

# Burnt Out.

Fossil fuel extraction fans the flames of the climate crisis and hinders development in African countries.

## At a crossroads

Given its outstanding potential for renewable energies, the African continent could cover 100% of its energy needs with renewables as early as 2030.<sup>1</sup> All the same, many African governments continue to approve new investments in the extraction of fossil fuels. This is not only due to Africa's wealth of fossil fuels. Rather, these decisions are driven by the influence of multinational oil and gas companies as well as the increasing demand in a geopolitically changed Europe. For instance, European countries aim to cover part of their energy needs with gas from Africa in the future. In addition, European companies invest in the exploitation of natural resources. Germany, as well, hopes to diversify its sources of supply by importing gas from Africa.

It is still widely believed that this will lead to broad access to energy supply, universal economic growth and wealth in African countries. Over the past decades, however, this idea has proven to be a fallacy. Extracting and using fossil fuels not only adversely impacts the health, diet and water supply of the local population, but also aggravates the global climate crisis, which manifests itself in severe droughts, floods and whirlwinds, especially in Africa.

Continuously high investments in the fossil sector block the expansion of renewable energies. Hence, they impede the development of a practicable and cost-efficient way to cover energy needs and of a just, decentralised supply system which fosters local economic sectors, creates jobs and provides energy for the entire population.

Europe's demand for liquefied gas will not last long as the global energy transformation advances. Thus, African countries now have the opportunity to grow out of their role of raw material supplier, to invest in sustainable technologies and to confidently lead the global energy transition.

**Use of international public funds:**  
(in 2016-2020, in USD)<sup>2</sup>



for the development of  
renewable energies in  
Africa



for the development of  
fossil fuels  
in Africa

## Consequences of extracting fossil fuels

Not only are fossil fuels a costly, inefficient and ultimately unprofitable means of covering Africa's energy needs. In the past, they also entailed indebtedness, external dependency and internal instability.

The question of who is allowed to control resources has led to open conflicts in many regions. In some cases, countries and companies desiring access to the valuable resources have forged alliances with those in power and have provided them with financial, political and even military support. Such alliances contribute to backing regimes irrespective of their governance style or their human rights record.

For example, oil companies such as Shell, Chevron, Eni or Total Energies have implemented comprehensive extraction projects in the Niger Delta region in Nigeria. After 50 years of oil production, the region is one of the most heavily polluted places on earth. Due to oil leakages, farming and fishing are virtually impossible in this area and drinking water is scarce. Malnutrition and diseases are common.

At the same time, the Nigerian government is lining its own pockets with license fees and taxes. As the majority shareholder of the Nigerian oil industry, it has earned revenue amounting to more than USD 1.6 trillion during the last 50 years according to analysts at Standard Bank.

In short, rulers and companies benefit most from the centralised fossil energy system while the local people and communities bear the negative consequences. It is to be feared that the expansion of the gas industry will have the same effect.

## Fossil fuel exploration interferes with the United Nation's Sustainable Development Goals (SDGs):



Fossil fuel extraction aggravates the impacts of climate change in Africa. The subsequent heat and drought stress, pest infestation, diseases and floods lead to reduced agricultural yields and thus have devastating effects on the population's food security.



The pollution caused by extracting and burning fossil fuels compromises people's health and is associated with a higher infant mortality, developmental diseases and an increase in child mortality.



Women are often primarily responsible for agriculture, food preparation and water supply and, at the same time, are disproportionately affected by the health implications caused by the pollution.



Due to the water consumption during the extraction, the water pollution caused by leakages or wastewater disposal and the impacts of climate change on fresh water, fossil fuels pose a severe threat to supplying sufficient and healthy drinking water.



The fossil system has not fulfilled its promises regarding supply and infrastructure, thus making the African continent the region with the currently highest energy poverty levels in the world.



Reaching the SDGs becomes less and less achievable, if fossil fuel emissions are not reduced, the climate crisis further intensifies and extreme weather events become increasingly frequent.

## The future is renewable

The emission-free and environmentally friendly generation of renewable energies is an essential contribution to mitigating climate change. It has a positive impact on achieving the SDGs and has the potential to meet the continent's energy needs many times over.<sup>3</sup>

A decentralised, cost-effective generation and supply system will make it possible to end the current energy poverty, enable energy sovereignty and eliminate existing inequalities. The unit costs for solar power have fallen by 85 per cent in the last 10 years and the costs for wind energy have fallen by 55 per cent in the same period.<sup>4</sup> According to IRENA, solar energy was already the cheapest source of electricity in human history in 2020.<sup>5</sup> Profits generated from this new energy system would no longer be withdrawn by foreign companies, but could be channelled into the development of communities, public institutions and the local economy.

**The conditions are good:** the Kenyan government estimates that Africa's renewable energy potential is 50 times higher than the global electricity demand expected for 2040. In addition, Africa has 40% of the world's reserves of important minerals for the energy transition.<sup>3</sup> A direct leap to intelligent, participatory and decentralised energies of the future is therefore possible.

## Kenya leads the way

The largest East African economy has committed to meeting its energy needs with 100% renewable energies by 2030. In line with this goal, Kenya has increased the share of geothermal energy from 20% in

2010/2011 to 47% in 2019/20 and the share of wind energy from 0.2% in 2010/2011 to 11.4% in 2019/20. As a consequence, the contribution of thermal power plants (heavy fuel oil, HFO) fell from 31.4% in 2010/11 to 7.8% in 2019/20.

A welcome side effect of this development is that Kenya's energy is not only becoming increasingly renewable, but is also becoming available to more and more people in the country. In 2000, only 8% of households were connected to the electricity grid. Thanks to the introduction of off-grid solar solutions, access has risen sharply to 23% in 2013 and 75% in 2022. In urban areas, the access rate is 100%, in rural areas of Kenya it is 65%.<sup>6</sup>

Kenya's successes show that an energy transition is possible and necessary for many African countries. However, this can only succeed if international investment in renewable, climate-friendly energy increases significantly in African countries.

### Great potential, little funding:

(figures denote an annual average over 2019 and 2020, in USD)<sup>7</sup>



Private and public  
climate finance  
around the world:  
632 bn

● Africa's share:  
32 bn

## Examples of problems related to fossil fuels in Africa:

**Senegal & Mauritania:**  
Threats to protected areas and coastal communities

Gas

**Nigeria:**  
Severe strains on the environment, food, water and health / violence and social conflicts

Öl

**Uganda:**  
Forced resettlements and imminent destruction of livelihood sources

Öl

**Democratic Republic of the Congo:**  
Imminent destruction of biodiversity by deforesting the tropical forest / armed conflicts

Öl

Mineralien

Gas

**Mozambique:**  
Environmental destruction and armed conflicts

Gas

## Misereor recommends a comprehensive, fair, rapid and financially supported phase-out of fossil fuels:

An end to German and European investments in fossil fuels with private and public funds.

A commitment by the G20 countries and other countries with historically high greenhouse gas emissions to support Africa's transition from fossil fuels to renewable energies through financial assistance, technology transfer and capacity building.

A rapid and just transition from fossil fuels to 100% renewable energy systems that focuses on energy access on the African continent and is decentralised.

JET-P and bilateral partnerships that concentrate on building local jobs in renewable energies, thereby supporting workers who need to exit the fossil fuel sector and secure their livelihoods.

The involvement of civil society organisations, local communities and indigenous groups in the decision-making and implementation steps in connection with energy projects and the recognition of traditional land and usage rights.

A direct and strong influence of Germany in the AU-EU cooperation, which takes place on an equal footing and leads to the phasing out of fossil fuels and the expansion of renewable energies.

### Interview partners at COP 28:

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## Footnotes

1 Gregory and Sovacool, (2019). The financial risks and barriers to electricity infrastructure in Kenya, Tanzania, and Mozambique: A critical and systematic review of the academic literature. *Energy Policy* 125: 145-153

2 Banktrack, (2022). Locked out of a Just Transition: fossil fuel financin in Africa.

Report <https://en.milieudefensie.nl/news/07-md-banktrack-fossil-fuels-africa-rpt-hr.pdf3>

3 <https://www.standardmedia.co.ke/national/article/2001467452/kenya-to-move-to-green-energy-by-2030-says-ruto>

4 Pörtner et al. (eds.), 2022. *Climate Change 2022 - Sixth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC)*. Cambridge University Press, Cambridge, UK und New York, NY, USA, S. 1285-1455, doi: 10.1017/9781009325844.011

5 <https://www.irena.org/publications/2021/March/The-Renewable-Energy-Transition-in-Africa>

6 <https://www.trade.gov/country-commercial-guides/kenya-energy-electrical-power-systems>

7 <https://www.climatepolicyinitiative.org/publication/global-landscape-of-climate-finance-2021>