# Summary of NGO workshop on the Africa Renewable Energy Initiative (AREI), <u>10 Februarz 2016, Berlin</u>

Attendees: see list of participants

Agenda:

- 1. Welcome and Introduction
- 2. Presentation on AREI
- 3. Small Group Discussion and Country Experience
- 4. Open Round Discussion
- 5. Panel Discussion
- 6. Wrap Up

#### **1. Welcome and Introduction**

- The objective of the workshop is to discuss experiences with regard to renewable energy in Africa and consider how civil society could engage on the Africa Renewable Energy Initiative (AREI). The workshop does not aim to formulate *the* position of *the* African civil society vis-àvis AREI, but rather to provide an open space for discussion that is to be followed by other discussions in other forums.
- The workshop was organized by Bread for the World and Germanwatch in order to take advantage of the fact that many African NGO representatives were already in Berlin for other meetings organized by CAN. The two host organizations see their role as providing the infrastructure for the meeting. What comes out of the workshop and how the results are used afterwards lies in the hands of the participants.
- The meeting will be held under the Chatham House Rule: participants are free to use the information received, but neither the identity nor the affiliation of the speaker(s), nor that of any other participant, may be revealed.
- The suggested program is agreed by the participants, it includes four sessions:
  - 1. Session: introductory presentation on AREI and general questions
  - 2. Session: small groups to discuss individual country perspectives on AREI
  - 3. Session: exchange and synthesis among the bigger group

4. Session: panel discussion with Frank Fess-Metz, commissioner for climate policy and climate financing at the German Federal Ministry for Economic Cooperation and Development (BMZ) (via video conference) and Daniel Argyropoulos from the Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety (BMUB)

 Financial support for the workshop is gratefully acknowledged from Stiftung Mercator and the German Federal Environment Agency (UBA) on behalf of the Federal Ministry for the Environment (BMUB)

## 2. Introductory Presentation on AREI

The introductory presentation began with a short movie on AREI (<u>https://youtu.be/L5JcMqEsr7M</u>) followed by some slides similar to the ones available on the AREI website (Main points included:

- There are a lot of energy related initiatives on the African continent, but many initiatives are donor driven AREI is African driven and African led.
- AREI brings together two crucial issues:

1. Energy access for the continent – AREI aims to ensure universal access to sufficient energy for all Africans.

2. Climate change - Africa cannot go down the same road other countries already did, as this would exceed the total global carbon budget

• The two main goals of AREI are:

1. Ensuring universal access to sufficient amounts of clean, appropriate and affordable energy for everyone

2. Allowing African economies to leap frog to renewable energy-based systems

- AREI wants to reach at least 300 GW of new and additional installed capacity for the African continent by 2030, with an initial 10 GW by 2020. This is double of the current installed capacity.
- Capacity Numbers are powerful to set targets, but can also provide incentives in the wrong direction – important to stress the qualitative targets of AREI, not just get to a GW figure as quickly as possible by adding up a few larger projects

#### **Guiding principles of AREI**

- AREI should contribute to achieving sustainable development in Africa
- o It must address the entire African continent and benefit all 54 countries
- It should boost intra-regional cooperation
- o It can promote all kinds of renewable energy technologies
- It can promote the full range of renewable electricity applications, as well as non-electrical form of energy

### Key Features of AREI

- o Country ownership
- Enhanced private and public sector engagement
- o Multi-stakeholder participation and social and environmental safeguards
- o Smart, modern distributed renewable energy systems of the future
- o Transformative and programmatic approach
- AREI needs to be carried by civil society, so that the ambitious and transformative principles do not remain words on a piece of paper
- Civil society need to ensure that AREI means distributed, decentralised, people-centred energy systems of the future
- These energy systems also require better awareness amongst the population thus, education is another important role for civil society, not just watchdog role

#### **AREI Activities**

Core activities:

- Mapping of RE policies, regulations, experience and programmes (comprehensive review process)
- Strengthen policies, regulations etc.
- o Capacity building, mobilisation and partnership fostering across stakeholders at all levels
- Finance & funding
- Project development and support

#### Cross-cutting activities:

- o Social-economic development and environmental technology
- o Multi-Stakeholder engagement
- Wider context monitoring and screening
- o Communications and Outreach

### **Governance structure of AREI**

- Strategic level:
  - Governing board: high level, consisting of coordinator of Committee of African Heads of State and Government on Climate Change (CAHOSCC), African Union Commission (AUC) Chairperson, President of the African Ministerial Conference on the Environment (AMCEN), AfDB
- Operational level:
  - Steering committee; set priorities, objectives, milestones
  - Technical level
  - Technical secretariat / delivery unit; independent, but hosted by AfDB
- The initiative gained a lot of political support from the South as well as from the North (e.g., G7 Summit 2015)

### Types of activities supported through AREI:

- Supportive activities and operations (studies, assessment)
- Incentives and investment support (feed- in tariffs, payment guarantee)
- Supportive activities aligned with AREI but directly pursued by countries or other institutions (studies, assessment, policy guidance)
- Incentives and investment support aligned with AREI but directly pursued by countries or other institutions
- Enabling activities funding promoting enabling activities under the Africa RE initiative framework

### Issues that will be important as AREI is being shaped::

- o Governance, civil society participation and African ownership
- o Community power
- Safeguards and risks
- o Timing
- Projects vs programmes
- o Monitoring/tracking
- o Participatory approaches

- o Narrative and framing
- Implications in other asectors and UNFCC

In all of these issues, civil society has an important role to play to ensure that this initiative does what we want it to do. Now is the time to engage!

### **Discussion and Open Questions**

- How can African civil society engage meaningfully?
  - o Develop a shared vision
  - Lobby their individual governments
- What can we learn from "failed" approaches like the CDM? How can wie avoid a race to the bottom in terms of project quality, triggered by a competition over investment and funding.
- How to ensure a "balanced" approach (country-wise)? And how to distribute benefits of the approach fairly (e.g., rural/poor vs urban)?
- 10 GW in 4 years and 300 GW in 10 years How could that work out?
  - Phase I has to build-up the structure; this needs a lot of time; once the structure is in place the implementation of projects will be a lot faster. Phase I has to create conditions tour transformative change in the energy sector, or Phase II goals cannot be reached,
- What is the share of public and private funding?
  - Public funding is needed to kick-off investments, especially in areas/technologies that do not currently make economic sense yet
- How could the AREI driven by the African Union be translated into national policies?
  - The "national link" could be one key task of African civil society, bringing this international and continent-wide initiative to the national level
- How could capacities be developed (technical, but also human) in order to avoid dependency on foreign technology and knowledge? (ownership by the community)

## 3. Small Group Discussion on Country Experiences

Questions discussed in the groups:

- 1. Are renewable energies already being used in your countries?
- 2. What are the barriers for RE in your countries? How could AREI help?

Country / Region	Challenges	AREI
South Africa:	<ul> <li>Risks of tendering</li> </ul>	<ul> <li>Access to technology</li> </ul>
	<ul> <li>Grid capacities</li> </ul>	<ul> <li>Bring cost down for</li> </ul>
	<ul> <li>Price of equipment</li> </ul>	small-scale
	- Job creation	
West African Countries	<ul> <li>Governance / vested</li> </ul>	- Support
	interests	decentralization
	<ul> <li>Risk of mega-dams:</li> </ul>	- Support CSOs: e.g.
	drought & only	through studies on
	electricity for capital	clean energy or on
	<ul> <li>Lack of political will</li> </ul>	costs of dirty energy

Ethiopia	- Traditional biomass is the only RE that is in use; it's not empowering	<ul> <li>Support CSO to challenge short-term policies</li> <li>Step by step assessments (e.g. policies)</li> <li>Start with assessment of economic viability of RE also for productive uses, empowering communities</li> <li>AREI assessment could be a huge contribution</li> <li>→ understand how REs could empower people, especially women on the grass roots level</li> </ul>
Mozambique	<ul> <li>Very low electrification rate (ca. 80% without access)</li> <li>Governments focus on dirty energy</li> <li>Energy system has completely failed (in terms of climate and energy access)</li> <li>North has to provide funding</li> <li>It's not about replacing an energy source, but transforming the whole energy system as reflected in the AREI principles)</li> </ul>	<ul> <li>Climate justice &amp; energy justice</li> <li>Principles: North needs to provide money for clean energy access, energy sovereignty. don't only change energy , but energy systems → needs to be community-owned</li> </ul>
Uganda/ Tanzania	<ul> <li>RE not strong in regional plan (East Africa)</li> <li>Focus not on community access</li> <li>Focus on national grid</li> <li>What is needed are capacities, both on the side of the government, but also on the side of civil society</li> </ul>	<ul> <li>International cooperation → show what works elsewhere</li> <li>Capacity building support</li> </ul>
Cross - continental (Kenya, Nigeria, Mauritius)	<ul> <li>No RE policies</li> <li>Some countries have strong RE agency</li> </ul>	<ul> <li>Capacity building for communities/ local governments</li> <li>Support job creation &amp; new industries</li> </ul>

North Africa (Morocco &	- Focus on mega-projects	- Facilitate learning +
Tunisia)	- No grid access for	synergies across
	community energy	countries
	- Little efforts on energy	- Good as a concept;
	efficiency	collaboration: learning
	- The state owned utility	from the experience of
	is a problem in both	other countries; create
	countries (monopoly,	synergies, build-up
	no competition)	capacities, technology
	- Capacities are a	transfer
	problem in Tunisia	
	(technology &	
	knowledge)	
	- Lack of participation of	
	communities, esp. in	
	Tunisia $\rightarrow$ conflicts	
	with local communities	
	<ul> <li>Morocco has an energy</li> </ul>	
	efficiency law in place,	
	but there are no	
	incentives, obligations;	
	hence the law is only	
	on paper and not	
	enforced	
	- Both countries: no real	
	collaboration between	
	the different	
	responsible ministries /	
	agencies	

## 4. Open Round of Discussion

Issues for civil society to focus on	Issues to discuss with German Government
Assessment of existing initiatives and efforts:	Concerns that Germany would export nuclear
What has worked, what has failed	power technology to Nigeria
Assessment of stakeholders: Who has what role, power and interest in operating AREI	Concern that Germany would only perceive the African continent as a market to bring in German business and gain private profits ("investment opportunity / expansion of the market for German companies")
Organization of a strategic meeting of CSOs in	Germany should encourage feed-in tariffs and the
Africa to foster collaboration and increase the	possibilities for consumers to become electricity
force of civil society	producers
Capacity building for CSOs to enable them to get engaged and advocate for RETs in Africa (e.g. improved technical understanding)	Expect civil society engagement/participation in AREI
Representation of CSOs in AREI governance	Support local communities for project development,
and high level board	operation and monitoring
Monitoring and watchdog role of CSOs	AREI should be programmatic rather than project- based

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Creating a new narrative for RE and	Welcome support of civil society to AREI, but	
development for Africa: affordable, accessible,	provide also funding for CSOs to work on RE	
healthy and economically beneficial		
Advocacy for RE at the national level:	Emphasize that the African civil society is in favor of	
advocate for RE laws, national processes &	RE but only if the African continent benefits from	
plans with strategic holistic global picture	the technologies (danger of import dependence on	
	foreign technologies)	
Work on sub-national governments	Distribution of benefits/fair share	
Linkage of INDC commitments to RE targets	What are the 10 billion dollars? Is it new or	
and new energy policy frameworks	additional money? Coming from loans, grants, trust	
	funds? Does it include leveraging private money?	
Position-making of CSOs on RE and AREI at		
the national and the continental level	Are the pledged 3 billion new and additional?	
(common position paper/document)		
Collaborate with other continents/non-African		
countries to establish a strategic approach on	Make sure that the pledged money really is new	
low-carbon development and exchange best	and additional	
practices		
Discuss and develop safeguards/grievance	What is the Corman position on safeguards?	
mechanisms and clear eligibility criteria	What is the German position on safeguards?	
Collaboration with national governments to	Advocate for a strategic not a project-centered	
help them implementing RE projects	approach in AREI	
Monitoring AREI so it lives up to its promises	Frable CCOs to implement community based 8	
and is held accountable for its targets (i.e.,	Enable CSOs to implement community-based &	
ending energy poverty)	clean projects (long-term support)	
Monitoring financial flows to address double	What makes the initiative unique and different to	
counting issues	others?	
Coalition on a just transition to renewable	Assessment of threats and challenges so the	
energy should be an umbrella CSO alliance for	initiatives does not end up like other initiatives that	
important issues under the AREI	were considered "too big to fail"	
Development of community-driven RE project	-	
proposals	10 GW by 2020, how do we achieve this target?	
North-South cooperation among CSOs	Oppose dirty options (fossil fuels)	
Push for "leave the fossils in the ground"		
campaigns	What about Megadams?	
Agree on and identify multiple stakeholders,		
coalition on just transition and RE		
Assessment of existing efforts		
Support & strengthen CSOs (capacities,		
finance, work plans)		

### Participants agreed on the following three next steps::

- Organization of a strategic meeting of CSOs in Africa to foster collaboration and increase the force of civil society
- Position-making of CSOs on RE and the AREI at the national and the continental level: developing a common position paper
- o Developing a functioning model of North-South cooperation among CSOs on AREI

## 5. Panel Discussion

A panel discussion was held with representatives from the two competent German ministries: Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety (BMUB) and Federal Ministry for Economic Cooperation and Development (BMZ)

### Introductory remarks

- Few weeks before the G7 Summit in Elmau, Germany (2015) Chancellor Merkel received the paper on AREI, AREI has been introduced in G7 Summit within days and found wide support
- There have been several meetings with African partners, AREI is an African led initiative and not an idea of G7
- o Germany is the largest contributor to AREI
- The G7 pledge is to support AREI through existing support channels like GEF (Global Environment Facility), Climate Investment Funds (CIFs) at the World Bank, Green Climate Fund (GCF)
- Official launch of AREI on COP 21
- o Now discussion with African partners to move in the establishment phase
- o Intention is to start as soon as possible with implementation
- Important to have in mind that the achievement of 300 GW is only possible if different funding sources are available. The private sector also needs to be approached

### Discussion:

#### Questions:

- Africa is such a huge continent. How to ensure a fair distribution of benefits (investment, technologies, capacities etc.) among African countries?
- Are coal and nuclear an option?
- What is the share of private / public funding?
- How could Germany facilitate capacity building for CSOs?

### Answers:

- Concerning role of different countries::
  - The countries' situations differ a lot; therefore there will be different kinds of participation in AREI
  - Given the timeframe for Phase I (4 years), countries that are "ready" now, will gain the most attention in the short-term; this might work as an incentive for other countries to implement, e.g., RE targets
  - The approach is not to exclude any country, however countries who lack the sufficient regulatory environment will most likely not attract many investors
  - Projects must be technically and economically sustainable, while social issues must be considered
  - A functioning planning system with participation of local communities must be in place → one possibility "community projects" were the communites where the project is located are co-owners of the project and receive a certain amount of the revenues generated

- Coal and nuclear are no options
- Concerning share of private / public funding:
  - There will be a mix of public and private funding
  - Small off-grid solutions may need more public funding, large-scale projects that may be more economically viable need less public funding and will often be viable with private investment
- o As a whole, the deployment of large-scale projects is "easier", given also the timeframe
- There is a vast amount of energy initiatives in Africa. AREI is not there to duplicate what exists. It needs a thorough mapping of initiatives that exist
- Public funding can financially kickstart, but then it requires other sources to fill the gap
- There is pressure, because the goal to reach 10 GW until 2020 needs immediate implementation
- The AREI is strong because it is African led and includes African ownership, but it is also rather led by the government and there could be more involvement of civil society

#### Questions:

- How can the participation of civil society be institutionalised?
- o How does AREI differ from other initiatives?
- How can we make this continental initiative work, also on a regional level?
- How can we make AREI really be people orientated, not only in theory but in practice?

#### Answers:

- Specific character of AREI is that the initiative is African led and owned, specific targets and the support of the G7
- CSO inclusion is (until now) a weak point of the initiative as it is strongly government driven;
   CSO could figure out and assess what could work (in terms of projects) and what will not; the role of CSOs could be to develop environmental and social safeguards; watchdog functions (e.g reducing risks of corruption); push for national energy policies
- The question is how to deal with different groups of countries that are at different stages. The initiative can demonstrate that countries, which have good frameworks in place, benefit from RE development. This can be an incentive for those countries, which need to catch up and AREI should also support those countries who do not yet have the framework to develop it.
- AREI cannot push for certain policies or their implementation. This needs to come from the national government. This is what African ownership should be. Pressure needs to come from the country itself

#### Question:

• How to make sure that not only the consumption centres benefit, but also rural areas with poorer population?

#### Answers:

• There will be no strong "centralized" governance structure in place

• Prioritization of projects, e.g., rural vs urban, has to come from the countries themselves; however, one may can provide incentives, e.g., for decentralized projects, to make them more attractive

## 5. Wrap up

Participants agreed on the following outcomes:

A Working Group was formed, consisting of the following members:

- 1. Augustine Njamnshi (PACJA, Cameroon)
- 2. Said Chakri (CAN Arab World, Morocco)
- 3. Aissatou Diouf (ENDA, Senegal)
- 4. Godwin Ojo (EarthRights International, Nigeria)
- 5. Isaac Kabongo ( Ecological Christian Organization, Uganda)
- 6. Sixbert Mwanga (Tanzania Climate Change Alert and Resilience, Tanzania)
- 7. Marlene Nyanserema (Institute for Environment and Water Management, Kenya)
- 8. Boris Schinke (Germanwatch, Germany)

The group will work to organize a **strategy meeting of CSOs in Africa.** Such a meeting could e.g. Be held in April in conjunction with pre-AMCEN NGO meetings organized by PACJA. The group should also make a mapping of other African actors who should be included in that meeting and the processes going forward.

The group will also begin work on a **vision/position document by CSOs**. The first drafts should be ready for the strategy meeting and the final paper at some point during this year

Participants stressed the needs for more **North-South collaboration** on this issue among NGOs.The Northern and International NGOs present at the workshop (CAN International, Germanwatch, Bread for the World) underlined their willingness to support their Southern partners by taking African demands to the donor governments and international processes and by providing resources if possible, based on specific requests.

Notes from the workshop and a participant list with contact details will be shared with all participants

This workshop was convened by: Germanwatch and Bread for the World

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