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Infosheet Bulletin: Taking Africa-Europe's Energy Partnership to the Next Level

A document produced in advance of the Mission 300 Africa Energy Summit



Africa and Europe have set ambitious strategies to transform their energy systems to contribute to achieving net zero targets globally. Europe aims to obtain 45% of its electricity from renewable sources by 2030, and Africa aims to accelerate the energy transition to achieve universal, affordable and modern energy services by the same time period. Taking stock of their mutual interests, leaders at the 6th EU-AU Summit in February 2022 launched the Global Gateway Africa-Europe Investment Package, focusing on key partnership sectors, and energy and the energy transition were identified as critical priorities for African countries and the Africa-Europe Partnership.

To date, Africa is falling behind in the global energy access and transition due to climate justice financing, technological and infrastructure barriers, paired with outdated policies and a lack of regulatory frameworks. Currently, over 600 million people lack reliable energy, and more than 900 million do not have access to clean cooking solutions. With electricity demand set to quadruple by 2050, the AU has identified energy poverty as a major obstacle to achieving Africa's Second Ten-Year Implementation Plan (STYMP) of Agenda 2063. Meanwhile, the EU is fast-tracking its climate neutrality efforts, aiming for a 55% reduction in greenhouse gas emissions (GHG) by 2030 and net-zero by 2050, driving the shift from fossil fuels to cleaner energy.

Though starting from different points, both Africa and Europe are committed to achieving Sustainable Development Goal 7 (SDG7) to deliver affordable, reliable, sustainable modern energy for all by 2030. However, to reach this goal, both continents must prioritize energy cooperation at the heart of their partnership, driving significant investment, technology roll-out and regulatory certainty across Africa. Initiatives like the EU Africa-Europe Green Energy Initiative (AEGEI) and Mission 300 are promising but must deliver tangible results to drive Africa's energy transformation. Meanwhile, the EU is diversifying energy supplies by partnering with African countries, including Mauritania, Morocco, Namibia, Nigeria, Senegal, and South Africa, for gas in the short term and renewables like green hydrogen in the long term.

As global crises and geopolitics reshape energy dynamics, they underline the urgency of deeper Africa-Europe collaboration. At COP29, limited progress was achieved on the Mitigation Work Programme (MWP) with no reference to the stocktake and fossil fuels in the MWP text, missing the opportunity to send a clear message on the NDC update process. Similarly, COP29 closed with no agreement on the Just Transition Work Programme (JTWP). Against this backdrop, Africa and Europe should further align priorities, work jointly on ambitious NDCs 3.0 covering the period from 2025-2035, (date for submission being in February 2025), and identify means of implementation to realise continental aspirations, including the Africa Single Electricity Market (AfSEM), supported by the Continental Power Systems Master Plan (CMP). By leveraging the outcomes of the Mission 300 Africa Energy Summit, the AU's G20 membership and South African Presidency, and the new institutional AU-EU cycle set to start on the back of the AU Heads of State in February 2025, Africa and Europe can embark into a new journey driving the global climate and energy agenda.

INTRODUCTION

Africa, with 18% of the global population, uses only 3% of global electricity and has the lowest emissions per capita of any region. Furthermore, nearly 40% of its population lacks adequate access to energy, and 900 million people—80% of families—lack clean cooking facilities. By contrast, Europe, home to 9.3% of the global population, accounts for 15% of global electricity generation and 9% of global emissions. While Europe aims to source 45% of its electricity from renewables by 2030, Africa faces an even greater challenge in providing universal access to affordable, reliable and modern energy services by the same year.

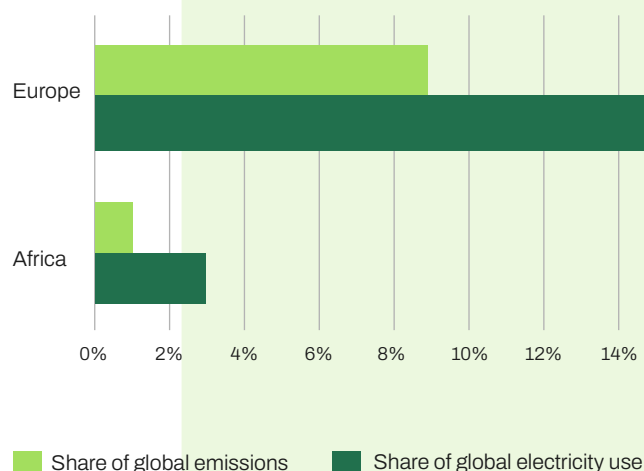
During the 6th EU-AU Summit in February 2022, leaders from both continents highlighted how the energy transition is vital for Africa's industrialisation and for bridging the energy gap. Since then, progress has been made across Africa in both electricity access and energy generation, with household access increasing by about 11%, supported by EU-Africa action including support to the Africa Single Electricity Market (AfSEM), the Continental Master Plan (CMP), investments and capacity building, green energy and digitalisation. 2025 represents a key opportunity for the two continents to deepen cooperation on energy, given the start of a new EU-AU policy and programming cycle, and preparation of the AU Energy Summit, the International Conference on Financing for Development and the 7th AU-EU Summit, combined with the South African Presidency of the G20 and its lessons on the Just Energy Transition Partnership (JETP). Beyond this, 2025 also marks the second year of the AU's Agenda 2063 Second Ten-Year Implementation Plan (STYMP) and a year since the AU joined the G20.

CONTEXT

Oil, gas and minerals make up two-thirds of trade between Africa and Europe and three-quarters of trade between Africa and emerging markets, largely in unprocessed form. Africa offers Europe and the broader global economy a major source of fossil fuels while simultaneously holding enormous renewable energy potential, from solar, wind and hydro resources as well as many untapped critical and strategic raw materials, which could be used to achieve the green, digital and social transitions

At the same time, Europe offers Africa access to finance and technology, alongside decades of expertise in consolidating a single electricity market, through policies, planning, investments, and technologies. With Africa's rich abundance of untapped energy potential, natural assets, young workforce and low baseline emissions, and with industrialised Europe grappling to meet its net-zero climate ambitions by 2050 and diversify away from fossil fuels, the Africa-Europe Partnership offers a compelling proposition for the two continents to work jointly to shape the future global energy landscape.

Electricity use & GHG emissions



“We recognise that Africa's energy transition is vital for its industrialisation and to bridge the energy gap. We will support Africa in its transition to foster just and sustainable pathways towards climate neutrality. We recognise the importance of making use of available natural resources within that energy transition process”.

— Final Declaration of the 6th EU-AU Summit:
A Joint Vision for 2030 (February 2022)

Focus: Africa-Europe Strategy Group on Energy

The AEF Strategy Group on Sustainable Energy was established in 2020 as a platform to explore common and contrasting challenges in sustainable energy access, investment and innovation. In its first phase, a range of initiatives for Africa-Europe collaboration were put forward, such as investing in design and delivery of energy policy and regulation, through support to the African School for Regulation; rolling out clean cooking solutions to more than 900 million people in Africa still reliant on dirty fuels; and calling for greater Africa-Europe energy partnerships, beyond Just Energy Transition Partnerships (JETPs). Over the last year, the SG has turned its attention to track commitments made at the 6th EU-AU Summit and influential advocacy and policy outreach for greater cooperation and alignment to achieve SDG 7, locally-led industrialisation in Africa, and support EU's race towards decarbonisation.

The African continent presents Europe and the broader global economy a diverse array of potential “solutions” to the climate emergency. This includes Africa's emerging role as a green hub for clean and energy intensive industry, as well as its capacity to act as a significant sink for carbon removals.

However, limited dialogue structures are currently in place between Africa and Europe regarding energy access and transition. Over the coming year, implementing a series of energy dialogues could enhance bilateral engagement between Team EU and specific African nations. Both continents should also build on past events, such as the inaugural Africa Climate Summit, COP28, the IEA Summit on Clean Cooking in Africa, the Global African Hydrogen Summit, the UN Summit of the Future, the Accelerated Partnership for Renewables in Africa (APRA) Forum, and COP29 to address fragmentation and create a collaborative environment for planning a shared, prosperous, and decarbonised future that aligns with climate objectives.

There is robust political commitment at the highest levels in both regions to advance the energy agenda, focusing on enhancing energy access and industrialisation in Africa while supporting Europe's energy transition and rapid decarbonisation. These two transformations must progress in a coordinated manner to foster human development, create economic opportunities, and ensure energy security in a carbon-constrained world.

AU-EU JOINT OBJECTIVES AND AREAS OF ACTIONS

At the 6th EU-AU Summit, the two continents made clear their firm commitment to full implementation of the Paris Agreement and the COP process, recognising that Africa's energy transition is vital for its industrialisation and to bridge the energy gap. As such, Europe expressed its support to Africa in its transition to foster just and sustainable pathways towards climate neutrality.

Energy cooperation has been central to the Africa-Europe Partnership, particularly thanks to the Africa-EU Energy Partnership (AEEP). It is recognised that AU energy flagships and multiple AU-EU energy initiatives serve as key instruments for accelerating progress on the ground and fulfilling commitments. However, translating this will into tangible actions and impactful results remains challenging. Greater political and financial commitment from both African and European leaders paired with technology transfer and capacity sharing are needed to drive the energy agenda forward and to ensure energy remains an enabler of development and climate action.

Progress highlights:

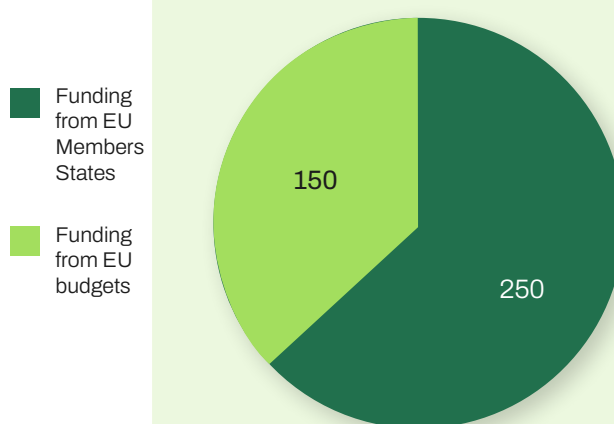
- On the eve of the G20 summit margins in Rio de Janeiro, on 17 November 2024, President Ursula von der Leyen and South African President Cyril Ramaphosa launched the ‘Scaling Up Renewables in Africa’ campaign to drive new commitments on policy and finance from governments, financial institutions, the private sector, and philanthropists to boost renewable power generation and access in Africa. The campaign aims to provide impetus to the COP28 pledge of tripling renewable energy capacity by 2030 and will conclude around the G20 summit in South Africa in November 2025.
- At COP29, the African Union, in partnership with the EU and AFREC launched the African Energy Efficiency Programme and the African Energy Efficiency Alliance (AEEA), underscoring the role of energy efficiency in closing the energy access gap and driving the transformation of Africa's energy systems.

The AEEA will serve as a collaborative platform for knowledge sharing, advocacy, research, and fund mobilization for energy efficiency programs across Africa. It will contribute to the doubling of global energy efficiency improvements by 2030, as called for by COP28

- In the lead-up to COP30 and the new round of NDCs to be submitted in 2025, the EU and 25 countries launched a Call to Action at COP29 to reflect no new unabated coal in their electricity systems as part of their national climate plans. Signatories from Africa include Angola, Ethiopia, Morocco, and Uganda.
- At the IEA Clean Cooking Summit on May 2024, the EC announced that under the 'Africa-EU Green Energy Initiative' €400 million in funding for clean cooking activities were mobilised, combining contributions from EU countries, implementing agencies and public development banks and €150 million from EU funds. The EU backs global and country projects to improve the sector's enabling environment, support micro, small and medium-sized enterprises, and enhance access to finance, while also fostering transition to more efficient and cleaner solutions with a focus on affordability and scalability. Examples are the €10 million contribution to the Spark+ Africa fund with the Danish Investment Fund for Developing Countries and the Belgian Investment Company for Developing Countries, as well as the €12 million for the 'Strengthening the Entrepreneurial Ecosystem for Clean Cooking' programme (with the Netherlands and Denmark).
- 'The Africa-Europe Green Energy Initiative (AEGEI)' is one of the key initiatives of the Global Gateway Africa-Europe Investment Package to be delivered through Team Europe, aiming to deploy by 2030 at least 50 Gigawatts of renewable electricity and providing electricity access for 100 million Africans by 2030. The Initiative focuses on renewable energy, the just transition and the greening of local value chains, supporting the Continental Power Systems Master Plan (CMP) and the African Single Electricity Market (AfSEM). AEGEI covers infrastructure investments and soft activities, stemming from clean energy projects to improving the regulatory and business frameworks. It also seeks to promote cooperation on clean hydrogen production in Africa through four modes of cooperation: research, regulation, investments and trade.
- At COP28, Team Europe partners, including 12 EU member states, the EIB and the EBRD, announced over €20.5 billion for the AEGEI for the 2021-2027 period, including €3.4 billion in grants from the EU, leveraging private sector investments. The first 30 national and regional actions and projects have been approved, reflecting a total budget of €540 million.
- At COP28, EU president Ursula von der Leyen launched the global pledge on renewables and energy efficiency, together with the COP28 presidency and 118 countries (including 33 Africans) as part of the World Action Summit, pledging to triple

The African Energy Efficiency Alliance will contribute to the doubling of global energy efficiency improvements by 2030.

EU budget for clean cooking activities announced in 2024 - totaling 400 millions euros



the global renewables power capacity to at least 11,000 GW by 2030 and doubling energy efficiency improvement rates by 2030. It was also recognised that the CMP and AfSEM fit well in the global and Africa's COP28 commitments to triple renewable energy and pursue green growth by 2030.

- A growing collaboration between the EU and Africa is green hydrogen, supporting green industrialisation and fostering European and African private sectors, creating local value and jobs. Key examples are the EU-Namibia Memorandum of Understanding on green hydrogen signed in November 2022 at COP27, with concrete actions underway in a Team Europe approach to construct the whole ecosystem, from financing to green hydrogen production to port development and transport linkages. In Kenya, President von der Leyen and President Ruto jointly launched the Green Hydrogen Strategy and Roadmap for Kenya at the Africa Climate Summit in September 2023.
- Additionally, since the 6th AU-EU Summit, several national and regional projects, partnerships, and programmes have been launched. The EU signed initiatives with Morocco (EU-Morocco Green Partnership), Namibia (Implementation of MOU on sustainable raw materials value chains and renewable hydrogen), Egypt (Joint Statement on the Nexus of Water Food and Energy during COP27), Kenya (Green Hydrogen Strategy and Roadmap for Kenya), DRC (MoU for a partnership on critical and strategic raw materials value chains), Zambia (MoU on a strategic partnership on sustainable raw materials value chains), and an MOU on Working Arrangements relating to the development of the Lobito Corridor and the Zambia-Lobito rail line. Bilateral programmes span 20+ African nations and several regional initiatives.
- At the international level, the EU supports development of JETPs, including with South Africa since COP26 (2021) and Senegal since the Paris Summit for a New Global Financing Pact (2023).
- Recently, the EU as part of the recent G7 Leaders' Summit launched the Energy for Growth in Africa initiative. The initiative, involving Ivory Coast, Ethiopia, Kenya, Mozambique, Nigeria, Republic of Congo, and South Africa, aims to drive clean energy investments across the continent with strong African countries' ownership, contributing to addressing persistent barriers and gaps, and advancing sustainable, resilient and inclusive growth and industrial development. Efforts will be geared towards ensuring Africa can fulfil its potential to become a global sustainable energy hub.

African countries with an EU strategic partnership/MoU on critical raw materials



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| ■ DRC - MoU for a partnership on critical and strategic raw materials value chains | ■ Zambia - MoU on strategic partnership on sustainable raw materials value chains |
| ■ Namibia - Implementation of MoU on sustainable raw materials value chains and renewable hydrogen | ■ Angola - MoU on the Development of the Lobito Corridor and the Zambia-Lobito rail line |
| ■ Rwanda - MoU on Sustainable Raw Materials Value Chains | |

RECOMMENDATIONS

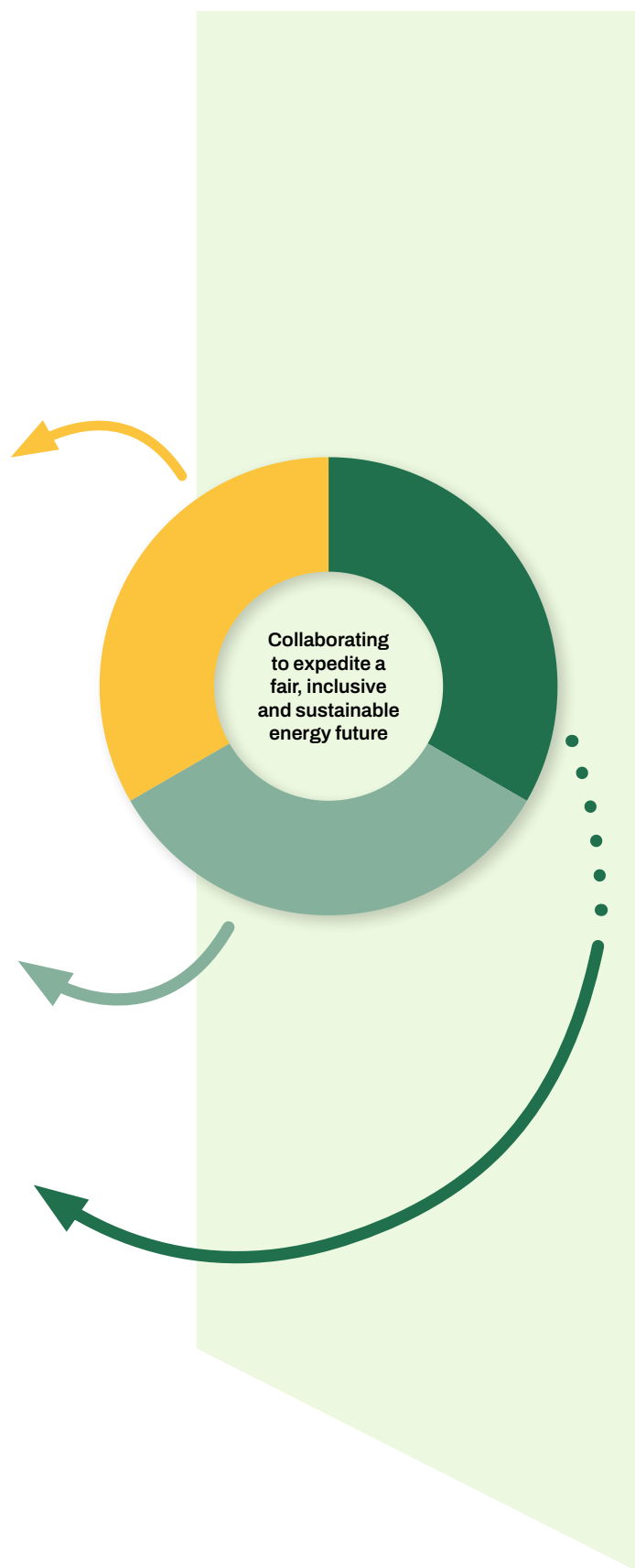
Both continents should work together, recognising their different starting points, to identify shared interests and co-design long-term objectives. The strengths of Africa and Europe can help address the weaknesses in each other's assets and expertise.

1. Collaborating to expedite a fair, inclusive and sustainable energy future

Create credible energy policy frameworks to encourage investment. Africa's limited access to electricity and clean cooking solutions has led to requests for international partners, including the EU, to help build regulatory capacity and mobilise investment in infrastructure to resolve power shortages, blackouts, and the high cost of electricity per megawatt. Renewable energy systems, on- and off-grid, offer low-cost technologies to improve energy access, and provide the basis for industrial development in new value chains, thereby stimulating job creation and economic diversification. In return, African governments need to put in place credible policy frameworks to guarantee returns to investors.

Facilitate more meaningful and productive energy conversations. Despite multiple declarations calling for greater action to deliver energy access in Africa, structured conversations between Africa and Europe on energy access and transitions are rare. Establishing country and regional dialogues around energy issues would lead to more effective bilateral engagement between the EU and African countries, bringing greater investment in infrastructure, renewables, and low-carbon solutions. The APRA initiative, an alliance led by African countries, and Mission 300, an initiative supported by the AfDB and World Bank to electrify 300M Africans by 2030, are two very tangible means to make progress in this area. Europe's technical and financial support and AEGEI alignment with these could be of great value to accelerate progress and impact at scale.

Leverage the inclusion of the AU within the G20 framework. The global spotlight will be on Africa when South Africa takes over the G20 Presidency in 2025, offering a rare global platform to deliver tangible outcomes for the continent's energy future. This includes the continued roll-out of the Africa-EU Green Energy Initiative, amounting to €20.5 billion for the period 2021-2027 and identifying new transformative projects to be funded and implemented. AU flagships such as the Africa Single Electricity Market and the Africa Continental Power Systems Masterplan need full technical support, funding and implementation.



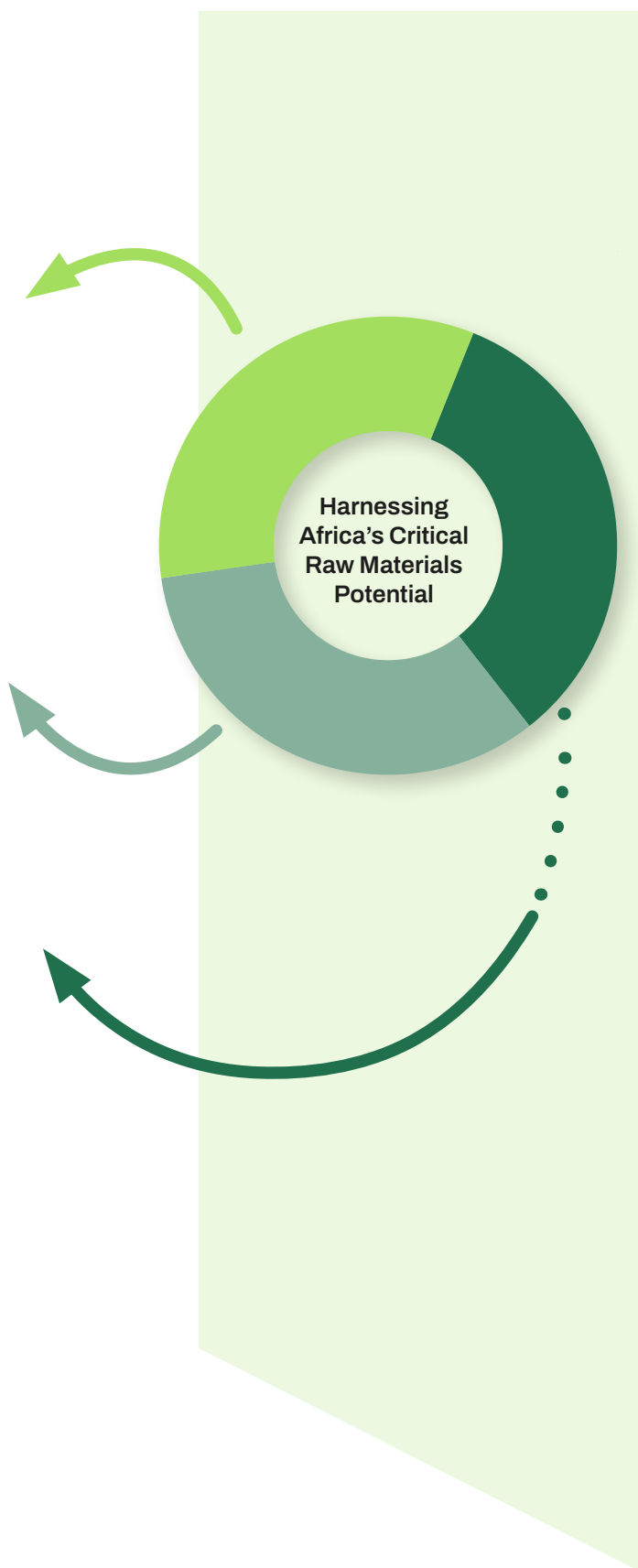
2. Harnessing Africa's Critical Raw Materials Potential

Work with Africa to enable it to take control of its vast resources. Africa's vast endowment of critical raw materials puts it at the heart of ambitions to reach a global, sustainable energy future. The continent has about 30% of the world's critical mineral and substantial lithium deposits that are yet to be explored. These minerals are essential components of the global energy transition and, if mined, processed, and managed properly have the potential to transform some countries and Regional Economic Communities into major industrial hubs that could enable countries across the continent to use their natural resource wealth to meet development goals.

Develop a collaborative strategy on critical raw materials.

To meet rising demand the AU and EU must develop an Africa-Europe strategy on critical raw materials — including a social and economic contract — aligning their respective goals by forecasting supply and demand and nudging the mining sector towards a fresh start with new practices that bring lasting social and environmental benefits. This could also help build greater cross-border collaboration from which to create a larger, more attractive integrated market for industrial investment, guided by an equitable partnership framework that brings heightened focus to transparency in governance and anti-corruption measures.

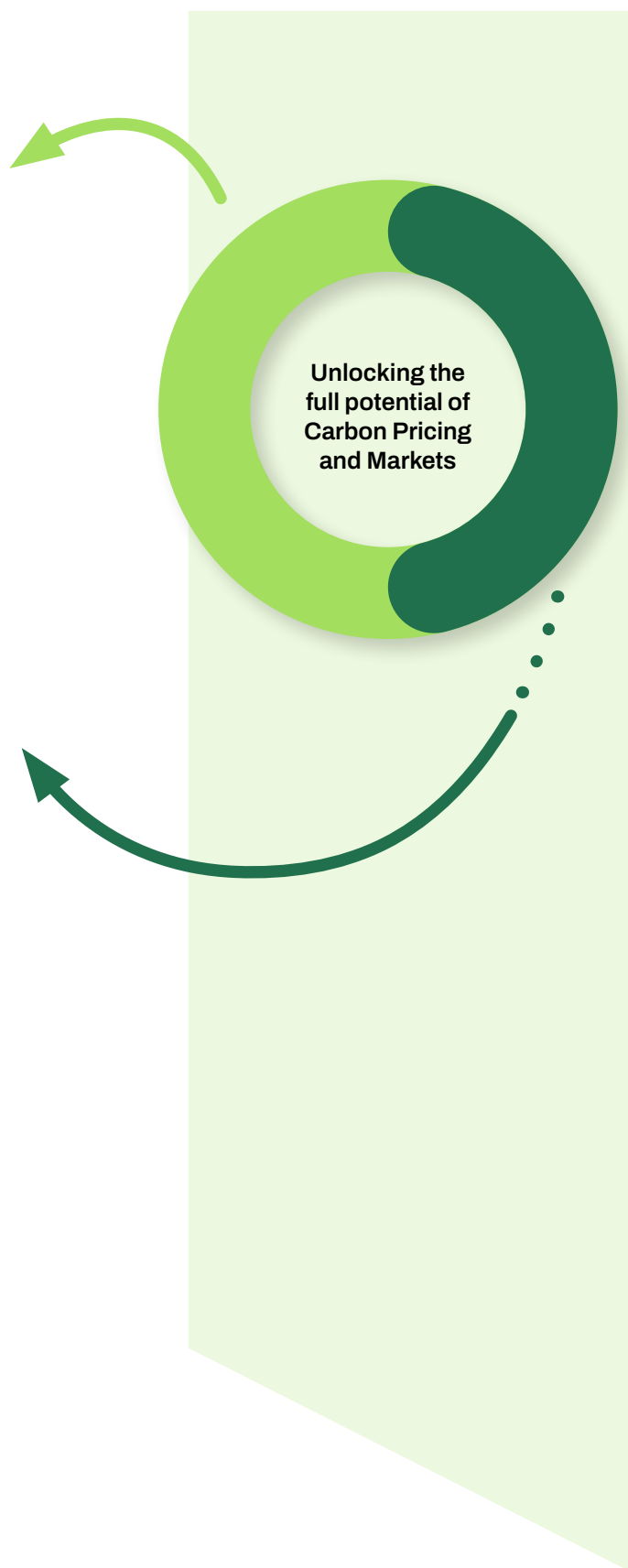
Create industrial partnerships. Critical mineral extraction and processing requires reliable, large amounts of electricity. To expedite this, the EU should work with African countries to develop special economic zones and industrial parks that provide technical and financial assistance to generate reliable quantities of low carbon electricity and build local value chains across a number of manufacturing operations. These industrial partnerships could create multiple employment opportunities for local people and generate revenue for local and national governments; whilst contributing directly to future and more equitable trade and investment partnerships, advanced under the new EU Clean Industrial Deal.



3. Unlocking the full potential of Carbon Pricing and Markets

Rethink carbon collaboration. The attention given to carbon markets at COP29 with the adoption of Article 6 suggests that this is the perfect time to explore its potential to deliver climate finance and trigger social, economic and environmental benefits. Europe should consider the role African carbon credits could play in meeting the EU's quality and integrity standards in a way that is consistent with maintaining its ambitious climate neutrality obligations. For this, African countries, project proponents, buyers and sellers must establish — and maintain — exacting standards and regulations aligned with internationally recognised certifications and principles to foster trust and confidence.

Support policymakers in a CBAM transition. The EU's CBAM, which will tax carbon-intensive imports such as steel, cement and iron, began a two-year roll out in October 2023, and will be fully in place by January 2026. The mechanism poses considerable challenges for energy trade between Africa as many African countries may lack the resources to invest in cleaner technologies. The AfCFTA Council of Ministers should be invited to provide solutions on CBAM's economic implications and propose remedies, which could include exemptions or the gradual phasing-in of CBAM requirements. Advocating for Africa's interests in the CBAM transitional phase can help mitigate the risk of Africa becoming uncompetitive in European markets. The EU should actively engage with African countries on CBAM's design so it can prepare for a future where energy trade can be used to achieve net-zero targets.



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DISCLAIMER

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