

**THE SPEECH DELIVERED BY THE DIRECTOR GENERAL OF
EWURA IN A SHORT CEREMONY FOR ISSUANCE OF THE
PROVISIONAL ELECTRICITY GENERATION LICENCE TO AG&P
POWER CO. LTD THAT WAS HELD AT EWURA BOARD ROOM**

21ST February 2007

Divisional Directors
EWURA

Managing Director AG & P Powers Ltd
Mr. Gathercole

Officers and Staff members of EWURA

Distinguished guests

Ladies and Gentlemen

It gives me a great deal of pleasure to deliver to Peter Gathercole on behalf of Artumas Group and A G & P Power Ltd this Provisional Electricity Generating Licence to operate an 18 MW Electricity Power Plant located at the Tanzania Ports Authority premises near Mtwara port, in Mtwara region. This license is provisional and it is anticipated that Artumas will apply for a permanent licence as soon as they have completed their commissioning tests and before it expires and after EWURA Rules on licencing and other incidental matters are out and operational.

Dear colleagues

Today is a big day, not only for the Artumas Group, but also for EWURA. It is significant for Artumas because effective today, AG&P Ltd are legally authorized to provide generation services for use by TANESCO and for the people of the Lindi and Mtwara regions. And it is significant for EWURA because the AG&P Provisional Licence is "Licence Number One" granted by the Authority.

EWURA is an independent regulatory body established under section 4 of the EWURA Act Cap. 414 with the mandate *inter alia* to issue licenses and approve tariffs for all service providers in public utilities which includes Water, Electricity, Gas and Petroleum sectors in Tanzania. EWURA is also mandated to set and enforce customer service standards and to promote the development of an attractive climate for investment in all regulated industries.

Dear colleagues

EWURA has been working with the Artumas Group since EWURA's Board of Directors was appointed last June and the Authority

became operational soon thereafter. Artumas have been diligent in keeping EWURA fully informed of the company's progress in the development of gas to electricity project in southern Tanzania and it is my belief that such special working relationship will be cherished and it is here to stay. The Mnazi Bay gas to electricity project will generate power that is sufficient for small and medium industries in Lindi and the Mtwara Regions, and I have been informed that some will be exported to Kenya which move if indeed it will come into a reality will mark a milestone achievement in energy development in Tanzania, as for the first time in its history Tanzania will be exporting electricity outside its borders.

Today EWURA is issuing AG & P Power Co. Ltd with this licence and all of us here are happy together with all people of Tanzania in general and Lindi and Mtwara in particular. This licence is not a mere piece of paper as it contains some terms and conditions which you will be bound to follow, and it is my considered belief that you will abide by each and every condition in the licence. We expect AG & P Co. Ltd will provide to people of Lindi and Mtwara according to this licence with reliable, affordable and cheap electricity which in turn will assure them of the expected returns from their investment.

Dear colleagues

As you are all aware that EWURA's mandate under Cap. 414 is not only limited to issuing and revocation of licences and permits as it goes further to such other issues like establishment of standards for goods and services, enhancing public knowledge and awareness of the regulated sector and we therefore expect that AG & P Power Ltd will regularly and timely submit data and information to facilitate monitoring compliance to license terms and conditions? This goes without saying the need to timely pay the required annual levy plus any other charge or fees as will be required by EWURA.

Dear colleagues

As we are all celebrating this landmark event in the history of utility regulation in Tanzania let me finish my speech by again extending my sincere congratulation to the management and workers of AG & P Power Ltd for this remarkable achievement.

- **THANKS FOR YOUR ATTENTION** -