

# **4<sup>th</sup> IEF – OFID SYMPOSIUM ON ENERGY POVERTY**

## **Leadership for Energy Poverty Alleviation**

Capetown, May 2<sup>nd</sup>, 2019

**Keynote speech of HE MAHAMAN LAOUAN GAYA, Secretary General of African Petroleum Producers' Organization (APPO)**

- **Your Excellency Mr. Jeff Radebe, Minister of Energy of South Africa,**
- **Your Excellency Dr. Sun Xiansheng, Secretary General of International Energy Forum,**
- **Mr Belkacem Ouzrourou, Director, African Region of OFID,**
- **Ladies and Gentlemen,**

It is with great pleasure that, on behalf of APPO, I thank you for the invitation to attend this meeting and the honor you give me to deliver the keynote speech at this IEF-OFID Symposium, which theme have an important issue for African countries.

### **Excellencies,**

The significant reduction of poverty in all its forms and sustainable development constitute the major challenges of the beginning of this 3<sup>rd</sup> millennium. These two objectives are fundamentally linked in the context of african countries in particular.

However, it is clear that until recently, energy is not explicitly taken into account in anti-poverty initiatives.

The problem of energy poverty is not new, but I am pleased that in recent years, we are seeing a return to the issue in major international forums. And at the beginning of this symposium, three questions will be addressed to situate this problem.

First, **“Why does energy poverty matter to sustainable development goals ?”**

It is obvious that for any country and for all poor people, energy is an essential component of any activity ensuring a minimum of economic and social development and essential to meet the basic daily needs of the population (water, food, health, education, etc.).

When scarcity, inaccessibility and poverty combine to limit the use of modern or traditional energy resources, the use of animal energy (camels, cattle, horses) or human energy is essential. To cultivate fields, to crush cereals, to cook food, to draw and to transport water, it is first and foremost the human energy that is mobilized.

That of women, in particular...they spend at least 10 to 12 hours per day for these chores ; using the rest of the day for their families. Income-generating activities and even less leisure activities are totally excluded from their daily lives.

The scarcity of energy or its high cost contributes to the maintenance and increase of poverty, especially in rural areas of Africa.

However, in general, it is recognized by all that the african subsoil is full of abundant fossil energy resources (oil, gas, coal, uranium,

...) and those of renewable origins (hydraulic, solar, wind, biomass, geothermal energy ...).

But the paradox is that despite this abundance of resources, the annual energy consumption level of the african citizen hardly exceeds 0.6 toe (tons of oil equivalent), against nearly 4 toe per year for an european, 7.8 toe per year for an american and the world average is 1.6 toe. If we exclude North Africa and South Africa, this rate of primary energy consumption falls between 0.3 and 0.4 toe for the rest of the continent; and up to 0.1 toe for some countries ! ... Emerging economies (South Korea, Singapore, Malaysia, ...) have primary energy consumption ranging from 2.5 to 3.5 toe.

Worse, the countries of Sub-Saharan Africa show a consumption of woodfuel that is close to 60% in their energy balance....this inefficiency linked to the abundant and abusive consumption of biomass energy explains why Africa is the most energy-consuming continent in the world.

Africa consumes twice as much energy as Europe to produce one (1) dollar of wealth.

There is no doubt that modern energy is a powerful vector for both economic and social development, as the correlation between energy consumption and GDP growth has always shown. So, I doubt very much that an economy can claim to emerge with the energy of biomass (wood and straw for the most part) or with an

average annual energy consumption per capita as ridiculous....as 0.4 toe.

Energy is one of the keys to Africa's development. It is the guiding thread that links all 17 Sustainable Development Goals (SDG) and their 169 targets. In addition, the progress to be made in the implementation of the 7<sup>th</sup> SDG will inevitably have repercussions on the achievement of the other Sustainable Development Goals.

**- Your Excellency Honorable Minister,**

**- Ladies and Gentlemen,**

Secondly, we ask ourselves the following question, **“What are the ongoing challenges in alleviating energy poverty ?”**

The energy situation in African countries raises several challenges that need to be addressed in order to open up new prospects for the development of the continent. These challenges as well as the levers deemed necessary to answer them include :

- \* Put the energy strategy in Africa as part of an integrated long-term vision,

- \* Base the energy strategy on the diversification of the energy mix of african countries and, especially, on the development of renewable energies,

- \* Pay special attention to the governance of the energy sector,

- \* Promote inter-regional cooperation to mobilize complementarities in the energy field,

- \* Improve the attractiveness of foreign investment in the energy sector.

"In a simplified way, these challenges consist, on one hand, of meeting the needs of africans in modern energy, at a lower cost, while reducing environmental impacts and, on the other hand, of ensuring good governance of energy resources and prudent and responsible management of non-renewable energy resources".

This definition of "Energy challenge" is reminiscent of the Initiative Sustainable Energy for All (SE4All) launched by the United Nations in September 2011 with the aim of achieving three (3) interrelated goals on the horizon 2030 :

- 1** - to ensure universal access to modern energy services ;
- 2** - double the overall rate of improvement of energy efficiency ; and
- 3** - double the share of renewable energies in the global energy mix.

....and also reminds the Resolution of the "World Energy Trilemma" of the World Energy Council (WEC). Indeed, the world is confronted with the "Energy Trilemma", which represents the (3) three long-term global issues :

- 1**- Energy security : growth in global energy demand : +50% by 2050 ;
- 2** - Social equity and access to energy : 1.3 billion people without access to electricity in the world ;
- 3** - The limitation of environmental impacts, including the fight against climate change, local pollution of water, air and soil, conflicts of land use, etc.

This heart felt cry of the United Nations and the WEC, is justified by the extreme energy poverty in which more than half of the Humanity vegetates and which then, strongly compromised the achievement of the Millennium Development Goals (MDGs).

The MDGs that were adopted and then established for the period 2000-2015 have expired with a mixed overall record for basic energy services.

If energy had not been taken into account as such among the MDGs, the contribution of modern energy services to achieving these goals is now widely recognized.

The new objectives (Sustainable Development Goals - SDGs) that followed and established for the period 2015-2030, largely took into account the role of energy services.

Indeed, energy is the guiding thread that connects all 17 SDGs and their 169 targets. In addition, the progress to be made in the implementation of SDG on energy will inevitably have an impact on the achievement of the other SDGs.

To begin its take-off, to stimulate structural and economic transformation and to fight poverty in all its forms, Africa needs sound energy policies. In general, the specific objectives selected for a National Energy Policy are four (4) :

**1** - Access to modern energy services in quality, quantity and low cost ;

- 2** - Ensure the protection of people, property and the environment against the risks inherent to energy services ;
- 3** - Strengthen the orientation, management, control and strategic management capabilities of the energy sector ;
- 4** - Strengthen for the country the benefits of international cooperation in the field of energy.

On the basis of these specific objectives, any national and regional energy policy must take into account the United Nations 7<sup>th</sup> SDG, the United Nations Initiative SE4All and the WEC Resolution of “Global Energy Trilemma”, which constitute in their substances the major energy challenges in the world, heart of which is the african countries.

Energy in a development context requires a full understanding of the role it plays in developing a country and improving the living conditions of the poor.

Indeed, modern energy, especially electricity, profoundly influences the well-being of individuals, whether through access to water, agricultural productivity, health, education, job creation or environmental sustainability.

Addressing challenges of such magnitude implies strong political will, well-designed energy strategies, much greater international, inter-african and regional cooperation, building strategic and institutional capacities, training national skills in energy sector

and the ability of countries to attract the required private investment.

African countries must be ambitious in their energy policies if they want to ensure their economic take-off.

- **Your Excellency Honorable Minister,**

- **Ladies and Gentlemen,**

Finally, **“How can energy poverty be monitored and addressed in the African context ?”**

It is recognized today that fighting energy poverty in Africa requires policies that combine the fight against poverty in all its aspects, the fight against climate change, good governance and improved access to sustainable energy sources.

In Africa, there are more and more energy infrastructure development projects that aim to accelerate people's access to energy services in order to improve their living conditions, but also to boost productivity and competitiveness of enterprises.

However, the monitoring and evaluation system used has always been focused on results and focused most of the time on the evaluation of performance in terms of effectiveness, efficiency and sustainability of the action.

The 2030 Agenda and the resulting SDGs require new approaches to better align monitoring and evaluation methodologies with the ultimate goal of having consensus indicators on both performance



and impacts. This harmonization work should lead to a modeling of an integrated and oriented monitoring and evaluation system.

To do this, a change in the energy model is needed in Africa for reasons of energy sovereignty, equity in access to energy services and nationally determined contribution requirements for climate change and the achievement of the SDGs.

Any Country or Region that takes into account the Specific Objectives of a National or Regional Energy Policy, the 7<sup>th</sup> UN SDG, the United Nations Initiative SE4All and the WEC Resolution of “Global Energy Trilemma”, would have the necessary tools for the implementation, monitoring and evaluation of its energy policy. These instruments constitute a real system of governance capable of responding to the challenges of countries rich in energy resources and overcoming energy poverty.

**- Your Excellency Honorable Minister,**

**- Ladies and Gentlemen,**

The debate on energy poverty particularly in Africa will always occupy the decision-making as long as poverty persists.

Never in its history has humanity been confronted with an ever-growing challenge : that of energy poverty and precariousness.

If Africa wants to achieve sustainable economic growth and avoid falling into a fatal economic disrepair, it must in the decades,

even years to come, face the energy challenges...essential for its survival.

**- Your Excellency Honorable Minister,**

**- Your Excellency Dr. Sun Xiansheng,**

**- Ladies and Gentlemen,**

It is on this note of hope that I wish every success to 4<sup>th</sup> IEF – OFID symposium on energy poverty.

Long live the international energy cooperation,

Long live Africa.