were many electricians working without a license and some do not know procedures for obtaining such licenses.

"Our sixth phase government under her Excellence President, Samia Suluhu Hassan, is in the process of supplying electricity service to all villages in the country, so we will have a great need for licensed electrical installation personnel to assist in the installation of electrical systems in different places, so it is good that these students understand the importance of having a license", he said.

On his side the Principal of Karanga Technical College, Mr. Mikel Laizer, thanked EWURA for providing such training at their college and pledged to continue expanding the scope in the electrical courses.

Speaking about the training, the Acting Principal of Veta Technical College in Moshi Urban, Mr. Deoglas Mluka said: "EWURA has done a very important thing to provide education to the students who are about to complete their studies.

EWURA is responsible for overseeing the activities of the Electricity Sub-sector, done by licensed electrical installation personnel. It is EWURA's duty to educate the electricians so that they conduct their activities according to the law.



## Policy about-turn for Very Small Power Projects

By Wilfred Mwakalosi

The Government is keen to see thriving of Very Small Power Projects (VSPPs), which over the years have helped bridging a service supply gap that exist in areas which are yet connected to the national power grid. There are about 3.7 MW which comes from VSPPs across the country, making an enormous contribution in the economic sector of the rural areas.



The Government is keen to see thriving of Very Small Power Projects (VSPPs), which over the years have helped bridging a service supply gap that exist in areas which are yet connected to the national power grid.

However, in recent years, investments in the VSPPs category had have been struggling financially and their services significantly deteriorated, as they tried to comply with the policy directive that required them to charge not more than TZS 100 per unit as their power price.

Recently, the Ministry of Energy has decided to lift the policy directive as it was contrary to existing policy and legal

framework guiding the Electricity Sub-sector.

By selling power at TZS 100 per unit, which is equal to a tariff charged by TANESCO to the lifeline tariff customers, power services at the villages have

deteriorated due to the fact that VSPPs could not cover costs and henceforth offered poor services.

Generally, investors in such small power projects are allowed to operate their projects under cost reflective tariffs which allows them to return the cost of their investments and further expand their services in underserved areas while observing the quality of their service.





# Government waves regulatory levies to lower petroleum products prices

By **Tobietha Makafu**

In a bid to curb the skyrocketing petroleum products prices in the local market, the Sixth Phase Government, under Her Excellency, President Samia Suluhu Hassan, has amended various levies charged in all petroleum products in the country. President Samia has taken such a move to curb the steadily rising petroleum products prices in local market which have long been rising sharply thus affecting consumers of the commodity in the country.

The reduction in levies will bring relief of fuel costs to the consumer for about 102 billion shillings a year as well as lowering prices per month. For instance; in October 2021, price would have increased by Tzs. 145 per litre or more, but with the reduction and restructuring of the levies, the price has had increased by only 12 shillings.

Explaining further on the revised levies, EWURA's Acting Director General, Eng. Godfrey Chibulunje said, the Government has changed modality for the levy payment of port infrastructure levy for port infrastructure which was levied US \$10 plus Value Added Tax (VAT) per tonne, be charged to shillings.

The Government has also restructured the Tanzania Revenue Authority (TRA) levy for processing documents from Tzs. 4.8 per liter to a specific amount of Tzs. 20 million per ship, a change that will have a relief at an average of Tzs. 14.79 billion per annum from 3.42 billion liter according to 2020 statistical figures.

The Government has also restructured the levy charged by Tanzania Measurement Agency (WMA) per litre to a standard of Tzs. 7 million per ship, a change that brings relief to the users by an average of Tzs. 2.85 billion per year.

President Samia has taken such a move to curb the steadily rising petroleum products prices in local market which have long been rising sharply thus affecting consumers of the commodity in the country.

The Government has also restructured the Tanzania Bureau of Standards (TBS) levy of measuring the quality of imported oil (charging Tzs. 1.24 per liter) which is now charged at a specific rate of Tzs. 12.8 million per ship, a change that will bring relief at an average of Tzs. 3.21 billion per year.

Eng. Chibulunje also said, the Government has changed the levy to the Tanzania Shipping Agency (TASAC), from Tzs. 3.54 per liter to a standard levy of Tzs. 20 million per ship. This discount has provided relief to consumers by an average of Tzs. 10.45 billion per year.

Eng. Chibulunje added that the Government has also abolished the levies for Local Government Authorities of the Councils, namely Temeke and Kigamboni in Dar es Salaam region, Tanga and Mtwara. This applies to petroleum wholesalers with oil storage facilities. The changes will bring relief to oil consumers an average of Tzs 19.82 billion per annum.

In another development, Eng. Chibulunje said, the Government has reduced the cost of fuel marking to Tzs. 7 per liter from Tzs. 14 per litre charged before this restructuring; a change that will bring relief of Tzs. 23.92 billion per year.

# Ewura's Achievements to 60 Years of Independence

**By Staff Reporters**

**T**he Energy and Water Utilities Regulatory Authority (EWURA), was established by the Energy and Water Utilities Regulatory Act, Chapter 414 of the laws of Tanzania, having been conferred with the responsibility for technical and economic regulation of the energy sector (electricity, petrol, natural gas) and water and sanitation services in Tanzania mainland. EWURA has a duty of issuing licenses and monitoring its implementation, quality control of services and products, infrastructure, the sustainability of service providers, price and tariff setting, listening to and resolving complaints and providing public education and awareness.

Speaking about EWURA's achievements during 60 years of independence, the Acting Director General of EWURA Eng. Godfrey Chibulunje said, EWURA has continued to resolve various disputes and complaints from consumers of regulated services against service providers of electricity, petrol and natural gas and water and sanitation services.

"Within 60 years of independence, EWURA has contributed TZS 75.2 billion over the past consecutive 8 years to government treasury, EWURA CCC TZS 14.5 billion, Government Consultative Council TZS 5.3 billion, Fair Competition Tribunal (FCT) TZS 32.17 billion and Fair Competition Commission (FCC) TZS 957 million", Said Eng. Chibulunje.

Speaking about involvement of Local Suppliers and Service Providers in oil and gas projects within the country,

Eng. Chibulunje said, EWURA has successfully developed a database to register all those who are able to participate in the oil and gas products in providing various services; and at by December 2021, a total 1,182 companies had already been registered.

petroleum products in bottled cans and in unauthorised premises or areas.

"Within 60 years of independence, EWURA has continued to make sure that, all electrical installation activities are conducted by the qualified personnels, who have a license from EWURA in order to ensure the health and safety of consumers and service providers as well" he said.

Eng. Chibulunje further said, in the petroleum sector, EWURA continues to control the quality of the product, infrastructures, product safety and environmental protection, whereby the Authority has managed fuel prices more efficiently compared to other products, since started setting up prices caps on January 6, 2009.



**1961-2021**

**MIAKA 60 YA UHURU;  
Tanzania imara, Kazi iendele.**

Furthermore, EWURA has simplified the procedures for the construction of low cost petrol stations in rural areas in order to attract investment and to eliminate illegal selling of





### Ewura's Achievements 60 Years of Independence Cont...

EWURA has introduced a bulk procurement system, which has improved the petroleum quality, increasing the government taxes and reduced fuel costs which had been caused by port delays, as well as eliminating adulteration from 80 percent in 2007 to less than 4 percent today, he added.

“On the Liquefied Petroleum Gas (LPG), within 60 years of independence, EWURA has encouraged investment and usage of LPG for domestic activities and facilitated market growth to 70 tonnes per year, as well as improving quality of the product, with its price remaining unchanged for a long duration” he said.

In making sure that the water sector is improving, EWURA has been conducting annual water utilities performance reviews for Regional and National Projects and Districts and Small Towns, and benchmarking for the best and least performers, which has prompted water authorities to work hard and even obtain international licenses such as the Tanga and Moshi Water Utilities Authorities.

In the natural gas sector, EWURA has ensured quality in natural gas processing activities, transportation,

“Within 60 years of independence, in the past 8 consecutive years, EWURA has contributed TZS 75.2 billion to government treasury, EWURA CCC TZS 14.5 billion, Government Consultative Council TZS 5.3 billion, Fair Competition Tribunal (FCT) TZS 32.17 billion and Fair Competition Commission (FCC) TZS 957 million”

distribution and quality of supply infrastructure at the required standards through routine performance monitoring and inspections.

Furthermore, EWURA has been recognized internationally by various institutions whereby in 2009, it emerged the best energy regulator, following analysis conducted by Cape town University, involving other regulators from Uganda, Kenya, Zambia, Namibia and Ghana.

Also in 2011, a study conducted by the European Union (EU) showed that, EWURA is the best regulator in the field of good governance, transparency and independence.

In 2015, EWURA won the award for best energy regulator in Africa, at an event held in Dubai at the annual energy regulators’ conference. A report released by Bloomerag, revealed that in 2015, EWURA took the lead in creating a conducive environment for investment in the energy sector within sub-Saharan Africa.

The ESAWAS 2016 report, has shown that, EWURA is the best regulator in water and sanitation services in Eastern and Southern African countries, based on good governance plans in regulation.

In 2021, during the commemoration of the 60th years of Independence, according to a study by the African Development Bank, on electricity regulation in Africa, out of 43 countries, Tanzania has emerged the third country in terms of regulatory environment through EWURA.





## Local suppliers and service providers' registration free of charge, no agents, middle men

By Staff Writer

**REGISTRATION** of Local suppliers and service providers in EWURA's data base, to participate in the provision of services in mid and downstream petroleum and natural gas national projects in mainland Tanzania is absolutely free of charge; and there are no agents. EWURA Communications and Public Relations Manager, Mr. Titus Kaguo, made a remark while encouraging Tanzanians to register in the EWURA local content database by filling form N-100, available at EWURA website [www.ewura.go.tz](http://www.ewura.go.tz) and submit the same through [info@ewura.go.tz](mailto:info@ewura.go.tz).

The remark has come following a recent wave of scammers, deceiving Tanzanians that registering in the database is expensive and it can easily be afforded by paying certain amount of money to them (middle men/ agents), in order to be registered, is a lie to the citizens.

"There are scammers deceiving local suppliers and service providers companies, that in order to register in the EWURA data base, for provision of services in oil and natural gas projects; they have to give scammers money so that they are registered in the database; this is not true; registration is free," said Mr. Kaguo.

Explaining on the procedure for registration, Mr. Kaguo said, service providers must complete N-100 form, accessed in the EWURA website [www.ewura.go.tz](http://www.ewura.go.tz), attaching a copy of BRELA's

company registration certificate, a copy of the taxpayer identification number (TIN), a copy of tax clearance certificate and a copy of business license.

Registration of Local suppliers and service providers in EWURA's data base, to participate in the provision of services in mid and downstream petroleum and natural gas national projects in mainland Tanzania is completely free of charge; and there are no agents.

Others; include copy of registration with professional boards (for example CRB) for construction companies, copy of company's registration in the National Social Security Fund (NSSF), bank statement of at least

three months and copy of shareholders' certificate from BRELA.

"Registration on the local Suppliers and Service Providers Database (LSSP) is for Tanzanian owned companies. Foreign companies can be registered when in joint venture, with a local company for at least 25 percent of the shares," he said.

As of December 2021, a total of 1,182 companies had already been registered in the database, some of them providing services on agricultural products and fisheries, electronics, civil and mechanical engineering, sellers of spare parts for vehicles and machinery, transportation, health, insurance, communication, law, administration, human resources, security, accommodation and food.