



FEE

Future of Energy **Conference**
2024

Action Points

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ACTION POINTS

Harnessing Africa's Resource Wealth: Fueling Innovation for Equitable Energy Access

INTRODUCTION

The Future of Energy Conference convened policy actors, civil society, industry experts, the diplomatic corps, and businesses in Accra, Ghana, to chart actionable strategies for Africa to bridge the energy access gap and actively participate in the economics of the energy transition while contributing to global climate goals. Governments are admonished to foster carbon markets, curb illicit financial flows, and develop educational systems that align with the current shift. Civil society and research institutions are encouraged to advocate for equitable financial mechanisms and transparency, and businesses must prioritise health, safety, and local content development. Regional economic blocs, leveraging platforms like the African Continental Free Trade Area (AfCFTA), must work towards creating integrated value chains and influencing global policies in the interest of Africa.

The Future of Energy Conference (FEC) is the flagship event of the Africa Centre for Energy Policy (ACEP). FEC presents a platform for stakeholders to converge, dialogue, and chart a course towards an inclusive and sustainable energy future for Africa.

The subsequent pages outline the specific roles and responsibilities of governments, civil society, businesses, and regional economic bodies driving a climate-proof, energy-secure future for Africa.



GOVERNMENTS

Governments are central to national energy policies and strategies, shaping regulatory frameworks and investment climates. Their role includes setting priorities, enacting legislation, and creating incentives for transitioning to sustainable energy systems. As policymakers, they establish foundational rules and support for energy reforms. Their actions influence carbon markets, industrial policies, educational reforms, and technological innovation. They must:

- ✔ **Participate actively in and develop carbon markets** to unlock significant investment. This approach must include forming bilateral agreements and ensuring regulatory stability to build investor confidence.
- ✔ **Strengthen measures to curb illicit financial flows (IFFs)** in the transition economy, taking lessons from the mining sector.
- ✔ **Create an education sector that provides practical skills relevant to the current energy shift.** Legal programs must also integrate anti-corruption principles and practical skills to prepare future lawyers to navigate the industry's complexities while contributing to sustainable development.
- ✔ **Implement a robust industrial policy** to ensure synergy across industries, optimally participating in the economies of the energy transition and accelerating decarbonisation efforts.
- ✔ **Play an active role in driving innovation and technology adoption** to meet growing energy demands and support the energy transition, focusing on renewable energy and low-carbon solutions.
- ✔ **Implement policy reforms** that address gaps in existing policies and improve electricity infrastructure to support the energy transition. These reforms include strengthening regulatory frameworks and enhancing the creditworthiness of government utility companies.
- ✔ **Develop local capacity** through education and training programs that equip engineers and professionals with the skills needed for the energy transition.
- ✔ **Explore and expand innovative financing solutions** such as diaspora bonds, green bonds, blue bonds, and carbon finance to mobilise the necessary resources for the energy transition.
- ✔ **Promote regional cooperation through the African Union (AU)** to negotiate better deals for critical minerals and leverage the political capital for unified action. Governments must assess the criticality of minerals to both Africa and the global market to guide negotiation strategies and policy development.



- ✔ **Encourage local production of alternative clean cooking solutions** like ethanol-based fuels through sustainable inter-sectoral partnerships (e.g. industry, agriculture and waste management) to ensure a reliable feedstock supply.
- ✔ **Promote gender-sensitive policies in the mining sector** and support initiatives to increase women's participation in sustainable mining practices.
- ✔ **Leverage technology to strengthen oversight and tracking of** the production of industrial minerals, like quarry aggregates. This approach will enhance regulatory oversight and increase revenue collection.
- ✔ **Provide platforms and support for young African innovators** to pioneer future energy technologies.

CIVIL SOCIETY & RESEARCH INSTITUTIONS

Civil society and research institutions play a crucial role in advocating for equitable energy transitions. They act as watchdogs, ensuring transparency and amplifying diverse voices. Through research, advocacy, and public engagement, they highlight the benefits of sustainable energy, promote accountability, and develop innovative financial mechanisms. Their work informs decision-making and advances fair solutions for all stakeholders. They should:

- ✓ **Advocate for innovative financial mechanisms** that channel funds from the Global North to the Global South, where they are most needed.
- ✓ **Raise awareness about the benefits of the energy transition** and advocate for policies that ensure community participation in renewable energy projects.
- ✓ **Develop local expertise in climate finance**, including the ability to create bankable projects and navigate complex funding requirements.
- ✓ **Promote skills transfer and technological development** to enhance local expertise in mineral resource management and value addition.
- ✓ **Monitor the implementation of energy policies** and hold governments and businesses accountable for ensuring that resource revenues are aligned with climate goals and expanding energy access.
- ✓ **Foster cooperation between small- and large-scale miners** to provide support and ensure compliance with environmental and legal standards.
- ✓ **Contribute to addressing security concerns in resource-rich regions** by advocating for strong, capable states that protect community rights and prevent the militarisation of mining areas.
- ✓ **Align their projects with the priorities of funding agencies** by ensuring proper structuring, registration, and experience in managing funds.
- ✓ **Influence donor priorities** by providing data and insights that align with local needs, helping to shape the funding landscape in favour of African CSOs.
- ✓ **Develop strong organisational health and institutional development** to address their gaps in governance, audit readiness, and operational efficiency.
- ✓ **Raise public awareness about the cost, environmental and health benefits of clean cooking alternatives such as ethanol fuels** over traditional fuels, and work with communities to increase their adoption.



✔ **Advocate for transparency in contract negotiations** and ensure that local communities benefit from mining operations through well-managed community development funds.

Conduct country-specific research to identify challenges and opportunities in the neglected industrial minerals sub-sector and use the findings to develop targeted advocacy strategies.



BUSINESSES

Businesses are key drivers of implementation and technological advancement in the energy sector. They offer expertise in developing solutions that meet market needs and regulatory standards. Their role includes improving operations, investing in innovation, and ensuring energy products are safe and sustainable. By prioritising health, safety, and local content, businesses help translate policy goals into real-world outcomes while fostering economic growth through the energy transition. They must:

- ✔ **Prioritise health and safety** and address the declining quality of energy products that exacerbate pollution and environmental degradation.
- ✔ **Invest in mineral exploration and production** to enhance their bargaining power and ability to attract foreign investment.
- ✔ **Support the development of supplier development programs** and other initiatives that promote local content and increase the participation of African businesses in the value chain.
- ✔ **Invest in local R&D to create sustainable energy solutions** and reduce dependency on foreign grants by developing local innovation hubs.
- ✔ **Collaborate with educational institutions and government bodies** to strengthen innovation ecosystems.
- ✔ **Leverage regional integration initiatives, like AfCFTA**, to engage in cross-border trade and improve access to resources and skilled labour.
- ✔ **Advocate for and utilise fiscal incentives** (e.g., tax exemptions, subsidies) to lower the high upfront cost of EVs and stimulate market adoption.
- ✔ **Focus on market penetration strategies to overcome cost-perception barriers for clean cooking fuels**, providing affordable options through innovative pricing models and partnerships with local governments.
- ✔ **Invest in circular economy approaches**, particularly in waste management, to curb methane emissions in line with regional and global climate goals.



REGIONAL ECONOMIC BLOCS

Regional economic blocs are vital in promoting cross-border collaboration and policy harmonisation. They help overcome regional barriers, create integrated value chains, and leverage collective bargaining power to influence global policies. To help shape Africa's energy future, these blocks must:

- ✔ **Develop regional policies and quality standards for electric vehicles**, including battery life limits and battery passport systems, to ensure consistency and reliability in the EV market.
- ✔ **Leverage AfCFTA to create an integrated regional value chain for green minerals**, removing trade barriers and harmonising policies across the continent.
- ✔ **Ensure that the AfCFTA protocols capture the energy sector and other minerals** to facilitate cost-competitive production and cross-border trade of energy products.
- ✔ **Engage in multilateral diplomacy to influence global policies** on critical minerals and ensure Africa's interests are represented in international forums.
- ✔ **Support the development of financial architectures** that reduce risks and improve access to climate finance.
- ✔ **Facilitate capacity-building initiatives** that address the technical and institutional challenges facing member states.
- ✔ **Support the creation of a continental market for energy transition technologies**, capitalising on Africa's resource endowment to drive industrialisation and economic growth.
- ✔ **Facilitate peer-to-peer learning among member states**, focusing on methane and SLCP management strategies, particularly for the oil and gas sector.
- ✔ **Foster regional cooperation in scaling up technical training programs** for smart grid management and renewable energy technologies.
- ✔ **Strengthen collaboration among civil society organisations and governments** to ensure marginalised communities are included in energy transition discussions and benefit from renewable energy developments.





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