

Address by the Canadian High Commissioner, Mr. James Christoff, at the 7th Nigeria Energy Forum, Thursday 21st July 2022 (Represented by Deputy High Commissioner, Mr. Teshome Nkrumah)

**“Advancing Nigeria-Canada Power Sector Cooperation”**

Good morning. I too stand on existing protocol.

I am delighted to join you this morning at the 7th Nigeria Energy Forum to discuss power cooperation between Nigeria and Canada.

I bring greetings from his Excellency James Christoff, the High Commissioner of Canada to Nigeria, who regrettably isn't able to join you here today.

Nigeria is one of our most important economic partners in Africa: It is our largest merchandise trading partner in the whole of Sub-Saharan Africa. And, Nigeria is the largest source of FDI into Canada from the region.

But, our partnership extends beyond trade into commitments to democratic governance and to the multilateral system. Examples of which relevant to today's agenda are the Paris Agreement covering climate change mitigation, adoption and finance and the UN sustainable development goals, specifically **SDG 7** on support for affordable and clean energy.

Today, we are talking about bilateral cooperation in the power sector. However, to achieve power sector transformation, it is necessary first to create an enabling environment where economic incentives are aligned with goals. And, our goals need to reflect broader commitments such as on climate change, unemployment and economic development. It will take this kind of sustained, collaborative and broad-based effort from us to build a cleaner, greener future that improves lives and livelihoods.

Along those lines, I commend the Nigerian government on the implementation of the Sustainable Energy for All (SE4ALL) Action Agenda in support of SDG 7, which seeks to see renewable energy contribute 30% to the available energy mix by 2030. I also look forward to the implementation of Nigeria's Energy Transition Plan which will set the country on course to its net-zero target.

This kind of bold climate action is required to avert the dangers that come with the rise in global temperatures and protect against shocks such as the increase in energy prices following Russia's illegal and unprovoked invasion of the Ukraine. It also underscores the vulnerabilities we face from our overreliance on carbon intensive fuels.

Bold action is also required for Nigeria to be successful in cutting emissions by 2030 and reach its net-zero targets by 2050.

So, how can we influence human behavior at subnational and national levels to achieve this, especially within the power sector?

The prospect of clean energy leapfrogging conventional sources is certainly within reach for Nigeria, particularly in light of rising diesel costs, and partly due to the increased market penetration of renewable energy solutions including solar home systems, isolated and interconnected mini-grids, captive solar solutions for commercial and industrial customers, and more. With an estimated 85 million Nigerians without access to grid electricity, representing 43% of country's population, the opportunities for off-grid renewable energy are immense.

Other innovative technological solutions like Carbon Capture Utilization and Storage (CCUS) and swapping from open cycle gas turbines to more efficient combined cycle gas turbines are some options that can aid in curtailing emissions from Nigeria's on-grid power plants.

However, power sector transformation will require a better alignment of economic incentives. One such measure is adoption of carbon pricing regimes, either through direct taxation or emissions trading. Another is fossil fuel subsidy reforms.

A prerequisite to achieving this is the establishment of a fully liberalised electricity market which allows for cost-reflective end-

consumer tariffs that take into account the price of pollution and carbon – and it is my hope that this will soon become the reality in Nigeria.

The Clean Development Mechanism (CDM) of the United Nations Framework Convention on Climate Change (UNFCCC) established by the Kyoto Protocol, provides a framework for emissions trading. The CDM allows emission-reduction projects in developing countries to earn certified credits that can be traded, sold, and utilized by industrialized countries to meet a part of their emission reduction targets.

Canada too sees climate change as an existential threat, and like Nigeria, climate action is a priority for the Canadian government. To realize climate objectives, Canada is introducing a Clean Electricity Standard to achieve a net-zero clean electricity grid by 2035 and to achieve a 100% net-zero emitting electricity future. On the global level, Canada's international climate finance commitment in the amount of \$5.3 billion (2021–2026) focuses on clean energy transition and coal phase out; nature-based solutions and biodiversity; climate-smart agriculture and food systems; and climate governance.

Canada has been consistent in leveraging its knowledge, technology and financing in Nigeria when it comes to clean energy, and over the years, we have been active in providing support for climate change adaptation and mitigation in this nation. Some of our focused

initiatives include the Clean Energy Lighting in Nigeria program; the Clean Technology Fund; as well as the Building Nigeria's Response to Climate Change program. Through Environment and Climate Change Canada, our government is also working towards providing bilateral support to countries like Nigeria for cooperation on clean technology in a program that aims to help developing countries identify and address barriers and constraints to the deployment of innovative clean technologies for effective climate mitigation.

On the commercial front, some Canadian companies active in the clean energy space include EM-ONE Energy Solutions, JCM Power and WATT Renewables.

We look forward to working with Nigeria on capacity building, and welcome opportunities to cooperate on increasing the awareness of available climate technologies, and strengthening collaboration among stakeholders in order to create the policy, regulatory and training ecosystems that inspire and allow for the scale-up of much needed clean technologies.

We also welcome opportunities to leverage Canadian expertise in strengthening the measurement of greenhouse gas emissions, which is instrumental to improving transparency and reliability of carbon pricing systems.

Our countries can also work together on innovative financing to increase green investments, and we can collaborate to increase generation capacity as well as power distribution. All in all, I know that there is so much potential to work together to drive carbon neutrality stemming from the adoption of clean electricity generation.

As we continue today's very enriching program at the 7th Nigeria Energy Forum, I would like to assure you of Canada's continued commitment to cooperating on advancing Nigeria's power sector.

Thank you.