AFRICA'S JUST ENERGY TRANSITIONS

A UNIFIED AGENDA FOR SCALABLE, INCLUSIVE, AND VIABLE SOLUTIONS

RES4AFRICA FOUNDATION

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European Investment Bank

On Tuesday 17th June, renewable energy sector leaders from the public and private sector joined for a roundtable discussion on priorities for the Energy Transition to be considered as inputs within South Africa's G20 presidency. This position paper is the outcome of a condensation of the discussion into clear action areas with the aim of providing a unified voice from industry. The event was supported by the European Investment Bank, Enel Foundation and Nedbank CIB.

Executive Summary

Africa stands at a defining moment in its energy transition as the G20 summit, hosted for the first time on the continent under South Africa's presidency, offers an unprecedented opportunity to shape global energy discourse. The theme of "Solidarity, Equality, Sustainability" underscores the need for inclusive industrialization and just energy transitions that empower African nations as innovators rather than passive recipients.

Yet, the continent faces a complex **energy trilemma**: 600 million people remain without electricity, dependence on imports exposes economies to volatile prices, and climate change demands a shift from fossil fuels. Addressing these challenges requires solutions that balance affordability, reliability, and sustainability while fostering industrial growth and energy independence.

Africa's transition cannot follow a one-size-fits-all model. Each country has unique resources, energy mixes, and socio-economic priorities. A cookie-cutter approach risks failure, whereas knowledge exchange and adaptation of global best practices can enable locally driven, inclusive strategies.

In the energy sector context, there is clear **appetite from investors and multilateral institutions** to commit funds and other forms of support to develop renewable energy projects and increasing access to electricity. However, these interventions face a number of hurdles. On the one hand, interventions from external actors are often top-down, isolated, or shop-worn. On the other, regulatory legislative frameworks or physical infrastructure are not conducive to the creation of investable projects.

Realizing the full potential of private sector participation requires **regulatory reform**. Indeed, when making investment decisions, private investors and financiers place great emphasis on the regulatory context. Beyond a competitive market structure and the presence of an independent regulator, private investors look for markets with tariff regulation that guarantees adequate remuneration.

Despite strong private sector appetite, investments often stall due to **currency risks, weak regulatory frameworks, and lack of credit guarantees. Unlocking patient capital**—long-term, equity-based financing—is essential for large-scale projects that deliver lasting impact. Mechanisms such as blended finance, concessional loans, credit guarantees, political risk insurance, and currency hedging can de-risk investments and attract private participation.

However, **generation alone is not enough. Grid infrastructure remains the most significant bottleneck,** with underinvestment in transmission and distribution causing inefficiencies and curtailment even as renewable capacity grows.

Breaking this vicious cycle requires tariff reform, structural unbundling, and private sector participation, drawing lessons from successful liberalization models in Latin America.

Regional energy market integration through power pools such as SAPP, WAPP, and EAPP offers a pathway to optimize resources and enhance energy security, but progress is hampered by inadequate cross-border infrastructure and fragmented regulations. Harmonized governance and strong supranational authority are critical to realizing the vision of a unified African electricity market.

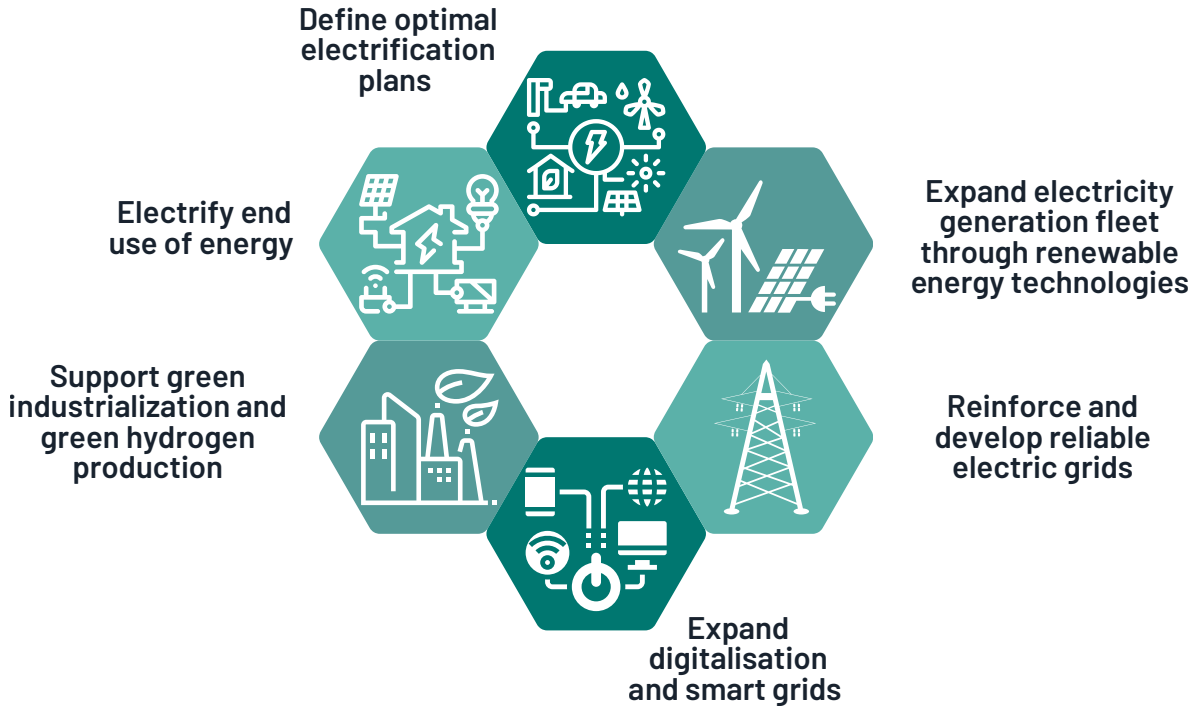
Human capital development is equally vital. Current capacity-building efforts are fragmented and short-term, failing to address the diverse needs of countries at different stages of transition. A coordinated, multi-level approach involving governments and multilaterals must prioritize vocational training, re-skilling, and up-skilling to localize value chains and prepare future workforces for a rapidly evolving energy sector.

Africa's energy transition is urgent and complex, but achievable through regulatory reform, public-private partnerships, strategic investment in infrastructure, and comprehensive skill development. The G20 presidency is Africa's moment to lead with a unified vision, ensuring that energy transitions deliver not only power but also jobs, growth, and dignity for generations to come

The true power of energy is not what powers the lights up, it's in what it makes possible. For Africa that means economic growth, it means jobs, industries, health, education, and dignity. We owe it to the next generations to make sure that these possibilities become opportunities that will reach every corner of this wonderful continent.

SCALING UP A SUSTAINABLE ELECTRIFICATION IN AFRICA, FOR AFRICA, WITH AFRICA

Key components of Africa's sustainable electrification



Defining Moment for Africa's Energy Transition

For the first time, the G20 summit will take place in Africa due to South Africa's presidency. This presidency is a superb opportunity for South Africa to carry the flag for Africa and bring the many varied and complex African realities to the attention of the world's biggest economies, making it clear that African nations are not passive participants in global solutions, but innovators with agency. Indeed, the theme chosen to represent South Africa's presidency, "Solidarity, Equality, Sustainability", evokes a key aspect of the energy and electricity discourse, particularly in South Africa and African countries more generally – collaborative and inclusive work for the industrialisation of African economies through Just Energy Transitions.

To adhere to the theme selected, the G20 has created three Taskforces on:

Addressing the cross-cutting energy issues of these taskforces is the Energy Transition Working Group which itself has identified three priority action areas: (i) Energy Security and Affordable, Reliable Access; (ii) Just, Affordable, and Inclusive Energy Transitions; and (iii) African Infrastructure and Energy Pool.

The Problem Statement

An Energy Trilemma is affecting the majority of African governments and decision makers. Firstly, Energy Access: 600 million people remain without access to electricity in Africa, and there is an urgent need to change this. Secondly, Energy Security: recent geopolitical tensions have laid bare the risks run by economies reliant on external sources of energy which succumb to volatile price fluctuations. Lastly, Energy Sustainability: fossil-fuel-induced climate change has been leading to erratic weather, stressing hydropower generation worldwide and pushing many to move away from traditional energy sources.

Together, these three observations underscore the mammoth task African governments are facing in their drive to bring industrialization and economic development to their economies. Few African countries are net exporters of oil, gas, or electricity. Many are heavily dependent on hydropower to sustain power production. Almost all are struggling to manage the devastating consequences of a rapidly changing and increasingly unpredictable climate.

With a pressing need to simply "turn the lights on", African governments must find ways to do so quickly, reliably, affordably for themselves and consumers, and in a manner that ensures energy independence, develops the local workforce, and supports each country's industrialisation.

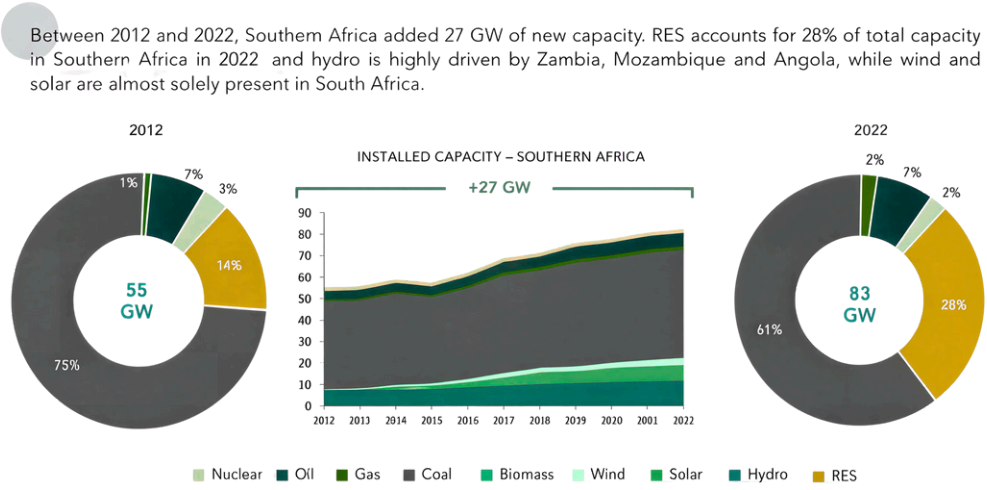


Figure 1: In the 10 years from 2012 to 2022, there has been a significant growth of renewable energy technologies †

TransitionS with a capital S

Before delving in to the key priorities laid out in this paper, one clear message must be stated. There is no one single energy transition for Africa. Each jurisdiction has its own nuances – energy mix, population and economic growth, natural resources, and socioeconomic priorities. While there may be regional, continental, and global overarching goals (SDG7, NDCs), each African nation has the right to strive for these goals while simultaneously addressing pressing issues of social justice. This means jobs, localization of industry, and inclusive investments, not only solar parks and windfarms but in the people who build, operate, and benefit from them; not just as beneficiaries but as co-creators.

A cookie-cutter approach to just energy transitions risks achieving the opposite of what is desired. A clear example can be seen by looking at the realities in South Africa and Nigeria. Both are outstanding African economies and both have been struggling with electricity provision and need a transition from those fossil fuels to ensure the lights stay on. South Africa's energy transition from coal must have a greater focus on ensuring those in the coal sector are guaranteed a livelihood when coal is phased out. In Nigeria, the question focuses on dramatically improving electricity distribution grids to stabilise electricity access and phase out diesel generators to make electricity more affordable.

† Source: RES4Africa (2025) Connecting the Dots: A Retrospective on Southern Africa's Energy Transition Renewables, Resources, and Responsibility

Nuance, however, still allows for inspiration from global best practices. Best practice has been through trial and error so that those taking inspiration and adapting to their local context have the opportunity to leapfrog the riskiest portion of the learning curve. Of the major regulatory and market developments currently occurring in African electricity sectors – IPP procurement, unbundling, market creation, independent power transmission, battery energy storage systems etc. – other jurisdictions have both failed and succeeded in implementing those same changes. Knowledge exchange is the key to public-public and private-public partnerships and should underpin every knew regulatory and legislative undertaking, only then can African nations go about their own transition towards a unified goal.

Slow-paced, sticky investments

The private sector has the means and the appetite to deliver these energy transitions. There is a clear willingness from Independent Power Producers to invest and from financial institutions to support them. Indeed, independent power projects represent the fastest-growing source of private investment in Sub-Saharan Africa's power sector. However, for project development a significant number of projects do not reach financial close or begin operation due to a number of bottlenecks which arise. There is a general failure to get investments to stick.

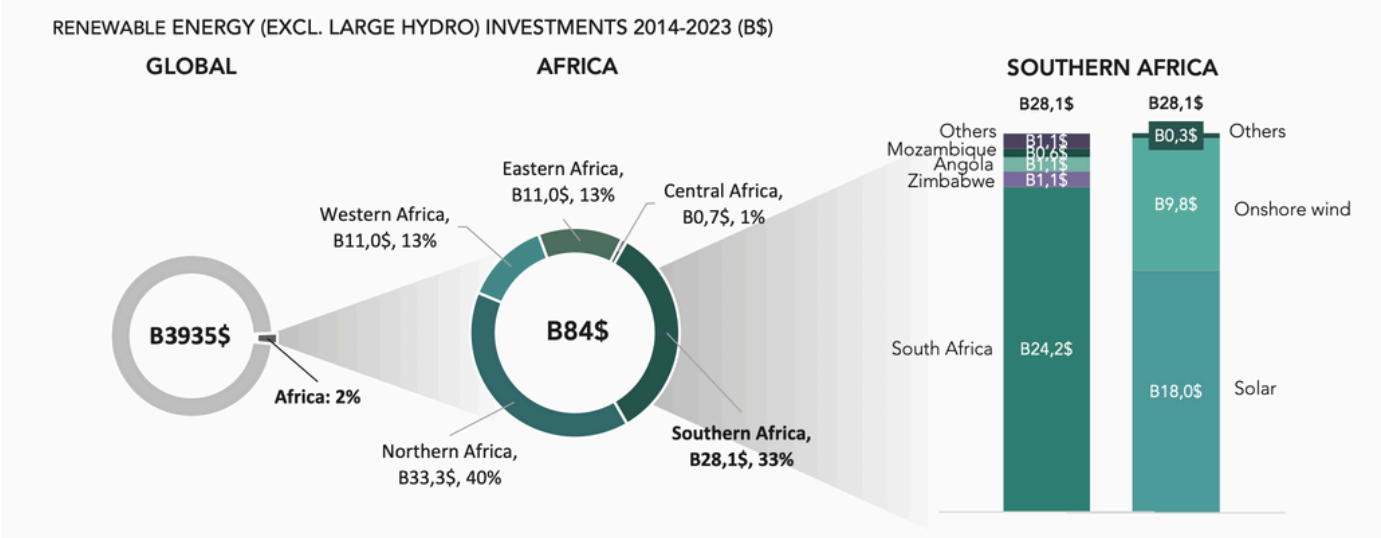


Figure 2: The difficulty to have investments "stick" is shown by the unequal global and regional distribution of renewable energy investments †

This has been seen time and time again. Scaling solar projects in Ethiopia failed due to currency issues, in Kenya a moratorium on PPAs over discrepancies in contracts remains in place, in South Africa money rushed in following the launch of REIPPP but a stall in the programme and grid capacity issues have blocked projects getting online. Time and time again the private sector has started, gotten stuck, and then given up at the development stage. There are a number of actions that can be taken from all parties to overcome this.

Currency issues are frequent and the inability for an investor to extract funds is detrimental. Many countries lack credit guarantees or there is no way to get political risk insurance there and often this is the result of government policy.

† Source: RES4Africa (2025) Connecting the Dots: A Retrospective on Southern Africa's Energy Transition Renewables, Resources, and Responsibility

The knee-jerk reaction for an investor is to try and bypass the government but, in reality, this is not a viable option and only serves to reduce the benefits for all actors involved. Instead, adjusting the strategy and working with financiers and government can be more beneficial. Not only Ethiopia has currency issues, Zimbabwe is in a similar situation. Both countries have high potential due to the quality of off-takers, growing demand, and resource abundance. For Ethiopia, the government has been keeping its financial sector under tight wraps, essentially blocking out investors. For investment to flow in to Ethiopia, the financial sector needs to be opened up and the government must receive the right incentives to do so. Until there is mutually beneficial collaboration between government, private investors, and financial institutions, it will be difficult for Ethiopia to open up again, particularly following the failure of the World Bank's "one-stop-shop" Scaling Solar initiative to create viable PV projects and the conflict they have recently faced.

Zimbabwe, on the other hand, funds extraction can be facilitated by linking projects to the Southern African power Pool (SAPP). Developing those connections to SAPP will be a great incentive for investors as their projects will receive greater off-taker security and for trading done in US dollars. A number of developments need to occur for this to be possible, not least the construction of interconnectors and a greater space for aggregators. Both of which will be touched upon later.

Off-taker and payment risk, inadequate regulatory frameworks, lack of transparency, and multilateral development banks have designed many programmes to support the development of utility scale renewable energy projects (e.g. scaling solar). Though the intention has been there, the result has often been small solar PV projects. These collaborations have not delivered the scale necessary to allow renewable energy to flourish.

These examples not only underline the bottlenecks faced in project development but also that there is a lack of will to invest in flagship, capital-intensive, long-term projects such as large hydro or thermal plants. This should be to the benefit of renewable energy projects, which have a shorter time to market and smaller size of investment allowing diversification of the risk. Investors are leveraging on project finance lending solutions for solar and wind projects linked to long term PPA (e.g. more than 15years) in order to make the projects viable. Whilst financing is typically outlived by the life of the asset, alternative form of guarantees or off-take solutions are needed to allow bankability of shorter tenor off-takers appetite; wholesale electricity market, regulatory framework as well as general off-taker liquidity, allow the lenders to take longer and more suitable lending position which better align with renewable energy and transmission grid projects that typical lifetime of 30 years if not more in the case of the latter.

Looking at just some of the issues mentioned, the imperative of patient capital becomes clear. Traditional commercial financing often seeks rapid returns and is highly risk-averse, thereby excluding many impactful, yet long-gestation, energy projects in Africa. Patient capital, characterized by its long-term, equity-based funding approach, stands in contrast to the common debt-heavy capital structures prevalent in many energy projects across the continent. This type of capital is crucial for projects that may take years to reach profitability but offer significant development impact.

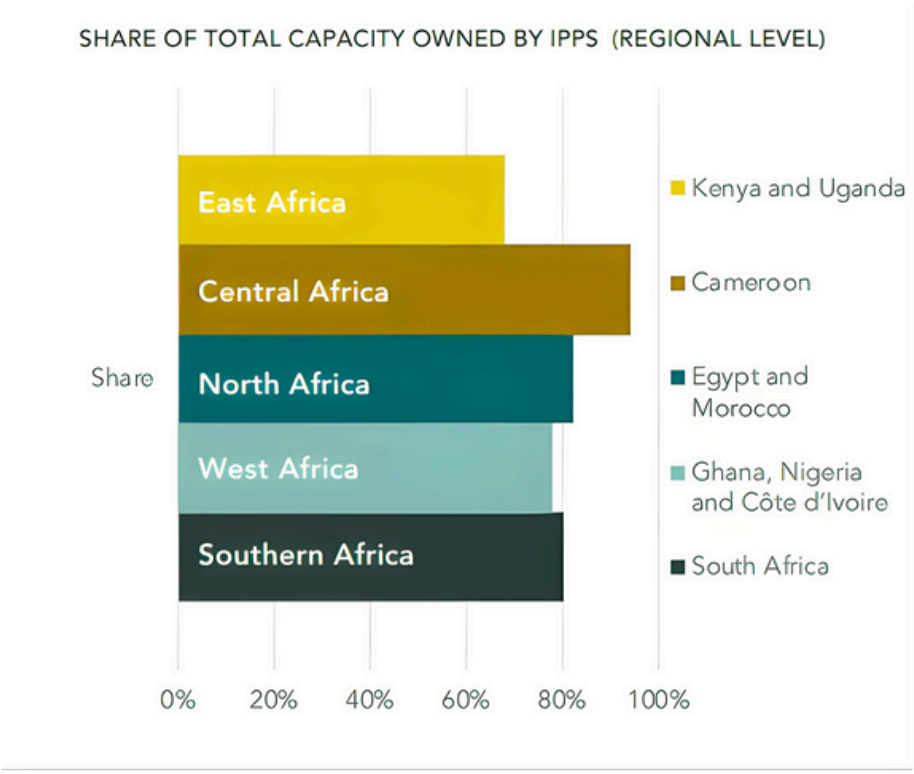


Figure 3: IPPs are important drivers of RE capacity growth across the continent †

De-Risking Investments to Unlock Patient Capital and Make It Stick

A primary barrier is the high cost of capital and prevailing risk perceptions. African countries often face higher interest rates compared to other regions, even with similar credit histories, due to structural biases in credit ratings, elevated risk perceptions, and a lack of adequate hedging instruments to manage currency volatility. To de-risk investments and attract this essential patient capital, several mechanisms are being deployed.

Blended Finance involves combining concessional (low-cost) public or philanthropic capital with commercial capital to reduce the overall risk profile of projects and attract private investors. This approach directly addresses the affordability challenge by lowering the cost of capital, strategically attracting private funds that would otherwise remain on the sidelines. Meanwhile, concessional Loans, offered at below-market rates and with longer tenors, are vital for countries facing debt distress, providing necessary financial support without exacerbating fiscal burdens.

Credit Guarantees and Political Risk Insurance are powerful instruments provided by entities like multilateral development banks. These mechanisms significantly reduce the perceived risks for private investors, thereby improving project bankability and lowering financing costs. Such guarantees can reduce potential losses by over 70% in high-risk scenarios, substantially improving investors' expectations of profitability. Similarly, currency Hedging Facilities address the critical concern of currency volatility, which can significantly impact project returns for foreign investors.

† Source: RES4Africa (2023) Connecting the Dots. A Challenging transition: exploring East Africa's last 10 years of renewable energy.

The Zafiri Investment Vehicle exemplifies the application of patient capital and blended finance. This new permanent capital vehicle is backed by the International Finance Corporation (IFC). Zafiri targets an initial capitalization of $300 million, comprising both senior and junior equity from multilateral development banks, development finance institutions, and philanthropies, with an ambition to grow to $1 billion in net asset value over 10-15 years by attracting commercial investors in later phases. The vehicle is designed to invest patient equity in companies delivering Distributed Renewable Energy (DRE) solutions across Sub-Saharan Africa, including mini-grids, solar home systems, commercial and industrial solar, battery energy storage systems, and clean cooking solutions. Its blended finance structure is specifically intended to de-risk investments and provide the long-term equity financing that is often a key barrier for DRE developers. Zafiri is an integral part of Mission 300.

Figure 4: Major barriers perceived by the private sector and major industrial players in the African continent †

No Transmission No Transition

Perhaps the most significant bottleneck for just energy transitions and achieving universal access is grid infrastructure. Investment has been overwhelmingly focused on generation, with little to no attention given to transmission and distribution. While other bottlenecks can be detrimental, the lack of adequate grid infrastructure is not just a policy or regulatory issue it is also a tangible issue which requires enormous amounts of capital and time before benefits can be felt.

Structural challenges persist in most African nations' power sectors. Electrification levels remain low, and the expansion of access risks being outpaced by the continent's population growth. Where electricity access is available, consumption is well below the global average and service quality tends to be sub-standard.

† Source: RES4Africa (2025) Connecting the Dots: A Retrospective on Southern Africa's Energy Transition Renewables, Resources, and Responsibility

The root causes of service quality issues are inadequacies related to the capacity and quality of electricity infrastructure and its management. Insufficient generation or an inability to scale generation up and down to meet demand peaks, inadequate capacity or flexibility in transmission and distribution networks, and/or breakdowns at power stations, transformers, or other equipment due to poor maintenance all contribute to the inefficiency and unreliability of electricity provision. Infrastructural inadequacies are the result of a chronic lack of investments from financially strained public utilities. The primary evidence of poor financial performance is that electricity tariffs are largely not cost-reflective and utilities fail to collect revenues for a large share of electricity generated. This is reflected in staggeringly high quasi-fiscal deficits. This severely limits utilities' capacity to invest both in new equipment and in maintaining existing assets.

The absence of financial viability also acts as a barrier for much-needed private investments. Poor financial standing, low operational efficiency, and a lack of transparency make the incumbent utility a high-risk counterparty in the eyes of investors. Meanwhile, government subsidies to support the utility create market distortions which render the market segment unattractive to investors. The issues of service quality, underinvestment, and financial sustainability create a vicious cycle for utilities. Low financial sustainability of utilities results in-grid infrastructure, leading to poor service quality, which gives rise to a non-payment culture and pushes consumers to resort to self-generation. To compensate the financial shortfall of a smaller consumer base, utilities are faced with a need to increase tariffs, but higher tariffs (in combination with continued low service quality) lead to yet more consumers opting out of the grid, eventually resulting in the collapse of utilities. Breaking this vicious cycle requires parallel efforts to restructure African power markets and extend private participation to all market segments. On the one hand, breaking up vertical integration between the generation, transmission, distribution, and retail segments will serve to reduce cross-subsidization and create separate, self-standing market segments in which market competition is made possible. On the other hand, opening the grids market segment to private sector participation can attract additional investments, improve overall sector performance, and decrease the cost of service thanks to increased competition.

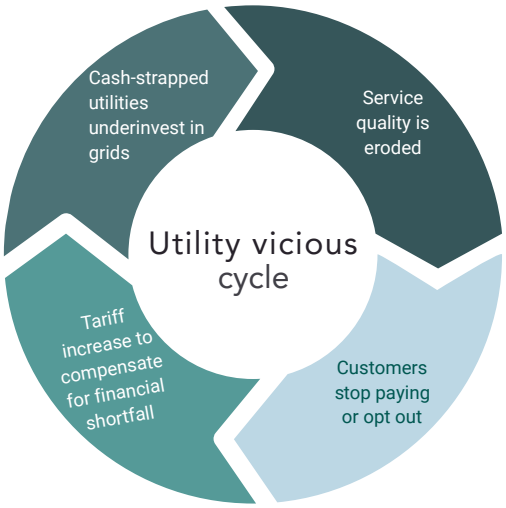


Figure 5: The utility vicious cycle †

There are important lessons learned from the generation segment, which has attracted growing public and private investments across the continent. The result of this inflow of investments has been a spectacular increase in installed RES capacity in many African countries over the past decade. There is no doubt that the declining cost of renewable technologies has been instrumental to this sharp increase, but enabling policies and well-structured auction schemes, notably South Africa's REIPPPP, provided the required impetus.

† Source: RES4Africa (2021) Private Sector Participation in Africa grid Development

In contrast with generation, electricity grids in Africa have seen astoundingly little private investment. As a result of this underinvestment, renewable generation is starting to exceed the grid capacity in many countries. This creates a paradoxical situation where production gets curtailed, and the state finds itself paying for undelivered electricity even as vast parts of its population struggle with inadequate electricity access. Curtailment risk also erodes investor confidence over the medium- to long-term, and risks driving up renewable energy financing costs as instruments to hedge such risks do not come cheap.

Grids have therefore become the real bottleneck in the development of African power sectors. Addressing that bottleneck will require a concerted effort of efficient planning, opening market access to private investors, creating feasible business models, and fixing the electricity tariff conundrum. Currently, private sector participation in African grids is the exception rather than the rule, often due to prohibitive regulation. While many countries legally allow PSP in generation, the legal landscape is vastly different for networks. In the transmission segment, operations are typically run by one public company per country. Distribution represents a middle ground, with private involvement allowed in a handful of African countries with the presence still of the incumbent as a distributor in parallel.

Inspiration can be drawn from successful a number of South American countries (e.g., Brazil, Colombia, Peru, Chile), which have succeeded in creating highly competitive electricity sectors and attracting private involvement along the entire value chain. To mobilize the private sector, there is a need to implement a spate of structural reforms. Central to any power sector reform is the presence of a strong, financially, and politically independent regulator. Over the past decades, the power sectors of several African countries have undergone significant transformations towards a more liberalized model.

Private sector participation offers a potential solution to the structural challenges persistent in many African power sectors. African governments have the opportunity to access and benefit from private financing, technology, and expertise. So far, private involvement in grids has had a limited track record with differing levels of success. Although not a prerequisite for all private participation, unbundling and liberalization are indispensable for unlocking the full benefits of private involvement. However, an enabling regulatory environment and a supportive, ambitious, and committed government are indispensable to the success of any form of private involvement.

Regional Energy Markets

Regional energy market integration is a cornerstone of Africa's long-term energy strategy, aimed at optimizing resource utilization, enhancing energy security, and fostering economic development across the continent. Regional power pools, such as the Southern African Power Pool (SAPP), the West African Power Pool (WAPP), and the East African Power Pool (EAPP), serve as crucial building blocks for the ambitious vision of a single African electricity market (AfSEM).

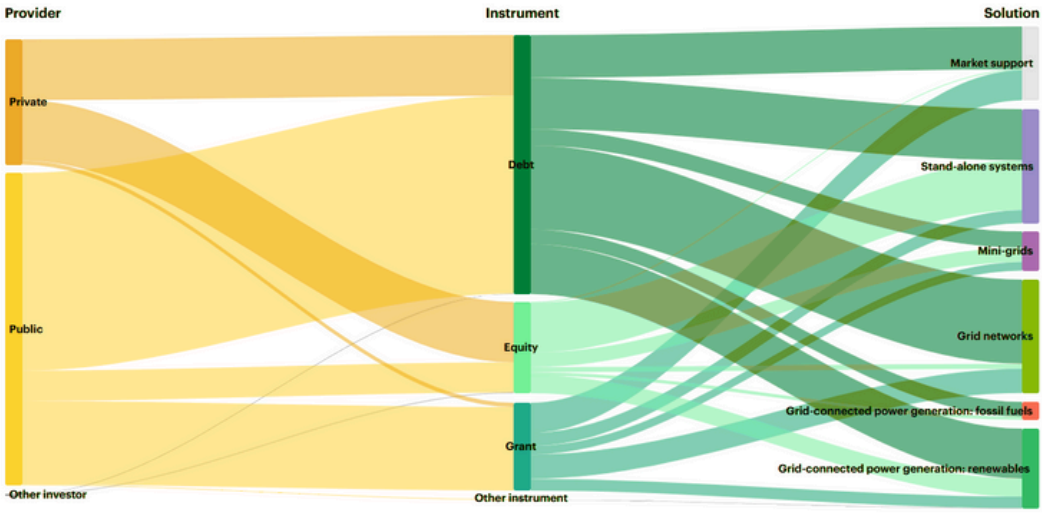


Figure 6: Annual average financing commitments for electricity access in sub-Saharan Africa, 2019-2023 †

At the moment we have almost exclusively seen public sector investment in grids as shown in a recent IEA report (figure 6), but it is not enough. So, only a combination of public and private funding can make grid investments work. Today it is not possible to build a commercial transmission line, as it is not set up to be that way due to transmission being of national interest, passive infrastructure, with large economies of scale and all the trademarks of a natural monopoly. However, we have seen in Latin America how this is not strictly the case and in Africa as well there is a change. A first project with private sector participation in transmission for the IFC is an interconnector between Tanzania and DRC but it's feasibility is due to mines that are prepared to pay 2-3 US¢ per kWh in addition to their energy charges for this new construction, because they save 20 US¢ per kWh compared to dependence on their diesel power. In most cases transmission lines do not have sufficient commercial angle yet, partially because they don't generate revenues and because off-takers have affordability challenges. So, what occurs is that a portion of commercial funding is brought in (estimated by the SAPP infrastructure funding facility to be around 25% for interconnectors within SAPP) with the hope that this percentage can be reduced as interconnectors are developed and generate greater revenue within the SAPP.

Another major hurdle lies in regulatory gaps and the lack of harmonized rules. Each country often maintains its own disparate pricing mechanisms, network access rules, and supply contracts. This fragmentation necessitates case-by-case bilateral deals, which significantly slows progress towards a truly competitive regional market and deters private investment. Independent power producers (IPPs) face increased costs and delays when navigating complex and inconsistent regulations across borders. The effectiveness of physical interconnections is severely limited by the absence of robust "soft infrastructure"—the harmonized regulatory, legal, and governance frameworks necessary for seamless market operation.

This can be seen in the most advanced power pool – SAPP – if referring to transmission pricing. SAPP transmission pricing is not cost reflective at the market level. Changing anything will result in winners and losers and the current governance structure it is very difficult to change anything. That then introduces more challenges to develop more transmission infrastructure because the tariffs will not be able to support the investment.

† Source: International Energy Agency (2025) Financing Electricity Access in Africa

So what is needed is strong governance and this must be pushed by South Africa not just in its G20 presidency but as the biggest player in the power pool. Placing trust in and recognising the supranational authority of regional organisations would send a clear message of much needed unity and harmony in regional developments which benefit all involved. This is a message which is desperately needed in other power pools and without which the continental masterplan will not come to fruition.

National market liberalization efforts also play a catalytic role in fostering regional integration. South Africa's Wholesale Electricity Market (SAWEM), aims to establish a transparent, non-discriminatory, multi-market trading platform. This includes the unbundling of the state-owned utility Eskom and the introduction of new "wheeled energy" fees, replacing traditional wheeling mechanisms. This national reform creates a more attractive and functional environment for cross-border trade, demonstrating how robust domestic market reforms can significantly contribute to broader regional integration.
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Up-skilling, Re-skilling, and Skilling

In the discussion surrounding scaling up renewable energy projects, creating innovative financing solution, and fostering public-private collaboration, there is a universal truth which is also central to any discussion about just energy transitions. For any RE project to be completed, for any utility to carry out daily activities, for any ministry or regulator to legislate, for any micro- and mini-grid to be built, there must be a workforce with the necessary skills to carry out these tasks.

At all levels, there is a critical need for skilled labour, a direct effect of the speed of renewable energy development and energy transitions. It is in the interest of the investor and developer to create with what can be found on the ground. It is in the interest for government and the wider economy that as much of the value chain of a project is localised within its borders.

There are many existing technical assistance and capacity building initiatives implemented by multilateral agencies in African countries. Too often they are single, disjointed, helicopter interventions with little or no follow-up which bombards recipients with varying and occasionally conflicting information. Furthermore, most interventions from multilaterals are up-skilling interventions to support current workforces of public sector institutions. There is little attention given to vocational and school-level support (which instead tend to be supported by NGOs) and there is a general absence of multi-year support programmes.

In this discussion around energy transitions, this almost individualistic approach also fails in acknowledging local needs. In South Africa, where the just energy transition means drastically changing the livelihood of hundreds of thousands of people dependent on coal, and which has strong institutional capacity, it is clear that efforts must focus on Re-skilling local coal communities and developing renewable energy programmes in schools and TVET colleges.

Other jurisdictions with a significantly smaller electricity sector and which are only now developing renewable energy projects will require up-skilling and re-skilling of those working in public sector as well, to assist them in transitioning from working with a vertically integrated utility with dependence on a single, programmable energy source to a variable RE system with changing energy flows and movement towards a competitive model perhaps even with utility unbundling. Both examples, and all those in between require the general skilling of future workforce as this sector continuously grows.

The approach must change, particularly in the view of achieving just energy transitions. There needs to be a coordinated approach between multilateral agencies which fully involves the government, adhering to a strategic development plan for skill development in the energy sector. Interventions must be focused at all levels, reduce overlap, and integrate regional and continental knowledge-sharing.

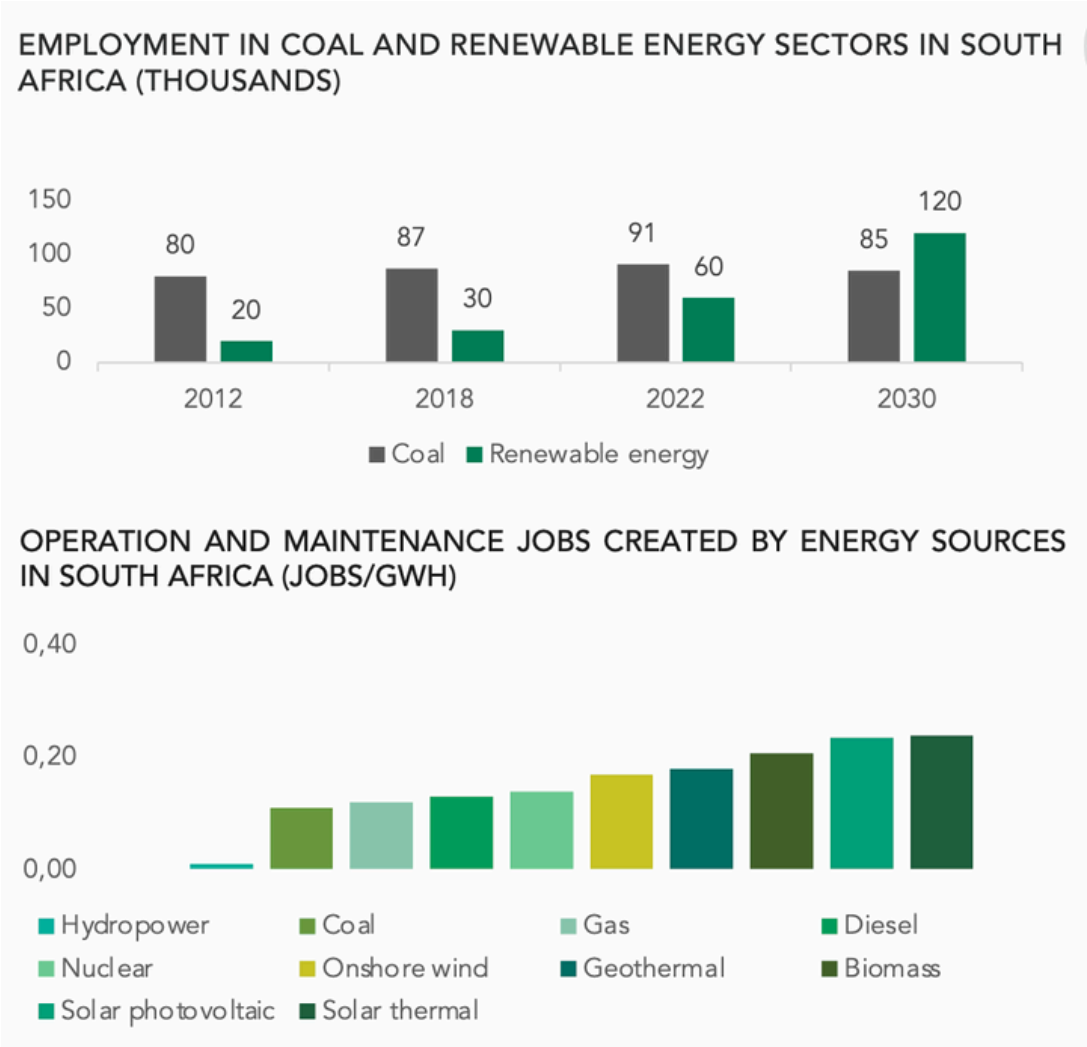

Figure 7: There is significant potential for job creation in the RE sector, but widespread capacity building initiatives are needed to fill these jobs †

† Source: Columbia | SIPA, Center on Global Energy Policy, Critical Minerals to the Rescue? Zambia and Zimbabwe Implement Divergent Policies Amid Climate Upheaval, 2023; Statista, Africa: renewable energy employment by region, 2024 in RES4Africa Foundation, Connecting the Dots: A Retrospective on Southern Africa's Energy Transition: Renewables, Resources, and Responsibility

Conclusions

Energy transitions are needed globally. In African countries, getting them right is more challenging than in many other realities. 600 million people on the continent are still without access to electricity, most economies are in an important industrialisation phase, and despite being responsible for a fraction of cumulative CO_2 emissions, Africa is receiving some of the worst impacts of climate change. African governments are also faced with a plethora of socioeconomic emergencies and find themselves stretched thin.

In the energy sector context, there is clear appetite from investors and multilateral institutions to commit funds and other forms of support to developing renewable energy projects and increasing access to electricity. However, these interventions face a number of hurdles. On the one hand, interventions from external actors are often top-down, isolated, or shop-worn. On the other, regulatory and legislative frameworks or physical infrastructure are not conducive to the creation of investable projects.

Realizing the full potential of private sector participation requires regulatory reform. Indeed, when making investment decisions, private investors and financiers place great emphasis on the regulatory context. Beyond a competitive market structure and the presence of an independent regulator, private investors look for markets with tariff regulation that guarantees adequate remuneration.

Realizing the full potential of African public sector in the energy transitions requires clear planning, capacity building and strong governance. Support must consider all aspects of the renewable energy value chain, focusing on skill development and economic empowerment.
Ultimately what is required is greater public-private partnership and a unified vision for Africa's energy transitions which work together to achieve the aforementioned. This G20 is the opportunity to show that South Africa and Africa in its agglomerated form can and must be the leader of these interventions, actively involved in decisions impacting itself and not a passive recipient.

> The true power of energy is not in what powers the lights up, it's in what it makes possible. For Africa that means economic growth, it means jobs, industries, health, education, and dignity. We owe it to the next generations to make sure that these possibilities become opportunities and realities that will reach every corner of this wonderful continent.