

Russia–Africa Energy Roundtable

KEY CONCLUSIONS

Cooperation in energy between Russia and Africa is developing

“Cooperation between the Russian Federation and African countries has been developing with real momentum in the recent years. We believe that in the future this cooperation will develop as well. <...> I would also like to note the cooperation with African Export–Import Bank. Russian Export Center recently joined the shareholders of Afreximbank, which will also allow joint efforts to increase the export of Russian products to Africa and establish joint projects,” Georgy Kalamonov, Deputy Minister of Industry and Trade of the Russian Federation.

Russian energy companies view the African market as a promising area for their projects

“In the era of technological revolution, in Russia as well, and in the situation of sanctions, joint projects on the African continent could be a major solution for our energy companies,” Nataliya Zaiser, Chair of the Board, Africa Business Initiative UNION; Executive Secretary, Russian National Committee, World Energy Council (WEC).

“Russia and Africa have rather similar specifics of energy supply. Our disadvantage, the critical specificity of energy supply to the territories isolated from the general network – we can put that to our advantage,” Anton Usachev, Director, Russian Solar Energy Association.

Africa is interested in Russian investments and technologies

“Africa’s dynamic development and significant annual population growth on the continent lead to a steady increase in energy demand. It should be considered that nearly half the population in Africa lives without electricity. The Russian Foreign Ministry pays considerable attention to political and diplomatic support for Russian–African energy cooperation,” Andrey Kemarsky, Director of the Department of Africa, Ministry of Foreign Affairs of the Russian Federation.

“Africa is a large continent with the population of 1.2 billion; it is a huge market that needs to be developed. We have vast resources, and they need to be used. We are very interested in having investors from Russia come to us. We would be happy to use Russian technologies and investments to advance in oil

production,” Ezekiel Lol Gatkuoth, Minister of Petroleum of the Republic of South Sudan.

“Russia probably understands that what Africa needs is industrialization. We need raw materials, we need everything that is required for industrialization. Better sell your gas to us, not to the Europeans: you’ll get more money. We will use it not only for power generation, but for many other purposes as well. Africa has all the minerals that are exported to Japan, the United States, to all of those countries that previously exploited us,” Gabriel Mbagha Obian Lima, Minister of Mines and Hydrocarbons of the Republic of Equatorial Guinea.

“We are ready, we wish to cooperate with our Russian partners,” Alhaji Kanja Ibrahim Sesay, Minister of Energy of the Republic of Sierra Leone.

PROBLEMS

Insufficient technical equipment of African refineries

“The main plants that currently operate in Nigeria, Angola and other countries, they have low depth of oil refining without secondary process. The petrochemical industry is not actually represented on the industrial scale of polyethylene and propylene production. The task of combining refineries or petrochemical plants in the areas of localization of oil production would allow <...> to reduce the volume of current capital investment and improve the economic performance of such projects,” Mikhail Margelov, Vice President, Transneft.

SOLUTIONS

Creating joint work groups on energy cooperation

“As an effective interaction mechanism, we see the relevant Russian ministries and departments creating joint work groups on cooperation in energy within the existing intergovernmental commissions. Such work groups exist, for example, with South Africa and Angola,” Andrey Kemarsky, Director of the Department of Africa, Ministry of Foreign Affairs of the Russian Federation.

Expanding and diversifying Russian–African cooperation

“In our opinion, including large Russian operators into the implementation of regional projects within the African Union’s Agenda 2063 and New Partnership

for Africa's Development programmes is promising," Andrey Kemarsky, Director of the Department of Africa, Ministry of Foreign Affairs of the Russian Federation.

Determining mutually beneficial areas of cooperation

"Applying more advanced equipment allows to reduce losses, to use less energy-intensive furnaces and drives. Using renewable energy sources such as solar energy, wind energy, as well as applying efficient energy recovery methods can be helpful in this area," Mikhail Margelov, Vice President, Transneft.

"We are going to modernize many fields, replace pumping stations and develop oil production from other territories, as well as explore new fields, build new generating plants in new places and develop new oil fields that we have already identified," Mustafa Sanalla, Chairman of the Board of Directors, National Oil Corporation (NOC).