



RÉPUBLIQUE TOGOLAISE

Présidence de la République

### ***Africa leads the way towards a collective investment framework for solar energy***

On the occasion of the *One Planet Summit*, the President of the Togolese Republic presented a newly launched initiative to catalyze massive green investment in emerging and developing countries through a secure and optimal collective investment framework defined by an international protocol. Launched in the context of the International Solar Alliance (ISA), the initiative will focus on solar energy, but is replicable beyond solar.

The protocol will apply to projects that each country adhering to it will register on a voluntary basis. For those projects, it will define the applicable development, installation, exploitation, contractual, investment, securitization, guarantee, as well as dispute resolution regime. Projects not registered under the collective framework will continue to be subject to existing national provisions, with no changes to them.

The collective framework will be open to and equally suited for all countries with abundant solar resource who have already joined forces through the ISA Treaty – to-date 68 countries representing a total population of 3,2 billion people. It aims at channeling 1000 USD billion of investment in solar projects in ISA countries by 2030.

The initiative was jointly announced on 11 September 2018 by six African countries who have decided to play a pioneering role as “pilot countries” in the development phase of the new framework – Benin, Burkina Faso, Gabon, Niger, Mali and Togo (see initial press release below).

This announcement came six months to the day that the first ISA Summit was held in New Delhi and the President of France made a solemn call for the Alliance to “*create a favorable framework for multiplying investments*”. The first operations under the new collective framework are expected in less than 12 months.

Pilot countries have already held their first working session in Lomé and started internal consultations. They are now in the process of mobilizing the funds required for the functioning of the team of international legal experts who will be selected to assist them in the drafting of the protocol.

The initiative is a key lever to channel investments on small projects, including off-grid and mini-grid projects, through large scale aggregation of local demand, and to implement mechanisms to de-risk investments in remote areas. It will empower millions of people and households, especially in remote areas, and will give them better access to energy services at lower cost.

This initiative is part of a “new deal” in which ISA countries take the lead, through the protocol, in removing barriers caused by inefficient local investment frameworks and fragmentation of demand, but call in return for all other relevant stakeholders – investors, project developers, guarantee providers – to take their part in a coordinated effort to augment scale and reduce costs

The key features of this “new deal” are outlined in a declaration that will jointly published by Heads of State of countries participating to the initiative.

**About the International Solar Alliance** – The *International Solar Alliance* is a treaty-based inter-governmental alliance launched by the Prime Minister of India and the President of France on the sidelines of COP21. As per article 2.1 of the ISA Treaty, member countries “*take coordinated actions through Programs launched on a voluntary basis, aimed at better harmonizing and aggregating demand for, inter alia, solar finance, solar technologies, innovation, and capacity building*”. To-date 68 eight countries, representing a total population of 3,2 billion people, have committed to the ISA treaty.

## **11 September PRESS RELEASE**

Lomé, 11 September 2018 – Six African countries launch a global initiative on investment mobilization in the context of the International Solar Alliance.

Benin, Burkina Faso, Gabon, Mali, Niger and Togo have officially launched a global initiative on investment mobilization in the context of the International Solar Alliance (ISA). The founding documents of the initiative have been communicated to all 68 signatory countries to the ISA Treaty. The initiative was finalized during a meeting in Lomé on 23-24 August, at the level of advisors to Heads of State.

This initiative, which aims at rallying all ISA members willing to join, is driven by Heads of State. It is part of the ISA Program “*Affordable finance at scale*” promoted by India and France and a direct answer to the priorities set on the occasion of the ISA Summit that was held in New Delhi, India, on 11 March 2018, at the joint invitation of the President of France and of the Prime Minister of India.

The President of the Togolese Republic, SEM Faure Gnassingbe, stated : “*We have started the process of putting in place, for solar resource development projects, an optimal collective contractual and regulatory framework, with the form of an international protocol. This protocol will apply to the assets that each country will register on a voluntary basis, with no prejudice to existing national provisions. It will be open to all ISA member countries willing to join. This is the indispensable lever for aggregating on a large scale the demand for financing of solar projects, implementing appropriate de-risking mechanisms, and achieving a massive decrease of the cost of financing*”.

According to the President of Mali, SEM Ibrahim Boubacar Keita, the initiative “*actively addresses two major challenges : the direct and simplified access to financing for projects in our countries, with reduced transaction costs ; and the removal of legal, regulatory and institutional barriers that prevent massive investment and innovative financing solutions*”.

« *This initiative will allow us to deploy more projects, more rapidly, more affordably, and in a way that is more in line with our needs and interests. It also opens a new way for the financing of sustainable infrastructures. It can be replicated on a large scale for other infrastructures. Solar is just a starting point*” said the President of Benin, SEM Patrice Talon.

« *The initiative is under the leadership of Heads of State. Representatives have been mandated by each one of us along common agreed lines. Work has begun, with all relevant bodies. We are now in the process of enlarging the group of participating countries, selecting the team of legal experts who will assist us and mobilize the required funds. All relevant stakeholders will of course be consulted, and we expect them to actively participate*” stated the President of Burkina Faso, SEM Roch Marc Christian Kaboré.