

The High-Level Platform for Sustainable Energy Investments

Cairo | 25th November 2019 | PIDA Week

Delivering on Joint Africa-EU priorities

The **5th AU-EU Summit in Abidjan in 2017** reaffirmed both sides' commitments to their unique partnership, and to work together on key issues.

Strategic priorities agreed at the summit include **mobilizing investments for African structural sustainable transformation**

Expected results: 30 million people and companies will benefit from **access to electricity** thanks to the EU's leveraged **investments in renewable energy** and a **generation capacity boosted by 5 GW**



Sommet Union Africaine - Union Européenne 2017
African Union - European Union Summit 2017

29 - 30 Novembre 2017
Abidjan, Côte d'Ivoire



We are committed to the full implementation of the Paris Agreement and Marrakech Action Plan... We note the importance of energy efficiency and the development of renewable energy, and we will support the African Initiative on Renewable Energy (AREI) and deepen our strategic alliance through the AU-EU Energy Partnership (AEEP)

Abidjan Declaration, §13

Africa-Europe Alliance for Sustainable Investments and Jobs



"Europe and Africa share a long history and a bright future. This is why I proposed a new Africa-Europe Alliance for Sustainable Investment and Jobs, to help attract both European and African investment and create 10 million jobs in Africa over the next five years. Translating words into action, we have already taken a series of measures to bring our ambitions to life."

Jean-Claude Juncker, High-Level Forum Africa-Europe, Vienna, 18 December 2018



Investment through the Alliance will create up to 10 million jobs in Africa in the next 5 years.



€44 billion leveraged investment funding will be mobilised by 2020 through the EU External Investment Plan.



105,000 students and academics will benefit from Erasmus+ by 2027;

750,000 people will receive vocational training for skills development.



€300-350 million per year will be earmarked for business and investment climate reforms.

The High-level platform for sustainable energy investments

50 **representatives from Africa and Europe** from the public and private sectors, academia and civil society as well as international organisations

4 meetings in Brussels and in Conakry to

- **Identify key challenges** to unlocking sustainable energy investment in Africa,
- **Draw up recommendations for action** to unlock the sector's potential

Report of recommendations launched at the Africa Investment Forum 2019

Coordination by **Kandeh Yumkella**, former UN Under Secretary-General for Sustainable Energy

Supported by the **EU-Technical Assistance Facility** and the **Africa-EU Energy Partnership (AEEP) Secretariat**.

[Video](#)



The Platform's Recommendations

50 recommendations have been organized **in 11 categories**:

- A. Facilitating sustainable energy investments through **policy and regulatory measures**
- B. Promoting **best practices in project identification, preparation, and procurement**
- C. Adapting **financing and fiscal systems** to meet needs
- D. Launching a comprehensive **capacity building** programme
- E. Strengthening and expanding **the distribution segment**
- F. **Boosting mini-grids** and standalone systems
- G. Investing in the **sustainable transmission** network
- H. Investing in generation to **boost renewable energy** sources
- I. Advancing **regional integration** of national power sectors
- J. Improving **energy efficiency**
- K. Scaling up the **clean cooking sector**



**Scaling-up energy investments
in Africa for inclusive
and sustainable growth**

Report of the Africa-Europe
High-Level Platform for Sustainable
Energy Investments in Africa

Executive summary

B. Promoting best practices in project identification, preparation and procurement

Objective: Get more sustainable energy projects done efficiently

1. Identify a pipeline of effective and impactful projects

Action: Review existing pipelines (PIDA, AREI, Power Pool master plans, National plans...) and identify a list of priority actions at national, regional, continental level

2. Streamline the process of implementation of sustainable energy projects

Action: Develop **standard tendering processes and transaction documents** (power purchase agreement, land and water permits, land rights, Environmental and Social Impact assesment)
Capacity building in **good public procurement practices**

4. Streamline Africa-Europe Support activities and harness synergies for effective implementation procedures

Action: Review existing instrument and processes to **reduce overlap**
Unify currently fragmented programmes under **a one-stop-shop**
Standardise the procedures among instruments, among development actors
Develop a **programme that cover the whole project cycle** “preparation – procurement - finance - capacity building – policy environment - implementation”

C. Adapt financing and fiscal systems to meet potential investors' and projects' needs

Objective: Enhance the economic viability of energy projects and their attractiveness to potential investors along the project chain.

1 Enhance cooperation among DFIs and between DFIs and commercial lenders

Action: Packages of **de-risking tools with advisory services and technical assistance**
Standardise monitoring of financing and de-risking instruments to assess effectiveness and efficiency
Scale-up and replicate instruments with good track records

2. Design de-risking packages for tendered projects

Action: Promote **competitive procurement** and support **solicited projects' preparation**
Linkages of solicited projects with instruments supporting project developers

3, Empower local banks and local institutional investors to invest in the sustainable energy transition

Encourage DFIs to attract commercial lenders by co-investing and sharing risks
Provide credit lines to local banks to support sustainable energy projects and local entrepreneurs
Develop capacity of local banks to undertake due-diligence and risk assessment in sustainable energy projects

4. Fossil fuel subsidy reforms

Action: Appropriate fiscal policy reforms and measures to unlock investments in sustainable energy
Encourage energy subsidy swaps

H. Advance regional integration of national power sectors and strengthening transmission

Objective: Integrate regional power systems and build up transmission investments to support the continent's growth agenda, in line with the AfCTA initiative

1. Strengthen the regional institutions: regulator and system operator

Action: Develop a protocol to strengthen the functions of the regional power pool operators using best practices
Support initiatives such as African Clean Energy Corridor for regional generation and transmission capacity

2. Adapt and adopt international best practices in market rules

Action: Promote best international practices, such as the EU single energy market, in power pool regulation: efficient economic dispatch, cross border access, transmission cost allocation.

3. Support comprehensive planning of regional scope to inform transmission investments

Action: Technical assistance and capacity building in transmission regulation (integration of renewable energy, congestion management...)
Capacity building in cost/benefit analysis of transmission network infrastructure

Next steps for the Platform

Outreach to stakeholders: RECs, Power Pools, EU Member States, Industry

New European Commission start on 1st December

- **Evaluation of current actions** in line with recommendation
- Adjust current actions to **accelerate impact**
- **Formulate new actions** for addressing gaps
- External dimension of the Green Deal

The work of the **SEI Platform is set to continue:**

- Monitoring of implementation of recommendations
- Deep dive in new or specific areas :
 - **Research and innovation** : potential for green hydrogen, storage, e-fuels
 - **Regulatory framework** for regional integration,
 - **Energy in cities**
- Diversify and extend membership **to build bridges between Africa and Europe.**



Thank you

PIDA PAP I: Energy Projects

- Total of 54 energy projects
- 6 under construction
- 3 operating
- Out of the 9 projects which are operating and under construction:
 - All projects have been existing before and are upgraded
 - 3 are hydro power plants
 - 6 are power interconnectors

Project Name	Sub Sector	Location	Stage	Year
Grand Ethiopian Renaissance Dam (GERD)	Hydro Power Plant	Ethiopia	S4B: Construction	2017
330 kV Ghana – Togo – Benin Transmission Interconnection Project	Power Interconnector	Benin, Ghana, Togo	S4B: Construction	2017
ZTK Transmission Interconnector (Kenya section)	Power Interconnector	Kenya	S4B: Construction	2018
225 kV Côte d'Ivoire – Liberia - Sierra Leone - Guinea Interconnection Project	Power Interconnector	Côte d'Ivoire, Guinea, Liberia, Sierra Leone	S4B: Construction	2018
Regional Rusumo Falls Hydroelectric Power Project II	Hydro Power Plant	Rwanda, Tanzania	S4B: Construction	2019
ZTK Transmission Interconnector (Tanzania section - Singida to Namanga)	Power Interconnector	Tanzania	S4B: Construction	2019
Algeria - Tunisia section of ELTAM Transmission Interconnector (Tunisia part)	Power Interconnector	Tunisia	S4C: Operation	2013
Kaléta Hydropower Plant	Hydro Power Plant	Guinea	S4C: Operation	2017
ZTK Transmission Interconnector (Tanzania section - Iringa to Shinyanga)	Power Interconnector	Tanzania	S4C: Operation	2019

About the AEEP

The Africa-EU Energy Partnership (AEEP) is a **long-term framework for strategic dialogue** between Africa and the EU on sustainable energy.

It aims to connect the two continents in one mission: to increase the effectiveness of efforts to secure, reliable and sustainable energy in Africa.

Over the past 10 years the AEEP has been setting the agenda, providing a platform for high-level political dialogue and representing a **shared voice for Europe and Africa**, as well as providing key inputs and support to instruments and initiatives.

