

COP29 Side event concept note

Title of event: Pathways to affordable finance for energy transition and energy security in Africa: Insights from “African Energy Dialogues”

Venue: Africa Pavilion, Baku, Azerbaijan

Date: November 15, 2024, time: 14h30 – 16h00

Organisers

Lead Partner: World Resources Institute (WRI)

Contributing partners:

- United Nations Economic Commission for Africa (UNECA)
- The African Energy Commission (AFREC)
- Sustainable Energy for All (SEforALL)

Background and Context

About African Energy Dialogues (AED): Africa’s energy transition requires a holistic approach that addresses the complex interplay of challenges through tailored solutions. To ensure that African countries can accelerate universal energy access and transition without compromising their development needs – employing all forms of their energy resources, as stipulated in the *African Common Position on Energy Access and Just Transition*. Therefore, discussions on Africa’s role in the global energy transition debate must be guided by the best available data and evidence and prioritize African voices. In this context, World Resources Institute (WRI) Africa launched African Energy Dialogues (AED) at COP28 in partnership with the African Energy Commission (AFREC), Sustainable Energy for All (SEforALL), and the United Nations Economic Commission for Africa (UNECA). This platform promotes evidence-based and inclusive dialogue on Africa’s energy transition, integrating diverse perspectives from stakeholders across the continent. It seeks to accelerate development of countries’ energy transition plans, enhance Africa’s influence in the global debate, and advocate for strategies that maximize benefits for African people.

About This Event: Although Africa accounts for one fifth of the global population, it receives only 3% of global energy investment. By 2030, energy investment in the continent needs to double to over USD 200 billion per year, in order for all African countries to achieve their development goals. Increasing access to affordable finance is essential for new technologies, infrastructure, and policy initiatives that enhance energy access and support the transition to clean energy. Mitigating investment risks is crucial to attract private sector investment and ensure scalable energy projects.

At COP29, AED will share findings and insights from its three working groups and their network of stakeholders over the past year, focusing on building affordable financial pathways for country-specific energy transitions in Africa. This event will build on ongoing discussions about finance and investment in Africa’s energy sector, focusing on barriers, opportunities, and solutions related to enabling policies, investment environments, and technological innovation in infrastructure. The session is designed for policymakers, governments, Investors, energy specialists, the private sector, civil society organizations, environmental advocates, and researchers engaged in climate change resilience, energy transition, and community engagement initiatives.

Objectives of the event

The event aims to strengthen the case for investing in Africa’s energy future and identify pathways for increasing access to affordable finance. Specific objectives include:

- Enhance collaboration: Explore opportunities for collaboration between organizations and AED to leverage expertise and resources.
- Foster long-term partnerships: Encourage structured long-term partnerships between AED and other organizations to align research priorities with energy needs.
- Foster a lively discussion among diverse stakeholders from across the continent about African countries' energy transition strategies and their impact on economies and communities.
- Enhance Africa's influence in global energy transition debates, promoting stances that benefit the continent and its people.

Alignment with COP 29 Priorities

The event's focus on affordable finance for Africa's energy transition aligns with COP29's primary mission of mobilizing financial support for global climate action and promoting sustainable energy transitions. Speakers will share learnings from the African Energy Dialogues about potential financial pathways, highlighting the barriers to investment in Africa's energy sector and identifying opportunities for increasing access to affordable finance. The event will promote country-specific energy transition solutions related to enabling policies, investment environments, and technological innovation and infrastructure, to mobilize investment and bridge the energy finance gaps in Africa.

Draft Programme

[Panel gender balance (male 56%/female 44%)]

Moderator: **Dr. Rebekah Shirley**, Deputy Director, World Resources Institute (WRI) Africa

Opening remarks (5 minutes): **Meron Tesfamichael**, Director, WRI Africa Energy Program

Special Remarks (10 minutes): **Linus Mofor**, Senior Environmental Affairs Officer, UNECA

PANEL DISCUSSION: Findings from AED's Working Groups (15 minutes):

- **Mekalia Paulos Aklilu**, Climate & Sustainability Lead, UNECA
- **Yagouba Traore**, Head of Division – Policy Strategy & Support, AFREC
- **Lanre Shasore**, Sr. Advisor Energy Transition Planning (Africa), SEforALL

PANEL DISCUSSION: Looking ahead: Strategies for scaling up energy transition finance (15 minutes):

- **Chigozie Nweke-Eze**, CEO, Integrated Africa Power
- **Nickson Bukachi**, Senior Policy Officer, AFREC
- **Emeka Oragunye**, Regional Director of Africa, SEforALL

Closing Remarks: **Meron Tesfamichael**, WRI

Panel discussion topics will include:

- Challenges and opportunities in developing affordable energy transition pathways
- Strategies for inclusive solutions, given diverse socioeconomic and political conditions, policy and regulatory environments, and energy transition priorities
- How to scale innovative financing models for energy projects in Africa
- Strategies for making energy transition projects in Africa more attractive to investors

--- Coffee and tea break: ~~yes~~/no

Key messages

- Affordable finance is crucial for energy transition in African countries as it underpins the modernization of infrastructure, expansion of energy access, economic growth, and achievement of climate goals.
- Tailored financial products and risk mitigation measures are needed to support sustainable energy projects and attract local and international private finance.

Links to background documentation:

- <https://www.wri.org/initiatives/african-energy-dialogues>
- <https://www.wri.org/update/african-energy-dialogues-brings-together-voices-africas-energy-transitions>

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