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AU Conference of Energy Ministers of Africa (CEMA)

All-Africa Energy Week 2012 (AAEW)

Pan-African Investment Forum (PAIF)

**Statement by H.E. Elham M.A. IBRAHIM,
AUC Commissioner for Infrastructure and Energy
At the Opening Ceremony of the All Africa Energy Week and
Pan-African Investment Forum & Exhibition**

Addis Ababa, 12th November 2012

Honorable Minister of Energy and Water of the Federal Democratic Republic of Ethiopia,
Your Excellency the Deputy Executive Secretary of UNECA,
Your Excellency Ambassador of the European Union to African Union,
Your Excellencies the Ambassadors of AU Member States,
Distinguished Representative of the African Development Bank
Distinguished Representatives of Development Partners,
Distinguished Representatives of Private Sector, NGOs and Research Centres;
Distinguished Energy Experts from AU Member States,
Distinguished Guests,
Ladies and Gentlemen,

It is with a great pleasure and honor that I welcome you all to Addis Ababa and to the AU Headquarters' New Conference Complex, on the occasion of the 2012 All Africa Energy Week, Pan-African Investment Forum and Exhibition held under the auspices of the AU Conference of Energy Ministers of Africa (CEMA) and jointly organized with the United Nations Economic Commission for Africa and the African Development Bank.

The first statutory Session of CEMA held in Maputo, Mozambique, two years ago, exactly on November 5th, 2010, decided to organize every two years the All Africa Energy Week with the main objective of bringing together all stakeholders to evaluate the progress made in energy infrastructure development and regional energy services, to build consensus on emerging issues, and enhance high level coordination of all the actions in the energy sector on the continent.

This is the reason why we convened to this important gathering AU member States, Development Partners, bilateral and multilateral, Specialized Institutions, Representatives of Private Sector, NGOs and Research Centres operating in the energy sector. We thank all of you who have positively responded to our invitation. Your presence here today, in a great number, is a testimony of your commitment to working closely with the AU Commission as already expressed at various occasions.

Your Excellencies,

Distinguished Guests,

Ladies and Gentlemen,

Indeed, we need to work hand in hand with all stakeholders in order to overcome the daunting challenges that our continent is facing in the development of infrastructure in general and in particular in the development of energy infrastructure and related services at national, regional and continental levels.

In fact, Africa's energy sector is confronted with persistent widely known challenges which could be summarized as follow:

- Inadequate access to modern energy services which constitutes an obstacle to poverty reduction efforts: nearly 600 million people in Africa lack access to electricity;
- Africa's generation capacity is inadequate and badly maintained; Unreliability of energy services is a challenge for many African countries;
- The cost of power generating in Africa is exceptionally high due to the small scale of most national power systems and the reliance on expensive oil-based generation. Modern energy services are not affordable for the poor segments of the population;
- Weak governance and regulatory frameworks at national and regional level impede performance in the energy sector: poor management, poor performance of utilities and low quality of services;
- Weak project preparation capacity, implementation and monitoring coordination;
- Growing concern about the impact of energy production and consumption on the environment and climate change; and
- Mobilizing Financing: closing Africa's energy infrastructure deficit will request a large increase in investment finance, strong regional integration and policy measures to reduce present inefficiency.

The magnitude of investments required to meet the growing demand is such that our governments need public-private partnerships in order to scale up investments in generation capacity, network expansion, reliability improvement and increase in electricity access.

Your Excellencies,

Distinguished Guests,

Ladies and Gentlemen,

As you all know, Africa is endowed with vast untapped renewable energy resources that can provide electricity for all at an affordable cost. Africa can benefit from the recent global progress and cost reductions in renewable power generation technologies, to leapfrog the development path taken by other regions and move as quickly as possible to a renewable-based system.

The theme of the first All Africa Energy Week held in 2010 in Maputo was: “Developing energy infrastructure and services in the context of climatic challenges” and focused on the need to design solutions that not only address the low energy access situation on the continent, but also take into accounts all challenges and opportunities related to climate change.

Today’s meeting will focus on the theme of “Renewable Energy for Sustainable Development: From Potential to Infrastructure and Services” and will highlight the crucial role of Renewable Energy in achieving sustainable development in Africa.

This choice was guided by several reasons; allow me to mention two main ones among others:

(i) the need to implement the 20th AU Summit decision adopting the Programme for Infrastructure Development (PIDA) which gives a lion share to Renewable energy development for boosting intra-African trade and regional integration. In this regard, it is worth noting that PIDA energy vision is to develop efficient, reliable, cost effective, and environmentally friendly infrastructure, enhance access to modern energy services for the majority of the African population and contribute to regional trade;

(ii) the need to align with the UN Secretary General and the UN system Initiative to declare 2012 as the International Year of Sustainable Energy Access for All aiming at ensuring universal access to modern forms of energy for all by 2030, improving significantly energy efficiency, and doubling the global share of renewable energy by 2030.

Therefore, we have proposed on the agenda of this meeting various topics related to Renewable energy for sustainable development and universal energy access, strategy to promote green investment, PPP and other partnerships for shared vision on renewable energy development on the continent. We hope that the proposed thematic and breakout sessions will allow all participants to take an active role and contribute to the common search of solutions to the above mentioned challenges that our continent is facing.

In addition, we have also on the programme a Pan African Investment forum and Exhibition aiming to contribute to enlighten developers and policy-makers on the various opportunities for enhancing investments in energy sector. In fact, the AUC is calling for sustained support of all partners, regional and international institutions and private developers to join hands with us and contribute to the financing of the energy regional infrastructure, highlighted in the PIDA Priority Action Plan that need to be implemented from now up to 2020. We are calling our member states to mobilize domestic resources and prioritize renewables in their economic development strategy. Indeed, reliable, affordable, low-cost power supply is needed for economic growth and renewable energy can play an important role to fill the gap.

Finally, this meeting gives us a good opportunity to report on the implementation of Maputo Declaration of Energy Ministers, in particular on various renewable energy sub-sectors.

Before concluding my statement, I would like to thank AfDB and ECA for the very close cooperation and contribution in organizing these All Africa Energy Week and all related events.

I wish also to thank all sponsors and contributors for their invaluable support.

I thank you for your kind attention and wish you fruitful discussions.