MEMORANDUM OF UNDERSTANDING BETWEEN

THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

AND THE DEPARTMENT OF FOREIGN AFFAIRS, TRADE AND DEVELOPMENT OF CANADA

FOR REDUCING ENERGY POVERTY AND INCREASING

ACCESS TO SUSTAINABLE ENERGY IN AFRICA

This Memorandum of Understanding (MOU) is made between the United States (U.S.) Agency for International Development (USAID), through the Office of the Coordinator for Power Africa and the Department of Foreign Affairs, Trade and Development of Canada (DFATD) or its successor, hereinafter referred to as the "Participants",

Power Africa is a U.S. Presidential Initiative coordinated by USAID.

The Participants seek to coordinate their respective strengths, expertise and resources in order to pursue activities of mutual interest that support their common goals in sub-Saharan Africa of reducing energy poverty and increasing access to sustainable energy.

This MOU sets forth the intentions of the Participants to work together to support the sustainable development of the energy sector in sub-Saharan Africa through cooperation, including under Power Africa. This MOU provides a proposed framework on which joint activities might be based, but does not impose any legally binding obligation (financial or otherwise) on either of the Participants.

U.S. President Barack Obama launched Power Africa in 2013 to leverage private and public sector partnerships to double access to electricity in sub-Saharan Africa. Power Africa aims to add at least 30,000 megawatts (MW) of new, cleaner electrical power capacity and 60 million electrical connections across sub-Saharan Africa by unlocking sub-Saharan Africa's substantial wind, solar, hydropower, natural gas and geothermal resources.

Power Africa is a partnership among U.S. Government (USG) agencies, African governments, the World Bank Group, the African Development Bank, the Governments of Sweden, the United Kingdom, Norway, the United Nations' Sustainable Energy for All initiative, the European Commission, the African Union's New Partnership for Africa's Development (NEPAD), the International Renewable Energy Agency and more than 100 private sector partners.

Power Africa uses a transaction-based model whereby private investments are leveraged to help push policy and regulatory reforms that enable key energy projects to advance. In addition, Power Africa demonstrated its commitment to increasing access for people living away from the electrical grid by launching Beyond the Grid during the U.S.-Africa Energy Ministerial in 2014.

The Participants recognize the significant financial commitments that have already been made by a number of countries to accelerate efforts to harness Africa's renewable energy potential and expand energy access across the continent, during the 21st Conference of Parties (COP 21) in Paris in December 2015, the Governments of the U.S. and Canada, along with France, Germany, Italy, Japan, the United Kingdom, the European Union, Sweden and the Netherlands committed to mobilizing at least $10 billion cumulatively from 2015 to 2020, to support the Africa Renewable Energy Initiative (AREI). AREI is an African-owned and led initiative to accelerate access to renewable energy and promote the development of renewable energy projects. By harnessing Africa's vast renewable potential, AREI aims to add 10 gigawatts of new renewable energy generation capacity by 2020.

DFATD has been a supporter of energy infrastructure development in Africa as a means to increase social and economic development, working with partners such as African governments, the African Development Bank, NEPAD, and the World Bank Group. The Government of Canada has announced its intention to support AREI, as part of its increased commitment to renewable energy on the continent.

The Participants acknowledge the contributions from countries interested in helping Africa harness its renewable energy potential and improve access to sustainable energy for all.

The Participants fully support Sustainable Development Goal 7 to ensure access to affordable, reliable, sustainable and modern energy for all by 2030, as well as Goal 13 to take urgent action to combat climate change and its impacts.

The Participants' efforts to advance the energy sector in sub-Saharan Africa, including through renewable energy, are intended to support poverty reduction and inclusive and sustainable growth, sustainability and climate compatibility, and partner country ownership and collaboration. Increasing access to electricity would enhance energy security, decrease poverty, and advance economic growth.

As explained in Power Africa's Roadmap to 30,000 MW and 60 million connections (the "Roadmap") launched in January 2016, Power Africa is a multi-partner initiative that aims to leverage the strengths and resources of Power Africa's more than 120 bilateral, multilateral and private sector partners, and combined tools of twelve USG agencies, to implement an ambitious plan to get to our shared goals by 2030.

In addition, Power Africa has an extensive network of staff across sub-Saharan Africa whose role is to implement the concrete plan laid out in the Roadmap by identifying obstacles and tools available among Power Africa's partners to overcome obstacles. Such tools include grants, financing, technical assistance, legal advice, risk guarantees, and political and policy support. As a result, Power Africa has developed significant expertise in identifying the best and most effective tools available to help achieve both Power Africa's and AREI's goals.

Recognizing that, through coordination and collaboration between the Power Africa Coordinator's office in South Africa and Washington, D.C., as well as the USG agencies supporting Power Africa, and DFATD, the Participants intend to work together to support key activities that meet the shared goals of increased energy availability and access in Africa. This collaboration is expected to extend to the regional and national level, where the Participants intend to coordinate to support projects of mutual interest. The Participants intend to leverage one another's expertise, relationships and resources to achieve their shared goals to accelerate Africa's renewable energy potential and expand energy access across the continent.

NOW THEREFORE, desiring to establish a mutually beneficial cooperation, the Participants have reached the following understanding:

PARAGRAPH I

PARTNERSHIP FOCUS AREAS

1. The Participants share common goals and intend to collaborate by:

   (a) sharing information and exploring opportunities to collaborate through investments in multi-lateral financing and project preparation facilities that accelerate access to renewable energy in Africa; and

   (b) working with key partners to identify opportunities for coordination in the implementation of commitments under the Africa Renewable Energy Initiative, including through Power Africa activities and Canada's G7 pledge of $150 million to AREI.

2. Canadian Transaction Advisors. Power Africa currently has a small number of Canadian Transaction Advisors on its team, who provide technical advice to African governments and companies investing in the energy sector, particularly in francophone West Africa. Power Africa could significantly increase its reach and impact, as well as the efficiency and effectiveness of its interventions, particularly in francophone West Africa, by expanding the number of Canadian Transaction Advisors. The Participants intend to share information regarding potential Canadian experts who have the technical expertise to help bolster Power Africa's reach in francophone countries, and to help advance the dozens of existing energy projects in Power Africa's current pipeline and identify new projects. Leveraging Canadian expertise would also enhance Power Africa's engagement with host government officials in sub-Saharan Africa, particularly in francophone West Africa.

3. Outreach to Canadian Companies. Power Africa is an inclusive partnership that today consists of over 120 partners, including more than 100 private sector partners, that aims to double access to electricity in sub-Saharan Africa by encouraging private sector investment. The Participants intend to seek to identify opportunities to increase outreach to Canadian companies so that they, too, can take advantage of project opportunities with Power Africa to advance power deals in sub-Saharan Africa, and network of partners to identify and explore investment opportunities.

4. Support Gender Inclusive Growth in the Power Sector. Each Participant has demonstrated its commitment to advancing gender equality and women's economic empowerment. The Participants intend to collaborate on efforts to comprehensively integrate gender considerations into their respective investments to the energy sector in sub-Saharan Africa with the dual goals of increasing women's participation within the energy sector and increasing women's access to electricity. To facilitate this collaboration, the Participants intend to share their collective strategies on gender integration within the energy sector, and identify specific areas of collaboration through Power Africa's Women in African Power network and other activities to increase access.

5. The above list is illustrative. The Participants' planned areas of collaboration are not intended to be limited to these activities. Where applicable, the Participants intend to jointly mobilize and deploy their resources in support of the energy programs and projects they prioritize through this partnership.

PARAGRAPH II

GENERAL INTENTIONS OF THE PARTICIPANTS

1. The Participants intend to carry out their respective commitments under this MOU in conformity with their respective legal and policy authorities.

2. The Participants intend to join efforts and to maintain a close working relationship in order to achieve the objectives of this collaboration.

3. The Participants intend to keep each other informed, as appropriate, of relevant activities pertaining to this collaboration and to schedule meetings and consultations as needed in order to evaluate the progress of implementation of this MOU and to introduce or modify activities, as deemed necessary.

4. The Participants plan to respect each other's confidentiality policies, with the mutual understanding that the Participants intend to publicize this alliance and its objectives without disclosing any information shared by one Participant with another that it designated as confidential or proprietary.

5. The Participants do not intend to use, in any manner whatsoever, the name, emblem, logo or official seal of the other Participant, or any abbreviation thereof in connection with their business or otherwise, unless expressly authorised by the other Participant in writing.

6. The Participants intend to coordinate with each on all press releases or public statements regarding collaboration activities under this MOU.

7. This MOU is a non-legally binding expression of the current intentions of the Participants. It does not, nor is it intended to create any binding, legal or financial rights or obligations on either side under domestic or international law.

PARAGRAPH III

GENERAL PROVISIONS

1. Modification. This MOU may be modified by written consent of the Participants.

2. Duration and renewal. This MOU is intended to take effect on the date of signature by the Participants and remain in effect until 31 December 2020. It may be renewed by mutual consent of the Participants in writing.

3. Termination. Either Participant may discontinue this MOU at any time, but intend to provide sixty (60) days' prior written notice to the other Participant.

PARAGRAPH IV

NOTICES AND POINT OF CONTACT

1. Any notices pursuant to this MOU may be given in writing and delivered to the following point of contacts:

   (a) In the case of USAID/Power Africa:

   Address:

   Power Africa/U.S. Embassy/Pretoria
   100 Totius Street, Groenkloof,
   Pretoria, South Africa 0027
   Attention: Power Africa Coordinator
   Telephone: +27 12 452-2000

   (b) In the case of DFATD:

   Address:

   Department of Foreign Affairs, Trade and Development of Canada
   125 Sussex Drive,
   Ottawa, Ontario
   K1A 0G2, Canada

or at such other address as may be given from time to time in accordance with the terms of this MOU.

SIGNED in duplicate at Washington, DC, on this Eleventh day of March 2016, in the English and French languages, each version being equally official.

FOR THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT	**FOR THE DEPARTMENT OF FOREIGN AFFAIRS, TRADE AND DEVELOPMENT OF CANADA**