

November 6, 2018

Dr. Akinwumi Adesina
President, African Development Bank Group
Avenue Joseph Anoma
01 BP 1387 Abidjan 01
Côte d'Ivoire

Cc: African Development Bank Board of Directors

Dear President Adesina,

The African Development Bank (AfDB)'s New Deal on Energy for Africa represents the clearest and strongest articulation of ambition on delivering energy access among all of the multilateral development banks. While the AfDB's stated commitment to scaling up energy access is encouraging, progress toward delivering on the New Deal's ambition has been lacking. There have been positive steps – particularly the launch of the Facility for Energy Inclusion – but these good news stories are still the exception rather than the rule, according to recent analysis.

Findings from the report, "The African Development Bank and Energy Access Finance in Sub-Saharan Africa: Trends and Insights from Recent Data" (available at <http://priceofoil.org/AfDBEnergyAccess>), illustrate the AfDB's limited progress and underscore the scale of the shift required in AfDB energy finance. The report finds that the share of AfDB finance for off-grid and mini-grid solutions increased after the launch of the "New Deal on Energy for Africa" – from less than 2 percent of energy approvals in 2014 and 2015, to 6.6 percent in 2016 and 2017. However, this financing is a small fraction of what is needed to meet energy access needs in an age of climate crisis. The undersigned civil society organizations from Africa and internationally therefore write to urge the AfDB to dramatically increase support for mini- and off-grid energy solutions and clean cooking.

According to new International Energy Agency statistics published last week, 600 million people in Sub-Saharan Africa still lack access to electricity, and 890 million lack access to modern energy for cooking. Due to population growth, an estimated 600 million people in Sub-Saharan Africa will lack access to electricity in 2030, mainly in rural areas – unless there are major changes to the status quo. And as you are also aware, according to the International Energy Agency, the least-cost pathway to universal access in Sub-Saharan Africa by 2030 would see 67 percent of electricity investment in off-grid and mini-grid solutions. Off-grid and mini-grid solutions are a demonstrably faster and often cheaper way to deliver electricity services to many rural areas in the short-to-medium term. However, the vast majority of international public finance for electricity has instead supported large-scale, grid infrastructure.

In this vein, despite some minor progress, the AfDB has failed to provide the needed investments in energy access projects. While AfDB finance is expected to deliver energy access to over three million people, it remains far below the AfDB's 2025 target of delivering 75 million off-grid connections. Moreover, the AfDB's support for clean cooking remains extremely low, at less than one percent of its energy finance. At that rate, the AfDB will not achieve its target of providing 150 million households with clean energy solutions for cooking.

In order to address these gaps and achieve its 2025 energy access targets, we recommend that the AfDB:

- 1) Dramatically increase resources for distributed renewable energy and clean cooking to reflect their importance in achieving development outcomes;
- 2) Mandate meaningful civil society participation, which is critical to enhance outcomes, including in country strategy development processes;
- 3) Ensure energy access resources for distributed renewable energy flow to countries with lower levels of energy access and to poorer communities within countries that have relatively higher levels of access;
- 4) Use all the financial tools at its disposal to support scaled-up finance for energy access through distributed renewables, including guarantees and other risk mitigation instruments; and
- 5) Build capacity of local and regional financial institutions to finance energy access solutions.

If the AfDB heeds these recommendations, it will be much more likely to achieve its ambitious targets. Otherwise, these targets will remain just that – aspirations that will be missed while hundreds of millions of Africans remain without access to electricity and clean cooking. We appreciate you taking the time to consider our requests and look forward to your response.

Sincerely,

Abibiman Foundation – Ghana

Adéquations – France

ACCESS Alliance of Civil Society Organisations for Clean Energy Access – International

Africa Centre for Policy Facilitation – Africa

African Climate Reality Project – South Africa

Bank Information Center – United States

Bank Information Center Europe – Europe
Both ENDS – Netherlands
Buliisa Initiative for Rural Development Organisation – Uganda
CADIRE Cameroon Association – Cameroon
CAFOD Catholic Agency For Overseas Development – England and Wales
Centre for 21st Century Issues – Nigeria
Chalimbana River Headwaters Conservation Trust – Zambia
Christian Aid – Kenya
CIDSE – International
Civil Society Network on Climate Change – Malawi
Climate Action Network Tanzania – Tanzania
COMPPART Foundation for Justice and Peacebuilding – Nigeria
Corporate Accountability – United States
Côte d'Ivoire Alliance for Clean Cookstoves – Côte d'Ivoire
Daasgift Quality Foundation – Ghana
deCOALONIZE – Kenya
Earthlife Africa Johannesburg – South Africa
EcoEquity – United States
Free the Marginalized Women Advocates – Ghana
Friends of Environment for Development – Uganda
Friends of the Earth Africa – Africa
Friends of the Earth U.S. – United States
Gender and Environmental Risk Reduction Initiative – Nigeria
Global Rights – Nigeria
Green Advocates International – Liberia
groundWork – South Africa
Health of Mother Earth Foundation – Nigeria
Hivos – East Africa
International Rivers Africa – Africa
Kebetkache Women Development & Resource Centre – Nigeria
Les Amis de la Terre Togo / Friends of the Earth Togo – Togo
Loja de Energias – Mozambique
Lumiere Synergie pour le Developpement – Senegal
Natural Justice – Africa
Oil Change International – International
Oilwatch Africa – Africa
Oilwatch Ghana – Ghana
Oilwatch Togo – Togo
Oxfam – International
Pakistan Fisherfolk Forum – Pakistan
Reacción Climática – Bolivia

Regional Centre for International Development Cooperation – Uganda
Rural Area Development Programme – Nepal
South Durban Community Environmental Alliance – South Africa
Strategic Youth Network for Development – Ghana
Support for Women in Agriculture and Environment – Uganda
SustainUS – United States
Tearfund Nigeria– Nigeria
urgewald – Germany
Women's Environment and Development Organization – United States
WoMin – Africa
World Voices Uganda – Uganda
Zero Campaign – Africa
350 Ghana Reducing Our Carbon – Ghana
350Africa.org – Africa