

African Organisation of English-speaking Supreme
Audit Institutions (AFROSAI-E) in collaboration with
Good Governance Africa (GGA) present

ANNUAL EXTRACTIVE INDUSTRIES WORKSHOP

Taking Action on Energy Transition



OUTCOME REPORT



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ANNUAL EXTRACTIVE INDUSTRIES WORKSHOP 2023

OUTCOME REPORT

Introduction

The growth of the Extractive Industries sector in Africa is escalating and it continues to present several challenges for the public sector. The regulatory framework that is key to ensure a sustainable development of the sector, a fair share of income and a fair distribution of that income, is complex and challenging.

As part of keeping abreast with the emerging risks and striving to follow relevant standards, The Annual AFROSAI-E Extractive Industries Workshop was held in Cape Town from 27-30 June 2023. The workshop has become a recognised event and has become an important event for AFROSAI-E and its member SAIs (Supreme Audit Institutions). SAIs are independent government bodies responsible for conducting audits of public sector entities and activities. They play a crucial role in promoting transparency, accountability, and good governance by examining the financial and operational activities of government agencies, including those in the extractive industries.

The workshop is one of AFROSAI-E's activities to empower SAIs for greater audit impact and quality within the extractive industries. The theme of the workshop was "**Taking action on energy transition**". Thematic discussions of the workshop focused on **The Just Energy Transition, The Energy Mix, Net Carbon Zero & Bo Data, and Sustainability in Energy Transitions**. This year's workshop aimed to give participants a practical experience around issues that were discussed and presented on through an excursion, as part of our theme on "taking action on energy transition" and influencing the subject matter at hand. AFROSAI-E partnered with SOLA Group which is a vertically integrated provider of renewable energy solutions, aiming to transform Africa through clean energy. Their mandate is to supply solar PV and storage solutions harness low-cost, clean energy, and aid African businesses and governments to prosper, creating a better future for all. The idea of the excursion was to link the theory to practical part. The excursion was conducted by the highly esteemed engineer at the Robben Island plant who took through the participants on how the plant works and store the power independent of the grid. This then emphasised the theme on how we can capitalise on the renewable energy while transition from fossil fuels.

This year's workshop was organised in partnership with Good Governance Africa, SAI Norway, and the African Development Bank (AFDB). The goal of the workshop was

to explore how African countries can use this transition to achieve socio-economic benefits, including improved energy access, job creation, and enhanced energy security. The Annual Extractive Industries Workshop 2023 brought together a diverse group of stakeholders, experts, and auditors to deliberate on the critical challenges and opportunities in the global energy landscape. The workshop served as a platform for constructive dialogue and knowledge sharing aimed at fostering a sustainable energy future for Africa and beyond.

The workshop had just over a 56 participants' mark, amongst those who took part and contributed to the discussions as well as the aim of the workshop to inspire and encourage action by SAIs and other stakeholders to actively contribute to the energy transition in Africa, aligned with the goals of the Paris Agreement and low-carbon growth, participants came in from 18 countries across the African continent and other parts of the world (Botswana, Egypt, Gambia, Ghana, Kenya, Morocco, Namibia, Nigeria, Norway, Sierra Leone, South Africa, South Sudan, Qatar, Yemen, Zimbabwe, Tanzania, Eritrea and Libya). From these respective countries, the workshop saw the presence of Deputy Auditor General (DAG) from The Gambia, and Namibia, acting DAG and acting Auditor General (AG) from Sierra Leone. Two senior lecturers from the University of Cape Town, Keynote speakers from (Good Governance Africa, African Development Bank, Transparency International, Open Ownership). Five Principal auditors, chief auditor, over eight auditors, eight directors and assistant directors of audit, a judge and other senior level delegates from the different countries.

The last day of the workshop involved collaborative peer learning the SAI presentations and discussions on the EI Guidelines exposure draft served to enrich the knowledge base and ensure that audit practices align with sustainability principles and that SAIs get to learn and share experiences as well as different challenges faced in performing audits on extractive industries. Through these presentations, Supreme Audit Institutions had a chance to present on the work they have done in the field of extractive industries. The work SAIs have covered in extractive industries is recognizable and improving as more Supreme Audit Institutions wish to perform more audits on extractive industries and are training staff to be in better positions to supply well-grounded recommendations.



Speakers at the workshop



Josephine Mukomba



Chrissy Dube



Godwin Matte



Meisie Nkai



Stephen Buchanan-Clarke



Jerry Kwame Ahadjie



Chris Maroleng



Nnaemeka Ohamadike



Charles Nyirahuku



Dr Ross Harvey



Karabo Rajuli



Karabo Chadzingwa

Attendance: 57 Participants including partners and speakers

Countries represented: South Africa, Botswana, Zimbabwe, Gambia, Ghana, Namibia, Tanzania, Kenya, South Sudan, Morocco, Egypt, Nigeria, Siera Leone, Norway, Libya, Eritrea

Technical Team: Edmond Shoko, Nikeziwe Khanyile, Esther Thomas, Richard Pappoe, Molosiwa Ofentse, Eva Maria, Chrissy Dube



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The programme

Day One – Tuesday, 27 June 2023

Time	Topic/Theme	Presenter/Facilitator
Session One Topic	Taking Action on Energy Transition	Moderator: Mr Edmond Shoko
09:00 – 10:30	Opening and welcome. Introduction of workshop and day focus.	Ms J Mukomba, AFROSAI-E EO
		Ms Meisie Nkai, AFROSAI-E CEO – Introduction of workshop and day focus.
		Chris Maroleng, Executive Director, Good Governance Africa
10:30 – 11:30	Presentations by keynote speakers	Dr Ross Harvey, Director of Research and Programmes, Good Governance Africa
	Q&A Facilitation	Facilitated
11:30 – 12:00	Group photos and comfort break	
12:00 – 12:30	Presentations by keynote speakers	Mr Charles Nyirahuku, Chief Gas Regulatory Officer – AFDB
12:30	Plenary	Q&A Facilitation
12:30 – 13:30	Lunch	
Session Two Topic	The Energy Mix	Moderator: Chrissy Dube, Good Governance Africa
13:30 – 15:30	Why good governance matters for a greener future. Transparency, Framework Development and Cross-Border Collaboration SAI perspective	Nnaemeka Ohamadike, Good Governance Africa
		Jerry Kwame Ahadjie, AFDB
		Halima Dida, SAI Kenya
15:30 – 16:30	Group discussion	Q&A Facilitation
16:30	End of day	



The programme

Day Two – Wednesday, 28 June 2023

Time	Topic/Theme	Presenter/Facilitator
Session Three Topic	Net Carbon Zero & Bo Data	Moderator: Nikeziwe Khanyile
08:30 – 10:30	Presentations by keynote speakers: The Just Energy Transition	Stephen Buchanan-Clarke , Head of Human Security and Climate Change, Good Governance Africa
	Presentation on their recent article – “Mapping global legal entity identifier foundation data to the Beneficial ownership data standards”.	Karabo Rajili , Director of Country Programmes, Open Ownership
10:30 – 10:45	Plenary	Q&A Facilitation
11:00 – 11:15	Comfort break	
11:15 – 11:40	Key update	Kirsten Pearson , Transparency International
11:40 – 12:00	Key update: EI and SAI Independence	Godwin Matte , INTOSAI Development Initiative
12:00 – 12:30	Q&A Facilitation	Facilitated
12:30 – 13:30	Lunch	
Session Four Topic	Sustainability in Energy Transitions	Moderator: Richard Pappoe
13:30 – 15:30	Energy Transitions in the Context of Natural Resource Governance in Africa	Karabo Chadzingwa , African Peer Review Mechanism (APRM)
		Eva Maria Simma , Office of the Auditor General of Norway SAI representative
		Mkhululi Ncube , African Minerals Development Centre
15:30 – 16:30	Group discussions and plenary	Group presentations from discussions
16:30	End of day	



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The programme

Day Three – Thursday, 29 June 2023

Time	Topic/Theme	Presenter/Facilitator
Session Five Topic	Technical Excursion Day	Moderators: Nikeziwe Khanyile, Thembi Maseko, Ofentse Molosiwa
09:00 – 11:30	Excursion	
11:30 – 11:45	Comfort break	
11:45 – 12:30	Excursion	
12:30 – 13:30	Lunch	
13:30 – 15:30	Excursion	
16:00	End of day	

Day Four – Friday, 30 June 2023

Time	Topic/Theme	Presenter/Facilitator
Session Six Topic	Peer Learning Day	Moderator: Esther Thomas
08:30 – 10:40	Key update: AFROSAI-E's EI-sector group Initiative AFROSAI-E's EI Guidelines exposure draft Feedback on Invitation to comment (ITC)	
10:40 – 11:00	Key update: Mining Indaba debrief	
11:00 – 11:15	Comfort break	
11:15 – 12:15	Key update: SAI Presentations on EI Audits Progress	
12:15 – 13:00	Key take aways: SAI Action plan and way forward	
13:00 – 13:30	Closing of workshop	Ms J Mukomba, EO Afrosai-E Dr Ross Harvey, Director of Research and Programmes, Good Governance Africa
13:30	Lunch	



Day one highlights

The first day of the Annual Extractive Industries Workshop 2023 commenced on 27th June 2023 and saw the convergence of esteemed participants, industry experts, auditors, and policymakers, all committed to shaping a sustainable energy future for Africa and beyond.

The workshop kicked off with a warm and inclusive opening ceremony, led by Ms. J Mukomba, Executive Officer (EO) of AFROSAI-E, welcome addresses by Ms. Meisie Nkai, AFROSAI-E Chief Executive, and Chris Maroleng, Executive Director, Good Governance Africa. They eloquently introduced the workshop's objectives and set the tone for the four-day event dedicated to exploring pathways for a just and responsible energy transition.

The first session featured insightful keynote presentations by distinguished speakers; Dr. Ross Harvey, Director of Research and Programmes at Good Governance Africa, delivered a thought-provoking speech on the significance of reversing the resource curse towards achieving a Just Energy Transition. His address shed light on the importance of inclusivity and fairness in the energy transition process, ensuring that the benefits of renewable energy reach all segments of society.

Following the keynote presentation, a dynamic Question and Answer session took place, providing a platform for participants to engage with the speaker and delve deeper into the nuances of the Just Energy Transition. The interactive exchange of ideas fostered a better understanding of the challenges and opportunities associated with a more sustainable energy future.

The second keynote presentation was delivered by Mr. Charles Nyirahuku, Chief Gas Regulatory Officer at the African Development Bank (AFDB). His presentation shed light on the importance of transparency and framework development in the energy sector, highlighting the significance of cross-border collaboration to achieve a sustainable energy transition. A stimulating Question and Answer session followed the second keynote presentation, where participants actively participated, seeking clarification on matters related to transparency and cross-border cooperation in energy transition initiatives.

A well-deserved lunch break provided an opportunity for participants to recharge, engage in informal discussions, and reflect on the insights gained during the morning sessions.

Session Two was dedicated to exploring the theme "The Energy Mix." Under the moderation of Chrissy Dube from

Good Governance Africa, esteemed experts and industry representatives engaged in insightful panel discussion followed by an open floor discussion with the participants; shedding light on the significance of diversifying the energy mix to facilitate a sustainable energy transition.

Nnaemeka Ohamadike from Good Governance Africa delivered a compelling presentation on the role of good governance in advancing a greener future. The session emphasised the need for transparency, accountability, and ethical practices in energy-related decision-making to ensure effective management of natural resources and foster sustainable development. Jerry Kwame Ahadjie from the African Development Bank (AFDB) presented insights into the importance of transparency, framework development, and cross-border collaboration in the energy sector. The presentation highlighted the role of international partnerships and knowledge exchange in accelerating the energy transition and promoting responsible energy practices. Halima Dida from the Supreme Audit Institution (SAI) of Kenya shared valuable insights into the SAI perspective on performance audits in the energy sector. The presentation showcased Kenya's experiences and efforts in enhancing their energy mix, accountability and governance in the extractive industries to achieve a just energy transition.

The second session served as an illuminating exploration of "The Energy Mix". The insightful presentations and engaging discussions underscored the importance of good governance, transparency, and cross-border collaboration in advancing sustainable energy practices. The participants left the session with a deeper understanding of the complexities and opportunities inherent in the energy transition. Armed with these insights, the participants were better equipped to contribute to a diversified and sustainable energy mix that aligns with the principles of the just energy transition.

Overall, the first day of the Annual Extractive Industries Workshop 2023 set a strong foundation for discussions to come. The keynote presentations on the taking action on the Just Energy Transition and the importance of transparency and cross-border cooperation in the energy sector illuminated the multifaceted nature of the energy transition challenge. The interactive Q&A sessions fostered a collaborative spirit, encouraging participants to share their perspectives and experiences, paving the way for meaningful deliberations in the days ahead.

As the sun set on the first day, participants eagerly looked forward to the forthcoming sessions, knowing that together, they would navigate the complexities of the energy transition and forge a path towards a sustainable, equitable, and prosperous energy future.



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Day two highlights

Technical excursion day

The second day of the workshop 2023, held on 28th June in Cape Town, proved to be a day of practical learning and inspiration. As part of the theme of taking action on Energy transition and influencing the subject matter at hand, AFROSAI-E partnered with SOLA Group (a vertically integrated provider of renewable energy solutions, aiming to transform Africa through clean energy). Their mandate is to provide solar PV and storage solutions harness low-cost, clean energy, and assist African businesses and governments to prosper, creating a better future for all. The idea of the excursion was to link the theory to the practical part. The excursion was conducted by the highly esteemed engineer at the Robben Island plant who showed the participants on how the plant works and stores the power independently of the grid. This then emphasised the theme of how we can capitalise on renewable energy while transitioning from fossil fuels. The highlights of the day were:

- **Technical excursion**

The second day began with an enlightening technical excursion to a solar power plant on Robben Island. Participants embarked on a journey to witness the real-world application of renewable energy in the form of a solar microgrid. This visit to the historic island, previously reliant on diesel generators, showcased the transformative power of solar energy in reducing carbon emissions and enhancing energy sustainability.

- **Practical application of energy transition**

At the solar power plant on Robben Island, participants had the opportunity to observe the successful integration of solar technology into the island's energy supply. The visit to this site provided invaluable insights into the implementation and benefits of renewable energy solutions, underscoring the potential for solar power to revolutionise energy generation and consumption paradigms.

- **Sustainable energy impact**

During the excursion, participants learned about the significant positive impact of the solar microgrid on Robben Island. The transition from diesel generators to solar energy not only led to substantial cost savings but also reduced the island's environmental footprint. Witnessing the tangible benefits of sustainable energy practices further strengthened the resolve to embrace renewable energy solutions in the extractive industries.

Overall, the technical excursion to the solar power plant on Robben Island exemplified the impact of renewable energy in real-world settings, reinforcing the need for accelerating the energy transition in the extractive industries. Through this on-site learning experience, participants gained first-hand knowledge of the possibilities and challenges of implementing sustainable energy solutions. The visit to the solar microgrid served as a beacon of hope, demonstrating that cleaner and more sustainable energy practices are not only attainable but also essential for a greener and more resilient future.

As the day drew to a close, participants left Robben Island with renewed determination and a deeper sense of purpose, knowing that the actions taken today will shape the energy landscape of tomorrow.



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Day three highlights

The third day of the workshop, held on 29th June in Cape Town, delved into critical discussions on the energy transition and its implications for the extractive industries. Under the session three theme “Net Carbon Zero Bo,” esteemed participants continued to engage in thought-provoking sessions, seeking pathways towards a sustainable energy future for Africa and beyond.

Stephen Buchanan-Clarke, Head of Human Security and Climate Change at Good Governance Africa, delivered a compelling presentation on “The Just Energy Transition.” His talk focused on the imperative of ensuring an equitable and inclusive transition from fossil fuels to renewable energy sources. He emphasised that the energy transition should prioritise social justice, taking into account the needs of vulnerable communities. Participants were inspired by his call for a transition that leaves no one behind and empowers communities to benefit from cleaner energy alternatives.

Karabo Rajili, Director of Country Programmes at Open Ownership, presented a detailed overview of mapping global legal entity identifier foundation data to beneficial ownership data standards. His presentation highlighted the importance of data transparency in the extractive industries and the significance of mapping beneficial ownership data to improve accountability and combat corruption. Participants gained valuable insights into the role of robust governance frameworks and data sharing in fostering responsible resource governance.

Kirsten Pearson from Transparency International provided a key update on the latest developments in promoting transparency in the extractive industries. Her presentation highlighted the efforts undertaken by Transparency

International to advocate for greater transparency, accountability, and integrity in the sector. The update reinforced the importance of civil society’s role in driving positive change and holding industry stakeholders accountable for their actions.

Godwin Matte, representing the INTOSAI Development Initiative, delivered a key update on the independence of Supreme Audit Institutions (SAIs) and their role in enhancing accountability in the extractive industries. His presentation underscored the significance of independent SAIs in conducting impactful audits, ensuring transparency, and promoting good governance in the sector. Participants were reminded of the critical role SAIs play in safeguarding public resources and advancing sustainable resource management.

Overall, the speakers’ presentations on the third day of the workshop enriched the participants’ understanding of critical aspects related to energy transition and resource governance. The talks highlighted the importance of social justice, data transparency, and independent oversight in shaping a sustainable energy future.



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Day four highlights

The fourth and final day of the Annual Extractive Industries Workshop 2023, held on 30th June in Cape Town, marked the culmination of four days of insightful discussions and collaborative engagements. Participants convened for the last time to solidify the outcomes and chart the way forward towards a sustainable energy future for Africa and beyond.

The last day of the workshop was dedicated to peer learning and knowledge sharing. SAIs presented their country's progress on performance audits. This gave the participants the opportunity to learn from one another's experiences and progress in performing audits in the extractive industries. Country presentations by the SAIs showcased the achievements made to date and outlined future plans for contributing to a just energy transition through impactful audits.

A review of the Extractive Industries (EI) Guidelines exposure draft was also done and participants provided feedback, which allowed for enriching discussions and refinements to the guidelines. The focus was on ensuring that the guidelines align with the best practices in the extractive industries and promote sustainability and transparency.

A debrief session on the Mining Indaba followed, where participants shared their insights and takeaways from this important event. The Mining Indaba served as a crucial

platform for discussions on critical minerals and their connection to the clean energy transition. The insights gained from the Mining Indaba enriched the discussions during the Annual Extractive Industries Workshop.

The SAIs then presented updates on the progress of audits in the extractive industries. These presentations highlighted the crucial role of SAIs in promoting transparency, accountability, and good governance in the sector. The SAI updates showcased the strides made in aligning audit practices with the energy transition goals.

The day concluded with an emphasis on the importance of collective action. SAIs collaboratively devised an action plan for the way forward, outlining specific steps to be taken to achieve impactful audits in the extractive industries. The action plan underlined the commitment of SAIs to contribute significantly to a just energy transition.



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The workshop



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The workshop



Concluding remarks

As the curtains fell on the Annual Extractive Industries Workshop 2023, we reflect on four days of enriching discussions, insightful presentations, and collaborative engagements. Under the theme “Taking Action on Energy Transition,” participants from diverse backgrounds, including esteemed experts, auditors, and thought leaders, came together to chart a path towards a sustainable energy future for Africa and beyond.

The 2023 Annual Extractive Industries Workshop has been a resounding success, thanks to the unwavering dedication and active participation of all stakeholders. The workshop exemplified the power of collective action, with a shared commitment to driving positive change in the extractive industries and fostering the energy transition towards a cleaner, greener, and more equitable future.

Key Takeaways

- **Striving for impactful audits**
SAIs play a pivotal role in promoting transparency, accountability, and good governance in the extractive industries. The importance of conducting impactful audits that align with the energy transition goals, fostering sustainable practices and responsible mineral extraction was emphasised.
- **Enhancing collaboration**
The power of collaboration among SAIs, industry stakeholders, and policymakers was highlighted. By working together, we can leverage collective expertise and resources to take action on energy transition.
- **Promoting inclusivity and social justice**
SAIs are encouraged to consider the social implications of the energy transition and ensure that vulnerable communities are not left behind. A just energy transition demands inclusivity, addressing social inequalities and ensuring that the benefits of renewable energy are accessible to all.
- **Driving sustainable energy practices**
It was apparent that there is a need for shared responsibility to drive sustainable energy practices in the respective domains. Adopting cleaner and more responsible energy solutions contributes to a greener and more resilient energy future.



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