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CANE FOR GROWTH

EDITOR'S NOTE

By: SV Nkambule

We present to you the latest version of the ECGA internal newsletter covering the period from October 2024 to February 2025. The period was dominated by public consultations on proposed electricity tariffs adjustment, an anxious and sometimes emotional subject for growers. Read about the dramatic process and its culmination in an 8% award for each of 2025/26 and 2026/27 years.

The Eswatini Sugar Association Technical Services graciously contributed an article on the unpredictable rainfall patterns experienced by the industry to date. We hold the view that the impact of climate change is written all over the shift in the rainfall pattern encountered. The article also highlights current weather forecasts for the next 3 months.

The ECGA Office also took advantage of the publication to announce planned special general meetings to decide on constitutional amendments and a special purpose vehicle.

We wish our members an enjoyable read and successful farming



ELECTRICITY TARIFF REVIEW HEARINGS

By: Simphiwe Dlamini and SV Nkambule



As 2024 marks 2 years since the last electricity tariff increase, EEC made an application for an increase of 25.51% and 27.06% in the financial years 2025/26 and 2026/27, respectively.

As procedure calls, The Eswatini Energy Regulatory Authority (ESERA) hosted public review hearings on the matter, for the various stakeholders, including farmers to attend. The reason for this increase, according to EEC MD, Mr Ernest Mkhonta, include; high import costs, copper and electricity theft, adverse previous awards and foreign exchange rate movements, amongst others.

The hearings were well attended, robust, emotional, and dramatic at times. The Stakeholders, although diverse, had the same response to EEC's request, that it was too expensive and couldn't be afforded by consumers. Growers' concerns were that this increase will continue to cripple their businesses as electricity is a major input of their business and it is already the 2nd highest production cost. They requested ESERA, in the future, come independently to review farmers, financials so as to see the true impact this increase would have, to which the ESERA CEO promised to follow up on.

Fast forward to February 2025, the award decision was as dramatic. Immediately ESERA announced a 14.67% and 10.91% Government, as the shareholder, promptly announced a further downward adjustment to 8% effective 1 April 2025 and 8% effective 1 April 2026. This was done in the interest of the consumer and the country. That is the position facing growers for the next 2 financial years.

On a positive note, we would like to commend growers for showing up in their numbers to the hearings and making their voices heard. For further motivation, ECGA CEO followed up with written submissions to ESERA on behalf of the growers.

ESERA PV Installer Licensing Program

By: Simphiwe Dlamini

On the 8th of November 2024, The Eswatini Energy Regulatory Authority held a workshop on solar installation at Hilton Garden Inn, in Mbabane. Various industry stakeholders were present, including PV installers, Eswatini Electricity Company, ECGA representing sugar cane growers, DIVT (Directorate of Industrial and Vocational Training) etc. Also present was Green Solar Academy, which are the consultants that worked with ESERA on this project.

What ESERA and the consultants are proposing is a PV Installer Licensing Programme in Eswatini starting from the 1st of April 2025. This programme is to be undertaken by all installers after which they will go onto ESERA's records as accredited PV installers. A basic understanding of the field is a requirement but prior qualification is not as this is not an academic programme but one of competency.

The assessment will take 2 days, testing theoretical knowledge on the 1st day and practical knowledge and skill on the second day. Exemptions will be awarded at the discretion of ESERA, e.g. on Green Card holders.

EEC also took the floor, presenting, amongst other things, the challenges they face as a utility with regards to wrongly installed solar panels, with that urging both consumers and service providers (i.e. installers) to adhere to the regulations, e.g. Phehla Sikwati.



REGISTER WITH EEC TO PROTECT YOUR SOLAR INSTALLATION

By: Dr Siphon Nkambule



In the recent past, Eswatini Electricity Company (EEC) and the Eswatini Energy Regulatory Authority (ESERA) have made calls for the registration of all grid-tied solar installations. Upon checking with EEC the Office has noticed that the number registered is still lower than the number of installations that we know to exist in the sugarcane growing zones.

The value of these installations increases by the day especially with recent announcements of significant tariff escalations. An ideal situation would be integrating the generation license and the aforesaid registration. Most unfortunately that integration has not yet happened. The office wishes to appeal to cane growers to consult the Utility (EEC), preferably before contracting with installers, to get the requirements. The Eswatini Sugar Association (ESA) Technical Services (TS) Department helps provide support and guidance in this regard.

For those who have already installed solar plants and have not yet registered, compliance is advised. Kindly seek direction from Extension Officers or ESA TS for directions. Kindly heed this reminder with the urgency that it deserves

ECGA MEMBERS (QUOTA HOLDERS) SHOULD RESERVE THE 20, 21 AND 22 MAY 2025 FOR SPECIAL GENERAL MEETINGS: Approval of Special Purpose Vehicle and Constitutional Amendments for recommendation to Minister

By: Dr Siphon Nkambule



Simunye Planters Group Farmers. Picture is courtesy of Nkosinathi Sihlongonyane, ESA Technical Services.

The Association has, for the past 6 years, been pursuing two ambitious projects. First was the member felt need for special purpose vehicle (SPV) to enable creation of alternative revenue sources for the Association and broaden savings and credit facilities for the cane growing business. The exercise, was carried out by Mohale Emmanuel Consultants, culminated in the approval of a Report for submission to Special General Meetings of members. If and when approved by the Planters' Groups, the SPV will be registered and operationalised.

The second crucial strategic initiative was the review of the Association Constitution. The last review of the document had been done in 2003. Since then, a number of developments have taken place. These included change of the country name from Swaziland to Eswatini and significant growth of small-scale growers (SSGs) on Eswatini nation land (ENL).



In 2018 the Executive Committee (ExCo), in response to a call by members, commissioned a Task Team to consult members at grassroots level and make recommendations. The exercise was concluded in 2023, and the recommendations were approved for submission to Planters' Groups special general meetings. If and when approved the amendments will be recommended to the Minister of Agriculture for gazetting.

The special general meetings are tentatively scheduled as follows;

Mhlume Planters' Group – 20 May 2025

Simunye Planters' Group – 21 May 2025

Big Bend Planters' Group – 22 May 2025

Further details will be communicated closer to the time. Members are requested to reserve the above dates and are further reminded that this is a meeting of the quota holders or representatives authorised through written proxies. See you then.

WEATHER PATTERNS IN THE 2024/25 SUMMER

By: Patrick Mkhali (Irrigation Officer)

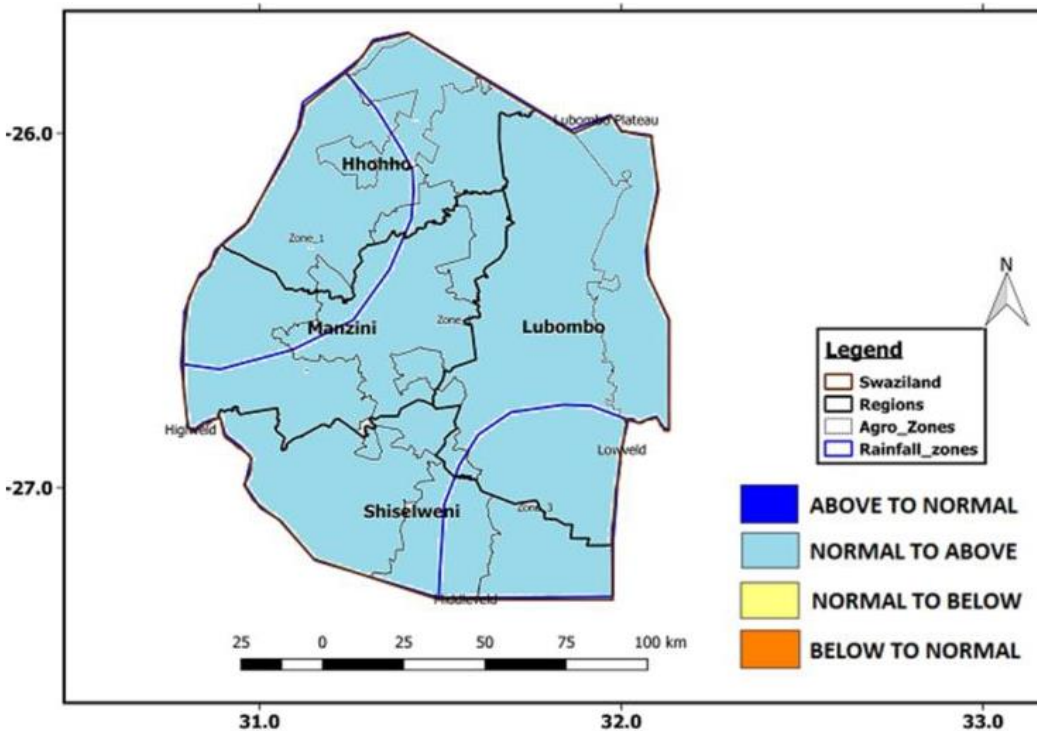


Figure 1: Rainfall forecast for October 2024 - March 2025
(*Source: Eswatini Meteorological Service*)

Rainfall is key in the growing of any crop like sugarcane. Since sugarcane is grown under full irrigation, substantial rainfall in the sugar industry is important not only to supply water for the growing of sugarcane but to also fill up dams used by the sugar industry during the rainy season. Therefore, projections with normal to above-normal rainfall are always good news to sugarcane growers.

The rainfall forecast released by the Eswatini Meteorological Service for the 2024/25 rain season (October to March) showed a general normal rainfall with a bias of above-normal rainfall in most areas of the country (**Figure 1**). However, in October and November 2024 period rains were below the long-term-mean (LTM). This season substantial rainfall above the LTM was received in December and January, yet in the 2023/24 season substantial rainfall was received in October and December during this period (**Figure 2**). The trend of substantial rainfall being received in November and February seems to be shifting in the past two seasons.

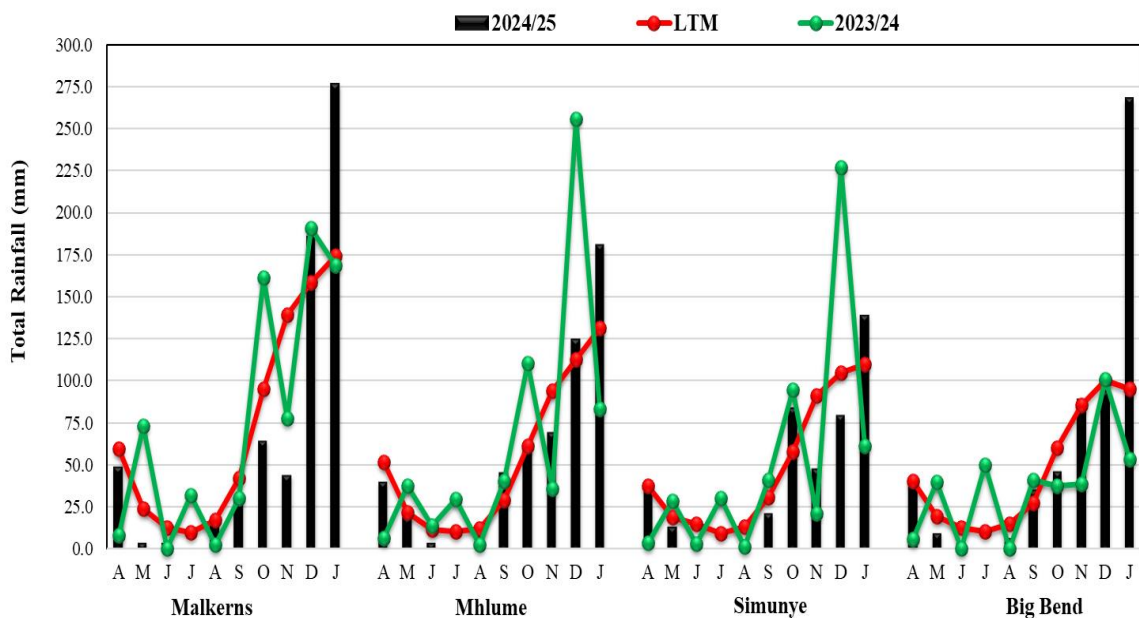


Figure 2: Rainfall received in the sugar industry in 2023/24 and 2024/25 rain season (October 2024 - January 2025)

The rainfall received in the 2024/25 rain season to-date (October to January) was above the LTM in most of the sugarcane growing areas. However, most of the rain was received in January with some dry spells experienced in October and November. The good news was that the January rainfall was enough to fill most of the dams used by the sugar industry to full capacity.

It is worth mentioning that favourable rainfall forecast does not call for relaxation in water management by growers, as sporadic extreme conditions like dry spells and heat waves within the summer season can still occur due to climate change effects. Also, variations within a month are possible like it happened in October and November. Therefore, saving water for the future is essential.

Wisdom shared:

The ECGA Chairman, Mr S Geldenhuys as a farmer, shared a subtle challenge resulting from extended irrigation stoppage. Based on his January 2025 experience he says “after extended wet periods keep your irrigation system under check for rust, algal and other vegetation growth and siltation of dams. Failure to do that, you may lose as much as a week when you decide to restart”



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