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ANNEX 14

to the Commission Implementing Decision on the financing of the multiannual action plan in favour of
Sub-Saharan Africa for 2024-2025

Action Document for the Continental Energy Programme in Africa

MULTIANNUAL PLAN

This document constitutes the multiannual work programme within the meaning of Article 110(2) of the Financial Regulation, within the meaning of Article 23 of the NDICI-Global Europe Regulation.

1 SYNOPSIS

1.1 Action Summary Table

1. Title CRIS/OPSYS business reference Basic Act	Continental Energy Programme in Africa OPSYS number: ACT- 62362 Financed under the Neighbourhood, Development and International Cooperation Instrument (NDICI-Global Europe)
2. Team Europe Initiative	Yes Africa - EU Green Energy Initiative (AEGEI)
3. Zone benefiting from the action	The action shall be carried out in Africa (African Union)
4. Programming document	Multi-annual Indicative Programme (MIP) for Sub-Saharan Africa 2021-2027 (Regional MIP).
5. Link with relevant MIP(s) objectives / expected results	The proposed Action intends to contribute to RIP Priority Area 3 (Green Transition). The Specific Objectives concerned are SO1: Strengthen climate resilience at continental level and SO2: Support the development of an efficient, sustainable and resilient African energy sector. The Action will contribute to reaching a number of Results in relation to climate mitigation and resilience (Result 1.1) and sustainable energy (Result 2.1,2.2,2.3 and 2.4)
PRIORITY AREAS AND SECTOR INFORMATION	
6. Priority Area(s), sectors	Priority area 3: Green Transition, targeting the following sectors Climate mitigation and resilience and Sustainable Energy, DAC codes : 230 Energy, 410 General Environment Protection
7. Sustainable Development Goals (SDGs)	Main SDG (1 only): SDG 7 Affordable and clean energy Other significant SDGs (up to 9) and where appropriate, targets: SDGs 1,5, 8, 9, 10,12, 13 and 17
8 a) DAC code(s)	23110 – Energy policy and administrative management : 50% 23210 – Energy generation, renewables sources- multiples technologies : 20%

	23630 – Electric power transmission and distribution : 20% 41010 – Environmental policy and administrative management : 10%			
8 b) Main Delivery Channel	EU institutions - 42000 African Union (excluding peacekeeping facilities) 47005 New Partnership for Africa's Development 47117 Multilateral organisations – 40000			
9. Targets	<input type="checkbox"/> Migration <input checked="" type="checkbox"/> Climate <input type="checkbox"/> Social inclusion and Human Development <input checked="" type="checkbox"/> Gender <input type="checkbox"/> Biodiversity <input type="checkbox"/> Education <input checked="" type="checkbox"/> Human Rights, Democracy and Governance			
10. Markers (from DAC form)	General policy objective @	Not targeted	Significant objective	Principal objective
	Participation development/good governance	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Aid to environment @	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Gender equality and women's and girl's empowerment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Reproductive, maternal, new-born and child health	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Disaster Risk Reduction @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Inclusion of persons with Disabilities @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Nutrition @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	RIO Convention markers	Not targeted	Significant objective	Principal objective
	Biological diversity @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation @	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Climate change adaptation @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Internal markers and Tags	Policy objectives	Not targeted	Significant objective	Principal objective
	Digitalisation @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	digital connectivity digital governance digital entrepreneurship digital skills/literacy	YES <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	NO <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	

	digital services	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	Connectivity @	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	digital connectivity	YES	NO	
	energy	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	transport	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
	health	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
	education and research	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
	Migration @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reduction of Inequalities @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Covid-19	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
BUDGET INFORMATION				
12. Amounts concerned	<p>Budget line(s) (article, item):</p> <p>14.020120: EUR 5 250 000</p> <p>14.020121: EUR 5 250 000</p> <p>14.020122: EUR 4 500 000</p> <p>Total estimated cost: EUR 15 000 000</p> <p>Total amount of EU budget contribution: EUR 15 000 000.</p> <p>AEGEI also involves 12 Member States (Austria (AT), Belgium (BE), Germany (DE), Denmark (DK), Greece (EL), Spain (ES), Finland (FI), France (FR), Italy (IT), Netherlands (NL), Portugal (PT), Sweden (SE)) for a total contribution of EUR 11 000 000.</p>			
MANAGEMENT AND IMPLEMENTATION				
13. Type of financing	<p>Direct management through:</p> <ul style="list-style-type: none"> - Procurement <p>Indirect management with the entities to be selected in accordance with the criteria set out in section 4.4.2</p>			

1.2 Summary of the Action

Since 2015 there has been a strong and continuous cooperation on energy between the European Union (EU) and African Union (AU) institutions, which has substantially involved the expertise and funding of the EU's Global Technical Assistance Facility for Sustainable Energy (EU GTAF) and predecessor Technical Assistance Facility (TAF) contracts.

By now, three key and interlinked line activities on energy have been crystalised, which altogether form the core of the African energy policy:

1. Harmonisation of policy, legal, and regulatory frameworks for operation of power systems and electricity markets;
2. Facilitation of energy planning and project prioritisation and evaluation, by considering the merits of renewable energy, and

3. Multi-sector advancement of energy efficiency.

The above activities are today led by the AU Institutions – most notably the African Union Commission (AUC) – Department of Infrastructure and Energy (DIE), African Union Development Agency - New Partnership for Africa's Development (AUDA-NEPAD), and African Energy Commission (AFREC) – and approved by AU Member States in AU summits. They involve closely and in full participation, consultation and validation the Regional Economic Communities (RECs) and regional sector organisations (i.e. Power Pools and Regional Regulatory Authorities (RRAs)). Continental and other international organisations and associations actively participate and contribute to these activities.

To sustain the ongoing line activities in the future, i.e. in the medium-term of 2024-2028, this Action provides support to the AU Institutions – AUC(-DIE), AUDA-NEPAD, and AFREC – and the AEEP Secretariat on the implementation of:

1. The African Single Electricity Market (AfSEM), led by AUC(-DIE);
2. The Continental (Power System) Master Plan (CMP), led by AUDA-NEPAD; and
3. The African Energy Efficiency Strategy and Action Plan (AfeES), led by AFREC.
4. The Africa-EU Energy Partnership (AEEP)

In the implementation, the Action will advance the cross-border cooperation in power system and electricity market operation, and transmission network development at the national, regional, and continental levels, including a particular interest in the renewable energy and energy efficiency aspects related to the former. It will aim at linking the national (via Transmission System Operators (TSOs)) and regional (via Power Pools) transmission networks for intra-regional electricity trade among neighbouring countries and ensure inter-regional electricity trade among Power Pools, and in parallel enable Africa to trade electricity with Europe. It will also aim to foster efficient utilisation of both electrical and thermal energy across residential, commercial, and industrial sectors, facilitating comprehensive energy system development and market maturation at all governance tiers, encompassing not only electricity but also renewable and conventional fuels. In the implementation, the Action leverages, through the AEEP, Africa's and Europe's strengths to build a strong partnership of equals and foster a dynamic political dialogue on energy across the two continents. Through this partnership, Africa and Europe work together to advance a green energy transition and energy access on both continents, and implement joint initiatives.

Such Action will contribute to the Global Gateway Investment Package (including its commitments to address gender equality and inclusivity throughout its five priority sectors) and will fall under the Team Europe Initiative “Africa-EU Green Energy Initiative (AEGEI)”, following the announcement at the 6th EU-AU Summit in February 2022. Documents of the EU concerning AEGEI highlight the just energy transition in the following manner: “*By 2030, the EU-Africa Green Energy Initiative aims to provide at least 100 million people with access to electricity and €3.4 billion in EU grants will be delivered through Team Europe to support renewable energy, energy efficiency, the just transition and the greening of local value chains.*”

Moreover, the Action will also contribute to the regional MIP Priority Area 3 of the EU's cooperation in Sub-Saharan Africa: “Green Transition”, first and foremost under “Sustainable Energy”, but also to the extent applicable, under “Climate Mitigation and Resilience”, and the Specific Objective 2: “*Support the development of an efficient, sustainable and resilient African energy sector*”.

Likewise, the Action will also aim to strengthen the implementation of the Gender Action Plan III and its key thematic area of engagement : “Addressing challenges and harnessing the opportunities offered by the green transition and the digital transformation”

For the appropriate implementation modality, the Action will take a ‘project approach’ in support to relevant regional structures, i.e. AUC(-DIE), AUDA-NEPAD, and AFREC.

Additionally, the Action will be aligned to the AU Strategy on Gender Equality and AU Women's Empowerment (GEWE) 2018-2028, as well as the African Union Climate Change and Resilient Development Strategy and Action Plan 2022-2032 which emphasizes the need to establish an enabling environment that institutionalizes gender participation in decision making processes.

1.3 Zone benefitting from the Action

The action shall be carried out in Africa, all countries included in the list of ODA recipients. The Action is of a trans-regional nature, fostering regional cooperation in Africa (African Union). Due to the project's nature and the importance to ensure extended regional coverage, the eligibility of the Action extends exceptionally to the following countries or territories, as their participation constitutes a substantial element to ensure the coherence and effectiveness of Union financing or to foster regional or trans-regional cooperation: Algeria, Egypt, Libya, Morocco, Tunisia.

2 RATIONALE

2.1 Context

Energy demand in African economies is expected to nearly double by 2040, as population grows and living standards improve. According to the IEA projections, 273 GW of renewable energy should be added in Africa by 2030 and this figure should reach 579 GW by 2040. The urgency to decarbonise has seen Europe embedding climate imperatives in new policy developments such as the European Green Deal and the Comprehensive Strategy with Africa. Achieving these goals synergistically and in a just and equitable way will require the two continents to further strengthen and expand their collaboration on energy.

Greater alignment can be achieved if the full potential of Africa and Europe's unique relationship is leveraged in a strong political alliance of equals, which enables the twin continents to collaborate on their mutual interests and responsibilities in a spirit of respect and reciprocity. This requires experienced and dedicated support, dialogue which goes well beyond formal fora, and a shared approach to tomorrow's energy and climate topics. The Africa-EU Energy Partnership will help unlock the potential and unique contribution which a partnership of equals between the two continents can bring, underpinned by a strong European support to the AU Flagship Initiatives AfSEM, CMP and AFEES. This strong link between the two continents on energy materializes e.g. in investment support and support on the creation of solid energy markets.

Regional electricity markets transcend multiple jurisdictions. This calls for the harmonisation of policies, legislation, regulatory, and institutional frameworks at the regional and continental levels to enhance greater coordination and cooperation, as well as to remove barriers to facilitate cross-border trade and investments.

Transmission accounts for only around 10% of the total cost of the entire traditional power-sector supply chain, but it serves an essential purpose in the power system to connect low-cost, large-scale sources of electricity generation with important load-bearing distribution centres in cities and large industrial or commercial loads. It is also key to attain national energy access objectives including through renewable sources of energy and to increase the efficiency of national energy systems, a priority in most African Nationally Determined Contributions (NDC).

The existing African transmission system, with a total length of less than 90,000 km, is the major bottleneck for further energy system integration and cross-border trade. A strong interconnected transmission network can also help better integrate energy produced by renewable sources and mitigate the variability of wind and solar production.

The tandem of support for harmonisation of policy, law, and regulation (AfSEM) and support to energy planning and project prioritisation favouring renewable energy (CMP) while advancing energy efficiency (AFEES) is fully aligned with the EU Global Gateway for Africa. Unlike AfSEM and CMP, AFEES goes beyond electricity, taking for the first time a horizontal energy sector approach in the effort of using less energy to achieve the same or higher level of output, whether in the form of electricity, heat, or other types of energy. It involves the optimal use of energy resources to reduce waste, minimize energy losses, and increase productivity with links to resource efficiency and circular economy paradigms. Its ultimate goal is to reduce energy consumption while maintaining or improving the quality of life for individuals and communities.

In that context, the Action will aim at advancing the cross-border cooperation in power system and electricity market operation, and transmission network development at the national, regional and continental levels, as well

as the renewable energy integration and energy efficiency in all energy sectors in line with energy transition pathways. It will be one of the most important enabler of access to energy across the African continent.

Access to energy for economic development and growth is at the heart of the AU's Agenda 2063, with ambitions to develop regional and continental electricity markets and power the industrialisation of the continent. Strengthening the AU-EU partnership aiming at the universal access to sustainable energy has been at the centre of the 6th AU-EU Summit held in Brussels on 18/02/2022.

There are also specific outcomes related to women's economic empowerment within the AU's Agenda 2063¹. Access to affordable energy is indeed critical to the quality of life of women and their economic empowerment. Electricity enables more innovative approaches to agribusiness, by improving storage of perishable products and processing of crops. In Africa, access to energy reduces the time-consuming chores of collecting firewood and biomass for cooking, allowing women more time for productive activities and girls more time to attend school and study².

The UN SDG 7 (Affordable and clean energy) of universal access by 2030 is an ambitious target that is aligned with Agenda 2063 of the AU which aspires to facilitate electricity access through the creation of environmentally sustainable and climate-resilient economies that are supported by the sustainable exploitation of Africa's diverse and vast renewable energy sources.

In view of the above, the European Commission proposed the launch of AEGEI to group the different sustainable energy-related actions under a coherent EU umbrella and highlight the exceptional EU effort in sustainable energy cooperation with Africa.

The Action, while working on three line activities, will be firmly embedded in AEGEI, as contextualised by the Global Gateway strategy for the period 2021-2027, focusing on contribution of AfSEM, CMP, and AfEES to the common EU-Africa strategic target. Such work on AfSEM, CMP, and AfEES will make them the top continental activities of AEGEI.

The Action will boost the development of AfSEM which could reasonably be expected to become one of the largest continental electricity markets in the world by 2040. Regional and cross-border generation and transmission infrastructure will be a major component of the future African power system that will sustain the African electricity market. Continental Power System Masterplan will provide the blueprint for the creation of a continental electricity market and the selection for priority energy projects for PIDA PAP 2. AfEES will provide an underlying structure for efficient use of energy in such continental electricity market.

2.2 Problem Analysis

The African Single Electricity Market (AfSEM). The line activity on the African Single Electricity Market (AfSEM), which has already been under development since 2020 in accordance with the AfSEM Policy Paper and Roadmap, will aim at creating a continent-wide electricity market which will become one of the largest electricity markets in the world covering all 55 AU Member States to serve a population of about 1.3 billion people. Currently, there is an urgent need to support AUC(-DIE) in achieving the mandate given by AU STC TTJET on delivering in the part related to AfSEM in the areas of: (a) Market Readiness, (b) Technical and Operational Readiness, (c) Regulatory Readiness, (d) Market Liberalisation and Utilities Restructuring Readiness, and (e) Institutional Strengthening and Governance Readiness. To fulfil it, AUC(-DIE) will need a strong and continuous multi-annual support in facilitating the process of development, implementation, and operationalisation of AfSEM, which was launched by the AU officially in Addis Ababa, Ethiopia, on 3 June 2021. The process of establishing AfSEM is divided in three phases: (1) 2020 – 2025 Preparation, Institutional Strengthening, and Governance (Establishment of institutions to govern the AfSEM process); (2) 2026 – 2030 Legal and Regulatory Development (Restructuring and regulation of restructured electricity utilities); and (3) 2031 – 2040 Market Opening (Liberalisation of the wholesale and retail markets). This line activity, interlinked with the one related to supporting the development of CMP, will also aim at the creation of enabling environment for generation and transmission

¹ [Key Transformational Outcomes of Agenda 2063 | African Union \(au.int\)](#)

² [Africa Gender Index Report 2019 - Analytical report | African Development Bank Group - Making a Difference \(afdb.org\)](#)

investments, based on robust policy, institutional, operational, regulatory, and market improvements. Hence, a harmonised electricity market in Africa will be developed by supporting AUC(-DIE) in implementing and monitoring actions foreseen in the adopted Policy Paper and Roadmap and further developed in strategic development documents that have been drafted, consulted, validated, and adopted since 2021 under the AU-EU cooperation. Implementation will entail on the basis of coordinating, monitoring, evaluating, and reporting.

The Continental (Power System) Master Plan (CMP). The line activity on the Continental (Power System) Master Plan (CMP), which has already been under development since 2019 in accordance with the CMP Modelling and Implementation Timeline, will aim at providing the blueprint for the creation of a continental electricity market and the selection of priority energy projects for PIDA PAP 2. Currently, there is an urgent need to support AUDA-NEPAD in achieving the mandate given by the AU STC TTIET on delivering in the part related to CMP in the areas of: (a) Demand Forecasting, (b) Long Term Energy Planning, and (c) Network Studies. To fulfil it, AUDA-NEPAD will need a strong and continuous multi-annual support in facilitating the process of modelling and implementation of CMP, for building the state-of-the-art African electricity market and power system model. This is intended to understand the future trends in electricity demand and develop a continent-wide network of infrastructure for generation and transmission to align with the sustainability-related objectives of energy and climate agenda³. The process of developing CMP is divided in three phases: (1) 2019-2020 Preparation (Baseline Study); (2) 2021-2023 Convergence and Planning (Capacity building and development of common modelling approaches); and (3) 2024-2028 Integration and Implementation (Convergence and integration of CMP modelling, prioritisation and evaluation as well as maturing PIDA generation and transmission projects). It is noted that results from Africa's first CMP (phase 2) have already been adopted by the AU Ministerial Specialised Technical Committee (STC) on 15 September 2023, and will be submitted to the AU Heads of State Summit for endorsement in 2024. This line activity, interlinked with the one related to supporting the development of AfSEM, will also aim at establishing an own modelling team within AUDA-NEPAD to be able to align CMP model, databases, and generation and transmission projects, towards developing any new version of CMP with the most recently updated data. Additionally, this line activity will aim at setting a sustainable financing mechanism for maturing PIDA projects. Hence, a physically interconnected power system in Africa will be developed by supporting AUDA-NEPAD in integrating and implementing actions foreseen in the adopted CMP Modelling and Implementation Timeline since 2019 under the AU-EU cooperation. Finally, off-grid electrification activities will be gradually integrated in CMP and aligned with AfSEM in view of future interconnection of the off-grid systems.

The African Energy Efficiency Strategy and Action Plan (AfEES). The line activity on the African Energy Efficiency Strategy and Action Plan (AfEES), which has been under development since 2022 on the basis of prior energy efficiency-related activities conducted in the 2018-2021 period in accordance with the AFREC's expression of interest to EU GTAF for development of the AU Energy Efficiency Strategy and Programme, will aim at achieving a 50% increase in energy productivity by 2050. Currently, there is an urgent need to support AFREC in achieving the target in the sectors of: (a) Industry, including Power Sector, (b) Buildings / Services / Tertiary Sector / Households, (c) Transport / Mobility, and (d) Agriculture. In terms of the nature of the activity, the support is needed in: (a) Policy, (b) Legal and Regulatory Framework, (c) Standards (Equipment standards, Appliances, Building Codes, Eco-Design, MEPS, Labeling, etc.), (d) Enabling of Financing Mechanisms (including ESCOs), (e) Programmes (Commercial and Industrial, Industrial EE, Replacement of diesel generators, etc.), and (f) Awareness Raising and Capacity Building. The process of developing AfEES is divided in three phases: (1) 2018-2021 Preparation (Monitoring of the implementation of MEPS and Energy Labelling, MEPS enforcement and market surveillance, Energy Efficiency Quality Assurance Frameworks for Off-grid Appliances, Reduction of Technical Losses of Transmission and Distribution Lines and Smart Networks Management); (2) 2022-2023 Development of the Strategy and Action Plan (Stock-taking, Data gathering and analysis, and Development of the Strategy, Action Plan and Roadmap); (3) 2024-2028 Adoption and Implementation of the Strategy and Action Plan (support to AFREC, RECS and AU MSs in the actual implementation of the strategies and action plans). This line activity is interlinked with the ones on the development of AfSEM and CMP but it also goes beyond electricity since its focus is not only the electricity sector. It will also aim at gaining ownership of AfEES and its underlying

³ Re-confirmed at the 4th ordinary session of the AU STC-TTIE “Specialised Technical Committee on Transport, Transcontinental and Interregional Infrastructure, and Energy”, titled “Accelerating Infrastructure to Deliver on Agenda 2063 Aspirations”, which took place on 12 – 15 September 2023, in Zanzibar (Tanzania).

documents, plans, and roadmaps by all the continental, regional, and national institutions, so to proceed from 2024 onwards with pre-established understanding of specific background, realistic implementation modalities, and detailed responsibilities of actors. Hence, a set of actionable proposals on energy efficiency in Africa will be developed by supporting AFREC in addressing energy efficiency aspects of power sector, appliances, buildings, industry, transportation, agriculture, and in creating financing mechanisms for energy efficiency , etc. as foreseen in the approved but yet to be adopted African Energy Efficiency Strategy of 2023 under the AU-EU cooperation.

The Africa-EU Energy Partnership (AEEP) Inter-continental alignment on energy between Africa and Europe can be achieved if the full potential of its unique relationship is leveraged in a strong political alliance of equals. This dynamic political dialogue on energy across the two continents is promoted through the Africa-EU Energy Partnership. The AEEP maintains a leading position in setting the bi-continental energy agenda, showcases progress towards SDG7 in Africa, and creates enabling know-how and exchange through knowledge dissemination. The recent AEGEI has given a new impetus and scope to the AEEP activities and will support the strong link between the two continents on energy both in supporting investment but also on the creation of solid energy markets. The AEEP Secretariat, supported by the Action, acts as the engine of the Partnership, serving to fulfill its vision.

In this context, the action should also be designed to include the HRBA, gender mainstreaming and disability inclusion. The data available shows that energy poverty disproportionately affects women and girls. According to UNDP⁴ women spend up to 18 hours a week collecting fuel for cooking.

Identification of main stakeholders and corresponding institutional and/or organisational issues (mandates, potential roles, and capacities) to be covered by the action:

The Action will seek strong involvement of all relevant authorities (and duty bearers) not only at the continental level but also at the regional and national levels, as well as the local level, to foster ownership and sustainability. International organisations and associations, as well as civil society (including women's organisations), too, will be involved whenever possible.

Category	Entities	Role in the establishment of AfSEM
Continental	African Union Commission (AUC) (- Department of Infrastructure and Energy (DIE))	Policy/legal regime for continental harmonisation AfSEM focal point
	African Union Development Agency (AUDA) – New Partnership for Africa's Development (NEPAD)	CMP creation and management CMP focal point
	African Energy Commission (AFREC)	Specialized agency of African Union on Energy AfEES focal point
Regional	REC Divisions for energy	Regional policy and resource mobilisation
	Power Pools	Regional electricity system and market planning, operation, upgrades, guidance, etc.
	Regional regulatory authorities (RRAs)	Regional agreements on the regulatory treatment of the regional power system and electricity market
	Centres for renewable energy/energy efficiency (CREEEs)	Technology promotion and pilot studies and programs

⁴ [Energy and Gender Equality | United Nations Development Programme \(undp.org\)](https://undp.org/)

National	Ministries in charge of energy	National policy and target setting
	Electricity utilities	Restructuring of the organisation
	National regulatory authorities (NRAs)	Licensing, monitoring, setting of tariffs, adopting the rules, the electricity utility performance management, etc.
International Organisations and Associations	European Commission	Supporting the electricity market initiatives in the RECs
	African Development Bank (AfDB)	Financing the electricity market initiatives in the RECs support of Review of Regulatory Governance And Substance (Electricity Regulatory Index, ERI)
	World Bank (WB)	Financing the electricity market initiatives in the RECs
	International Finance Corporation (IFC)	Financing the electricity market initiatives in the RECs
	Power Africa	Supporting capacity building for the electricity market initiatives in the RECs
	Association of Power Utilities of Africa (APUA)	Promoting the development and integration of electricity systems and markets
	African Forum for Utilities Regulation (AFUR)	Promoting best practices in the regulation of electricity
	African Electrotechnical Standardisation Commission (AFSEC)	Harmonized standards support the integration of African power pools and eliminate TBTs and reduce costs
	African School of Regulation (ASR)	A hub for improving regulatory quality and knowledge sharing
	UN Economic Commission for Africa (UNECA)	A policy advisory body and a conduit for multilateral collaboration and regional integration
	UN Environment Programme (UNEP)	Deploying multiple activities like the United4Efficiency and active also in the transportation sector
	UN Habitat	Deploying multiple activities in the buildings sector
	African Association for Rural Electrification (ClubER)	The association for rural electrification in Africa with public sector bodies in the membership

3 DESCRIPTION OF THE ACTION

3.1 Objectives and Expected Outputs

The Overall Objective of this Action is to advance the cross-border cooperation in power system and electricity market operation, and transmission network development at the national, regional, and continental levels, as well as the renewable energy and energy efficiency related to the former, with support to AUC(-DIE), AUDA-NEPAD, and AFREC (while aligning with international gender and human rights standards)

The Specific Objectives of this Action are:

1. **The African Single Electricity Market (AfSEM)** is enabled
2. **The Continental (Power System) Master Plan (CMP)** is operationalised
3. **The Africa Energy Efficiency Strategy (AfEES)** is developed and implemented
4. **The Africa-EU Energy Partnership (AEEP)** is maintained

The Outputs to be delivered by this Action contributing to the corresponding Specific Objectives are the following:

1. Contributing to Specific Objective 1 (AfSEM)

The AfSEM Action Plan is implemented (AfSEM 1), support to AUC(-DIE) in the implementation of initiatives/activities of ad-hoc nature is provided (AfSEM 2), and capacity building – communication – endorsement activities are conducted (AfSEM 3), so that the following Outcomes are achieved

- 1.1 the electricity market in Africa is integrated at all three levels (i.e. national, regional, and continental),
- 1.2 regulation and operation of power systems and electricity markets are harmonised and improved,
- 1.3 larger share of renewable energy in electricity mix is enabled through an adequate framework,
- 1.4 regulatory barriers are removed for both improving cross-border exchange of electricity and increasing generation of electricity from renewable energy sources,
- 1.5 enabling environment is created for renewable energy investments,
- 1.6 climate change is targeted through mitigation by increasing the share of renewable energy in electricity mix
- 1.7 more transmission interconnections and energy storage systems are constructed and better utilised.

2. Contributing to Specific Objective 2 (CMP)

Long term electricity planning is performed (CMP 1), bankable pipeline of CMP projects is prepared (CMP 2), and capacity building – communication – endorsement activities are conducted (CMP 3), so that the following Outcomes are achieved

- 2.1 on-grid electrification is achieved by planning investments primarily in renewable energy and transmission interconnections in Africa,
- 2.2 blueprint for the creation and future development of a continental power system and electricity market is prepared,
- 2.3 priority investment projects primarily in electricity generation from renewable energy sources (RES) are selected,
- 2.4 continental and regional power systems are developed to sustain the development of electricity markets with the highest possible share of electricity from RES in the electricity mix,
- 2.5 renewable energy investments in Africa are enabled and climate change is targeted through mitigation, and key transmission interconnections underlying the increased RES penetration are constructed and operationalised,
- 2.6 bankable priority investment projects are identified and elaborated, in renewable energy as well as in transmission interconnections and energy storage systems, and
- 2.7 off-grid electrification activities are integrated in CMP and aligned with AfSEM in view of future interconnection of the off-grid systems.

3. Contributing to Specific Objective 3 (AfEES)

The AfEES Action Plan is implemented (AfEES 1), energy transition is facilitated (AfEES 2), and capacity building – communication – endorsement activities are conducted (AfEES 3), so that the following Outcomes are achieved:

- 3.1 end use of energy is improved in various sectors such as electricity, agriculture, and buildings as well as in industry and transport sectors,
- 3.2 energy efficiency strategies and policies (including roadmaps and action plans) are developed and adopted at the continental, regional, and national levels, taking into account women's strategic interest and needs.
- 3.3 appropriate policy, legal, regulatory, and technical efforts are developed / fostered to promote energy efficiency, with continental, regional, national and even local authorities, promoting women's participation in the decision making processes

- 3.4 energy efficiency measures are envisaged to reduce greenhouse gas emissions, in addition to contribution to others simultaneously,
- 3.5 retrofit efficiency improvements are targeted, as well as cogeneration and clean cook stoves,
- 3.6 efficiency in new construction and retrofitting of existing buildings are targeted, and
- 3.7 building envelope aspects (e.g. insulation) to better adapt to extreme weather realities in each region are targeted.

4. Contributing to Specific Objective 4

The AEEP Secretariat fosters an integrated dialogue between Europe and Africa and facilitates Green Diplomacy (AEEP1), serves as a knowledge hub to inform the dialogue (AAEP 2) and supports African institutions for joint action (AEEP3), so that the following outcomes are achieved

- 4.1 an integrated dialogue in a partnership of equals that supports the Africa-EU Green Energy Initiative and a just energy transition in Africa is realised,
- 4.2 evidence and knowledge products for a just energy transition in Africa (including information on the Africa-EU Green Energy initiative) are inserted into the dialogue.

3.2 Indicative Activities

Activities relating to SO1 - Outputs 1.1-1.7 (AfSEM):

AfSEM 1: Implementation of the AfSEM Action Plan - (cross cutting for all 7 Outputs)

Sub-activities:

1. Develop continental, regional, and national policies and regulatory frameworks, including green energy development in Africa;
2. Design continental mechanisms for regulation and coordination of electricity trade across Power Pools (in coordination with CMP line activity); and
3. Establish cooperation with continental, regional, and national institutions to implement the recommendations of the African Common Position on Energy Access and Green Transition.

AfSEM 2: Support to AUC(-DIE) in the implementation of initiatives/activities of ad-hoc nature (cross cutting for all 7 Outputs)

Sub-activities:

1. Provide specific support to the AfSEM Strategic Planning and Coordination Unit; and
2. Provide continuous support in the implementation of specific initiatives/activities related to AfSEM, such as (but not exhausting)
 - a. Solar energy policy framework;
 - b. African Island States energy policies to accelerate their integration with AfSEM policies;
 - c. Energy Access and Just Transition, etc.

AfSEM 3: Capacity Building – Communication – Endorsement (cross cutting for all 7 Outputs)

Sub-activities:

1. Organise targeted communication strategy for AfSEM and implement communication and dissemination activities; and
2. Organise consultation and validation activities based on the participatory approach.

Activities relating to SO2 - Outputs 2.1-2.7 (CMP):

CMP 1: Long Term Electricity Planning (cross cutting for all 7 Outputs)

Sub-activities:

1. Refine the CMP planning methodologies;
2. Support Power Pools in updating their Regional Master Plans;
3. Align the CMP-PIDA PAP processes at the PIDA PAP II mid-term review;
4. Update and maintain the CMP Mwanga database; and
5. Update the CMP for the 2026-2050 time horizon (starting from 2025 baseline information).

CMP 2: Preparation of a Bankable Pipeline of CMP Projects (cross cutting for all 7 Outputs)

Sub-activities:

1. Capacitate AUDA-NEPAD and Power Pools to accelerate the implementation of the CMP roadmap, (including one stop shop);
2. Develop pipeline of bankable projects, and facilitate project preparation funding, project financing, innovative funding models, etc.;
3. Develop systematically an annual CMP Investment Prospectus aimed at tracking the maturity and investment opportunities of the individual CMP projects highlighted; and
4. Support development of the Electricity Trading Financial Markets (in coordination with AUC(-DIE) on AfSEM).

CMP 3: Capacity Building – Communication – Endorsement (cross cutting for all 7 Outputs)

Sub-activities:

1. Organise trainings;
2. Implement communication and dissemination activities; and
3. Organise consultation and validation activities.

Activities relating to SO3 - Outputs 3.1-3.3:

AfEES 1: Implementation the AfEES Action Plan (cross cutting for all 7 Outputs)

Sub-activities:

1. Support AFREC in implementation of AfEES and the development of Continental Guidelines on energy efficiency in Industry, Transport, Agriculture, etc.;
2. Support AFREC, CREEEs and AU Member States to develop and update regional and national strategies and energy efficiency action plans and support the African Energy Efficiency Alliance;
3. Develop Energy Efficiency indicators' reporting system and dashboard to be integrated in AFREC's website and Update and maintain energy efficiency statistics as a database of AFREC's Energy Information System;
4. Establish an end-use energy services knowledge hub building on AFREC's Energy Information System;
5. Establish a set of monitoring and evaluation indicators to produce a baseline and follow up reports; and
6. Develop financial mechanisms and bankable energy efficiency projects.

AfEES 2: Facilitation of energy transition (cross cutting for all 7 Outputs)

Sub-activities:

1. Develop (Continental) Guidelines on energy transition actions at the national level;
2. Support AU Member States and produce roadmap with concrete action plan (milestones); and
3. Coordinate activities with CMP regarding the decarbonisation plans and investments.

AfEES 3: Capacity Building – Communication – Endorsement (cross cutting for all 7 Outputs)

Sub-activities:

1. Organise trainings;
2. Implement communication and dissemination activities;
3. Organise consultation and validation activities; and
4. Develop an online capacity building repository to allow asynchronous access to all trainings and activities deployed.

Activities relating to SO4 - Outputs 4.1-4.2:

AEEP 1: Integrated Political Dialogue and Facilitation of Green Diplomacy (for Output 4.1)

Sub-activities:

1. Carrying out day-to-day work of the Secretariat ;
2. Maintaining structured political dialogue (AEEP Steering Group , Africa EU Green Initiative (AEGEI) policy dialogue functions) ;
3. Hosting the annual high-level AEEP Forum ;
4. Conducting webinar series AEEP Energy talks (and potentially other dialogue formats).

AEEP 2: Knowledge Hub (for Output 4.2)

Sub-activities:

1. Producing annual SDG7 Reports that showcase European contributions to SDG7 in Africa and inform future joint action.
2. Conducting additional analytical work (statistical, market and sectoral analyses) and preparing think pieces (policy briefs, position papers) in order to inform joint action e.g. as part of AEGER
3. Communication and outreach measures to maintain and enhance visibility of the AEEP and Team Europe efforts in the frame of the AEGER, its benefits and achievements

The commitment of the EU's contribution to the Team Europe Initiative to which this Action refers, will be complemented by other contributions from Team Europe members. It is subject to the formal confirmation of each respective member's meaningful contribution as early as possible. The technical assistance support to the subject institutions will be coordinated with other donors. In the event that the TEIs and/or these contributions do not materialise, the EU action may continue outside a TEI framework.

3.3 Mainstreaming

Environmental Protection & Climate Change

Outcomes of the SEA screening (relevant for budget support and strategic-level interventions): Since this Action is of technical assistance modality for policy, legal, regulatory, and technical aspects and not for project and budget support modality, the results of the mandatory environmental and climate change risk screening procedures are not indicated here. However, whenever needed for the generation and transmission project prioritisation and evaluation, the Strategic Environmental Assessment (SEA) screening will be asked for.

Outcomes of the EIA (Environmental Impact Assessment) screening (relevant for projects and/or specific interventions within a project): Since this Action is of technical assistance modality for policy, legal, regulatory, and technical aspects and not for project and/or specific interventions within a project, the EIA (Environment Impact Assessment) screening will not make a part of the Action. However, whenever needed for the generation and transmission project prioritisation and evaluation, the Environmental Impact Assessment (EIA) screening will be asked for.

Outcome of the CRA (Climate Risk Assessment) screening (relevant for projects and/or specific interventions within a project): Since this Action is of technical assistance modality for policy, legal, regulatory, and technical aspects and not for project and/or specific interventions within a project, the CRA (Climate Risk Assessment) screening will not make a part of the Action. However, whenever needed for the generation and transmission project prioritisation and evaluation, the Climate Risk Assessment (CRA) screening will be asked for.

Gender equality and empowerment of women and girls

As per the OECD Gender DAC codes identified in section 1.1, this Action is labelled as G1. This implies that gender equality is a significant objective and that the Action is considered relevant for gender equality. The line activities under the Action Document will affect women and men differently: women are often more affected by energy poverty and housing issues, access to water and sanitation, they bear a greater responsibility for the family's food security, and have a stronger engagement in subsistence farming. Women tend to be receptive to circular economy behaviours, such as reuse and repair. Targeting gender roles and behavioural preferences in energy consumption (e.g. for cooking), as well as waste generation and prevention, is a key pillar in transition to circular economy. In addition, the value of job creation, not least seeing to the trend of the growing number of female entrepreneurs, will be recognised in support schemes vis-à-vis use of RES and energy efficiency measures, as well as ICT-based payments (and other smart grid solutions). Women are more affected by energy poverty, not least connected to the household and to health issues. All line activities comprise an individual gender assessment which helps identifying relevant aspects to enhance gender equality and support especially women's needs. In addition, youth involvement will be prioritised. The support of the implementation and follow up of the Action's objectives will require EU-supported actions to have its own set of specific gender relevant theories of change, and to provide for gender-disaggregated information.

Human Rights

Climate resilient electricity service comes with several severe challenges for the authorities to provide for a satisfactory living conditions for the population in affected areas. Apart from the human rights challenges

emancipating from the deepened energy poverty that could come as a consequence of various effects and phenomena, areas like food security, safety and jobs are threatened. Social services, such as education and health facilities, could have challenges to operate and serve the population without a proper electricity service. People and families may suffer risks of entering into less safe and constructive roles. For support to generation and transmission issues of respect for the property of affected population could come into question, it is necessary to make sure that the risk is minimised and that negative impacts are limited. More specifically, it could imply areas needed for electric infrastructure that are being used for production, agriculture, grazing or other purposes. Outstanding feasibility studies will collect more detailed information on cost-benefit analysis, socio-economic, environment, climate change, gender and human rights viability. Any negative implications shall be mitigated by establishing an environmental and social management plan, engaging the communities, livelihoods if necessary as well as monitoring health and safety measures, among others. This will be assured by applying international best practice as the World Bank safeguards at all individual projects under the intervention. Other implications are not known at this stage. Consistency with Do-No-Significant-Harm principles will be ensured.

Disability

As per the OECD Gender DAC codes identified in section 1.1, this Action is labelled as D1. This implies that the sustainable energy policy aims at creating green economy jobs especially for youth, women, and persons with disability. Socially vulnerable electricity customers, including disabled persons, will have to be protected.

Therefore, attention will be paid to ensure and enable the participation of persons with disabilities in the activities (accessibility of actions, consulting with disabilities organizations and encourage inclusive communication)

Article 4 of the Convention on the Rights of Persons with Disabilities (CRPD) requires governments to include persons with disabilities and their representative organisations in policy planning

The Action will be in line with the EU Strategy for the Rights of Persons with Disabilities 2021-2030, and the EU Guidance Note Disability inclusion in EU external action

Reduction of inequalities

Since the Action is considered relevant for inequality reduction and that with a significant objective, it is labelled as I-1. The transition into a climate neutral economy based on universal access to energy as well as its sustainable use, requires measures to assure that burdens and opportunities are distributed in a reasonable equal way. Failing to do so could directly lead to increased inequalities, as as each transition will result in groups and individuals gaining or losing power in an unforeseen way. Access to energy is a divider for creation or suppression of inequalities in so far that people living without access have lesser opportunities for education, health, safety and livelihoods. Also the pricing of energy is decisive, as high prices exclude those who do not have the means, while giving opportunities to the more wealthy part of the population. If the generation and transmission, as well as energy efficiency projects are not well-planned and executed, they may not provide benefits to all members of affected communities, exacerbating socio-economic inequalities. For the purpose of promoting entrepreneurship, a threshold to start own business should be low. To further support the development of the electricity sector, measures relevant for the use of RES and/or energy efficiency measures will have to address and reduce inequalities. However, many Africans are directly affected by climate change. Those living in areas affected by droughts or flooding risk losing properties and livelihoods, which easily lead to increased inequalities. Strengthening resilience of natural resources management, as well as energy and finance are therefore ways of addressing inequalities.

Democracy

The Action will strengthen the capacity of relevant continental, regional, and national (including local ones) bodies necessary for democratic governance of energy and natural resources. This will be done in capacity building efforts and technical assistance. In projects with an infrastructural dimension, the local population will be consulted using appropriate structures in the decentralised governments, civil society, communities, on a family basis or alike.

Conflict sensitivity, peace and resilience

Land is traditionally a driver of conflict in Africa. For this particular Action Document it will be significant how land is used, protected and restored, for infrastructural measures (e.g. construction of generation and transmission infrastructure, as well as energy efficiency measures of infrastructure nature). In particular, it is necessary to make

sure how consultation mechanisms are set up and who is being consulted. When relevant, special measures may have to be established to mitigate conflict and build the necessary trust with stakeholders. On the energy side, projects can create jobs and stimulate local economic development. Coming along with these positive impacts, there is a risk that energy projects displace communities and disrupt traditional livelihoods. Additionally, there may be negative impacts on the environment and natural resources.

Disaster Risk Reduction

Addressing rising lakes and watershed challenges as a direct way of mitigating disasters, as it could save a large number of families, individuals and enterprises from losing their belongings, investments and livelihoods. The approach will be to collaborate with relevant bodies at all levels tasked to mitigate and resolve natural disasters. It will be necessary to increase gender-responsive affordable livelihood resilience programmes, and training on the climate change-gender nexus.

Other considerations if relevant

N/A

3.4 Risks and Lessons Learnt

Category	Risks	Likelihood (High/ Medium/ Low)	Impact (High/ Medium/ Low)	Mitigating measures
Implementation	Risk 1: Lack of capacity of African Continental Institutions	Medium	High	Capacity building and support is embedded in the Action Document
Political	Risk 2: Political interferences due to the emerging world order in the frame of a new Cold War	Medium	Medium	Policy dialogue, both at the country level and at the regional level. Ensure maintaining legal safeguards
Political	Risk 3: Geopolitical interferences from other international players from Asia at AUC(-DIE) level	Medium	High	Maintain a close relationship also at higher level and support with arguments the merits of the EU offer under the Global Gateway – Also link this support with the offer on Global Gateway energy and infrastructure projects and the Africa-EU Green Energy Initiative
Implementation	Risk 4: Limited interest in energy cooperation, especially with regard to renewable energy, and management	Low	Medium	Focus the implementation measures on cross-border transmission interconnections to facilitate political buy-in, emphasize synergies and share learned lessons

	due to other pressing priorities			
Financial	Risk 5: Lack of resources for practical implementation of proposed measures in the energy sector may affect stakeholders' participation	Medium	High	Engage electricity utilities and private sector actors with an interest in sound energy management and planning

Lessons Learnt:

Since it is crucial to invest in coordination of support to the energy sector institutions in Africa, the EU Delegation to the AU is to facilitate coordination between AUC(-DIE), AUDA-NEPAD, and AFREC (first level) as well as between RECs and their specialised institutions Power Pools, Regional Regulatory Authorities, and Centres for Renewable Energy and Energy Efficiency (second level), at present ineffectively coordinated by AUC(-DIE) due to lack of human resources and weak institutional capacity. In general, the Action implementation will be assessed based on monitoring and evaluation reports including on the track record of successful institutional capacity building, sufficient quality infrastructure development plans, and adequate implementation measures. Deficiencies identified will be addressed by appropriate dialogue or technical assistance measures. Since the EU Delegation has a long-term and successful relationship with main actors in Africa (at the continental and regional levels) as well as with relevant financial institutions (such as the African Development Bank) and many actors at the national level, the risk of unrealistic expectations and underperformance in the Action implementation will be mitigated. In this regard, also the networks and experience of Team Europe partners under AEGEI will be valuable. When needed, additional studies will be done to collect more detailed information, including on cost-benefit analysis, climate change, environment, and gender viability. One of the main lessons learnt is the need to provide substantial complementary technical assistance to the concrete investments in generation and transmission as well as energy efficiency to ensure the Action implementation according to international standards. This assistance usually contains a consultancy support in preparing and implementing projects as well as capacity building. Another particular lesson learnt during the implementation of projects is the importance of emphasising adherence to social and environmental safeguards, and in particular livelihood restoration. All three line activities (AfSEM, CMP, and AfEES) rely on the proven approach (implemented under STC TTIET), with consultation-validation-adoption steps supporting endorsement of the main documents and underlying programmes, as developed and refined during 9 years of experience in working with AUC(-DIE) (since 2014). From the former EU funded SE4ALL programmes in Eastern and Southern Africa and Western and Central Africa, it is learnt that the development of the main documents and underlying programmes has to be participatory, inclusive, and facts oriented, with a strong buy-in from benefiting partners and authorities at all three levels (continental, regional, and national).

3.5 The Intervention Logic

The underlying intervention logic for this Action is based on a strong joint interest of the EU and the AU in implementing the international commitments under the Paris Agreement on Climate Change and thereto underlying activities which provide concrete measures to decarbonise the electricity sector to a maximum possible extent, both on the mitigation (primary objective) and adaptation (significant objective) sides. This Action will support the bicontinental energy dialogue and areas of sustainable energy vis-à-vis generation and transmission projects that promote climate change mitigation and adaptation (renewable energy in generation sub-sector, transmission infrastructure supporting development of renewable energy, and energy efficiency across the whole electricity value chain and in particular on the demand-side. Access to green finance is needed in the realisation of subject projects. The intervention logic builds on a thorough alignment to AU's policy priorities in respective areas, including the AU Agenda 2063 in the energy-related part, i.e. *"harnessing all African energy resources to*

ensure modern, efficient, reliable, cost-effective, renewable and environmentally friendly energy to all African households, businesses, industries and institutions, through building the national and regional energy pools and grids, and PIDA energy projects.” The results of this Action will contribute directly to the implementation of the Team Europe Initiative on the Africa – EU Green Energy Initiative, which is an inherent part of the EU-AU strategic dialogue on energy, and will offer opportunities for coordination and complementarity of the line activities (AfSEM, CMP, and AfEES) necessary to transition into a green economy. The Action should be seen towards the background of the complementarity between EU, its Member States and DFI’s, and towards the background of the AU Agenda 2063.

Through an energy partnership between Africa and Europe, based on reciprocity and mutual respect, the Action will support the implementation of joint initiatives towards a just energy transition. A dynamic political dialogue will allow an alignment of the continent’s policies, institutions and initiatives, including in the framework of the AEGER. This dialogue will be informed by a diverse set of evidence and knowledge products, helping bringing important emerging issues in the energy space. To foster a true partnership of equals, African Institutions will be supported to facilitate the implementation of joint African-European initiatives and to strengthen the African voices within international fora.

By making the African power systems and electricity markets greener and more resilient, the Action will result in a list of significant generation (including from renewable energy sources) and transmission projects, as well as energy efficiency measures, for European DFIs to consider when exploring their next investments. The list will comprise multiple projects to increase green electricity generation capacity of the African power systems. Therein proposed projects will increase the renewable energy capacities and strengthen the grid. Additional electricity generation will be planned as complemented by improved transmission networks to ensure efficient transmission and wheeling of generated electricity. In the medium-term, those new generation and transmission infrastructures will lead to more sustainable, resilient African power systems and electricity markets, and will have a positive impact on end-user tariffs if accompanied by a relevant upgrade of the continental, regional, and national system and market operation rules (i.e. regulations such as grid codes and market rules). The diversification of the generation capacities will mitigate climate change risks. In the long-term, more people will have access to clean, affordable, and reliable energy. The improved African power systems and electricity markets will affect all economic and social sectors, and have a positive impact on jobs, and will support Africa’s push towards a green transition and sustainable development. In the electricity sector, the EU Delegation to the AU will facilitate coordination of development as envisaged under the three line activities – AfSEM, CMP, and AfEES, with the aim to establish the enabling environment for policy, legal, regulatory, and technical frameworks needed for development of renewable energy and energy efficiency, as well as for electricity access, electricity generation and grid resilience.

3.6 Logical Framework Matrix

This indicative logframe constitutes the basis for the monitoring, reporting and evaluation of the intervention.

On the basis of this logframe matrix, a more detailed logframe (or several) may be developed at contracting stage. In case baselines and targets are not available for the Action, they should be informed for each indicator at signature of the contract(s) linked to this AD, or in the first progress report at the latest. New columns may be added to set intermediary targets (milestones) for the Output and Outcome indicators whenever it is relevant.

- At inception, the first progress report should include the complete logframe (e.g. including baselines/targets).
- Progress reports should provide an updated logframe with current values for each indicator.
- The final report should enclose the logframe with baseline and final values for each indicator.

The indicative logical framework matrix may evolve during the lifetime of the Action depending on the different implementation modalities of this Action.

The activities, the expected Outputs and related indicators, targets and baselines included in the logframe matrix may be updated during the implementation of the Action, no amendment being required to the Financing Decision.

PROJECT MODALITY (3 levels of results / indicators / Source of Data / Assumptions - no activities)

Results	Results chain (@): Main expected results (maximum 10)	Indicators (@): (at least one indicator per expected result)	Baselines (values and years)	Targets (values and years)	Sources of data	Assumptions
Impact	The cross-border cooperation in power system and electricity market operation is advanced, and transmission network development at the national, regional, and continental levels achieved, as well as the renewable energy and energy efficiency related to the former, by supporting AUC(-DIE), AUDA-NEPAD, and AFREC		(tbd)	(tbd)		<i>Not applicable</i>
Outcome 1 (1.1-1.7) (AfSEM)	<p>1.1 The electricity market in Africa is integrated at all three levels (i.e. national, regional, and continental)</p> <p>1.2 Regulation and operation of power systems and electricity markets are harmonised and improved</p> <p>1.3 Larger share of renewable energy in electricity mix is enabled through an adequate framework</p>	<p>1.1 The AfSEM Action Plan is implemented (AfSEM 1)</p> <p>1.2 Support to AUC(-DIE) in the implementation of initiatives/activities of ad-hoc nature is provided (AfSEM 2)</p> <p>1.3 Capacity building – communication – endorsement activities are conducted (AfSEM 3)</p>	(tbd)	(tbd)		

	<p>1.4 Regulatory barriers are removed for both improving cross-border exchange of electricity and increasing generation of electricity from renewable energy sources</p> <p>1.5 Enabling environment is created for renewable energy investments</p> <p>1.6 Climate change is targeted through mitigation by increasing the share of renewable energy in electricity mix</p> <p>1.7 More transmission interconnections and energy storage systems are constructed and better utilised</p>					
<p>Outcome 2 (2.1-2.7)</p> <p>(CMP)</p>	<p>2.1 On-grid electrification is achieved by planning investments primarily in renewable energy and transmission interconnections in Africa,</p> <p>2.2 Blueprint for the creation and future development of a continental power system and electricity market is prepared</p> <p>2.3 Priority investment projects primarily in electricity generation from renewable energy sources (RES) are selected</p> <p>2.4 Continental and regional power systems are developed to sustain the development of electricity markets with the highest possible share of electricity from RES in the electricity mix</p> <p>2.5 Renewable energy investments in Africa are enabled and climate change is targeted through mitigation, and key transmission interconnections</p>	<p>2.1 Long term electricity planning is performed (CMP 1)</p> <p>2.2 Bankable pipeline of CMP projects is prepared (CMP 2)</p> <p>2.3 Capacity building – communication – endorsement activities are conducted (CMP 3)</p>	(tbd)	(tbd)		

	<p>underlying the increased RES penetration are constructed and operationalised</p> <p>2.6 Bankable priority investment projects are identified and elaborated, in renewable energy as well as in transmission interconnections and energy storage systems</p> <p>2.7 Off-grid electrification activities are integrated in CMP and aligned with AfSEM in view of future interconnection of the off-grid systems</p>					
<p>Outcome 3 (3.1-3.7)</p> <p>(AfEES)</p>	<p>3.1 End use of energy is improved in various energy sectors such as household, agriculture, industry and transport sectors</p> <p>3.2 Energy efficiency strategies and policies (including roadmaps and action plans) are developed and adopted at the continental, regional, and national levels</p> <p>3.3 Appropriate policy, legal, regulatory, and technical efforts are developed / fostered to promote energy efficiency, with continental, regional, national and even local authorities</p> <p>3.4 Energy efficiency measures are envisaged to reduce greenhouse gas emissions, in addition to contribution to others simultaneously</p> <p>3.5 Efficiency in new construction and retrofitting of existing buildings are targeted</p>	<p>3.1 The AfEES Action Plan is implemented (AfEES 1)</p> <p>3.2 Energy transition is facilitated (AfEES 3)</p> <p>3.3 Capacity building – communication – endorsement activities are conducted (AfEES 4)</p>	(tbd)	(tbd)		

	3.6 Building envelope aspects (e.g. insulation) to better adapt to extreme weather realities in each region are targeted					
Outcome 4 (4.1-4.2) (AEEP)	4.1 Integrated Dialogue in a partnership of equals between Africa and Europe supporting AEGER and a just energy transition 4.2 Evidence and knowledge products on just energy transition inform the dialogue		(tbd)	(tbd)		
Output 1 relating to Outcome 1 (AfSEM)	1.1 The AfSEM Action Plan is implemented (AfSEM 1)	1.1.1 Continental, regional, and national policies and regulatory frameworks including for green energy development in Africa are developed 1.1.2 Continental mechanisms for regulation and coordination of electricity trade across Power Pools (in coordination with CMP line activity) are designed 1.1.3 Cooperation with continental, regional, and national institutions is established to implement the recommendations of the African Common Position on Energy Access and Green Transition	(tbd)	(tbd)		
Output 2 relating to Outcome 1 (AfSEM)	1.2 Support to AUC(-DIE) in the implementation of initiatives/activities of ad-hoc nature is provided (AfSEM 2)	1.2.1 Specific support is provided to the AfSEM Strategic Planning and Coordination Unit 1.2.2 Continuous support is provided in the implementation of specific initiatives/activities related to AfSEM, such as (but not exhausting):	(tbd)	(tbd)		

		<p>a. Solar energy policy framework;</p> <p>b. African Island States energy policies to accelerate their integration with AfSEM policies;</p> <p>c. Energy Access and Just Transition, etc.</p>				
Output 3 relating to Outcome 1 (AfSEM)	1.3 Capacity building – communication – endorsement activities are conducted (AfSEM 3)	1.3.1 Targeted communication strategy for AfSEM is organised and communication and dissemination activities are implemented 1.3.2 Consultation and validation activities are organised based on the participatory approach	(tbd)	(tbd)		
Output 1 relating to Outcome 2 (CMP)	2.1 Long term electricity planning is performed (CMP 1)	2.1.1 The CMP planning methodologies are refined 2.1.2 Power Pools are supported in updating their Regional Master Plans 2.1.3 The CMP-PIDA PAP processes are aligned at the PIDA PAP II mid-term review; 2.1.4 The CMP Mwanga database is updated and maintained 2.1.5 CMP is updated for the 2026-2045 time horizon (starting from 2025 baseline information)	(tbd)	(tbd)		
Output 2 relating to Outcome 2 (CMP)	2.2 Bankable pipeline of CMP projects is prepared (CMP 2)	2.2.1 AUDA-NEPAD and Power Pools are capacitated to accelerate the implementation of the CMP roadmap, (including one stop shop) 2.2.2 Pipeline of bankable projects, favouring renewable energy projects (generation and transmission), is	(tbd)	(tbd)		

		<p>developed, and project preparation funding facilitated, together with project financing, innovative funding models, etc.</p> <p>2.2.3 An annual CMP Investment Prospectus is systematically developed with the aim to track the maturity and investment opportunities of the individual CMP projects highlighted</p> <p>2.2.4 Development of the Electricity Trading Financial Markets is supported (in coordination with AUC(-DIE) on AfSEM)</p>				
Output 3 relating to Outcome 2 (CMP)	2.3 Capacity building – communication – endorsement activities are conducted (CMP 3)	<p>2.3.1 Trainings are organised</p> <p>2.3.2 Communication and dissemination activities are implemented</p> <p>2.3.3 Consultation and validation activities are organised</p>	(tbd)	(tbd)		
Output 1 relating to Outcome 3 (AfEES)	3.1 The AfEES Action Plan is implemented (AfEES 1)	<p>3.1.1 Continental Guidelines on energy efficiency in Industry, Transport, Agriculture, etc.; are developed</p> <p>3.1.2 Regional and national strategies and energy efficiency action plans are developed and/or updated</p> <p>3.1.3 Energy Efficiency indicators' reporting system and dashboard are developed and integrated in AFREC's website and energy efficiency statistics as a database of AFREC's Energy Information System are updated/maintained</p> <p>3.1.4 An end-use energy services knowledge hub building on AFREC's</p>	(tbd)	(tbd)		

		<p>Energy Information System is established</p> <p>3.1.5 A set of monitoring and evaluation indicators to produce a baseline and follow up reports is established; and</p> <p>3.1.6 Financial mechanisms and bankable energy efficiency projects are developed.</p>				
<p>Output 2</p> <p>relating to Outcome 3</p> <p>(AfEES)</p>	<p>3.2 Energy transition is facilitated (AfEES 2)</p>	<p>3.2.1 (Continental) Guidelines on energy transition actions at the national level are developed</p> <p>3.2.2 AU MS's roadmaps with concrete action plan (milestones) are produced</p> <p>3.2.3 Activities with CMP regarding the decarbonisation plans and investments are further aligned.</p>	(tbd)	(tbd)		
<p>Output 3</p> <p>relating to Outcome 3</p> <p>(AfEES)</p>	<p>3.3 Capacity building – communication – endorsement activities are conducted (AfEES 3)</p>	<p>3.3.1 Trainings are organised</p> <p>3.3.2 Communication and dissemination activities are implemented</p> <p>3.3.3 Consultation and validation activities are organised</p> <p>3.3.4 An online capacity building repository is developed to allow asynchronous access to all trainings and activities deployed.</p>	(tbd)	(tbd)		
<p>Output 1</p> <p>relating to Outcome 4</p>	<p>4.1 Integrated Political Dialogue and Facilitation of Green Diplomacy (AEEP1)</p>	<p>4.1.1 AEEP Annual forum events bringing together African and European actors</p>	(tbd)	(tbd)		

(AEEP)		<p>4.1.2 AEEP Energy Talks and similar dialogue formats systematically engage civil society, academia and private sector in discussing key elements of an energy transition are conducted.</p> <p>4.1.3 AEEP Steering Group Meetings and AEGETI coordination meetings between African and European actors are organised</p>				
<p>Output 2 relating to Outcome 4 (AEEP)</p>	4.2 Knowledge Hub (AEEP2)	<p>4.2.1 Reports on the European contributions to SDG7 in Africa are disseminated</p> <p>4.2.2 Sector analysis and policy briefs on energy transition and its climate aspects are disseminated</p> <p>4.2.3 Updates by the Secretariat informing the AEEP's audience (incl. about the AEGETI's status and progress) are disseminated.</p>	(tbd)	(tbd)		

4 IMPLEMENTATION ARRANGEMENTS

4.1 Financing Agreement

In order to implement this action, it is not envisaged to conclude a financing agreement.

4.2 Indicative Implementation Period

The indicative operational implementation period of this action, during which the activities described in section 3 will be carried out and the corresponding contracts and agreements implemented, is 72 months from the date of adoption by the Commission of this Financing Decision.

Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this Financing Decision and the relevant contracts and agreements.

4.3 Implementation of the Budget Support Component

N/A

4.4 Implementation Modalities

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures.

4.4.1 Direct Management (Procurement)

Procurement is envisaged to contribute in achieving Specific Objective 1 "The African Single Electricity Market (AfSEM) is enabled", part of Specific Objective 2 "The development of the Continental (Power System) Master Plan (CMP) is operationalised" and Specific Objective 3 "The Africa Energy Efficiency Strategy (AfEES) is developed/implemented", with cross-cutting action on all related Outputs.

In particular the entity may carry out activities related to: technical support and science advocacy, directly contributing to all the Outputs related to Specific Objective 2 "The development of the Continental (Power System) Master Plan (CMP) :

This call has been launched on February 2024 under a suspensive clause prior to the adoption of this Decision. This is justified because it avoids /minimises a gap with the current Global Technical Assistance Facility (GTAF), whose main activities are currently planned until June 2024.

4.4.2 Indirect Management with a entrusted entity

4.4.2.1

A part of this action may be implemented in indirect management with an entity, which will be selected by the Commission's services using the following criteria: i) Have thematic / regional expertise in the energy area, including in science-policy interface and knowledge management; ii) Have an African anchorage; iii) Have the ability and continental mandate to coordinate and implement cooperation actions on development and energy.

The implementation by this entity entails to achieving part of Specific Objective 2 "CMP is operationalised" of this action. In particular the entity may carry out activities related to: science-policy interface and governance.

4.4.2.2

A part of this action may be implemented in indirect management with Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ). This implementation entails Specific Objective 4 – "AEEP is maintained". The envisaged entity was selected using the following criteria: i) Technical competence in the

energy sector and leverage for private sector investments, ii) Established presence in the renewable energy market in Sub-Saharan Africa, including exposure to various financing instruments and links with financiers, iii) Administrative capability and experience to implement this type of intervention due to its expertise, iv) Experience with management of delegated funds from the EU, v) Demonstrated capacity to coordinate with various stakeholders.

In case the envisaged entity would need to be replaced, the Commission's services may select a replacement entity using the same criteria. If the entity is replaced, the decision to replace it needs to be justified.

4.4.3 Changes from indirect to direct management mode (and vice versa) due to exceptional circumstances (one alternative second option)

Should the implementation through indirect management with the entrusted entity as described in sections 4.4.2.1. and 4.4.2.2 reveal not possible due to circumstances outside of the Commission's control, the Commission will revert to direct management -procurement, contributing in achieving the Specific Objective 2 "CMP is operationalised" and Specific Objective 4 "AEEP is maintained".

Should the implementation through direct management as described in section 4.4.1 reveal not possible due to circumstances outside of the Commission's control, the Commission will revert to indirect management with an entrusted entity, which will be selected by the Commission's services using the following criteria: i) Technical competence in the energy sector and leverage for private sector investments, ii) Established presence in the energy market in Sub-Saharan Africa, iii) Administrative capability and experience to implement this type of intervention due to its expertise, iv) Experience with management of delegated funds from the EU, v) Demonstrated capacity to coordinate with various stakeholders. The implementation entails in achieving the Specific Objective 1 "The African Single Electricity Market (AfSEM) is enabled"; part of the Specific objective 2 "The Continental (Power System) Master Plan (CMP) is operationalised" and Specific Objective 3 "The Africa Energy Efficiency Strategy (AfeES) is developed and implemented".

4.5. Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply.

The Commission's authorising officer responsible may extend the geographical eligibility on the basis of urgency or of unavailability of services in the markets of the countries or territories concerned, or in other duly substantiated cases where application of the eligibility rules would make the realisation of this action impossible or exceedingly difficult (Article 28(10) NDICI-Global Europe Regulation).

4.6. Indicative Budget

Indicative Budget components	EU contribution (amount in EUR)
Implementation modalities – cf. section 4.4	
Specific Objective 1 The African Single Electricity Market (AfSEM) is enabled composed of	4 500 000
Procurement (direct management) – cf. section 4.4.1	4 500 000
Specific Objective 2 The Continental (Power System) Master Plan (CMP) is operationalised composed of	5 750 000
Indirect management with a entrusted entity - cf. section 4.4.2.1	1 750 000
Procurement (direct management) – cf. section 4.4.1	4 000 000

Specific Objective 3 The Africa Energy Efficiency Strategy (AfEES) is developed and implemented composed of	3 000 000
Procurement (direct management) – cf. section 4.4.1	3 000 000
Specific Objective 4 Africa-EU Energy Partnership composed of	1 750 000
Indirect management with GIZ cf. section 4.4.2.2	1 750 000
Procurement – total envelope under section 4.4.1	11 500 000
Evaluation – cf. section 5.2 Audit – cf. section 5.3	May be covered by another Decision
Totals	15 000 000

4.7 Organisational Set-up and Responsibilities

The detailed Programme governance will include provisionally the following bodies: (i) Programme Steering Committee (PSC)

(i) Programme Steering committee for the EU programme (PSC)

The Programme Steering committee for the Continental Energy Programme in Africa will involve the continental bodies co-leading the programme implementation. The AUC, AUDA-NEPAD and AFREC will define and validate the strategic orientations, make amendments and approve the reports with the EU, and further guide on the specific assignments of the Technical Assistance. The Commission will steer discussions including relevant thematic working groups on behalf of the EU with AU-mandated counterparts.

(ii) Programme Steering committee for the AEEP

The AEEP is governed by a Steering Group composed of the European Commission, the African Union Commission, the Common Market for Eastern and Southern Africa (COMESA), Egypt, Germany and Italy. In addition, the Partnership engages closely with the private sector, civil society and academia. As the engine of the Partnership, the AEEP Secretariat's prime task is to uphold and promote a dynamic dialogue between the two continents while simultaneously managing the day-to-day work of the partnership. The Secretariat is hosted by GIZ's Global Energy Transformation Programme (GET.pro).

As part of its prerogative of budget implementation and to safeguard the financial interests of the Union, the Commission may participate in the above governance structures set up for governing the implementation of the action and may sign or enter into joint declarations or statements, for the purpose of enhancing the visibility of the EU and its contribution to this action and ensuring effective coordination.

5 PERFORMANCE MEASUREMENT

5.1 Monitoring and Reporting

The day-to-day technical and financial monitoring of the implementation of this Action will be a continuous process, and part of the implementing partner's responsibilities. To this aim, the implementing partners shall establish a permanent internal, technical and financial monitoring system for the Action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the Action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (Outputs and direct Outcomes) as measured by corresponding indicators, using as reference the logframe matrix (for project modality) and the partner's strategy, policy or reform action plan list (for budget support).

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

With regard to the nature of the Action, data collection, performance monitoring and reporting will be carried out for each thematic sector individually. Specific modalities for each of them (indicators, targets and assumptions) will be defined in the respective contracts/agreements and during the inception phases, in a way that will provide inputs for the performance monitoring of the Action globally.

Likewise, all monitoring and reporting shall assess how the action is considering the principle of gender equality, human rights-based approach, and rights of persons with disabilities, including inclusion and diversity. Indicators shall be disaggregated at least by sex.

5.2 Evaluation

Having regard to the nature of the Action, mid-term evaluations will be carried out for this Action or its components via independent consultants, contracted by the Commission.

It will be carried out for problem solving and learning purposes, in particular with respect to share lessons learnt with other components of the Action and to assess the needs to launch a second phase of the Action.

In case a final or ex-post evaluation is envisaged: It will be carried out for accountability and learning purposes at various levels (including for policy revision).

In addition, all evaluations shall assess to what extent the action is taking into account the human rights-based approach, as well as how it contributes to gender equality and women's empowerment and disability inclusion. Expertise on human rights, disability and gender equality will be ensured in the evaluation teams.

The Commission shall inform the implementing partner at least two months in advance of the dates envisaged for the evaluation missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities.

The evaluation reports may be shared with the partners and other key stakeholders following the best practice of evaluation dissemination. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, apply the necessary adjustments.

The financing of the evaluation may be covered by another measure constituting a Financing Decision.

5.3 Audit and Verifications

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audit or verification assignments for one or several contracts or agreements.

6 STRATEGIC COMMUNICATION AND PUBLIC DIPLOMACY

The 2021-2027 programming cycle will adopt a new approach to pooling, programming and deploying strategic communication and public diplomacy resources.

In line with the 2022 “[Communicating and Raising EU Visibility: Guidance for External Actions](#)”, it will remain a contractual obligation for all entities implementing EU-funded external actions to inform the relevant audiences of the Union's support for their work by displaying the EU emblem and a short funding statement as appropriate on all communication materials related to the actions concerned. This obligation will continue to apply equally, regardless of whether the actions concerned are implemented by the Commission, partner countries, service providers, grant beneficiaries or entrusted or delegated entities such as UN agencies, international financial institutions and agencies of EU member states.

However, action documents for specific sector programmes are in principle no longer required to include a provision for communication and visibility actions promoting the programmes concerned. These resources will instead be consolidated in Cooperation Facilities established by support measure action documents, allowing Delegations to plan and execute multiannual strategic communication and public diplomacy actions with sufficient critical mass to be effective on a national scale.

Appendix 1 REPORTING IN OPSYS

A Primary Intervention (project/programme) is a coherent set of activities and results structured in a logical framework aiming at delivering development change or progress. Identifying the level of the primary intervention will allow for:

Articulating Actions or Contracts according to an expected chain of results and therefore allowing them to ensure efficient monitoring and reporting of performance;

Differentiating these Actions or Contracts from those that do not produce direct reportable development results, defined as support entities (i.e. audits, evaluations);

Having a complete and exhaustive mapping of all results-bearing Actions and Contracts.

Primary Interventions are identified during the design of each action by the responsible service (Delegation or Headquarters operational Unit).

The level of the Primary Intervention chosen can be modified (directly in OPSYS) and the modification does not constitute an amendment of the action document.

The intervention level for the present Action identifies as (tick one of the 4 following options);

Action level (i.e. Budget Support, blending)		
<input type="checkbox"/>	Single action	Present action: all contracts in the present action
Group of actions level (i.e. top-up cases, different phases of a single programme)		
<input type="checkbox"/>	Group of actions	Actions reference (CRIS#/OPSYS#): <Present action> <Other action(s)>
Contract level		
<input checked="" type="checkbox"/>	Single Contract 1	Indirect Management with EU MS agency
<input type="checkbox"/>	Single Contract 2	
	(...)	
Group of contracts level (i.e. series of programme estimates, cases in which an Action includes for example four contracts and two of them, a technical assistance contract and a contribution agreement, aim at the same objectives and complement each other)		
<input checked="" type="checkbox"/>	Group of contracts 1	Direct Management (Procurement) Indirect Management with pillar assessed entity