

AFRICAN UNION

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**AFRICAN UNION CONFERENCE
OF ENERGY MINISTERS (CEMA)
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ADDIS ABABA, ETHIOPIA**

AU/CEMA/MIN/Res. (II)

**RESOLUTION ON INVESTMENT FINANCING AND THE
ROLE OF PUBLIC-PRIVATE PARTNERSHIP IN THE
DEVELOPMENT OF RENEWABLE ENERGY**

**RESOLUTION ON
INVESTMENT FINANCING AND THE ROLE OF PUBLIC-PRIVATE
PARTNERSHIP IN THE DEVELOPMENT OF RENEWABLE ENERGY**

We, African Union Ministers in Charge of Energy, gathered at the Second ordinary Session of CEMA in Addis Ababa, Ethiopia, on the 16th of November 2012, recognizing the paradox that the continent is blessed with abundant resources of renewable energy against our present predicament, express our readiness to create the enabling environment that will promote investment in the renewable energy sector.

Accordingly,

Conscious of the contrast between availability of rich renewable energy resources in Africa and of the low rate of electrification, poor, inefficient service and non-cost reflective tariffs in the continent;

Noting the opportunity abound in mobilizing resources both locally and externally;

Aware that the lack of access to modern energy services represents a state of economic and social deprivation;

Recognizing the importance of strengthening the local financial market suitable for financing infrastructure and renewable energy development;

Supporting the initiatives and shared vision to promote partnership among stakeholders including Public-Private Partnership (PPP) for scaling up of resources for the development of renewable energy, and for adoption of appropriate technology mix to reach out underserved areas, and improve energy efficiency - and hence facilitate regional economic cooperation;

Commending steps taken by some African Member States to create enabling environment and nurture public-private partnership among stakeholders for the development of the power sectors;

Welcoming the prospect that renewable energy development has the potential for increasing the rate of electrification to all Member States and accelerating electricity integration among the African regions.

THEREFORE RESOLVE TO:

AGREE to enhance the investment climate and institutional human capacity to facilitate the flow and effective use of investment including private investment and the mobilization of domestic capital in the development of infrastructure and renewable energy.

AGREE to integrate renewable energy programs in the broader development context.

CALL for close cooperation with member states, development partners, civil society and private business entities and investors to explore innovative financing schemes for the development of renewable energy,

ENSURE our commitment to consider transmission and interconnection regulations at the same time as renewable energy regulation as early attention to interconnection across national boundaries is an increasingly important factor in the overall potential of renewable energy development.

ENSURE the sovereign rights of all member states to establish criteria that will assure the sustainable development of renewable energy within their territories.

ENSURE a better coordinated effort to build capacity of member countries in creating the legal, regulatory and policy enabling environment for the mobilization of resources as well as promotion and implementation of partnerships including PPPs.

ENSURE that a PPP process has sufficient political support across ministries and that private participation in PPP projects has clear basis in policy, with broad government support.

ENSURE that market mechanisms are encouraged and designed to ensure long-term viability of the renewable energy sector.

MONITOR AND EVALUATE the progress in implementation and learn from best practices from countries within the continent and others.

Done in Addis Ababa, Ethiopia, 16th November 2012