



**For Immediate Release**  
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## **European Union and the U.S. Power Africa Initiative Join Forces to Assist Partner Countries to Reduce Energy Poverty and Increase Access to Electricity in Sub-Saharan Africa**

*Secretary of Treasury Jacob J. Lew and EU International Cooperation and Development Commissioner Neven Mimica sign MOU to strengthen US-EU coordination*

Addis Ababa – Addressing the critical need to finance infrastructure in Africa is a core theme at the United Nation's Third International Conference on Financing for Development in Ethiopia. To support these efforts to improve power generation and access to electricity in sub-Saharan Africa, Secretary of Treasury Jacob J. Lew, and European Union (EU) Commissioner Neven Mimica today signed a Memorandum of Understanding (MOU) to enhance coordination between the EU and Power Africa that will deepen their ongoing long-term engagement with partner countries and the private sector to assist developing countries increase access to electricity for over 600 million people in sub-Saharan Africa.

Commissioner Mimica said: "Today's agreement is a clear sign that the EU and the US are ready to pool their efforts and resources in helping partner countries in Africa to fight energy poverty. Increased access to sustainable energy sources will be essential if we really want to empower those most in need."

USAID's Acting Administrator Ambassador Alfonso Lenhardt said: "The United States and the European Union share a strong commitment to narrowing the electricity gap, one of the greatest barriers to economic growth on the African continent. In addition to further strengthening our partnership with the E.U. and African governments, the MOU signed today will help achieve Power Africa's goals of adding 30,000 megawatts of new, cleaner power capacity and 60 million new connections throughout sub-Saharan Africa and bring us closer to ending extreme poverty."

During the EU-US Development Dialogue in 2014, the EU and the US both declared their intent to develop a “partnership framework” to support their cooperation around energy in Africa. The MOU signed today further confirmed the joint commitment to partner and coordinate efforts and is intended to provide the foundation for collaboration at the country level in Sub-Saharan Africa.

As outlined in the MOU, collaboration will occur on five key areas across sub-Saharan Africa: expanding small-scale and off-grid efforts; coordinating technical assistance mechanisms; aligning policy dialogue and reform efforts to improve the business enabling environment for energy investments; exploring opportunities for blended finance facilities and other types of financial support; and improving energy efficiency.

The European Commission has put in place a comprehensive set of actions to combat energy poverty. From now until 2020, the EU budget alone will allocate more than EUR 2.5 billion (approximately USD \$2.8 billion) in grants to support sustainable energy in Sub-Saharan Africa, with an estimated leveraging of up to EUR 20 billion in financing and investment. Additional assistance provided by European Union Member States will at least double this amount. With these investments, the EU expects to bring electricity to more than 100 million people in Sub-Saharan Africa by 2020. This would contribute to reaching longer-term common goals of bringing access to electricity to 500 million people by 2030, and would help to provide a durable solution to the shortfalls in energy infrastructure, and to power businesses, schools, homes and hospitals.

Power Africa, announced by President Obama in June of 2013, is a unique private-sector focused initiative with over 100 private sector companies, U.S. Government agencies, the World Bank, the African Development Bank, the Government of Sweden, the United Nations’ Sustainable Energy for All initiative, and the African Union’s New Partnership for Africa’s Development (NEPAD). Power Africa reflects the U.S. government's commitment to mobilizing diverse financial resources to help build sustainable and inclusive economies and well governed societies that are accountable to and can deliver on the promise of sustainable development and inclusive prosperity for their citizens.

2015 is a critical year for climate and development with the UN Summit on the Sustainable Development Goals planned for September, and the COP 21 Road to Paris meeting in December. The signing of this MOU is very timely and will by its very nature help partner countries to address our common goals on development and climate adaptation and mitigation.

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