



LEGAL ALERT

CREATION OF THE ENERGY REGULATORY AUTHORITY

The Mozambican Government has fulfilled its plan, established a few years ago, of creating an authority responsible for regulating, controlling and supervising the energy sector in Mozambique, i.e., the Energy Regulatory Authority (Autoridade Reguladora de Energia – ARENE) through the approval of Law no. 11/2017, of 8 September ("Law").

This accomplishment is aligned with the role that Mozambique intends to achieve in the medium and long-term at the international energy context, aiming to develop, in a sustainable way, all its energy resources, whether renewable or non-renewable.

Among the several powers attributed to ARENE, it is important to highlight its active role in three important fronts, namely:

- i. «instruct and process the public tender procedures for the assignment of concessions for the production, transportation, distribution and sale of electric energy and distribution and sale of natural gas, the issuance of the respective opinion, as well as the requests for transfer of concessions;»
- ii. «instruct and process the granting of licenses for the processing, distribution and marketing of liquid fuels, and to issue opinions on the applications for the transfer of licenses;»
- iii. «establish and approve the tariffs and prices for energy, gas and petroleum products regulated under the law and ensure its application».

ARENE shall comprise three bodies – the Board of Directors, the Supervisory Board and the Advisory Board –, whose members have not yet been appointed, and it is also waiting for the approval of its statute and the regulation of the Law (which should take place until December 7, 2017).

¹ Paragraphs b), c) and d) of no. 1 of Article 7 of the Law no. 11/2017, of 8 September.





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