THE AFRICA-EU PARTNERSHIP
LE PARTENARIAT AFRIQUE-UE

Africa-EU
Energy Partnership

European Financial Flows on SDG7 to Africa

4th edition
2026

Methodology

The AEEP is supported by its Steering Group:

Ministry of Electricity and Renewable Energy

Federal Ministry for Economic Cooperation and Development

Ministero degli Affari Esteri e della Cooperazione Internazionale

African Union

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1. Introduction and scope of research

This methodology provides a detailed overview of the processes used to collect, analyse and present data in the Africa-EU Energy Partnership's (AEEP) fourth edition of the report *European financial flows to SDG7 in Africa*.

The report examines public and mobilised private financial flows into the energy sectors of Africa in an effort to identify the progress being made towards meeting Sustainable Development Goal 7 (SDG7) and to highlight the valuable contributions made by the European Union (EU) and its member states in pursuit of this goal. Data in this report spans from 2014 to 2023, covering the former (2014-2020) and part of the present (2020-2027) EU 2021-2027 Multiannual Financial Framework, but also the period following the date at which the Sustainable Development Goals (SDGs) came into force (2015). While the report largely focuses on the efforts made by EU Institutions and Member States (EI&MS) – to include Official Development Assistance (ODA) commitments and disbursements, core contributions to multilaterals, and leveraging of private sector finance – it was necessary to collect all available information from non-EU donors in order to provide a comparative illustration and an overall picture of the global efforts towards meeting SDG7 by 2030. African's own SDG7 financing is also a major driver of progress and is analysed in the report as well.

2. Definitions

Commitment

A firm obligation, expressed in writing and backed by the necessary funds, undertaken by an official donor to provide specified assistance to a recipient country or a multilateral organisation in a given year. Bilateral commitments are recorded in the full amount of expected transfer, irrespective of the time required for the completion of disbursements.

Disbursement

The release of funds to or the purchase of goods or services for a recipient; by extension, the amount thus spent in a given year. Disbursements record the actual international transfer of financial resources, or of goods or services valued at the cost to the donor. In the case of activities carried out in donor countries, such as training, administration or public awareness programmes, disbursement is taken to have occurred when the funds have been transferred to the service provider or the recipient. They may be recorded gross (the total amount disbursed over a given accounting period) or net (the gross amount less any repayments of loan principal or recoveries on grants received during the same period). It can take several years to disburse a commitment.

Official Development Assistance

Official Development Assistance as per the Organisation of Economic Cooperation and Development.

ODA flows are defined as those flows to countries and territories on the DAC List of ODA Recipients and to multilateral development institutions which are[1]:

i. provided by official agencies, including state and local governments, or by their executive agencies; and

ii. each transaction of which:

[1] This definition by the OECD is a new definition which started to be applied to 2018 data. Prior definition of ODA only required a gran element of 25% regardless of the recipient category.

- is administered with the promotion of the economic development and welfare of developing countries as its main objective; and
- is concessional in character. In DAC statistics, this implies a grant element of at least
    - **45%** in the case of bilateral loans to the official sector of LDCs and other LICs (calculated at a rate of discount of 9%).
    - **15%** in the case of bilateral loans to the official sector of LMICs (calculated at a rate of discount of 7%).
    - **10%** in the case of bilateral loans to the official sector of UMICs (calculated at a rate of discount of 6%).
    - **10%** in the case of loans to multilateral institutions (calculated at a rate of discount of 5% for global institutions and multilateral development banks, and 6% for other organisations, including sub-regional organisations).

SDG7

Goal seven of the United Nations' Sustainable Development Goals (SDG). SDG7 is to "Ensure access to affordable, reliable, sustainable and modern energy for all" by 2030. SDG7 has the following three targets:

7.1. By 2030, ensure universal access to affordable, reliable and modern energy services;

7.2. By 2030, increase substantially the share of renewable energy in the global energy mix;

7.3. By 2030, double the global rate of improvement in energy efficiency;

7.a. By 2030, enhance international cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency and advanced and cleaner fossil-fuel technology, and promote investment in energy infrastructure and clean energy technology;

7.b. By 2030, expand infrastructure and upgrade technology for supplying modern and sustainable energy services for all in developing countries, in particular least developed countries, small island developing States, and land-locked developing countries, in accordance with their respective programmes of support.

Investment

A commitment or disbursement made by a public or private entity to an energy project, programme or scheme in Africa.

Finance type (for international development finance)

The category of finance type by which an investment is made. This report classifies the finance type of an international development finance investment into one of the following categories:

- ODA Grants
- ODA Loans
- ODA Equity Investment
- Other Official Flows
- Private Development Finance (Philanthropy)

A full list of the financial instruments which comprise these finance types can be found in section 4.1.

Sector and subsectors

The sector and subsector of the energy industry in which the project or programme which received the investment is located. A full list of sectors and the subsectors which populate those categories (based on OECD classifications) can be found in section 4.2.

Recipient country

The African country in which a project that has received investment is located. The countries under study include all 55 members of the African Union. The OECD DAC assigns a regional classification to projects which span multiple African countries.

Region

The geographic region in which the recipient country is located. Regions are based on African Union definitions, however 'regional' investments (those directed at more than one country) are based on OECD definitions to ensure consistency with the OECD DAC dataset (see section 4.3).

Country income group

A recipient country's income status, as per World Bank definitions (see section 4.4).

Donor category

The group in which a financier of an energy project is categorised. Financiers are grouped into the following donor categories:

- **EI & MS**: European Union financial institutions and ministries/development agencies/development banks of its Member States as of 31 December 2025.
- **Europe (non-EU)**: Countries geographically located within Europe, but which are not a member state of the European Union.
- **Middle East**: Countries within the Middle East and the Levant.
- **Asia (excluding China)**: Countries located geographically within Asia and Oceania. Chinese development aid is presented separately.
- **North America**: The United States of America, Canada and Mexico.
- **Multilateral institutions**: Multilateral development finance institutions or development banks which are funded multiple countries.
- **Private sector**: Any finance from private sector organisations and civil society (excluding state-backed commercial banks or state-owned organisations).

A complete list of financiers which make up these categories can be found in Section 4.5.

3. SDG7 compliance

The report focuses on financial flows which support the achievement of SDG7 in Africa, although non-SDG7 financial flows are captured to provide context of wider energy-related financial flows.

Comprehensive data on SDG7 financial flows is not publicly available. The analysis uses OECD DAC CRS sector codes as a proxy for SDG7-compliant sectors (although the OECD DAC database allows donors to indicate whether projects are SDG7-compliant, this information is rarely reported). Therefore, projects from the following OECD DAC CRS sector codes are considered as SDG7-compliant: renewable generation, transmission and distribution, energy efficiency and clean cooking.

Commitments and disbursements to policy support and capacity building are directly related to the achievement of SDG7, albeit the portion attributed to SDG7 is unknown. It is still the case that a majority of policy/capacity building projects has an SDG7 component (taken from the project description), therefore, policy support and capacity building is included as SDG7-compliant.

See section 4.2 for more details on sector classification and SDG7-compliance.

4. Classifications

The following section outlines the classifications that were used and applied to the report's dataset.

4.1. Financial Instruments

Table 1 outlines the financial instruments used in the dataset. The financial instruments used for official support are as per OECD definitions.

Table 1: Types and definitions of finance instruments used

DAC Code	Type of financing	Description
ODA GRANT		
110	Standard grant	Grants are transfers in cash or in kind for which no legal debt is incurred by the recipient.
210	Interest subsidy	A payment to soften the terms of private export credits, or loans or credits by the banking sector.
310	Capital subscription on deposit basis	Payments to multilateral agencies in the form of notes and similar instruments, unconditionally encashable at sight by the recipient institutions.
311	Capital subscription on encashment basis	Payments to multilateral agencies in the form of notes and similar instruments, unconditionally encashable at sight by the recipient institutions.
ODA LOANS		
421	Standard loan	Transfers in cash or in kind for which the recipient incurs legal debt (and the resulting claim is not intended to be traded). Since payment obligations on standard loan are senior obligations, i.e. creditors are entitled to receive payments against their claims before anyone else, they are also referred to as senior loans.
422	Reimbursable grant	A contribution provided to a recipient institution for investment purposes, with the expectation of long-term reflows at conditions specified in the financing agreement. The provider assumes the risk of total or partial failure of the investment; it can also decide if and when to reclaim its investment.
423	Bonds	Fixed-interest debt instruments, issued by governments, public utilities, banks or companies, tradable in financial markets.
424	Asset-backed securities	Securities whose value and income payments are derived from and backed by a specific pool of underlying assets.

DAC Code	Type of financing	Description
425	Other debt securities	
431	Subordinated loan	A loan that, in the event of default, will only be repaid after all senior obligations have been satisfied. In compensation for the increased risk, mezzanine debt holders require a higher return for their investment than secured or more senior lenders.
ODA EQUITY		
510	Common equity	A share in the ownership of a corporation that gives the owner claims on the residual value of the corporation after creditors' claims have been met.
520	Shares in collective investment vehicles	Collective undertakings through which investors pool funds for investment in financial or nonfinancial assets or both. These vehicles issue shares (if a corporate structure is used) or units (if a trust structure is used).
530	Reinvested earnings	This item is only applicable to Foreign Direct Investment (FDI). Reinvested earnings on FDI consist of the retained earnings of a direct foreign investment enterprise which are treated as if they were distributed and remitted to foreign direct investors in proportion to their ownership of the equity of the enterprise and then reinvested by them in the enterprise.
OTHER		
433	Other hybrid instruments	Including convertible debt or equity.
432	Preferred equity	Equity that, in the event of default, will be repaid after all senior obligations and subordinated loans have been satisfied; and will be paid before common equity holders. It is a more expensive source of finance than senior debt, a less expensive source than equity.
OTHER OFFICIAL FLOWS (OOF)		
The OECD defines 'Other Official Flows' as finance that does not meet ODA criteria. OOF may include loans, grant and equity.		
PRIVATE		
30 (flow code)	Private development finance	Financing by civil society organisations (NGOs, philanthropic foundations, etc)

Table 2: Types and definitions of finance instruments used from the OECD Mobilised private finance for development database

Financial instrument	Description
Credit Line	A credit line refers to a standing credit amount which can be drawn upon at any time, up to a specific amount and within a given period of time. Borrowers (e.g. local finance institutions) decide how much of the agreed funding they wish to draw down and interest is paid only on the amount which is actually borrowed and not on the amount made available.
Direct investment in companies and SPVs	In the context of this section on mobilised private finance, direct investment in companies refers to on-balance sheet investments in corporate entities which are conducted without any intermediary (e.g. a collective investment vehicle) and which typically consist of or can combine the following instruments/mechanisms: equity, mezzanine finance and senior loans.
Guarantee	Guarantees refer to legally binding agreements under which the guarantor agrees to pay part or the entire amount due on a loan, equity or other instrument in the event of non-payment by the obligor or loss of value in case of investment. The term guarantee refers to both guarantee and insurance scheme.
Shares in CIVs	Shares in collective investment vehicles (CIVs) are those invested in entities that allow investors to pool their money and jointly invest in a portfolio of companies. A CIV can either have a flat structure – in which investment by each participant has the same profile with respect to risks, profits and losses – or have its capital divided in tranches with different risk and return profiles. CIVs can be close- or open-ended.
Simple co-financing	Simple co-financing arrangements refer to various business partnerships, B2B programmes, business surveys, matching programmes and similar, but also result-based approaches.
Syndicated loans	Syndicated loans are defined as loans provided by a group of lenders (called a syndicate) who work together to provide funds for a single borrower. The main objective is to spread the risk of a borrower default across multiple lenders, and thereby encourage private participation.

4.2. SECTOR CLASSIFICATIONS

Commitments and financial flows to energy were classified according to OECD sector and sub-sector definitions. Subsectors were grouped into the following sectors:

- Renewable generation
- Non-renewable generation
- Transmission and distribution
- Clean cooking
- Energy efficiency
- Policy support and capacity building
- Other

A full list of sectors, subsectors, OECD purpose codes, and whether investments in that sector were considered SDG7 compliant (unless otherwise stated in donor questionnaires) is shown in Table 3.

The OECD DAC provides indicators as to whether a commitment or a disbursement contributed towards meeting SDG7. However, many donors did not report this indicator for these years. Therefore, an investment's SDG7 compliance was determined based on the sector/subsector.

Investments directed towards policy support and capacity building are classified as being SDG7 compliant unless otherwise specified, despite a proportion being directed towards non-SDG7 projects. These investments were given special consideration as they do largely play a considerable role in meeting SDG7.

While target 7.a of SDG7 includes "advanced and cleaner fossil-fuel technology', investments in non-renewable generation such as fossil-fuelled generation, or natural gas transmission infrastructure for electricity generation have not been categorised as SDG7-compliant unless otherwise indicated by the donor.

Table 3: List of OECD sectors and subsectors and SDG7-compliance

DAC code	CRS code	Subsector	SDG7 Compliant	OECD definition
Renewable generation				
232	23210	Energy generation, renewable sources – multiple technologies	✓	Renewable energy generation programmes that cannot be attributed to one single technology (codes 23220 through 23280 below). Fuelwood/charcoal production should be included under forestry 31261.
232	23220	Hydro-electric power plants	✓	Including energy generating river barges.
232	23230	Solar energy for centralised grids	✓	Including photo-voltaic cells, concentrated solar power systems connected to the main grid and net-metered decentralised solutions.
232	23231	Solar energy for isolated grids and standalone systems	✓	Solar power generation for isolated mini-grids, solar home systems (including integrated wiring and related appliances), solar lanterns distribution and commercialisation. This code refers to the power generation component only.
232	23232	Solar energy – thermal applications	✓	Solar solutions for indoor space and water heating (except for solar cook stoves 32174).
232	23240	Wind energy	✓	Wind energy for water lifting and electric power generation.
232	23250	Marine energy	✓	Including ocean thermal energy conversion, tidal and wave power.
232	23260	Geothermal energy	✓	Use of geothermal energy for generating electric power or directly as heat for agriculture, etc.
232	23270	Biofuel-fired power plants	✓	Use of solids and liquids produced from biomass for direct power generation. Also includes biogases from anaerobic fermentation (e.g. landfill gas, sewage sludge gas, fermentation of energy crops and manure) and thermal processes (also known as syngas); waste-fired power plants making use of biodegradable municipal waste (household waste and waste from companies and public services that resembles household waste, collected at installations specifically designed for their disposal with recovery of combustible liquids, gases or heat). See code 23360 for non-renewable waste-fired power plants.
234	23410	Hybrid energy electric power plants	✓	Electric power plants that make use of both non-renewable and renewable energy sources.

DAC code	CRS code	Subsector	SDG7 Compliant	OECD definition
Non-Renewable generation				
233	23310	Energy generation, non-renewable sources, unspecified		Thermal power plants including when energy source cannot be determined; combined gas-coal power plants.
233	23320	Coal-fired electric power plants		Thermal electric power plants that use coal as the energy source.
233	23330	Oil-fired electric power plants		Thermal electric power plants that use fuel oil or diesel fuel as the energy source.
233	23340	Natural gas-fired electric power plants		Electric power plants that are fuelled by natural gas; related feed-in infrastructure (LNG terminals, gasifiers, pipelines to feed the plant).
233	23350	Fossil fuel electric power plants with carbon capture and storage (CCS)		Fossil fuel electric power plants employing technologies to capture carbon dioxide emissions. CCS not related to power plants should be included under 41020. CCS activities are not reportable as ODA.
233	23360	Non-renewable waste-fired electric power plants		Electric power plants that use non-biodegradable industrial and municipal waste as the energy source.
235	23510	Nuclear energy electric power plants and nuclear safety		See note regarding ODA eligibility of nuclear energy.
236	23610	Heat plants		Power plants which are designed to produce heat only.
Transmission and distribution				
236	23630	Electric power transmission and distribution (centralised grids)	✓	Grid distribution from power source to end user; transmission lines. Also includes storage of energy to generate power (e.g. pumped hydro, batteries) and the extension of grid access, often to rural areas.
236	23631	Electric power transmission and distribution (isolated mini-grids)	✓	Includes village grids and other electricity distribution technologies to end users that are not connected to the main national grid. Also includes related electricity storage. This code refers to the network infrastructure only regardless of the power generation technologies.
236	23620	District heating and cooling	✓	Distribution of heat generated in a centralised location, or delivery of chilled water, for residential and commercial heating or cooling purposes.
321	32167	Energy manufacturing (fossil fuels)		Including gas liquefaction; petroleum refineries, wholesale distribution of fossil fuels. (Use 23640 for retail distribution of gas and 23641 for retail distribution of liquid or solid fossil fuels.)
322	32262	Oil and gas (upstream)		Petroleum, natural gas, condensates, liquefied petroleum gas (LPG), liquefied natural gas (LNG); including drilling and production, oil and gas pipelines.
Clean cooking				

DAC code	CRS code	Subsector	SDG7 Compliant	OECD definition
321	32174	Clean cooking appliance manufacturing	✓	Includes manufacturing and distribution of efficient biomass cooking stoves, gasifiers, liquid biofuels stoves, solar stoves, gas and biogas stoves, electric stoves.
321	32173	Modern biofuels manufacturing	✓	Includes biogas, liquid biofuels and pellets for domestic and non-domestic use. Excludes raw fuelwood and charcoal (31261).
236	23640	Retail gas distribution	✓	Includes urban infrastructure for the delivery of urban gas and LPG cylinder production, distribution and refill. Excludes gas distribution for purposes of electricity generation (23340) and pipelines (32262).
312	31261	Fuelwood/charcoal		Sustainable forestry development whose primary purpose is production of fuelwood and charcoal. Further transformation of biomass in biofuels is coded under 32173.
Policy support and capacity building				
231	23110	Energy policy and administrative management	✓	Energy sector policy, planning; aid to energy ministries and other governmental or nongovernmental institutions for activities related to the SDG7; institution capacity building and advice; tariffs, market building, unspecified energy activities; energy activities for which a more specific code cannot be assigned.
231	23111	Energy sector policy, planning and administration	✓	-
231	23112	Energy regulation	✓	Regulation of the energy sector, including wholesale and retail electricity provision.
231	23181	Energy education/training	✓	All levels of training not included elsewhere.
231	23182	Energy research	✓	Including general inventories, surveys.
Energy efficiency				
231	23183	Energy conservation and demand-side efficiency	✓	Support for energy demand reduction, e.g. building and industry upgrades, smart grids, metering and tariffs. For clean cooking appliances use code 32174.
Other				
322	32210	Mineral/mining policy and administrative management		Mineral and mining sector policy, planning and programmes; mining legislation, mining cadastre, mineral resources inventory, information systems, institution capacity building and advice; unspecified mineral resources exploitation.
322	32220	Mineral prospection and exploration		Geology, geophysics, geochemistry; excluding hydrogeology (14010) and environmental geology (41010), mineral extraction and processing, infrastructure, technology, economics, safety and environment management.
322	32261	Coal		Including lignite and peat.

4.3. Regional classifications

Countries are classified by region as per African Union geographic definitions (see *Table 4*). For investments and flows that are directed to more than one country within a specific region, these were classified as 'Regional'. These 'regional' investments are classified according to their respective OECD geographic definitions due to this data being sourced from the OECD DAC. Investments and flows which are directed at countries which cross multiple regions are categorised as 'Africa, regional'. Financing for projects where the geographic area of the recipient was unknown is classified as 'Unallocated'.

Table 4: Regional classifications

African Union		OECD DAC corresponding region	
Region	Countries	Region	Countries
Central Africa	Burundi, Cameroon, Central African Republic, Chad, Congo-B, Democratic Republic of Congo, Equatorial Guinea, Gabon, São Tomé and Príncipe.	Middle Africa	Angola, Cameroon, Central African Republic, Chad, Congo-B, Democratic Republic of Congo, Equatorial Guinea,
Eastern Africa	Comoros, Djibouti, Eritrea, Ethiopia, Kenya, Madagascar, Mauritius, Rwanda, Seychelles, Somalia, South Sudan, Sudan, Tanzania, Uganda.	Eastern Africa	Burundi, Comoros, Djibouti, Eritrea, Ethiopia, Kenya, Madagascar, Malawi, Mauritius, Mozambique, Rwanda, Seychelles, Somalia, South Sudan, Tanzania, Uganda, Zambia, Zimbabwe.
Northern Africa	Algeria, Egypt, Libya, Mauritania, Morocco, Tunisia, Western Sahara.	North of Sahara	Algeria, Egypt, Libya, Morocco, Tunisia
Regional	Africa, regional; Eastern Africa, regional; Central Africa, regional; Northern Africa, regional; Sub-Saharan Africa, regional; Southern Africa, regional; Western Africa, regional.	-	North of Sahara, regional; South of Sahara, regional; Eastern Africa, regional; Middle Africa, regional; Southern Africa, regional; Western Africa, regional.
Southern Africa	Angola, Botswana, Eswatini, Lesotho, Malawi, Mozambique, Namibia, South Africa, Zambia, Zimbabwe.	Southern Africa	Botswana, Eswatini, Lesotho, Namibia, South Africa
Western Africa	Benin, Burkina Faso, Cabo Verde, Côte d'Ivoire, Gambia, Ghana, Guinea, Guinea-Bissau, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone, Togo.	Western Africa	Benin, Burkina Faso, Cabo Verde, Côte d'Ivoire, Gambia, Ghana, Guinea, Guinea-Bissau, Liberia, Mali, Mauritania, Niger, Nigeria, Senegal, Sierra Leone, Togo
Unallocated	Unidentifiable	-	-

4.4. Country income groups

Countries are categorised according to the World Bank's country income group. Investments and flows into multiple countries within a single geographical region (as per the OECD definitions) or across regions are classified as 'Regional'. Investments and financial flows into projects for which the geographic destination with Africa cannot be identified are categorised as 'Unallocated'.

Unless otherwise stated, financial flows which are 'unallocated' or directed towards MADCTs (Seychelles) are not included or classified as 'Other'. Unless otherwise stated, Zimbabwe (being the only 'Other LICs' are grouped alongside LDCs in the analysis.

Table 5: Countries by income group

Region	Country
Least Developed Countries (LDCs)	Angola, Benin, Burkina Faso, Burundi, Central African Republic, Chad, Comoros, Democratic Republic of Congo, Djibouti, Eritrea, Ethiopia, Gambia, Guinea, Guinea-Bissau, Lesotho, Liberia, Madagascar, Malawi, Mali, Mauritania, Mozambique, Niger, Rwanda, São Tomé and Príncipe, Senegal, Sierra Leone, Somalia, South Sudan, Sudan, Tanzania, Togo, Uganda, Western Sahara, Zambia.
Other Low Income Countries (Other LIC)	Zimbabwe
Lower-Middle Income Countries (LMICs)	Cabo Verde, Cameroon, Congo-B, Côte d'Ivoire, Egypt, Eswatini, Ghana, Kenya, Morocco, Nigeria, Tunisia.
Upper Middle Income Countries (UMICs)	Algeria, Botswana, Equatorial Guinea, Gabon, Libya, Mauritius, Namibia, South Africa
More advanced developing countries and territories (MADCTs)	Seychelles
Regional	Africa, regional; Northern Africa, regional; Central Africa, regional; Eastern Africa, regional; Sub-Saharan Africa, regional; Southern Africa, regional, Western Africa, regional.
Unallocated	Unidentifiable

4.5. Donor classifications

Financiers of SDG7 in Africa with identified financial flows were categorised into geographic groupings.

Table 6: Donor categories by region

Category	Donor
Asia (excluding China)	Korea, Japan, India, Thailand
EU Institutions and Member States (EI & MS)	Austria, Belgium, Czech Republic, Denmark, EU Institutions, Finland, France, Germany, Hungary, Ireland, Italy, Lithuania, Luxembourg, Netherlands, Poland, Portugal, Romania, Slovak Republic, Spain, Sweden, United Kingdom (2014-2019)
Europe (Non-EU Member States)	Iceland, Liechtenstein, Norway, Switzerland, Turkey, United Kingdom (from 2020)
Middle East	Kuwait, Qatar, Saudi Arabia, United Arab Emirates
Multilaterals	Adaptation Fund, African Development Bank, African Development Fund, Arab Bank for International Development, Arab Fund (AFESD), Asian Infrastructure Investment Bank, Climate Investment Funds, European Bank for Reconstruction and Development, , Food and Agriculture Organisation, Global Environment Facility, Global Green Growth Institute, Green Climate Fund, International Bank for Reconstruction and Development, International Development Association, International Finance Corporation, Islamic Development Bank, Nordic Development Fund, OPEC Fund for International Development, Private Infrastructure Development Group, UNDP, United Nations Industrial Development Organisation
North America	Canada, United States.
Oceania	Australia, New Zealand.
Philanthropy[2]	All forms of financing sourced from charities, foundations, etc. Entities include: Bezos Earth Fund, Bloomberg Family Foundation, Carnegie Corporation of New York, Charity Projects Ltd, Children's Investment Fund Foundation, Conrad N. Hilton Foundation, Dutch Postcode Lottery, Ford Foundation, German Postcode Lottery, IKEA Foundation, John & Catherine MacArthur Foundation, Joint Sustainable Development Goals Fund, La Caixa Banking Foundation, MasterCard Foundation, MAVA Foundation, Oak Foundation, Open Society Foundations, Rockefeller Foundation, Swedish Postcode Lottery, William & Flora Hewlett Foundation

[2] This does not include those private sector entities found in the OECD's Mobilised private finance for development database as the original data does not provide this information.

5. Currencies and exchange rates

The report presents aggregated financial flows in current EUR prices, consequently all currency not in EUR was required to be converted. The following sources were used to do this:

- For OECD member currencies – OECD Exchange rates[3]
- For non-OECD members – African Development Bank (AfDB) Exchange rates[4]

The OECD calculates and presents exchange rates as annual averages. The African Development Bank provides exchange rates as monthly aggregates, which were then used to produce a yearly average for each year in the study period.

For data sourced from the OECD DAC CRS, all data is presented in current USD. This was then converted to EUR, using the corresponding USD to EUR exchange rate for that year. All other investments in local currency using the AfDB exchange rates were converted from local currency to AfDB Unit of Account, and then to EUR at the corresponding AfDB average exchange rate for that year.

A full list of exchange rates used can be found in Annex 1 – Exchange rates.

6. Data sources

The report uses project level information to produce aggregated figures; this ensures that the dataset does not contain any double counting. In total, 36,745 investments were identified over the period 2014-2023 from both public and private sources, as well as the budgets of an average of more than 42 national governments over the ten-year period. In the past four years budget information has been gathered from 48-49 governments (See Table 7).

A complete list of data sources can be found in Section 6.

The report only covers investments which can be directly attributed to the African energy sector, either directly into projects or into companies which themselves reinvest the flows into infrastructure projects. Investments in companies whose focus is broader than Africa or the energy sector are not counted as it is impossible to determine what proportion would be destined for the African energy sector.

6.1. International Development financial flows

- Data on OECD members was sourced from the OECD DAC CRS:

  The Creditor Reporting System (CRS) of the Organisation of Economic Co-Operation and Development (OECD)'s Development Assistance Committee (DAC) was used as the primary data source for international development financial flows (commitments and disbursements). This provided a consistent and comprehensive dataset from countries that are members of the OECD Development Assistance Committee (DAC). This ensured that the report had a data foundation that was consistent across the study period allowing for robust analysis.

[3] https://data.oecd.org/conversion/exchange-rates.htm

[4] https://www.afdb.org/en/documents/financial-information/exchange-rates

- Open-source research, annual reports and other public disclosures for those organisations where no other reputable source was available (e.g. for some African-based DFIs and regional development banks).

6.2. Chinese financial flows

For the fourth edition, AEEP analysed investment in energy in Africa by the People' s Republic of China for the first time. It used data from AidData's Global Chinese Development Finance database.[5]

This database has information up to 2021 so does not cover the whole period under study in the report. Commitments are measured in nominal 2021 USD and exclude 'rollover' amounts under emergency rescue lending and PBOC swap facilities. They have been converted to EUR at the appropriate exchange rate.

- The data partly includes export/buyer's credits (which the OECD DAC CRS data does not)
- The data does not make clear whether all projects have been implemented or are in the process of implementation.
- The sectoral classification depends on where the majority of financing has been directed as there is no way of disaggregating figures. So some hydroelectric projects may be bundled with T&D, but in most cases they are categorized under RE.
- Other decisions on categorisation include placing solar/LED (street) lighting products under energy efficiency.

6.3. Private financial flows

Data on private sector is limited with no single source of private investment to draw on. However, the closest found was the OECD's "Mobilised private finance for development" database which provides energy-related private investment mobilised by the public sector for each year of the study period in Africa. An important consideration when using the OECD "Mobilised private finance for development" dataset is that it shows private finance that was mobilised by public finance and therefore shows private investment that occurred alongside public investments. It does not account for purely private investment. However, it is assumed that private investments to SDG7 projects in Africa rarely occur without public support.

This was the primary source of data on private finance for the third and fourth editions of the report and provides a consistent and comparable dataset alongside the OECD's CRS DAC.

6.4. African national government budgets

Data on capital expenditure on energy projects by African national governments for 2014-2023 was obtained through open-source research, with spending information disclosed in official budget statements and/or speeches.

In many budget statements, information is not disaggregated enough to allow for a differentiation between SDG7-compliant and non-SDG7-compliant projects. Therefore, the report assesses spending for energy. For only a subset of countries, on analysis per sub-sectors was possible, allowing to separate non-SDG7 spending.

In a number of cases, recorded spending can cover other sectors (when for example different sectors fall under the same Ministry and budget data is not disaggregated).

[5] https://china.aiddata.org

Data collected on spending includes revenues from internal sources (which were raised through government revenue or borrowing on markets) and external sources (which was lent by international donors, excluding any lending for projects captured elsewhere in the data collection process). As most budgets do not include enough information to separate external financing sources, African government budget data include parts of data presented under international development finance. Both dataset are therefore never summed in the report to avoid double counting.

Table 7: African national government spending data collected

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Algeria	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Angola	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Benin	✓			✓	✓		✓			✓
Botswana	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Burkina Faso	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Burundi	✓	✓	✓	✓			✓	✓	✓	✓
Cabo Verde	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Cameroon		✓			✓	✓	✓	✓	✓	✓
Central African Republic					✓	✓	✓	✓	✓	✓
Chad	✓		✓	✓	✓	✓	✓	✓	✓	✓
Comoros				✓	✓	✓		✓	✓	✓
Congo-B				✓	✓	✓	✓	✓	✓	✓
Côte d'Ivoire	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Democratic Republic of the Congo	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Djibouti								✓	✓	
Egypt	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Equatorial Guinea			✓							
Eritrea										
Eswatini					✓	✓	✓	✓	✓	✓
Ethiopia	✓	✓	✓		✓	✓	✓	✓	✓	✓
Gabon		✓	✓	✓	✓	✓	✓	✓	✓	✓
Gambia			✓		✓	✓	✓	✓	✓	✓
Ghana	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Guinea			✓	✓	✓	✓	✓	✓	✓	✓
Guinea-Bissau	✓	✓						✓	✓	✓
Kenya	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Lesotho	✓			✓	✓	✓	✓	✓	✓	✓
Liberia		✓	✓	✓	✓		✓	✓	✓	✓
Libya										✓

Madagascar	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Malawi		✓	✓		✓	✓	✓	✓	✓	✓
Mali	✓	✓		✓	✓	✓	✓	✓	✓	✓
Mauritania	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mauritius	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Morocco					✓	✓	✓	✓	✓	✓
Mozambique	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Namibia	✓		✓	✓	✓	✓	✓	✓	✓	✓
Niger			✓		✓	✓	✓	✓	✓	✓
Nigeria	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Rwanda	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
São Tomé and Príncipe				✓	✓	✓	✓	✓	✓	✓
Senegal	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Seychelles	✓		✓	✓	✓	✓	✓	✓	✓	✓
Sierra Leone	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Somalia						✓	✓			✓
South Africa	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
South Sudan	✓	✓	✓		✓		✓	✓	✓	✓
Sudan								✓		
Tanzania	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Togo	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Tunisia				✓	✓		✓		✓	
Uganda	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Western Sahara										
Zambia	✓	✓	✓		✓	✓	✓	✓	✓	✓
Zimbabwe	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

6.4 Non-SDG7 financial flows

Financial flows from non-EU and non-OECD member states were sought for the analysis of this report. While large amounts of financing have been reported – the majority of which from news reports or unverified and sometimes conflicting datasets – it has not been possible to determine the SDG7 compliance of much of this financing. Given that the SDGs are interdependent and much not prejudice one another, the burden is on the financier to prove that their finance is SDG7-compliant. Therefore, financial flows which cannot be proven to be SDG7-compliant is omitted from the dataset and the analysis.

7. Disbursements data sample

From donors which have provided information to the OECD DAC each year, there is a consistent dataset of both commitments and disbursements. However, for the several donors and countries that do not consistently report on disbursements, information is limited. Table 8 shows the number of ODA disbursements which have been reported to the OECD DAC 2014-2023.

Table 8 shows the percentage that disbursements account for in total investment by donor category.

Table 8: Number of ODA disbursements reported, 2014-2023

Donor category	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Grand Total
Asia (excluding China)	252	283	308	316	286	293	261	325	344	396	3064
EU Institutions and Member States	761	826	944	1060	1080	1269	1171	1315	1494	1411	11331
Europe (non-EU Member States)	119	112	79	94	127	116	209	234	227	220	1537
Middle East	44	78	64	60	33	92	65	52	59	48	595
Multilateral - Africa	95	126	139	150	134	175	179	181	188	208	1575
Multilateral – Europe	3	4	4	12	5	8	12	12	40	26	126
Multilateral - Global	516	525	428	654	728	669	769	803	880	906	6878
Multilateral – Middle East	120	118	103	92	81	114	103	98	138	104	1071
North America	215	287	351	368	370	408	432	501	511	1000	4443
Oceania	8	33	17	34	13	10	2	3	10	10	140
Total	2133	2392	2437	2840	2857	3154	3203	3524	3908	4331	30779

8. Grant equivalent

Reported grant equivalents as recorded in the OECD DAC were used to indicate the quality of ODA loan financing. Using project level commitments/disbursements and grant equivalent disclosures (presented in USD amounts and converted to EUR), the grant equivalent to disbursement amount ratio as a percentage (the grant element) was calculated for each ODA loan investment.

The OECD DAC reports grant equivalent data for ODA disbursements for the years 2015-2023 (the OECD changed to the grant equivalent approach in 2014, and as such there is no 2014 information available). Table 9 and Table 10 give an overview of the sample size of grant equivalent data obtained.

Table 9: Proportion of ODA data with grant equivalent per year, 2014-2023

Year	% of disbursement data containing grant equivalent	% of commitment data containing grant equivalent
2014	-	-
2015	33%	18%
2016	33%	4%
2017	26%	16%
2018	27%	9%
2019	61%	31%
2020	65%	54%
2021	68%	60%
2022	65%	55%
2023	99%	38%

While a high percentage of grant equivalent data was collected for the year 2019 and 2020, this was entirely comprised of disbursements issued by EU Institutions and Member States. This itself is reflective of the fact that EU Institutions and Member State provided the majority of disbursement data over the study period.

Table 10: Proportion of ODA loan disbursement data with grant equivalent by donor category, 2015-2023

Donor category	% of disbursements data containing grant equivalent
Asia (excluding China)	1.1%
EU Institutions and Member States	13.7%
Middle East	1%
Multilaterals	3.5%
North America	67%

Due to the limitations of the sample size, analysis was only carried out on the ODA loan disbursements of EI & MS, over the period 2015 to 2023 for the fourth edition of the report.

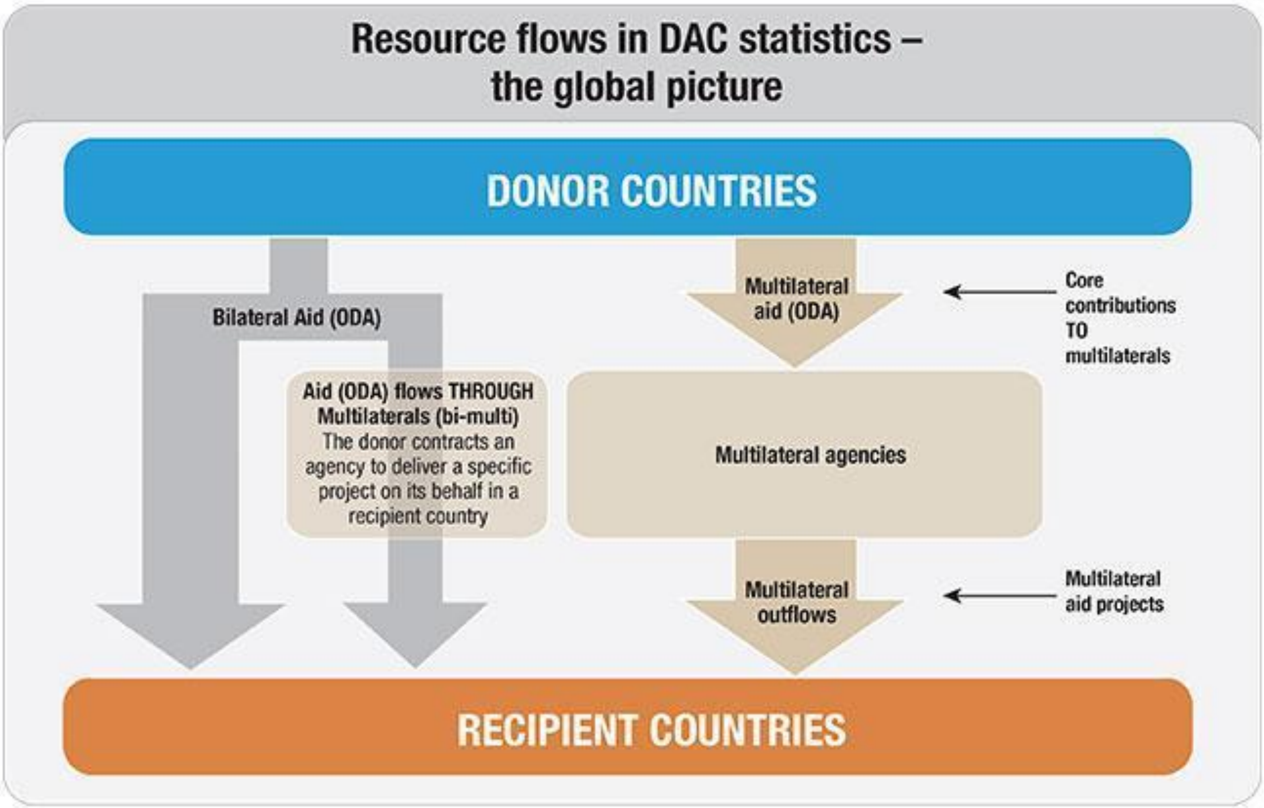
9. Core contributions to funds and multilaterals

Data on core contributions made by OECD members to funds and multilaterals was sourced from the OECD DAC CRS for the period 2014-2023. No data on core contributions to funds or multilaterals from non-OECD members was available.

Core contributions are not included in the overall aggregation of funding for energy in Africa to ensure there is no double counting when considering the commitments and disbursements of funds and multilaterals.

Commitments and/or disbursements directed at a project, programme or scheme which flows through a multilateral or fund are classified as a bilateral investment rather than a core contribution, or an investment made by that multilateral or fund. Figure 1 illustrates the OECD definitions of core contributions (multi) and bilateral ODA directly to recipient countries (bi) or via multilaterals (bi-multi).

Figure 11: OECD definitions of ODA flows, bi versus multi



Source: Organisation for Economic Cooperation and Development's Development Assistance Committee

9.1. Quantifying the EU contribution via multilaterals

To quantify EI & MS support for SDG7 in Africa beyond their direct commitments and disbursements, the report has attempted to provide a picture of the scale of indirect financing via their financial commitments towards multilaterals.

The proportion (in percentage terms) of EU Member State core contributions to multilaterals for, as given in the OECD DAC CRS, was then applied to the total commitments made by multilaterals which are identified as having funding provided by EI & MS for each corresponding year.

It should be noted that the proportion of EI & MS funding is restricted to that of OECD member states, as no other data is provided despite some multilaterals being funded by non-OECD member states. Multilaterals also raise finance beyond the core contributions of their member state governments, therefore the figures provided in the report are an estimated maximum rather than an actual figure and should therefore be treated with care.

- **Annex 1 – Exchange rates**

Local currency to 1 AfdB Unit of Account										
Currency	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Algeria Dinar	122.220	139.690	152.030	153.320	164.940	164.930	143.100	190.649	194.365	179.01
Cape Verde Escudo	125.610	137.570	138.880	136.460	130.790	134.970	110.400	129.315	136.536	133.833
Comoros Franc	562.380	618.840	618.600	606.260	590.050	606.270	600.300	582.416	608.800	600.068
DRC Franc	1414.280	1303.290	1361.330	1936.850	2295.570	2276.800	2521.400	2852.077	2799.040	3511.77
Djibouti Franc	271.660	250.470	247.400	245.950	251.960	246.020	246.200	252.648	249.127	237.326
Egypt Pound	10.800	10.760	12.990	23.770	25.180	23.580	22.100	22.658	21.997	41.1853
Eritrea Nakfa	23.500	21.580	22.280	21.630	21.890	21.050	20.900	21.431	21.099	20.0493
Ethiopia Birr	30.050	29.060	30.390	32.750	38.790	35.850	48.200	56.432	69.540	74.9992
Burundi Franc	2355.540	2203.990	2294.440	2382.160	2522.980	2540.040	2651.600	2803.339	2807.725	3811.29
Franc CFA	750.620	825.120	824.800	808.350	786.730	808.360	656.200	776.555	811.734	800.09
Gambia Dalasi	62.920	59.710	59.800	63.900	61.870	69.000	71.500	74.530	73.780	84.05
Ghana Cedi	4.380	5.150	5.400	5.910	6.440	7.100	7.800	8.296	8.406	15.4936
Guinea Franc	10646.900	10486.980	11772.400	12410.430	12744.040	12659.530	13299.200	14394.420	12756.080	11363.7
Kenya Shilling	133.710	136.200	778.420	143.050	143.440	141.030	385.500	157.040	158.351	204.193
Kuwait Dinar							0.42			
Angola Kwanza	149.270	164.530	223.820	228.930	319.050	463.690	631.100	935.605	776.746	1103.69
Sierra Leone Leone	6842.410	7092.380	7891.060	10023.490	11136.600	12291.420	13624.900	14269.570	15749.400	30.3875
Liberia Dollar	129.160	120.330	130.220	153.190	201.960	251.690	721.600	236.519	203.448	250.731
eSwatini Lilangeni	16.420	17.660	20.580	18.810	18.650	19.970	22.700	21.023	21.264	24.9761
Libya Dinar	1.930	1.930	1.930	1.640	1.930	1.930	1.600	1.925	6.433	6.39939
Madagascar Ariary	3640.390	4010.520	4428.620	4343.760	4700.650	4959.700	5258.500	5508.800	5537.700	6001.82
Malawi Kwacha	647.490	693.780	159.310	924.430	1031.600	1023.400	1034.800	1110.213	1142.626	2249.85
Lesotho Maloti	16.400	17.660	20.580	18.810	18.650	19.990	18.400	21.023	21.264	24.9761
Mauritius Rupee	46.510	48.420	49.490	47.920	47.950	48.690	54.600	57.024	61.051	59.0929

Mozambique Meticais	46.650	53.160	77.080	79.620	84.720	85.700	62.100	107.880	89.340	85.4
Morocco Dirham	12.770	13.590	13.640	13.460	13.280	13.340	13.200	12.825	12.906	13.4234
Nigeria Naira	237.830	266.630	334.750	409.500	433.840	423.750	491.200	546.594	578.021	1097.82
Namibia Dollar	16.420	17.660	20.580	18.810	18.650	19.990	22.700	21.023	21.264	24.9761
Mauritania Ouguiya	459.490	453.310	488.610	492.750	45.890	50.620	51.800	52.820	50.690	52.7
Botswana Pula	13.610	14.100	15.170	14.490	14.400	13.366	129.000	15.587	16.331	18.0174
Rwanda Franc	1037.13	1003.8	1082.83	1136.04	1215.12	1233.37	1296.2	1373.299	1413.051	1666.33
Sao Tome & Principe Dobra	27904.25	30512.67	30888.32	30373.69	29.360	30.170	30.100	28.733	30.337	29.8085
Seychelles Rupee	19.3	18.77	18.49	18.77	19.67	19.43	23.1	29.636	20.603	19.2452
Somalia Shilling	1364.91	952.740	829.15	806.260	817.290	802.440	806.300	829.956	811.762	761.892
South Sudan Pound	5.010	4.700	55.870	147.710	195.640	216.860	228.400	255.561	604.694	1425.62
Sudan Pound	8.720	8.470	8.580	9.190	35.460	64.010	74.700	79.413	612.902	800.535
South Africa Rand										24.9761
Tanzania Shilling	2515.22	2753.75	3023.14	3079.8	3201.85	3161.1	3192.8	3310.396	3215.99	3296.72
Tunisia Dinar	2.57	2.74	2.97	3.32	3.73	4.08	3.2	3.893	4.065	4.12947
UAE Dirham							5.1			
Uganda Shilling	3948.43	4480.14	4725.77	4987.19	5246.4	5122.14	5143.8	5275.13	4960.567	5100.49
Zambia Kwacha	9.4	39.38	14.34	13.38	14.49	17.32	24.8	28.831	23.329	31.7109
Zimbabwe Dollar (RTGS)								81.4	680.9	
Local currency to 1 Euro										
United States Dollar	0.753	0.901	0.903	0.885	0.847	0.893	0.878	0.845	0.95	0.925
UA	1.14	1.26	1.26	1.23	1.2	1.23	1.23	1.2	1.25	1.23