Opening Statement

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Regional Meeting of the African Least Developed Countries on Sustainable Energy

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Ladies and Gentlemen:

1. I am privileged to have this opportunity to give these opening remarks on behalf of the UNDP Administrator Ms. Helen Clark, who could not be able to join us today due to other equally important commitments elsewhere.

2. I am happy to be with you today in this very important “Regional Meeting of the African Least Developed Countries on Sustainable Energy” jointly organized by the United Nations Office of the High-Representative for Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (OHRLLS), the Government of Tanzania through the Ministry of Energy and Minerals with support from the United Nations Development Programme (UNDP) in Tanzania.

3. I would like to start by personally thanking you the Hon, Minister for Energy and Minerals, Professor Muhongo for your leadership and firm commitment in ensuring that this meeting is taking place successfully despite the challenges. We would like to assure you that, together with you and other partners, we will make the effective use of the outcomes of this meeting by translating rhetoric into actions on the ground.

4. Thank you Hon. Minister, we appreciate highly, and we will be counting on your full political willingness and support, in moving this energy agenda forward, for the benefit of the Tanzanian people. UN will continue to work with partners with common interest in supporting the government to achieve its energy agenda, in understanding the role of energy in economic and social transformation especially at this critical time in which Tanzania aspires to achieve a middle-income country as stipulated in the 5YDP.

5. I take this opportunity also to express our gratitude to our partners, UNOHRLLS through H.E Under-Secretary-General, Mr. Gyan Chandra Acharya, for choosing Tanzania as a country to host this important regional meeting this time. We are also grateful and greatly appreciate your excellency for your decision to personally participate and chairing some of the sessions in this meeting. This such a high level of commitment is healthy and encouraging, and it does show our global commitment, as UN, in supporting the member states towards their quest of meeting energy targets through the UN’s Sustainable Energy for All (SE4ALL) initiative – which are: Achieving universal energy access for all,
Improving global rate in energy efficiency, and Increasing share of renewable energy in the global energy mix.

Ladies and Gentlemen:

6. Sustainable energy is central to economic growth, social progress, and environmental sustainability, as recognized in the new 2030 Agenda for Sustainable Development, which includes a standalone goal on energy (SDG7) to “ensure access to affordable, reliable, and sustainable modern energy for all”. Progress towards many of the other goals including poverty eradication, better health and education, women empowerment, clean water, and food security also depend on the achievement of the energy goal.

7. Addressing climate challenges and stabilizing the global increase in average temperature to “well below 2 degrees” with the ideal goal of 1.5 degrees, as called for in the Paris Agreement, will also remain unmet without sustainable energy.

8. Despite these important interlinkages, we are still facing a number of important energy challenges. On one hand, 1.1 billion people in the world still live without electricity and 2.9 billion still cook and heat their homes by using polluting fuels like kerosene, wood, charcoal and dung. This lack of access has huge bearings on economic development, people’s well-being and prosperity. On the other hand, two thirds of global greenhouse gas emissions come from the energy sector alone, which make energy a key sector for addressing climate challenges.

9. The heavy reliance on inefficient and outdated coal-fired power plants is one of the main reasons for the energy sector’s high contribution to global greenhouse gas (GHG) emissions, not only causing serious impacts on air quality and human health but also contributing long-term to the changing climate.

10. In many contexts even where access to electricity does exist in principle, insufficient supply and deteriorating transmission infrastructure often force households, local businesses and industry to switch to traditional power sources. Unreliable power harms local businesses and economic productivity, and adds substantial risks to investment.

11. To address these challenges and accelerate progress on the SDGs and the Paris Agreement, UNDP’s work on energy focuses on three inter-linked action areas of the SE4ALL initiative.

12. UNDP has just finalized its corporate strategy on sustainable energy for 2016-2021 “Delivering Sustainable Energy in a Changing Climate”, which articulates UNDP’s role, guiding principles and contribution in each of these areas.

13. Over the past two decades, UNDP has mobilized around a total of US$ 2 billion in grant financing and for sustainable energy projects in more than 110 countries and territories worldwide. Unleashing climate finance for sustainable energy is critical to achievement of the Paris Agreement and the SDGs. UNDP supports developing countries and its partners through a market transformation approach.

14. This market transformation approach relies on a suite of integrated interventions in policy, technology, finance, delivery systems, capacity development, community mobilization and awareness raising. The foundation for this work is UNDP’s groundbreaking de-risking renewable energy investment methodology to reduce and, where possible, remove a range of policy, legislative, regulatory, institutional, financial, and awareness barriers that inhibit investments in sustainable energy at national and local levels.
15. The main objective is to create the investment conditions in energy access, energy efficiency and renewables in which developing countries can access large quantities of low-cost financing for sustainable energy. Through such instruments governments can develop measures that can improve an investment’s risk-return profile: through reducing risk, transferring risk or compensating for risk. UNDP’s experience has shown that public instruments that reduce or transfer investment risks are the most cost effective but a combination of all three types is often needed.

16. Together with technical assistance associated with financial instruments, these public de-risking instruments create favorable conditions for private sector involvement and are able to catalyze large-scale renewable energy investments. The range of energy technologies UNDP delivers through de-risking includes on-grid and off-grid renewable electricity generation from wind, solar PV, biomass (including biogas), geothermal and small hydro power plants.

17. This de-risking methodology has already been tested in pilot case studies in Kenya, Mongolia, Panama, and South Africa, and is now also being applied by governments in Belarus, Kazakhstan, Lebanon, Nigeria and Tunisia. Early results are demonstrating, in practice, how risks can be reduced, financing costs lowered, and private sector investment in affordable sustainable energy catalyzed by undertaking such an approach.

18. In Tunisia, for example, UNDP, with financing from the Global Environment Facility, is supporting the Government to implement de-risking measures that are predicted to leverage EUR 935 million in private sector investment, and to significantly lower the cost of solar power for consumers, from EUR 9.9 to EUR 7.7 cents per kWh. This is expected to be key to Tunisia’s objective of achieving 30 percent of its power generation from renewables by 2030, a core part of Tunisia’s INDC under the Paris Agreement.

19. Future economic growth and sustainable development is predicated on how we address today’s energy challenges. Failure to achieve universal access to energy for all and mitigate carbon emissions is not an option and requires a full transformation of our current energy systems and a transition towards zero-carbon and resilient development pathways. The SDGs and the Paris Agreement have laid out the path, efforts now must focus on moving forward in this direction and scaling up action. UNDP looks forward to working with all partners to that end.

Ladies and Gentlemen:

- **UNDP and AFDB partnership under the SE4All Regional Hub for Africa**: UNDP is closely working with AFDB which is hosting and coordinating the SE4All Regional Hub for Africa, as provided for by a Conference of Energy Ministers of Africa (CEMA) resolution in Nov. 2012., to support develop National Action Agendas and Investment Prospectuses. Therefore, UNDP & AFDB have jointly provided lead technical and financial support to selected countries across the Continent, including, DRC, Tanzania, Rwanda, Kenya, Cameroon, Angola, Swaziland, Zimbabwe. In Tanzania a Country national Programme on SE4ALL is currently under designing to speed-up SE4ALL implementation.

- **UNDP & AFDB partnership under the Africa Energy Leaders Group (AELG)**: The establishment of the AELG aim at placing energy issues high on the agenda of African policy and/or decision-makers in building a community of energy leaders from the public and private sector dedicated to promote a sustainable energy transition in Africa in connection with the SE4All goals.

- At the regional level, UNDP, as part of the SE4All Africa hub, led the development of the Africa Strategy for Decentralized Energy Services Delivery. UNDP has supported Western and Eastern Africa RECs to
draft their regional strategy for increasing access to modern energy services. In the case of ECOWAS, the White Paper supported by UNDP has been the reference document for the 15 member States to integrate energy into the national development priorities and for the establishment of national multi-stakeholders’ Group. Consistent with SE4All goals and owing to the impact of the ECOWAS White Paper, the ECCAS and CEMAC have also drafted a regional White Paper on “regional policy for universal access to modern energy services for economic and social development” with UNDP support.

- **In Central Africa - Joint ECCAS and CEMAC Regional White Paper:** UNDP supported the ECCAS and CEMAC in completing a joint Policy entitled “White Paper - Regional Policy for universal access to modern energy services and economic and social development”. This common ECCAS & CEMAC Vision aims at achieving the SE4ALL goals for Central Africa, in providing energy to more than 80 million people by 2030, e.g. multiply by 3 the current rate of access to electricity in the Region. The document has been adopted by ECCAS Heads of States and Governments and now serves as the key Policy paper for the Central Africa Region. In this lines, AFDB and UNDP provided technical and financial support to ECCAS in hosting a Round Table on the Central Africa Energy Sector, in Brussels on June 2016, in collaboration with CEMAC, Central Africa Power Pool and the 11 Member States. The Round Table brought also together representatives from UNDP, AFDB, AFD (France), General Secretariat of African Caribbean and Pacific countries (ACP), EU, EU-DEVCO, Central Africa States Development Bank (BDEAC), NEPAD and the Private Sector (AS-Services and Schneider Electric Group).

- **In Western Africa:** UNDP strengthened its partnership with the ECOWAS through the development of regional frameworks with a view of providing policy guidelines to enhance energy security and access without compromising food security, as well as rural development in West Africa, as part of the contribution of the ECOWAS Commission to the SE4ALL initiative. In this connection, UNDP provided technical and financial support to the ECOWAS Center for Renewable Energy and Energy Efficiency (ECREEE) in developing the “ECOWAS Bioenergy Policy and implementation plan” which provide to ECOWAS Member States guidelines to enhance energy security and access without compromising food security or rural development in West Africa.

- **In East, Central and Southern Africa:** UNDP, supported by end of 2015, 11 countries in the three regions (include Kenya, Tanzania, Malawi, Zimbabwe, Zambia, Burundi, Rwanda, DRC, Angola, Cameroon and Swaziland) on the development of AA/IP with the collective guidance and support from the SE4ALL Africa Hub, include UNDP COs positioned as key partner in each country.

- **Piloting and scaling up of decentralized and locally managed energy-services delivery models:** UNDP helped piloting the multifunctional platforms (MFPs) initiative which increased the access of rural populations to energy and led to the development of full-fledged national MFP programs in five countries (namely, Mali, Burkina Faso, Senegal, Guinea and Togo). The multifunctional platform rural energy enterprises, now adopted by thirteen countries and serving more than 3554 villages (benefiting to about 4 million rural people, notably rural women) across Africa, have been instrumental in providing a wide range of decentralized energy services with multiple impacts, including job creation, on rural populations mainly women and girls. In Mali for instance it is estimated that at least 27900 jobs, were created by the MFP efforts.

Ladies and Gentlemen

20. Tanzania is ambitiously progressing towards a middle-income country and will soon leave behind its historic low-income status that has hindered past generations. However, a lack of access to modern energy means that business opportunities are limited for the poorest and, if current trends continue,
the effects of transitioning to a middle-income country will only be realized by the privileged few. This will undoubtedly lead to increased inequality within society.

21. Tanzania is very rich in energy potential including renewables, but still has major energy problems. While many of us in the room may experience energy problems in the form of power cuts that affect us being able to watch TV or use the internet, the reality in Tanzania is that a large portion of the population are not even connected to the electricity grid and after sunset rely on candlelight to get by. Even for most us who are connected to the grid we rarely use electricity for cooking but mainly depend on charcoal, and to some extent on LPGs.

22. Recent data shows that 90% of energy for cooking comes from biomass and this causes significant development and environmental challenges. The unsustainable, unmanaged and unregulated use of wood and charcoal as the primary means of cooking food means that forests in Tanzania are being depleted at an alarming rate. We commend the work being done by the Government under H.E. President in tackling environmental degradation and the steps already being taken, through reduced electricity tariffs and connection fees for rural areas, to ensure access to electricity is not just for the privileged.

Ladies and Gentlemen

23. UN will continue working closely with other members in the Energy Donors Partner’s Group (EDPG), and other development partners in strengthening the partnership to promote the implementation of SE4ALL initiative through concrete pro-poor and gender sensitive interventions with the expectations that this initiative will provide impetus in mobilizing additional support based on identified priorities and gaps.

24. We believe that with strong political commitment and leadership, focused strategies and plans, partnerships and continuous involvement of all stakeholders including the private sector, multi-sectoral approach to the problem of energy access, and transparency and accountability, the achievement of the SE4ALL can be realized.

25. With these few remarks, I am pleased and honored to be part of this meeting and I am looking forward for a lively, productive discussion that will result in real action and impacts.

Asante Sana