THIRD WORLD NETWORK-AFRICA & SOUTHERN AFRICAN RESOURCE WATCH

Energy Transition, Africa's Extractive Resources and the future of Africa's Development

Report on
Energy Transition, Africa's Extractive Resources and the future of Africa's Development Meeting

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Cover photo credit: NRGI

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List of Abbreviations

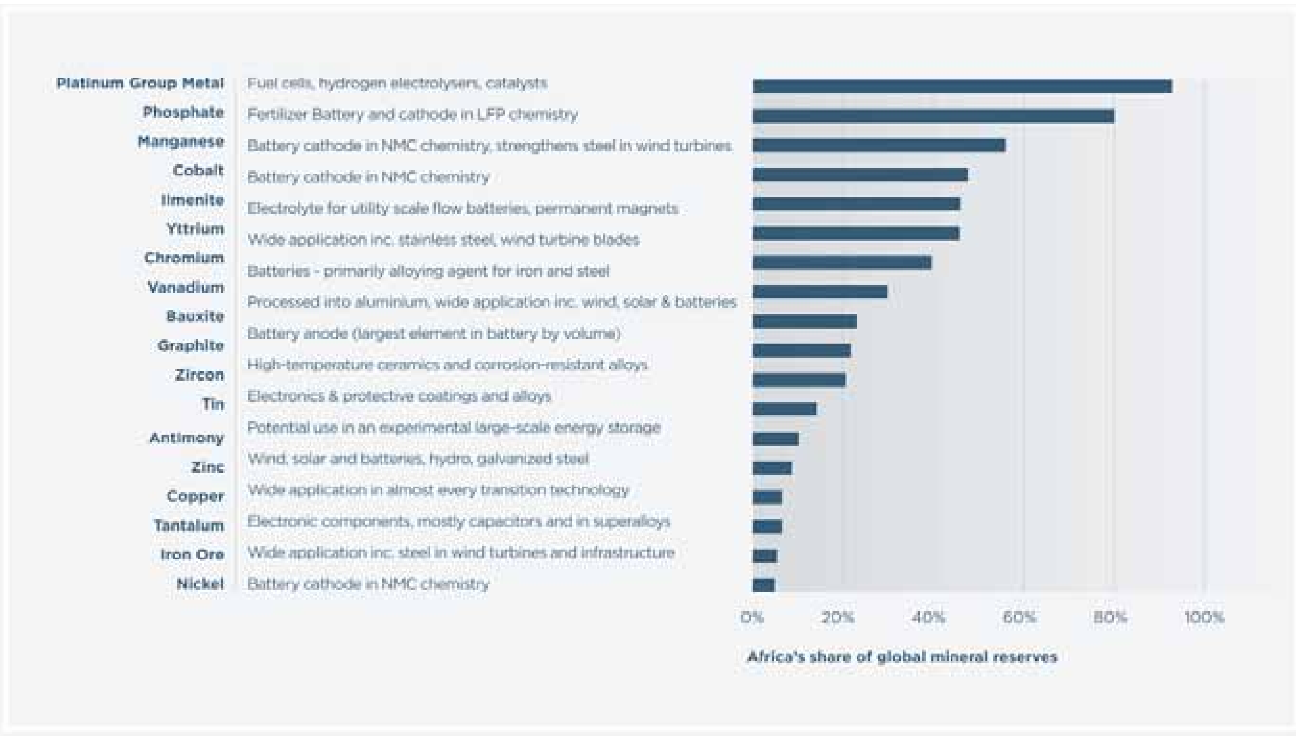
ACEP	African Centre for Energy Policy
AfCFTA	African Continental Free Trade Area
AfDB	African Development Bank
AMV	African Mining Vision
AU	African Union
AUC	African Union Commission
BADEA	Arab Bank for Economic Development
CBAM	Carbon Border Adjustment Mechanism
CCC	Committee on Climate Change
CEO	Chief executive officer
COP	Conference of Parties
CSO	Civil society organisation
CTF	Clean Technology Fund
DRC	Democratic Republic of Congo
EIB	European Investment Fund
EU	European Union
FDI	Foreign direct investment
FoLT	Friends of Lake Turkana
GCF	Green Climate Fund
GDP	Gross domestic product
IEA	International Energy Agency
IFI	International financial institution
IMF	International Monetary Fund
IRPAD	Institut de recherche et de promotion des alternatives en development
MNC	Multinational corporation
PPA	Power Purchase Agreement
SARW	Southern Africa Resource Watch
SDG	Sustainable development goals
SEATINI	Southern and Eastern African Trade Institute
SEZ	Special economic zone
TJN-A	Tax Justice Network-Africa
TWN-Africa	Third World Network-Africa
UNECA	United Nations Economic Commission for Africa
UNU-INRA	United Nations University Institute for Natural Resources in Africa

1. Introduction

1.1 Background and rationale for the meeting

The discussion on energy transitions has taken on an added significance since the outbreak of the ongoing war between Russia and Ukraine. Countries in the global north have made a U-turn on fossil fuels to meet their energy needs since the outbreak of the war. For Africa and the rest of the developing world the energy transition has become a critical core of the contestation around the appropriate and effective actions on the global climate crisis. Based on the understanding that fossil fuels are a primary driver of global warming and climate change, the replacement of these fuels by more 'climate friendly' ones has become a key plank of climate policy, supported by the climate justice movement.

However, the process of transitioning from fossil fuels to clean energy has different implications for different countries based on the level of development and the level of dependence on fossil fuels for their energy needs. To begin with, different countries have different capacities for adaptation, and this has important practical implications and trajectories for the energy transition. For advanced industrial economies of the West with already existing capacity for alternative energy sources (such as solar, wind, nuclear and other alternatives), energy transition raises a completely different set



Africa's shares of global reserves of transition minerals *Credit: NRGI* of issues and questions from countries in Africa with limited existing capacity for alternatives. Consequently, the demand for (and policy stance on) substantial reduction or cessation of the use of fossil fuels has more concrete meaning in the former group of economies than the latter. Moreover, in Africa, the important issues of access to energy for the broad masses of people for meeting basic economic needs complicates the discussion of energy transition.

"The process of transitioning from fossil fuels to clean energy has different implications for different countries based on the level of development and the level of dependence on fossil fuels for their energy needs."

The sets of issues raised by the discussions on energy transition include both immediate issues and longer-term broader ones. In terms of the immediate issues, the question of financing Africa's transformation, including its energy transition comes up. Since COP 15 in Copenhagen in 2009, the world has promised Africa and other developing countries about $100 billion a year as a contribution to addressing the challenges of climate change. Even though it has been acknowledged as inadequate, very little of this money has been made available to Africa and other countries up to this point. In this context, it is arguable that however compelling Africa's moral and political case for external resources to address its climate needs, the continent would be unwise to continue to expect such resources.

Key questions that naturally arise include:

1) to what extent should Africa generate its own resources and how?
(2) what role will Africa's mineral resources play in this?
(3) given the importance of fossil fuels in many African economies, do these fuels have a place in this financing strategy?

Another aspect of the immediate issues is that the future of Africa's vast deposits of oil, gas, coal, and other fossil fuels are at stake in a transition to clean energy, with the likelihood of these assets becoming stranded as a real possibility. This raises questions like: what is the optimal position that Africa should take on these potentially "stranded assets"? Should we "leave them in the ground", and if so from when? Should there be a planned phase-out of investment linked to the aggressive mobilisation of finance and other resources for clean energy? And what role will fossil fuels have in this transition?

In terms of the longer-term issues for African economies, there are concerns about minerals and other extractive resources that bring added complications for the energy transition discussion. Africa is home to minerals such as lithium, cobalt, copper, rare earth, manganese and others, that are critical for generating clean-energy replacements for fossil-based fuels worldwide. However, there is already a fierce scramble for these resources by both governmental and commercial players from outside the continent. This scramble itself is framed by an ongoing geopolitical competition among major powers.

While scrambling for Africa's critical mineral resources, these countries are also taking steps to protect their resource deposits. Moreover, some governments in the global north, especially those in Europe are moving to invest in solar and wind farms in Africa primarily for

Another aspect of the immediate issues is that the future of Africa's vast deposits of oil, gas, coal, and other fossil fuels are at stake in a transition to clean energy.

export to feed European industrial and domestic energy needs. All these raise important questions for African countries: How is Africa going to manage its resources? Will the continent allow itself to drift into a re-play and a deepening of the primary commodity export-dependent framework which currently defines Africa's mineral economy? Or will it chart a different path, such as the one envisaged in the African Mining Vision, where these resources become a basis for economic transformation for the benefit of Africa's peoples?

A third cluster of challenges are implicit in the issues raised above. In the context of Africa's political economy and economic performance, energy transition is not simply one of replacing a 'dirty' source of energy with 'cleaner' one. Rather, it is a fundamental question of economic development, and structural economic transformation – a transformation in which the outstanding issues of agrarian change and industrial transformation should be tackled equitably, inclusively, and sustainably. In a broad sense, it is a question of the strategy for industrialisation for Africa in the conditions and within the constraints of the 21st century. How does this strategy frame the question of a just energy transition, and vice versa?

All these issues are situated in the context of global debates and choices being made by various regions and countries. An effective mobilization of popular movements is critical for the effective exercise of an African agency concerning the global, continental and national challenges. This will enable governments and citizens on the continent to build their own understanding and voice on these issues. This is particularly important given that on each and all the above issues, different players in Africa and outside have different, often contradictory positions. It is therefore urgent to pick up the intensity and depth of debate on the issues towards developing a specifically African narrative and agenda to feed into the global mosaic.

1.2 Aims and objectives of the meeting

It is against this background that Third World Network-Africa (TWN-Africa) and Southern Africa Resource Watch (SARW) jointly organized a brainstorming meeting on the critical questions raised by energy transition and its implications for Africa's extractive resources and for the future of Africa's development. The meeting sought to build an agenda of work concerning how to

- define the elements of and build a specifically African narrative and positioning on energy transition, Africa's minerals and fossil fuels, and Africa's development;
- identify and build the constituencies in Africa that would drive forward work on these issues.

The meeting, which took place in Accra from 29 to 31 May 2023, did not seek to provide such a voice or narrative. Instead, it sought to provide the occasion for initial inquiry, for open but focused thinking towards identifying the elements around which to build such a narrative as well as the actors and factors that can drive that narrative forward. To this end, the concrete output intended for the meeting was an agenda for further work on both fronts. Participation in the meeting was drawn from African NGOs, trade unions, worker's representatives, academics, policy institutions and experts involved with the issues covered.

1.3 Structure of the meeting

The three-day meeting was organized into plenary sessions, panel and group discussions. The sessions were organized into six parts. Part I was the introductory session. Part II was devoted to setting the context (climate crisis, energy transition and Africa's challenges), and focused on the problematic of climate change and energy transition, the dilemmas for Africa and its development. Part III discussed the energy transition – its dimensions, issues, perspectives, players. It addressed questions such as: What is energy transition? What does it involve, technically andpractically? What are the political-economy considerations? What are the geo-political dynamics – the global and regional approaches, choices, interests (for the advanced industrial countries of Europe, and for Asia, Latin America and the global south broadly)? How is Africa positioned? What are Africa's needs?

Part IV focused on Africa's material resources in the energy transition and it addressed questions such as: what is the place of minerals and fossil-fuel resources in strategies for energy transition? What are the minerals critical clean for energy? Where are they? Who owns them and who exploits them? What policy issues do they raise? What are the policies and perspectives of African governments? What is the current spread and importance of fossil-fuel resources in Africa's energy needs and economy? What is the future of fossil-fuels? What are the attitudes and policy positions of African governments?

Part V was devoted to energy transition in the imperatives of Africa's development. This part focused on how best Africa can develop its energy resources, address its energy needs and manage the energy transition within the political economy of primary commodity export dependence and the imperatives of structural economic transformation. How does the African continent finance these? Part VI focused on the way forward and the elements of an agenda of work. It involved small group discussions to identify the thematic issues and elements of a future agenda, the civil society groups to be mobilized, and policy and practice proposals to be adopted going forward.

2. Opening Session

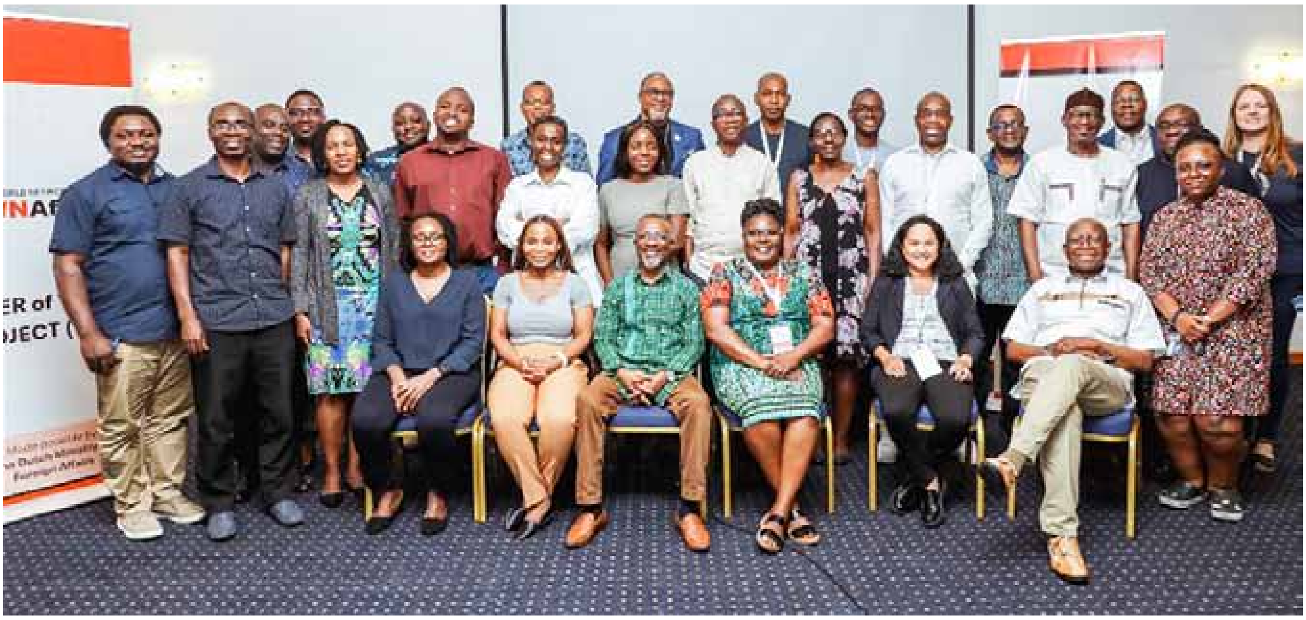
Moderator: Pauline Vande Pallen

The session opened with welcome remarks by Drs Yao Graham and Claude Kabemba, heads of Third World Network-Africa (TWN-Africa) and Southern Africa Resource Watch (SARW), respectively. Yao expressed his pleasure that all participants had made it for the meeting. He indicated that his colleagues were available to support anyone who needed assistance settling into the hotel and the meeting. He indicated that he looked forward to a fruitful deliberation and friendship building. For his part, Claude reinforced Yao's welcome.

The brief welcome was then followed by self-introduction by all participants.

Mr Tetteh Hormeku, head of programmes at TWN-Africa, then took participants through the logic of the programme. He indicated that the programme is essentially a guide for the discussion and could be adapted as necessary. The meeting as outlined was essentially an initial brainstorming meeting to identify critical issues in energy transition, Africa's extractive resources, especially critical minerals and fossil resources and what they mean for Africa's future and development. The programme was thus set up in such a way that at the end of the third day the meeting would be able to adopt an agenda for further thinking on research and work, having identified the key constituencies to work with to realize our long-term objectives.

The participants were in agreement with the programme as set out so it was adopted.



Participants at the meeting

3. Setting the Context: Climate Crisis, Energy Transition and Africa's Challenges

3.1 Session Two: Panel session

Panel: Moderator: Ikal Ang'elei, Friends of Lake Turkana (FoLT)

This session was a panel session where panellists responded to questions posed by the moderator, with follow-up questions where necessary. The session started with the moderator asking each panellist to give an extended introduction of themselves and their organizations as well as their entry point into the discussion on energy transition for Africa.

From left - Claude Kabemba, Ikal Ang'elei, Fatima Denton and Yao Graham

Yao Graham, TWN-Africa

Yao re-iterated that that his organization, TWN-Africa, is co-organizer of the meeting along with SARW. TWN works among others on trade policy and investment in Africa, but their main entry point into the energy transition discussion is their work on minerals and development. TWN had previously worked on climate policy which had dropped off its radar now, but the imperative of Africa's structural transformation and the need to end primary commodity dependence and related confluence of factors make up TWN's main entry point.

Fatima Denton, UNU-INRA

Fatima indicated that she works for United Nations University's Institute for Natural Resources in Africa (UNU-INRA). UNU-INRA works on all types of natural resource management with an Africa-wide mandate. Recently, the institute has been working on stranded assets in Africa from the perspective of contestation since much of what is written on the subject is from the global North's perspective, and the economic implications of stranded assets.

Claude Kabemba, SARW

Claude indicated that SARW's work has always focused on the question of the contradiction between abundance of resources and the level of poverty around the African continent. He said the issue of energy transition is so

Africa is in danger of being suborned to the interests of other people, when it should rather ensure that mineral sources become a source of Africa's transformation.

important for the work for SARW because it has intensified their questioning of the governance of natural resources. The question that SARW has been responding to is whether the energy transition brings opportunity, and how Africans can respond to the opportunities as well as the geopolitics around the resources.

Q1: What are some of the emerging climate conversations and climate risks, and what is the status of the debate on energy transitions and how are these conversations being framed from your point of view?

Yao Graham

For TWN, the entry point and context of the energy transition is minerals and development within the larger issue of Africa's development and economic transformation. Over the last two years, because of the Covid-19 pandemic and the Russia-Ukraine war, there has been an acceleration of the competition for energy-related critical mineral resources. This has intensified the scramble for Africa's minerals and related resources and has brought into sharp focus a confluence of critical issues from an African perspective. Agenda 63, along with the African Mining Vision (AMV), proclaim the agenda of Africa's transformation and a particular paradigm for Africa's development. This, in a sense, was a revocation and recovery of earlier recognitions of the immediate post-colonial vision of Africa's transformation.

The highlights of the new scramble for Africa's resources are manifested by several high-profile visits by US and EU officials, and by China's long-term strategy and investment directly on the continent. At the height of the commodity boom, African countries were denounced by the global North for resource nationalism because they wanted to have more control over their minerals. However, today the North have now embraced resource nationalism with countries like Canada, European countries and Australia all being encouraged to take control of their resources. The G7 bloc has decided to have a collective strategy. However, Africa has been disorganized without any coherent collective plan or clear agenda for addressing energy transitions. This is a stark moment of confluence of geopolitical struggle between America and China, which has found expression in the struggle for critical minerals, with Africa in danger of being the "meat in the sandwich".

It is important to prevent a repeat of the unpleasant history, when during the Second World War, Africa did not have agency, and colonies were key to resourcing the Allied forces for the war. For instance, Africa's industrial diamonds were used for generating weapons for the Allied forces. It also became a source of settling power disputes. Africa is in danger of being suborned to the interests of other people, when it should rather ensure that mineral sources become a source of Africa's transformation.

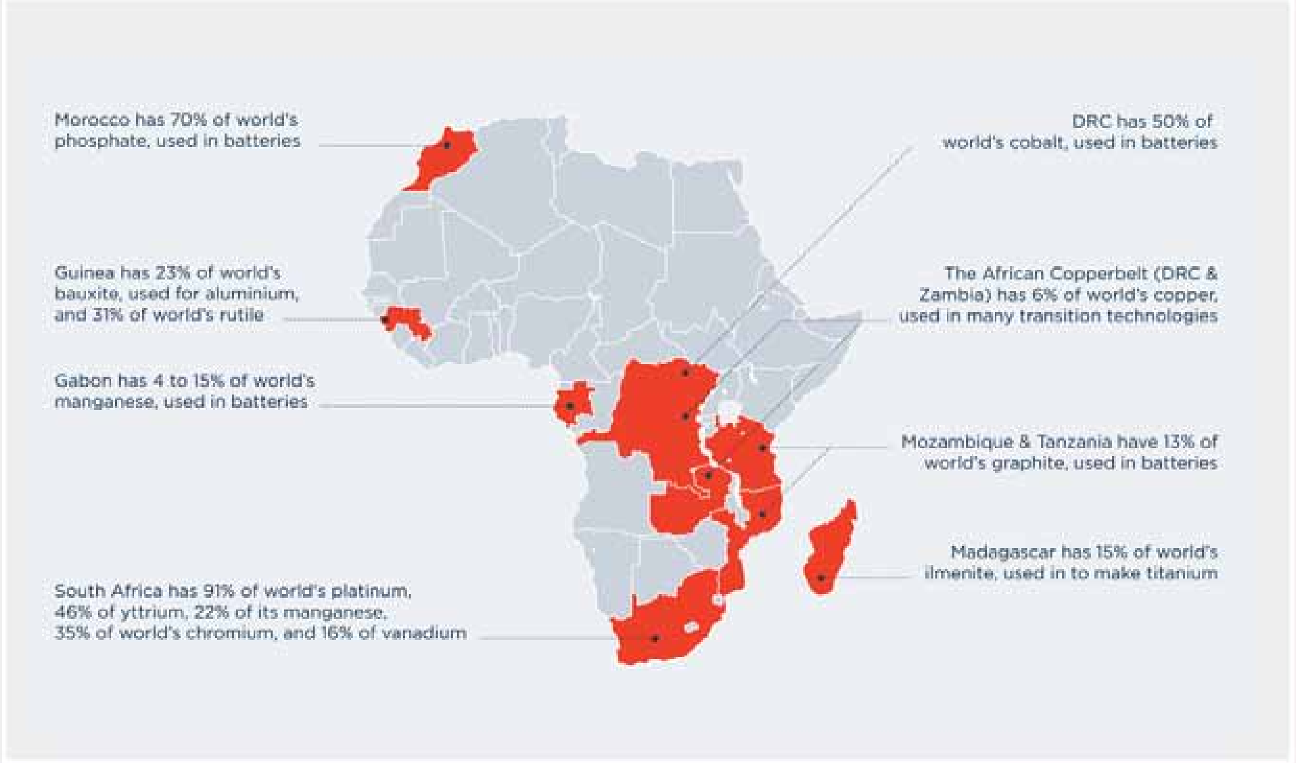
As a follow-up, the moderator indicated that the scramble for African resources has moved beyond minerals to land and other resources, and wanted to understand how we could expand the discussion to carbon trading in the North, whose target is Africa. In response, it was indicated that while the issue of carbon trading is important, in order to have a focused discussion on issues at the centre of the conjecture this meeting focused on the interface of the extractive resources, geopolitics, Africa's own needs and its structural transformation. This is because this context ties in with the contest for global dominance, especially by the US and its allies to retain global dominance and ensure that emerging powers (especially China) do not come to the fore, and rendering the rest (especially Africa) as details in this game. This way of analyzing the problem allows Africans to appreciate the danger of continuation and perversion of the ways a fragmented Africa is inserted into other people's strategies and contestations. Also, the focus on these issues would help to bring together a range of actors working on these interlinked issues and be the beginning of an African narrative, identifying constituencies and building on them.

Fatima Denton, UNU-INRA

UNU-INRA's main entry point in the subject matter is the climate change perspective. This is because Africa is very dependent on its land and thus climate itself is a critical resource for African farmers and climate change is felt in every sector. INRA was keen to understand the issue of stranded assets even as natural resources are important for Africa's growth and transformation plan. The history of natural resources on the continent has largely been one of predation, where resource exploitation is characterized by elite capture and enclave economies while most Africans do not benefit from the exploitation. There is a real chance of this history repeating itself with critical minerals. Although it is often said that 42 of the 66 critical minerals relevant for the fourth industrial revolution are in Africa, the key question is not about the minerals being present on the continent but rather how things are to be done differently in terms of managing the resources more efficiently. It is important to note that even as there is energy anxiety (especially during the Russia-Ukraine war, with countries looking for alternative sources of fossil fuel), energy supply is benefiting a certain part of the globe while completely leaving behind populations that have been starved of energy resources. Even though Africa is home to high-end critical green resources and these could be a major source of investment for Africa to grow, if they are exploited for the energy security of Europe, then the history of African energy poverty will not change.

The tendency to simplify the debate is another worrying danger. Fossil fuels have supported the North's development. But now the development angle of the mineral resources has been left out of the green versus brown debate (that is clean versus dirty energy) with the result that many issues in the debate are being glossed over. There are economies of scale issues, issues of asymmetries, and issues of geopolitics. Not dealing with these issues, means not really addressing the debate. There are several other transitions at play (I.e. from extractive to regenerative to the circular economy).

Africa's starting point within these transitions is very different as it is faced with unsustainable systems that are not fit for purpose: a capitalist system of growth, a model that presents a challenge to Africa's path to growth with several asymmetries and power play. there is asymmetry in what Africa wants to do and the means of implementation. The continent wants to engage in green growth but how does it use these critical minerals to become more energy secure? There is also an asymmetry of capacity to produce and capacity to reduce emissions. Much of Africa's development is based on carbon-intensive sectors and it does not yet have the technology to clean up those industries. So, Africa's approach should be an avoidance



African countries with large shares of global transition mineral reserves *Credit: NRGI*

and not a reduction of emissions because our emissions are low. There is also asymmetry of resources, material and markets for finished goods because Africa is not only a consumer but also a conveyor of resources, so balance is needed. Going forward, Africa must plan against several megatrends. The first is climate change. The second is indebtedness. Fiscal returns have declined, and inflation and macroeconomic pressures are affecting Africa's ability to procure the technologies needed for green growth. The third megatrend is stranded assets. Many people did not see stranded assets as an issue. There is a sense that big companies are disinvesting from fossil fuels and countries in Africa should develop an internal market to deal with the carbon market risk. The fourth megatrend is the demand for critical minerals. Some high value minerals are declining, some countries are thinking about how to protect their resources and develop a strong internal market. Zimbabwe is an example of this, and if these internal markets are not developed Africa will be back to exploitation. It is, however, not a doom story because there are some opportunities. Africa can lead on the green transition. There is still a lot to do on this continent. It has the resources, the market, and several opportunities. Africa should be geopolitically savvy about exploitation of resources and needs the right leadership to use her mineral resources to her advantage.

The moderator followed up with the issue of stranded assets and its connection to green transition. Here again, the need to redirect the conversations to issues that matter to Africans, just as the West are driving the conversations that matter to them. Africa should focus on issues that matter to it (e.g., food systems, and connected systems), not be drawn into specific aspects of the energy conversations that matter to those advanced countries.

On the specific question of stranded assets in relation to green hydrogen, although this as an opportunity there is the need to contain ourselves because it is unfamiliar ground. Africa

Meeting in session

does not now have the requisite knowledge or information. The emphasis should be on the infrastructure that would enable these new resources to benefit Africa. The talk about 'after carbon' should start, but the narrative has to be controlled and must build on African interests rather than waiting to be surprised.

Claude Kabemba,
Southern Africa Resource Watch (SARW)

Africa must appreciate the fact that there is no fair play in the international system, only a pursuit of individual interests. The continent has the necessary strategic and transitional minerals that are important for sustainable energy transition but, as pointed out, history has shown that the present is not different as Africa's resources continue to be controlled by those with the finances and technology to access them. To leapfrog or invest these resources into our industrialization, there are important issues to be addressed, including: 1) our capacity to respond and position ourselves as a leading continent in the discourse, and 2) our ability to define a narrative to clearly state our interest. At present, Africa has not been able to challenge the current model that is driving the energy transition. Although the discussions are not new, the intensity has changed because of the energy transition issue.

A key unresolved problem is the control of mineral resources which continue to manifest in the language of the political leadership with mere pronouncement of ownership of resources (as done in Guinea and DRC) which does not achieve anything. The question is whether the state and the people have the capability to control and own the resources, to guide the extraction and commercialization of the resources.

A second important question is the capacity of the African elite to guide the transformation using the existing resources, as they have not moved away from the bourgeois consumerist attitude of consuming what they do not produce. The entire conversation about structural economic transformation may not happen without the transformation of the economic system and power relations.

The third issue identified is the violence around the extraction of mineral resources as lot of the extraction happens through both hard and soft conflict among communities, between communities and companies, sometimes without any taxation. These internal issues need solutions first, before we can come up with a solution to the major powers' strategy for Africa's critical minerals.

Moving on to other issues, another critical challenge is information asymmetry as regards knowledge in terms of the quantity and quality of the transitional minerals that Africa has. Without this information, it is difficult to quantify how much of the resources Africa controls, much less quantify how much revenue the exploitation of these minerals can generate.

The fossil fuels debate is basically about addressing the issue of whether to continue to extract our fossil fuels or not. The issue of stranded assets raises the question of power relations, and Africa needs to be aware that while the EU has been divesting in fossil fuels, they are also investing in renewable energies, and when they achieve energy sufficiency in renewable energy they will force Africa to abandon fossil fuels. So Africa must define what is beneficial for her and her position on shifting from fossil fuels. Africa is also the continent most affected by drought. But people who produce the science ignore the danger at the doorsteps. If the science is saying something about fossil fuels, why are they ignoring the dangers and investing more in it?

Finally, there is the fear of the disconnect between civil society's discussion of the energy transition from the poverty question. There is the assumption that without making the explicit connection, the energy transition will resolve poverty. The energy transition, indeed, is an economic problem, that can deal with poverty issues. but how do we ensure no one is left behind in this process, because if that happens we will have perpetuated the same economic failure as before.

Plenary discussion

The discussion that followed touched on the need to change the African narrative and come up with an African strategy on the issue of phasing out of fossil fuels and financing. On the issue of strategy for changing the narrative, it was highlighted that this question is part of the agenda for the meeting and that is what we should seek to achieve. It was pointed out that an African green mineral strategy paper is

Africa must appreciate the fact that there is no fair play in the international system, only a pursuit of individual interests. The continent has the necessary strategic and transitional minerals that are important for sustainable energy transition but, as pointed out, history has shown that the present is not different as Africa's resources continue to be controlled by those with the finances and technology to access them.

being developed and is due to be released by September 2023, for adoption by the heads of states in February 2024.

As regards the continuation of fossil fuels, it was highlighted that while the decision on whether to continue with fossil fuel was yet to be taken, it was important for Africans to make their own investments in the exploitation of resources to gain greater control of them. As part of developing alternatives, natural gas has been identified as a bridging fuel, but it must be figured out how long the bridge will be and how to design the phase out, acknowledging the opportunities and risks. Africa needs to think more pointedly and strategically about the forward plan. Such a plan should be part of a broader resource planning future. This will help Africa take a leading role in the transition rather than being led.

The discussion also emphasized the need to seize the opportunity presented to Africa by energy transition to address her development problems. Failure to do so will deepen existing problems and the continent may not get this opportunity again. Africa should not wait to get financing from outside but should create systems for domestic mobilization to start investing.

4. Energy Transition – Dimensions, Issues, Perspectives, Players

What is energy transition? What does it involve, technically and practically? What are the political-economy considerations? What are the geo-political dynamics – the global and regional approaches, choices, interests (of advanced industrial countries in Europe, and of Asia, Latin America and the global south broadly)? How is Africa positioned? What are Africa's needs?

4.1 Session Three: overview of elements, dynamics and choices, politics and contestations around energy transition

Moderator: Jane Nalunga, Southern and Eastern African Trade Institute (SEATINI)

Fatima Denton,
UNU-INRA
There are several transitions going on, not one transition, especially from an African perspective. These transitions should be connected to Africa's structural problems to make substantial progress. Energy transitions should be connected to climate change and climate justice. Climate justice is the aspect of climate finance that should address the problem of real power asymmetries. The transition itself is the expression of power because there is a power element in deciding the goal, direction and composition.

Africa should therefore strive to be in the front seat at discussions on energy transitions, as being in the front seat allows us to ensure the redirection of the elements of power and rethink the investment opportunities and the ways that transition can take place.

It is important to involve the informal sector in the transition because they are holders of knowledge and technology, innovators, entrepreneurs and job creators. Thus, our transitions should be more inclusive and find ways to bring on board those who are normally left out. We need to reorient the power dynamics in this sense. We should also reorient power dynamics not only in terms of the political economy but within countries and the region. There are asymmetries in power relations that should be acknowledged and addressed.

In terms of what the transitions should achieve for Africa, it is critical that transitions should address the resource future that Africa wants and how she plans for it. This aspect has been under-analyzed. For example, the likes of natural gas as transition fuel should not be left open-ended because countries that are dependent on resources have not been the most resilient to economic shocks. It is important to think along the lines of resilient growth so that the systems that we depend on are not depleted to the extent that we are no longer able to depend on them.

Liabilities from past agreements are some of the obstacles to transition. One aspect of this is financial resources that were promised but have not been received. These resources have largely been stranded and not shared from

colonial times and this has not enabled wider development and growth. Africa is still reeling under the consequences. Ways should be found to avoid a second or third strand so that the wider populace will gain from the continent's resources. Many countries have resources that they do not understand and control. The resource base is always expanding and there is asymmetric information between the exploiters and the owners. There is therefore the need to gain more knowledge infrastructure of these resources. How to access this knowledge and position Africa to take advantage of it is critical with the understanding that some of these are finite resources. It takes time to generate and accumulate this knowledge so this should be taken account of.

Africa cannot plan for her resources like it did in the past, especially as the Russia-Ukraine war has revealed the western double-speak and U-turns. Countries are simply positioning themselves by pretending to help secure resources. Africa must plan strategically and not just think of being a market. It should plan for a different future and ensure that the resources are controlled in a way that ensures greater prosperity for the continent. Africa should lead, rather than being led.

Mohammed Adow,

Power Shift Africa (via Zoom)

Mohammed's presentation focused on the challenges of energy transition and how to mitigate them. He started with the observation that Africa faces a complex set of challenges that require radical change. This is because decades after independence and despite vast economic resources, ecosystems and culture, African countries continue to face famine, conflict, energy poverty, economic insecurity, indebtedness and hunger. These and other structural development challenges have been compounded by climate change. The conversation around energy transition should therefore be situated within the larger context of complex intertwined development challenges.

Mohammed presented some statistics that highlight Africa's energy challenges: 600 million people do not have access to electricity, and close to 1 billion people are without access to clean cooking fuels. So, the continent must scale up its energy production and access, but this should be done while transitioning from dirty to clean energy by moving from outmoded energy systems to modern energy systems.

He emphasized the need to expand the definition of energy transition to include solving these Africa-specific problems and not limit the definition to transition from one energy source to another. For him, the starting point of the energy transition for us should be how to address energy poverty and deliver energy access while denouncing the definition requiring Africa to cut emissions.

Turning to the issue of appropriate energy systems for the continent, Mohammed indicated what the developed world requires is not what Africa needs. In his view, what has worked for advanced countries is centralized energy distribution. However, distributed energy systems that ensure African ownership and agency, through having African actors designing the energy that they require to develop people-centred energy systems, is more appropriate for the continent. This will locate the energy systems within the context of developmental needs so that energy transition is linked to the wider structural and development challenges of our countries. This way energy transitions will be situated within the structural crises of the continent. At present, the West have moulded Africa within the context of their development programmes which have made our countries dependent on low-value exports with inherent

A section of participants

problems of fragility and vulnerability to external factors. Africa's energy transition should help it break structural dependencies, and there is the need to think of energy transition as a channel to break free of the structural dependencies.

Continuing, he argued that this requires us to challenge the idea of energy as an enabler for environmental challenges by making a case for only renewables. Our starting point is that transition should focus on energy sufficiency and access with sufficient consideration for affordability of energy for development with minimal ecological destruction. Efforts should also be targeted at reducing the inequality in energy consumption by getting the rest of the world to reduce their energy consumption and the materials and resources needed to produce energy. Another dimension is to incorporate energy sustainability by leapfrogging the current energy systems to 21st century energy. This should also focus on generating sufficient and affordable energy to power Africa's productive sectors.

On the question of mining, he was of the view that mining and mineral infrastructure should be incorporated into the energy transition so that they address the energy needed to transform mineral processing and value addition.

Concluding with what is needed going forward, he indicated that we need a genuine energy transition that brings into focus energy provision in Africa, but that also allows us to challenge vested interest. He argued that we must be alive to the schemes of the West whose U-turns and hypocrisy continue to subsume Africa's energy needs under their own needs and interests. In addition, we must protect our right to development and not allow our autocratic leaders to advance the interests of others. Africa has the most potential for harnessing renewable energy, and we need to exploit this potential.

He added that the cost of the transition is significant, and this should also be addressed. He contended that the dominant narrative is that Africa lacks the financial resources – a limited private sector, low saving rate, low tax revenue generation. We should be thinking about demanding reparations from the main polluters, and demand that they make amends for the harm they have caused. We should also mobilize international climate funding at the scale required to help Africa address its energy poverty.

We should add value to our critical mineral resources.

Plenary discussion

The discussion addressed topics such as the importance of further research, the importance of a united African strategy, ownership and control of African resources, and broader areas of resources that should be covered in our discussions on the energy transition.

The importance of research and knowledge was highlighted, to help us frame the issues from an African perspective. It was pointed out that we should invest more in research by empowering our universities to take up critical issues within the energy transition.

On the issue of a united African strategy, it was stressed that we need a coordinated approach to the energy transition, something that is currently lacking. Some countries are negotiating on an individual basis, and this leads to fragmentation. We do not have a single agenda or strategy. Such a strategy should be Africa-led, not externally driven. It is important to speed up our conversations and involvement in the discussion on energy transitions. Other regions of the world started these discussions (building their strategies) decades ago. Civil society must take up the challenge of initiating these discussions at the granular level (with the required detail) and engage a wider range of constituencies to move our agenda forward. We should make this issue of energy transition everyone's issue by harmonizing the narratives relevant to the various constituencies to come up with a broad-based strategy.

In terms of ownership and control of Africa's resources, the presentations had made clear the importance of Africa taking a leading role in its energy transition. However, this is strongly linked to the question of ownership and control. Even though African countries are home to these critical resources, we do not own them. We need to design strategies to get greater ownership and control over these resources and this needs to be addressed.

The discussion also touched on the scope and ambition for the energy transition. Some participants were concerned that we seem to limit their scope to energy for so-called green transport by using critical minerals to produce batteries. For instance, when DRC speaks of cobalt it is mostly in relation to manufacturing batteries for electric cars rather than using them to produce energy for its people. It was pointed out that if we limit the resources to specific areas, like transportation or foreign exchange, we miss the opportunity of the bigger gain and the long-term developmental imperative. We should start with a 'development first' approach. To do this depends on our agency and our timing. Timing should take into consideration how long we give countries that are dependent on these resources to reconsider.

4.2 Session Four: energy transition, African realities, challenges and options

Moderator: Chenai Mukumba, Tax Justice Network-Africa (TJN-A)

Salim Fakir (Africa Climate Foundation):
Africa's energy transition: challenges and options

Salim began with an observation that some aspects of the debate assume that energy transitions might be anti-development. In his view, if you focus on the fact that previous expectations of development dividends from the exploitation of Africa's resources (in particular oil, gas and coal) did not materialize, then you cannot conclude that the current call for action on extractives is pro-development. It has simply not resolved the challenges of the continent such as poverty, food insecurity, indebtedness, and extreme energy poverty. So, we must examine why this is the case and not simply accept the argument that this will be pro- or anti-development.

He then addressed the question of whether there is the potential for a development dividend from the current green agenda. He pointed out that emissions from the continent are very low, but Africa is currently bearing a disproportionate burden of the current climate risk. For instance, a 1 per cent increase temperature reduces Africa's GDP by at least 1.5 per cent.

Turning to the global decarbonization trajectory, he argued that it is a looming threat to African economies. For him, there is a paradox or injustice of developing countries being punished for not committing to reduce climate risk even though there is not sufficient funding for it and these countries are not responsible for the emissions. Nevertheless, he insisted that we must take decarbonization seriously because it is likely to happen and will impact on us so we must prepare for it. The pace, however, depends on how fast our trading partners continue with decarbonization. For him, decarbonization is likely to escalate despite the illusion created by the stampede to find alternative sources following the Russia-Ukraine war.

Turning to possible scenarios, he noted that in one scenario, the world proceeds with a 1.5-degree reduction goal or remains at the status quo. In his view, if current plans go ahead, many countries that depend on fossil fuels for development will lose substantially. If we assume the 1.5-degree scenario, mature oil and gas producers are likely to have some leeway but emerging producers will face a high risk of stranded assets, while those in the exploratory phase could face very high levels of risk or assets completely written off.

On the African continent, he pointed out that the evidence suggests the current deepening of fossil fuel exploitation has not led to a reliable development trajectory for Africa. Even though there are opportunities for Africa from decarbonization, we cannot realize the benefits of these opportunities for development if we continue with the current economic model and political economy within our countries. A reform of the political governance structure is needed, by strengthening civil participation in decision making.

Concluding, he suggested that we must consider the value of critical minerals and their potential to play a foundational role in the transformation and diversification of African economies. We should also pay attention to electrification and generate electricity by using cheaper sources of energy. While doing this we have to improve citizen participation in development outcomes and in the development process.

Michelle Cruywagen (Groundwork):

Africa's energy complexities: the case of South Africa

Michelle started from the point that although Africa's emissions are generally quite low, South Africa's emissions are quite high: the country is the 33rd biggest economy in the world but the 14th highest emitter. Emissions per GDP are high due to a strong dependence on coal.

Her presentation drew on research from the Groundwork report that looked at insights into what is happening in South Africa from the perspectives of community activist researchers. Giving a background of her organization, she indicated that Groundwork is an environmental justice organization that works on mobilizing communities and civil society, giving them capacity to respond to unfolding processes, that is, focusing on the realities of communities in the processes surrounding environmental governance. An example of their work was during the recent floods in Kwazulu-Natal in 2022, where their community-based researchers focussed on how communities were affected, showing inadequate and slow response of the government, which forced communities to do their own rebuilding to minimize the that loss of lives.

To provide context for the findings of the Groundwork report she presented, she explained that South Africa has formal structures around climate management. These include the Presidential Climate Commission appointed in December 2022, a Just Energy Transition Partnership with northern powers, and a Just Transition Framework with vision and principles of transition. In addition, there is an ongoing power crisis in South Africa which has resulted in load-shedding since 2018. There has also been a decline in industries centered on coal, along with the shutdown of a major crude oil refinery.

Turning to the findings of the Groundwork report, she explained that the findings show that corporate South Africa is looking for a just transition to bail it out of dirty energy. However, businesses are making investments in green energy without looking at the underlying logic of the energy system. Communities are saying that they want a transition for all, one that addresses power structures and transforms the lives of ordinary people, but also one founded on justice. It was clear from their findings that, despite the institutional structures outlined above, communities remain uninformed about the transition and its processes. Access to information is generally not optimal. Their findings also show that the just transition is fragmented, lacks cohesion, pitting states and capital against communities. In addition, many of these processes are not proceeding in a transparent or just way.

Turning to what Groundwork has been doing in response to these gaps, she explained that they have been working with the Centre for Environmental Rights and Life and compiled an open agenda to promote meaningful participation, transparency, openness and working with local governments, and these principles have been incorporated into the Just Transition Framework. Even though these principles have been incorporated, in practice it is not being done. Thus, they came to the realization that we need to drive system change. She highlighted the need to support communities to ensure that they have the capacity to provide practical support measures to social justice. We also need to be involved in local, national, and international debates on the just transition so that principles are applied in a practical way.

Concluding with reflections, she indicated that there are so many issues within the negotiations but from the African context we need to address poverty and inequality, meaningful local participation, collaborative design, and insist on a bottom-up approach. we also need institutional arrangements for financing to flow to local levels. We should ensure that activities on the ground reflect the policies, so community consultation and governance are very important to ensure inclusion of communities.

Plenary discussion

In the discussion, the issue of the meaning of decarbonization to Africa and how to engage in decarbonization in a way that is beneficial came up. It was emphasized that it is crucial not to discuss decarbonization in isolation but in the broader context of the development needs of the continent in order to break our dependence on natural resources. Given the structure of Africa's population and the large proportion of youth, the importance of investing more in the people was emphasized. For this we need political vision to take advantage of the young population and intellectual capital. We must craft a vision of the future development agenda that is people-centred and ensures economic participation of young people and young minds. It is in this context that we must build economies that will adjust to inevitable decarbonization. Finally, we must build well-diversified and resilient economies that are fiscally sound with sufficient revenue generation.

As the presentations highlighted the absence of civic and community participation that has driven a wedge between communities on one hand and capital and states on the other, the question of how to rebuild the social contract also came up. It was suggested that we focus on building movements and strong civil society organisations (CSOs), along with strengthening community-based movements and engaging more actively with the processes. In other words, there should be meaningful participation in governance and government decision-making processes.

The discussion also touched on the challenge of urbanization and the business of job creation, and how to connect the process of improving human capabilities with the improvements necessary to expand access to and utilization of energy. While trying to address these questions, we should also connect the energy questions to the process issues. In order to do this, we must participate in activities.

5. Africa's Material Resources In The Energy Transition

What is the place of minerals and fossil-fuel resources in strategies for the energy transition? What are clean energy critical minerals? Where are they? Who owns them and who exploits them? What policy issues do they raise? What are the policies and perspectives of African governments? What is the current spread and importance of fossil-fuel resources in Africa's energy needs and economy? What is the future of fossil fuels? What are the attitudes and policy positions of African governments?

5.1 Session Five: Africa's clean energy critical minerals, emerging challenges and policy issues

This session involved a mapping and discussion of (a) Africa's clean energy critical minerals; (b) geo-political contestations around access, ownership and exploitation of the critical minerals; and (c) policy issues, challenges and approaches.

Moderator: Pauline Vande Pallen

Jerry Ahajie,
African Development Bank (AfDB)

Jerry started his presentation by identifying green-critical minerals that are needed for the green energy transition worldwide. They include nickel, manganese, cobalt, lithium, iron, bauxite. He opined that the West generally do not have these minerals and may have to depend on Africa, which has most of them. The question remains how to change the narrative from raw material and mineral exportation to transforming them to power the economic transformation on the continent. He indicated that the minerals are geo-spatially concentrated. Because of their importance, the green minerals are also subject to geopolitical contestations.

He highlighted the expected growth in demand for these minerals coming mostly from electric vehicles. He stressed that Africa has a competitive advantage in two-wheeler and three-wheeler motor vehicles. However, because of the fast pace of evolution of batteries and electric cars, there is a real chance of the minerals becoming stranded if we do not act fast. He enumerated the multiple uses of these critical minerals: wind energy production, solar photovoltaics (PVs), hydrogen and fuel cells, energy storage, electric vehicles (EVs), among others.

Turning to the geopolitical contestations around these minerals he discussed the strategic policies of the major powers and men tioned the US Inflation Reduction Act that includes several provisions to promote renewable energy with a specific focus on domestic supplies. He also mentioned the EU Green Deal Industrial Plan for Critical Minerals Act, which seeks to diversify the supply base of raw minerals while building domestic capacities for processing them.

By contrast, he explained that in Africa there is an absence of robust strategy to harness opportunities presented by the energy transition. The continent also has other challenges in climbing up the value chain. There are issues with the investment environment in the form of the prevalence of institutional and governance issues (predictability of policy and regulatory provisions) along with inadequate infrastructure (rail and road transport systems, energy, port facilities). There is also the problem of low market control. Finally, he highlighted inadequate demand for EVs in Africa.

He pointed out recent examples of other developing countries who have taken steps to gain control of their critical minerals. Chile is attempting to gain a controlling interest in lithium projects in a public-private model by negotiating with private mining firms which extract lithium via long term concessions. In Bolivia the state manages the production process through a public company but may partner with private companies for post-extraction value addition. And in Argentina provincial state-owned companies already hold most of the lithium exploration and mining rights with which newcomers (state-owned or private) would need to partner. Mexico set up a new state-owned company in 2022 to manage the exploration, mining exploitation, and refining of lithium and controlling its economic value chains.

He concluded by presenting a vision for strategically harnessing Africa's green mineral resources for industrialization and to create an African presence in emerging green technologies based on five interconnected factors and four pillars. The five factors are: 1) growth and demand for green minerals for future low carbon pathways and green energy; 2) Africa's strength in mineral resources as a basis for green energy demand and transition; 3) the imperative of reorienting economic growth to a low-carbon future; 4) the drive for industrialization and economic diversification taking advantage of the emergence of new industries: 5) battery electric vehicle (BEV) value chains, and leveraging the African Continental Free Trade Area (AfCFTA) to deepen market integration, thus, providing economies of scale for investment projects along the BEV value-chains.
The four pillars identified were advancing mineral development through improved governance of mineral resources and infrastructure; improving skill and technological capability development; building key value-chains towards access to wider regional and continental markets through AfCFTA; and developing and strengthening mineral stewardship and a circular economy.

Claude Kabemba, SARW
Claude acknowledged that Jerry's presentation was a comprehensive one which touched on the relevant issues, challenges and geopolitics. He devoted his discussion to providing context and speaking more on some of the basics.

While acknowledging Africa's dominance in the availability of several of the critical minerals, he indicated that geopolitical and political economy issues mean that most of these minerals are owned by others because we sold them to foreign companies. Even though we have entered joint ventures with some of them, we are junior partners in the arrangements. He also indicated that we have asymmetric information because we do not how much is produced, where it goes, or how much it is sold for. This has affected our ability to tax the exploitation. Besides industrial production, there is also artisanal production of many of these minerals. He opined that artisanal mining gives us some control of mining and provides an opportunity for raising revenue and processing. Unfortunately, artisanal mining is badly organized and controlled by mostly Chinese middlemen. We therefore need to rethink and invest in artisanal mining.

On the question of resource nationalism, despite the progress Jerry alluded to, Claude was of the view that we still need financing, skills and technology. We need specific policies for these minerals. The decision to embrace the manufacture of EV batteries without a strategic policy is flawed and needs to be rectified. We need to answer the question of how this manufacturing will solve the key problems of citizens, including pollution, land displacement, and abuse of workers .

Turning to the opportunities, he said that increased production of these minerals gives us the chance to increase revenue. However, this requires an adjustment of tax regimes to take advantage of the increased production or manufacturing, which most countries (except for DRC)have not done . There is the opportunity for new investment in geological studies to aid a people-centred energy transition. This investment should be locally funded, so that we retain control of the information obtained.

He concluded with the importance of leadership. In his view, our leaders are looking more outward than inward, in terms of producing for export rather than for local consumption. We should explore greater collaboration within the continent. On this point, he indicated that resource nationalism is not only against Europeans but also against other Africans.

Plenary discussion

The importance of taking ownership of mineral and other resources was again emphasized during the discussion. Here, it focused on strategies that can be used to regain ownership and control given that we have ceded much control to foreigners. It was suggested that African governments invest in exploration which is the starting point. In the past, when exploration has been left to foreign multinational companies, we have struggled to gain sufficient understanding of the information, the levels of production and the costs in order to collect appropriate revenues. This should start with building technical and financial capacity.

The discussion highlighted the need to consider the broader structural possibilities of critical minerals, rather than just batteries and two- and three-wheelers. This way, we will reflect on the broader issues of how to address energy poverty and other problems. The continent has the greatest potential for solar energy. We should emphasize the diversity of sources. Beyond energy and batteries, we should also be thinking about creating and strengthening linkages between minerals exploitation and processing with other sectors of the economy.

The discussion also highlighted the need to appreciate that the issue of energy transitions is an economic issue that has its roots in political economy. It is thus important to define the political problem which allows us to extract surplus value for the purposes of transformation.

The issue of financing the energy transition was also discussed. The discussion highlighted the importance of mobilizing resources on the continent to finance the transition. The role of African financial institutions (including the

AfDB as well as African central banks) using the policies to aid wealth creation was emphasized. Some participants pointed out the importance of the AfDB investing more in productive sectors on the continent and encouraged other financial institutions to identify Afro-champions and support them with incentives to invest on the continent. Where it becomes necessary to work with outsiders, we should employ mineral diplomacy to identify who we can work with to get mutually beneficial returns from the exploitation of minerals.

The discussion emphasized the importance of improving governance structures around exploitation of mineral resources to curb the human rights violations and reduce corruption.

Finally, the discussion pointed out the importance of a carefully crafted united African strategy on green minerals. Concerns were expressed about how individual countries are sometimes negotiating on their own against powerful corporations and countries. To address this, it was suggested that we leverage regional integration.

5.2 Session Six: The fossil fuel conundrum

This session will discuss the importance of fossil fuels in Africa's economies, their spread in Africa, the challenges they pose in energy use and strategy, and discuss the options, perspectives, and policy issues in the future of fossil fuels.

Moderator: Delton Muianga

Speaker: Ferdinand Tornyie, UNU-INRA

Ferdinand indicated that different African countries are at different stages of the development of energy transition plans. Some of the countries have not even started with their energy transition plan and this shows the various layers and dynamics in the various countries, and the need to appreciate these challenges at different levels.

He explained the challenges that the fossil fuel industry brings on the continent; challenges for the environment, injustice among these communities where mining is taking place, possible exploitation of communities, and pollution. In some places (like the Niger Delta where pollution has gone on for decades) people have lost their livelihoods because they cannot farm or fish. Using the recent establishment of Dangote Refinery as an example, he observed that in spite of these problems, African governments continue to push for further investment in fossil fuels.

He explained that African leaders say different things about the transition plan when they are in public, but in private conversations they argue that the climate mess was caused by other countries so they should pay for the clean-up. In his view we need a better plan and strategy rather than just demanding solidarity support. Sharing more on the views of African policymakers, he gave some examples. For example, in Tanzania, one of the policymakers said that the transition should not compromise the development of Africa. In Zambia, a policymaker said if you remove the fossil fuel industry in Southern Africa, you will see unemployment

A session of the meeting

and poverty increase. In Nigeria, one policymaker (who is a very key person and an advisor to the presidency) said that we need oil and gas to move out of oil and gas, so we cannot just abandon the oil and gas. And then, from Ghana, one policymaker said that the energy transition does not depend on Africa alone, and that the continent is not in charge of it. Thus, there are divergent views from African policymakers on transitioning from fossil fuels. Most African leaders believe that the continent should proceed with developing oil and gas, and then they can use some of the proceeds to build a more renewable energy infrastructure.

For Ferdinand, the most worrying part is the lackadaisical attitude of a number of countries. Using Ghana as an example, he lamented that even when some individuals do their own research on solar and on renewable technologies using water to generate electricity, they cannot get any support from the Ministry of Energy. He argued that the future of oil is uncertain, and we should think about research, appreciate the trends, and begin to see where we can position ourselves as a continent.

For him, there should be a whole conversation around whether African governments understand the pillars of this whole conversation on the energy transition and stranded assets. We should also discuss how we are positioning ourselves as Africans to be able to reset and understand and develop our own technology.

Turning to the justice part of the energy transition, he queried whether the informal sector is being included in this conversation? He was concerned that the sector that accounts for 85 per cent of employment on the continent is mostly not found at the discussion table, and thus we do not incorporate their energy needs in the conversation. In the informal sector, there are innovators, real entrepreneurs, and people who use manufacturing technologies that will use renewable energy. He related the limited inclusion of the informal sector to the processes of AfCFTA even though they engage in much of our trade across borders. He highlighted the importance of bringing the informal sector on board to our discussions.

Concluding on the linkages of the energy transition to aspects of the economy, he indicated that the transition is linked to agriculture as well as to cities. This is because we need energy to power our cities. For agriculture, he pointed to the nitrogen-based fertilizers on which we heavily depend for our food security, as well as the role of petrochemical industries. In his view, these are the conversations we should be having. In all this, he stressed that we need to embrace technology, innovation, digitalization.

Discussant: Ben Boakye, African Centre for Energy Policy (ACEP)

Ben started his discussion on the position of governments that they should be given more time to produce African oil. In his view, the reality is that major countries are heavily dependent on oil and gas for revenue and will need several years to reshape their tax systems and broad revenue options in order to manage their economies. For instance, if you take oil out of Nigeria's economy it will be a major problem for the country to survive. He also noted that some countries on the continent have recently started evolving as oil and gas producers who are now going to generate some revenue to fund their development, so it is hard to tell these governments to shelve their efforts in producing more oil. For him, it is within this context that we should understand why African governments aggressively push back on any global agenda to stop the production of oil and gas.

Turning to the conversation that the West has polluted enough, and that Africans should be given a special dispensation to continue with our oil (including the theory that oil resources are getting depleted in the West and that is what is fueling the climate conversation), he was of the view that we must carefully analyze the issues so that the whole continent is not stranded. He added that the conversation around the future of energy should take a broad view and critically analyze the data and information to ensure that we have informed positions and strategies. More specifically, he indicated that the position that the West is running out of oil and gas resources is not borne out by the facts because the US is currently producing almost 11 million barrels of oil a day, Norway (which is so aggressive on renewables) is still producing close to 2 million barrels per day, while the UK (which has produced oil for so long) is still producing more than Ghana. Therefore, the argument that the West is out of oil cannot be sustained.

In terms of the conversation around the new beneficiation, he argued (using Ghana as an example) that proper unpacking of the current benefits from the exploitation and extraction of the oil shows that the West benefits more than Africa. This is because typical projects that require a development cost of between $5 billion and $7 billion are front-loaded investments from Western companies who reap returns from their investments before countries begin to benefit from taxation and other benefits. Ghana has three oil fields and the composite cost for developing those three fields was close to $20 billion. This investment is being recovered with interest from the production of the oil, yet over the past ten years the country has accumulated a total of $8 billion in benefits. Therefore, it is important to look beyond the revenues that we get and rather situate the energy conversation in a way that shifts where Africa really must be and where it is going as a continent.

In connection with this, he argued that we should be looking to produce our own oil in the next 10 to 15 years. This requires that we are broad-minded and explore the opportunities that the climate conversation really brings. The renewable spaces evolving are so aggressive: ten years ago, nobody could have imagined that the world would be producing almost 11 million electric cars a year and China would be producing electric vehicles that cost as little as \$4 000 or \$3 000. In his view, he expects this evolution to continue rapidly to the extent that soon (maybe in 10 years) it would not make sense for anybody to buy fossil-fuel-based cars. This is because in the very near future the cost of fueling an electric car will be a mere fraction of the cost of fueling a combustion engine car. Other countries are strategically positioning themselves in readiness for this. For instance, for the first time China granted a concession to Tesla that they never gave to any vehicle manufacturer (BMW, Mercedes Benz, or Chrysler) who is manufacturing cars in China. The primary reason is that they want to copy their technology. It is therefore up to African countries to begin to study and understand these dynamics so that we can also position ourselves to benefit from the new things that are happening around us.

He continued that the energy transition throws up a lot of opportunities that we can take advantage of because we possess all the natural resource endowments needed to empower our people and to participate aggressively in that space. In his view we can learn from examples other developing countries that have made good use of their resource endowments. He gave the example of Brazil who started producing ethanol, and when the Covid-19 pandemic suddenly hit, they were making billions of dollars exporting ethanol to many countries on our continent. Meanwhile, this continent has all the land and other resources to grow sugarcane that can be used to produce our own ethanol. And sometimes we only look at the oil industry, but there are many forms of energy that can be used in our context.

He also highlighted the health benefits of diversifying our energy sources. He indicated that emissions from wood fuel consumption is causing a lot of danger to women and young girls who are responsible for bringing the firewood and who stay in the kitchen to inhale the fumes. In his view, this is one area where we need to have real conversations and diversify the energy resources for our people. For instance, Ghana substituted all the charcoal and wood fuel for gas, which automatically reduces 50 per cent of our indoor pollution and helps reduce maternal and child mortality.

He concluded with the importance of research. He indicated that in the last seven to eight years, the efficiency of solar panels has improved from about 11 per cent to 26 per cent. However, much of the research is being done in research labs in the Netherlands and Germany even though we have the sun. Instead of waiting for them to move ahead with this research so that they can aggressively export these improved panels to us, we need to invest in research and encourage our young people to come up with solutions for diversifying our energy sources.

Plenary discussion

The discussion touched on what to do moving forward in terms of the cost of transition – specifically, identifying avenues available in Africa to fund fossil fuel projects now that the EU and other Western countries are telling us to stop the production of fossil fuels. It was highlighted that we need to have a development vision for fossil fuel: what do we need it for, business or other purposes? Then we need to come up with innovative funding to invest. On the cost of energy transition and the matrix used in calculating, it was pointed out that most of the transition plans and their frameworks have been using modules coming from the global north and these modules do not appreciate the complexity of issues in Africa. It is therefore important to develop our own frameworks and modules.

The discussion highlighted the need to start proper land valuation because in many cases, when people look at the value chain of energy or extraction, they are not looking at the cost of land.

The discussion also touched on the importance of developing local clean cooking technology. A lot of the clean cooking technology currently found on our markets was designed in India, China and other places. Some of these technologies are not suited for our context.

Related to this, the discussion also touched on why we are not copying technology from the Western world. It was highlighted that even if technology is copied, it must be adapted. However, we do not have properly equipped research labs. So, we need to invest in the infrastructure and skills needed to copy technology efficiently. The copying should also be done within a broader strategic policy framework which we do not currently have. It also means we need to pay attention to our education system to ensure that we are producing the required skills in line with the strategic policy framework.

During the discussion, some participants wanted to know examples of countries on the continent that are doing well in any aspect of the energy transition. It was noted that different countries are making progress in some aspects of the transition. In West Africa, Ghana is one of the champions when it comes to providing clean cooking solutions for the less privileged and in championing clean stoves technology, as well as the use of hydrogen. In terms of some alternatives to this renewable energy, Namibia and South Africa are moving fast. DRC and Zambia are making progress on batteries for electric cars. Other countries are at various levels.

On the role of civil society going forward, it was suggested that those from a research background at the meeting could play a pivotal role. It was suggested that they focus some of their research on the key issues identified at the meeting, and then partner with other organizations present to organize policy dialogues and roundtable discussions to disseminate the findings. Even though African governments have promised in the past to provide funding, it has not been forthcoming. It was suggested that we identify African individuals and companies with deep pockets and approach them for support.

6. Energy Transition in the Imperatives of Africa's Development

Within the political economy of primary commodity export dependence and the imperatives of structural economic transformation, how best can Africa develop its energy resources, address its energy needs and energy transition? How does Africa as a continent finance these?

6.1 Session Seven: Overview of primary commodity export dependence in Africa and the challenge of structural transformation

Moderator: Mutuso Dhliwayo

Presenter: Tetteh Hormeku-Ajei, TWN-Africa

Tetteh started his presentation with a clarification of what structural transformation meant from an African perspective. This is because some politicians and policymakers (including even a former president of Ghana) equate structural transformation with shifts in the economy that result in the services sector becoming the biggest contributor to GDP. He noted that even though the services sector is growing in many countries on the continent, the kind of services that are growing are low-value services that do not last, are limited, and do not have relevant linkages to the rest of the economy.

He argued that primary commodity dependence has taken on a new meaning in the current discussion on climate change. There is now a concept of green structural transformation which looks at primary commodities as the materials for exports. In his view, Africa's structural transformation should be measured by how we transform from primary commodity export dependence and dependence on the import of manufactured goods from elsewhere. This is because the interface of these two dependencies means that the growth of our economies is more dependent on external conditions than internal factors, and this has implications for financing, technology transfer and markets.

He explained that one implication of primary commodity export dependence is that prices of exports are determined externally. Primary commodity export dependence also weakens linkages within the economy because we export agricultural products and import manufactured products so there is a weak link between agriculture and manufacturing or services. This fragmentation of domestic productive sectors has implications for markets. The markets are either very similar (for raw materials) or very shallow (for manufacturers because we all import). In addition, he observed that it has implications for the development of local technologies, because we tend to focus on technology for developing imported items from abroad, especially because much technology is embodied in capital goods, and we import all our capital goods.

Turning to the implications for finance, he argued that fragmentation implied trade structure, and the wealth generated within the economy is not re-invested in the economy. Because the most important sectors (such as the mineral and agricultural sectors) are dominated by foreign companies, a huge chunk of the wealth generated is repatriated abroad. Importantly, around 40 to 70 per cent of the population on the continent are not working in mineral or cash crop exports; they are rural smallholder producers who store their wealth in material forms such as jewelry. This makes it difficult for such wealth to be stored in financial institutions. Even when some store their wealth in financial institutions, it is not re-invested in the domestic economy because most of the banks are owned by foreign multinationals whose activities are disconnected from the real economy. This, he argued, should be reversed if Africa is to be structurally transformed.

He went on to identify pathways to structurally transform given the constraints identified above. The first is to build linkages among the various economic sectors of the domestic economy but also strengthen the linkages of these with the finance sector. This also means that the rural economy should be seen as one big whole that should be consolidated. In his view, the rural economy is not simply about producing food, but all the systems around rural production should be incorporated in the consolidation. Secondly, it is important to build technology through the development of a domestic capital goods sector. His third point, which is strongly related to the second, is finance. He argued that we need to address the issue of illicit financial flows from the extractive industries and the primary commodity sector and ensure that the wealth that is created within the economy is reinvested in the domestic economy. We should invest in agricultural technology domestically because imported technology may not be suited to the domestic environment.

Concluding, he stressed that structural transformation should be looked at in a broader perspective with much emphasis on the

Group work

features of the economy, its weaknesses, and the issue of energy transition. He called for action-oriented ideas to help Africa's economy.

Discussant: Mamadou Goita, IRPAD-AFRICA

There is a need for African countries to work together, pooling efforts and resources strategically, and investing in transforming economies instead of creating wealth for others. Morocco is one country that illustrates what can be done as the Moroccan state invested and encouraged the private sector to also invest in the economy. The banking sector which hitherto was mostly foreign-owned was also reformed to allow more local ownership. In addition, they engaged in technology diplomacy with those who had the technology to encourage transfer of technology.

African countries could build alliances even if they are producing similar commodities which will enable them to grow each country's sector domestically. Technological exchange and the sale of goods and services for such commodities will go a long way in accumulating wealth domestically and retaining the wealth generated for investment opportunities for other local economies. Morocco used her leverage as far as repatriation of resources out of the country is concerned, such that investors are attracted to conduct business in the country. Ultimately, Morocco herself has become an investor in some North and West African countries. This helps in pulling wealth into their country.

Mauritania is another country, which despite their small-scale endeavors, has managed to attract investments into the country by allowing companies to invest for three to five years in their country and then transfer to their local economy. Although they engage in small-scale partnerships and investments, they have turned out to be very effective. Outside Africa, China and Japan mobilized funds through the informal sector for transformation through cooperatives that invested in technology at small-scale level. This enabled them to develop appropriate local technologies. This can be slow but will eventually pay off.

At the regional and pan-African level, Africa must use the various instruments it has developed based on the understanding of its needs, such as the AMV, Agenda 2063 and AfCTA to achieve its developmental goals. Unfortunately, some of the instruments are being used by the global north to discourage the implementation of these visions. The AfDB needs to invest in productive sectors and on a more equitable basis than it is doing now as it seems to be investing more in the richer countries (especially those in North Africa) but it needs to cater for all African countries. The deepening of regional integration by African states to help facilitate the development of the African continent is critical. Free movement of people and free trade between African states must be fast-tracked. If Africa is to develop, it must and can do so with one voice and act in uniformity. Free movement of people in Africa without free trade cannot yield the developmental tendencies hoped for in Africa.

Plenary discussion

During the discussion, some expressed concerns about the role of the informal economy. It was highlighted that the informal structure should be taken into consideration in the context of the transformation. The informal sector is said to be a nursery of innovations that can be achieved by just gathering resources for the development of innovations, application, and the management of those innovations. In the 1990s, there was a big debate as to how to make the informal sector more resilient to contribute to the economic development of countries. There were many initiatives from the debate, but they were all neglected. The informal sector is not to be transformed into the formal system for taxation but to create conditions for mutualizing knowledge, resources, and the capacity of investing in economies.

The discussion also touched on taxation, specifically export tax in African economies. It was noted that one of the most important avenues for revenue mobilization is export tax. Over the last 20 years, some Africans have been tricked into cutting off some of those taxes. There was a suggestion that this be reinstated.

The discussion also noted the imperative of state involvement in the transformation of African states. It was strongly emphasized that there can be no transformation without the involvement of the state. The state acts as the catalyst, the coordinator, and is the first to initiate before the private sector can join in. Using China as a very good example of the significance of the state in transformation, it was noted that the Chinese state facilitated the linkage between the agricultural and the technological sectors for several decades. All peasants were instructed to each establish a pig iron factory in their backyards. It is normally easier for people to fail in an enterprise, but then the state can nurture that economic enterprise by building infrastructure, subsidizing the cost through utility bills and raw material until a period when it need no longer be sustained. The state and the private sector can both play an important role in Africa's transformation. If efforts are made to contribute positively to each sector's efforts, the realization of energy transition can be achieved.

6.2 Session Eight: Critical minerals and structural transformation – what can be learnt from ongoing and new initiatives and the African Mining Vision?

Moderator: Charles Wanguhu

Presenter: Professor Jean Marie Kanda
- Case Study: The DRC Battery Initiative

The initiative began with a forum, the DRC Business Forum held in November 2021, together with technical and financial partners such as the United Nations Economic Commission for Africa (UNECA), AfDB, and the Congolese government. The objectives of the forum included making a conscious effort to develop a regional value chain around the battery industry, markets, electric vehicles, and clean energy. In furtherance of this objective, higher-level stakeholders were called on to gather opportunities and facilitate investments to increase Africa's share in the battery value chain in the world economy. The second objective, relating to the mining sector, was to extend beyond the exploration, mining, and exportation of raw minerals and to deliberate on how to improve the value chain of the minerals mined.

The DRC was chosen based on a Bloomberg study, which proved that the DRC had great potential in a variety of mineral resources. These were referred to as DRC strategic minerals and included minerals such as cobalt and lithium which clearly indicated that the DRC could play a very important role in the energy transition. The DRC government decided to embark on reforms to regulate investments and made a commitment to create a special economic

Professor Jean Marie Kanda

zone that will be dedicated to the battery value chain. It was then recommended after the forum that a DRC Battery Council should be created, and this was done. The role of this council was to make sure that Africa will be able to participate in and accelerate the operationalization of the AfCFTA and encourage and support public-private partnerships to aid in the battery value chain in DRC. This was to be achieved through capacity building and job creation. The DRC Battery Council was tasked with having discussions with banks on special purpose vehicles so that they make use of the huge amount of dormant savings (equivalent to $11 billion). These dormant savings had accumulated because the foreign mining operators tend to repatriate 60 percent of their profits, and when some are returned to the country they tend to remain dormant in savings accounts rather than being invested.

In April 2022, the presidents of DRC and Zambia signed an agreement to have a cross-border zone to aid in the sharing of knowledge and technology. Later that month, the DRC established the African Center of Excellence for Advanced Battery Research to innovate, research and train as well as to increase technological capacity to enable the DRC to become a main pillar in battery production. This was to allow the DRC to define a system for research, entrepreneurship, and innovation. Morocco has led in this aspect as they are currently on the path to being an important player in scientific technology and battery development. The Centre seeks to identify Africans with skills and competence in battery design from across the globe who are willing to come back to the continent. Another objective of the Centre is to pool analytical resources and knowledge. The equipment needed for this battery initiative is very expensive, so the vision was to mutualize the analytical tools and to share knowledge among African countries, because economically it will be prudent to purchase such expensive equipment from other African countries.

Finally, the Centre seeks to provide an environment for research and training on the exploration, mining, and exportation of relevant minerals within the African continent.

The DRC has many of the critical mineral resources needed (like aluminum, cobalt, lithium, iron, manganese, and nickel). These include all the raw materials needed to produce batteries and for conservation of these batteries for electric vehicles. These raw materials are dotted all over the country, and the market for the batteries for electric cars is expected to grow exponentially over the next few years and decades. For instance, by 2040, the number of electric vehicles will be about 900 million because it is expected that vehicles that use fossil fuels would have been banned.

There has been a pre-feasibility study conducted and funded by partners such as Africa Export-Import bank (Afreximbank), Arab Bank for Economic Development in Africa (BADEA), and AfDB to identify how to operationalize a special economic zone between DRC and Zambia. Discussions are still ongoing on the nature of the problem and the supply. In the DRC 80 per cent of the companies that operate in the zone are not state-owned, and most of them are Chinese.

Most African countries, like the DRC, face challenges in the mining sector. First and foremost is that after several decades (in some cases centuries of mining), many African countries are still at the mining stage of production and not the refining stage even though the technology involved in refining minerals is easy. The market is currently dominated by China, Japan and South Korea. The market for precursors (which is the heart of the whole industry) is dominated by Canada, China, India, Indonesia and South Korea. China's domination in this should be a worry because most of the mined resources that are refined by China are from Africa. As far as the future of battery production is concerned in Africa, Morocco has taken the lead due to their scientific technology and battery development. Africa needs to take note of the impact of the geopolitical battles between the major partners on the market, and hence the importance of being strategic about how to deal with these partners.

Presenter Yao Graham:

Strategic features of the AMV: Linkages, Revenue, ASM

Some of the earlier discussions highlight the enduring importance of the African Mining Vision (AMV), which not only legitimizes many of the demands made by civil society organizations but also legitimizes the challenge to the neo-liberal framework. The AMV, adopted in 2009, aims to create a transparent, equitable, and optimal exploitation of mineral resources to achieve broad-based socio-economic growth and transformation. It is concerned with how minerals can contribute to structural economic transformation.

The broad principles of the AMV include the creation of linkages, governance of the sector, revenues, environmental management, social responsibility, the role of artisanal and small-scale mining (the largest employer in this sector), and the transformation of the private-state sector relationship. The AMV calls for national, regional, and continental policies and cooperation. Prof. Kanda's presentation provides examples of the importance of cross-border linkages and partnerships in the area of research and partnership across borders, and these examples highlight the various financial arrangements that can exist within different sectors among African countries in partnership.

The production of minerals generates linkages which may not be specific to the mining countries and these linkages are fiscal-based, consumption-based, and knowledge-based. The fiscal linkage includes revenues that come from the government. The consumption linkages are based on the earnings of employees for spending, and the knowledge linkage includes research, technology, and production growth. Sweden is an example of a country, which has become a big exporter of compression machines and mining machines, through linkages. The country's advance in the compression machines industry was achieved after many years of mining and these linkages allow minerals to be utilized and contribute to the economy and society at large. Fiscal or revenue linkage has been dominant in Africa due to "a conspiracy" by the governments of various countries and an active attempt to discourage the pursuit of other forms of linkages. This was the result of the World Bank pushing this agenda among African governments, contrary to the ongoing discussions. The AMV is a good framework for addressing the challenges identified here.

The AMV Action Plan highlights eight clusters of importance for building linkages around the minerals, clearly linking energy transitions and Africa's structural transformation. It also recognizes the need for cross-border collaboration in policy and action and includes provisions for artisanal and small-scale mining (ASM). The inclusion of ASM is important because in many places ASM provides livelihoods as well as being the source of critical minerals and a means of accumulation.

The revenue point is one area where there is convergence with the position of the IMF and the World Bank. It is widely acknowledged that African countries do not optimize the revenue benefits of mining. One reason for this is the dominance of foreign firms that repatriate the profits out of the mining countries. The AMV has provisions on all these. The importance of the state, government, local enterprise development, and asset ownership in energy and minerals towards the transformation of Africa cannot be over-emphasised. Africa must revisit mineral exploitation on the continent by including the principles of the AMV and this must be an integral direction for future conversations and advocacy. Building alliances with groups of similar interests in economic transformation is very important in achieving the transformation of Africa. Concrete steps on the transformation of Africa are the only way out of the situation, not just talking which will be of no impact progressively.

Plenary discussion

The ensuing discussion touched on whether the AMV or certain aspects needed revision, but it was suggested that such a revision is not necessary. The AMV is an African initiative that addresses the most important challenges with mining on the continent as well as the relevant frameworks for addressing them. It brings together all the issues that civil society has been concerned about, the transformation of our development, and societal mechanisms imperative to the transformation of Africa.

The discussion also touched on the corporate responsibilities of foreign companies in Africa. It was clarified that there were laid-down policies and standards in African countries (especially DRC where these companies are only allowed to operate if they commit to these laid down procedures). Also, the companies are tasked with civil responsibilities to the communities they are found in, including an assessment of the environmental and socio-economic impact of the operation of the companies before being given licenses. However, the discussion stressed the need to empower CSOs and communities to ensure that companies are following the conditions in their licenses.

6.3 Session Nine: Strategies for Africa's energy needs and transition: Strategic questions for an optimal mix of energy sources

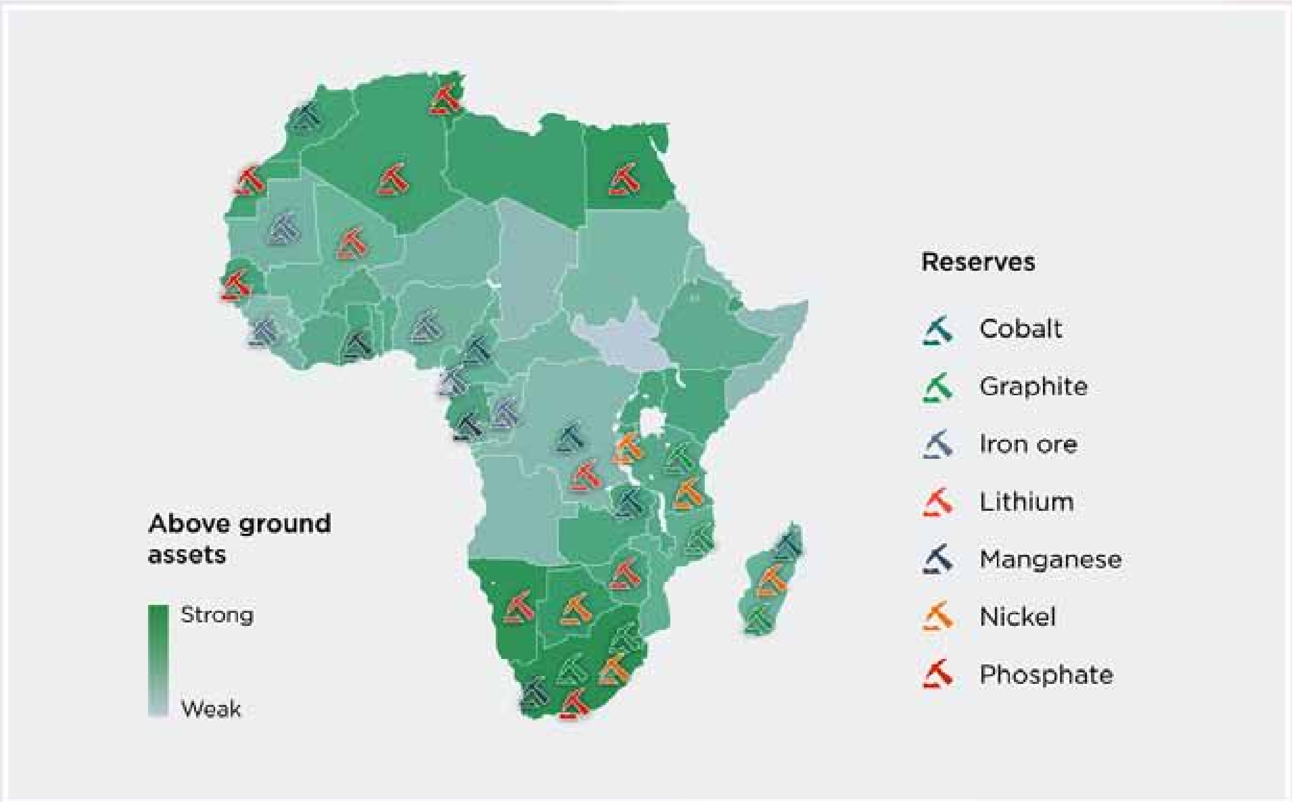
Moderator: Claude Kabemba

Discussant: Linus Mofor, United Nations Economic Commission for Africa

As of 2020, Africa had 7.2 per cent of world's 1.73 trillion barrels of crude oil reserves, 7.8 per cent of world's 88.4 million barrels per day production, 7.6 per cent of world's 207 trillion cubic metres of gas reserves, and 6.2 per cent of the world's 3.9 trillion cubic metres of natural gas. Despite this abundance of resources, the continent is home to 80 per cent of world's population without access to electricity and over 36 per cent of the 2.6 billion people globally who have no access to clean cooking. In addition, Africa accounts for only 3.2 per cent of electricity generation globally. Consumption of electricity and energy on the continent is extremely low and if you take away North African countries and South Africa the rest of Africa's consumption of electricity is only about 200 kilowatt-hours compared to about 13 000-kilowatt hours when those countries are included.

However, a lot of progress is being made on the continent especially in the area of renewables (solar and wind) where countries like South Africa, Morocco, Ethiopia, Kenya, Senegal and Zambia are moving ahead very fast.

Africa, however, remains the last frontier for any meaningful investments in renewable energy globally. In terms of electricity, the



Location of Africa's battery mineral reserves and above ground assets needed for downstream industries *Credit: NRGI* continent must double the current capacity (250 gigawatts) by 2030, and increase this to 1 200 gigawatts by 2050. This requires investments of up to $500 billion by 2030 and about $2 trillion by 2050. Although this may seem daunting, it can be done with the right policies in place.

The concept of a "just transition" has different meanings for different people and tends to elicit mixed feelings. From an African perspective, a meaningful energy transition should be compelling, just, and equitable. This is the conception contained in several of Africa's own policy documents such as the Kigali communique and the African Union's common position on a just and equitable energy transition. The energy decision that came out of the 2022 Congress of Parties (COP 27) said that the transition must be Africa-led and must be based on the continent's optimal use of its abundant energy resources, especially in Africa's own private sector.

The Kigali Communique, which was produced by 14 ministers from 10 countries last year in Kigali during the Global Sustainable Energy Forum, came up with seven principles to underpin a just transition for Africa. Two of these principles are that a truly just energy transition in Africa should 1) focus on addressing energy access and 2) ensure that a minimum electricity consumption of at least 1 000-kilowatt hours, the minimum set in the sustainable development goals (SDGs). This is consistent with the African common position on the just and equitable energy transition that was adopted at the 41st ordinary session of the Executive Council of the African Union in July 2022, which states that Africa's transition to a clean energy future should use and adopt an energy policy that emphasizes the right to differentiated pathways towards the goal of universal access to energy on the continent.

Beyond these broad principles, the specific strategies from COP 24 for a truly just and equitable energy transition in Africa also reinforce the principles outlined above. These are that the transition should 1) acknowledge that climate change exacerbates the global energy and food crisis, 2) stress the increasing conflicts and challenging global geopolitical situation that the continent faces in terms of energy, 3) emphasize that in a just and equitable energy transition, financial and other public actions are extremely useful mechanisms that African countries can use to implement just and equitable energy transition plans, 4) recognize that the unprecedented global crisis underlines the urgency of rapidly transformed energy systems, 5) seek more secure, reliable and resilient energy systems, by accelerating the just transition to renewable energy by 2030, 6) diversify energy mix and systems in line with national circumstances and recognizing the need for support for the just transition.

The AU must come up with a common position as many African countries have had varied and conflicting strategies with no clear narrative and pathways for the energy transition. The common position should address the essential elements of the energy transition such as dissemination of technologies, alternative policies to transition to other emission systems, and a just and sustainable transition with solutions to climate crisis founded on meaningful and effective social dialogue. It must include the participation of all stakeholders, incorporate opportunities for sustainable development and poverty eradication, and provide an equitable transition that encompasses pathways such as energy, socio-economic, workforce, and social protection.

Key actions needed to aid the implementation of the common policy include looking for win-win investment opportunities, actively involving the private sector, addressing policy and regulatory barriers to investment, and strengthening international partnerships to de-risk investments.

Some of the strategic questions for Africa's optimal energy mix for further deliberation and consideration into action plans going forward: 1) How do we balance energy access and clean energy transition? 2) How do we leverage Africa's abundant critical minerals to drive the global energy transition, value addition, and transformation of critical minerals? 3) What will it take for Africa to leapfrog to renewables without the use of natural gas, affordable storage, and hydropower under changing climate conditions, and how much will this cost? 4) How do we devise innovative financing approaches and leverage Africa's capital and private sector for clean energy investments? 5) How do we come up with new investment models for transmission and interconnectors? 6) Does natural gas have a role as a transition fuel? What about clean cooking? How do we accelerate deployment of variable renewables and phase-out more polluting fuels, and how do we transition to the green hydrogen economy?

Plenary Discussion

The discussion touched on the need to have action plans and champions for them. Some meeting participants wanted to know whether we have reached the point where we formulate action plans and appoint champions. It was suggested that it would be a good idea to formulate action plans and appoint such champions. Specifically, the African Union Commission (AUC) should have a champion for the AU common position on the transition, as it does for other programmes. On the continental energy plan, it was reported that the AUC has worked on a masterplan which can be domesticated by the various countries. The AUC has been working on a continental system for the African single electricity market and is currently progressing. They are also developing the continental masterplan. The infrastructure is still being built for this market.

The discussion also touched on the expensive power purchase agreements (PPAs) that some African governments have signed. It was argued that the PPAs have made electricity very expensive, and some participants wondered about the options available to African countries saddled with these expensive PPAs. Other participants wanted to know what compensation mechanisms can be designed so that investors can be fairly compensated without increasing the cost of electricity. In response, it was suggested that we devise a well-thought-out system drawn from the continental electricity market being planned by the AUC. Countries were advised against the use of feed-in tariffs in such agreements.

The discussion cautioned that we think very carefully about the conversation on using gas as a transition fuel because of the affordability question. A lot of people who we envisage will use this technology to replace existing "unclean" sources of cooking fuel cannot afford the gas alternative.

Some participants wanted clarification on how to reconcile the issue of creating power pools vis-à-vis decentralizing energy to improve access. It was stressed that the context matters and balancing rural versus non-rural needs as well as the importance of pooling for the wider industrialization of the whole economy.

On the issue of the opportunities for CSO to work with UNECA and take up some of their recommendations, the meeting suggested that it will be good to organize joint forums between UNECA, CSOs and related organizations. This could also be a way to build capacity.

Indeed, this is one of the key functions of UNECA and other regional commissions.

Some participants were interested in understanding whether, given the need to have an optimal energy mix, it was advisable to continue to invest in hydro. In response, it was indicated that the question is not so much whether to invest or not to invest, but what matters is understanding the sensitivity to climate conditions to gain knowledge for addressing the energy deficiency issues.

6.4 Session Ten Financing Africa's transformation, energy needs and transition

6.4.1 Panel I: Global finance, options, possibilities and limits

Chair/Moderator: Yao Graham

Mariama Williams, South Centre

Africa has abundant resources needed to deal with global headwinds that are coming. From many Westerners' point of view, Africa did surprisingly well in dealing with the Covid-19 pandemic, showing great resilience in the process. This was linked to one of the key resources for Africa, which is its people and their capacity to bounce back from adversity. So, if support can be provided to these people, especially young people, they will do what is needed to make a living.

Global finance mechanisms have mainly led to Africa's current debt crises, so it has to be careful about looking to debt restructuring for respite because previous assurances of funding support from the West have been a trail of broken promises, especially from the G7. At the same time, the continent faces challenges with food insecurity, undernourishment, low response capacity to many shocks, increased food dependence, and low investment in science, technology, engineering and mathematics (STEM) education. Thus, the discussion on energy transition must be contextualized in terms of peoples' lives. Even though Africa's emissions are not much, it loses substantial amounts of its GDP to climate change annually.

The issue of stranded assets is one that Africa needs to be mindful of but not overly concerned about. Instead, it should focus on utilizing the resources it has (including fossil fuels) in a way that is responsible, and making sure that the exploitation works for Africa.

Climate change financing opportunities can provide up to $3 trillion in investment opportunities annually in Africa, mostly under the Committee on Climate Change (CCC) but there are important caveats. The mechanisms for accessing the funds are nationally determined contributions and national adaptation plans with the Green Climate Fund (GCF). Under the GCF there is also a discussion around determining a new collective and quantified goal to accelerate climate finance. Other funding possibilities for the transition for Africa are in the form of different kinds of equity, green and blue bonds, debt for nature swaps, debt for health swaps, debt for climate swaps.

Alternative and complementary approaches are being pushed by developing countries, such as debt reforms and debt restructuring, reparations, and trade reforms. Public-private partnerships have also come up, although there are cautionary tales about this. There is also a suggestion that Africa needs to develop a sovereign wealth fund. Other avenues include the European Investment Bank (EIB) and GCF on a green and resilient debt platform to boost climate financing in Africa. These focus on climate resilience and blue bonds, providing technical assistance on climate-sensitive investment. The World Bank's climate investment fund, the Clean Technology Fund (CTF), is another fund for energy transition and promotes scale-up financing for demonstration and the scale-up of low-carbon technology. The main vehicle for accessing these funds is the AfDB.

There are challenges however, as funding into the GCF from the G7 countries has not kept up with the commitments. Every year, there has been a gap of $20-$30 billion, which has accumulated since 2010. Findings from a recent study show that Africa's engagement with the GCF mechanism has been very slow, with only four funded projects on the continent to date, and Africa has the lowest amount of disbursement from the fund. One reason is that the GCF itself is not adequately resourced, but another is that African governments have not been good at proposing direct access entities. Africa has limited ability to leverage co-financing and, even when they do, they are paying a higher amount to accredited entities for leveraging funds. Ironically, while Africa and other developing regions are not getting the promised funding, almost $2 trillion goes from the global south to the global north annually.

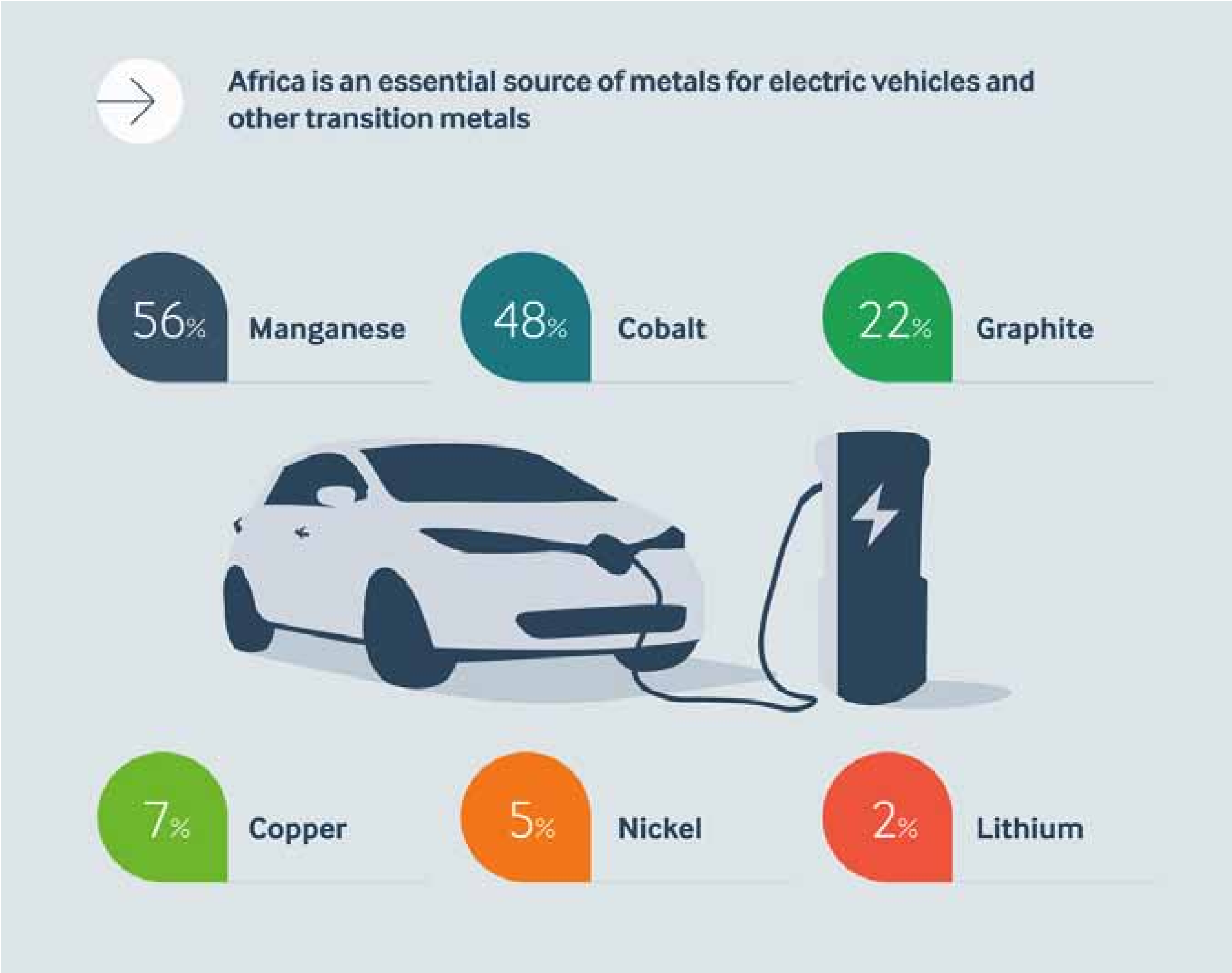
Much of current GCF funding is on mitigation, but future funding will focus more on adaptation. Many African countries are utilizing the GCF through nationally determined contributions (NDCs). However, much of these NDCs were not derived nationally but by externally hired consultants who came with their own pre-determined ideas, so the NDCs bear no relation to national plans of action about energy transformation, or developing climate-resilient economies. In the revisions that are coming up, it is important for civil society to engage the process to ensure that NDCs are targeted towards Africa's energy transformation.

Generally, the possibilities for financing energy transitions exist at the global level, but the challenge is how to make these avenues work for what Africa needs on a fair basis. Also, Africa must be mindful that sometimes promises are made that are not followed through. African governments are spending a lot on transportation and energy and there is pressure on African governments to borrow more, but they need to be careful about this because of the debt situation. It is important to explore alternative sources, including better taxing of extractives to generate revenues domestically.

Goh Chien Yen, TWN

"Looking for Private Finance", the topic for this presentation, focused on foreign private financing for Africa's energy needs. It looked at a survey of the landscape of the financing, the issues, constraints, and inherent risks, and how to put together the different options to meet the amount of funding required. This conversion is necessary because governments' own funds are limited due to recent debt accrual and high debt servicing costs, and therefore there has been a greater reliance on multilateral development banks and other development institutions.

The basic question of how much is needed and the amount estimated by various agencies (ranging from AfDB's estimate of $500 billion to McKinsey's estimate of $2 trillion) might not be the prudent approach to start with since that is not how private businesses approach things.



Credit: NRGI

The focus should be on identifying the various sustainable sources, start with the most viable one, and move on from there.

Available private investment options include institutional investments, commercial bond holders, and international capital markets. Already some sub-Saharan African countries have used these options since 2014 but the Covid-19 pandemic and other circumstances have led to downgrades and reduced creditworthiness of several countries. Yield differentials, especially to US yield, are currently hovering around 12 per cent, so this is currently not an option because the cost of financing is too high.

Other areas worth exploring are places where African countries can find markets for their exports. The key question on the viability of this approach is how the transition will affect exports and prospects for foreign direct investment (FDI). There are different views on these prospects even as the demand for oil and gas exports are currently increasing because of demand in Asia and some experts are optimistic about the prospects going forward. However, the International Energy Agency (IEA) has a pessimistic view of the future of gas exports.

In terms of minerals and exports, it is possible that there will be greater demand going forward. Thus, there is a high prospect for attracting foreign capital into these sectors, but while employing this strategy it is crucial that measures are taken to ensure that Africa obtains a fair share from the exploitation of these resources, and to ensure that there is a strategy in place to use these to break free from the cycle of dependence. In this direction, two approaches can be employed, based on learning from past mistakes: 1) ensure that a windfall tax is charged on the profits from production and the export of hydrocarbons 2) ensure coordination at the regional level to negotiate as a bloc with these multinationals to avoid the "race to the bottom" phenomenon.

There are potential hurdles for the financing strategies though. A major one in relation to African exports is the EU's Carbon Border Adjustment Mechanism (CBAM). This could affect African exports into the EU and reduce Africa's GDP by about $15 billion from 2021 levels. The mechanism is a little complicated but in effect it will add to the export price, making exports less competitive. Other developed countries (US, Canada, Japan) are contemplating similar regimes, and this could lead to divestment from the affected sectors.

Blended finance is another option, a way of mobilizing private capital by leveraging public or official financing to take on certain risks in order to attract private financing. One drawback of this strategy is that some studies show that the level of leverage offered is low for low-income countries ($0.37 for every $1 of public sector funds). This may thus end up transferring funds from public to private finance. Other sources of private foreign capital include philanthropic financing, impact investing, SDG financing, sovereign green bonds and sustainability bonds.

Plenary Discussion

The discussion addressed the issue of the role of pension funds in the last few years, especially in the EU, even though there is limited research on this. It was explained that pension funds have mandates on what they invest in. They are excluded from higher risk projects and financial instruments. Maybe through blended finance or financial engineering to reduce the risk they may get involved. The idea has been to use them together with blended finance or financial engineering to finance infrastructure projects. They provide very low-cost funds for governments in EU countries, but in many developing countries these funds seem isolated and disconnected from mainstream long-term financing and end up focused too much on increasing returns.

The discussion touched on debt-for-nature swaps. Some participants observed that debt-for-nature swaps do not generate funds where needed most, but there is also the element of losing sovereignty over resources. In response it was noted that debt-for-nature swaps are not new, having been around since the 1980s. They are meant to restructure part of the debt and reduce part of the debt service, but they do not to resolve the debt problem. The inherent loss of sovereignty is real and should not be discounted. The new brand of these swaps incorporates some aspect of philanthropic organizations, and environmental groups are putting equity into these new mechanisms. Part of this was initially to protect social services but now they focus on protecting nature and the environment. The extent of success will depend on the specific details, but it can be an avenue for imposing conditionality, so one must be mindful of that.

The issue of how to raise finance for the energy transition in the wake of mounting debt distress was discussed. The meeting agreed that a systemic approach is needed for dealing with debt. The immediate thing to do is reduce the debt burden, and the debt-for-climate swaps could be used. The meeting was informed that a few island countries have recently used them, and it shows that they could be used as effective instruments for addressing debt distress. It was stressed, however, that this is not the primary way to deal with the debt problem or climate change issues, but in the interim it can be used to reprofile debt.

The issue of reforming tax systems on extractives to generate additional revenue for financing the transition came up. Some participants noted that many African countries are already on a collision course with mining companies on additional taxation, and wondered how this can be made to work. It was suggested that the strategy should start with addressing the disparity of power involved.

The discussion addressed how to ensure that funds flow directly into activities that help citizens, including social components. It was noted that the primary impact of adverse climate is on people, and this should be an integral part of the design of responses and mitigation measures as well as funding. In addition, transparency of climate financing is crucial.

Another issue discussed is how African countries can take advantage of CBAM in the light of the potential impact on agricultural trade between the EU and Africa. The discussion highlighted that it depends on the pricing mechanism of the carbon certificates. This could essentially be an additional tariff on the export of goods and could reduce export competitiveness. It was noted that what the EU is doing is in direct contravention of UN climate conferences because it is a unilateral trade measure which is prohibited.

6.4.2 Panel II: Mobilising Africa's own resources: issues and constraints

Moderator: Yao Graham

Gyekye Tanoh:

Financial leakages and problems of domestic resource mobilisation

The global financing options are important because of the context they provide for understanding Africa's structural vulnerabilities in the global financial architecture. The terms of engagement for Africa in the debt crisis that is unfolding are more inimical and involve more unequal terms compared with those anywhere else. This raises questions about how to redefine Africa's position within the global financial architecture and how to construct alternative domestic financial systems. Still related to the current debt and its restructuring, frontloading of domestic debt restructuring has become a precondition for stabilization and bailout support from the international financial institutions (IFIs). All these developments make it even more imperative for us to take the issue of mobilization of domestic resources very seriously.

The way Africa is being coerced to resolve the current debt crisis poses significant challenges for using domestic financing. The financial terms of debt resolution have severally impacted on domestic resource mobilization. To make matters worse, there are local interests that are embroiled in the new arrangement and stand to gain from these arrangements, and this has complicated the idea of constructing an alliance of domestic interest and a new development coalition which links finance to production and transformation.

There has been a fundamental restructuring of the role of finance within Africa, and this new financial system does not lend itself to productive investment and financial intermediation to enhance domestic transformation. It is not just at the level of financial systems, financial policy and new financial markets, but the very way in which savings are mobilized poses new problems for domestic resource mobilization to finance energy transition within the broader context of structural transformation.

Africa may be tempted to dwell on the privatization of financial institutions and systems, the entry of foreign banks and digital finance, but this is a weak starting point because it may mislead us into the conclusion that many people are now included in the financial system, so there is progress. It is better to start from the point of restructuring of Africa's primary commodity dependence. To be sure, this sector has already undergone some restructuring but in a negative way that has widened the gap between what African (who are the owners of these resources) get and what foreign governments and businesses behind the exploitation get. One of the reasons for the widening differential benefits is the privatization of the exploitation of natural resources. Besides the differential benefits, there has also been a restructuring that has led to de-industrialization and de-agrarianization (rendering previously viable agricultural production unprofitable). This has led to a delinking and reversal of the immediate post-independence process of diversifying the economy, and extreme fragmentation of the domestic economic activities into siloed economic units. Meanwhile, Africa's global partners continue to integrate vertically across the chain (financing, retailing, extraction etc.) This has facilitated the leakage of resources out of the continent. The financial dependence of Africa is because it has lost control of the key sectors of its economies.

The new financial system does not lend itself to productive investment and financial intermediation to enhance domestic transformation. This explains why marketing boards and public-owned banks established to play key roles in financial intermediation in line with strategic objectives have been sold to foreign banks, in particular European banks. In their place have emerged non-banking institutions, shadow banking institutions, and digital banking in furtherance of the so-called financial inclusion agenda. Because these public financial institutions played pivotal roles, their privatization has increased the level of instability in Africa's financial systems. In addition to increased financial instability, the new financial systems are not linked to the productive sectors. This is because the banks have shifted away from their core function of financial intermediation. There is now a hierarchy of importance when financial institutions form a syndication to finance long-term infrastructure projects. For instance, in syndicated loans, AAA-rated banks can use their ratings to advantageous positions without contributing any equity.

The new financial system poses a challenge for savings mobilization in addition to these problems being accentuated by a growth path which is finance-driven and integrates domestic patterns of consumption and payments with new financial equities. The value chain around solar power is an example as the micro consumption of solar power is one of the fastest growing areas. The production is taking place mainly in China or India, but products are distributed by Africa companies in conjunction with global equity financing, which takes the form of pay-as-you-go platforms in such a way that by the time they reach final consumers in rural Africa it constitutes a leakage from the continent. This is because the product is given at a high premium, employs a payment system that aggregates and externalizes financial

Jerry Ahadjie - AfDB

flows, and is not linked in any way to the productive capacities of the economies in which the consumers are. Thus, a bottom-up and structural systemic approach is needed that addresses the various layers of financial relations.

The implications for domestic resource mobilization are that finance is now very detached from productive economic activities. Instead global finance institutions now have the capacity to penetrate and gain from any economic activity of even the poorest and this has also diminished the capacity of states to tax. Meanwhile, financial institutions (including mobile telephone companies) tax everyone and impose high fees for services that are not taxed anywhere else. Companies are instead being given all manner of tax incentives, and private property relations are trumping every kind of economic relation. Also, African economies are structurally wired for financial leakages and systems that cannot be connected, so developing an alliance around structural transformation has become more difficult. Even when the IMF includes social protection systems, it still benefits global financing institutions by generating new financial markets and clients through the cash transfer payments. Every crisis in Africa is a model of additional tools for leakages.

Africa should stop the practice of treating economic activities as discreet activities. Key sectors should not be treated as independent units but should begin to reconnect and rebuild the linkages among these sectors which have been delinked by our historical implementation of policies imposed by IFIs.

Jerry Ahadjie, AfDB:
Africa's energy resources as sources of revenue and investment

Africa is abundantly endowed with all manner of natural resources: non-renewables, renewables, hydro, geothermal, natural and green hydrogen, and green minerals, yet half of Africans have no access to electricity.

There are three preconditions for using natural resources as revenue: (I) robust fiscal regimes (ii) capacity to negotiate deals to optimize benefits from the resources and (iii) the deployment of smart fiscal instruments to underpin negotiations to obtain a fair share of revenues. Africa's extractive resources can contribute more than $30 billion annually to government revenue. The extractive sector contributes to public and private finance in many African countries, with some countries heavily reliant on these resources for public revenue.

On the challenges of financing extractive resources, current efforts to generate resources from minerals project development is slow and should be accelerated through financing mechanisms and regional collaboration strategies. They are currently being financed by multinational corporations, funds backed by African governments, banks, institutional investments, an upcoming energy transition bank, etc. However, this requires a stable political environment, strategic and integrated energy sector planning, transparent legal and regulatory frameworks, and partnerships with internal power pools.

The AfDB has a strategy called the new energy deal which seeks to provide access to energy for over 645 million people and sufficiently power businesses. It is summed up in the high fives: "Light up and empower Africa", "feed Africa", "integrate Africa", "industrialize Africa" and "improve the quality of lives of the people of Africa". The AfDB plans to invest $5.1 billion in renewable projects between 2021 and 2025.

Africa must improve its capacity to negotiate better deals. The AfDB will be ready to bring onboard its AAA position to catalyze funding, but it is important to create partnerships for funding the extractive sector.

Plenary Discussion

The discussion touched on the effectiveness of social protection mechanisms within IMF programmes. It was highlighted that the social protection components in such programmes are not sufficient in the light of austerity measures that weaken domestic production. Thus, it is important to depart from the arrangements offered by current financial systems because they limit the options to break free of the system. IMF programmes increase the cost of finance by generating more profits for global finance because the public support for households uses channels and platforms created by global financial corporations, creating additional markets for them.

The discussion touched on the role of the World Bank and the IMF in the mining sector. It was indicated that the current financing mechanisms are driven by financing companies and national mining and oil companies from the West who tend to emphasize maximizing shareholder value. For us, the question of ownership is central to addressing all these questions. That is why despite all the sanctions imposed on Gulf states, ownership of their oilfields and oil refining makes them more resilient.

The discussion addressed how to halt financial leakages from the continent in the immediate term. The meeting agreed that there was no immediate escape. Rather, we should focus on how to redirect what would have leaked out back into our economies. In some countries, this requires a revision of the legal and regulatory environment. Ultimately, it was suggested that we should have strategic goals that include deliberate policy to reduce financing costs for domestic businesses.

There was a discussion of the feasibility of setting up commodity exchanges to reform the commodity sector, to encourage price setting and control of minerals. It was indicated that we have gone too far in the creation of exchanges that do not serve our interests. Africa should build institutions and structures that enhance its transformation and create linkages within our economies. This requires broader institutional thinking around the transformation and shifting to a more sustainable mode of financing.

The discussion touched on the importance of supportive monetary policies by central banks. It was pointed out that central banks should be reducing interest rates regardless of the inflation rate. The important role of the AfDB was also highlighted. It was suggested that the AfDB should engage in more information sharing and support the productive sectors within our economies. There was criticism of the AfDB's Africa 50's programme because of its ownership structure and its tendency to impose obligations on countries. In response, it was indicated that the model is being reviewed and will address those issues.

In summary, the two panels on financing of Africa's energy transition highlighted the huge challenge of financing and the important role of the AfDB and other regional and national financial institutions.

A participant makes an intervention

7. Way Forward: Elements of an Agenda of Work

7.1 Small group discussions and Plenary

For this aspect of the programme, the meeting was divided into three groups. One group was assigned to deliberate on each of the following topics:

I) themes and topics from the discussion that up to this point call for further elaboration and discussion;
II) policy and practical initiatives, proposals – what exists, the gaps, how to operationalize, how to improve;
III) relevant African players and actors that need to be engaged – civil society, social groups and constituencies, intergovernmental and other policy institutions etc.

In the discussions, each group was required to focus on 1) review the discussions so far, flag priorities and missing issues, and 2) for the subject matter of the group, identify what exists, what needs improvement and how, possible gaps that need to be filled and how we can work together on these going forward.

Group reports

I. Themes and topics from the discussion up to this point that call for further elaboration and discussion

The group's discussion identified stranded assets, just transition, geopolitical implications, challenges of developing Africa's own financial mechanisms, structural transformation, ownership and control of natural resources, transportation models, the role of the AfDB and related continental institutions, review of government legal frameworks on energy transition, resource collateralization, channels of financial mechanisms, and development of local technology as key themes that need further deliberations.

II. Policy and practical initiatives, proposals- what exists, the gaps, how to operationalize, how to improve.

The group came up with the following policies and initiatives:

- Start continent-wide scoping study of existing policies, to understand the policy gaps.
- Look into regional and continental value chains, especially the emerging manufacturing sector and policies to link value chains in various countries to enhance beneficiation of critical minerals.
- Develop policies that feed off the AMV and Green Mineral strategy as starting points to develop policies at national and regional levels.
- Look into expansion of the mining sector in relation to the requirements of a just transition in terms of resources needed in the areas of energy, water and food systems. That is, look at policy in an integrated way.
- Craft a financing policy based on knowledge of what is being done and by

whom, always following the money, and seeking a greater understanding of how finance interacts with the rest of the economy.

- Formulate policies that aim to integrate the informal sector into the broader economy, especially in the area of regulation.
- Identify policies and mechanisms to ensure security of livelihoods during the transition, protection of jobs and labour rights, and how to integrate people who lose their jobs into other sectors.

Relevant African players and actors that need to be engaged – civil society, social groups and constituencies, intergovernmental and other policy institutions etc

The group identified issues in order of priority and identified the relevant players for each issue as follows:

Issue	Institutions
Financing the whole project	Development banks in Africa, African banks, African climate movement, artisanal mining movement, AU, AfCFTA bodies, civil society driving the advocacy and transparency agenda
Addressing energy poverty	Development banks in Africa, African banks, African climate movement, artisanal mining movement, AU, AfCFTA bodies, civil society driving the advocacy and transparency
Transitioning into a circular economy	Central governments
African energy transition and development framework	Development banks in Africa, African banks, African climate movement, artisanal mining movement, AU, AfCFTA bodies, civil society driving the advocacy and transparency
Mapping and ownership of African resources	Central government, anchored at AU level, Academia and research institutions, CSOs
What to do together going forward, create a mapping of who is doing what, how and where, how can we learn from each other	

7.2 Closing and Way forward

Delton Muianga, SARW

Delton expressed gratitude for the collaboration between SARW and TWN-Africa that led to the meeting. He appreciated the insightful inputs from all participants and looked forward to future participation and working together.

Yao Graham, TWN-Africa

On his part, Yao indicated that it had been a great two-and-a-half days of fruitful discussions. He reiterated that this meeting was set up as the beginning of a process and that there will be follow-up discussions. He thanked all participants, including online participants and the presenters. He thanked the technical team and interpreters for their support services, and his colleagues at TWN-Africa for their hard work in organizing the meeting. He wished all participants safe travels back to their various destinations.

Claude Kabemba, Executive Director, SARW

Yao Graham, Coordinator, TWN-Africa

APPENDIX I - PROGRAMME

PROGRAMME

Day 1, 29 MAY

0900 – 0930 **I. INTRODUCTORY**
(a) Welcome and introductions
(b) Purpose of meeting and programme logic

PART II. SETTING THE CONTEXT: CLIMATE CRISIS, ENERGY TRANSITION AND AFRICA's CHALLENGES
The problematic of climate change and energy transition, the dilemmas for Africa and its development

0930 – 1045 **Session One**
Panel:
(a) Yao Graham, Third World Network- Africa (TWN-Africa)
(b) Claude Kabemba, Southern Africa Resource Watch (SARW)
(c) Fatima Denton, UN-Institute for Natural Resources in Africa (UN-INRA)
Moderator: Ikal Ang'elei, Friends of Lake Turkana (FoLT)

1045 -- 1100 **BREAK**

PART III.ENERGY TRANSITION – DIMENSIONS, ISSUES, PERSPECTIVES, PLAYERS
What is energy transition? What does it involve, technically/practically? What are the political-economy considerations? What are the geo-political dynamics? Global and regional approaches/choices/interests (advanced industrial countries/ Europe; Asia Latin America; and the global south broadly)? How is Africa positioned? What are Africa's needs?

1100 – 1230 **Session Two: overview of elements, dynamics and choices, politics/contestations around energy transition**
Panel:
(a) Fatima Denton, UN-INRA
(b) Mohamed Adow, Power Shift Africa/Prof Yacob Mulugetta, UCL
Moderator: Jane Nalunga, Southern and Eastern African Trade Institute (SEATINI)

1245 – 1330 Session Three: energy transition, African realities, challenges and options

Panel:

(a) Africa's energy transition: challenges and options – Salim Fakir (Africa Climate Foundation) (tbc)

(b) Africa's energy complexities: the case of South Africa - Bobby Peek

Moderator: Chenai Mukumba, Tax Justice Network -Africa (TJN-A)

1330 – 1430 LUNCH BREAK

PART IV. AFRICA'S MATERIAL RESOURCES IN THE ENERGY TRANSITION

What is the place of minerals and fossil-fuel resources in strategies for energy transition? What are clean energy critical minerals? Where are they? Who owns them and who exploits them? What policy issues do they raise? What are the policies and/or perspectives of African governments? What is the current spread and importance of fossil-fuel resources in Africa's energy needs and economy? What is the future of fossil-fuels? What are the attitudes of African governments and policy positions?

1500 – 1700 Session Five: Africa's clean energy critical minerals, emerging challenges and policy issues

This session will involve a mapping and discussion of (a) Africa's Clean Energy Critical Minerals; (b) geo-political contestations around access, ownership and exploitation of the critical minerals; and (c) policy issues, challenges and approaches.

(a) Jerry Ahajie, African Development Bank (AfDB)

(b) Claude Kabemba, SARW

Moderator: Pauline Vande Pallen

Day 2, 30 MAY

0900 -- 1100 Session Six: The fossil fuel conundrum

This session will discuss the importance of fossil fuels in Africa's economies, their spread in Africa, the challenges they pose in the energy use and strategy, and discuss the options, perspectives and policy issues in the future of fossil fuels.

(a) Ferdinand Tornyie, UN-INRA

(b) Discussant: Ben Boakye, African Centre for Energy Policy (ACEP)

Moderator: Delton Muianga

1100 – 1115 BREAK

PART V. ENERGY TRANSITION IN THE IMPERATIVES OF AFRICA'S DEVELOPMENT
Within the political economy of primary commodity export dependence and the imperatives of structural economic transformation, how best can Africa develop its energy resources, address its energy needs and energy transition? How does Africa the continent finance these?

1115 -- 1215 Session Seven: over view of primary commodity export dependence in Africa and the challenge of structural transformation

(a) Tetteh Hormeku-Ajei, TWN-Africa
(b) Discussant: Mamadou Goita, IRPAD-AFRICA
Moderator: Mutuso Dhliwayo

1230 -- 1330 Session Eight: critical minerals and structural transformation – what can be learnt from on-going/new initiatives and the African Mining Vision
(a) Case Study: The DRC Battery Initiative – Professor Jean Marie Kanda
(b) Strategic features of the AMV: Linkages, Revenue, ASM: Yao Graham
Moderator:

1330 – 1430 LUNCH BREAK

1500 - 1700 Session Nine: strategies for Africa's energy needs and transition
(a) Strategic questions for optimal mix of energy sources
Linus Mofor, United Nations Economic Commission for Africa
Moderator: Claude Kabemba

Day 3, 31 MAY

0900 - 1030 Session Ten: financing Africa's transformation, energy needs and transition
Panel I
Global finance, options, possibilities and limits
Mariama Williams
Goh Chien Yen, TWN

1045 - 1230 Panel II
Mobilising Africa's own resources: issues and constraints
(a) Financial leakages and problems of domestic resource mobilisation:
Gyekye Tanoh, …
(b) Africa's energy resources as sources of revenue and investment?:
Jerry Ahajie, AfDB
Moderator: Yao Graham

12.45 – 1400 PART VI. WAY FORWARD: ELEMENTS OF AGENDA OF WORK.

SMALL GROUP DISCUSSIONS AND PLENARY

(a) Thematic issues and elements of future agenda
(b) Civil Society
(c) Policy and practice proposals

1400 LUNCH

APPENDIX II – LIST OF PARTICIPANTS

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