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**Africa
Growth
and
Opportunity:
Research
in Action**

**Takeaways from
the Energy-Focused
Sessions**

AGORA

#AGORA25



Takeaways from the Energy-Focused Sessions



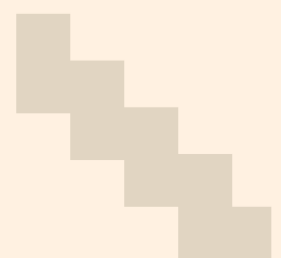
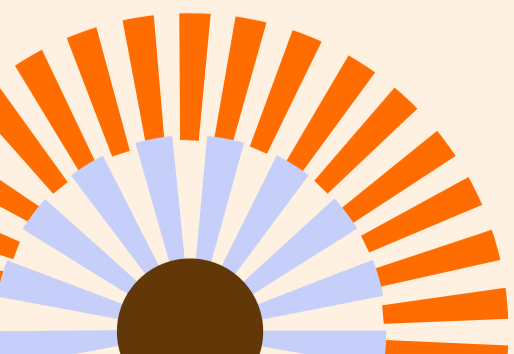
This brief synthesizes the sessions focused on energy at AGORA 2025: the Fireside Chat, the Energy Keynote and debate, the panel on the Energy Mission, and the panel on Agenda 2063 and the Mattei Plan.

The AGORA conference in Palermo, brought together a diverse array of African, European, and international voices to grapple with one of the continent's most pressing challenges: how to deliver reliable, affordable, and sustainable energy at scale, and in doing so, unlock the potential for jobs, growth, and shared prosperity. The discussions—spanning high-level keynotes, technical panels, and candid exchanges—revealed both the complexity of the task and the grounds for measured optimism.

A New Era of Partnership: “With Africa, Not Just For Africa”

From the outset, the spirit of the Mattei Plan—emphasizing partnership “with Africa, not for Africa”—set the tone. Speakers repeatedly underscored that Africa’s energy future must be shaped by African priorities, built on mutual respect and aligned with frameworks like the African Union’s Agenda 2063. The Mattei Plan was cited as a model for this approach, but also as a work in progress: its success, participants agreed, will depend on integrating with existing African strategies, not duplicating or bypassing them.

This theme of partnership was echoed in discussions pointing at Mission 300, which aims to connect 300 million Africans to electricity by 2030. Mission 300, as described by World Bank leadership, is not just a technical or financial exercise—it is a test of whether the international community can work with African governments, the private sector, and civil society to deliver results at scale, with governments in the driver’s seat.





Energy Access: The Foundation for Growth and Jobs

The urgency of the energy challenge was palpable. Despite decades of effort, more than 600 million Africans still lack access to electricity, and even those connected often face unreliable service. The consequences ripple across every sector: without energy, schools and clinics close at sunset, businesses cannot grow, and the promise of digital transformation remains unfulfilled.

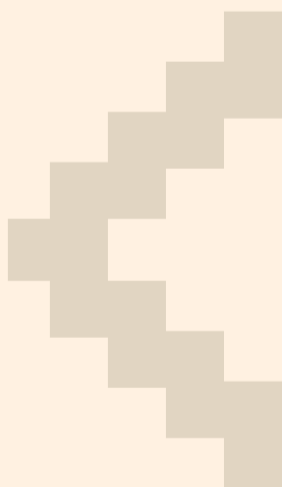
Yet, as several speakers noted, the technology to solve the access problem largely exists. The real barriers are institutional, financial, and political. The Mission 300 approach—combining concessional finance, private investment, and government-led “energy compacts”—was presented as a new model, one that seeks to break the cycle of fragmented, underfunded, and poorly coordinated interventions.

The sessions highlighted that energy access is not just about connections, but about quality, reliability, and affordability. The “modern energy minimum” metric, which sets a higher bar for what constitutes meaningful access, was cited as a more honest reflection of the challenge ahead.

Institutional Reform and Governance: The Elephant in the Room

If there was a single motif running through the conference, it was that institutional quality and governance are the make-or-break factors for energy transformation. Whether in the context of national utilities, regional power pools, or cross-border infrastructure, the message was clear: without strong institutions, clear rules, and accountability, even the best-funded projects risk underperforming.

Panelists pointed to the chronic financial distress of many African utilities, the prevalence of technical and commercial losses, and the political interference that often undermines tariff setting and investment decisions. The need for regulatory reform, performance contracts, and shielding utilities from short-term political pressures was emphasized repeatedly.





At the same time, there was recognition that governance challenges are deeply political. Reform means confronting vested interests, navigating elite bargains, and building coalitions for change. Several speakers called for more research and policy experimentation to identify what works in different contexts, and for a greater focus on the political economy of reform.

Financing and Investment: Aligning Capital with Impact

The financing gap for Africa's energy transition is staggering—estimates range from \$15 billion to \$400 billion per year, depending on the scope. Yet, as one panelist observed, “money is not the issue”—at least not in the abstract. The real challenge is mobilizing and aligning capital—public, private, concessional, and philanthropic—in ways that are sustainable and impactful.

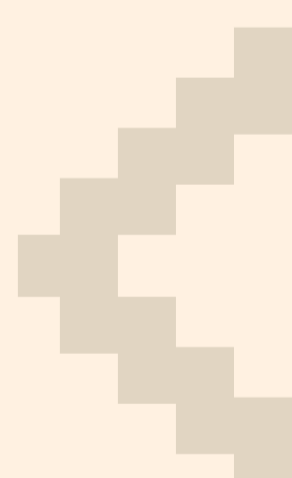
The sessions explored the role of institutional investors, sovereign wealth funds, and blended finance models. There was a strong call not to neglect the importance of public and concessional finance, especially for segments of the energy sector (like transmission and distribution) that are less attractive to private capital. The need for deep and liquid capital markets, innovative financial instruments, and risk mitigation tools (such as guarantees) was highlighted.

Importantly, the Mattei Plan and Mission 300 were both seen as vehicles to better align domestic and external financing, crowd in private investment, and avoid duplication. Leveraging these initiatives to plug into existing African infrastructure pipelines and regional initiatives was seen as key to maximizing impact.

Regional Integration and Infrastructure: Building the Backbone

A recurring theme was the need for regional integration—of power markets, infrastructure, and regulatory frameworks. Fragmented national markets, weak cross-border interconnections, and inconsistent regulations were identified as major obstacles to achieving scale and reducing costs.

The conference showcased examples of successful regional projects, such as the Italy-Tunisia interconnection and the African Continental





Free Trade Area, but also acknowledged the slow pace of progress. The African Union's efforts to develop a continental power master plan and single electricity market were cited as promising, but in need of greater political will and technical support.

Participants stressed that regional integration is not optional—it is essential for unlocking Africa's economic potential and for making large-scale investments viable. The Mattei Plan's focus on cross-border infrastructure was seen as a critical contribution, provided it is aligned with African priorities and frameworks.

Political Economy and Reform: Navigating the Realities

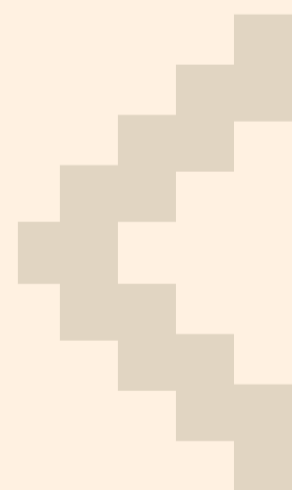
Throughout the sessions, there was a sober recognition that technical solutions alone are insufficient. The political economy of energy reform—who benefits, who loses, and how to build coalitions for change—was described as the “elephant in the room.” Speakers called for more nuanced analysis of incentive structures, more experimentation with policy tools (such as decentralization and performance contracts), and more attention to the realities of implementation.

The importance of monitoring and accountability was also emphasized. Data-driven decision-making, transparent reporting, and robust impact measurement—especially on reliability, affordability, and economic impact—were identified as essential for ensuring that investments deliver real outcomes.

Climate, Technology, and Skills: Preparing for the Future

The conference did not shy away from the challenges of climate change, technological disruption, and the need for new skills. The energy transition was framed as both a risk and an opportunity: Africa must expand energy production massively, using an “all of the above” approach that includes renewables, gas, and other technologies suited to local contexts.

The role of digital skills, technical and vocational training, and innovation was highlighted, both as a driver of job creation and as a prerequisite for managing the complexities of modern energy systems.





The need for Africa-specific demand modeling, rather than reliance on OECD-based assumptions, was also noted.

Mission 300 and the Mattei Plan: Points of Convergence and Open Questions

As the discussions unfolded, it became clear that Mission 300 and the Mattei Plan have overlaps in their strategic goals. Both aim to accelerate energy access, drive economic transformation, and foster equitable partnerships between Africa and Europe. Both recognize the centrality of governance, financing, and regional integration.

Yet, there are also tensions and open questions. How to balance the urgency of access with the imperatives of sustainability and climate? How to ensure that external initiatives align with African priorities and do not crowd out domestic agency? How to move from high-level commitments to concrete, measurable results?

The conference provided a roadmap for action: focus on institutional reform and governance; align financing with impact; invest in regional integration; and keep partnership and African ownership at the center.

Moving towards Delivery

The AGORA conference made clear that Africa's energy future is at a crossroads. The challenges are immense, but so are the opportunities. Mission 300 and the Mattei Plan offer powerful frameworks for action, but their success will depend on the hard work of reform, partnership, and delivery.

As one speaker put it, "Development is not an event. It is a relay. And the baton is employment." The task now is to ensure that the baton of energy transformation is passed firmly to the next generation—so that no hand is left empty, and the promise of shared prosperity becomes a reality.





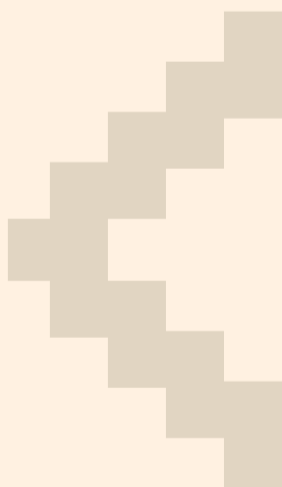
What this means for Mission 300 and the Mattei Plan

Embed three shifts:

- 1. Move beyond household connections to include reliability for firms as a core objective.* M300 should explicitly target reliable, affordable electricity for productive use—not just household access—because this is essential for growth and job creation. The Mattei Plan can also support this shift. This means:
 - **Dual-track delivery:** Continue household electrification while prioritizing enterprise feeders, industrial zones, and agro-processing clusters.
 - **Measure what matters:** Add KPIs for reliability (e.g., SAIDI/SAIFI, % feeders meeting $\geq 95\%$ uptime) and track firm-level impacts on productivity and employment.
 - **Link to broader development goals:** Position energy reliability as a driver of competitiveness, investment, and inclusive growth—not just a social service.
- 2. Increase focus on institutional reform to amplify and sustain the impact of investments.* Reform is the binding constraint—without it, investments will not deliver lasting results or attract private capital. Reforms can become the default entry point, with clear milestones for loss reduction, collections, autonomy, and tariff/social protection sequencing. Without viable utilities, neither M300 nor Mattei Plan investments will scale. Political economy diagnosis is needed to support this shift.
- 3. Integrate with regional power pools and interconnectors to accelerate access and reliability.* Regionalization provides opportunities that can be leveraged to reduce costs, improve system stability, and enable economies of scale by sharing generation resources and balancing variability in renewables.

A Research and Engagement Agenda

The conference highlighted the importance of distinguishing between what we already know, where new research is needed, and where





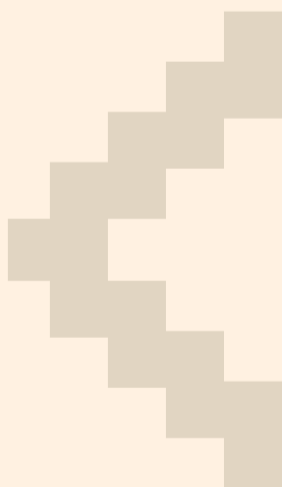
ongoing dialogue and engagement can drive progress. Below is a roadmap for action:

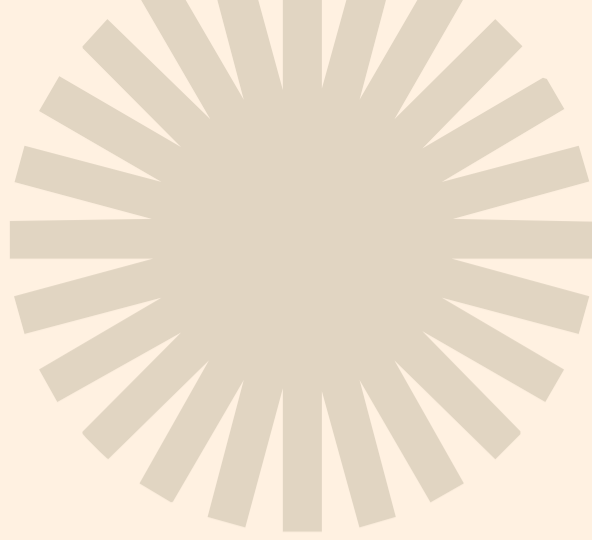
Areas Where Existing Knowledge Can Inform Decisions

- ***Institutional Reform and Governance:***
 - There is robust evidence that strong, autonomous regulatory agencies, performance contracts, and shielding utilities from political interference improve sector outcomes.
 - Lessons from successful reforms (e.g., Morocco, Senegal) can be adapted and scaled.
- ***Regional Integration:***
 - The benefits of regional power pools, harmonized regulations, and cross-border infrastructure are well-documented.
 - Existing frameworks (African Continental Free Trade Area, AU's power master plan) provide a foundation for action.
- ***Financing Models:***
 - Blended finance, public-private partnerships, and targeted concessional funding have proven effective in mobilizing capital for infrastructure.
- ***Energy Access Metrics:***
 - The shift from simple connection counts to “modern energy minimum” standards is supported by research and should guide program design.

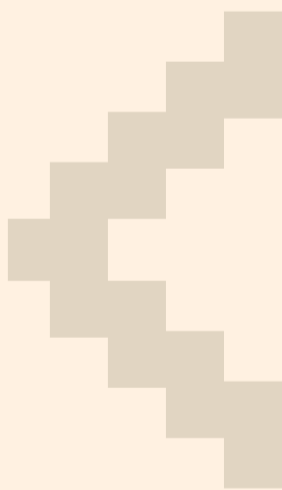
Areas Where Further Research Is Needed

- **Institutional Reform as a Multiplier:** If entrenched interests (those benefiting from leakages, subsidies, or political control) can be co-opted or reformed, how much could M300 scale? Several panelists argued that credible reforms could turn M300 into “M500” or “M600”—but only if costs and risks are transparently allocated and managed. What concrete reform milestones could trigger scaled financing?





- **Political Economy of Reform:** Discussions stressed the importance of understanding who wins and who loses. What are concerns of civil society and how to address them? What incentives or compensation can bring “losers” (those who lose out from reform) into the coalition for change? How can transparency and accountability (e.g., open data, performance contracts, public dashboards) shift the balance of power toward reform? balance sheets should underwrite the new non-stationary risks—and how to price them? More work is needed to map out who benefits and who loses from reforms, and to design incentive structures that build coalitions for change.
- **M300 focus — households vs. firms:** What is the right balance between expanding basic household access and delivering reliable, affordable power for productive use? A dual-track is feasible if M300 explicitly sets reliability KPIs and targets for enterprise feeders/zones while continuing household electrification. Who benefits most from each approach, and who pays for the trade-offs (e.g., higher tariffs, targeted subsidies, reliability investments)? Better understanding of the tradeoffs, the complementarity between investing in households and firms simultaneously, complementary investments needed beyond electricity is needed.
- **Pricing, poverty, and risk allocation:** How do we set tariffs that reflect true costs, while protecting the poor and avoiding political backlash? Who should bear the risk of climate variability, asset performance, and payment default—governments, MDBs, private investors, or insurers? Proposal: price to cost-recovery over time; protect the poor with targeted cash transfers (outside the tariff) and lifeline blocks that are time-bound and data-validated. Each country would require deep analysis to understand how pricing mechanisms should be design, while supporting access for the most vulnerable. Research is needed on the optimal energy mix for African countries, balancing growth, resilience, and climate commitments, and on the implications of emerging technologies (e.g., AI, digital grids). New models are required to reflect Africa’s unique urbanization, digitalization, and economic growth patterns, rather than relying on OECD-based assumptions.





- **Decentralization and Local Solutions:** Comparative studies and policy experiments are needed to identify which institutional reforms (e.g., decentralization, local grants, off-grid solutions) are most effective in different contexts.
- **Impact Measurement:** Developing robust, context-appropriate methods to track not just access, but also reliability, affordability, and the economic impact of energy investments—especially on firms, job creation, and gender equity.

Areas Where Engagement, Dialogue, and Co-Design Are Essential

- ***Aligning External Initiatives with African Priorities:***
 - Ongoing dialogue is needed to ensure that Mission 300 and the Mattei Plan are not only aligned with, but also reinforce, African-led strategies and frameworks.
- ***Building Trust and Accountability:***
 - Transparent, participatory monitoring systems and regular stakeholder engagement can help build trust, ensure accountability, and adapt programs in real time.
- ***Scaling Innovation and Learning:***
 - Forums for peer learning, South-South exchange, and joint experimentation can accelerate the spread of successful models and innovations.
- ***Bridging Policy and Practice:***
 - Continued engagement between policymakers, researchers, practitioners, and communities is needed to translate evidence into action and adapt solutions to local realities.

This brief was prepared by World Bank staff with the support of AI tools.

