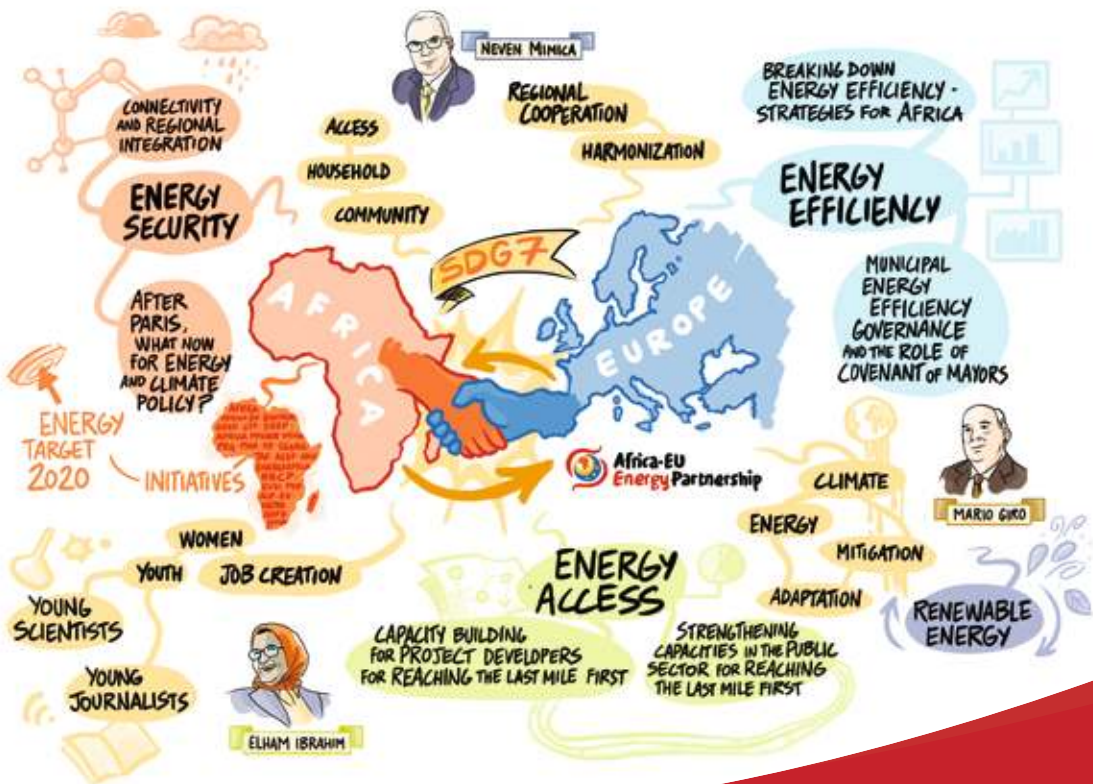




# IMPRESSIONS FROM THE SECOND STAKEHOLDER FORUM



**Africa-EU  
Energy Partnership**

## Imprint

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The **Africa-EU Energy Partnership (AEEP)** constitutes one of the initial eight partnerships under the Joint Africa-EU Strategy (JAES), a long-term framework for cooperation between the two continents. The African Union Commission, the Common Market for Eastern and Southern Africa (COMESA) Secretariat, Egypt, the European Commission, Germany, and Italy are the Steering Group members providing political guidance to the Partnership.

### AEEP Steering Group



Federal Ministry  
for Economic Cooperation  
and Development





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# **IMPRESSIONS FROM THE SECOND STAKEHOLDER FORUM**

**16–17 May 2016,  
Politecnico di Milano – Milan, Italy**

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## The Second Stakeholder Forum:

### “Business and Science: Leading the Way to Sustainable Energy”

The Africa-EU Energy Partnership welcomed over 400 participants from more than 62 countries including African Ministers, African Union and European Union commissioners, and representatives from the private sector, civil society and academia to the AEEP’s Second Stakeholder Forum. The Forum was hosted by the Politecnico di Milano and took place from 16 to 17 May 2016 in Milan, Italy.

Coming at a time of increased international attention on energy in Africa, the forum provided an ideal opportunity to gather both African and European leaders with representatives from the private sector, academia and civil society to discuss challenges and opportunities in the sustainable energy sector in both Europe and Africa. Discussions revolved around key thematic topics such as human capital for innovation, skills and capacity development in renewable energy, increasing investment in energy infrastructure, and finally, coordination across energy for development initiatives and programmes in Africa.

This booklet outlines the key messages and outcomes of each session using graphic depictions created by *Housatonic*.

16 May 2016: Thematic Day

## Official Opening

The Second Stakeholder Forum of the Africa-EU Energy Partnership (AEEP) began by inviting participants to consider how to support leaders, investors and societies in Africa in providing something that the rest of the world takes for granted; energy.

### Key Messages

- ▶ In her keynote address, Elham Ibrahim, Commissioner for Infrastructure and Energy, African Union Commission, conveyed hope for concrete outcomes of the Forum, greater Africa-EU cooperation and highlighted the important role of the youth in the energy sector.
- ▶ The *AEEP Forum Opener*<sup>1</sup> video emphasized the progress in energy access, energy efficiency and renewable energy in Africa while noting that considerable challenges and gaps remain.



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<sup>1</sup> [http://www.aEEP-forum.org/en/resources/videos\\_\\_aEEP-stakeholder-forum-2016/11](http://www.aEEP-forum.org/en/resources/videos__aEEP-stakeholder-forum-2016/11)

# Setting the Stage: Fostering Partnership - Progress and Future of the Africa-EU Energy Partnership

The *Setting the Stage* session primarily detailed the progress made by the African Union and the European Union towards meeting the political targets of the AEEP.

## Key Messages

- ▶ The AEEP has become one of the main vehicles of EU-Africa cooperation.
- ▶ The European Commission highlighted their commitment to contributing towards the goal of energy access to 500 million Africans by 2030.
- ▶ The African Union Commission underscored the increasing support from member states and aligned initiatives such as the *Programme for Infrastructure Development in Africa (PIDA)*<sup>1</sup> and the *African Renewable Energy Initiative (AREI)*<sup>2</sup>.
- ▶ The necessity to translate science into people-centred, practical and bankable solutions was also explored.



<sup>1</sup> <http://www.au-pida.org>

<sup>2</sup> <http://www.arei.org>



# Innovating and Investing in the Energy Sector in Africa

This session tackled the challenges and opportunities in increasing energy investment, particularly within the private sector.

## Key Messages

- ▶ The need to increase the pace of investment was stressed with universal energy access in Africa unlikely to be reached by 2030 at the current rate of growth.
- ▶ It was agreed that the rising demand for equal energy opportunities is being exceeded by the availability of information and communication technologies.
- ▶ Renewable energy is increasingly a viable technology, despite the changes in gas and oil prices.



# Coordination and Aligning Initiatives to Meet the AEEP Targets

The session focused on the importance of coordination between initiatives to meet the AEEP's 2020 Targets.

## Key Messages

- ▶ The importance of the SE4All Africa Hub in the coordination within Africa was underlined.
- ▶ Developments in the AEEP's 2020 Targets, as documented in the report *"Africa-EU Energy Partnership. Status Report Update 2016"*<sup>1</sup>, were presented. While some significant progress has been achieved, and some targets already met, significant gaps remain.
- ▶ The *"Mapping of Energy Initiatives and Programs in Africa"*<sup>2</sup> is another tool that will allow greater coordination within the renewable energy sector by outlining initiatives within Africa; thereby enabling synergies and preventing overlaps.



<sup>1</sup> Africa-EU Energy Partnership (2016). Africa-EU Energy Partnership. Status Report Update: 2016. [http://www.euei-pdf.org/sites/default/files/field\\_publication\\_file/aEEP-2016\\_status\\_report\\_0.pdf](http://www.euei-pdf.org/sites/default/files/field_publication_file/aEEP-2016_status_report_0.pdf)

<sup>2</sup> Africa-EU Energy Partnership (2016). Mapping of Energy Initiative and Programs in Africa. [http://www.euei-pdf.org/sites/default/files/field\\_publication\\_file/mapping\\_of\\_initiatives\\_final\\_report\\_may\\_2016.pdf](http://www.euei-pdf.org/sites/default/files/field_publication_file/mapping_of_initiatives_final_report_may_2016.pdf)

# Parallel Thematic Sessions

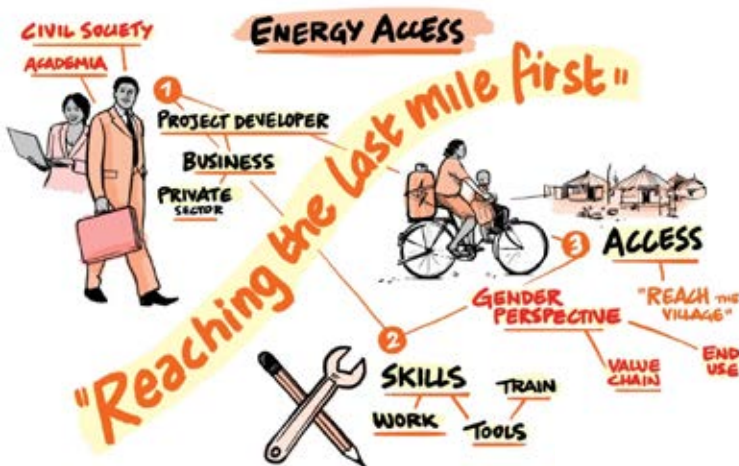
The Forum was divided into parallel thematic breakout sessions during the afternoon. The breakout sessions focused on: energy access, energy efficiency, energy security and climate.

## Energy Access: Capacity Building for Project Developers for Reaching the Last Mile First

The goal of this breakout session was to discuss lessons learned from successful projects and how to roll-out and scale-up energy access business models across energy sub-sectors.

### Key Messages

- ▶ No single energy solution can be scaled up across the entire continent. Instead, it was suggested that understanding capacity needs and using demand created within communities should be used as a guide to identify appropriate technologies and accompanying business models. The success of “Pay as You Go” energy solutions in stimulating energy demand was cited as one example of this.
- ▶ There is a need for energetic and adventurous entrepreneurs, who understand technology and are willing to spend time with local communities.



## SE4All and Energy Access: Strengthening Capacities in the Public Sector for Reaching the Last Mile First

The SE4All and Energy Access breakout session discussed how to determine which capacities should be strengthened and how national planning processes can be better focused on delivering energy access to the last mile.

### Key Messages

- ▶ Distributed renewable energy systems play a key role in reaching universal and affordable energy access in Africa.
- ▶ The benefits of involving civil society stakeholders in energy access initiatives and government programmes was debated against the disadvantage of a slower uptake in energy policy change due to dense government bureaucracy.
- ▶ The importance of innovative financing mechanisms that provide room for sharing risks and allow different business models to evolve was agreed on by the panel.



## Energy Efficiency: Breaking Down Energy Efficiency - Strategies for Africa

The breakout session's panellists and audience discussed how to ensure a greater focus on energy efficiency in African energy policies, which tend to prioritise access and generation.

### Key Messages

- ▶ An International Energy Agency study indicating that by 2035, 95 % of energy demand will come from outside the Organisation for Economic Co-operation and Development (OECD) was used to emphasize the need for increased energy efficiency in developing countries.
- ▶ The session also stressed the importance of efficiency in the transportation sector, which represents 33 % of energy consumption. The latest European Union Directive for the European transport sector, which resulted in a 27 % decrease in energy consumption for cars and 25 % for industry, was mentioned as a way forward.
- ▶ A significant source of inefficiency in the electricity sector is distribution rather than generation. Therefore, more financing needs to be directed to this sector.



## Municipal Energy Efficiency Governance and the Role of the Covenant of Mayors

This breakout session focused on the importance of promoting energy in urban areas with the current global urban population expecting to double by 2050.

### Key Messages

- ▶ The *Covenant of Mayors*<sup>1</sup> programme was presented with a primary aim of contributing to a shared vision that allows cities to converge towards the same emission level despite different starting points.
- ▶ The importance of understanding where decision-making takes place and the disparities across countries in governance capacity was highlighted. Solutions to such asymmetries were stated to be: providing different levels of capacity building support and including technical and institutional assistance.
- ▶ Rapid urbanisation in Africa will require enhancing and adapting knowledge, instruments, standards and regulations to fit the different urban environments.
- ▶ A call was issued to ensure that stakeholders, including private businesses, civil society and local banks, are included in the decision-making process.



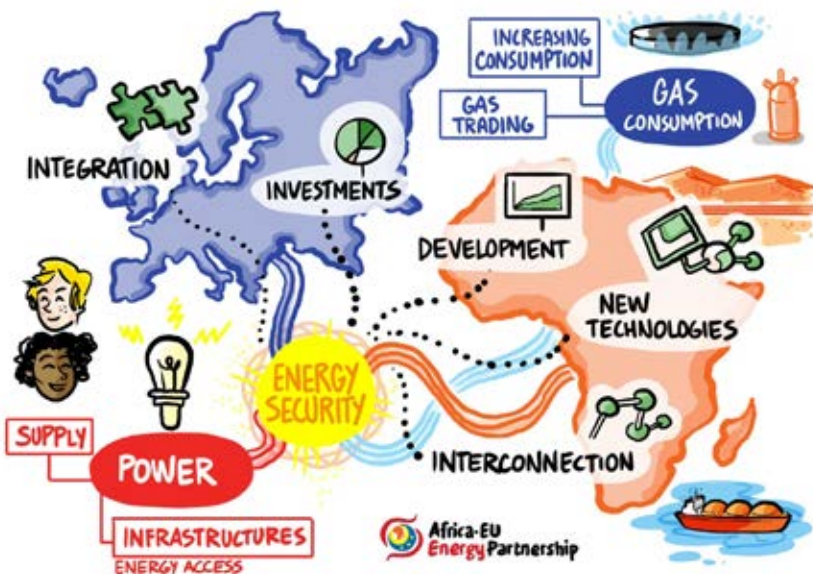
<sup>1</sup> <http://www.covenantofmayors.eu>

## Energy Security: Connectivity and Regional Integration

This breakout session focused on the relevance of energy infrastructure development and regional integration.

### Key Messages

- ▶ The need to increase capacity and to support African countries to attract the private sector was underlined. In order to reach this goal, policies to protect investors need to be put in place.
- ▶ The connection between efficient energy consumption in Europe and the existence of a wider European partnership was drawn and the importance of enhancing cooperation with other states was discussed.
- ▶ Hardware and software security issues, such as the need for storage systems and keeping pace with technology, were deliberated. This included: creating power masterplans which bring projects together, increasing the efficiency in which resources reach the market and the promotion of interconnectivity.



## After Paris, What Now for the Energy and Climate Sector?

Increasing the coherence between the energy and climate sectors in the context of the decisions and commitments as a result of the COP21 was the main theme of this breakout session.

### Key Messages

- ▶ It was debated whether the link between climate and energy had changed after the COP21 in Paris.
- ▶ The political momentum of the Paris Agreement must not be lost.
- ▶ The need for good investment guides that illustrate investor benefits and a need to diversify the national energy mix were highlighted.
- ▶ Participants also debated: combatting climate change by transitioning to clean energy; projects in the Middle East and North Africa (MENA) region involving local manufacturing; public-private partnerships; and gender and governance.





17 May 2016: High-level Day

## Welcome and Keynote Statements

The *Welcome and Keynote Statements* encouraged the high-level participants to outline the local and global challenges and recent successes within the energy sector.

### Key Messages

- ▶ Demographic change and migration were defined as two challenges within the energy sector that are often overlooked. The value of energy as a driver for stability and sustainable development was also noted during this dialogue.
- ▶ The cross-cultural sensitivities and social responsibilities to traditional skill sets were discussed.



# “Measuring Success”: Achievements of Africa-EU Cooperation in the Energy Sector and Implications for SDGs

This session highlighted major actions that have been implemented by both Africa and Europe. The possible contributions of the private sector in achieving the Sustainable Development Goals (SDGs) were heavily discussed.

## Key Messages

- ▶ Challenges that continue to hamper energy security goals, such as political sensitivities around cross-border interconnections, were used to underscore the role of the African Union in facilitating regional energy agreements.
- ▶ The lack of accurate data on energy access within the current AEEP progress indicators, especially via off-grid solutions, was noted and followed by a call for Africa to move away from fossil fuels to embrace smarter energy solutions that are also easier to scale up.
- ▶ SE4All was used as an example of an initiative that is accelerating efforts to both respond to the SDGs while also reducing the cost of doing business.
- ▶ Panellists highlighted: ongoing work by the African Union to develop a regulatory framework for energy markets in Africa; public-private partnerships in Uganda to build capacity to produce and distribute efficient cook stoves; and plans to raise the contribution of renewables in Egypt’s energy sector.



# Catalysing Energy Investment: Challenges and Opportunities Facing Europe and Africa

The *Catalysing Energy Investment* round table discussed options for closer cooperation between the policy and the business sector, allowing the acceleration of long-term business investments in the energy sector.

## Key Messages

- ▶ Specific areas for action include: strengthening local private sector participation; reviewing the policies and criteria of African and European institutions; providing project preparation funding and linking it to implementation; giving project developers access to technical assistance; establishing frameworks to mitigate the risks in the initial stages of projects; and supporting utilities and making them bankable.
- ▶ The necessity of having a stable revenue stream and the role of power purchase agreements that often lead to positive financial decisions was outlined.
- ▶ Attention was drawn to unsolicited bids that are not perceived as transparent.
- ▶ The importance of gender balance and providing capacity building mechanisms was stressed.
- ▶ Participants discussed the need for interconnections within Africa for a common open market and greater investment options.



## Joint Statement Presentation of the Call for Action and Commitments

The AEEP's *Call for Action and Commitments*<sup>1</sup> invited governments, international organisations and non-state actors to pledge actions and commitments that they can themselves undertake to increase energy access, energy security as well as the use of renewable and energy efficiency sources.

The Call for Action, read out by Paul Smith Lomas of Practical Action on behalf of all the AEEP's stakeholder focal points, highlighted four key messages and subsequent priority areas from the submitted actions and commitments:

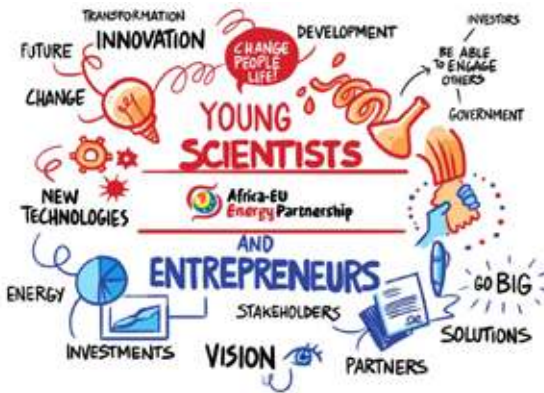
- ▶ Recognise the importance of regional cooperation and harmonisation.
- ▶ Understand energy's vital role in climate mitigation and adaptation.
- ▶ Promote job creation in the renewable energy market in Africa.
- ▶ Look beyond the household or single enterprise to address energy access needs at the community level.



<sup>1</sup> <http://www.aeep-forum.org/documents/2016/outcomes/call-to-action/aeep-stakeholderforum-2016-call-to-action-en.pdf>

# Science Slam - Young Scientists and Entrepreneurs

- ▶ The *Young Scientists and Entrepreneurs*<sup>1</sup> Science Slam was jointly organised by the Africa-EU Renewable Energy Cooperation Programme (RECP) and the Finnish University Partnership for International Development (UniPID).
- ▶ The first official Science Slam aimed to provide selected young scientists and entrepreneurs with the opportunity to pitch their ideas to the audience and provided feedback from senior scientists and entrepreneurs on their relevance, innovation potential and economic viability.



## The Young Journalists Programme

- ▶ The *Young Journalists Programme*<sup>2</sup> was established by the AEEP Secretariat with the aim of strengthening the capacity of journalists throughout Africa and Europe.
- ▶ The Young Journalists prepared media material, including tweets, press releases, photographs and a Forum video while underscoring the importance of empowering young journalists to report on the importance of sustainable energy for Africa.

<sup>1</sup> <http://www.aeep-forum.org/en/youth/young-scientists-and-entrepreneurs>

<sup>2</sup> <http://www.aeep-forum.org/en/youth/young-journalists>

## Closing Remarks

During the closing of the Forum Irene Nafuna Muloni, Minister of Energy and Mineral Development, Uganda welcomed the fruitful discussions that had taken place over the past two days and noted that the final Communique had captured the essence of these discussions.



The AEEP Secretariat would like to thank all participants who contributed to the AEEP Second Stakeholder Forum. Please visit the Second Stakeholder Forum website ([www.aeep-forum.org](http://www.aeep-forum.org)) for further details of the Forum outcomes, including: the Forum Summary Report and the Stakeholder Communique.



