
MEMORANDUM OF UNDERSTANDING

AMONG THE

**INTERNATIONAL BANK FOR RECONSTRUCTION AND
DEVELOPMENT**

AND

INTERNATIONAL DEVELOPMENT ASSOCIATION

AND

MULTILATERAL INVESTMENT GUARANTEE AGENCY

AND

INTERNATIONAL FINANCE CORPORATION

AND

**THE UNITED STATES AGENCY FOR INTERNATIONAL
DEVELOPMENT**

**FOR PURPOSES OF COLLABORATION IN THE ENERGY SECTOR IN
SUB-SAHARAN AFRICA**

DECEMBER 19, 2019

This Memorandum of Understanding (“Memorandum”) represents a statement of intent by the International Bank for Reconstruction and Development (“IBRD”) and the International Development Association (“IDA”) (collectively, the “World Bank” or the “Bank”), the Multilateral Investment Guarantee Agency (“MIGA”), and the International Finance Corporation (“IFC”) (collectively, the “World Bank Group”), and the United States Agency for International Development (“USAID”) (each a “Participant,” and, together, the “Participants”), to collaborate in the achievement of common objectives as described and on the basis outlined below.

WHEREAS:

- (A) The World Bank, an institution of the World Bank Group (“WBG”), is an international development institution established by Articles of Agreement adopted by its member countries. The World Bank’s overarching mission is to reduce poverty, improve living conditions, and promote sustainable and comprehensive development in its developing member countries. It has established two ambitious goals to anchor its mission: to end extreme poverty within a generation and boost shared prosperity. The World Bank will achieve these goals by providing loans, concessional financing, technical assistance, and knowledge-sharing services to its developing member countries and through partnerships with other organizations.
- (B) MIGA, an institution of the World Bank Group, is an international organization established by its Convention dated October 11, 1985, as amended, and mandated to facilitate and promote foreign direct investment into developing member countries by alleviating concerns related to non-commercial risks. MIGA’s role is important in the encouragement of foreign investment, particularly in the energy sector, that could complement national and regional guarantee programs.
- (C) IFC, an institution of the World Bank Group, is an international organization, established by Articles of Agreement among its member countries, focused exclusively on the private sector in developing countries. IFC seeks to leverage its financial resources, products, services, technical expertise, global experience, and innovative thinking – as well as products and services of other institutions across the World Bank Group – to create markets; to address the biggest development challenges of our time; and to help its clients and partners overcome financial, operational, and other challenges. Enhancing access to power is a key priority for IFC. IFC finances the generation, transmission, and distribution of electricity in developing countries, and helps to remove barriers to private-sector investment in the power sector by identifying and developing new market opportunities and supporting new technology and business models with the potential to scale.
- (D) Power Africa is an initiative of the United States Government (“USG”) that brings together the combined expertise and resources of twelve USG Departments and Agencies (the Departments of State, Energy, Agriculture, Commerce, and Treasury; the U.S. Trade and Development Agency; the Millennium Challenge Corporation; the Overseas Private Investment Corporation; the Export-Import Bank; the U.S. African Development Foundation; and the U.S. Army Corps of Engineers within the U.S. Department of Defense; and USAID) and private-sector partners. Rooted in partnerships, Power Africa is working with African governments, the private sector, and other development partners to add more than 30,000 megawatts of cleaner, more-efficient electricity-generation capacity, as well as increase access to electricity by adding 60 million new home and business connections in sub-Saharan Africa (“SSA”). In addition, Power Africa, strives to enhance the business-enabling environment capabilities of SSA governments to manage energy resources, to allow participant countries to meet their critical energy needs and achieve sustainable energy security on the Journey to Self-Reliance.

NOW, THEREFORE, the Participants intend as follows:

A. Objective

1. This Memorandum sets forth commonalities between the Participants' objectives and approaches and intends to establish a basis for ongoing dialogue and cooperation between the Participants. There are a number of examples of productive collaboration between the institutions of the World Bank Group and Power Africa in SSA. This Memorandum is intended to further these collaborations, catalyze the additional joint implementation of activities, and facilitate a joint contribution to mutual objectives in the energy sector in SSA.
2. Consistent with their respective mandates, and subject to the terms of this Memorandum, the Participants desire to collaborate in carrying out activities conducive to meeting their shared goals of increased sustainable energy production, the reliability of transmission and distribution networks, and access to electricity in SSA, including the following:
3. The World Bank Group and USAID aim to collaborate towards energy sector goals in SSA, including the following:
 - (a) \$5 billion U.S. dollars invested or guaranteed by the World Bank Group in the energy sector in SSA by 2024 (WBG);
 - (b) 3.3 gigawatt-hours of energy storage financed by 2024 (WBG);
 - (c) 60 million new connections by 2030 (Power Africa);
 - (d) 5000 kilometers of transmission line infrastructure constructed or rehabilitated by 2030 (Power Africa); and
 - (e) 30,000 megawatts of new energy generation by 2030 (Power Africa).

B. Scope and Areas of Collaboration

1. To further the achievement of their common objectives, the Participants, subject to their respective constituent documents, as well as their respective policies, procedures, practices, and strategies, intend to collaborate with each other in the following ways:
 - (a) The World Bank and USAID, acting through Power Africa:
 - (i) develop joint opportunities to advance equality between women and men and female empowerment in the energy sector;
 - (ii) strengthen collaboration on the strengthening and modernization of utilities, which could include assistance to increase the use of information and communication technology; improve integrated electrification planning for both on and off-grid providers; and introduce business models from commercially successful off-grid companies to improve performance and engagement with customers;
 - (iii) share knowledge to align transmission and infrastructure investments around priority gaps and develop joint messaging to other development partners to help sequence, prioritize, and coordinate their contributions,

including by identifying model country(ies) and targeting advisory services and training to advance private-sector models in the transmission sector;

- (iv) intensify collaboration to support off-grid development by engaging host governments to improve the enabling environment for greater private-sector investment in the off-grid sector; and
 - (v) cooperate to scale up battery storage in targeted markets to deliver quality, stable energy to customers, particularly in rural areas.
- (b) MIGA and USAID, acting through Power Africa:
- (i) share studies and data on supply-demand analysis, market conditions, and tariff levels;
 - (ii) share information on an ongoing basis on transaction opportunities, assessments of political and non-commercial risk, and cooperation with energy utilities to inform programmatic investments;
 - (iii) collaborate on the development of country resource guides with a focus on political risk, including financial creditworthiness and the strength of utilities; and
 - (iv) collaborate on workshops in various markets with a focus on the bankability of independent power producers.
- (c) IFC and USAID, acting through Power Africa:
- (i) share knowledge, ideas, and lessons-learned on private-sector investment in the sustainable, renewable generation, transmission, and distribution of power (including, where deemed appropriate by the sharing Participant, by way of sharing information about specific projects or project needs);
 - (ii) share know-how on private-sector investment in SSA, particularly countries eligible for assistance from IDA, with private-sector investors, including by participating in outreach and education events;
 - (iii) advance collaboration on the Scaling Solar program, including by identifying investment opportunities in SSA, coordinated communication with field teams, and sharing risks on projects, where appropriate;
 - (iv) discuss regularly, and, if feasible, collaborate on specific activities, including development, marketing, origination and/or implementation/proof-of-concept activities for public-private partnerships or other private-sector-led transaction models in the following sectors:
 - storage (with or without associated generation);
 - wind;
 - mini-grids;

- solar photovoltaic power for commercial and industrial consumers;
 - hydropower; and
 - transmission and distribution;
- (v) discuss regularly, and, if feasible, collaborate on specific activities, including research, knowledge-development, conference events, and workshops, to advance equality between men and women and female empowerment in the energy sector, with a focus on jobs and access to assets; and
- (vi) share ideas and lessons-learned, and, if feasible, the joint development of benefit-sharing opportunities/programs for private-sector investors in the generation, transmission, and distribution of power to consider implementing in connection with their local stakeholder-engagement activities.
2. Each Participant may engage in its intended collaboration as set forth herein in one or more of the following ways:
- (a) mobilizing its staff in pursuit of the objectives set forth in this Memorandum;
 - (b) providing facilities for joint workshops, conferences, or training seminars;
 - (c) engaging and funding consultants in support of its respective activities; and
 - (d) such other ways as each Participant may determine in its sole discretion.
3. The Participants intend to keep each other informed, as appropriate, of relevant activities pertaining to the collaboration contemplated under this Memorandum; to schedule meetings and consultations as needed and possible to evaluate the progress of implementation of this Memorandum; and to introduce or modify activities, as deemed necessary and as the Participants may agree. At least once a year, the Participants may meet as agreed to review and evaluate progress on their collaboration under this Memorandum.

C. Contacts

Each Participant hereby designates and appoints below its representative with overall responsibility for implementing this Memorandum and for all correspondence and notification pursuant to this Memorandum:

For the World Bank:

Director
 Energy and Extractives Department
 The World Bank
 1818 H Street, N.W.
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 United States of America

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For IFC:

Regional Industry Director
Infrastructure and Natural Resources, Middle East and Africa
IFC
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Illovo
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Republic of South Africa

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For MIGA:

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Multilateral Investment Guarantee Agency
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Tel: +(1) 202-458-2538

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For the USAID:

Coordinator
Power Africa
Ronald Reagan Building
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Washington, D.C. 20036
United States of America

Tel: +(1) 202-712-5859

D. General

1. No Binding Agreement or Commitment

This Memorandum does not constitute an agreement or commitment by any Participant to enter into, or provide support for, any specific activity or project. This Memorandum is a non-binding expression of the current intentions of the Participants to collaborate. For the avoidance of doubt: (a) no breach, performance, or non-performance of any provision of this Memorandum may give rise to any monetary or other liability by one Participant to another; and (b) no Participant is responsible for the activities carried out by any other Participant under this Memorandum.

2. No Joint Venture

Nothing in this Memorandum shall be construed as creating a joint venture, an agency relationship, or a legal partnership between or among the Participants.

3. Expenses

Each Participant shall accept full and sole responsibility for any and all expenses incurred by itself relating to this Memorandum. Nothing in this Memorandum shall be construed as superseding or interfering in any way with any agreements or contracts entered into by or among the Participants, either prior to or subsequent to the signing of this Memorandum. Nothing in this Memorandum shall be construed as an exclusive working relationship.

4. No Obligation of Funds

The Participants specifically acknowledge that this Memorandum is not an obligation of funds, nor does it constitute a legally binding commitment by any Participant or create any rights in any third Participant.

5. No Waiver of Privileges and Immunities

Nothing in this Memorandum is intended to be, or should be construed as a waiver, renunciation, or modification of, the privileges and immunities accorded to the World Bank, IFC, MIGA or USAID, or any of their respective officers and employees under their constituent documents, any international convention, treaty, or applicable law, the privileges and immunities of which are hereby specifically reserved.

6. Name, Marks, and Logos

- (a) The Participants acknowledge that the names and marks “International Bank for Reconstruction and Development,” “IBRD,” “International Development Association,” “IDA,” “World Bank,” “International Finance Corporation,” “IFC,” “Multilateral Investment Guarantee Agency,” “MIGA,” “World Bank Group,” and all variations thereof, including their associated logos (collectively, the “World Bank Group Names”), and “Power Africa,” “USAID,” and all variations thereof, including their associated logo(s) (collectively, the “USAID Names”), are the sole and exclusive properties of the respective institutions of the World Bank Group and USAID, respectively.
- (b) No Participant shall acquire any right, title, or interest in the other Participants’ names under this Memorandum.
- (c) The Participants acknowledge that any and all uses by one Participant of another Participant’s name shall inure solely to the benefit of that other Participant. The Participants understand and agree that no Participant may use another Participant’s name in any manner whatsoever that conveys or suggests, directly or indirectly, the endorsement or support of a Participant or its products or services by another Participant. All uses by one Participant of another Participant’s name in any manner (other than casual or generally accepted uses such as reporting on collaboration) shall be subject to the written approval of the other Participant (which may include through electronic correspondence).

7. Disclosure, Publicity, and Information Sharing

- (a) Each Participant may publicly disclose this Memorandum and information with respect to its collaborative activities contemplated herein, in accordance with its respective disclosure policy.
- (b) Any sharing of information between the Participants shall be subject to the sharing Participant's policy relating to the disclosure or sharing of information.

8. Intellectual Property

The Participants recognize the importance of protecting and respecting intellectual-property rights. This Memorandum does not grant any Participant the right to use materials that belong to, or are created by, another Participant. The Participants shall agree in writing on the ownership of any intellectual-property rights that could arise in any work created by the collaborative activities undertaken pursuant to this Memorandum at the time of agreeing on the work plan for such activities.

9. Non-Exclusive Relationship

No relationship exclusive of a third party or parties shall be established between the Participants, whether under this Memorandum generally or with respect to any specific activities or projects engaged in while collaborating pursuant thereto, unless explicitly agreed to by the Participants under a separate agreement. No Participant shall be restricted in any way from engaging a third party or parties to pursue independently of the other Participants the objectives described in this Memorandum.

10. No Procurement Advantage

The collaborative activities of any institution of the World Bank Group with USAID pursuant to this Memorandum are not intended to confer a special advantage or preference to USAID, the WBG, or any other person in competing with any other entity for the procurement of goods, works, or services by such institution or third parties.

11. Term

- (a) Collaboration under this Memorandum may begin upon signature by all Participants on the date set forth below, and will end on July 31, 2024.
- (b) The Participants may extend, modify, or terminate this Memorandum as provided for below.

12. Termination

The Participants may modify or terminate this Memorandum at any time by mutual written agreement. Further, any Participant may terminate this Memorandum at its sole discretion by giving 30 days' prior notice in writing to the other Participants.

The Participants have caused this Memorandum to be executed as of the day and date written above.

**INTERNATIONAL BANK FOR
RECONSTRUCTION AND
DEVELOPMENT AND
INTERNATIONAL DEVELOPMENT
ASSOCIATION**

By  _____
Authorized Representative

Name: Riccardo Puliti

Title: Global Director

Department: Energy and Extractive Industries

Global Practice

**MULTILATERAL INVESTMENT GUARANTEE
AGENCY**

By  _____
Authorized Representative

Name: Sarvesh Suri

Title: Director of Operations

Department: Operations Group

INTERNATIONAL FINANCE CORPORATION

**UNITED STATES AGENCY FOR
INTERNATIONAL DEVELOPMENT**

By  _____
Authorized Representative

By _____
Authorized Representative

Name: Linda Munyengeterwa

Name: Andrew Herscowitz

Title: Regional Industry Director

Title: Coordinator

Department: Middle East and Africa

Department: Power Africa

INTERNATIONAL FINANCE CORPORATION

**UNITED STATES AGENCY FOR
INTERNATIONAL DEVELOPMENT**

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Name: Linda Munyengeterwa

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Title: Regional Industry Director

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