



30 YEARS OF
COMESA IMPACT

**STATEMENT BY
H.E CHILESHE MPUNDU KAPWEPWE
SECRETARY GENERAL OF COMESA**

**AT THE LAUNCH OF
ACCELERATING SUSTAINABLE AND CLEAN ENERGY
ACCESS TRANSFORMATION (ASCENT) PROJECT**

4 – 6 JUNE 2024

CIELA RESORT, LUSAKA, ZAMBIA

Our Guest of Honour, Honourable Peter Kapala MP, Minister of Energy of the Republic of Zambia

- **Ms. Boutheina Guermazi World Bank Director of Regional Integration - Africa, Middle East and North Africa,**
- **Dr. Dev Haman COMESA Assistant Secretary General for Administration and Finance,**
- **Ambassador Dr. Mohamed Kadah, COMESA Assistant Secretary General for Programmes,**
- **Permanent Secretaries and Senior Government Officials Present,**
- **Members of the Diplomatic Corps,**
- **Distinguished Guests**
- **Representatives of the Media,**
- **Ladies and Gentlemen,**

It is my honor and privilege to welcome you all to the launch of the Accelerating Sustainable and Clean Energy Access Transformation (ASCENT) Project, a prime product of cooperation between COMESA and the World Bank.

I would like to thank the World Bank for partnering with COMESA in the implementation of this transformative project. In fact, the World Bank is traditionally one of the biggest development partners of COMESA. Other than the ASCENT Project, COMESA is also implementing two other projects supported by the World Bank; the Regional Infrastructure Finance Facility (RIFF) Project and the Great Lakes Trade Facilitation and Integration Project. In addition, the two institutions are currently earnestly engaged in negotiations to launch another important project called Inclusive Digitalization in Eastern and Southern Africa (IDEA).

I would also like to express our sincere gratitude to His Excellency the President of the Republic of Zambia and the Chair of the COMESA Authority, Mr. Hakainde Hichilema, and the Government and People of the Republic of Zambia for hosting today's landmark event through the Ministry of Energy.

Distinguished Guests,

There is now a global consensus that the provision of clean, affordable and reliable energy is essential for social development, economic growth and environmental sustainability. Energy is also a basic requirement for decent living and a fundamental necessity for the provision of modern services in areas such as healthcare, education and telecommunications. Yet, Africa continues to lag behind in terms of energy access; the International Energy Agency (IEA) estimates that more than 600 million people in sub-Saharan Africa still lack access to electricity, with rural populations, who are usually the poorest, hardest hit.

Millions of Africans still depend on traditional energy sources such as biomass, kerosene and diesel for cooking, lighting and heating. These energy sources are not only inefficient but also harmful to health and the environment. In particular, the heavy dependence on biomass for cooking contributes to deforestation, soil erosion and biodiversity loss. Additionally, it aggravates climate change by discharging greenhouse gases into the atmosphere.

I am glad to note that the ASCENT Project includes clean cooking solutions as one of its intervention areas. These solutions are critical to advancing environmental sustainability and a healthy living environment,

especially for women who bear the brunt of energy poverty. According to the African Development Bank, lack of clean energy is the reason why about 300,000 women die every year trying to cook food. This is a challenge that we need to address.

Honourable Guest of Honor,

Resolving the energy access challenge in Africa requires substantial investments, particularly in energy production, power transmission and decentralized energy solutions. According to the African development Bank, an annual investment volume of \$35 billion is required to achieve universal energy access in Africa by 2030, a far cry from the current levels of investment. This is a major stumbling block that needs to be addressed through creative interventions such as the ASCENT Project.

In other words, bridging the funding gap to attain the desired energy access levels necessitates better and stronger collaboration among various institutions and organizations working across different but intertwined sectors, ranging from financial institutions, governments, private sector, non-governmental organizations and the academia, among others. In this regard, innovative financing mechanisms that enhance both access to finance for governments, businesses and consumers as well as reduce risks associated with projects are essential.

This is why international development partners and financial institutions have a crucial role to play to bridge the energy gap. We count on them to provide the needed financial resources, including grants, concessional loans and hybrid finance solutions. This is a sine qua non to achieve the related UN 2030 SDGs, climate mitigation and African Union Agenda 2063 objectives. Furthermore, local financial markets need to be

reinforced to enable long-term financing alternatives for small and medium-size enterprises operating or intending to operate in the energy sector.

Ladies and Gentlemen,

It is crystal clear that financial resources are essential, yet they are not sufficient on their own. Rather, we need a holistic approach to the energy challenge that includes support to policy and legal reforms, technical assistance, capacity building and outreach activities, among others. I am glad to note that all these aspects are embedded in the design of the ASCENT Project.

In particular, the fundamental role of policy and regulation in enhancing energy access cannot be overemphasized. Effective policy and regulatory frameworks are crucial to attracting investment and ensuring the sustainability of energy projects. Therefore, governments need to create conducive environments that encourage private sector participation, streamline regulatory procedures and offer incentives for smart and renewable energy investments.

Distinguished Guests,

Having spoken in length about the challenges, let us also celebrate success stories that underscore the importance of innovative financing and renewable energy in elevating energy access:

1. **Kenya's Pay-As-You-Go (PAYG) Model:** Kenya has been at the forefront of promoting the PAYG Model for solar home systems. By providing consumers the possibility of making payments in installments over an extended period of time, solar home systems

have become more affordable, especially for low-income households, thereby paving the way for increased energy access in marginalized communities and contributing to social and economic development.

2. **Renewable Energy Investments in Egypt:** The country has witnessed a significant uptick in investment in renewable energy over the past few years. An outstanding example of this is the Benban Solar Park, which is one of the largest solar installations in the world, with a combined installed capacity of around 1.8 GW. A smart package of legal instruments, policy reforms and public efforts provided an enabling environment and attracted the requisite investment flows for such a mega project from both international financial institutions and private investors.

Distinguished Guests,

I am happy to note that the ASCENT Project aims to capture all the different facets of energy access interventions encompassing innovative financing, policy enhancement, project preparation support, gender dimensions and climate change. The project earmarks \$5 billion from the International Development Association (IDA) and aims to leverage a further \$10 billion from other partners for investment in grid and distributed renewable energy. This is truly a transformational endeavor as encapsulated in the name of the project itself. We are excited about the huge potential of this project to millions of lives in the region by making it possible to have energy.

ASCENT is a joint project involving the participating countries, starting with Rwanda, Sao Tome and Principe, Somalia and Tanzania at the 1st

phase, in addition to the World Bank, the COMESA Secretariat and the COMESA Trade and Development Bank.

The COMESA Secretariat will implement the Regional Energy Acceleration Platform (REAP) of the ASCENT Project. The objective of this platform is to assist ASCENT countries to implement their own country specific projects. Of course, this platform exists for the sake of ASCENT countries. Therefore, I call upon all the countries present here today, both ASCENT signed up countries and those yet to sign up, to make the best possible use of the platform.

It is our expectation that the planned discussions after this launch session will help participating countries, the financiers and the COMESA Secretariat to build up networks of coordination for the various components of the project. These discussions also offer us a valuable opportunity to better understand energy access needs and hurdles at the country level, to inform interventions at the regional level. Therefore, I urge you all to engage actively in these discussions. I also invite you to be forthcoming in making your special needs known as we commence the actual implementation of activities.

**Honourable Guest of Honor,
Ladies and Gentlemen,**

Let me conclude by encouraging the participants to brace for the challenge of ensuring our energy infrastructure is able to meet our needs now and into the future. Let us join hands to make sure that over the course of the next 7 years, which is the ASCENT implementation period,

we achieve the noble objective of providing 100 million new users with the much-needed access to energy.

I thank you for your kind attention.