

Corrigendum: Africa Energy Outlook 2022

**Issued:** 22 May 2023

Link to report: https://www.iea.org/reports/africa-energy-outlook-2022

On **page 5**, add the following name in staff acknowledgments **Michael Drtil** (power)

On page 6, add one name in the list of contributors

Sandrine Ngalula Mubenga - Electricity Regulatory Authority (ARE), DRC

On **page 43**, Paragraph no. 4, line 6, replace Tanzania-Uganda Natural Gas Pipeline with Tanzania-Uganda Oil Pipeline

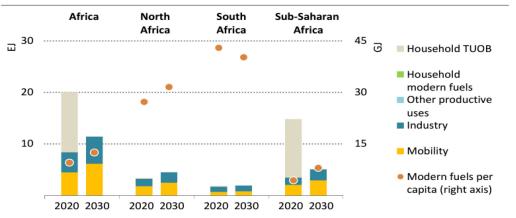
Substantial upgrades are also needed in the fuel delivery infrastructure. Most of it is located in coastal areas, with only minimal facilities to serve inland demand. A few cross-country pipelines are in operation, such as the West African Gas Pipeline from Nigeria to Niger, Togo, Benin and Ghana, and the Mozambique Pipeline Company, which connects the country's onshore gas fields to Sasol's operations in South Africa. While several national or cross-border pipeline projects are planned, notably the Tanzania-Uganda Natural Gas Pipeline, the Trans-Nigeria Gas Pipeline and the Trans-Sahara Gas Pipeline, linking Nigeria and Algeria, financing remains uncertain. In light of Russia's invasion of Ukraine, there is renewed interest in advancing some of these projects, as well as liquefied natural gas (LNG) terminals, to allow African gas to reach international markets, though completing them will take several years.

On **page 68**, replace figure 2.6 (old and new figures are displayed below)

Making bars visible in graph (green bars, for example)

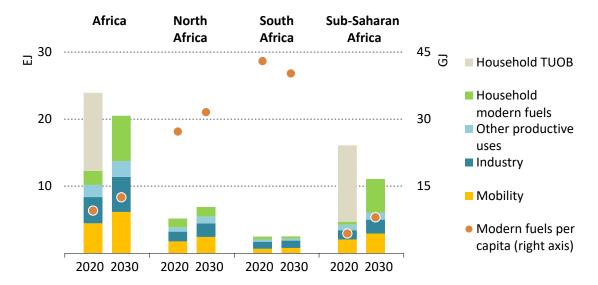
# **OLD FIGURE**

Figure 2.6 ▷ Total final energy consumption by sector and modern fuel use per capita by region in the SAS





#### **NEW FIGURE**



On **page 134**, Chapter 3.3.3. Market Reforms, line 4, replace USD 150 billion with USD 15 billion On **page 134**, Chapter 3.3.3. Market Reforms, last line of the page, replace USD 150 billion with USD 15 billion

On **page 135**, Chapter 3.3.3. Market Reforms, first line of the page, replace USD 50 billion with USD 5 billion

# 3.3.3 Market reforms

Public utilities will need to be responsible for much of the investment in upgrading the electricity systems across the African continent. This is a daunting prospect, given their perilous financial state today: operating losses among all African utilities are thought to have exceeded <a href="USD 150 billion">USD 150 billion</a> in 2020. Poor payment collection rates, theft, cost increases (including the cost of capital), operational problems and supply chain constraints are reducing cash flows and driving up debt. Priority areas for action include tariff structure reform, the use of concession agreements granting rights to private operators, regulatory carve-outs for private sector investment and ownership, and the introduction of auctions and competitive tenders.

Reforms to make electricity tariffs cost reflective has been implemented or is under discussion in 24 African countries, often at the behest of multilateral development banks, which have included such reforms as a contingency for lending. These reforms are intended to reduce operating losses and target subsidised tariffs to customers most in need. However, reforms started prior to the pandemic have been delayed as governments seek to protect households hit by rising poverty. They are becoming even more urgent for utilities to avoid defaulting on their loans in the face of rising costs, but also more precarious politically. International support is likely to be critical to get these reforms back on track. Planned reforms are assumed to be implemented and subsequently extended to all countries in the SAS, with the process being completed in all regions by 2035. This brings the combined operating losses of African utilities down by more than 70%, from just over USD 150 billion

134 Africa Energy Outlook 2022 | Special Report

in 2020 to less than USD 50 billion (in real terms) by 2030. Around two-thirds of this improvement is related to subsidy removal, while about one-third results from higher electricity sales.

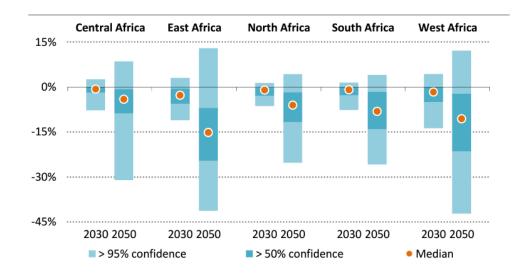
Figure 3.17 Status of cost-reflective tariff reform in selected African countries,



On page 183, replace figure 4.6 (old and new figures are displayed below)

Rectifying mistakes in labels

## **OLD FIGURE**



# **NEW FIGURE**

