

**MEMORANDUM OF UNDERSTANDING
BETWEEN
THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT
AND
THE MINISTRY OF STRATEGY AND FINANCE OF THE REPUBLIC OF KOREA
FOR
REDUCING ENERGY POVERTY AND INCREASING ACCESS TO SUSTAINABLE
ENERGY IN AFRICA**

THIS MEMORANDUM OF UNDERSTANDING (“MOU”) is made between the United States Agency for International Development (“USAID”) and the Ministry of Strategy and Finance (“MOSF”) of the Republic of Korea (“ROK”). The MOSF and USAID are each hereinafter referred to as a “Participant,” and, together, as the “Participants.” USAID will implement this MOU through the Office of the Coordinator for Power Africa, and the MOSF will implement it through the Export-Import Bank of Korea (“KEXIM”), the executing agency of the Economic Development Cooperation Fund (“EDCF”).

This MOU sets forth the intentions of the Participants to further align Power Africa and the ROK’s relevant efforts. This MOU provides the framework upon which the Participants should base any joint activities for implementation purposes, but it does not impose any legally binding obligation (financial or otherwise) on either of the Participants.

WHEREAS:

The Participants seek to share their respective strengths, expertise, and resources to pursue activities of mutual interest that support their common goals of reducing energy poverty and increasing access to sustainable energy in sub-Saharan Africa.

The U.S. Government launched Power Africa in 2013 to leverage private- and public-sector partnerships to double access to electricity in sub-Saharan Africa. Power Africa aims to add at least 30,000 megawatts (MW) of new, cleaner electrical-power capacity, and 60 million electrical

connections across sub-Saharan Africa by 2030 by unlocking sub-Saharan Africa's substantial wind, solar, hydropower, gas, and geothermal resources. In accordance with the U.S. Electrify Africa Act of 2015, Power Africa aims to add more than 20,000 MW of new power generation, and to connect 50 million people to electricity in sub-Saharan Africa by 2020.

Power Africa is a partnership of U.S. Government Departments and Agencies, African governments, multilateral and bilateral development partners, and more than 140 private-sector entities. The U.S. Government's initial commitment of USD 7 billion has since leveraged more than USD 54 billion in total commitments from its public- and private-sector partners.

Power Africa is currently tracking more than 800 potential power-generation projects in sub-Saharan Africa. Power Africa's 2.0 strategy will place a greater focus on enabling-environment reforms, and transmission and distribution infrastructure, to facilitate the development of power-generation and electrical connections.

Power Africa uses a transaction-based model, which leverages private investments to help push policy and regulatory reforms that advance key energy projects. Within the context of this model, in 2014, Power Africa launched "Beyond the Grid," a sub-initiative focused exclusively on unlocking investment and growth for small-scale and off-grid energy solutions with more than 40 investors and practitioners committed to invest more than USD 1 billion to accelerate electricity access in sub-Saharan Africa.

AND

Considering that, the Participants' efforts to advance the development of the energy sector in Africa are intended to reduce poverty, promote inclusive and sustainable growth, and increase collaboration with and investment from partner countries;

Considering that, increasing access to electricity will enhance energy security, decrease poverty, and advance economic growth;

Considering that, the Participants are committed to contribute to the global effort to achieve the Sustainable Development Goals ("SDGs"), and in particular, to contribute to efforts to

achieve SDG 7, which aims to ensure access to affordable, reliable, sustainable, and modern energy for all by 2030;

Considering that, the Participants' collaboration is expected to extend to the regional and national level, where the Participants intend to coordinate to support projects of mutual interest, while respecting the specific needs and unique circumstance of each;

Now, therefore, desiring to establish a mutually beneficial cooperation, the Participants have reached the following understanding:

SECTION I PARTNERSHIP FOCUS AREAS

The Participants intend to collaborate on the following issues:

1. Collaborating and Leveraging Investments to Facilitate the Development of the Energy Sector in Africa. The Participants intend to explore and share opportunities to collaborate and leverage investments in the generation (solar, wind, and other resources) and transmission of power through their respective financing, technical-assistance and project-preparation facilities, to accelerate access to electricity:

In particular, **MOSF intends to provide USD 1 billion** from the EDCF for financing the development of power-sector infrastructure, including transmission-line infrastructure, with the expectation of constructing at least **1,000 kilometers of transmission lines in sub-Saharan Africa from 2018 to 2023**.

2. Coordinating on Strengthening the Enabling Environment. The Participants intend to coordinate their efforts in conducting policy dialogues with African governments to advance policy reforms to develop the energy sector in a fair, transparent, and sustainable manner, and to provide regular updates on their respective progress toward achieving the goals of Power Africa.

3. Deepening Collaboration to Expand Electricity Access. The Participants have technical skills, resources and expertise related to increasing access to electricity

services, and they intend to coordinate their efforts in this field, including by sharing strategic approaches and priority countries; coordinating support to integrated electrification planning, small-scale grids, and off-grid solutions; and identifying opportunities to mobilize financial support by jointly leveraging their respective resources, and those of other Power Africa partners. The Participants further intend to work together to identify constraints to project development and investment, and to seek tools to overcome them.

4. Expanding Small-Scale and Off-Grid to Extend Energy Access in Sub-Saharan Africa. Both Participants have already demonstrated their commitment to increasing access through projects that include financial and technical support to rural-electrification agencies, small-scale and off-grid transactions, and innovative technologies and approaches. The Participants expect to continue their respective work in these areas, and to identify additional opportunities, so they can leverage one another's expertise, reach, and resources to support Power Africa's targets.

5. Conducting Joint Marketing and Business Outreach. The Participants intend to seek, when deemed appropriate for both sides, joint marketing and business-outreach efforts toward Korean and U.S. businesses to maximize project-collaboration opportunities between such businesses.

The above list is illustrative. The Participants' planned areas of collaboration under Power Africa are not limited to these activities. Where applicable, Power Africa and KEXIM intend to rally and deploy their resources jointly in support of the energy programs and projects they prioritize.

SECTION II GENERAL INTENTIONS OF THE PARTICIPANTS

1. The Participants intend to carry out their respective commitments under this MOU in conformity with their respective legal and policy authorities.
2. The Participants intend to join efforts and to maintain a close working relationship, to achieve the objectives of this collaboration.

3. The Participants intend to keep each other informed, as appropriate, of relevant activities pertaining to this collaboration, and to schedule meetings and consultations, as needed, to evaluate progress in the implementation of this MOU, and to introduce or modify activities, as deemed necessary. At least once a year, the Participants expect to meet, in person or virtually, either bilaterally, or along with other Power Africa partners, to review and evaluate progress on their collaboration under this MOU, and to share each Participant's annual report or other monitoring, evaluation and progress-tracking tools. This meeting may take place in conjunction with other consultations USAID might have with other elements of the ROK Government.

4. The Participants plan to respect each other's confidentiality policies, with the mutual understanding that the Participants intend to publicize this alliance and its objectives without disclosing any information shared by one Participant with the other that it designated as confidential or proprietary.

5. The Participants do not intend to use, in any manner whatsoever, the name, emblem, logo, or official seal of the other Participant, or any abbreviation thereof, in connection with their business or otherwise, unless expressly authorized by the other Participant in writing.

6. The Participants intend to coordinate with each other on all press releases or public statements regarding collaboration on activities under this MOU.

SECTION III GENERAL PROVISIONS

1. The Participants may modify this MOU by mutual, written consent.

2. This MOU is intended to take effect on the date listed on the signature page below, and to remain in effect until December 31, 2023. The Participants may renew this MOU by mutual, written consent.

3. Either Participant may discontinue this MOU at any time by providing at least sixty (60) days' prior written notice to the other Participant.

4. This MOU is a non-legally binding expression of the current intentions of the Participants. It does not, nor is it intended to, create or impose any binding legal or financial rights or obligations on either Participant under domestic or international law.

SECTION IV NOTICES AND POINTS OF CONTACT

Any notices pursuant to this MOU may be given in writing and delivered to the following points of contact:

(a) In the case of USAID/Power Africa:

United States Agency for International Development
1300 Pennsylvania Avenue NW
Washington, D.C. 20523
Attention: Office of the Coordinator for Power Africa

[REDACTED]

Power Africa/Embassy of the United States of America
100 Totius Street, Groenkloof,
Pretoria, Republic of South Africa 0027
Attention: Power Africa Coordinator

[REDACTED]

(b) In the case of MOSF/KEXIM:

Ministry of Strategy and Finance
Sejong Government Complex, 477 Galmae-ro,
Sejong-si30109, Republic of Korea
Attention: Development Cooperation Division, Development Financial Bureau,

[REDACTED]

The Export-Import Bank of Korea
38 Eunhaeng-ro, Yeongdeungpo-gu, Seoul 07242, Republic of Korea

Attention: Africa Team, EDCF Operations Department 2, Africa Team



or at such other contact information as the Participants may provide from time-to-time in accordance with the provisions of this MOU.

SIGNED at Busan, KOREA, on May 22, 2018.

Handwritten signature in black ink, consisting of stylized Korean characters.

By: Dong Yeon KIM
Title: Deputy Prime Minister and Minister of
Ministry of Strategy and Finance
FOR THE MINISTRY OF STRATEGY AND
FINANCE OF THE REPUBLIC OF KOREA

Handwritten signature in black ink, appearing to read 'Mark Andrew Green' in a cursive style.

By: Mark Andrew Green
Title: Administrator
FOR THE UNITED STATES AGENCY FOR
INTERNATIONAL DEVELOPMENT

CLEARANCE PAGE FOR: MOU between USAID (via Power Africa) and MOSF (via KEXIM)

Drafter: PPL/Counselor Japan and Republic of Korea: JSeong

Bureau Level Clearance: Clearance Status:

NSC: ECohan	Cleared w/comment but no edits (tab 2)	Date: 4/17/2018
STATE:LFalk	Cleared w/comment but no edits (tab 2)	Date: 4/16/2018
EXIM: MDing	Cleared w/comment but no edits (tab 2)	Date: 4/16/2018
AFR/PA: AHerscowitz	Cleared	Date: 4/06/2018
PPL/AA: PRader	Cleared	Date: 4/11/2018
PPL: JSingh	info	Date: 4/05/2018
GC: JNg	Cleared w/ edits	Date: 5/08/2018