The renewAfrica Initiative

28th January 2020, Brussels

Scaling up EU Commitment to Deliver REs Investments in Africa:
The EU-Africa Partnership for a Common Green Deal

Main Takeaways

Africa has an immense renewable energy potential in solar, wind, and other technologies. And yet slightly less than 600 million of its people don’t have access to electricity. There is a clear opportunity to bridge the energy gap with renewable technologies.

Renewables are seeing rapidly falling prices and they are becoming a competitive source of energy. Africa has the chance to benefit from them. There is an opportunity for a leap forward.

The EU is a world leader in renewable energy, clean technology and decarbonization. Europe is working to stimulate investments in clean technology both at home and in our neighborhood, particularly in Africa. Therefore Europe’s objectives fit well together with the renewAfrica initiative.

I thank the RES4Africa Foundation and other partners for their contribution to the important work being done within the High Level Platform on Sustainable Energy Investments. We’ve seen good progress on attracting investments in Africa and on engaging with local stakeholders. But it is clear that more work is needed.

Electrification is clearly in Africa’s interest. Europe’s partner role is differentiated by region: in North Africa, there is focus on investing in new technologies such as hydrogen and reinforcing grids. In other parts of Africa there is a stronger focus on local generation.

Europe is also able to contribute knowledge on regulatory issues and market design, but also on setting constructive climate targets. In this project there is a focus on renewable energy, but I also hope that in the future we can also work on reaping the benefits of energy efficiency.
Europe used to be a major CO2 emitter historically, but today is a small part of the problem. Africa is in many ways the opposite: its historical contribution to global CO2 emissions is negligible, but its emissions have the potential to become a big problem. Now is the time to seize upon a chance to prevent that kind of scenario and start the path to climate neutrality.

Africa is living a paradox at the moment: a large part of the population does not have access to electricity, and yet the continent has an immense renewable energy potential. Europe can play a role in resolving this paradox.

In climate policy, Europe provides an example for other countries to follow, but it cannot solve the climate problem alone. What Europe can provide is an ability to lead on climate policy and to provide financing for green investments.

One of the things we appreciate about this initiative is that you are pointing out that in Africa, there is a systemic issue. The finance can be found, the technologies are there. What is needed is a system capable of supporting a transition, and in Africa a lot of countries have had problems with tenders.

By acting now and committing to leadership in climate action, Europe is ‘putting the money where their mouth is’. We demonstrate that what’s good for us, can also be good for our partners – this lends us credibility. The private sector is fundamental for this. Seeing the private sector take initiative to figure out where are the problems and beginning to offer solutions is very reassuring.

The timing of this initiative could not be better: 2020 is a year of a new policy cycle and a new financial cycle. Europe’s engagement and partnership with Africa will also be reinforced with the upcoming Comprehensive Strategy for Africa. We are facing a unique window of opportunity to deliver the energy investments that Africa needs.
There is a geopolitical element to this conversation: Europe and Africa are natural partners, but now there are new powers entering the scene. Africa is perceived as the continent of opportunity. This is the change that we are trying to enact in Europe’s partnership with Africa.

Priorities of African countries and the European Green Deal blend together perfectly well. What is needed is to translate different components of the European Green Deal into our partnerships across the world, specifically in Africa.

In our relations and engagement with Africa, we will see a much more positive role for the private sector working towards an economy focused on dynamism and sustainability. The next MFF will likely dedicate a larger chunk of funds to Africa; to scale up this effort dialogue with the private sector will be part of the solution.

What is needed is bringing the discourse to the country level. Africa is not a country, it a continent made of 54 countries with different features. The approach needs to be differentiated for different countries and country groupings.

We should see how we can bring together all the instruments we have, and create synergies between the private sector, development financial institutions, banks, civil society and other players.

We are extremely keen to engage with the private sector in the next couple of months to improve the design of efficient and sustainable instruments to meet our policy goals and to meet your demand to contribute to our policy goals.

Geopolitics is an important dimension of investing in Africa. With the upcoming new EU Africa Strategy, there is now a political momentum and the timing of this initiative is certainly right.

EU Delegations abroad are stepping up their effort on climate and economic diplomacy, and this is in particular where the EEAS can help renewAfrica. There is scope to leverage our different strengths.

What Europe strives to achieve in Africa is the creation of a level playing field through transparent rules and procedures, including but not limited to tendering. In this way, all companies can compete on equal grounds.