



**KEYNOTE ADDRESS BY HIS EXCELLENCY, DR. JULIUS
MAADA BIO, PRESIDENT OF THE REPUBLIC OF SIERRA
LEONE, AT THE ENERGY SECTOR ROUNDTABLE,
FREETOWN, 25 MARCH 2021**

Ministers of Government,
Members of the Diplomatic and Consular Corps
Our Development Partners
Private Sector Partners
Distinguished Ladies and Gentlemen,
Good morning.

1. Two Mondays ago, I offered myself and members of my Government as the first guineapigs for vaccination. Members of Parliament and Opposition leaders also took the vaccine on the day. Evidently, the vaccines are safe and efficacious and we are all still alive.
2. The vaccine roll-out is a further development to the effective structures, policies, and measures we have put in place to fight off COVID-19. We have kept infection and fatality rates lower than our peers and we are fully committed to protecting lives and livelihoods. We acknowledge, with gratitude, the support of our partners in supporting our fight against COVID and especially in bolstering our effective COVID-19 measures and other governance initiatives.
3. So let me start by extending a warm welcome to the heads and representatives of the various donor agencies and institutions present here today. Each of you has collaborated with various Government energy stakeholders and energy sector entities and agencies including EDSA, EGTC, EWRC, The PPP UNIT, the EPA, and the Ministry of Energy.
- 4. I am pleased to join you at this Energy Roundtable for two main reasons and more.**
5. First, this is an opportunity to reiterate to partners my commitment to reforming the energy sector. As a Government, we set a number of priorities three years ago:
 - a. Reform of the Energy Sector
 - b. Financial sustainability of the sector
 - c. A significant increase in, and equitable access to affordable and clean energy.
6. We identified these priorities for this sector because we believe that reliable, affordable, accessible, and clean power is critical for the development of our economy. In addition to supporting our human capital development priorities, enhanced energy security supports investments, which in turn create opportunities and jobs. A greater proportion of

clean energy in the mix especially for rural-off-grid areas also supports climate change resilience.

7. Toward those objectives, our partners have generously supported initiatives to deliver reliable electricity. Permit me to identify a few of these initiatives:
- a. The unbundling of vertically integrated NPA to create EDSA, EGTC, and EWRC
 - b. The implementation of standard operating procedures and metrics for EDSA with the support of the World Bank Management Contractor
 - c. The expansion and strengthening of the Freetown distribution network through the World Bank-sponsored Energy Sector Utility Reform Project
 - d. The ongoing Bo-Kenema Transmission and Network Rehabilitation Project; funded by FCDO and AfDB
 - e. The MCC supported Threshold Program, (2016 – 2021) which introduced and facilitated the Energy Roadmap
 - f. The FCDO sponsored flagship Rural renewable energy project, - which is the gold standard for mini-grid installation and regulation in the sub-region; and,
 - g. The launch of the **District Headquarter Town Electrification Project**, a flagship of my administration, where in Phase I, Government has provided funding for overhauling the distribution network in seven towns that have been without electricity for decades: Bonthe, Matru-Jong, Kambia, Kailahun, Kabala, Moyamba and Pujehun. the generation component and grid connectivity to these towns will be funded through the World Bank's **Enhancing Sierra Leone Energy Access Project**.

8. Secondly, the overarching intent of this meeting, which is, ***“To discuss and assess the key issues and challenges of the sector, and agree on priority areas for intervention, through a collaborative effort of the government and partners,”*** aligns with the policy direction we have mapped out as a Government.

9. But challenges persist.

10. Since the COVID-19 pandemic struck, partner and foreign funding sources to support the energy sector have dwindled somewhat. But the need for available and affordable electricity has not diminished.

11. Out of necessity, Government has had to finance the sector’s deficit in excess of Le140 Billion in subsidies in the Financial Year 2020. I am concerned about the pressure on Government finances, but I believe that we can collaborate as partners to find a sustainable financial model that will serve us in the long-term.

12. Through collaboration with donors, we have slightly reduced EDSA’s commercial losses to about 38%, down from 40%. That is still too high. Overall, Electricity Access in Sierra Leone is still critically low, at about 26%; with a high rural and urban disparity, and rural access averaging only 5%. We must contend with these realities and we can do so with well-thought out and well-implemented measures and policies.

13. We have started taking first steps. Cabinet has recently authorized the consideration of Private Partner options for the management of EDSA. By bringing in partners who are willing to make capital investments, share risks, and provide efficient services, we believe that we can reduce commercial and technical losses and lessen the burden on government’s finances. This process is well underway in accordance with cabinet directives.

14. We have also wrestled with challenges in the area of generating, transmitting, and distributing of electricity. The new CLSG-TRANSCO transmission line will be connected to the 5 substations at Kenema, Bekongor, Bumbuna, Yiben and Kamakwie. Under its rural energy component, the CLSG-TRANSCO line will improve affordable and reliable energy access to rural communities.
15. In the longer term, we are hoping that through a combination of power imports from the CLSG, a new Gas turbine generation plant made possible through availability of fuel from a proposed IFC-sponsored LNG import terminal, as well as other hydro and solar renewable energy projects, it will be possible to transition away from Heavy Fuel oil entirely. It is also my view that we should expand generation capacity to keep up with growing demand. We must deliver larger projects such as the Bumbuna II Hydroelectric project and other large hydro projects such as Mange or Bekongor.
16. Commercial mini-grid development has also improved energy access in rural Sierra Leone. Throughout the country, I am heartened to see the difference that energy access makes to small villages. We are proud of this achievement, and Thanks to the FCDO sponsored flagship Rural Renewable Energy Project, that is being implemented by UNOPS, we have established a model for commercial mini-grid development through effective public-private partnerships. 50 mini-grids have already been developed, with another 44 are in progress.
17. Through this project, Government has created an enabling mini-grid investment environment with associated regulations, as well as licensing and tariff procedures. We look forward to the enormous potential for innovative financing and the implementation of additional mini-grids and solar home solutions in the near future.

18. As a Government, we are however mindful of the disparity in the cost of power between the urban grid tariff and rural mini-grid tariffs. On trips to rural areas, ordinary citizens and Chiefs confront me regularly with complaints about affordability, especially the unexpectedly high tariffs citizens are asked to pay in rural communities. I believe we can address their concerns without compromising the commercial viability of the installed mini-grids or discouraging future investment in expanding commercial mini-grids. We can discuss additional low-cost power at the same time as we discuss increasing installed mini-grid generation capacity. Together, we should explore options and proposals for cushioning the effects of such high tariff regimes. As a Government, we have a few ideas about which we would want to engage partners at this roundtable.
19. Planning and coordination are also critical. We need to take forward these diverse activities and power generation technologies -- grid, mini-grid, and off-grid -- in a structured and coordinated way, so that different solutions are deployed on a least-cost basis and in line with demand. We also need to compare the merits of each of our generation options – hydro sites as against LNG powered generation, and also those as against increasing our CLSG imports. We believe our partners can support us in thinking through those options and support us in implementing our identified option or options.
20. As a Government, we believe that we can transform the sector with focused, predictable, collaborative, and transparent engagements with our partners, and with all parties being clear about where we are going and what we want to do about the energy sector in Sierra Leone.
21. We have established that each new connection will improve lives and livelihoods, support inclusive national development, and strengthen climate resilience. So, I

encourage all of us present here and future partners to use this roundtable as a platform for cooperation.

22. Let us discuss with candour the challenges and uncertainties about the sector including energy infrastructure.
23. Let us discuss how to reduce the costs of generating, transmitting, and distributing clean energy that is consistent, reliable, affordable, and accessible to citizens right across the country.
24. Let us discuss how we can make the investment climate in the sector more flexible and more attractive for new investments or for scaling up existing investments.
25. Let us discuss innovative, nimble, and profitable business models that will help develop and expand the sector.
26. Let me close, with profound thanks to all of you for embarking on this journey with my government. Let me now, on behalf of my government, declare this Energy Roundtable officially open, and wish you successful deliberations

Thank You