SDG7 Energy Compact of the African Renewable Energy Initiative
A next Decade Action Agenda to advance SDG7 on sustainable energy for all, in line with the goals of the Paris Agreement on Climate Change

SECTION 1: AMBITION

1.1. Ambitions to achieve SDG7 by 2030. (Please select all that apply, and make sure to state the baseline of each target)
(Member States targets could be based on their NDCs, energy policies, national five-year plans etc. targets for companies/organizations could be based on their corporate strategy)

| ☒ 7.1. By 2030, ensure universal access to affordable, reliable and modern energy services. |
| ☒ 7.2. By 2030, increase substantially the share of renewable energy in the global energy mix. |

Target(s):
- Facilitate the development of at least 300GW renewable power in Africa by 2030.
- Provide technical assistance and capacity-building support to relevant national and regional stakeholders

Time frame: 2021-2030

Context for the ambition(s):
In line with Agenda 2030 and in order to meet its vision, the Africa Renewable Energy Initiative (AREI) set at its inception an ambitious target of installing 310GW by 2030, which was split into two phases (10GW by 2020 and 300GW by 2030). The objectives for Phase 1 were successfully achieving a year ahead of schedule and AREI is now doing the utmost of the Phase 2 objectives to be achieved on
The push for achieving this target strongly supports sustainable development and climate action via implementing low to zero carbon development strategies in African countries.

Currently, AREI disposes of 650 projects worth a little over 70GW in its pipeline. At the same time, the International Renewable Energy Agency (IRENA) has built a robust pipeline of projects, provides technical assistance for projects meeting a certain threshold to reach investment readiness status, and engages in the matchmaking of projects and financial institutions through the Climate Investment Platform (CIP). Currently 57 financial institutions are partners of the Climate Investment Platform and are eager to accompany the deployment of renewable energy projects. With the experience IRENA has built through the implementation of the Climate Investment Platform to date, a collaboration between the AREI and IRENA can fast-track the implementation of projects, which is a requirement of AREI to meet its Phase 2 targets.

Additionally, for Africa to meet its energy objectives in a sustainable manner, the capacities of stakeholders along the value chain of energy project development will need to be reinforced. More relevant to deploying projects in line with AREI’s objectives are aspects related to policy, regulation, and finance. It is with that objective in mind that AREI have been organizing regional trainings, experience and knowledge sharing activities as part of the regional technical platforms during AREI phase one. IRENA has supported the said platform meetings with its expertise in the areas of policy, technology, regulation, and finance. At the same time, IRENA has established several capacity-building programmes related to grid integration, PPA development, auctions, and long-term planning which covering all African sub-regions and holds regular trainings on those topics.

The continuation and scale-up of these existing efforts will be instrumental in achieving the 2 aforementioned targets.

| 7.3. By 2030, double the global rate of improvement in energy efficiency. | Target(s):  
Context for the ambition(s): |
| 7.a. By 2030, enhance international cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency and advanced | Target(s): Enhancing cooperation between African countries to reach least 300 GW of renewables by 2030 by supporting regional and continental political processes within Africa through knowledge and technical assistance.  
Time frame: 2021-2030  
Context for the ambition(s): |
Africa-owned and Africa-led inclusive effort to accelerate and scale up the harnessing of the continent’s huge renewable energy potential. Under the mandate of the African Union, and endorsed by African Heads of State and Government on Climate Change (CAHOSCC), the Initiative is set to achieve the aforementioned targets. Moreover, AREI is in the core of the implementation of recently launched African Union Green Recovery Action Plan in the context of Promoting renewable energy, energy efficiency and access, and supporting the “Just Transition” to clean energy. In that regard, AREI has been mandated to provide sufficient support to enable African countries to take bold action to leapfrog to the smart, people-centred renewable energy and energy efficient systems as well as value chains in terms of new and emerging markets and job creation.

Regional initiatives spearheaded by continental and regional entities often provide the political direction of where Africa wants to be in making clean, affordable and reliable energy services available to its citizens. As an Africa-led initiative, the involvement of AREI in these processes is quintessential in making these objectives realistic and alignment with other initiatives.

Within the same context, IRENA has been supporting continental and sub-regional efforts in Africa. Several examples of this effort are the support to the development of the African Single Electricity Market initiative and the development of the Continental Transmission (and Generation) Masterplan respectively led by the African Union and the African Union Development Agency. Similarly, IRENA has supported several sub-regional processes, most recently in the Economic Community of Central African States where a regional renewable energy roadmap at Ministerial level in June 2021, which obtained presidential-level endorsement in July 2021.

With the support of IRENA and other partners, AREI would endeavor to provide meaningful inputs into these and all other regional/continental processes.

7.b. By 2030, expand infrastructure and upgrade technology for supplying modern and sustainable energy services for all in developing countries, in particular least developed countries, small island developing States, and land-locked developing countries, in accordance with Target(s):

Time frame:

Context for the ambition(s):
1.2. Other ambitions in support of SDG7 by 2030 and net-zero emissions by 2050. [Please describe below e.g., coal phase out or reforming fossil fuel subsidies etc.]

Target(s):

SECTION 2: ACTIONS TO ACHIEVE THE AMBITION

2.1. Please add at least one key action for each of the elaborated ambition(s) from section 1. [Please add rows as needed].

| Project Facilitation: Support project development and matchmaking of the development of at least 300 GW of renewables | 2021 - 2030 |
| Technical Assistance / Capacity Building: Providing technical assistance and capacity building activities to train relevant national and regional stakeholders on policy, regulatory and technical aspects of developing and integrating renewable energy into energy systems | 2021 - 2030 |
| Strengthening of Regional Initiatives and Integration: Encouraging collaboration among African states to maximize the penetration of renewables by actively participating in national and continental processes | 2022 - 2030 |
### SECTION 3: OUTCOMES

3.1. Please add at least one measurable and time-based outcome for each of the actions from section 2. [Please add rows as needed].

<table>
<thead>
<tr>
<th>Project Facilitation</th>
<th>2030</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Description</strong>: Renewable energy projects of a total of at least 300GW are developed and investments have been mobilized by them via IRENA or other partners through the IRENA Climate Investment Platform.</td>
<td><strong>Date</strong>: 2030</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Technical Assistance / Capacity Building</th>
<th>2030</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Description</strong>: The enabling frameworks are created on the continent with the organization of 5 regional platforms per year on specific thematic and synergies are sought and applied with existing capacity-building endeavors of other development partners such as IRENA.</td>
<td><strong>Date</strong>: 2030</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Strengthening of Regional Initiatives and Integration</th>
<th>2030</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Description</strong>: At regional and continental levels, political processes for a stronger consideration of renewable options for Africa’s energy future are supported and objectives are aligned.</td>
<td><strong>Date</strong>: 2030</td>
</tr>
</tbody>
</table>
SECTION 4: REQUIRED RESOURCES AND SUPPORT

4.1. Please specify required finance and investments for each of the actions in section 2.

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Facilitation:</td>
<td>USD 5 million</td>
</tr>
<tr>
<td>Technical Assistance / Capacity Building:</td>
<td>USD 1 million per year</td>
</tr>
<tr>
<td>Strengthening of Regional Initiatives and Integration:</td>
<td>USD 200k per year</td>
</tr>
</tbody>
</table>

4.2. [For countries only] In case support is required for the actions in section 2, please select from below and describe the required support and specify for which action.

Examples of support for Member States could include: Access to low-cost affordable debt through strategic de-risking instruments, capacity building in data collection; development of integrated energy plans and energy transition pathways; technical assistance, etc.

<table>
<thead>
<tr>
<th>Description</th>
<th>Type of Support</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financing</td>
<td></td>
</tr>
<tr>
<td>In-Kind Contribution</td>
<td></td>
</tr>
<tr>
<td>Technical Support</td>
<td></td>
</tr>
<tr>
<td>Other/Please specify</td>
<td></td>
</tr>
</tbody>
</table>
SECTION 5: IMPACT

5.1. Countries planned for implementation including number of people potentially impacted.

| All 54 African Countries – Population > 1.216 Billion |

5.2. Alignment with the 2030 Agenda for Sustainable Development – Please describe how each of the actions from section 2 impact advancing the SDGs by 2030.

[up to 500 words, please upload supporting strategy documents as needed]

The AREI is congruent with the ambitions of the SDG 7 on energy and energy access and SDG 13 on climate change in particular – as well as those of the UN Climate Change Convention. Efforts that directly address energy requirements for social infrastructures (schools, health centres and communications) are critical to support the development capacities of communities in rural and urban areas, and directly promote several other SDGs. In that regard AREI, as part of it collaboration with IRENA, intends to implement the following activities:

**Project facilitation:** Experience throughout Africa confirms that project developers often need some form of assistance at critical stage. The project facilitation will support the mobilization of required investments, for promoting distributed, decentralized solutions in addition to large-scale generation, rapidly and across whole countries and regions.

**Capacity Building / TA:** Achieving universal access to energy and a transformation to modern, renewable energy systems in Africa is a task that requires unprecedented involvement and strengthened capacity of people and institutions across sectors and at all levels. Actions in AREI’s capacity building and Technical Assistance area directly address the skill shortages and requirements.

**Supporting regional and continental political processes:** The consideration of the room renewables can play in Africa’s sustainable development for the betterment of socio-economic conditions requires strong political championing that can be illustrated through initiatives developed at regional and continental levels. When done adequately, they send the positive signals that are needed for action to be scaled-up for their realization. Support the development of such initiatives and ensuring that they are realistic and in line with the continent’s economic potential will strongly benefit from AREI and IRENA’s knowledge base and technical assistance.

5.3. Alignment with Paris Agreement and net-zero by 2050 - Please describe how each of the actions from section 2 align with the Paris Agreement and national NDCs (if applicable) and support the net-zero emissions by 2050.

[up to 500 words, please upload supporting strategy documents as needed]

The Africa Renewable Energy Initiative is launched in Paris at the COP 21; thus it is one of the key outcomes of the COP21. The Initiative is the Continent’s contribution to the Paris Agreement in the field of RE. In that regard AREI commits to accelerating access to renewable energy in Africa and developing countries in other regions with a view to reducing energy poverty and mobilizing substantial financial resources. It also aims of strengthening coordination with existing initiatives and identifying where further work is needed to develop renewable energy in Africa.
SECTION 6: MONITORING AND REPORTING

6.1. Please describe how you intend to track the progress of the proposed outcomes in section 3. Please also describe if you intend to use other existing reporting frameworks to track progress on the proposed outcomes.

We intend to track the progress via monitoring:

**Project Facilitation**
1. Tracking of yearly increase of number of additional bankable RE/EE projects in Africa
2. Tracking of AREI related Investment flow on RE in Africa
3. Regular progress reports from AREI national Focal points on the implementation of AREI projects in Africa

**Capacity Building**:
1. Tracking the enhanced level of the capacities and competence and expertise of the AREI national focal points and stakeholders in the continent

**Supporting regional and continental political processes**
1. Tracking the involvement in political initiatives targeting renewable energy development at regional and continental levels

SECTION 7: GUIDING PRINCIPLES CHECK LIST

Please use the checklist below to validate that the proposed Energy Compact is aligned with the guiding principles.

**I. Stepping up ambition and accelerating action**
- Increase contribution of and accelerate the implementation of the SDG7 targets in support of the 2030 Agenda for Sustainable Development for Paris Agreement

  **I.1.** Does the Energy Compact strengthen and/or add a target, commitment, policy, action related to SDG7 and its linkages to the other SDGs that results in a higher cumulative impact compared to existing frameworks? ☒ Yes ☐ No

  **I.2.** Does the Energy Compact increase the geographical and/or sectoral coverage of SDG7 related efforts? ☒ Yes ☐ No

  **I.3.** Does the Energy Compact consider inclusion of key priority issues towards achieving SDG7 by 2030 and the net-zero emission goal of the Paris Agreement by 2050 - as defied by latest global analysis and data including the outcome of the Technical Working Groups? ☒ Yes ☐ No
II. Alignment with the 2030 agenda on Sustainable Development Goals

- Ensure coherence and alignment with SDG implementation plans and strategies by 2030 as well as national development plans and priorities.

II.1. Has the Energy Compact considered enabling actions of SDG7 to reach the other sustainable development goals by 2030? ☒ Yes ☐ No

II.2. Does the Energy Compact align with national, sectoral, and/or sub-national sustainable development strategies/plans, including SDG implementation plans/roadmaps? ☒ Yes ☐ No

II.3. Has the Energy Compact considered a timeframe in line with the Decade of Action? ☒ Yes ☐ No

III. Alignment with Paris Agreement and net-zero by 2050

- Ensure coherence and alignment with the Nationally Determined Contributions, long-term net zero emission strategies.

III.1. Has the Energy Compact considered a timeframe in line with the net-zero goal of the Paris Agreement by 2050? ☒ Yes ☐ No

III.2. Has the Energy Compact considered energy-related targets and information in the updated/enhanced NDCs? ☒ Yes ☐ No

III.3. Has the Energy Compact considered alignment with reaching the net-zero emissions goal set by many countries by 2050? ☒ Yes ☐ No

IV. Leaving no one behind, strengthening inclusion, interlinkages, and synergies

- Enabling the achievement of SDGs and just transition by reflecting interlinkages with other SDGs.

IV.1. Does the Energy Compact include socio-economic impacts of measures being considered? ☒ Yes ☐ No

IV.2. Does the Energy Compact identify steps towards an inclusive, just energy transition? ☒ Yes ☐ No

IV.3. Does the Energy Compact consider measures that address the needs of the most vulnerable groups (e.g. those impacted the most by energy transitions, lack of energy access)? ☒ Yes ☐ No

V. Feasibility and Robustness

- Commitments and measures are technically sound, feasible, and verifiable based on a set of objectives with specific performance indicators, baselines, targets and data sources as needed.

V.1. Is the information included in the Energy Compact based on updated quality data and sectoral assessments, with clear and transparent methodologies related to the proposed measures? ☒ Yes ☐ No

V.2. Has the Energy Compact considered inclusion of a set of SMART (specific, measurable, achievable, resource-based and time based) objectives? ☒ Yes ☐ No

V.3. Has the Energy Compact considered issues related to means of implementation to ensure feasibility of measures proposed (e.g. cost and financing strategy, technical assistant needs and partnerships, policy and regulatory gaps, data and technology)? ☒ Yes ☐ No
### SECTION 8: ENERGY COMPACT GENERAL INFORMATION

**8.1. Title/name of the Energy Compact**

| African Renewable Energy Initiative |

**8.2. Lead entity name (for joint Energy Compacts please list all parties and include, in parenthesis, its entity type, using entity type from below)**


**8.3. Lead entity type**

- ☐ Government
- ☐ Local/Regional Government
- ☐ Multilateral body /Intergovernmental Organization
- ☐ Non-Governmental Organization (NGO)
- ☐ Civil Society organization/Youth
- ☐ Academic Institution /Scientific Community
- ☐ Private Sector
- ☐ Philanthropic Organization
- ☒ Other relevant actor

**8.4. Contact Information**

| Mrs. Saffiatou ALZOUMA; email: S.NOUHOU@AFDB.ORG Tel. NO. +22797215911 |
| Dr. Barakat AHMED; email: A.BARAKAT@AFDB.ORG Tel.NO. +20101601441 |

**8.5. Please select the geographical coverage of the Energy Compact**

| ☒ Africa | ☐ Asia and Pacific | ☐ Europe | ☐ Latin America and Caribbean | ☐ North America | ☐ West Asia | ☐ Global |

**8.6. Please select the Energy Compact thematic focus area(s)**

| ☒ Energy Access | ☒ Energy Transition | ☐ Enabling SDGs through inclusive just Energy Transitions | ☐ Innovation, Technology and Data | ☒ Finance and Investment |
SECTION 9: ADDITIONAL INFORMATION (IF REQUIRED)

Please provide additional website link(s) on your Energy Compact, which may contain relevant key documents, photos, short video clips etc.

www.arei.info