

Just Energy Transition Partnership with Senegal

The Government of Senegal and the governments of France, Germany, the United Kingdom, Canada, and the European Union (the International Partners Group (IPG)),

1. Following the initiative of the European Union-African Union summit of February 18, 2022 proposing the establishment of new partnerships for a just energy transition in Africa, and the G7 summit in Elmau from June 26 to 28, 2022 confirming the intention of Senegal and the G7 to move together in this direction,
2. Committed to accelerating action to limit global warming to well below 2°C above pre-industrial levels and determined to continue efforts to limit it to 1.5°C, in order to avoid its most harmful effects and risks to societies and economies, which requires a transition of energy systems at the global level,
3. Aware of the specific and global challenges facing Senegal, including unemployment, access to electricity and its cost, the country being highly exposed to the impacts of climate change while contributing marginally to global greenhouse gas emissions, and committed to ensuring universal access to affordable electricity and developing its industrial sector, in line with the African Union's Agenda 2063,
4. Recognizing Senegal's leadership in climate actions, with a strong political commitment to the rapid development of renewable energies following the publication of its nationally determined contribution (NDC) in 2020,
5. Recognizing that Senegal confirms its objective to develop and implement an ambitious energy strategy that will provide universal access to affordable electricity with quality and continuity of service, create new sustainable jobs and support the development of the economy on the basis of a diversified energy mix. And this, taking into account the climate ambition of the countries party to this declaration, with the aim of pursuing efforts to limit the increase in temperature to 1.5°C and in compliance with the commitments made at COP26 in Glasgow and at COP27 in Sharm-el-Sheikh,
6. Considering the commitment of developed countries to provide financial support for developing countries' climate change mitigation and adaptation efforts and recognizing that access to sustainable and concessional sources of finance from developed countries, multilateral institutions and investors is critical to the success of a just and equitable energy transition,
7. Acknowledging that as part of its strategy, Senegal intends to use its natural gas resources as a transitional energy in the perspective of a low-carbon and climate change resilient socio-economic development leading to a significant decrease in emissions compared to the baseline scenario (BAU) of the energy sector as defined in the 2020 NDC, through a gradual phase-out of heavy fuel oils,

8. Following discussions with France and Germany mandated by the IPG, **decide to establish a Just Energy Transition Partnership (JETP)** aimed at supporting and accelerating Senegal's drive towards clean energy sources that will enable inclusive and resilient development.
9. With the effective support of the IPG, Senegal will work on, within the framework of this JETP:
 - the development of a comprehensive climate change resilient strategy for the energy sector, to which an investment plan will be attached, consistent with the goal of limiting temperature increase to 1.5° C in line with the Paris Agreement and with the country's goals of improving universal access to electricity, job creation and affordability. The strategy will include macroeconomic modeling of the most cost-effective low-carbon and climate-resilient pathways;
 - strengthening the development of renewable energy and all the infrastructure and technologies that will accelerate its deployment and use, including improved storage and grid stabilization. Through this ongoing effort, and with the mobilization of IPG financing, Senegal intends to increase the share of renewable energies in installed capacity to 40% of its electricity mix by 2030, in coherence with the studies conducted under the Integrated Low Cost Plan (*Plan Intégré à Moindre Coût PIMC*).
 - the development of its strategy of transitioning its electricity mix from highly polluting fuels to clean energies with a view to reducing the sector's emissions.
10. By COP28, a vision and roadmap for a long-term low greenhouse gas development strategy (LTS) to be finalized by 2024, will be submitted to the UNFCCC Secretariat to reflect Senegal's enhanced climate ambition and inform its next ambitious NDCs. In its Energy Sector Development Policy Letter (LPDSE) 2024-2028, Senegal will integrate the commitments made under this agreement. By COP30, Senegal, in accordance with the Paris Agreement, will adopt a new NDC that will reflect the enhanced climate ambition of its new energy strategy.
11. Senegal will pay particular attention to innovation and technology integration with the support of the IPG, through the development of training and research and development with the ambition of creating a regional hub. These efforts could include equipment manufacturing, strengthening, stabilizing and modernizing the electricity grid throughout the country and continuing interconnections with other countries in the region, strengthening electricity storage capacities, improving energy efficiency and developing capacities to prepare for the production of green hydrogen.
12. Under this JETP, the IPG will significantly support Senegal in implementing its renewed climate ambition as defined in its long-term low greenhouse gas development strategy (LTS) and its updated nationally determined contribution (NDC):
 - To further accelerate the development of renewable energy, including regional interconnection projects, IPG members will mobilize a variety of support tools, including grants and subsidies, concessional loans, guarantees, export credits and technical assistance. This support, in addition to existing efforts, will aim to support Senegal's ambitions, including training and research, technology transfer, expansion and

modernization of the electricity grid, as well as the development of storage capacity, which require significant public and private investments;

- To further develop Senegal's energy strategy referred to in point 9, IPG members will mobilize bilateral and multilateral support tools, including modeling, capacity building, awareness raising, and clean, competitive and proven technology transfer;
- IPG members are also committed to supporting the search for funding and expertise from multilateral development banks, the private sector, sovereign wealth funds and philanthropic foundations, of which the potential is significant, in coherence with the investment plan referred to in point 9;
- IPG members and multilateral development banks, aware of the need for a long-term cooperation and partnership, will mobilize, for an initial period of 3 to 5 years from 2023, 2.5 billion euros of new and additional financing. Additional funding may be mobilized during and beyond this period to support Senegal's ambitions as described in point 9 above;
- To ensure that this transition is fair, equitable and inclusive, so that no one is left behind, and that people can benefit from the opportunities offered by the energy transition in the context of environmentally sound and sustainable exploitation and management of natural resources necessary for the development of clean energy, and affordable and reliable access to electricity for all.

13. Senegal and the IPG decide to create a working group composed of relevant Senegalese representatives and IPG representatives that will meet regularly to implement this partnership. This working group will be supported by a technical secretariat that will be established within 4 months. An investment plan will be prepared to identify the investments required, the appropriate financing plan and the opportunities to implement this just transition, within 12 months. This process, under the leadership of the Government of Senegal, with administrative and technical support from the Secretariat, will clarify which projects will be funded by Senegal and international partners to achieve the common goals.