

I am pleased to be here today at the Second Annual Global Regulatory Network Conference representing the U.S. Agency for International Development. USAID has had a long association with NARUC and its international programs.

The absence of reliable, affordable and environmentally benign energy sources—energy poverty—prevents billions of people from improving their lives through the increased productivity, mobility and higher value-added economic activity that energy can enable. All the countries of West Africa have high levels of energy poverty. For instance, in Mali and Niger, 96 percent of all households do not have electricity. In Cote d'Ivoire, 70 percent of all households are without electricity. In Ghana, the figure is 76 percent. Even in the richest country in West Africa, Nigeria, the majority of households, 64 percent, do not have electricity. Additionally, the cost of electricity in much of West Africa is very high compared to the developed world. For instance, the average household tariff for electricity in West Africa is about double the average cost of household electricity in Europe.

Energy has a key role to play in providing the basis for increasing prosperity and stability, in reducing the gaps between the rich and poor, and in accelerating programs to address health problems such as HIV/AIDS. The lack of electrification also contributes to malnutrition, starvation, illiteracy and extreme poverty.

Without electricity, economic development is severely hampered. Access to modern, commercial electricity is an essential ingredient in reducing hunger in Africa and USAID is striving to meet that challenge.

Moreover, lack of reliable, affordable, clean energy disproportionately harms women and children's health. Women and children, who form the majority of poor

people in any community, are usually the major users and suppliers of energy resources in marginalized communities. They often have to spend inordinate time and physical effort collecting traditional fuels like wood and dung. Electricity for lighting, cooking, and operating household appliances can greatly reduce the amount of time required by housework, freeing women's time up for other productive activities.

We cannot attack poverty, we cannot improve food security, and we cannot build economic opportunity without energy.

At the heart of USAID's energy strategy is the reform of legislative and regulatory policies and institutions to allow for private sector participation in electric power development and to open markets for renewable energy, energy efficiency, and clean-energy technologies. But private investment is difficult to attract without sound and predictable good governance principles in place. For countries that are working towards adopting good governance principles, USAID provides assistance by partnering with people and organizations who have had first-hand experience in addressing energy sector governance issues - organizations such as NARUC.

NARUC has a great deal of experience in working with regulators on a regional and bi-lateral basis to improve regulatory practices in developing countries around the world.

As we move toward the future, we look to these exchanges to help developing countries achieve the following benefits: provide citizens with improved service and quality for customers; achieve better efficiency in the use of scarce resources;

increased trust in government institutions; decreased corruption; increased macro-economic growth; environmental improvement; and, most importantly, better standards of living, especially for women and children.

I am also grateful to The Electricity and Water Regulatory Commission of Mali, The African Forum for Utility Regulators, the Regional Electricity Regulators Association and to NARUC for inviting me here today and giving me the opportunity to address this meeting.

On behalf of the U.S. Agency for International Development, thank you.