

Africa Ministerial Roundtable

**Covid-19 Impact on Africa's Energy Sector:
*Challenges and Opportunities***

30 June 2020

13:00 - 16:00 CEST (Paris time)

Virtual High-Level Dialogue

International
Energy Agency

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Concept Note

The Covid-19 pandemic and global economic shocks are testing the resilience of the energy sector in countries across Africa. While the outlook remains uncertain, these shocks are certain to have major and varied implications for the development of the continent's energy sector. Assessing the nascent impacts across the energy sector can help inform the policies and define the actions that will pave the way to economic recovery.

The immediate impacts confronting policy-makers across the continent are varied. For some, the availability, security and reliability of power systems are putting at risk an effective response to the health crisis, underscoring once again the importance of universal energy access. Confinement policies and the consequent drop in energy demand is increasing pressure on power systems, calling into further question the financial health of state-owned utilities that were already under financial stress. And for others, the disruption to global oil and gas markets has delivered a sudden and sharp drop in export revenue streams. The resulting financial constraints mean that new investments may face delay or cancellations. These conditions of uncertainty create risks and competition for tightening finance, with potential security and sustainability challenges in the longer term.

Setting priorities is vital to ensure action on much-needed energy sector investments, which can stimulate broader economic growth. Opportunities may also arise to rethink African countries' future energy systems and market structures. In this challenging environment, governments will need to ensure that momentum towards SDG 7 is not lost while they are addressing significant immediate crises. It will be important to consider investment frameworks that help attract the necessary investment to the energy sector in times of need. Concerted action and international support can help countries respond to this crisis.

The IEA's Africa Energy Outlook analysis, published in 2019, has already shown what Africa's energy future could look like. To sustain Africa's economic transformation and deliver energy access for all, we have to ensure energy investments in Africa remain a priority.

Views shared during this Africa Ministerial roundtable will feed into IEA's enhanced work with African partners as well as the IEA Clean Energy Transitions Summit that will take place on 9 July 2020.

Ministerial roundtable key objectives:

- To take stock of the effects of Covid-19 and its economic reverberations across the energy sector in Africa;
- To explore the vital role of energy investments to Africa's economic recovery;
- To share views on what actions can be taken to ensure that energy investments in Africa remain a priority, and clarify the role that the IEA can take to support these efforts.

Agenda

<p>13:00 – 13:10</p>	<p>Welcome Remarks by Co-Chairs</p> <ul style="list-style-type: none"> • H.E. Mr. Mouhamadou Makhtar Cissé, Minister of Petroleum and Energy, Senegal • Dr. Fatih Birol, Executive Director, International Energy Agency
<p>13:10 – 13:20</p>	<p>Keynote Remarks</p> <ul style="list-style-type: none"> • H.E. Ms. Amina J. Mohammed, Deputy Secretary-General, United Nations • H.E. Mr. Samson Gwede Mantashe, Minister of Mineral Resources and Energy, South Africa (2020 African Union President)
<p>13:20 – 13:30</p>	<p>Scene-Setting Remarks</p> <ul style="list-style-type: none"> • Mr. Abebe Aemro Selassie, Director of the African Department, International Monetary Fund • H.E. Dr. Vera Songwe, UN Under-Secretary-General and Executive Secretary, United Nations Economic Commission for Africa
<p>13:30 – 15:00</p>	<p>Session I: Impacts on Africa’s electricity sector – challenges and opportunities</p> <p>The availability, security and reliability of power systems is putting at risk an effective response to the health crisis, demonstrating once again the value of universal access to energy. Confinement policies and the consequent drop in energy demand is increasing pressure on power systems and the financial health of already vulnerable state-owned utilities. Governments are already stepping in to subsidize vulnerable households’ unpaid energy bills, and lost demand may not be recovered. This can also put at risk the decentralized energy sector value chain, potentially affecting important progress to achieving SDG 7. Investments will be key to build a resilient and reliable power sector that can support economic recovery.</p> <p>Moderator: Dr. Fatih Birol, IEA Executive Director</p> <ul style="list-style-type: none"> • H.E. Mr. Mohamed Shaker El-Markabi, Minister of Electricity and Renewable Energy, Egypt • H.E. Mr. Goddy Jedy Agba, Minister of State for Power, Nigeria • H.E. Dr. Frehiwot Woldehanna, State Minister of Energy, Ethiopia • H.E. Mr. Aziz Rabbah, Minister of Energy, Mines and Sustainable Development, Morocco • H.E. Mr. Tom Alweendo, Minister of Mines and Energy, Namibia • H.E. Mr. Dona Jean-Claude Houssou, Minister of Energy, Benin • Sir Simon MacDonald, Permanent Under-Secretary and Head of the Diplomatic Service, Foreign and Commonwealth Office, United Kingdom

	<ul style="list-style-type: none"> • Ms. Kitty van der Heijden, Vice-Minister for International Cooperation, Ministry of Foreign Affairs, Netherlands • H.E. Mr. Andreas Feicht, State Secretary, Federal Ministry for Economic Affairs and Energy, Germany • Ms. Ditte Juul Jørgensen, Director-General for Energy, European Commission • Mr. Riccardo Puliti, Global Director, Head of the Energy and Extractive Industries Global Practice and Regional Director, Infrastructure for Africa, World Bank • Mr. Francesco La Camera, Director-General, IRENA • Mr. Bertrand Walckenaer, Deputy CEO, Agence Française de Développement • Ms. Damilola Ogunbiyi, CEO and UN SRSG, SEforAll • Mr. Thomas (T.L.) Cabbage, Deputy Under-Secretary for Science, Department of Energy, United States • Mr. Mark Carrato, Acting Coordinator, Power Africa
	<p>Guiding questions:</p> <ul style="list-style-type: none"> • How has the Covid-19 crisis affected electricity supply and demand and how does it affect the reliability and security of Africa’s power systems? • How are governments responding to these challenges to electricity supply? • What should be the priorities of power sector investments in coming years? • What can countries do to ensure that momentum towards SDG 7 is not lost while they are addressing significant immediate crises? What role can youth energy entrepreneurs play to pave the way forward?
<p>15:00 – 15:40</p>	<p>Session II: Impacts on Africa’s oil & gas sector – challenges and opportunities</p> <p>The precipitous fall of oil prices has delivered a sudden and sharp drop in revenue streams for countries that rely on income from oil and gas exports. This has already had severe financial and economic reverberations in many of the continent’s prominent producers, with much uncertainty ahead. The risks from disrupted global oil and gas markets are creating new uncertainties for investment, creating potential security and sustainability challenges in the longer term. As access to finance becomes more difficult, new and planned investment is put at risk.</p> <p>Moderator: H.E. Mr. Mouhamadou Makhtar Cissé, Minister of Petroleum and Energy, Senegal</p> <ul style="list-style-type: none"> • H.E. Mr. Mohammad Sanusi Barkindo, Secretary General, OPEC • H.E. Mr. John-Peter Amewu, Minister of Energy, Ghana

	<ul style="list-style-type: none"> • H.E. Mr. Abdourahmane Cissé, Minister of Petroleum, Energy and Renewable Energy, Côte d'Ivoire • Mr. Claudio Descalzi, CEO, Eni • H.E. Mr. Fafa Sanyang, Minister of Petroleum and Energy, Gambia • H.E. Ms. Alessandra Todde, Under Secretary of State of Economic Development, Italy • Hon. Mr. Frank Fannon, Assistant Secretary for the Bureau of Energy Resources, Department of State, United States • Eng. Mr. Pascoal Alberto Bacela, National Director for Energy, Ministry of Energy and Mineral Resources, Mozambique • Ms. Frannie Leautier, Senior Partner, SouthBridge Group • Mr. Hiroto Kamiishi, Deputy Director General and Group Director for Energy and Mining, JICA
	<p>Guiding questions:</p> <ul style="list-style-type: none"> • How does the collapse of oil prices impact countries' broader economic prospects? • How does this new reality in global energy markets affect producer countries' plans for their energy sector and their ability to access finance for energy projects? • What is the outlook for gas in countries' economic transformation? • How can the oil price decline present opportunities for progress on energy transitions and clean cooking in Africa?
<p>15:40 – 16:00</p>	<p>Special address:</p> <ul style="list-style-type: none"> • H.E. Dr. Amani Abou-Zeid, Commissioner for Infrastructure and Energy, African Union • Hon. Dr. Kandeh Yumkella, MP, Sierra Leone <p>Closing remarks and conclusions</p> <ul style="list-style-type: none"> • H.E. Mr. Mouhamadou Makhtar Cissé, Minister of Petroleum and Energy, Senegal • Dr. Fatih Birol, Executive Director, International Energy Agency