



Brian's Brief

Issued to SANEA members to stimulate dialogue

Many of you will have read reports on the recent Energy Conference that was held in Marrakesh, Morocco. I was particularly concerned to read Tom Pfeiffer's article entitled "Rationing Looms in Africa Energy Crisis" that appeared on the Reuters website.

The article painted a very gloomy picture for the energy future of sub-Saharan Africa.

Jean-Marie Chevalier, an economic science professor based in Paris was quoted as saying that there is no productive investment. Predators take the money and invest it back in Europe. Phillipe Durand of the African Development Bank complained of the lack of transparency and professionalism in commercial bidding processes causing extensive delays in project implementation. Henri Boye of EdF was quoted as stating that it would be absolute madness to invest in Inga related projects stating further that there is no money in DRC and the maintenance on existing plant is detestable. The article further reports that the cost of capital in sub-Saharan Africa is between 15 and 20 % compared to about 5-6 % for a healthier developing economy like Chile.

The above gloomy picture may or may not be accurate and fair. That is not the point. What is fact is that this article has been distributed and quoted quite widely and it is certainly not making a positive contribution to the development of sub-Saharan Africa. It will spread further doom and despondency and will certainly not attract more investors.

What are we going to do about these foreign perceptions?

We need to hear more of the success stories of Africa. We need to write them up and we need to make sure that they are presented at such conferences and are submitted to the professional media. I am not talking about public relations spin in advertorials. I am asking for good solid articles on your successful projects, including the stumbling blocks and the lessons learned. We need to be proud of what we are achieving and we need to tell the rest of the world, in no uncertain terms, that while there are many challenges to be overcome in sub-Saharan Africa, there are as many African companies and individuals right here working as hard as we can to overcome them.

For too long we have allowed others to define the image of energy in Africa. I believe that the time has now come for us to stand up and speak for ourselves in a positive and professional way. I ask every one of you, as members of SANEA, to become more vocal, to share information widely on the excitement of working in our region and above all, to live up to our vision of "Energy People Working Together".

Brian A Statham
Chairman



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"Energy People Working Together"