

AFRICAN UNION

الاتحاد الأفريقي



UNION AFRICAINE

UNIÃO AFRICANA

Addis Ababa, Ethiopia

P. O. Box 3243

Telephone: 5517 700

Fax: 5517844

Website: www.au.int

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**REPORT OF THE 3RD ORDINARY SESSION OF THE STC ON
TRANSPORT, TRANSCONTINENTAL AND INTERREGIONAL
INFRASTRUCTURE, AND ENERGY (STC-TTIIE), 28-30 JUNE 2021**



**THE THIRD ORDINARY SESSION OF
THE SPECIALIZED TECHNICAL
COMMITTEE ON TRANSPORT,
TRANSCONTINENTAL AND
INTERREGIONAL INFRASTRUCTURE,
AND ENERGY (STC-TTIIIE)**

28 - 30 June 2021

By Video Conference

STC-TTIIIE/Min/Rpt(III)
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THEME:
THE ROLE OF INFRASTRUCTURE & ENERGY IN THE POST-COVID-19 AFRICA
Towards Sustainable Economic Recovery, Resilience, Jobs, Industrialization &
Trade

REPORT OF THE MINISTERS' MEETING
30 June 2021

I. INTRODUCTION

1. The Ministers' Meeting of the Third Ordinary Session of the Specialised Technical Committee on Transport, Transcontinental and Interregional Infrastructure, and Energy (STC-TTIIIE) was held virtually on 30th June 2021. It was preceded by a meeting of experts from 28th to 29th June 2021.

II. ATTENDANCE

2. The following forty-seven (48) African Union Member States participated in the meeting: Algeria, Angola, Benin, Botswana, Burkina Faso, Burundi, Cameroun, Cabo Verde, Central African Republic, Chad, Congo Republic, Comoros, The Democratic Republic of Congo, Cote d'Ivoire, Djibouti, Equatorial Guinea, Egypt, Ethiopia, Eswatini, Gabon, The Gambia, Ghana, Guinea, Kenya, Lesotho, Liberia, Madagascar, Malawi, Mali, Mauritania, Mauritius, Morocco, Mozambique, Namibia, Niger, Nigeria, Rwanda, Saharawi Arab Democratic Republic, Sao Tome and Principe, Senegal, Sierra Leone, Somalia, South Africa, Togo, Tunisia, Zambia and Zimbabwe.

3. The following Regional Economic Communities (RECs), African regional and continental institutions and international organizations also took part in the meeting, namely: Common Market for Eastern and Southern Africa (COMESA), East African Community (EAC), Economic Community of West African States (ECOWAS), Economic Community of Central African States (ECCAS), Southern African Development Community (SADC), Union du Maghreb Arabe (UMA), Inter-Governmental Authority on Development (IGAD), African Development Bank (AfDB), African Energy Commission (AFREC), African Union Development Agency - NEPAD (AUDA-NEPAD), African Civil Aviation Commission (AFCAC), African Airlines Association (AFRAA), Africa Renewable Energy Initiative (AREI), Africa Transport Policy Programme (SSATP), Southern African Railway Association (SARA), Association Africaine des Agences d'Execution des Travaux d'Interet Public (AFRICATIP), Union Africaine des Chemins de Fer (UAC), African Commission on Nuclear Energy (AFCON), East African Centre of Excellence for Renewable Energy and Energy Efficiency (EACREEE), ECOWAS Regional Electricity Regulatory Authority (ERERA), Regional Association of Energy Regulators for Eastern and Southern Africa (RAERESA), SADC Centre for Renewable Energy and Energy Efficiency (SACREEE), Port Management Association of Eastern and Southern Africa (PMAESA), Union of Associations of African Actors in Refrigeration and Air Conditioning, United Nations Economic Commission for Africa (UNECA), United Nations Environment Programme (UNEP), West Africa Power Pool, World Bank, Regional Centre for Renewable Energy and Energy Efficiency (RCREEE), International Renewable Energy Agency (IRENA), European Union, Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), Africa-EU Energy Partnership (AEEP), and International Civil Aviation Organisation (ICAO).

4. The list of participants is attached to this report as Annex I.

III. OPENING CEREMONY

5. The meeting opened with statements by AfDB, UNECA, the AU High Representative for Infrastructure Development in Africa, AUC, Egypt as outgoing Chair of STC-TTIIE and the Kingdom of Lesotho being the incoming Chair of the STC-TTIIE.

6. AfDB Statement was delivered by Mr. Solomon Quaynor, the Vice President in charge of Private Sector, Infrastructure & Industrialization. The Vice President stated that AfDB is proud to be part of the Programme for Infrastructure Development in Africa (PIDA) process that culminated in the adoption of the second PIDA Priority Action Plan (PIDA PAP 2) at the AU Assembly in February 2021. He underscored the important role played by the STC-TTIIE in charting out broad continental policy frameworks for the infrastructure and energy sectors in Africa. He further expressed AfDB's unwavering commitment to financing infrastructure projects and programmes noting that AfDB had contributed more than USD 9 billion over the last 15 years. The figure indicates more than 50% of all infrastructure financing in Africa making AfDB the largest and preferred infrastructure financier on the continent. He announced that AfDB was in the process of designing a dedicated project to support the implementation of PIDA PAP 2 and highlighted AfDB's support for the Single Africa Air Transport Market (SAATM) and its contribution to the Africa Single Electricity Market (AfSEM) through its support to regional power pools. The VP observed that these measures together with its strategic PPP framework, an innovative financing modality to tap into private sector resources, would contribute immensely to building back better and boldly post Covid-19.

7. On behalf of the UNECA, Executive Secretary Dr. Vera Songwe emphasized the need for quality and expansive coverage of infrastructure to underpin the post Covid-19 recovery including improving the water and sanitation sectors which are critical to the healthcare sector. Noting that better infrastructure and energy is necessary to facilitate AfCFTA as well as productive use in urban and rural areas, the Executive Secretary underscored the importance of inclusion of women in the infrastructure and energy value chains. Therefore, successful delivery of projects especially under PIDA PAP 2 is critical. Dr. Songwe called upon Member States to actively support these priority projects and include them in their national plans while embracing innovative ideas in resource mobilisation and project implementation that crowd in private sector resources. Furthermore, the infrastructure needs to be resilient and secure from climate and other future threats. In that regard, structured and demand driven capacity development programmes are essential and she highlighted several programmes that the UNECA is pursuing to support Member States to reach these goals.

8. Hon Raila Odinga, the AU High Representative for Infrastructure Development in Africa thanked the AUC for the invitation to address the STC-TTIIE meeting which, he noted, is an important organ for setting continental agenda on infrastructure and energy. He observed that the massive infrastructure gap in Africa needs urgent attention. This gap is the cause of unacceptable poverty levels in Africa. The High Representative stressed that infrastructure is key for intra-Africa trade under the AfCFTA and that PIDA PAP2 has identified critical gaps that require between USD 100 billion and USD 150 billion annually as estimated by the World Bank and AfDB, respectively. Hon Odinga made a strong case for the proposed Infrastructure Fund for Africa (IFA) to tap global funds for the development of infrastructure. IFA is

premised on the realization that effective project preparation is key to unlocking many projects that are stuck at the early stage.

9. The AUC Commissioner for Infrastructure and Energy, H.E. Dr. Amani Abou-Zeid welcomed the Member States and all delegates to the meeting. She appreciated the exemplary work of the outgoing STC-TTIIE Chair and highlighted a number of achievements including the successful conclusion of the PIDA PAP 2 process and quick response when Covid-19 broke out in Africa in 2020. Noting that Agenda 2063 highlights the need for infrastructure development through high-level policy development, the Commissioner underscored the role of mobility in the operation of AfCFTA and hence the need for sound infrastructure across. She observed that travel restrictions instituted to fight the Covid-19 pandemic had adversely impacted mobility had been within Africa in both land and air travel with negative effects on trade and tourism. While appreciating the need for these measures, Dr. Abou-Zeid called for more inclusive, coordinated, agile decision-making in the post-COVID-19 era to minimise the pandemic's effects on the society and facilitate building back better and stronger with long-term resilient infrastructure and energy systems.

10. The Minister of Electricity and Renewable Energy of the Arab Republic of Egypt who is also the outgoing Chair of the STC-TTIIE, H.E. Dr. Mohamed Shaker El Markabi, thanked the Member States and the AUC for the support they had given him and the STC Bureau which contributed to the success of their work. He noted that the STC-TTIIE had contributed to the creation of a shared vision of infrastructure and energy development in Africa as demonstrated by various projects and programmes which had been instituted in these sectors to enhance integration and a path to prosperity for the Continent. Dr. El Markabi observed that the STC-TTIIE was an important platform for increasing cooperation and integration as well as exchanging knowledge and experiences to address common challenges in the infrastructure and energy sector. Wishing the new Bureau success, he called for redoubling of efforts at all levels and close working relations among Member States and partners to accelerate infrastructure and energy solutions to alleviate the impacts of Covid-19. He concluded by expressing Egypt's readiness to continue supporting the work of the STC-TTIIE.

11. On behalf of Hon. Lebohang Monaheng, Minister of Public Works of the Kingdom of Lesotho and Chairperson of the STC-TTIIE, Lesotho's Ambassador to Ethiopia and Permanent Representative to the AU H.E. Ambassador Mafa Sejanamane thanked Egypt for her leadership and dedicated service during her tenure as Chair of the STC-TTIIE. The Ambassador stated that Lesotho was honoured to be taking over the Chair and pledged to continue with the good work established by her predecessors. He noted that the STC-TTIIE was addressing critical issues in the infrastructure and energy sectors that are critical for the integration of Africa ranging from financing of long term programmes like PIDA PAP 2 to specific agreements under air transport as well as many other elements requiring the collective efforts of Member States and partners. Amb Sejanamane wished the meeting fruitful deliberations.

IV. PROCEDURAL MATTERS

12. Since the term of the bureau had come to an end, the ministers meeting elected a new Bureau for a term of two (2) years according to STC Rules of Procedures as follows:

Chair	:	Lesotho (Southern Africa)
1 st Vice-Chair	:	Comoros (Eastern Africa)
2 nd Vice-Chair	:	Congo (Central Africa)
3 rd Vice-Chair	:	Benin (West Africa)
Rapporteur	:	Egypt (Northern Africa)

13. The Chairperson thanked the meeting for entrusting the Kingdom of Lesotho with the responsibility of leading the STC for the next two years and thanked the Arab Republic of Egypt for her leadership during the previous two years.

14. The African Union Commissioner for Infrastructure and Energy, H.E. Dr. Amani Abou-Zeid thanked Egypt as outgoing Chair for her leadership and support to the STC and congratulated the Kingdom of Lesotho and the new Bureau for their election to take over the leadership of the STC and assured the new Bureau of the Commission's support.

15. The draft agenda was adopted with no amendments:

- I. OPENING CEREMONY*
- II. PROCEDURAL MATTERS*
 - 1. Election of the Bureau*
 - 2. Adoption of the Agenda and Work Programme*
- III. Consideration of the Experts' Report*
- IV. Consideration and Adoption of the Ministers' Declaration*
- V. CLOSING*

V. CONSIDERATION OF EXPERTS' REPORT

16. The Rapporteur of the Experts' Meeting presented the Report of the Experts' Meeting highlighting progress attained on various projects under the Programme for Infrastructure Development in Africa (PIDA) as well as Transport and Energy sectors.

1 PROGRAMME FOR INFRASTRUCTURE DEVELOPMENT IN AFRICA (PIDA)

1.1 PIDA PAP 2 Financing Strategy and Mandate of PIDA PAP 2 Task Force

17. The AfDB presented an overview of the strategy that will guide the financing of projects under PIDA PAP2. The main highlights of the strategy include financial requirements per region, success factors for projects at different stages of the project cycle, and various financing options as well as mechanisms suited for different kinds of projects. The strategy identifies different financing sources and ways of involving the private sector. Noting the importance of sustainability of the projects, the strategy addresses ways of providing operation and maintenance costs. The strategy contains an Action Plan that matches different players with activities to ensure the implementation of PIDA PAP2 is successful.

18. PIDA PAP 2 Task Force, set up by the PIDA Steering Committee, was mandated to identify priority projects according to selection criteria approved by the STC-TTIIET in 2019. The task force was instrumental to the success of the PIDA PAP 2 and having discharged its mandate upon the adoption of PIDA PAP 2 by the AU Assembly in February 2021, it is noted that there is a need for similar technical coordination during the implementation stage. In this context, it is proposed that the task force continues coordinating the various institutions involved in PIDA to ensure that the PIDA PAP2 projects are implemented successfully.

Recommendations

The STC-TTIIIE:

- i. Adopted the Financing Strategy for PIDA PAP2 and urged Members States to increase financial commitment for infrastructure development including for infrastructure project preparation;
- ii. Directed the PIDA Steering Committee to consider the continuity and/or role of the Task Force going forward.

1.2 UNECA PPP Programme

19. The UNECA informed the meeting of its PPP Programme with the objective of achieving sustained economic growth and transformation in Africa within the framework of the 2030 Agenda for Sustainable Development and AU Agenda 2063 through leveraging the role and resources of the private sector. The project aims at providing technical advisory services to the AU Member States to develop national PPP action plans as well as provide capacity for PPP units. The project will help to address challenges in financing infrastructure development on a sustainable basis. The initial target Member States are Cameroun, Cote d'Ivoire, Kenya, Malawi, Uganda and Zambia, which have identified PPP as a model for financing infrastructure. The lessons drawn from these six selected countries will be extended to other Member States.

Recommendation

The STC-TTIIE:

- i. Encourage other organisations to partner with UNECA in implementing the project and extending it to other Member States.

2 TRANSPORT

2.1.1 Air Transport

20. The meeting considered the status of implementation of the Single African Air Transport Market (SAATM) and congratulated the 35 AU Member States that have joined SAATM. The meeting also considered key policy and regulatory instruments for the operationalization of SAATM, recommendations for the reduction of air transport cost in Africa and the revised Windhoek aviation security and facilitation targets.

Recommendations

The STC-TTIIE:

- i. Urged all remaining Member States to join the Single African Air Transport Market (SAATM);
- ii. Took note of the work done by AUC to finalize the draft *YD Dispute Settlement Mechanism* and the *Guidelines for negotiation of Air Services Agreement* between AU Member States and other countries and regions;
- iii. Requested AUC to work together with the Bureau of the STC-TTIIE to convene an extraordinary meeting of the STC-TTIIE by 31st December 2021 to consider the documents in ii) above;
- iv. Adopted the YD Key Performance Indicators (KPIs) and requested the AUC and AFCAC to use them as the tool for monitoring the implementation of YD and SAATM;
- v. Urged Member States to stimulate air transport demand by removing all government taxes on air transport and reducing passenger charges since they have negative impacts on the industry's competitiveness and national economies;
- vi. Requested Member States to develop/adopt policies that seek to improve the balance between the interests of airports and ANSPs on one hand and those of airline operators and end users on the other hand;
- vii. Requested the AFCAC in collaboration with AUC and RECs to propose the harmonization of policies on aviation taxes and charges in line with ICAO policies on taxes and charges and other non-tariff barriers;
- viii. Requested the AUC, AFCAC and RECs to create a platform for multi-sectoral engagement of all concerned stakeholders to review all cost components and discuss strategies for reduction of high taxes and charges to achieve reasonable cost structure for air transport in Africa;
- ix. Requested AFCAC, AFRAA and IATA to embark on a continental study on adverse effects of taxes, fees and charges on air transport and to establish a compendium of aviation taxes and charges of Member States thereto;

- x. Adopted the revised Windhoek targets on aviation security and facilitation and requested AFCAC to fast track their implementation in line with the Continental and Global targets;
- xi. Commended the AUC close collaboration with Africa CDC in COVID-19 recovery efforts and call for harmonized entry public health protocols and health credentials across the continent;
- xii. Encouraged Member States to update information on AU trusted travel platform.

Land Transport (Railway / Road Transports and Corridors)

21. Under the road transport sector, the meeting considered the road safety action plan for the decade 2021-2030 together with the Concept Note towards the creation of the African Road Safety Observatory (ARSO) and the assessment report of the Decade 2011-2020 for road safety. With regards to the urgent need saving Africans lives, the meeting recognized the need for the AU to consider an exception to the ongoing moratorium, for the creation of the ARSO.

22. Under the Railway sector, the consideration of the report on the norms and standards of the African Railway network as well as the roadmap for the development and establishment of the African Railway common market. The meeting noted that any delay in the application of technical interoperability standards would deprive Africa of a connected rail network for several decades. This is a serious impediment for the successful implementation of the AfCFTA, intra Africa trade and industrialization. Hence the need for extensive dissemination of technical interoperability standards by AU Member States, RECs, AUC and other relevant actors.

23. The meeting recognised the progress made by AUDA-NEPAD in the implementation of road projects as well as the African Integrated High Speed Railway Network project.

Recommendations

The STC-TTIIE:

- i. Took note of the assessment report of the African Action Plan of the Decade 2011-2020 of Road Safety and adopted its recommendations, in particular the call for the African Union to nominate a champion for the continental Road safety agenda;
- ii. Adopted the African Road Safety Action plan of the Decade 2021-2030 of Road safety and the Concept Note towards the creation of the African Road Safety Observatory (ARSO);
- iii. Requested the AUC in collaboration with Member States, RECs, UNECA, SSATP, Civil Society, Private sector and all relevant Institutions to take all appropriate measures towards the implementation and monitoring of the African Road Safety Action plan of the Decade 2021-2030 of Road safety and take stock of the work of the ARSO;
- iv. Adopted recommendations of the Concept Note on the African Road Safety Observatory (ARSO) and requested the AUC expedite arrangements to establish ARSO by preparing legal, structural and financial implications for the establishment of the African Road Safety Observatory (ARSO) as AU Specialised Agency, in line with Dec. 1032 EXCL regarding proposals to set up

- new institutions and proceed with the decision making process of the AU as soon as possible;
- v. Took note and welcomed the proposal by the Kingdom of Morocco to host the African Road Safety Observatory (ARSO);
 - vi. Adopted the minimum technical specifications of interoperability of the African Railway network and requested the AUC to undertake wide consultations with Member States and RECs for the alignment of all their initiatives with continental works and agree on a corresponding draft intergovernmental agreement;
 - vii. Adopted the roadmap towards the development of the African common market of railway;
 - viii. Requested AUC in collaboration with Afrexim Bank, AfDB, RECs, UNECA and other relevant stakeholders to develop the African Common Market of Railway and to promote inter-African collaboration and exchange of expertise in railway cars manufacturing and maintenance.

2.1.1 Consideration of the Updated Transport Plans of Action

24. The meeting considered the updated Plans of Action on Air, Road, Railway and Maritime Transport for the period 2021 – 2023.

Recommendations

The STC-TTIIE:

- i. Adopted the STC-TTIIE Plans of Action on Air, Road & Mobility and Railway Transport for the period 2021 – 2023;
- ii. Requested AUC to submit the maritime action plan for 2021-2023 to the next extraordinary meeting of the Bureau of the STC-TTIIE (Transport) for consideration.

3 ENERGY

3.1.1 Implementation status of the Plans of Action of the STC-TTIIE – Energy (2019-2021)

25. The AUC and partners presented an update on the progress in the implementation of the STC Action Plan 2019-2021. It was observed that most decisions are at various stages of implementation by the AUC and partners.

Recommendations

The STC-TTIIE:

- i. Urged the AUC and partners to expedite implementation of uncompleted activities and for uncompleted activities to be carried forward to the Action Plan of 2021-2023 in addition to new activities;
- ii. Requested the AUC and partners to enhance coordination and monitoring of the implementation of Action Plan.

3.1.2 Projects and programmes coordinated by the AUC

26. AUC presented progress made in the implementation of various projects and programmes that it is coordinating and plans to coordinate till 2023.

27. *Harmonisation of Regulatory Framework for the Electricity Market in Africa:* Implementation of various components of the project on have gone on with the support of the EU implemented through the EU Technical Assistance Facility (EU TAF). Following the development of a Policy Paper and Roadmap and its adoption by the AU Assembly in February 2021, the Africa Single Electricity Market (AfSEM) was launched on 3rd June 2021 at ceremony held virtually. Going forward, the programme's main areas of attention will be: Establishment of Coordination Unit at the AUC to oversee implementation of the AfSEM Policy Paper and Roadmap, Operationalisation of the AfSEM Governance Structure, Development of Action Plan to address Technical and Market Readiness of all regions, and Supporting Regional Power Pools and other key players to address specific bottlenecks within their regions. In addition, the AUC with technical assistance of EU-TAF is working on development of COVID-19 Response and Recovery Strategy for the Electricity Sector.

28. *Supporting Development of Mini-Grids in Africa:* Building upon previous work on *Guidelines for Institutional and Policy Model for Micro- / mini-grids* undertaken by the AUC with the support of EU TAF, the AUC and USAID-Power Africa undertook a study entitled *Unlocking the Mini-Grid Market in Africa* to develop guidelines focusing on five key areas, namely: Mini-Grid Business and Financing Models; Mini-Grid Interconnection Terms and Mini-Grid Compensation Mechanisms when the grid arrives at a mini-grid site; Tariff Models; and Gender Inclusivity. The study was validated by stakeholders in September 2019 and approved by the STC Subcommittee on energy in December 2020.

29. *Geothermal Risk Mitigation Facility (GRMF):* The 6th Application Round was successfully conducted online due to Covid-19 to generate a pipeline of eligible developers for additional GRMF grants. 10 out of 18 expressions of interest were prequalified. Meanwhile, preparation of Expressions of Interest for the 7th application round has been initiated. In addition, the AUC in collaboration with GRMF partners have commissioned a pre-feasibility study for geothermal direct use applications, which will enable expansion of the GRMF programme to Member States with low enthalpy geothermal resource. A business plan was developed for the Africa Geothermal Centre of Excellence and validated by regional experts at a meeting held in May 2021.

30. *Africa Bioenergy Policy Framework and Guidelines:* Building on similar work in East and Central Africa regions, the AUC commissioned an assignment to design a Bioenergy Development Strategy and Investment Plan for the West Africa Region. The framework for the Strategy has been completed but the accompanying National Bioenergy Action Plans are yet to be completed. Similar work is planned for the Southern Africa region. In addition, the AUC commissioned a study on Modernizing Cooking Technologies and Fuels in Africa to identify policy, regulatory and other incentives needed to stimulate investments for a transition to clean cooking technologies and practices in Africa in line with SDG 7. The study recommends a harmonized continental Strategy and Policy Guidelines for Clean Cooking Transition

in Africa. The two studies were validated by stakeholders in October 2020 and approved by the STC Subcommittee on energy in December 2020.

31. *Gender Mainstreaming in the African Energy Sector*: The AUC commissioned a study on Gender Mainstreaming in the African Energy Sector to provide a comprehensive analysis of the current situation of energy and gender issues in Africa, in line with the goals of the AU Strategy for Gender Equality and Women's Empowerment. The study recommends developing a Harmonised Continental Policy for Gender and Energy in Africa, applying its findings as to the basis of developing the Terms of Reference. The study was validated by stakeholders in June 2020 and approved the STC Sub-committee on Energy in December 2020.

32. *Study on Benefits of Adopting the AFRI Fuels Specifications Roadmap*: The AUC) in collaboration with the African Refiners & Distributors Association (ARA), commissioned a study to outline the socio-economic benefits that AU Member States stand to gain by adopting pan-African fuel specifications. The study was validated by stakeholders in June 2020 and approved the STC Sub-committee on Energy in December 2020.

33. *AUC – GET.transform Partnership*: As part of implementation efforts towards accelerating energy access in Africa, the AUC and GET.transform, which is a component of the Global Energy Transformation (GET) programme under the Joint Africa EU Strategy (JAES) will partner to jointly implement activities in three key action areas. The proposed three actions assist the AUC and AU Member States in fulfilling the objectives toward an African energy transition as well as contribute to the key priorities of the Africa-EU Energy Partnership (AEEP) to support operationalizing of the African Single Electricity Market (AfSEM), the Continental Power System Master Plan (CMP) and the Mini-Grid Development Plan. The activities include: Capacity Building for National Integrated Energy Planning; Regulatory Capacity Building for Power Market Transformation; and Regional Policy Dialogues on Rural Electrification and Industrialisation.

Recommendations

The STC-TTIIE:

- i. Adopted the report on *Unlocking the Mini-Grid Market in Africa* and requested the AUC in collaboration with partners to raise awareness and build capacity of Member States and RECs to apply the guidelines in order to increase electricity access through mini-grids;
- ii. Adopted the *Bioenergy Development Strategy and Investment Plan for the West Africa region* and requested the AUC and its partners in collaboration with the SADC and the SADC Centre for Renewable Energy and Energy Efficiency (SACREEE) to develop a Bioenergy Development Strategy and Investment Plan for the Southern Africa region;
- iii. Adopted the report on *Gender Mainstreaming in the African Energy Sector* and, based on the findings, requested the AUC in collaboration with RECs to develop a Harmonised Continental Policy framework for Gender and Energy in Africa;
- iv. Adopted the study on *Benefits of Adopting the AFRI-Fuels Specification Roadmap* and requested the Member States, with the support of the AUC and the RECs to implement the AFRI-Fuels Specification Roadmap;

- v. Request the AUC in collaboration with the GET.transform and other partners to implement relevant activities under the proposed partnership including Capacity Building for National Integrated Energy Planning; Regulatory Capacity Building for Power Market Transformation; and Regional Policy Dialogues on Rural Electrification and Industrialisation.

3.1.3 Projects and programmes coordinated by the AFREC

34. The African Energy Commission (AFREC) presented an overview of the status of its operationalization process including the approved structure, the level of ratification of its convention and key partnerships established.

35. AFREC presented progress made in the implementation of its continental energy strategic programmes including the African Energy Efficiency Programme, the African Energy Transition Programme, the Bioenergy Monitoring and Reporting, the Capacity building in energy sector and the African Energy Information System programme. Further, AUC in collaboration with AFREC, noted the need to expand the scope of the Africa Energy Transition Programme to incorporate the component of Just Transition to take into account the many people and sectors likely to be impacted in the transition from fossil fuels and the decarbonization of other sectors. It was, therefore, proposed to integrate a Just Energy Transition component to be implemented together with the African Energy Transition Programme.

36. AFREC has developed four (4) new questionnaires on Energy balance, Energy Efficiency, Prices and taxes, Installed Power Plant Capacity. In addition, AFREC has developed data analysis and data dissemination tools to used by the National Focal persons.

37. In the process of implementation of the African Energy Efficiency programme, AFREC conducted the electricity savings assessment for SADC region. This assessment provides an analysis showing the benefits attained from improved energy efficiency through the implementation of Minimum Energy Performance Standards (MEPS) for lighting, appliances and equipment at national and regional levels. The SADC energy saving assessment has provided quantitative benefits up to 2030 in the form of:

- Reduced electricity use
- Saved electricity costs
- Avoided electricity capacity demand
- Avoided CO₂ emissions

Recommendations

The STC-TTIIE:

- i. Requested AFREC/AUC to fast track the recruitment of the staff in the new AFREC structure;
- ii. Requested the remaining Member States to ratify the AFREC convention;
- iii. Requested AFREC/AUC to mobilise resources for implementing programmes that will accelerate green energy investments for increased energy access and climate ambition including, among others:
 - a) wind and solar energy development;
 - b) mini-grid market expansion;

- c) Oil and natural gas market expansion, and
- d) clean cooking fuels and technologies.
- iv. Request AFREC to provide necessary support to the Member States to establish National Energy Information Systems while ensuring their sustainability and ensure that the Member States adopt the data collection tools/questionnaires developed by AFREC;
- v. Requested AFREC/AUC to mobilise the necessary financial and technical resources to implement the African Energy Transition, the African Energy Efficiency and the Energy Sector Capacity Building Programmes;
- vi. Urged AFREC in collaboration with AUC to incorporate the Just Transition into the Africa Energy Transition Programme.

3.1.4 The African Union Development Agency (AUDA-NEPAD)

38. AUDA-NEPAD gave an overview of the progress made in the implementation of various projects and programmes, notably the PIDA PAP 2 process, the continental power system master plan and the last mile connectivity project. AUDA-NEPAD and RECs have started a series of webinars to prepare implementation plans of PIDA-PAP2 projects, in close collaboration with stakeholders guided by the integrated corridor approach, the financing strategy and the partnerships strategy. AUDA-NEPAD is supporting projects through specific tools like the Service Delivery Mechanism (SDM) and PIDA Quality Label (PQL) for early stage projects preparation, Continental Business Network (CBN) for private sector engagement, and Job Creation Toolkit (JCT) for maximization of jobs in Africa.

39. Work on the Continental Power System Master Plan (CMP) is ongoing. The baseline study supported by EU TAF completed in October 2020. Subsequently, a Donor Round Table was co-organised with AfDB, to discuss the preliminary findings of study and receive pledges for supported subsequent phases of the CMP. The Donor Round Table attracted pledges from various development partners including US\$ 3 million from AfDB and €3.5million from the EU. The World Bank pledged to support the Central African Power Pool while the Islamic Development Bank and the French Development Agency pledged to support the North African Power Pool. Development of Phase II of the CMP has commenced.

40. AUDA-NEPAD has the objective of coordinating sustainable energy to reach last mile energy access towards the AU Agenda 2063 and the UN Agenda 2030. This has led to a coordinated approach workstream that brings together 25 Member States including countries with low energy access to promote mini-grid projects that reach the last mile and drive various sustainability initiatives using an integrated multisectoral approach with various stakeholders. The project entails review of energy regulatory frameworks in five countries and promoting mini-grid projects for energy access in remote areas for clean water and health centres.

Recommendations

The STC-TTIIE:

- i. Took note of the various activities of AUDA-NEPAD including the progress made in the implementation of PIDA PAP 2, Continental Power System Master Plan (CMP) and Last Mile Energy Access;

- ii. Called upon Member States to collaborate with the power pools in setting up required governance structures for the implementation of the Continental Power System Master Plan (CMP);
- iii. Took note of the newly developed Service Delivery Mechanism (SDM) PIDA Quality Label (PQL) and encouraged adoption of its application across the regions and the infrastructure sub-sectors.

3.1.5 Africa Development Bank (AfDB)

41. The African Development Bank (AfDB) presented an overview of the COP26 Energy Transition Council (ETC), which provides a platform for high-level, Ministerial Dialogues on energy transition, in the period leading up to the COP26 event in November 2021. The Bank is a member of the COP26 ETC, alongside other multilateral development banks (MDBs), international financial institutions, technical cooperation institutions and bilateral development partners.

42. As part of its contribution to the COP26 ETC, the Bank participates in the COP26 Green Grids Initiative (GGI) Working Group (WG), which aims to facilitate the scale up of renewable energy (RE) generation globally through investments in grid capacity – building on various ongoing continental and regional integration programmes.

43. The COP26 GGI WG's activities are categorised according to three pillars, namely: building political momentum; increasing energy transition ambitions and accelerating access to technical assistance and financing resources; and, sharing best practices and accelerating research and development (R&D) globally. In order to avoid duplication and ensure coordination, the Bank proposed the establishment of a working group that will facilitate the acceleration of ongoing, prioritised Africa-focused continental and regional power system integration initiatives that are aligned with the COP26 GGI, under the auspices of the AUC. The COP26 GGI WG has endorsed the Bank's proposal.

44. Prioritised, ongoing continental and regional power system integration initiatives could be drawn from the second Programme for Infrastructure Development in Africa Priority Action Plan (PIDA PAP 2) and Continental Masterplan (CMP) noting that these are listed as examples, without the intention to exclude other relevant initiatives (for instance, aspects of energy transition activities implemented by AFREC).

Recommendations

The STC-TTIIE:

- i. Requested the AfDB and AUC to facilitate the establishment of an inclusive working group that will coordinate ongoing, prioritised Africa-focused activities that are aligned with the COP26 Green Grids Initiative (GGI), with the objective of accelerating access to technical assistance and financing resources, in support of scaling up renewable energy generation through continental and regional grid capacity investments and related initiatives;
- ii. Requested the AfDB and AUC to contribute to the development of a COP26 GGI Roadmap to be launched at COP26 in November 2021 covering financing and technical support for ongoing, prioritised programmes/projects; and

mechanisms to unblock financing flows and develop structures to drive implementation post-COP26.

3.1.6 Africa EU Energy Partnership (AEEP)

45. The AEEP Secretariat presented the achievements of AEEP since the last STC meeting through its three main action areas namely: (i) Coordination of the Joint Africa-EU Strategy (JAES); (ii) Strengthening coordination efforts through mapping and monitoring of energy initiatives and programmes in Africa; and (iii) Knowledge Facilitation for the energy transition in Africa, in partnership with key pan-African and international institutions.

46. The AEEP highlighted increased AU-EU dialogue including through various high-level forums, AEEP Energy Talks webinar series; capacity enhancement to the AUC and AUDA-NEPAD; and support to various African programmes including the AFREC-led Africa Energy Information System (AEIS), among others.

47. Going forward, the AEEP will focus attention on preparations for the 6th AU-EU Summit as well as strengthening implementation of enhanced energy and climate ambitions in its new phase after the AU-EU Summit.

Recommendation

The STC-TTIIE:

- i. Requested the AEEP to support and facilitate information sharing and awareness creation of AU and EU programmes towards accelerated green energy investments, and support the AUC and AUDA-NEPAD to establish ties with EU actors in areas of mutual interest to strengthen the implementation of energy and climate targets.

3.1.7 United Nations Economic Commission for Africa (UNECA)

48. UNECA gave an update on the project on Regulatory Review of Electricity Markets in Africa to Crowd-in Private Sector Investment, and a proposal for the Establishment of the African School of Regulation. Regulatory review is ongoing in 16 selected Member States using three criteria namely: Attractiveness, Openness and Readiness. This process looks into generation, transmission, distribution and off-grid sub-sectors. It started in 2019 and is expected to be completed by the end of 2021.

49. The African School of Regulation (ASR) is proposed as a multi-stakeholder platform that will bring together regulators, policymakers, academics, utilities, mini-grid developers, solar home systems companies, consultants, investors, financial institutions, energy users and any other stakeholders whose activities are significantly influenced by regulation. Its objective is to build skills, knowledge, and sustainable jobs, thereby creating additional value in Africa in the field of energy regulation. This objective can be achieved with excellence and intellectual integrity, which require well-capacitated professionals (both local and global) and independence. The institutional design, organisation and funding of the ASR must make sure that both requirements are met. The ASR will build local capacity using a multi-stakeholder approach to develop, teach and disseminate sound energy regulation and policy in Africa in an inclusive environment for women regulators and policymakers.

Recommendation

The STC-TTIIE:

- i. Requested the UNECA in collaboration with AUC, AUDA-NEPAD, AfDB to work with the Pan African University system, African universities, development partners, and other relevant entities to design and implement an African School of Regulation (ASR) as a pan African centre of excellence to enhance the capacity of Member States on energy regulation to address all aspects of energy regulation, build capacity to support the full realisation of AfSEM and enhance good regulatory practices across the continent.

3.1.8 Consideration of the Updated Plans of Action on Energy

50. The meeting considered the updated Plans of Action on Energy for implementation by AUC, AFREC and other partners for the period 2021 – 2023.

Recommendation

The STC-TTIIE:

- i. Adopted the Action Plan on Energy for the period covering 2021-2023.

VI. ADOPTION OF THE EXPERTS' REPORT AND DECLARATION

51. The Experts' Report and Ministers' Declaration were adopted with amendments.

VII. ANY OTHER BUSINESS

52. There was no other business.

VIII. CLOSING

53. In her closing remarks, the AUC Commissioner for Infrastructure and Energy expressed her gratitude to the Member States for their participation and contributions to the STC. She thanked AUDA-NEPAD, AfDB and UNECA for co-organising the STC with the AUC. In addition, she thanked the development partners for their support to various infrastructure and energy programmes. The Commissioner hailed the STC for setting out the continental priorities for infrastructure and energy as reflected in the Ministers' Declaration noting that it shows that Africa is in the right direction in addressing its infrastructure challenges which is a prerequisite for the successful operationalization of the AfCFTA and building back better and stronger in the post-Covid-19. She assured the Member States of AUC's commitment to work with them and partners building of stronger partnerships and collaborations towards implementation of the agreed priorities.

54. The Chairperson thanked the Ministers for their contributions. He observed that the outcome of the meeting reflected the centrality of infrastructure and energy in the continental integration process as well as the realisation of the AU Agenda 2063

aspirations. He expressed the commitment of Lesotho as Chair of the STC Bureau to work closely with the Member States and to coordinate closely with the AUC to drive the implementation of the decisions reached during the meeting. He concluded by thanking the AUC Commissioner and the staff of the Department of Infrastructure and Energy for their organisation and support during the meeting.

DRAFT DECISION ON THE 3rd ORDINARY SESSION OF THE SPECIALIZED TECHNICAL COMMITTEE ON TRANSPORT, TRANSCONTINENTAL AND INTERREGIONAL INFRASTRUCTURE, AND ENERGY (STC-TTIIE) HELD BY VIDEOCONFERENCING FROM 28th to 30th JUNE 2021

I. PREAMBLE (LEGISLATIVE BACKGROUND)

The Executive Council,

1. **TAKES NOTE** of the Report of the 3rd Ordinary Session of the Specialized Technical Committee on Transport, Transcontinental and Interregional Infrastructure, and Energy (STC-TTIIE) held by videoconferencing from 28th to 30th June 2021 and the related Declaration;
2. **COMMENDS** the Ministers responsible for Transport and Energy for the successful holding 3rd Ordinary Session of the Specialized Technical Committee on Transport, Transcontinental and Interregional Infrastructure, and Energy (STC-TTIIE) and achieving notable outcomes for the development of the Transport, Transcontinental and Interregional Infrastructure, and Energy in Africa.

II. DECISIONS

In the Transport Sector

3. **URGES** all remaining Member States to join the Single African Air Transport Market (SAATM);
4. **REQUESTS** AUC to work together with the Bureau of the STC-TTIIE to convene an extraordinary meeting of the STC-TTIIE by 31st December 2021 to consider the draft YD/SAATM Dispute Settlement Mechanism and the YD draft guidelines for negotiation of air service agreements with third countries and regions;
5. **ADOPTS** SAATM policy and regulatory instruments including YD Key Performance Indicators (KPIs), the recommendations on reduction of air transport cost and the revised Windhoek aviation security and facilitation targets;
6. **COMMENDS** AUC/IED close collaboration with Africa CDC in COVID-19 recovery efforts and call for harmonization of public health requirements and credentials across the continent;
7. **ENCOURAGES** Member States to update information on AU trusted travel platform;
8. **TAKES NOTE** of the assessment report of the African Action Plan of the Decade 2011-2020 of Road Safety and adopt the African Road Safety Action plan of the Decade 2021-2030 of Road safety and the Concept note towards the creation of the African Road Safety Observatory (ARSO);

9. **REQUESTS** the AUC in collaboration with the Africa Transport Policy Programme (SSATP), UNECA civil society, private sector and all relevant institutions to take all appropriate measures towards the implementation and monitoring of the African Road Safety Action plan of the Decade 2021-2030 of Road Safety;
10. **ADOPTS** technical specifications of the African Railway network as well as its norms and standards and the roadmap towards the development of the African common market of railway;
11. **REQUESTS** AUC in collaboration with AfreximBank, AfDB, RECs, UNECA and other relevant stakeholders to develop the African Common Market of Railway and to promote inter-african collaboration and exchange of expertise in railway cars manufacturing and maintenance;
12. **CALLS ON** Member States to accelerate the implementation of the road safety charter;
13. **REQUESTS** AUC to expedite arrangements to establish ARSO;
14. **TAKES NOTE** and **WELCOMES** the proposal by the Kingdom of Morocco to host the African Road Safety Observatory (ARSO);

In the Transcontinental and Interregional Infrastructure

15. **CALLS UPON** Member States, Regional Economic Communities multilateral financial institutions and partners to support the implementation of the second Priority Action Plan of the Programme for Infrastructure Development in Africa (PIDA PAP II);
16. **ADOPTS** the Financing Strategy for PIDA PAP II and urge Members States to increase financial commitment for infrastructure development especially for infrastructure project preparation;
17. **WELCOMES** the newly developed SDM PIDA Quality Label (PQL) for excellence in Early-Stage Project Preparation and encourage adoption and application across the regions and the infrastructure sub-sectors as Africa's standard for early-stage appraisal of infrastructure project;
18. **TAKES NOTE** of the work of the PIDA PAP II Task Force and recommendation to extend its mandate and **DIRECT** the PIDA Steering Committee to consider the continuity and/or role of the Task Force going forward.

In the Energy Sector

19. **REQUESTS** the AUC and AUDA-NEPAD in collaboration with all relevant Pan African Continental and Regional Institutions to take appropriate steps towards full implementation of the African Single Electricity Market (AfSEM) and the

Continental Power System Master Plan (CMP) including establishment of their respective Strategic Governance and Institutional structures;

20. **REQUESTS** the UNECA in collaboration with the AUC, regional and continental organizations, the Africa-EU Energy Partnership (AEEP) and other partners to determine the feasibility of the establishment of an African School of Regulation to build capacity and enhance good regulatory practices across the continent;
21. **REQUESTS** the AUC and the Africa Energy Commission (AFREC) to mobilise resources for implementing programmes that will accelerate green energy investments for increased energy access and climate ambition including, among others: (i) wind and solar energy development; (ii) mini-grid market expansion; (iii) Oil and natural gas market expansion, and (iv) clean cooking fuels and technologies;
22. **REQUESTS** the AFREC to provide necessary support to the Member States to establish National Energy Information Systems while ensuring their sustainability and call on the Member States to adopt the data collection tools/questionnaires developed by AFREC;
23. **REQUESTS** the AUC to conduct a feasibility study on the potential for production and trade of green hydrogen in Africa and its economic, social and political implications for the continent;
24. **REQUESTS** the AFREC/AUC, the AfDB, regional and continental organizations, and development partners to mobilize the necessary financial and technical resources to implement the African Energy Transition, the African Efficiency and the Energy Sector Capacity Building Programmes;
25. **REQUESTS** the AUC and AfDB to facilitate an inclusive working group that will coordinate ongoing, prioritised Africa-focused activities that are aligned with the COP26 Green Grids Initiative (GGI), with the objective of accelerating access to technical assistance and financing resources, in support of scaling up renewable energy generation through continental and regional grid capacity investments and related initiatives;
26. **REQUESTS** AFREC/AUC to fast track the recruitment of the staff in the new approved AFREC structure and call on Member States that have not ratified the AFREC Convention to do so;
27. **ACKNOWLEDGES** the health, environmental and socio-economic benefits of clean fuels and recommend that Member States adopt the AFRI Fuels Specifications Roadmap.

In conclusion

28. **ADOPTS** an Action Plan for 2021-2023 to guide implementation of the priorities agreed upon;

29. **ACKNOWLEDGES** and commend all multilateral financial institutions and development partners including the AfDB, KfW, the World Bank, the EU and GIZ for their support to various AU projects and programmes;
30. **COMMENDS** the spirit of openness and cordiality that prevailed in the deliberations of the meeting.

2022-01-20

Report of the 3rd Ordinary Session of the STC on Transport, Transcontinental and Interregional Infrastructure, and Energy (STC-TTIIE), 28-30 June 2021

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