

MEMORANDUM OF COOPERATION
BETWEEN
THE GOVERNMENT OF THE UNITED STATES OF AMERICA
AND
THE GOVERNMENT OF JAPAN
FOR
REDUCING ENERGY POVERTY AND INCREASING ACCESS TO SUSTAINABLE
ENERGY IN AFRICA

THIS MEMORANDUM OF COOPERATION (“**MOC**”) is made between the Government of the United States of America and the Government of Japan, hereafter referred to as the “**Participants**.” The Participants seek to share their respective strengths, expertise and resources in order to pursue activities of mutual interest that support their common goals in Africa, and in particular sub-Saharan Africa, of reducing energy poverty and increasing access to sustainable energy.

WHEREAS:

- (a) The Government of the United States intends to implement this MOC through the United States Agency for International Development (hereafter referred to as “**USAID**”) in furtherance of the goals of Power Africa, a United States presidential initiative (hereafter referred to as “**Power Africa**”) and the Government of Japan intends to implement this MOC through the Japanese Ministry of Foreign Affairs (hereafter referred to as “**MOFA**”);
- (b) Addressing energy challenges in Africa, and in particular sub-Saharan Africa, where two out of three people live without access to reliable electricity, and promoting the development of the continent’s vast renewable energy potential is a critical development issue;
- (c) Recognizing the two countries’ common goal of increasing energy access in Africa, this MOC sets forth the intentions to further align the Power Africa initiative, a U.S. Government-led partnership, and Japan’s relevant efforts in the Tokyo International Conference on African Development (TICAD) process;
- (d) This MOC articulates the Participants’ intention to partner and coordinate efforts and is intended to provide the foundation for collaboration in the energy sector at the country and regional level in sub-Saharan Africa, and this MOC does not impose any legally binding obligation (financial or otherwise) on either of the Participants;
- (e) The United States launched Power Africa in 2013 to leverage private and public sector partnerships to double access to electricity in sub-Saharan Africa, and Power Africa aims to add at least 30,000 megawatts (MW) of new, cleaner electrical power capacity and increase electricity access by at least 60 million new connections by 2030;

- (f) Power Africa is a partnership among twelve U.S. Government departments and agencies, including the Overseas Private Investment Corporation, U.S. Trade and Development Agency, Millennium Challenge Corporation, USAID, U.S. Department of State, U.S. African Development Foundation, U.S. Department of Commerce, U.S. Department of Energy, U.S. Department of Treasury, Export-Import Bank, U.S. Department of Agriculture and U.S. Army Corps of Engineers;
- (g) Since its launch, Power Africa has forged partnerships with African governments, bilateral and multilateral development partners, as well as more than 120 private sector partners. The U.S. Government's initial commitment of \$7 billion has since leveraged more than \$43 billion in additional commitments from its public and private sector partners to date;
- (h) Power Africa uses an innovative transaction-based model whereby private investments are leveraged to help push policy and regulatory reforms that enable key energy projects to move forward;
- (i) Power Africa launched Beyond the Grid during the US-Africa Energy Ministerial in June 2014, a sub-initiative focused exclusively on unlocking investment and growth for off-grid and small-scale energy solutions on the African continent, recognizing that power Africa cannot achieve its ambitious energy access goals through the use of large grid extension projects alone;
- (j) TICAD is a unique process that has made remarkable contributions to African development for more than 20 years through the joint efforts of co-organizers, namely the Government of Japan, the United Nations, the United Nations Development Programme (UNDP), the World Bank and the African Union Commission (AUC);
- (k) Expanding access to energy has been a key issue of focus in the TICAD process, and at its fifth summit (TICAD V) in 2013, the Government of Japan made a commitment to provide financial support amounting to 200 billion JPY (2 billion USD) to promote low-carbon energy in Africa over five years;
- (l) One of the focus areas of the sixth summit (TICAD VI) in August 2016 is the promotion of structural economic transformation through economic diversification and industrialization, and promotion of quality infrastructure investment, including in the energy sector, is an important element in achieving this objective;
- (m) In the context of achieving the common goals of reducing energy poverty and increasing access to sustainable energy in sub-Saharan Africa, Japan expects to bring an additional 1200 MW of power to sub-Saharan African by the end of 2018;

AND

Considering that, the Participants' efforts to advance the development of the energy sector in Africa are intended to support poverty reduction and inclusive and sustainable growth, sustainability and climate compatibility, and partner country ownership and collaboration, and that increasing access to electricity will enhance energy security, decrease poverty, and advance economic growth;

Considering that, the Participants are committed to contribute to the global effort to achieve the Sustainable Development Goals, and in particular to contribute to efforts to

achieve SDG 7, which aims to ensure access to affordable, reliable, sustainable and modern energy for all by 2030;

Considering that, through coordination and collaboration among Power Africa, MOFA and other relevant departments, ministries and agencies of the United States and Japan, the Participants can meet the shared goals more effectively;

Considering that, the Participants' collaboration is expected to extend to the regional and national level, where the Participants intend to coordinate to support projects of mutual interest, while respecting specific needs and unique circumstance of each Party; and

Considering that, the Participants intend to leverage each other's expertise, relationships and resources to achieve the shared goals.

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

Section I

Partnership Focus Areas

The Participants intend to collaborate on the following issues:

1. **Leverage investments in cleaner energy sources, including renewables and natural gas.** The Participants plan to: explore the coordinated development and implementation of projects; share information on project opportunities; enhance transparency; identify constraints to project development and investment; coordinate on policy dialogues with African governments on key regulatory reforms that help improve the business enabling environment for energy sector investment; and provide regular updates on their respective progress toward achieving shared goals.
2. **Advance the geothermal sector in East Africa.** Recognizing that geothermal is an integral aspect of sub-Saharan Africa's renewable energy supply, the Participants endeavour to support sub-Saharan African governments in developing their geothermal potential. Geothermal projects are complex and involve significant exploration risks, so support may include co-leading a stakeholder coordination group, facilitating private sector-led investments as well as public investments as needed based on the country context, working to improve the enabling environment and/or conducting strategic assessments, consistent with and adhering to international and relevant domestic environmental and social standards.
3. **Improve energy efficiency as a means of making additional megawatts available.** The Participants intend to collaborate in enhancing energy efficiency and saving energy, including through the promotion of related energy efficient technology, as an approach to make more megawatts available on the grid. The Participants emphasize that energy efficiency is often a cost-effective and fast way to free up power and can complement the deployment of new generation.
4. **Support cross-border energy trade and regional power pools as well as other interventions to increase generation and access to power.** The Participants intend to build on their existing support for regional power pools, specifically in Southern and East Africa, as a means of strengthening economic integration and expanding access to power. The Participants recognize the importance of enhancing

the capacity of power pool secretariats and, where possible, support projects that contribute to improved regional integration and power trading.

The above list is meant to be illustrative only. The Participants' planned areas of collaboration are not intended to be limited to these activities. Where applicable, the U.S. Government through Power Africa and MOFA intend to jointly deploy their efforts in support of the energy programs/projects they prioritize.

Section II

Next Steps

1. The Participants plan to schedule an initial coordination meeting or video teleconference at which a general overview of the available policy, programming and funding instruments can be discussed.
2. The Participants intend to jointly identify specific areas of collaboration for supporting African governments in the implementation of policy reforms to enable private and public sector investments.
3. To the extent permitted and appropriate, the Participants intend to share activity descriptions, terms of reference and work programs.
4. The Participants intend to explore specific areas of potential collaboration through their respective embassies and agencies supporting energy activities in Africa and, if appropriate, hold joint meetings with partner country government counterparts.

Section III

General Intentions of the Participants

1. The Participants intend to carry out their respective commitments envisioned under this MOC 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 MOC and to introduce or modify activities, as deemed necessary. At least once a year, the Participants expect to meet, either bilaterally, or along with other Power Africa partners, to review and evaluate progress on their collaboration under this MOC and to share each Participant's annual report or other monitoring, evaluation and progress tracking tools to measure the progress being made.
4. The Participants intend to respect each other's confidentiality policies and to refrain from disclosing any information shared by one Participant with another that it designated as confidential or proprietary.
5. The Participants intend not 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 authorized by the other Participant in writing.

6. The Participants intend to coordinate with each other, to the extent practicable, on all press releases or public statements regarding partnership activities under this MOC.
7. This MOC is a non-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.

Section IV

General Provisions

1. **Modifications.** This MOC may be modified by mutual written consent of the Participants.
2. **Duration and renewal.** This MOC is intended to become operative on the date of last signature and to remain operative until December 31, 2018. It may be renewed by mutual consent of the Participants in writing.
3. **Mutual Discontinuation.** This MOC may be discontinued by mutual consent of the Participants or by either Participant, but should endeavor to provide sixty (60) days' prior written notice to the other Participant.

Section V

Points of Contact

The following organizations serve as the principal points of contact for activities under this MOC:

In the case of the United States of America:

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

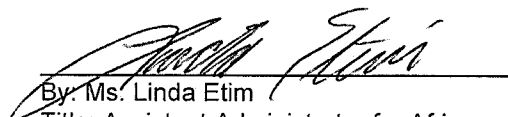
In the case of Japan:

Ministry of Foreign Affairs
2-2-1 Kasumigaseki, Chiyoda-ku
TOKYO, Japan 100-8919
Attention: First Africa Division
Telephone: +81 3 3580 3311

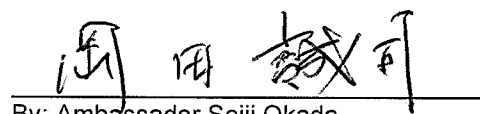
[Signature page follows.]

Signed at TICAD VI, in duplicate, on August 25, 2016.

**FOR THE GOVERNMENT OF THE
UNITED STATES OF AMERICA:**


By: Ms. Linda Etim
Title: Assistant Administrator for Africa
USAID

**FOR THE GOVERNMENT OF
JAPAN:**


By: Ambassador Seiji Okada
Title: Ambassador for TICAD,
Deputy Director General, African Affairs
Department, MOFA