

**International Energy Charter Signing Ceremony
State House Banquet Hall, Abuja, 7 March 2017**

**Opening remarks by the Secretary General
of the International Energy Charter**

Dr. Urban Rusnák

Honourable Attorney General and Minister for Justice Dr Abubakar Malami,
representing Vice President Professor Yemi Osinbajo,

Honourable Minister of Science and Technology, Dr Ogbonnaya Onu,

Honourable Chair of the Committee on Science and Technology at the National
Assembly, Ms Beni Lar,

Honourable Ministers and Members of Parliament,

Excellences, Ambassadors,

Distinguished guests, ladies and gentlemen,

I am very honoured to be in Abuja for this important event that will result in the
signing of the International Energy Charter by Nigeria.

I thank the Honourable Minister of Science and Technology, Dr. Ogbonnaya
Onu, the Director General of Energy Commission of Nigeria, Prof. Eli Jidere
Bala, and all those who have made possible the organisation of this
magnificent ceremony. This is an excellent opportunity to bring the benefits of
the International Energy Charter to the attention of a broad audience in Abuja.

The International Energy Charter is a political declaration mapping out common
principles for multilateral relations and common areas of cooperation. It was
adopted in May 2015 in The Hague, the Netherlands. The Charter must be put in
the context of the goals of the Paris Agreement to move towards a low-carbon

emission economy and the goals of providing universal energy access under the 2030 Agenda for Sustainable Development.

The text of 2015 removes the Energy Charter from its previous European context and raises it to a global level. An illustration of this is the signing by an increased number of countries from Africa, Asia and Latin America. Its global dimension was recently endorsed by the Tokyo Declaration. Today's signing ceremony in Abuja is another milestone in the modernisation of the Energy Charter Process.

The International Energy Charter is not legally binding. Instead it is a political declaration to reinforce the political commitment to create an investment-friendly climate. This commitment has been expressed so far by more than 80 countries from all continents. In Africa it has been signed by Benin, Burundi, Chad, Mauritania, Morocco, Niger, Rwanda, Swaziland, Tanzania and Uganda. Other African countries having announced their intention to join soon are Burkina Faso, Kenya, Mali and Mozambique. The signature by Nigeria will certainly boost more accessions in the African continent and elsewhere.

The relevance of the International Energy Charter relates to the enormous investment needed in the global energy sector to meet the world's demand for energy, now and in the future. The IEA has estimated this amount at USD 48 trillion for the period up to 2035. Half of that amount would go towards replacing outdated energy networks and installations, and exploiting new oil and gas fields to replace exhausted production areas. A third of the investment is needed to create a greener, more diverse energy supply. The remainder must be invested in energy efficiency.

Furthermore, Sub-Saharan Africa has the largest population without access to energy. More than 600 million people live without electricity, and more than 700 million people do not have access to clean cooking facilities and rely on biomass or charcoal for cooking. To bring those numbers down in the next decades, hundreds of billions of dollars in investment are necessary.

The African continent is richly endowed with fossil fuels, oil and natural gas,

and has a remarkable potential in renewable energy sources, such as hydro, modern biomass, solar, wind, geothermal and modern biomass. National strategies emphasise the role of domestic renewable energy and efficiency measures in combination with fossil fuels to diversify the energy mix and improve energy security by reducing the reliance on imports and managing the energy demand.

Attracting private capital is key in meeting energy needs in Nigeria and Africa. At a time of decreasing investment flows, budgetary constraints and uncertain oil prices, governments have limited recourse to public finance to spur investments. Governments can, however, ensure strong institutions and respect for the rule of law. The role of the International Energy Charter is precisely to enhance the principles of stability and transparency to create a level playing field and bring confidence into energy markets.

Achieving universal access is particularly acute in the African continent, where G20 countries and many international organisations are directing their efforts. In today's occasion, I would like to stress the commitment of the European Union and Japan, which are represented here by the EU Deputy Head of Mission Mr Richard Young and by the Japanese Ambassador Mr Sadanobu Kusaoke. With the support of the European Commission, DG DEVCO, the Energy Charter Secretariat has engaged with African countries, including Nigeria, on the promotion of an investment-friendly regulatory environment. Under the Chairmanship of Japan, the Secretariat made an important step towards Africa by participating in the TICAD process and its Summit in Nairobi last August. Promoting the rule of law is indeed the trademark of the International Energy Charter.

What is particularly the added value for Nigeria and for African countries to cooperate through the International Energy Charter? I would like to point out the following areas of cooperation:

- First, addressing the legal and regulatory obstacles and barriers to realise the investment necessary to achieve energy access for all.

- Second, sharing experiences and lessons learned on the promotion of renewable energy sources, particularly in the conciliation of the right to regulate of states and the legitimate expectations of investors.
- Third, promoting and protecting foreign investments by providing stable and transparent legal frameworks at national and regional level.
- Fourth, promoting exchanges of technological development, research, innovation and dissemination.

Furthermore, the International Energy Charter is a policy foundation to build regional cooperation. This is why the European Union and 4 African regional organisations have so far joined it, namely ECOWAS, G5 Sahel, the Economic Community of Central African States and the East African Community. These African regional organisations signed the International Energy Charter at the Tokyo Ministerial Conference end of 2016. Regional market integration builds on trust and confidence among neighbouring countries to integrate a huge deployment of renewable energy and to ensure reliable cross-border energy trade.

Energy security implies diversification of energy sources and supply routes. In that respect, the International Energy Charter reflects the importance of energy security for consuming, producing and transit countries. Nigeria is a key energy producing country that, like other important energy producing countries such as Iran and Iraq, have seen the merits to engage with a multilateral platform to contribute to efficient functioning of energy markets on the basis of dialogue, mutual assistance and respect in a quickly changing environment.

The process of the International Energy Charter benefits from the business perspective of an Industrial Advisory Panel composed of energy companies. It is also supported by the experience and technical expertise of regulatory authorities and government agencies, such as the Energy Commission of Nigeria. We all need to work hand-in-hand to bring this process forward.

To conclude my speech, I can only express my deep satisfaction and sincere gratitude to the Nigerian authorities as well as to all countries and international organisations that have attended this ceremony. I would like to thank all those who have worked hard in Abuja and Brussels to prepare the signing ceremony, especially Dr Monica Emmanuel, Dr Abubakar Malah Umar and Dr Ernesto Bonafé.

Finally, I would like to encourage Nigeria to play an active role as a key energy player not only in ECOWAS and Africa, but at a global level. I am sure, the International Energy Charter is to greatly benefit from Nigeria's new and active membership.

Thank you very much.