

MEMORANDUM OF COOPERATION

BETWEEN

THE GOVERNMENT OF JAPAN

AND

THE GOVERNMENT OF THE UNITED STATES OF AMERICA

FOR

***REDUCING ENERGY POVERTY AND INCREASING ACCESS TO
CLEANER ENERGY IN AFRICA***

MEMORANDUM OF COOPERATION

This Memorandum of Cooperation (“MOC”) is formulated by the Government of Japan (“GOJ”) and the Government of the United States of America (“USG”) (GOJ hereinafter referred to individually as a “Participant,” and collectively as the “Participants”).

1. USG acting through the United States Agency for International Development (USAID) intends to implement this MOC through the Power Africa Coordinator’s Office (“Power Africa”), housed within USAID, in furtherance of the goals of Power Africa. GOJ intends to implement this MOC through the Ministry of Foreign Affairs (“MOFA”), Ministry of Economy, Trade and Industry (“METI”), the Japan International Cooperation Agency (“JICA”) and other relevant organizations.

2. The participants are committed to strengthening energy security and promoting energy access in the Indo-Pacific, including sub-Saharan Africa, through the Japan-United States Strategic Energy Partnership (JUSEP) which will contribute to the realization of a “Free and Open Indo-Pacific” and making efforts to promote the development of quality infrastructure that ensures openness, transparency, economic efficiency, and debt sustainability in the region.

3. 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. The Participants seek to coordinate their respective strengths, expertise and resources and to support one another's efforts to: (1) support regional integration, cross-border electricity trade and regional power pools; (2) advance transmission line development, reinforcement, and transmission-related support systems and processes; (3) foster the principles of integrated power sector master planning; (4) promote industry engagement; (5) develop sustainable electricity generation; (6) advance the geothermal sector in East Africa; (7) host joint training sessions; (8) extend access to on- and off-grid electricity services; and (9) promote gender equality in the sub-Saharan African power sector.

4. The Participants intend to work together to support key activities and to leverage one another's expertise, relationships and resources to achieve their shared goals to accelerate Africa's energy potential and expand electricity access and energy security across the continent.

5. USG launched Power Africa in June 2013 to leverage private and public sector partnerships to double access to electricity in sub-Saharan Africa. The United States Congress later unanimously passed the Electrify Africa Act of 2015 (the "Electrify Africa Act"), which represents a legislative achievement and a testament to the leadership of Congress in advancing solutions to pressing development issues. On February 8, 2016, the Electrify Africa Act was signed into law, signaling to the global community that expanding electricity access in sub-Saharan Africa is a long-term bipartisan foreign policy priority of the USG. Power Africa's goals target adding at least 30,000 megawatts (MW) of new and cleaner electrical power capacity and 60 million electrical connections across sub-Saharan Africa by 2030. Under Power Africa's 2.0 strategy, the initiative has also adopted transmission targets, including the installation of 5,000 km of new transmission lines and USD \$3 billion mobilized in support of transmission projects.

6. GOJ's collaboration with Power Africa is expected to take place within the context of Japan's relevant efforts in the Tokyo International Conference on African Development (TICAD) process. At TICAD V in 2013, GOJ committed to support low carbon energy including developing efficient transmission and distribution networks, high efficiency thermal power plants and renewable energy projects including solar, wind, geothermal and hydro. In addition, since TICAD VI held in Nairobi, Kenya in 2016, GOJ has proposed to strengthen connectivity by promoting quality infrastructure investment to align with G7 Ise-Shima Principles for Quality Infrastructure Investment and, as the part of the effort, GOJ has committed the support for energy generation capacity utilizing public and private funds. GOJ will continue to contribute to enhancing connectivity through quality infrastructure in accordance with newly endorsed "G20 Principles for Quality Infrastructure Investment."

Desiring to establish a mutually beneficial collaboration, the Participants hereby record the following intentions:

I Partnership Focus Areas

The primary intention of the partnership between GOJ and USG is to help bring additional power projects to financial close, strengthen and expand Africa's transmission networks, and increase electricity access for the purpose of reducing energy poverty and driving economic growth in sub-Saharan Africa. This will strengthen GOJ's intention of supporting Regional Power Pool development, and creating a continental electricity market, aligning with Power Africa's megawatt (MW), connection and transmission goals. To achieve this, the Participants intend to collaborate by sharing information and other resources to achieve progress on the following issues:

1. **Support regional integration, cross-border electricity trade, and regional power pools:** The Participants will collaborate on sectoral master planning, supporting enabling environment reforms, establishing systems operational readiness, and mobilizing public and private sector finance for transmission, through technical assistance programs to sub-Saharan African governments. The Participants also intend to build on their existing support for regional power pools as a means of strengthening economic integration, lowering electricity costs, and expanding access to power. The Participants recognize the importance of enhancing the capacity of power pool secretariats, regulatory bodies, and power pool member utilities and, where possible, supporting projects that contribute to improving the region's electrical integration and power trading mechanisms;
2. **Advance transmission line development, reinforcement, and transmission-related support systems and processes:** GOJ and Power Africa will coordinate efforts to increase electrical transmission infrastructure in Sub-Saharan Africa, including the development of 1,000km of transmission lines with the support of GOJ.
3. **Foster the principles of integrated Power Sector Master Planning:** Acknowledging the importance of strategic planning to guide and facilitate investments toward universal energy access, the Participants decide to harmonize

efforts in the extension of technical assistance and training to country-level policymakers and other strategic energy sector stakeholders;

4. **Promote Industry Engagement:** The Participants intend to work with private Japanese and U.S. businesses, when deemed appropriate for the Participants, to maximize project collaboration opportunities for power sector development in sub-Saharan Africa. The Participants plan to explore the coordinated development and implementation of projects with the private sector including sharing information on project opportunities, enhancing transparency, identifying constraints to project development and investment and providing regular updates on their respective progress toward achieving shared goals;

5. **Develop Sustainable Electric Generation:** Power Africa will draw from its technical support resources, including transaction advisory services and toolbox to support generation projects financed by the Japanese organizations, with the aim of supporting discrete project development. Power Africa's approximately fifty Transaction Advisors offer a wide range of services such as regulatory and legal guidance, financial modeling, market intelligence and business-to-business match making. The Power Africa Toolbox is an online resource which outlines a number of tools (capacity building, financial, legal, etc.) for companies developing energy projects in sub-Saharan Africa. The Participants recognize that generation projects remain of vital importance and seek to collaborate in this area wherever possible;

6. **Advance the geothermal sector in East Africa:** Given that geothermal is an integral aspect of sub-Saharan Africa's renewable baseload energy supply, the Participants endeavor 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 geothermal 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, building technical capacity, and/or conducting strategic assessments, so projects are consistent with and adhere to international and relevant domestic environmental and social standards;

7. **Host Joint Training Sessions:** The Participants will identify a list of countries where joint trainings would support power sector development. The Participants will coordinate trainings on topics such as masterplan development, gender integration, transmission, and electrification - including through specific programs such as Women in African Power (WiAP), the Young African Leaders Initiative (YALI), and Engendering Utilities. These trainings will, among other things, seek to assist countries with creating energy planning strategies that model cost-effective scenarios based on power generation options, projected transmission needs, and anticipated energy demand;

8. **Extend access to on-and off-grid electricity services:** The Participant will work to increase sustainable and reliable electricity access in Sub-Saharan Africa. Projects can include support to rural electrification, small-scale and off-grid electrification and financial and technical support to small-scale and off-grid technologies and approaches. This work can also include collaborating on new micro-/mini-grid tenders or development, including hybridization of existing mini-grids. The Participants will identify opportunities for collaboration, leverage one another's expertise, reach and resources to support Power Africa targets; and

9. **Promote Gender Equality in the Sub-Saharan African power sector:** The Participants will support efforts to advance the meaningful participation of women in the energy sector. The Participants intend to collaborate on projects, programs and policies that strive to reduce gender inequalities and promote effective engagement of both men and women in the energy sector in sub-Saharan Africa. JICA and Power Africa intend to work collectively to increase women's participation in the energy sector workforce, including women's involvement in energy policy development and project planning processes. JICA and Power Africa will work collectively to increase women's access to energy services.

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 collaboration.

II

General Intentions of the Participants

1. The Participants intend to carry out their respective objectives under this MOC in line with their respective laws, regulations, rules, procedures and internal policies.
2. The Participants intend to join efforts and to maintain a close working relationship in order to achieve the objectives of this collaboration. GOJ and Power Africa will designate a point of contact for the partnership. The Participants intend to inform their respective personnel in sub-Saharan Africa and their respective interagency counterparts of this joint commitment to collaboration between the Participants.
3. The Participants intend to keep each other informed, as appropriate, of relevant activities pertaining to this collaboration in order to evaluate the progress of implementation of this MOC and to introduce or modify activities, as deemed necessary. Cooperation outlined in this MOC will be reported through existing consultation frameworks such as JUSEP. As part of this collaboration, the Participants intend to share information regarding development of energy projects and new tenders and quotas to power production through renewable and conventional energy sources in the African countries, with the consent of other partners, as relevant.
4. The Participants endeavor to honor 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 the other that it designated as confidential or proprietary.
5. Neither Participant intends 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, mission or otherwise, unless expressly authorized by the other Participant in writing.
6. The Participants intend to coordinate with each other on all press releases or public statements regarding collaboration activities under this MOC.

III

General Matters

1. This MOC may be modified by mutual written consent of the Participants.
2. This MOC begins on the date of the last signature below and is intended to continue for three years from the date of the last signature. This MOC may be extended by mutual consent of the Participants in writing.
3. This MOC may be terminated by mutual consent of the Participants, or by either Participant acting alone, with the expectation that such Participant will provide sixty (60) days' prior written notice to the other Participant.
4. This MOC is not legally binding in any respect upon either Participant and only represents an expression of the intentions of the Participants. It does not, nor is it intended to, create any legal, financial or other rights or obligations for either Participant under domestic or international law.

IV

Points of Contact

Any notices pursuant to this MOC may be given in writing and delivered to the following points of contact or at such other address as may be given from time-to-time:

In the case of Power Africa:

United States Agency for International Development
1300 Pennsylvania Avenue, NW
Washington, D.C. 20004
Attention: Power Africa Coordinator
Telephone: 202-216-3107

In the case of GOJ:

Ministry of Foreign Affairs
2 Chome-2-1 Kasumigaseki
Chiyoda City, Tokyo
100-8919, Japan

[Signature page follows.]

SIGNED at TICAD7 on 28th August, 2019 in two (2) originals in English,
both texts having equal value.

**FOR THE GOVERNMENT OF
JAPAN:**



By: Ambassador Masahiko Kiya

Title: Ambassador for TICAD,

Deputy Director-General, African
Affairs Department, Ministry of
Foreign Affairs of Japan

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



By: Mr. Andrew M. Herscowitz

Title: Power Africa Coordinator

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**FOR THE GOVERNMENT OF
JAPAN:**



By: Ambassador Masahiko Kiya
Title: Ambassador for TICAD,
Deputy Director-General, African
Affairs Department, Ministry of
Foreign Affairs of Japan

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



By: Mr. Andrew M. Herscowitz
Title: Power Africa Coordinator