



Norwegian Ministry
of Foreign Affairs



USAID
FROM THE AMERICAN PEOPLE

MEMORANDUM OF UNDERSTANDING

For

Power Africa

Between

the United States Agency for International Development

and

the Ministry of Foreign Affairs of Norway

Purpose

1. Nearly two out of three people in sub-Saharan Africa (“SSA”) do not have access to electricity, which limits access to quality health care, education, job creation, and economic opportunities for almost 600 million people. Africa has an abundant renewable energy potential to close the energy gap with affordable renewable energy sources in ways that meet the goals of the Paris Agreement on Climate Change and the United Nations’ Sustainable Development Goal (“SDG”) 7.
2. The United States Agency for International Development (“USAID”), through the Power Africa Coordinator’s Office (“Power Africa”), and the Government of Norway’s Ministry of Foreign Affairs (“MFA”) (USAID and MFA each a “Participant” and together the “Participants”) seek to contribute their respective strengths, expertise and resources, to support one another’s efforts to: (1) catalyze the sustainable development of power sectors; (2) increase the bankability of power transactions; and (3) ensure access to affordable, reliable and modern energy for all in SSA per SDG 7. By working together, the Participants hope to extend the impact and increase the efficiency of their programs to achieve these goals.
3. The primary intention of the cooperation between MFA and USAID is to deepen collaboration to bring additional power projects to financial close in a socially and environmentally sustainable manner, to support transmission and distribution line expansion, and to increase energy access for all with the goal of reducing energy poverty and promoting economic growth in SSA. This Memorandum of Understanding (“MOU”) articulates some of the commonalities between the Participants’ objectives and approaches and establishes a basis for ongoing dialogue and cooperation between the Participants. This MOU builds on the past five years of successful cooperation between

the Participants started under the Memorandum of Understanding between the United States of America and the Norwegian Ministry of Foreign Affairs for Reducing Energy Poverty and Increasing Access to Sustainable Energy in Africa, signed on December 7, 2015 (“2015 MOU”).

Participants

4. The United States Government (“USG”) launched the Power Africa Initiative, coordinated by USAID, in June 2013 to leverage private and public sector partnerships to double access to electricity in SSA. The United States Congress later passed the Electrify Africa Act of 2015, signaling to the global community that expanding electricity access in SSA is a long-term bipartisan foreign policy priority of the USG. Power Africa, comprised of 12 USG agencies and more than 170 public and private sector partners, aims to add at least 30,000 megawatts (MW) of new, cleaner electrical power capacity and 60 million electrical connections across SSA by 2030. Under Power Africa’s 2.0 Strategy, the initiative has also adopted transmission targets, including the installation of 5,000 kilometers (km) of new transmission lines and the mobilization of \$3 billion in support of transmission projects. Through these efforts, Power Africa is working with its partners to meet the goals of SDG 7 and the Paris Agreement on Climate Change.
5. Renewable energy and climate are key priorities for Norwegian development cooperation, which seeks to help achieve SDG 7 for universal access to modern energy and SDG 13 for reduced emissions of climate-related gases by 2030, with a priority focus on Africa. MFA intends to mobilize private capital for investments in renewable energy projects and develop the energy business sector and intends to achieve this through core activities, such as sector reforms and institutional development and capacity building, that improve the enabling environment for renewable energy. MFA further supports public investments in the extension of the power grid as well as off-grid electricity services for rural areas and the promotion of cleaner cooking. MFA provides bilateral support to around 10 partner countries for renewable energy and supports energy programs of the multilateral development banks, as well as international initiatives and partnerships.
6. Through these efforts and under the 2015 MOU, the Participants have been working together and with other public and private sector partners to meet the targets of SDGs 7 and 13 and the Paris Agreement on Climate Change. The Participants’ future collaboration is intended to take place through follow-up actions in support of these commitments and within the context of the 26th UN Conference of Parties on Climate Change (COP26) and the following COP27, to be hosted in Africa in 2022.

Goals and Objectives

7. Through coordination and collaboration at the headquarters of each Participant and at the regional and national levels, the Participants intend to pursue the following joint strategic goals and objectives under this MOU:

- **Deepen collaboration to expand electricity access:** The Participants have technical skills, resources, and expertise related to increasing access to electricity services through on and off-grid solutions, and they intend to coordinate their efforts in this field, including by sharing strategic approaches and priority countries; coordinating support to integrated electrification planning; using grid connections, small-scale grids, and off-grid solutions; and identifying opportunities to mobilize financial support by jointly leveraging their respective resources and those of other Power Africa private and public sector partners. The Participants further intend to work together to identify constraints to project development and investment and to seek tools to overcome them, to achieve improved economic activity; and to provide sustainable livelihoods and enhanced provision of essential services, such as agriculture, water, education, and healthcare.
- **Support development of hydropower and variable renewable energy projects:** Recognizing that hydropower is an integral aspect of sub-Saharan Africa's energy supply and hydrological resource management is a strength of both Norway and the United States, the Participants endeavor to support sub-Saharan African governments in developing their hydropower potential. This support may include facilitating private sector-led investments; river basin planning; strategic assessments and developing and marketing know-how on environmental, technological, economic, and administrative aspects of hydropower, consistent with and adhering to international and relevant domestic environmental and social standards and guidelines. The Participants also intend to support governments in planning for and adopting increased levels of variable renewable energy technologies, including solar, wind, and geothermal power, where feasible and appropriate.
- **Integrate regional power trade through power pools:** The Participants intend to work with regional power pools as well as other partners to increase renewable energy power generation and access to power through regional integration. The Participants intend to build on their existing support for regional power pools (cross-border electrical power trading networks) as a means of strengthening economic integration, expanding access to power, bolstering electricity trade associated with increased regional penetration of renewable capacity, enhancing the capacity of power pool secretariats and, where possible, facilitating projects that contribute to improved regional integration and power trading.
- **Advance transmission line development through new and innovative investment and operating models:** Recognizing the importance of strengthening national and regional

power infrastructure, particularly transmission line development and maintenance, and advancing regional power trading opportunities, the Participants seek to collaborate in using their respective resources to advance transmission-related transboundary projects and improve the capacity of utilities to reliably interconnect. Collaboration may include: facilitating Public-Private Partnerships in transmission; promoting reforms to enhance private sector collaboration in transmission; advancing smart grid technologies that accommodate higher levels of renewable penetration; encouraging the mobilization of public and private sector finance for transmission development; strengthening utility capacity to plan, procure, and manage transmission projects as well as to improve utility maintenance and interconnection code compliance; and pursuing coordinated national and regional advocacy for targeted transmission projects.

- **Mobilize institutional capital to drive climate finance and benefit SSA's energy sector:** The Participants intend to create collaborative opportunities to encourage institutional capital investments to drive investment into the SSA power sector. These efforts are intended to support both MFA's and Power Africa's ambitions to catalyze new and innovative sources of capital to support SSA's energy markets. The Participants will also aim to catalyze public and private sector partners to substantially increase resources and efforts to provide access to clean energy in sub-Saharan Africa in accordance with SDGs 7 and 13 and the Paris Agreement on Climate Change.
- **Bring innovative solutions in energy access, connectivity, and digital tools to displaced populations:** The Participants intend to align efforts to advance innovative new technology and partnership solutions to transform private sector engagement in the humanitarian context through initiatives such as the Smart Communities Coalition (SCC), a public-private initiative co-chaired by Power Africa that mobilizes resources for improving energy access, connectivity, and digital tools for displaced populations and the communities that host them. MFA and the SCC also support the UN High Commissioner for Refugees' (UNHCR) 'Clean Energy Challenge' which aims to ensure that all refugee settlements and nearby host communities will have access to affordable, reliable, sustainable, and modern energy by 2030.
- **Collaborate and participate in the burgeoning energy storage industry to support the development of sustainable electricity systems in SSA:** The Participants intend to collaborate on supporting and advancing the energy storage lifecycle (R&D, planning, procurement, deployment, operations and maintenance, and decommissioning). Technologies could include battery (chemical) storage, pump hydro, hydrogen, or other technologies to enable greater uptake of renewable energy resources. Power Africa and MFA intend to work with SSA host governments to enhance enabling environments that ensure a conducive climate for investment in energy storage solutions and assist in the

establishment of transparent competitive procurement processes and financing models across energy storage technologies and associated use cases.

- **Promote women's empowerment:** The Participants expect to collaborate on efforts to empower women by increasing their participation and leadership within the energy sector as well as access to electricity through their respective programs and investments in SSA. At least half of Norwegian-supported bilateral development cooperation projects are required to have gender equality as a primary or secondary objective. This collaboration could include programs such as USAID's Women in African Power network and the Young Women in African Power Leadership training (a collaboration with the Young African Leaders Initiative, YALI), or other activities with a gender focus.
- **Collaborate on feasibility studies and Environmental and Social Impact Assessments (ESIAs):** Given the mutual objective of ensuring sustainable development and long-lasting, appropriately sited energy infrastructure, Power Africa and MFA intend to collaborate to provide clear guidance on feasibility studies and ESIs to further de-risk projects for investment. Power Africa and MFA intend to also collaborate to ensure that robust ESIs are created to address potential social and environmental impacts through appropriate mitigation measures.

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

Roles and Responsibilities

8. Under this MOU, USAID, through Power Africa, intends to accomplish the following:
 - Deliver transaction advisory assistance and market-related intelligence to MFA on an as-needed basis, including sharing market intelligence and insights and guidance regarding the enabling environments of sub-Saharan African countries (including IPP, regulatory, and legal frameworks).
 - Identify market needs, information on project opportunities, and constraints to project development and investment for transaction support in countries where MFA, Norfund, and Norwegian companies have projects or potential for investment. (Norfund, the Norwegian Investment Fund for Developing Countries, is a statutory body with limited liability and the main instrument of MFA to promote investments in renewable energy in developing countries.)

- Include MFA and potentially Norwegian private sector investors in the implementation of Power Africa's proposed Mobilizing Institutional Investors activity.
- Identify opportunities for MFA and Norwegian companies to collaborate with Power Africa's interagency counterparts and other public and private sector partners.
- Present opportunities for MFA and Norwegian hydropower and other renewable energy companies to collaborate with United States hydropower and other renewable energy-focused developers and investors, as well as other Power Africa partners.

9. Under this MOU, MFA intends to accomplish the following:

- Provide an additional 2,000 megawatts (MW) of new energy through investments in renewable energy projects and programs in SSA.
- Collaborate on project development and technical assistance with USAID, through Power Africa, as appropriate, to advance transactions and to bring them to financial close.
- Collaborate with USAID, through Power Africa, on sectoral analysis and synthesis of new and innovative approaches to expand private sector participation in energy infrastructure investment.
- Provide technical assistance to improve feasibility studies and ESIA's, particularly in environmentally sensitive technologies like hydropower, to increase sustainable development of and private sector investment in energy projects.

Implementation

10. Upon signature of this MOU, the Participants intend to develop a work plan that will include a schedule to review progress towards mutually established goals and organize a "kick off" meeting to be held within the first six months.

Publicity and Communications

11. Public communications related to this MOU should appropriately attribute the efforts of both Participants, in each case subject to their consent.

12. Joint branding is expected to be used with the written consent of each Participant in accordance with the communication policy mutually decided with respect to each project. Each Participant may make its logo available for use on specific materials at its sole discretion. Each Participant should obtain written approval prior to the publication of all

information and materials that contain the other's logo. The Participants expect that any such materials give equal prominence.

13. The Participants intend to respect each other's confidentiality policies, with the mutual understanding that they publicize their collaboration and its objectives without disclosing any confidential or proprietary information of the other.
14. Each Participant may make the existence and content of this MOU publicly available by press release, public commentary, or other disclosure, and is expected to do so in accordance with their policies or procedures regarding the public disclosure of information and subject to the prior written consent of the other.

Reporting and Collaboration

15. The Participants acknowledge the need for regular reporting on activities and results and intend to collaborate to meet any information needs or applicable reporting requirements in connection with the cooperation under this MOU. At a minimum, the Participants should communicate via semiannual telephone calls between the designated Points of Contact identified below and annual executive meetings. Power Africa's Development Partnerships team intends to invite MFA to participate in an annual data verification event to ensure that information on Norwegian-supported power generation transactions is included in Power Africa's database and results will be counted towards Power Africa's goals. The Participants expect that joint efforts in many locations may necessitate more frequent, working-level contact and intend that the designated Points of Contact at headquarters facilitate establishing country-level points of contact, as needed to coordinate implementation under this MOU.

General Provisions

16. **Duration:** This MOU commences upon the date of the last signature and is intended to continue for five years. The Participants may renew or extend this MOU by mutual written agreement. It is understood that either Participant may withdraw from this MOU by giving thirty (30) days prior written notice to the other Participant.
17. **Modifications:** It is intended that the Participants may modify this MOU only in writing, signed by both Participants.
18. **Effect of MOU:** This MOU is not a treaty, it is not legally binding, and does not give rise to rights or obligations under international or domestic law. The Participants specifically acknowledge that all activities contemplated under the MOU depend upon the availability of funds and that this MOU is not an obligation of funds nor does it constitute a legally binding commitment by any Participant or create any rights in any

third party. The Participants intend to maintain their own separate and unique missions and mandates and their own accountabilities. Unless specifically provided otherwise, the cooperation among the Participants as outlined in this MOU is not intended to be construed as a partnership or other type of legal entity or personality. Each Participant is expected to bear its own costs for any and all expenses incurred by itself related to this MOU. Nothing in this MOU is intended to be construed as superseding or interfering in any way with any arrangements, agreements or contracts entered into among the Participants, either prior to or subsequent to the signing of this MOU. Nothing in this MOU is intended to be construed as an exclusive working relationship.

Points of Contact

19. The Participants intend to join efforts and to maintain a close working relationship to achieve the objectives of this collaboration. The Participants intend to inform their relevant personnel and, in the case of USAID, the interagency counterparts, of this joint commitment to collaborate between USAID and MFA for Power Africa. USAID and MFA have each designated a point of contact for the partnership below. Each Participant may, by written notice, replace or identify additional representatives.

USAID
Power Africa
1300 Pennsylvania Avenue, NW
Washington, D.C. 20523

Government of Norway
Ministry of Foreign Affairs
7. Juniplassen 1, 0251
Oslo, Norway

The Participants, each acting through its duly authorized representative, have caused this Memorandum of Understanding to be signed in their names and delivered as of this 6th day of November, 2021, at Glasgow, Scotland.

Signed, in duplicate, in the English language.

**UNITED STATES AGENCY FOR
INTERNATIONAL DEVELOPMENT**

**MINISTRY OF FOREIGN AFFAIRS
NORWAY**

By: 
(Signature)

Ambassador Samantha Power
Administrator

By: 
(Signature)

Anne Beathe Kristiansen Tvinnereim
Minister of International Development

Witnessing

**UNITED STATES AGENCY FOR
INTERNATIONAL DEVELOPMENT**

**MINISTRY OF FOREIGN AFFAIRS
NORWAY**

By: 
(Signature)

Mark Carrato
Power Africa Coordinator

By: 
(Signature)

Aslak Brun
Director General

