PRETORIA WORKSHOP STATEMENT | SOUTH AFRICA

CLEAN CAPTIVE INSTALLATIONS FOR INDUSTRIAL CLIENTS IN SUB-SAHARA AFRICA

REGIONAL WORKSHOP

JUNE 2023

CLEAN CAPTIVE INSTALLATIONS FOR INDUSTRIAL CLIENTS IN SUB-SAHARA AFRICA

Frankfurt School
FS-UNEP Collaborating Centre
for Climate & Sustainable Energy Finance

UN environment programme

PRETORIA WORKSHOP STATEMENT

FROM: THE CLEAN CAPTIVE INSTALLATIONS FOR INDUSTRIAL CLIENTS IN SUB-SAHARA AFRICA REGIONAL WORKSHOP
VENUE: MASLOW TIME SQUARE HOTEL, PRETORIA, SOUTH AFRICA
DATE: 28 JUNE 2023

PREAMBLE

The Regional Workshop on the Status and Feasibility of the Clean Captive Installations in Sub Sharan Africa was held in Pretoria, South Africa on 28 June 2028. This regional workshop was preceded by the Lessons Learnt Workshops on Phase 1 of the CCI Project implemented in the four Sub-Saharan Countries Ghana, Kenya, Nigeria and South Africa.

The Workshop was organized by UNEP in collaboration with Frankfurt School, the Department of Trade, Industry and Competition and the National Cleaner Production Centre in South Africa.

Clean captive power, defined as electricity generation installations, either on-grid or off-grid, used by commercial or industrial energy users primarily for their own energy consumption, provides an opportunity for the industrial and commercial sector in the region to incorporate reliable, cost-effective and environmentally friendly electricity supply solutions.

WORKSHOP STATEMENT

Representatives from the various African Regional Economic Communities including EAC, SADC, COMESA, Regional Renewable Energy and Energy Efficiency Collaborative Centers- SACREEE, UNECA, AUDA-NEPAD and African Countries from Ghana, Kenya and South Africa met in Pretoria, South Africa for the Regional Workshop on Clean Captive Power generation in Sub-Saharan Africa on 28 June 2023.

The participants expressed their appreciation to the Department of Trade, Industry and Competition of South Africa for hosting the workshop, to the United Nations Environment Programme (UNEP) in partnership with its collaborating centre at Frankfurt School of Finance and Management for Climate and Sustainable Energy Finance, for facilitating and providing technical support for the organization of the workshop, and to the German International Climate Initiative which funded the "Clean Captive Installations for Industrial Clients in Sub-Sahara Africa" project, under which the workshop was organized and specifically to the Federal Ministry of Economic Affairs and Climate Action (BMWK) which implements the International Climate Initiative.

The participants of this workshop:

Recognizing that Africa faces an enormous energy challenge owing to significant growth in population and a sustained period of economic growth and transformation which calls for a better-performing energy sector.

Noting that commercial and industrial organizations are now increasingly looking at the expansion of efficient, decentralized and low-carbon productive energy solutions that will also pave the path to meet various national and international targets. In fact, the global and

continental development Agenda's SDG 2030 and Africa Union's Agenda 2063 establishes clear links between industrialization and expanding access to sustainable energy sources.

Recognizing that captive installations alleviate the pressure to generate electricity from national grids and reduce commercial and industrial clients' needs to rely on private supplementary fossil-fueled generators, which are expensive to run and emit polluting greenhouse gases.

Acknowledging that the findings from implementation of the Phase 1 of *Clean Captive Installations for Industrial Clients in Sub-Sahara Africa* project have demonstrated the economic and financial viability of clean captive energy installations for industries and commercial establishments under several differentiated national contexts.

Recognizing further that there are major challenges and gaps affecting the accelerated uptake of clean captive installations in the region. These include (among others) high project development costs, high upfront capital expenditures, limited access to finance and debt, lack of coherent and harmonized policy and regulatory framework, and low human capital.

The **Participant**s at the workshop, in addressing the challenges and gaps to accelerate the clean captive power installations in the region:

Encouraged countries to take the lead in *inter alia* formulating clear policies & strategies, proactive interventions, facilitating regulations, and innovative financing and business models, to catalyze the market for clean captive power solutions across the region.

Requested UNEP, UNECA, AUC, UN agencies and other stakeholders including academia, research institutions to provide a continued spatial scientific and technical data that informs decision makers to develop appropriate policy and regulatory frameworks to advance the clean captive power installations that contribute to sustainable economic growth.

Encouraged the promotion of innovative solutions for clean captive power installations by facilitating and enhancing skills, education, research and development, capacity development, private and public partnerships.

Requested various stakeholders and development partners to provide technical and financial support towards the development and implementation of national and regional initiatives projects and Programmes that promote upscaling and promoting of clean captive power for the commercial and industrial market in Africa.

Recognized that the private sector – companies as the beneficiaries of clean captive installations, project developers, financiers, etc. – are key drivers of the clean captive market and require support in deploying renewable solutions.

Together with various partners, agreed to promote the South-South Cooperation exchange of knowledge, good practices and opportunities associated with clean captive power, and to foster awareness for the promotion of clean captive power installations in the region.

Agreed that UNEP and Frankfurt School, in collaboration with various partners, facilitate and strengthen regional and international dialogue and cooperation for sharing best

practices and experiences as well as knowledge transfer on clean captive power installations in Africa.

Taking into consideration the lessons learnt from the *Clean Captive Installations for Industrial Clients in Sub-Sahara Africa* project and other initiatives, agreed to advance a roadmap for the development of a continuation project of the *Clean Captive Installations for Industrial Clients in Sub-Sahara Africa* project, thereby supporting and mobilizing the private sector, strengthening regional exchange and knowledge transfer.

Agreed to support cooperation and collaboration on advancing clean captive power with different stakeholders including regional economic bodies and regional energy development projects for power generation and direct use, e.g., EACREE, SACREE, etc.