To whom it may concern at the European Commission and France:

We, the undersigned organizations, are writing to express our dismay at the actions of France and the European Commission regarding the governance of the Africa Renewable Energy Initiative (AREI), and to show our support for the demands of African civil society to reverse these developments.

What is the AREI and why do we support it?

The AREI, launched at the UN climate negotiations in Paris in 2015, is intended to accelerate efforts to increase renewable energy capacity on the African continent. The starting point for this transformation is the deep ownership and engagement of African countries and peoples, recognizing that donor-driven initiatives are less effective and far less sustainable. The principles behind the AREI therefore attempted to prioritise the needs of African people, in particular the poor, and contribute to sustainable development through policies and projects that engage with civil society groups and other stakeholders from the outset.

The AREI's initial progress has been positive and it offers the potential for real energy transformation. It is premised on strong environmental and social criteria to ensure activities meet community needs, avoid land grabs, environmental harm and human rights violations, are truly new and additional, and more. It recognizes the need for broad capacity building and the need to support domestic institutions and structures before launching into program and project implementation at scale.

What is the threat?

The sovereignty and African ownership of the AREI and its ability to safeguard outcomes for African communities is now under threat. At the most recent AREI board meeting, the EC and France, which have pledged funds to the Initiative, pushed through approval of 19 partly preexisting projects as part of AREI, without going through the required screening process against AREI social and environmental criteria. This breach of AREI principles was done over the objections of several African board members.

While the EU <u>claim that these projects would provide €4.8 billion</u> in investments, they are in fact only providing €300 million themselves. Most of this is likely recycled or double-counted aid money, not new and additional climate finance. It is also unclear what proportion of the financing is in the form of loans and initial indications suggest that not all of the projects are directly related to providing renewable energy capacity. It also seems clear the 'AREI approval' of these projects is mere rubber stamping; the projects were not prepared with any involvement of AREI and would likely happen irrespective of AREI.

The donors also claimed an additional Board seat for developed countries, against the principle of one seat each for developed and non-African developing countries, and attempted to impose their own EU technical experts on the AREI's Independent Delivery Unit (IDU).

The head of the IDU, who has been at the core of developing AREI and widely seen as integral for the success and integrity of the initiative, announced that he would need to resign under these conditions.

Why is this a problem?

We object to these developments for three main reasons.

First, AREI is African-owned and Africa-driven, setting it apart from other initiatives. It has had a promising start functioning on this basis. "Country ownership" is a widely acknowledged principle in development and climate finance, and pushing this aside risks repeating the failed donor-driven models of the past. We particularly object to the fact that France and the EC took advantage of the governance not being finalized to push for the approval of 19 projects, some of which may not be aligned with AREI criteria.

Second, the 19 projects that the EC and France are pushing through repeat some of the consistent failures in donor countries' accounting for climate finance. They are based on highly unrealistic assumptions about the amount of funds that will be leveraged by limited contributions, and a lack of clarity about whether the finance provided is truly new and additional (a necessity given that the AREI's agreed objective is the delivery of new and additional renewable energy capacity). This follows a trend of donor countries claiming to be providing far more support than they actually are.

Third, AREI will simply not work if its core principles are undermined from the outset. The AREI is attempting the difficult but necessary work of building domestic capacity, supporting local institutions, and engaging communities and local stakeholders in the design and implementation of projects. This is reflected in its ambition to deliver "only" 10 GW by 2020 and initially focus on capacity-building, which would form the basis of truly ambitious, countrywide efforts aiming for 300 GW of new capacity by 2030. Pushing through a set of projects without proper consideration for these institutional, policy-oriented processes goes entirely against the vision for the AREI's long-term success.

What do we want?

For all these reasons, we fully support the demands of African civil society to reverse recent developments and put the AREI and its leadership and governance back on track, as outlined in their recent statement.

France and the EU must undertake the following:

- In all future engagements with the AREI, demonstrate appropriate respect for the initiative's African ownership, its principles, structure and processes, which have been agreed by African heads of state.
- Abandon aspirations for AREI board positions, and respect a proper African process through which non-African board members as well as IDU staff are selected.

- Suspend the 19 projects until a thorough review against AREI criteria, environmental and social safeguards, prior informed consent by the States and citizens concerned, and active civil society participation is undertaken. It must be for individual African states and people, not contributor countries, to propose projects to AREI.
- Provide full transparency on: how the proposed projects are aligned with national priorities; whether they are genuinely new and additional; how they fit into ODA and climate finance accounting; and how they are financed, e.g. disclosing the proportion of financial instruments used, accounting for all finance and commitments already made, providing clarity on amounts of loans, and providing evidence justifying the use of highly ambitious leveraging ratios, etc.
- Help ensure active participation by all civil society constituencies at all levels of AREI
 including its governing bodies, its workplan and project development, and project
 implementation on the ground.

The AREI is an African-led initiative that, with proper governance, has the potential to address the energy needs of African peoples and the planet's climate challenges. Only by respecting the initiative's African sovereignty, ensuring projects are aligned with AREI criteria, and providing genuine support can the EU and France help to meet these goals.

Signed,

- 1. ACT Alliance EU
- 2. ActionAid International
- 3. AfricaFocus Bulletin (USA)
- 4. All Nepal Peasants Federation
- 5. Amigos de la Tierra (FoE Spain)
- 6. Amigos de la Tierra Argentina
- 7. Arab Youth Climate Movement-Lebanon
- 8. Asha Parivar (India)
- 9. Asia Pacific Forum on Women, Law and Development
- 10. Asian Peoples Movement on Debt & Development
- 11. Association for Promotion Sustainable Development (India)
- 12. Bangladesh Krishok Federation
- 13. Biofuelwatch (UK)
- 14. Bristol Energy Network (UK)
- 15. Campaign for Climate Justice (Nepal)
- 16. Campaign for Sustainable Rural Livelihoods (Bangladesh)
- 17. Caribbean Policy Development Centre (Barbados)
- 18. Censat Agua Viva (Colombia)
- 19. Centar za životnu sredinu/Friends of the Earth Bosnia and Herzegovina
- 20. Center for Environment (Bosnia and Herzegovina)
- 21. Center for Environmental Justice (Sri Lanka)
- 22. Center for International Environmental Law (USA)
- 23. Centre for Science and Environment (India)
- 24. Christian Aid (International)
- 25. Climate Action Network South Asia

- 26. Climate Justice Programme (Australia)
- 27. CNCD-11.11.11 (Belgium)
- 28. Corporate Accountability International (USA)
- 29. Corporate Europe Observatory (EU)
- 30. Debt Observatory in Globalisation (Spain)
- 31. Earth in Brackets (USA)
- 32. EcoEquity (USA)
- 33. Ecologistas en Acción (Spain)
- 34. ECOMUNIDADES, Red Ecologista Autonoma de la Cuenca de México
- 35. Engajamundo (Brazil)
- 36. Environics Trust (India)
- 37. ETC Group (International)
- 38. Finance & Trade Watch (Austria)
- 39. Foundation for GAIA (UK)
- 40. Freedom from Debt Coalition (Philippines)
- 41. Friends of the Earth Australia
- 42. Friends of the Earth England, Wales and Northern Ireland
- 43. Friends of the Earth Europe
- 44. Friends of the Earth Finland
- 45. Friends of the Earth International
- 46. Friends of the Earth Japan
- 47. Friends of the Earth US
- 48. Gana Unnayan Kendra (Bangladesh)
- 49. Himalaya Niti Abhiyan NHA (India)
- 50. Indian Network on Ethics and Climate Change
- 51. Indian Social Action Forum
- 52. Indigenous Environmental Network (International)
- 53. InspirAction (Spain)
- 54. Institute for Policy Studies (USA)
- 55. Integrated Rural Awareness & Development Organization (India)
- 56. Integrated Sustainable Energy and Ecological Development Association (India)
- 57. International Oil Working Group (Canada)
- 58. International Rivers (International)
- 59. International-Lawyers.Org (Switzerland)
- 60. Jagaran (Nepal)
- 61. Janathakshan GTE (Sri Lanka)
- 62. Jordens Vänner/Friends of the Earth Sweden
- 63. KRuHA People's Coalition for the Right to Water (Indonesia)
- 64. La Asamblea Veracruzana de Iniciativas y Defensa Ambiental (Mexico)
- 65. Leave it in the Ground Initiative (International)
- 66. Maryknoll Office for Global Concerns (USA)
- 67. Mercy International Association (Ireland)
- 68. Milieudefensie Friends of the Earth Netherlands
- 69. Monde Volontaire au Développement (Belgium)
- 70. Movimiento Madre Tierra Honduras Miembro de Amigos de La Tierra Internacional (Honduras)

- 71. Municipal Services Project (Canada)
- 72. National Women Peasants Association (Nepal)
- 73. National Youth Peasants Association (Nepal)
- 74. NOAH Friends of the Earth Denmark
- 75. Occupy Bergen County (USA)
- 76. Oxfam (International)
- 77. Pakistan Fisherfolk Forum
- 78. Participatory Research Action Network (Bangladesh)
- 79. Philippine Movement for Climate Justice
- 80. Planetary Association for Clean Energy (Canada)
- 81. Plataforma Boliviana Frente al Cambio Climático (Bolivia)
- 82. Plataforma Interamericana de Derechos Humanos, Democracia y Desarrollo (Ecuador)
- 83. Polski Klub Ekologiczny (Poland)
- 84. Practical Action (UK)
- 85. Pro Public (Nepal)
- 86. PROGGA (Bangladesh)
- 87. Quercus Portugal
- 88. Re:Common (Italy)
- 89. River Basin Friends (India)
- 90. Sanlakas (Philippines)
- 91. Soliaritas Perempuan (Indonesia)
- 92. South Asia Food Sovereignty Network
- 93. South Asia Peasants Coalition
- 94. South Asian Alliance for Poverty Eradication
- 95. Students for a Just & Stable Future (USA)
- 96. SUPRO (Bangladesh)
- 97. Tebtebba (Indigenous Peoples' International Centre for Policy Research and Education) (Philippines)
- 98. The Land Magazine (UK)
- 99. Third World Network (Malaysia)
- 100. TierrActiva Peru
- 101. Transnational Institute (Netherlands)
- 102. TUPI (Nepal)
- 103. UDYAMA (India)
- 104. United Methodist Church, General Board of Church and Society (USA)
- 105. US-Africa Network (USA)
- 106. War on Want (UK)
- 107. We Women Lanka (Sri Lanka)
- 108. Women's Environment and Development Organization (USA)
- 109. World Future Council (International)
- 110. WWF International
- 111. Xarxa per la Sobirania Energetica (Spain)