

AFRICAN UNION

الاتحاد الأفريقي



UNION AFRICAINE

UNIÃO AFRICANA

P. O. Box 3243, Addis Ababa, ETHIOPIA Tel.: (251-11) 5525849 Fax: (251-11) 5525855
Website: www.au.int

**Speech of Her Excellency the Commissioner for Infrastructure and
Energy**

H.E. Dr. Amani Abou-Zeid

On the occasion of

Signing Ceremony of MOU between AUC with IEA

Paris, France

25 May 2018

- **Your Excellencies Ambassadors;**
- **Secretary General of the International Energy Agency;**
- **Distinguished Guests;**
- **Ladies and Gentlemen:**

1. I am honoured to represent the African Union Commission on this special occasion of the signing ceremony of a Memorandum of Understanding between the African Union Commission and the International Energy Agency (IEA).

2. Today also happens to be Africa Day. I extend warm greetings and best wishes to all Africans and friends of Africa. On this occasion I would like to reaffirm the strong commitment of the African Union to work with all Africans and friends of Africa to create a prosperous Africa based on inclusive growth and sustainable development as espoused by the AU Agenda 2063.

3. The task of realizing the aspirations of Agenda 2063 is enormous but not unsurmountable. In energy, for example, our top priority is for every African to have access to affordable and sustainable energy by 2030 in line with UN Agenda for Sustainable Development, yet about 600 million Africans still lack access to electricity. Only 49% of the African population and less than 43% in Sub-Saharan Africa have access to electricity. Furthermore, Africa's total energy consumption is dominated by biomass to the tune of 50%, the majority of this occurring in rural areas often using old and inefficient methods that have adverse effects on health, environment and long term effects to climate change. Africa needs to connect around 73 million people annually in order to close this gap. This calls for radical and innovative measures and the Commission is at the forefront of these efforts.

4. The Commission plays a critical role in facilitating the creation of the right policy and regulatory environment to accelerate public and private sector investments in energy. In this regard, the Commission is spearheading harmonization of regulatory frameworks in the electricity sector in order to establish a continent wide electricity market. A strategy and action plan adopted by the AU policy organs are currently being implemented and a transmission system tariff methodology and guidelines will be piloted in two power pools starting July 2018, before rolling out to the rest of the continent.

5. The Commission is also championing innovative financing mechanisms. The flagship Geothermal Risk Mitigation Facility (GRMF) supports public and private geothermal energy project developers with grants during the initial and most risky phase of development. This has contributed immensely to geothermal energy development in the Eastern Africa region where US\$ 80 million have been awarded as grants to 26 projects with a potential of 1500MW across 11 countries. The Commission plans to replicate this successful model in other areas. In this connection, the Commission has formulated programmes to develop bioenergy, solar, hydropower and geothermal.

6. Africa is still dependent on fossil fuel up to 80%. Electricity generation by renewable energy is low with hydro at 16%, solar and wind at 1.3%, geothermal at 0.57%, biofuels and waste-to-energy at 0.23% and nuclear at 1.57%. That is why Africa must change the narrative of her energy development and turn radically towards a more sustainable path using clean and renewable sources. This is much more possible than in the past given that the prices of renewable energy technologies have declined rapidly. This creates enormous opportunities for tackling energy access, growth and generation of jobs while addressing climate change.

- **Excellencies;**
- **Ladies and Gentlemen:**

7. Africa made history in March when 44 AU Member States signed the Continental Free Trade Area (CFTA), which is one of Agenda 2063 flagship projects, at a special Summit of AU Heads of State in Kigali, Rwanda. This follows closely after another Agenda 2063 flagship project, the Single Africa Air Transport Market (SAATM) was launched during the January 2018 Summit.

8. Availability of sufficient, reliable, affordable and sustainable energy is a key ingredient for maximizing the benefits to be reaped from the CFTA. Energy is not only a tradeable commodity but also an enabler and catalyst for productivity for other sectors. The Commission is, therefore, laying emphasis on energy provision for productive uses, industrialization and promotion of trade in goods and services among AU Members.

- **Excellencies;**
- **Ladies and Gentlemen:**

9. The task of developing the energy sector in Africa requires strong partnerships. The signing of an MOU between the Commission and IEA

is, therefore, a major milestone towards strengthening such important partnerships. This is the culmination of a fruitful history of cooperation between the Commission and IEA. It demonstrates the high level of trust built over the years and the potential that can be harnessed in advancing the energy sector development.

10. The Commission looks forward to build upon the shared experiences under this collaboration to improve standards and enhance the robustness of data collection norms, methods and tools as well as enhancing the capacity of energy experts involved in these activities. The Commission further looks forward to learn from the experience of IEA to develop energy policy analysis tools in order to interpret the Africa energy statistics to contribute to the strengthening of policy development and strategic planning including forecasting future trends and long term planning making use of new concepts in ICT such as Big Data.

12. Through the collaboration with IEA, we will build upon achievements, strengthen our capacities even further, increase publications on African energy statistics and enhance their credibility and usage by different stakeholders including policy makers, planners, financial institutions, private sector, civil society and academia. We will strengthen the African Energy Commission (AFREC) to become the first shop of call for energy statistics in Africa.

13. I particularly look forward to improving statistics on energy and gender and data on clean cooking. It is critical to establish statistical evidence linking these issues to livelihood improvements including job creation among women and youth. This will help decision makers formulate the right policies that motivate women and youth to play a greater role in the energy sector. Their contribution will not only lead to benefits associated with increased access and clean cooking energy sources but will promote women and youth entrepreneurship in the energy sector plus the associated spill over effects.

- **Excellencies;**
- **Ladies and Gentlemen:**

14. The signing of this MOU marks a milestone for the AUC and IEA. It will strengthen our ability to deliver on our respective mandates in a mutually enriching way. Following this event, the technical teams from the two organisations will work out practical steps to immediately commence the joint activities stipulated in the MOU.

15. Again ... on this Africa Day ... we Africans have got impatient with moving Africa forward relentlessly ... This cannot happen without being totally lit with the power we need we need to develop our economies and create jobs fast. We are determined to develop Africa with pride and have universal access to energy.

With these few remarks I thank you for your kind attention.
Happy Africa Day!

Thank you

H.E. Amani Abou-Zeid
Commissioner, Infrastructure and Energy
African Union Commission