



## FORUM OF ENERGY MINISTERS OF AFRICA

### MAPUTO DECLARATION

#### ***Preamble***

We, the Ministers Responsible for Energy in Africa convening under the Forum of Energy Ministers of Africa (FEMA), whose main agenda is to provide political leadership and commitment, policy direction and advocacy to increase access, better utilization and management of energy resources for a sustainable social and economic African development, met in Maputo on the 30th March 2007 to deliberate on energy security and sustainability in Africa.

- Realizing energy as an engine for economic development and catalyst for social change in the continent;
- Recognizing the challenges facing Africa in providing modern energy services to meet the MDGs relating particularly to poverty alleviation, and equity;
- Recalling the initiatives including those of AU/NEPAD, AFREC, AfDB, RECs and appreciating the contribution of Development Partners, to address access to modern energy services;
- Recognizing global initiatives such as the United Nations Commission for Sustainable Development (CSD), Africa-Europe Energy Partnership, Global Forum for Sustainable Energy (GFSE) which are promoting Africa's energy sustainability;

- Recalling the FEMA Entebbe Declaration of 3<sup>rd</sup> August, 2005 and FEMA targets for the development of the energy sector set at the FEMA Ministerial Conference held in Entebbe, Uganda;
- Recognizing the critical importance of harmonized regional approaches including power pools, cross-border oil and gas pipelines and interconnections that lower investment costs and improve energy security;
- Realizing the critical role of governments in leading development of the energy sector and attracting investment from both private and public sectors;
- Realizing that the energy sector is subject to change and reforms within the framework of macroeconomic dynamism;
- Recognizing the value of diversity in energy sources and technologies that include fossil fuels such as oil and gas as well as renewable energy, in particular hydropower and bio-energy;

#### ***Priority Challenges and Opportunities***

We assert that sustainable energy services are key to achieving the MDGs. But progress in meeting our energy needs has been extremely slow. We commit ourselves with a sense of urgency to a new approach. This

Conference provides an opportunity to take advantage of the focus on Africa and to form new partnerships among ourselves and with our development partners. Noting that the continent faces the following key priority challenges:

- a. Increasing access to modern energy services which are crucial for development and associated productive activities as well as addressing the significant negative health and environmental implications of heavy reliance on traditional biomass energy - affecting mostly women and children;
- b. Utilizing Africa's rich energy resources which are currently either under-exploited or exported without benefiting the wider majority of Africa's citizens;
- c. Reversing the decrease in financial flows which currently fall well short of Africa's large energy investment needs;
- d. Promoting a better mix of energy supply options ranging from existing conventional options to renewable energy to strengthen Africa's energy security which is threatened by climate change as well as unstable and high oil prices;
- b. Address our energy security and sustainability needs through national and regional programmes;
- c. Urge our development partners to support our new approach by responding in a co-ordinated manner with the necessary financial commitments and capacity-building support;
- d. Undertake to urge our governments to prioritize energy in national budget allocations as well as liaise with Ministers of Environment to better use existing carbon finance for developing the energy sector;
- e. Emphasize energy in Poverty Reduction Strategy Papers (PRSPs), country strategy papers and other strategy documents prepared by national governments in collaboration with bilateral and multilateral development agencies;
- f. Continue aggressive promotion of regional initiatives, intra-Africa energy trading including power pools, product swaps and barter trade for the oil and gas sector, regional refinery hubs, regional strategic stocks, cross border pipelines and harmonized policies and standards as well as establish coordination mechanisms that would align and complement activities of various continent-wide energy agencies and initiatives of the AU/NEPAD, AfDB, AFREC and RECs;

***Resolutions for Action in Meeting FEMA's Energy Targets***

We, as the Forum of Energy Ministers of Africa (FEMA) hereby agree to:

- a. Take the lead in developing sector-wide energy programmes, based on a sustainable vision of the sector and on policies and planning integrated in our poverty reduction strategies and national budgets. We will draw up a prioritised set of carefully-costed investments to expand energy services;
- g. Re-assess past energy sector reforms to develop more appropriate options that better reflect African countries' specific characteristics with the aim of attracting both local and foreign investment as well as improve the performance of relevant energy institutions including strengthening the performance of our utilities;

- h. Strengthen national and regional level energy planning and project analysis capacity and skills to establish a critical mass of national and regional experts that can ensure proper management of energy sector as well as provide a steady flow of high-quality “bankable” investment opportunities. This should be complemented with improved energy data base development and dissemination;
  - i. Establish a conducive regulatory environment that can attract and mobilize both local and external private sector investment and initiatives to the energy sector;
  - j. Adopt a sector-wide approach that enhance the national planning and coordination of financial flows from bilateral and multilateral donor agencies to extend both rural and urban access to electricity and other modern forms of energy to assist poverty reduction and overall socio-economic development;
  - k. Support and expand energy financing initiatives such as the African Petroleum Fund, to be used for development of both efficient supply and end-use of energy;
  - l. Further mandate the FEMA chairperson to deliver other FEMA statements and position papers in order to operationalise the implementation of the present statement including at the CSD 15 as well as report on progress on these agreed actions to the next FEMA event;
  - m. Improve the energy supply mix to lower the risk of the African energy sector through initiatives such as promotion of bio-fuels that can replace a portion of oil imports as well as provide more efficient bio-energy options for low-income communities;
  - n. Urge our governments to exploit oil and gas resources in a manner that has direct positive impacts on Africa’s sustainable development and on meeting MDGs as well as adopt best practices with respect to equity and benefit sharing in exploration, production and use of oil and gas;
  - o. Support and endorse the launch of initiatives for energy access and security, namely the Africa-Europe Energy Partnership, Clean Energy Development and Investment framework for dialogue that will respond to the challenges of achieving the MDGs, energy access, energy security and climate change. The Ministers strongly urge the donors to scale up concessionary resources for Africa including ADF and IDA contributions;
  - p. Use FEMA as a platform for sharing knowledge and experiences; and
  - q. Establish a Ministerial sub-committee to monitor and evaluate progress on these agreed actions and report to the FEMA on a half yearly basis.
- In conclusion, we acknowledge the support from the FEMA’s partners who have made this Forum possible, particularly the Austrian Government, BMZ/GTZ, DANIDA, DFID, EU/EC, EUEI-PDF, UNEP, and ESMAP/World Bank. We also thank the Government of Mozambique for hosting this FEMA Conference held on 28-30 March, 2007 in Maputo, Mozambique.
- Done in Maputo, Mozambique on 30<sup>th</sup> March 2007.**