

# **Launch of the West African Energy Leaders Group**

Hotel Ivoire, Abidjan, 30 April 2015



### Introduction

The availability of reliable, affordable and sustainable energy services is one of the main constraints limiting the development opportunities for Africa. Energy is the single most important obstacle to business development and the lack of access to modern energy services for hundreds of millions of Africans is a serious impediment for their living and human development. Sub-Saharan Africa, where 600 million people live without electricity, has the lowest level of energy access in the world, and West Africa has the highest levels of energy poverty on the continent. A global effort for the sustainable development of the energy sector and the achievement of universal energy access is being promoted by the UN Sustainable Energy for All Initiative - (SE4All). The SE4All Africa Hub, hosted at the African Development Bank (AfDB) in partnership with the African Union Commission, the NEPAD Agency and UNDP is facilitating the implementation of the Initiative in Africa.

To further advance the energy agenda and the development of concrete actions, especially at the regional level, strong and inspirational leadership is needed. Leadership from high-level public and private sector individuals is a powerful force to promote the necessary policies and projects, ease the difficulties, inspire and advocate for the development of sustainable energy systems beneficial for the entire community. To promote and coordinate energy leadership from the public and private sector in Africa, to maximize its positive influence and to contribute to the achievement of the SE4ALL objectives, the establishment of the African Energy Leaders Group (AELG) was spearheaded by the Special Representative of the UN Secretary General (SRSG) for SE4All, Kandeh K. Yumkella.



The AELG was launched in January 2015 at the World Economic Forum in Davos.

### Summary of the launch event of the WAELG

On Tuesday, June 30 in Abidjan, Côte d'Ivoire's President Alassane Ouattara headed a top-level line-up of political and business leaders to launch the West African Energy Leaders Group (WAELG), with concrete plans to drive sector reforms and a pipeline of bankable investment projects for sustainable energy access across the sub-region.



"Fostering innovative investments in the energy sector to spark Africa's industrialization and to promote countries' transition to market economies," was the focus of discussions when a top-level line-up of political and business leaders convened to launch the WAELG. The WAELG launch was attended by the Nigerian Vice-President Yemi Osibajo and the Prime Ministers of Côte d'Ivoire, Benin, Mali, Niger and Togo. Former Nigerian President Olusegun Obasanjo and former Ghanaian President John Kufuor were also present, as well as leading private-sector figures including Nigerian entrepreneur Tony Elumelu, and Senegalese-American musician Akon, whose Akon Lighting Africa programme is installing solar lighting for communities in 11 African countries.

HE Adama Tougara, Minister of Energy of Côte d'Ivoire, stressed the important energy achievements of the Ivoirian Government, highlighting the ongoing programs in the production, transport and energy distribution segments, as well as rural electrification and electricity interconnections with the countries of the sub region. Specifically in sustainable energy, major actions are underway in the areas of energy efficiency, renewable energy and access to electricity. A program called "Electricity for All Program" is ongoing and aims to supply electricity to low-income populations. The Minister of Energy of Cote d'Ivoire insisted in the fact that SE4ALL's objectives require a strong and



effective solidarity in the design and implementation of major energy projects and considers that after its launch date, the West African Leaders Group Energy will play a key role in the future of West Africa for sustainable energy.

• Mr. Tony Elumelu, founder of the Tony Elumelu Foundation and AELG private sector —co-chair , said the West African sub-group aims to set an example for the rest of the continent. "What is unique about this group is that it will be about ongoing dialogue between the private and public sectors on how to address our challenges and how to measure progress made through specific projects, in increasing access to electricity for the 300 million people in West Africa," he stressed. As he outlined key elements of the vision of the AELG, Mr. Elumelu further noted that the AELG is not about social development, it is about the transformation of our continent. He also announced a financial contribution to the Secretariat of the AELG.



• Speaking on behalf of President Kaberuka, AfDB Vice-President for infrastructure, Private Sector and Regional Integration, Solomon Asamoah, noted that the meeting was an important milestone in advancing Africa's energy agenda and that "the Bank Group is delighted to be part of this important endeavor." He highlighted the importance of regional market integration, the necessity of a stable legal and regulatory framework for private sector investments, and the importance of both on-grid and off-grid solutions to addressing Africa's energy access challenge.

He reported on the AELG Ministerial meeting held on the 29<sup>th</sup> of June, which endorsed the AELG principles and



operating modalities and the Terms of Reference of the Secretariat, which will support the AELG and will be hosted by the AfDB in close collaboration with the SE4ALL Africa Hub. During the technical meeting, a series of concrete projects of regional significance were presented by various stakeholders underscoring the region's opportunities in terms of seizing the hydropower potential, in realizing important large-scale gas to power projects, as well as seizing the potential of solar in the Sahel. The meeting also discussed the role and potential for LPG as an important contribution to addressing the lack of access to clean cooking solutions. Furthermore, the meeting underscored West Africa's progress in advancing SE4All through the development of SE4All Action Agendas and Investment Prospectuses at the country level.

- For his part, Eng. Joseph Makoju, speaking on behalf of Alhaji Aliko Dangote, CEO of the Dangote Group and AELG co-founder, emphasized the role of the AELG as a "platform for coordination" between the public and private sector. He stressed "the need for coordinated, concerted and sustained efforts" by governments and the private sector in tackling Africa's energy challenge, in particular the public sector in creating the right legal and regulatory framework for private sector engagement. He further underscored the full commitment and support of the Dangote Group for the smooth operation of the AELG.
- H.E. Mme Elham Mahmoud Ahmed Ibrahim, Commissioner for Infrastructure and Energy of the African Union Commission, welcomed the creation of the AELG underlining the Commission's full support. "The AELG is coming at the right time and the AU looks forward to engaging with this innovative platform", she said. Furthermore, Dr. Ibrahim called on the AELG to help accelerate the implementation of the AU's on-going energy access initiatives in Africa. "We envisage that the AELG will provide a platform needed to mobilize all stakeholders to make the necessary efforts and commitments in ensuring the implementation of these energy projects, including addressing the barriers for enhanced private sector investments in the energy sector from within and outside the continent". She also referred to the African Union endorsed Programme for Infrastructure Development (PIDA) and the role AELG could play in advancing the PIDA priority projects.
- Ivorian Prime Minister H.E. Daniel Kablan Duncan said the West African sub-group of the AELG would focus on accelerating implementation of suitable projects by bringing together public- and private-sector actors to mobilize finance. "The emphasis will be on practical, appropriate measures that will contribute to the creation of a favorable environment for investment," he said. He also added that to meet this challenge, African countries must make profound institutional reforms. In this sense, the Ivorian Government has decided to make the private sector the main engine of growth and has undertaken significant major reforms with a result characterized by annual GDP growth rate of 9% on



average over the last three years. The Ivorian Government intends to maintain the growth momentum through expansion of private investment, particularly in the energy sector, creating an enabling environment for investment in PPPs and developing strategies for promoting them. "PPPs in Ivory Coast are backed by a regulatory

framework and improvement in business environment continues, inspired by the most relevant experiences in Africa and the world" he said.



High Level Panel: Modiba Keita, Prime Minister of Mali, Senegalese – American musician Akon, John Kufour, former President of Ghana, Olusegun Obasanjo, former president of Nigeria, Yemi Osibajo, Vice - President of Nigeria, Daniel Kablan Duncan, Prime Minister of Côte d'Ivoire, Lionel Zinsou, Prime Minister of Benin, Tony Elumelu, founder the Tony Elumelu Foundation and Komi Selom Klassou, Prime Minister of Togo, participated in a High Level Panel discussion on achievement of universal access and integration of energy markets in West Africa.

Discussions of the High Level Panel highlighted the importance of power sector reforms and of reducing barriers to doing business, cost-reflective tariffs and the significant potential of renewable energy in West Africa. Participants discussed examples of regional cooperation and identified issues such as gas supply and the West African Gas Pipeline that need to be addressed. They stressed that the AELG, a high-level public-private dialogue platform, is a significant step forward in making energy access for all a priority at the national and regional level. Furthermore, the role of innovation in terms of technology and financial instruments was highlighted. **Kandeh K. Yumkella**, the UN Secretary-General's Special Representative for Sustainable Energy for All and CEO of the SE4All initiative, said the first step was to build on good projects that have already been designed. "We don't want to reinvent the wheel," he said, "but we also want new projects. The AELG is about moving the needle on energy access in a significant way".





#### **Conclusion**

**HE Adama Tougara**, Minister of Energy of Côte d'Ivoire, read out the official outcome statement (see below) of the launch event and concluded the gathering.

# Outcome Statement – Launch of the West African Energy Leaders Group (W-AELG)

- Under the High Authority of **H.E. Mr. Alassane Ouattara**, President of the Republic of Cote d'Ivoire, we, the Vice-Presidents, the Prime Ministers, the Ministers from Benin, Cabo Verde, Guinea, Mali, Niger, Nigeria, Senegal and Togo, the former Presidents of Ghana and Nigeria, the Commissioner of the African Union, the co-founders of the AELG, Mr. Aliko Dangote, President and CEO of the Dangote Group, Mr. Tony Elumelu, Chairman of Heirs Holdings, Dr. Donald Kaberuka, President of the African Development Bank and Dr. Kandeh Yumkella, SRSG and CEO of SE4ALL, representatives of African and International Institutions, and representatives of the private Sector, convened in Abidjan for the launch of the West African Energy Leaders Group (W-AELG) on 30 June 2015, driven by the vision of achieving universal energy access in Africa;
- Taking into account the outcomes of the W- AELG Ministerial Meeting held on 29 June 2015 in Abidjan, co-chaired by Mr. Adama Toungara, Minister of Energy and Petroleum of Côte d'Ivoire, and Dr. Kandeh Yumkella, UN SRSG and CEO of SE4ALL;
- Underlining that access to reliable, affordable and sustainable energy services is one of the main drivers of Africa's development;
- Supporting the inclusion of a Sustainable Development Goal (SDG) on energy in the post-2015 development agenda
  and welcoming Sustainable Energy for All Initiative (SE4ALL) as a global framework for its follow-up and delivery,
  including through the SE4All Africa Hub, other regional and thematic hubs and the UN Sustainable Energy for All
  Forum;
- Recognizing the importance of achieving the objectives of the SE4ALL initiative for Africa and highlighting the
  progress made by African countries on advancing its objectives, notably through the development of SE4ALL Action
  Agendas and Investment Prospectuses.
- Recognizing the recent adoption of the Africa Power Vision, the efforts of the African Union, NEPAD, AfDB, ECOWAS, UEMOA and other institutions in identifying priority projects and underlining that the W-AELG will endeavor to work with these partners to promote policy actions that will enhance the likelihood of bringing such projects to fruition in collaboration with other relevant partners.
- Stressing the need for strong regional integration, public-private partnerships and strategic alliances for advancing the African energy agenda.
- Recognizing the increasing importance and role of the private sector in African development and particularly in energy;
- Highlighting the importance of a conducive enabling environment for increased private sector investments in the energy sector; and,
- Considering that to further advance the energy agenda and the development of concrete actions, in each country and at the regional level, strong leadership is needed;
- Adopted the Principles and Operating Procedures of the African Energy Leaders Group that will anchor our work:

   (1) The W-AELG is committed to the SE4ALL initiative, and will contributes towards the achievement of its goals;
   (2) The W-AELG is committed to building public-private partnerships and strategic alliances for advancing the African energy agenda;
   (3) The W-AELG supports the optimization of all of Africa's energy resources to meet African energy needs;
   (4) The W-AELG will consider all available technological options;

members endorse the ten principles of the UN Global Compact on human rights, labor, environment and anticorruption;

- Decided that the W-AELG will promote investments in identified energy projects, through traditional and innovative instruments;
- Called for zero-routine gas flaring in West Africa;
- Welcomed the agreement of the African Development Bank to host the Secretariat of the AELG in conjunction
  with the SE4ALL Africa Hub Called on all stakeholders to support the W-AELG activities, including through policy
  dialogue, project development, investments, capacity building and knowledge sharing;
- Welcomed the Turkish G20 Presidency's initiative for an energy investment forum at the conference on energy access in Africa on 1 October 2015 in Istanbul;
- Declared the W-AELG officially launched and the Secretariat established;
- Agreed to convene the next W-AELG meeting by the end of the first quarter of 2016 at the latest;
- Thanked H.E. M. Alassane OUATTARA, President of Côte d'Ivoire, the Ivorian Government and the Ivorian people, for the warm hospitality and for having hosted the inaugural meeting of the W-AELG.

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