

## MEMORANDUM OF UNDERSTANDING

BETWEEN

THE UNITED STATES OF AMERICA

AND

THE NORWEGIAN MINISTRY OF FOREIGN AFFAIRS

FOR

### REDUCING ENERGY POVERTY AND INCREASING ACCESS TO SUSTAINABLE ENERGY IN AFRICA

THIS MEMORANDUM OF UNDERSTANDING ("MOU") is made between the United States of America, through the Office of the Coordinator for Power Africa, a United States Presidential Initiative coordinated by the United States Agency for International Development (hereafter referred to as "Power Africa") and the Norwegian Ministry of Foreign Affairs (hereafter referred to as "MFA" and collectively with Power Africa referred to as the "Participants.") The Participants seek to share their respective strengths, expertise and resources in order to pursue activities of mutual interest that support their common goals in sub-Saharan Africa of reducing energy poverty and increasing access to sustainable energy.

This MOU sets forth the intentions of the Participants to work together to support the sustainable development of the energy sector in sub-Saharan Africa through cooperation under Power Africa. This MOU provides a proposed framework on which joint activities might be based, but does not impose any legally binding obligation (financial or otherwise) on either of the Participants.

United States President Barack Obama launched Power Africa in 2013 to leverage private and public sector partnerships to double access to electricity in sub-Saharan Africa. Power Africa aims to add at least 30,000 megawatts (MW) of new, cleaner electrical power capacity and 60 million electrical connections across sub-Saharan Africa by unlocking sub-Saharan Africa's substantial wind, solar, hydropower, natural gas and geothermal resources.

**Power Africa** is a partnership among US Government (USG) agencies, African governments, the World Bank Group, the African Development Bank, Swedish International Development Cooperation Agency, the United Nations' Sustainable Energy for All (SE4All) initiative, the African Union's New Partnership for Africa's Development, the European Commission and approximately 100 public and private sector entities.

**Power Africa** uses a transaction-based model whereby private investments are leveraged to help push policy and regulatory reforms that enable key energy projects to advance. In addition, Power Africa demonstrated its commitment to increasing access for people living away from the electrical grid by launching Beyond the Grid during the US-Africa Energy Ministerial in 2014.

MFA's collaboration with Power Africa is expected to take place within the context of MFA's development cooperation policy and is projected to be accommodated within MFA's annual renewable energy budgets, currently about \$150 million annually, subject to Parliamentary approval, and MFA's support for the establishment and development of profitable and sustainable enterprises in developing countries through activities supported by the Norwegian Investment Fund for Developing Countries (Norfund). Norfund, a statutory body with limited liability, is the main instrument of MFA to promote investments in renewable energy in developing countries. Through Norfund the aim is to add at least 300 megawatts (MW) of new, cleaner electrical power capacity in sub-Saharan Africa annually.

The Participants fully support Sustainable Development Goal 7 on Energy to ensure access to affordable, reliable, sustainable and modern energy for all by 2030.

The Participants' efforts to advance the energy sector in sub-Saharan Africa are intended to support poverty reduction and inclusive and sustainable growth, sustainability and climate compatibility, and partner country ownership and collaboration. Increasing access to electricity would enhance energy security, decrease poverty, and advance economic growth.

**Recognizing that** through coordination and collaboration between the Power Africa Coordinator's office in South Africa and Washington, D.C., as well as the USG agencies supporting Power Africa, and the Norwegian Ministry of Foreign Affairs in Oslo, including but not limited to the Norwegian Agency for International Development (Norad), Norfund, other relevant Norwegian agencies, and Norwegian embassies in Africa, Power Africa and Norway intend to work together to support key activities that meet the shared goals of increased energy availability and access. This collaboration is expected to extend to the regional and national level, where the Participants intend to coordinate to support projects of mutual interest. The Participants intend to leverage one another's expertise, relationships and resources to achieve the shared goals of Power Africa.

**NOW THEREFORE**, desiring to establish a mutually beneficial cooperation, the Participants have reached the following understanding:

### **Section I Partnership Focus Areas**

The Participants share common goals regarding Power Africa and intend to collaborate on the following issues:

- (a) **Leverage investments in renewable energy.** The Participants plan to:
  - 1) Collaborate in the joint development of specific Power Africa projects;
  - 2) Share information on project opportunities;
  - 3) Identify constraints to project development and investment;
  - 4) Participate in constructive dialogue with governments that support necessary policy reforms; and
  - 5) Provide periodic updates on their respective progress toward achieving the goals of Power Africa.

**NEXT STEPS:** To facilitate this collaboration, the Participants plan to schedule an initial coordination meeting at which a general overview of their respective technical assistance, training and capacity building tools can be discussed.

Participants expect to share statements of work and participate in each others' technical review committees as appropriate to ensure that future technical assistance instruments advance the Participants' mutual goals.

The Participants also plan to encourage cooperation between Norfund and United States Government Power Africa partners such as USAID, the United States Overseas Private Investment Corporation (OPIC) and the United States Trade and Development Agency (USTDA) on private sector projects supported by each.

Additionally, the Participants intend to inform their respective embassies and agencies supporting energy activities in sub-Saharan Africa of this MOU and ask that their respective teams meet with one another to develop specific areas of potential collaboration.

- (b) **Expand small-scale and off-grid efforts to extend renewable electricity across sub-Saharan Africa.** This objective reflects Power Africa's target to double access to electricity in sub-Saharan Africa. The Participants have already demonstrated their expertise and commitment to increasing access through mini-grid and off-grid projects that include support to rural electrification agencies, mini-grid and off-grid transactions and financial and technical support to off-grid technologies and approaches. The Participants expect to collaborate to leverage one another's expertise, reach and resources to support the access targets of Power Africa.

**NEXT STEPS:** To facilitate this collaboration, the Participants plan to schedule regular coordination meetings between Power Africa's Beyond the Grid team and Norwegian counterparts to explore the possibility of developing a specific collaboration framework for off-grid and small-scale efforts.

- (c) **Support development of hydropower.** Recognising that hydropower is an integral aspect of sub-Saharan Africa's energy supply and hydrological resource management, the Participants endeavour to support sub-Saharan African governments in developing their hydropower potential. This support might include facilitating private sector led investments, river basin planning, strategic assessments and developing and marketing know-how on environmental, technological, economic and administrative aspects of hydropower, consistent with and adhering to international and relevant domestic environmental and social standards.

**NEXT STEPS:** To facilitate this collaboration, the Participants plan to engage in an initial mapping exercise to gain a better understanding of where each is working in the sector in sub-Saharan Africa. This is expected to aid collaboration under current and future planned Power Africa activities.

- (d) **Support Power Pools as well as other interventions to increase renewable energy power generation and access to power through regional integration.** The Participants intend to build on their existing support for regional Power Pools, (cross-border electrical power trading networks) as a means of strengthening economic integration, expanding access to power, to enhance the capacity of power pool secretariats and, where possible, to support projects that contribute to improved regional integration and power trading.

**NEXT STEPS: The Participants expect to share experience on the support to development of Power Pools, and to discuss how to best support the further development of regional cooperation on power trade.**

- (e) **Support Gender Inclusive Growth in the Power Sector.** Each Participant has demonstrated its commitment to advancing gender equality and female empowerment. The Participants expect to collaborate on efforts to comprehensively integrate gender considerations into their respective investments to the energy sector in sub-Saharan Africa with the dual goals of increasing women's participation within the energy sector and increasing women's access to electricity.

**NEXT STEPS: To facilitate this collaboration, the Participants expect to share their collective strategies on gender integration within the energy sector, and identify specific areas of collaboration through Power Africa's Women in African Power network.**

The above list is illustrative. The Participants' planned areas of collaboration under Power Africa is not intended to be limited to these activities. Where applicable, Power Africa and MFA intend to jointly rally and deploy their resources in support of the energy programs/projects they prioritize.

## **Section II General Intentions of the Participants**

1. The Participants intend to carry out their respective undertakings envisioned under this MOU in conformity with their respective legal and policy authorities.
2. The Participants intend to join efforts and to maintain a close working relationship in order to achieve the objectives of this collaboration.
3. The Participants intend to keep each other informed, as appropriate, of relevant activities pertaining to this collaboration and to schedule meetings and consultations as needed in order to evaluate the progress of implementation of this MOU and to introduce or modify activities, as deemed necessary. At least once a year, the Participants expect to meet at senior level, either bilaterally, or along with other Power Africa partners, to review and evaluate progress on their collaboration under

this MOU and to share each Participant's annual report or other monitoring, evaluation and progress tracking tools to measure the progress being made.

4. The Participants agree to respect each other's confidentiality policies, with the mutual understanding that the Participants intend to publicize this alliance and its objectives without disclosing any information shared by one Participant with another that it designated as confidential or proprietary.
5. The Participants agrees not to use, in any manner whatsoever, the name, emblem, logo or official seal of the other Participant, or any abbreviation thereof in connection with their business or otherwise, unless expressly authorised by the other Participant in writing.
6. The Participants intend to coordinate with each on all press releases or public statements regarding partnership activities under this MOU.
7. This MOU is a non-binding expression of the current intentions of the Participants. It does not, nor is it intended to, create any binding, legal or financial rights or obligations on either side under domestic or international law.

### **Section III General Provisions**

1. **Modification.** This MOU may be modified by written consent of the Participants.
2. **Duration and renewal.** This MOU is intended to become operative on the date of signature and to remain operative until December 31, 2020. It may be renewed by mutual consent of the Participants in writing.
3. **Discontinuation.** This MOU may be discontinued by mutual consent of the Participants or by either Participant, but should endeavor to provide sixty (60) days' prior written notices to the other Participant.

### **Section IV Notices and Point of Contact**

1. Any notices pursuant to this MOU should be given in writing and delivered to the following point of contacts:

- 1.1. In the case of Power Africa:

Address: Power Africa/U.S. Embassy/Pretoria  
100 Totius Street, Groenkloof, Pretoria, South Africa 0027  
Attention: Power Africa Coordinator  
Telephone: +27 12 452-2000

- 1.2. In the case of MFA:

Address: Section for Energy  
Norwegian Ministry of Foreign Affairs  
P.O. Box 8114 Dep, 0032 Oslo, Norway

or at such other address as may be given from time to time in accordance with the terms of this notice provision.

Signed at PARIS, FRANCE, in duplicate, on the 7 day of December, 2015.

**For Power Africa:**

**For MFA:**



Associate Administrator Eric Postel

USAID



Minister Børge Brende

Ministry of Foreign Affairs  
Norway