



AFRICAN DEVELOPMENT BANK

Special Address Delivered by

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Group**

**G20 Energy Ministers Meeting on
“Inclusive Energy Collaboration:
Delivering on the G 20 Energy
Principles”**

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1. Your Excellency, **President Recep Tayyip Erdogan**, President of the Republic of Turkey. Honourable Ministers, Distinguished Guests, Ladies and Gentlemen. Good morning!

2. I want to thank **President Erdogan** for his strong commitment in addressing the major development challenges facing Africa today. Since becoming Prime Minister in 2003 and now under his Presidency, Turkey's foreign direct investment in Africa has increased by more than 20 times. Turkey has opened new embassies in African countries, deepening its footprint on the continent. Turkish bilateral trade with Africa is up tenfold since the turn of the century.

3. Turkey's Presidency of the G20 provides another unique opportunity to support the actualization of sustainable and inclusive development for Africa. I want to thank Turkey for its vision and leadership in having chosen energy access in Sub-Saharan Africa as a focus theme for the G20. The G20 Action Plan will further boost efforts to ensure affordable, reliable, and sustainable access to power in Africa.

4. I arrived here yesterday evening from the UN General Assembly meetings in New York, where the global community approved the Sustainable Development Goals. It is the dawn of a new era for the world: one where, more than ever before, we must reach out across the global commons to solve problems and unlock opportunities. Our world will be a better place, if we achieve the Sustainable Development Goals. And nowhere is the urgency of the need to achieve the goals more than in Africa. Africa cannot sustain poverty. The over 400 million

Africans living in poverty must see a new dawn of change. They must be lifted out of poverty.

5. The African Development Bank is ready, willing, and eager to serve as the institution of choice for helping to achieve the Sustainable Development Goals in Africa. The African Development Bank will provide support to African countries to reach or even exceed the targets set out in the SDGs. We will mobilize the financing and the knowledge resources to turn the SDGs from vision to reality.

6. While each of the 17 goals is important for improving the lives of people around the world, none is more important for Africa than SDG 7: Energy. Today, over 600 million Africans do not have access to electricity. Energy is the engine that powers economies. Without it, Africa cannot industrialize. Our factories lie idle for lack of power. The private sector is crippled, without the ability to operate effectively or competitively. Production remains stunted.

Without power, the problem of massive unemployment in Africa will not be solved. Africa's youth should not be migrating, at great risks, to Europe. But without power, we cannot create jobs and opportunities for them at home.

7. Africa today has 11 terawatts potential of solar energy. It has 320 gigawatts potential of hydro energy. It has 110 gigawatts potential of wind energy. And it has 15 gigawatts potential of geothermal energy. Africa cannot stand by with such massive energy resources and yet be known for the darkness, not the brightness, of its cities and rural areas.

8. The continent may be blessed with almost limitless potential for solar, wind, hydropower and geothermal energy

resources, but potential does not power our small businesses and our industries. Potential does not light our schools and homes. Potential cannot save the 600,000 people – mainly women and children – who die every year from pollution because they don't have access to clean cooking energy.

9. We must unlock Africa's energy potential – both conventional and renewable. Our bright sunshine should not only nourish our crops, it must power our homes. Our vast water resources should do more than provide us much needed drinking water: they must power our industries.

10. This is why the African Development Bank led the development and financing of the Lake Turkana Wind Power project, the largest wind farm in Sub-Saharan Africa that will provide 300 megawatts of clean power to Kenya's national electricity grid. This is an excellent example of how we can unlock the renewable energy potential in Africa. We need more projects like this, and the African Development Bank is uniquely positioned to identify, package and finance them.

11. There is no doubt that Africa has an opportunity to lead a renewable energy revolution by effectively harnessing the resources at our fingertips. But as we work towards this revolution, we must also be practical, responsibly harnessing conventional energy resources like natural gas and coal to meet the vast energy needs of our continent. It is critical that we reach the right energy mix for Africa, so that we can fuel industrialization that is so desperately needed.

12. We must take bold steps, think differently and act with a greater sense of urgency.

13. In majority of African countries, over 90% of the primary schools do not have electricity. I read recently of the determination of young primary school kids in the town of Bo, in Sierra Leone, who queue up for hours, around one lightbulb of a generous neighbour, to do their homework throughout the night. In other countries, the streetlights have become the congregation point of children, not to play, but to learn.

14. Yet in the USA, young African kids such as Saheela Ibraheem got admitted to Harvard University at the age of 15, entering the list of the “World’s Smartest Teenagers”. Young high school student Kwasi Enin, the son of a Ghanaian immigrant to the US, set a record for being granted admission to all the eight Ivy League universities in the US. The difference between them and those kids in the town of Bo, is all about opportunities to learn.

15. We must make access to electricity a democratic human right. We must rise up and do all it takes to ensure that **all primary and secondary schools in Africa have access to electricity**. The African Development Bank stands ready to work with the G20 and other partners to make this happen, to unlock learning opportunities, raise achievement in schools, reduce school dropout rates and securing a brighter future for Africa.

16. Africa is simply tired of being in the dark.

17. That is why the African Development Bank has launched a **New Deal for Energy in Africa**, to fast-track universal access to power by 2025: lighting up and powering Africa in 10 years, not 50 years.

18. The African Development Bank will significantly raise its level of investment in the energy sector. We will look at different ways of delivering energy: grid, mini-grid, and off-grid systems. The African Development Bank will launch a **Bottom of the Pyramid Energy Financing Facility for Africa** to ensure that inequality of access to energy is addressed, especially for millions of energy-poor households in rural areas. For them, the cost of the last mile of connection to national grids is expensive – and will take time. Today, the revolution on off-grid and mini-grid systems provides a unique opportunity to short-circuit their access to affordable energy.

19. Just like it occurred in the mobile phone revolution that swept across Africa – making Africa the leader in the world in terms of mobile phone ownership – we are at the cusp of yet another revolution: clean energy revolution from renewable energy delivered via decentralized energy systems. We must bring energy closer to people and we must ensure that it is affordable. To do so, we must take full advantage of innovations such as smart grid and smart metering technologies.

20. We will work hand in hand with our partners – including the G20, the African Union, the Economic Commission for Africa, and others to increase both the level of aspiration and the level of investment in the energy sector. We will build on the successes of key initiatives such as President Obama’s Power Africa Initiative, ensuring that we are harnessing our collective efforts to tackle this critical challenge. As host of the SE4All Africa Hub in partnership with the African Union, the New Partnership for Africa’s Development (NEPAD) and the United Nations Development

Programme (UNDP), the African Development Bank is ready to do even more.

21. The African Development Bank is playing a key role in the Africa Renewable Energy initiative, being supported by the G7, which aims at accelerating access to renewable energy in Africa and reducing energy poverty. This initiative was endorsed last week by the Committee of African Heads of State on Climate Change and will be an important contribution of Africa at COP21 in Paris in December. We therefore look forward to the support of the G20 and to realizing the synergies with the G20 Action Plan.

22. Unlocking Africa's energy potential requires that we coordinate better and deliver faster – and at scale. We must not dissipate our efforts. To that end, the African Development Bank, in alliance with all the major actors in the energy space in Africa, will be launching a **Transformative Partnership on Energy for Africa**.

23. Together, we must now substantially raise our aspirations and financing for energy in Africa. We must mobilize, more than ever before, a strong commitment by African governments to devote a greater share of their GDP to the energy sector. Our greater aspirations will need to be matched by greater aspirations from governments. We must work collectively with African governments to address fundamental reforms of the energy sector, especially on appropriate pricing for energy, reforms of energy subsidies, restructuring of power utilities and policy, legal and regulatory environment to improve incentives for greater private sector investments in the energy sector. And we must mobilize strong

political will – within and outside of Africa – to solve the energy problem facing Africa.

24. There is no doubt that a lot of financing will be needed. Together, we must close the \$55 billion financing gap for energy in Sub-Saharan Africa. And we must raise our level of commitment to meet the \$22 billion needed to support universal access to energy in the region.

25. These numbers should not throw us off. Africa and the global community have what it takes to meet this challenge. Domestic resource mobilization holds the key. If Africa only uses 10% of the total amount of \$500 billion in tax revenues collected every year on energy, we can solve the problem. If Africa ends the \$60 billion in the illicit capital flows out of the continent, we will solve the problem. And if the developed countries meet their commitments to devote 0.7% of their Gross National Income to development assistance, which will generate \$168 billion, we will solve the problem.

26. This is why the strong commitment by the G20 to supporting Africa on energy access is highly commendable. I congratulate the G20 Energy Ministers for their commitment to the continent. The children in the town of Bo and all across Africa will remember your efforts.

27. And let me specially congratulate China on its upcoming Presidency of the G20. The African Development Bank stands fully ready to work with the G20 for the success of this initiative. Working together with the **Transformative Partnership on Energy for Africa**, we will leverage greater resources and secure greater commitments by the governments for action. Resolving Africa's energy challenge will be the

greatest success for COP21. It is critical that COP21 is a huge success, and it is my hope that we can band together and work together to be able to significantly leverage our collective efforts for impact in Africa.

28. Not having energy is not an option for Africa. I am absolutely convinced that working together we can solve this problem. Starting now.

29. **Let us light up and power Africa!** Thank you very much.