

# Memorandum of Understanding

*Between the Republic of Liberia and the Kingdom of Norway on  
"Cooperation Aimed to Increase Access to Sustainable Energy and Reduce  
Greenhouse Gas Emissions"*

## **I. PREAMBLE**

The Government of the Republic of Liberia ("Liberia") and the Government of the Kingdom of Norway ("Norway"), both participants in the Energy+ Partnership;

*recognizing* that the need for reliable, affordable and sustainable energy and the negative impacts of climate change are two of the largest challenges facing the world in the 21<sup>st</sup> Century. Renewable energy and energy efficiency provide the means to both increase energy access and reduce emissions of greenhouse gases relative to an agreed-upon baseline;

*recognizing* that access to reliable, affordable and sustainable energy service is essential to reduce poverty, create jobs, and improve health and education services, gender equity, climate resilience, indoor and local air pollution, and therefore economic growth and overall standards of living;

*recognizing* the Sustainable Energy for All initiative launched by the United Nations Secretary-General, with the goals of providing universal access to modern energy services by 2030, doubling the global rate of improvement in energy efficiency by 2030, and doubling the share of renewable energy in the global energy mix by 2030;

*recognizing* that Liberia is developing plans to foster increased access to modern energy services, such as the Monrovia Electrical Master Plan (LEC), the Rural Electrification Master Plan and the Scaling Up Renewable Energy Program (SREP) Investment Plan;

*noting* that Liberia and Norway are bilaterally co-operating on increasing access to sustainable energy in Liberia, among others through the rehabilitation of the Mt. Coffee hydroelectric power plant;

*noting that* Norway as a contributing partner to SREP already provides support to renewable energy in Liberia through multilateral channels;

*recognizing* the decision at Conference of the Parties (COP) 17 under the United Nations Framework Convention on Climate Change (UNFCCC) and the Kyoto Protocol on a work plan on enhancing mitigation ambitions to reduce the significant gap between the aggregate effect of Parties' mitigation pledges in terms of global annual emissions, and the emission level that is required to have a likely chance of keeping global warming below 2<sup>o</sup> Celsius;

*hereby* establish cooperation aimed to increase access to sustainable energy and reduce greenhouse gas emissions through provision of support to Liberia to develop a comprehensive energy and climate plan based on existing plans and strategies and required institutional, policy and regulatory measures to improve the enabling environment for private and commercial investments. This will enable Liberia to





implement sectoral results-based financing programs and other mechanisms, including attracting resources from carbon markets, designed to stimulate markets, build capacity, encourage innovation and catalyze investments.

## **II. OBJECTIVE**

The objective of the Memorandum of Understanding (MoU) is to foster partnership between Liberia and Norway to increase access to effective, reliable and affordable energy services and reduce greenhouse gas emissions from the energy sector by promoting renewable energy and enhanced energy efficiency.

## **III. GENERAL APPROACH AND PRINCIPLES**

The energy and climate cooperation between Liberia and Norway aims to apply the basic Energy+ principles:

### ➤ Sectoral approach

The long-term goal is to develop cooperation between Liberia and the Energy+ Partnership, including Norway, addressing the overall energy sector. The Partnership will support the development of low emission development strategies and policies, focusing on the overall energy sector.

### ➤ Results-based payments

Results-based payments will be provided based on achieved outcomes in terms of increased access to sustainable energy and reduced greenhouse gas emissions relative to business-as-usual baselines.

### ➤ Results-based financing

Norway and other Energy+ partners will upon request assist Liberia in developing results-based financing approaches to stimulate private and commercial investments.

### ➤ Enabling environment to leverage private and commercial investments

The Energy+ Partnership will provide best-practice support to undertake required policy reforms, institutional strengthening and improve governance to incentivize commercial investments to increase access to sustainable energy and reduce greenhouse gas emissions relative to business-as-usual baselines. A general prospectus outlining the commercial opportunities will be elaborated as part of the cooperation.

In their cooperation Liberia and Norway intend to:

- Be fully transparent and strive for efficiency regarding financing, actions and results.
- Give all relevant stakeholders in the host country, including local communities and civil society, and in particular women, subject to national legislation, and where applicable, international instruments, the opportunity of full and effective participation in energy sector planning and implementation.
- Encourage other members of the international Energy+ Partnership to join the cooperation.



- Support the development of low emission development strategies and policies focusing on the energy sector that attract commercial investments, taking into consideration social and environmental safeguards.
- Ensure that all investments and activities implemented under the auspices of the cooperation will comply with national, including where relevant international, social and environmental commitments, standards and practices.
- Ensure coordination with other multi-lateral and bilateral initiatives on access to energy and climate change taking place in Liberia, including through SREP.
- Ensure that the cooperation is based on national development plans, energy policy plans, climate policy plans, the Energy+ Guiding Principles, and that relevant methodology is aligned to the extent possible with guidelines under the UNFCCC.
- To contribute to efficient cooperation, each of the Participants will designate a Focal Point to facilitate the implementation of this Memorandum of Understanding in their respective countries through means to be decided.

#### **IV. ENTRY INTO FORCE AND AMENDMENTS**


**Amendment.** This MoU may be amended at any time by the mutual written consent of the Participants.

**Duration.** This MoU will come into effect on 21 June 2012 and be valid for five years.

*Done in duplicate in Rio de Janeiro on the 21 June 2012, in the English language.*



Republic of Liberia



Kingdom of Norway