

AEEP Energy Business Dialogue Forum

How to Deal with Risks in the African Energy Sector

Rome, 13 October 2014

Background

Achieving universal access to energy in sub-Saharan Africa remains a significant challenge, but one that comes with the opportunity of **unprecedented technological leap-frogging** to ensure sustainability and maximize energy efficiency. In this sense, the private sector is widely recognised as a crucial actor for driving sizeable change.

However, certain preconditions are needed to **unlock the potential of the private sector**. Conducive policy frameworks, innovative business models and financing instruments are crucial to allow the sector to expand while maintaining a case-specific approach.

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On the occasion of the Italian Presidency of the Council of the EU, and preceding a Ministerial Segment on Energy cooperation within the Italy-Africa Initiative, the Africa EU Energy Partnership (AEEP) organised and co-hosted, together with the Italian Ministry of Foreign Affairs and International Cooperation, a technical workshop on “How to deal with risks in the African energy sector” on October 13 2014 in Rome, Italy.

The workshop saw the active participation of various **Energy Ministers from Africa** (notably Equatorial Guinea, Ghana, Lesotho, Nigeria, Somalia, Sudan and Tanzania), the African Union Commission and the European Commission, all main drivers of the AEEP.

The meeting was attended by over **300 African and European political leaders**, entrepreneurs and high-level experts.

Shared intercontinental interests

During the forum, various speakers noted the mutual strategic importance of energy cooperation for the two continents. Establishing an **ever stronger interaction** as a means to anticipate future issues related to – to name but one – energy security remains key for all stakeholders. It was recognized that the AEEP plays a crucial and forward-looking role in providing one of the key fora for intercontinental political dialogue and cooperation.



Overcoming risks for investment

Presentations were made by leading exponents of businesses with investment experience in the off grid sector in sub-Saharan Africa, sparking discussions around how best to **overcoming the political and financial barriers** for off-grid renewable energy. Exponents from donor, non-profit and international organizations also presented selected experiences and best practices. The workshop witnessed the presentation of the recently published **Mini-Grid Policy Toolkit** (EUEI PDF, REN21, ARE).

Pleasingly apparent was the direct and highly competent interaction between the **Ministers** present at the forum and the business leaders working or intending to work in Africa.

The final segment of the workshop was dedicated to the link between **energy and agriculture**, a key theme which is also central to the Universal Expo 2015 to take place in Milan – “Feeding the Planet: Energy for Life”.

Way forward

It was suggested that, despite its key role in providing modern and sustainable energy services, the private sector has not been sufficiently active or involved in relevant national, regional and international processes. The meeting concluded with a call from African leaders and European policy makers for the private sector to **venture more actively into the energy sector** of sub-Saharan Africa, as the regulatory environment is increasingly and rapidly becoming more favorable. Public sector exponents from African countries repeated their vision and commitment to further improve the conditions for investment, and their European counterparts highlighted the fact that they see African colleagues not as aid beneficiaries but as full-blown **business partners**.



H.E. Mr. Chinedu Nebo, Minister of Power, Nigeria with Tobias Zwirner, Managing Director, Phaesun.



The host Mr. Luigi Marras, DG for Global Issues, Ministry of Foreign Affairs and International Cooperation, and to his right Mr. Klaus Rudischhauser, Deputy DG, Directorate-General for Development and Cooperation, European Commission.



Members of the Ivory Coast delegation meet Tobias Zwirner, Managing Director, Phaesun.

AEEP Steering Group



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