

REPUBLIC OF KENYA



MINISTRY OF ENERGY

REMARKS BY AMB. DR. MONICA K. JUMA, (OXON) EGH, CABINET SECRETARY, MINISTRY OF ENERGY AND AG. CABINET SECRETARY, PETROLEUM AND MINING

***When:* DURING THE OFFICIAL LAUNCH OF THE KENYA POWER MANUFACTURERS', TECHNOLOGY AND INNOVATIONS EXPO**

***Venue:* KICC**

***Date:* 6th July 2022**

***Role* Chief Guest**

- Zachary Ayieko ,The Chief Administrative Secretary in the Ministry of Energy
- Major (Rtd) Dr. Gordon Kihalangwa ,The Principal Secretary in the Ministry of Energy,
- Vivienne Yeda, Chairman of the Board of Directors of Kenya Power, and members of the Board present
- Daniel Kiptoo ,The Director General of the Energy and Petroleum Regulatory Authority (EPRA),
- Eng Geoffrey Muli, Kenya Power’s Acting Managing Director and members of the Management team
- CEOs of Energy Sector SAGAS and their delegates
- Representatives of International Financial Partners
- Participants from the banking sector, academia and other interest groups
- Members of the fourth estate
- All protocols observed

Distinguished guests, ladies and gentlemen

Good morning. It is my pleasure to on my own behalf and that of the Ministry of Energy, Energy fraternity, and the Government of Kenya, to welcome all the delegates, visitors, and exhibitors to this inaugural Manufacturers’, Technology and Innovation Expo mounted by Kenya’s power utility, the Kenya Power & Lighting Company.

The EXPO comes at an opportune moment when Kenya is on a transformation path that seeks to improve and enhance sector efficiencies, and determine its energy trajectory to ensure a sustainable future that guarantees secure sufficient, reliable, low cost energy for

our citizens and to power our growth and global competitiveness into the future. It also comes at a critical juncture, when the sector is actively working to deepen electricity access, while undertaking strategic investments to improve reliability and affordability.

In the past ten years, the energy sector has made great investments in renewable energy, incorporating energy drawn from geo-thermal, wind, and solar sources to hydro-powered energy. Our investments in the energy sector have had an underlying, if unstated aspiration: for environmental conservation. So even when at the turn of the century, the La Nina drought precipitated an energy crisis that led to load shedding, forcing the government to on-boarded thermal generators to complement available electricity in support economic development, the focus has been on how to achieve energy security through investment in our natural capital - in this case renewable energy. Unsurprisingly, we have become a vanguard nation, trending where none has before us - becoming a lead nation on geo-thermal generation, investing in the largest wind plant on the continent, the first large solar plant in the region, and setting for ourselves ambitions targets for energy investment and access.

These investments have been accompanied by policy and institutional reforms to facilitate the growth of the sector and access to power. In this case, our energy value chain is fully unbundled - clarifying the role and responsibility of every actor in the energy value; and we continue with the unbundling at the distribution points.

In this journey we have also pitched ourselves to high ambitions towards environmental conservation; made strong international commitments and taken deliberate steps to have the energy sector achieve carbon neutral status, by sourcing electricity solely from clean energy sources by 2030, in alignment with SDG no.7, which advocates for the provision of clean energy for all. These ambitions dovetail from our Vision 2030 economic agenda, and our constitution that gives a place of pride to the delivery of clean, affordable and sustainable electricity to our people and to power our growth.

Undoubtedly, our bold choices have paid off. Nonetheless, we also alive to the need to remain agile and to take forward the investment in response to imperative for scaling, growing our diversity and responding to the challenges that we have faced along the way. For instance, for Kenya, transition means how we can optimise on our first mover advantage with renewable energy; how we can take advantage of technology and emerging innovations to scale our quantum, create robust infrastructure, improve our grid and create sustainable low cost access to power.

It is these areas that I hope the EXPO will provide the sector with insights and answers to. (ACKNOWLEDGE THOSE THAT HAVE EXHIBITED especially those from out of the country)

Equally, I expect the next 3 days, to present participants with new ideas on how sector agencies can collectively deliver a seamless experience to the customer. I say this because our grid is highly interconnected, with different agencies feeding into it, at different points.

On one end of the energy sector value chain are generators namely KENGEN and IPPs; Kenya Power and Ketraco then evacuate power through a transmission network that crisscrosses the entire country and terminates in neighbouring countries; Kenya Power and REREC then build distribution lines and connect customers in different parts of the country. At the tail end of this value chain is Kenya Power, the country's sole electricity retailer, which sells power to approximately 8.8 million domestic and enterprise customers.

Although these entities, do from time to time work together, it is not entirely uncommon to find different grid technologies being deployed on the network, which sometimes presents compatibility and quality challenges for the customer. It is these challenges that the Ministry is looking to address by harmonizing the operations of the sector and this EXPO should present us with ideas on how to achieve this, based on the experiences of our regional and global peers.

Distinguished guests, ladies and gentlemen

As has been enumerated by the Chairman of Kenya Power, the global energy sector is undergoing seismic shifts. As I have indicated in other forums, there is no doubt that the next phase of human development will be determined by the type of energy and manner of its deployment. We know today that addressing the existential climate crisis depends to a large extent on the reduction of carbon emission - and hence the necessity to go green sooner and at scale. Attending the UN Ocean Conference in Lisbon last week - came a resounding message - that saving our oceans depends on going green. In other words you cannot

go blue without going green. Similarly, we cannot go green without going blue.

The war between Russia and Ukraine has added another urgent dimension to the energy question - underscoring the centrality of energy security. Since the war, Africa, as the rest of the world, has been faced with sustained energy pressure that is translating into various insecurities - food insecurity, fuel insecurity, social economic instability and so forth. The message is clear - we must create a path of sustainable energy security - and this means moving away from dependence in relation to factors that drive the health of a nation,

To this end, we are exploring the possibility of new frontiers - including Hydrogen in our clean energy mix as affirmed by President Uhuru Kenyatta, during COP26. Plans to pilot green hydrogen projects are therefore underway, to assess the feasibility of large-scale green hydrogen production in Kenya. To support the adoption of Hydrogen as a source of power, a national green hydrogen working group, comprising stakeholders from the public and private sectors, has been set up to define a roadmap on the future of green hydrogen in Kenya, and to enact the requisite policies and regulations to support its adoption.

The Government is also working closely with the World Bank and the sector to develop guidelines that will shepherd the implementation of enterprise storage to store power which will have a significant impact on the reliability and availability of power, and ultimately, on the cost of power.

More importantly, these bold move call for a clear pathway that guides the country on its energy future. It is for this reason that the Ministry is finalizing the first Energy White paper - a policy document that will guide policies and actions in this sector and also infuse transparency, and accountability in the sector.

Distinguished guests, ladies and gentlemen

In closing, I would like to once again reiterate the government's commitment to promote and protect the business interests of all our investors, whether local or international. The Ministry of Energy's unwavering support for this EXPO is a testament of this commitment which I believe will play a fundamental role in further positioning Kenya as the region's investment destination of choice.

I would also like to welcome our visitors to take some time to experience our world renowned hospitality. Do not leave before sampling our world famous nyama choma, and our diverse flora and fauna. For the athletic among you, the country is dotted with running tracks that may very well have hosted some of our famous athletes such as World Marathon Champion Eliud Kipchoge.

For the stout hearted, a ride in one of our matatus will provide you with countless tales with which to regale your friends and relatives back home.

Distinguished guests, ladies and gentlemen

I will conclude by stating that the Kenyan energy sector is open for business with providers of quality and bespoke grid and ancillary solutions.

I sincerely thank you all for participating in the EXPO and I wish you productive interactions and success in your business endeavours.
God bless you all.

MINISTRY OF ENERGY

JULY 2022

NAIROBI