

Remarks Delivered by Akinwumi A. Adesina, President of the African Development Bank, at the Reception on the New Deal on Energy for Africa and the Launch of the Transformative Partnership on Energy for Africa, Davos, Switzerland, January 20, 2016

1. Your Excellencies, friends and partners – good evening! It is my great pleasure to welcome you all – very warmly – to this reception on the New Deal on Energy for Africa, as we launch the Transformative Partnership on Energy for Africa.
2. I am especially delighted that we have Africa’s leaders at this event – a clear demonstration that it is time to join together with strong resolve to solve Africa’s energy challenge. Regular supply of power, which is taken for granted in developed countries, is a luxury in Africa – in the 21st century. Some 137 years after Thomas Edison developed the light bulb, Africa is still in the dark.
3. Per capita electricity use in Africa averages 181 kWh compared to about 13,000 kWh in the United States of America and over 6,500 kWh in Europe. Africa’s poorest pay some of the highest energy costs in the world. A woman living in northern Nigeria pays up to 80 times per unit of energy compared to a resident in London or New York. Today, over 645 million Africans do not have access to electricity – and 700 million go without access to clean cooking energy, with 600,000 dying each year from indoor pollution from reliance on biomass for cooking.
4. A continent that accounts for 16% of the world’s population has 53% of all the total population without electricity in the world. Africa is known for the darkness of its towns and cities. Kids go to school and cannot learn well because there is no electricity. Lives are at great risks in hospitals because there is no electricity. Small businesses, which account for over 90% of the private sector, cannot operate optimally. Africa loses about 4% of its GDP to lack of electricity.

5. Africa is simply tired of being in the dark. It is time to take decisive action and turn around this narrative: to light up and power Africa – and accelerate the pace of economic transformation, unlock the potential of businesses, and drive much needed industrialization to create jobs.
6. The Africa Progress Panel Report 2015, which was developed under the Chairmanship of Mr. Kofi A. Annan – our energy champion for Africa – called for action to solve the electricity challenge facing Africa. The New Deal on Energy for Africa is a direct response to this call. President Obama’s Power Africa initiative is already responding to this challenge, with its focus to double up electricity supply in Africa.
7. And I am delighted that Gayle Smith, USAID Administrator, came to Davos, specifically for this event – a clear demonstration of the power of our partnership. Mr. Borloo, my friend, who has been an avid advocate of energy for Africa, and Rachel Kyte of the SE4All are also here tonight. The Africa Energy Leaders Group, represented by Tony Elumelu, is also here tonight, along with leaders of the energy sector. Several development partners are here tonight. We look forward to working together under the Transformative Partnership on Energy for Africa to deliver on the New Deal on Energy for Africa.
8. The goal of the New Deal on Energy for Africa is to accelerate universal access to electricity in Africa by 2025. Africa has enormous energy potential, especially for renewable energy – almost unlimited solar potential (10 TW), abundant hydro resources (350 GW), wind (110 GW) and geothermal energy sources (15 GW). All that is just potential – and Africa cannot light up homes or power industries by potential. Nothing is more important for Africa’s growth and development than unlocking Africa’s enormous energy potential.

9. The New Deal on Energy for Africa plans to achieve this by focusing on the following targets:
- **On-grid generation:** to deliver sufficient on-grid energy for industrial, commercial and residential consumption through the building of 160 GW of new generation capacity. This is equivalent to 800 power plants with capacity of 200 MW each.
 - **Transmission and on-grid connections:** increase on-grid transmission of power and the delivery of 130 million new grid connections.
 - **Off-grid generation:** deliver 75 million off-grid connections. This will be equivalent of creating 300 companies with the similar scale to that of M-KOPA in Kenya, the most successful African off-grid “Pay-as-you-go” solar system.
10. The ambition is high – and so it should be: we must not have low ambitions for Africa. China installs 4 GW of electricity every four weeks. Vietnam achieved an annual connection of 1.1 million people and achieved almost universal access to electricity within 10 years. Bangladesh connected 660,000 people per year via off-grid systems. What will it take to light up and power Africa? By achieving 11 times what Bangladesh did will deliver the 75 million off-grid connections. It will take achieving 12 times what Vietnam did to achieve 130 million new grid connections. And it will take 1/3 of China’s annual electricity installations to deliver the 160GW of grid supply. Africa can do this!
11. Five principles will guide the action on delivering on the New Deal on Energy for Africa:
- All energy partners should raise their level of investments in the energy sector.
 - African countries should increase the share of their GDP devoted to the energy sector: raising this from the current 0.3% to 3.4% will unlock \$50 billion per year.
 - Establish a Transformative Partnership on Energy for Africa – a platform (which we are launching today) that will coordinate action among partners – public and private – for innovative financing.

- Support African countries on much needed energy sector reforms, regulations, reforms of the utilities and implementation of cost-reflective tariffs. These are critical for leveraging private sector capital investments.
- Raise the level of political will and action to light up and power Africa.

12. We at the African Development Bank will put our money where our mouth is.

The Bank plans to invest US \$12 billion in the energy sector over the next five years and leverage US \$40-50 billion into the energy sector. The Bank has already worked with the African Ministerial Conference on the Environment and the African Union and the G7 (especially Germany and France) to develop and launch the Africa Renewable Energy Initiative at the COP 21 in Paris. The Africa Renewable Energy Initiative expects to deliver 10 GW of electricity by 2020 and 300 GW by 2030 – with a commitment of \$10 billion from G-7 countries. The African Development Bank and the World Bank plan to work together – at scale – to help towards ending Africa’s energy deficit. I am delighted that President Jim Kim of the World Bank will be joining me tomorrow at the press conference on the New Deal on Energy for Africa.

13. Such is the power of partnerships under the Transformative Partnership on Energy for Africa: do more, faster, at scale – and together!

14. As I look around this room tonight, I see even more partners – from governments, private sector, civil society – who are committed to the New Deal on Energy for Africa. Together, we can light up and power Africa. Let us hear the voices of the 645 million Africans without electricity – and 700 million who need clean cooking energy.

15. Let us rise up and take action. Let us light up and power Africa!