Ladies and gentlemen,

Many of us in this room spend our days worrying about big issues in the energy sector: price fluctuations, energy efficiency regulations, fossil-fuel subsidies, and investment into low-carbon technologies. In this respect, we are extremely fortunate. Because for millions upon millions of other people around the world, when it comes to energy their greatest concern is simply being able to access any at all.

Indeed, to use one region as an example, more than 620 million people in sub-Saharan Africa – around two-thirds of the total population – live without electricity.

One country in the region – South Africa – consumes as much electricity as the city of London. On average, each of us in this room consumes more electricity than 16 people in sub-Saharan Africa. In addition, nearly 730 million people in sub-Saharan Africa rely on hazardous, inefficient forms of cooking – using wood, charcoal, dung or agricultural residues as fuel in polluting cook stoves, and causing huge numbers of premature deaths each year. Today, the use of traditional fuels such as these easily outweighs the use of all other fuels combined.

Put simply, the energy sector of sub-Saharan Africa – and this is not the only region facing such a crisis – is not yet able to meet the needs and aspirations of its citizens. More can be done to tackle this, more should be done to tackle this and, importantly, the benefits of tackling this outweigh the costs, meaning that it also makes economic sense.

The primary purpose of our energy system is to enable a better quality of life. For those who have it, modern energy unlocks access to better health care, better education, better economic opportunities and, even, to longer life. For those who don’t have it, it is a major constraint on their social and economic development. But the challenge is surmountable and the benefits of success are immense.

In addressing this challenge, a key obstacle is the generation of sufficient investment.

Working in partnership with national governments, international efforts can help to mobilise such investment in different ways. This can be via financing, policy advice, better data, or building up the necessary institutions and capacity.
IEA has a longstanding commitment in this area, providing data and analysis that complements the role of other multilateral institutions and initiatives such as SE4All, the Power Africa initiative, Africa-EU energy partnership, and similar efforts in Asia. To what degree then can the Energy Charter make a positive impact on this important issue?

For now, though unreliable power supply does remain a problem in some regions, parties to the treaty enjoy high rates of electrification.

**However If the Energy Charter aspires to expand its membership to parts of Africa and Asia, there is a potential role to be played in creating a more attractive environment for investment.**

This is because when we look at access-related investment, and also more broadly at the needs to the power sector as a whole, private investors – including foreign investors – are often deterred by a range of political and regulatory risks. This is where the Energy Charter can theoretically play a role. In providing a level of protection to foreign investors, the Treaty can help to mitigate some of key political and regulatory uncertainties. When a country chooses to work with the ECT, it sends a signal about its level of commitment to an open and predictable investment climate.

As I have said many times before, healthy and sustainable energy sector development is built on the back of a predictable, smart, long-term regulatory and policy environment. This is the case in developing countries, just as it is the case here in Europe. I look forward to seeing how the Energy Charter can play a positive role in this regard.