

## **Africa's Energy Deficit: The Missing Link in a Multipolar World**

**By Abel Manumbu**

*Managing Director, UR Energy Limited | Energy Project Developer in Sub-Saharan Africa*

### **Can Africa Emerge from the Paradox of Abundance?**

In an increasingly multipolar world, Africa on the margins serves no one's strategic interests. The continent holds approximately 30% of global critical mineral reserves essential for the Fourth Industrial Revolution, clean energy technologies, and worldwide decarbonization efforts. It represents the last major untapped growth market, and its stability bears directly on international security. Yet these strategic assets remain latent potential rather than realized strength without the energy infrastructure to activate them.

The defining question confronting this generation is whether Africa can transcend the "paradox of abundance"—richly endowed with resources yet constrained by infrastructure deficits—to achieve broadly shared prosperity.

The answer is unequivocally yes, but success demands what the late Lee Kuan Yew might have characterized in today's context as unwavering resolve and institutional discipline from African leaders and societies—what he called an "iron in us." Without this steely commitment to make difficult choices, resist short-term expediency, and sustain multi-decade investments in foundational infrastructure, the continent may as well abandon the endeavor altogether. Half-measures and episodic attention will not suffice.

The required infrastructure and capital exist within global capacity. What remains uncertain is whether sufficient political will exists—both within Africa and among international partners—to deploy resources at the necessary scale and tempo. The multipolar moment presents a narrowing window of opportunity, and continued delay carries costs measured not merely in African potential foregone, but in global prosperity unrealized and instability risked.

### **The numbers tell a sobering story.**

Africa stands at a critical juncture in global economic history. In a world where emerging powers are reshaping international order, the continent possesses extraordinary natural resources, a young and growing population, and demonstrated capacity for technological innovation. Yet it contributes merely 3% to global GDP and less than 1% to cutting-edge sectors like artificial intelligence, a stark underperformance driven fundamentally by one constraint: energy poverty.

Energy sector deficits cost Africa between 2% to 4% of GDP annually—tens of billions of dollars in lost economic output. Some 573 million people in Sub-Saharan Africa lack access to electricity, with per capita consumption at just 175 kWh compared to 2,100 kWh in emerging Asian economies and over 10,000 kWh in developed nations. This energy deficit is not merely an infrastructure problem—it is the fundamental barrier preventing Africa from claiming its rightful position in the global economy.

Without reliable electricity, Africa cannot industrialize at scale, cannot attract investment requiring stable power, and cannot develop the data centers and digital infrastructure essential for participating in the Fourth Industrial Revolution.

## **The Missed Opportunity in a Multipolar Moment**

The current reshaping of the world order presents Africa with a historic window of opportunity that energy poverty threatens to close. As economic power disperses from traditional Western centers, Africa's abundant natural resources—from critical minerals essential for renewable energy technologies to vast renewable energy potential, position the continent as a pivotal player. Yet without energy to power manufacturing and value-addition, Africa remains trapped in a perpetual cycle of systemic exploitative economics

## **Proven Capacity for Global Leadership**

Africa has already proven its ability to lead global innovation when the right conditions converge. The continent gave the world mobile money through platforms like M-Pesa, which has dramatically advanced financial inclusion and added \$190 billion to Sub-Saharan Africa's GDP in 2023 alone. Today, nearly half of all mobile money accounts worldwide are in Africa, processing \$2.5 billion in daily transactions and reaching millions previously excluded from traditional banking.

Similarly, today's energy constraints could catalyze groundbreaking advances in distributed power systems, smart grids designed for resource-limited settings, and renewable energy solutions optimized for African realities.

## **The Transformation Within Reach**

With reliable energy access, Africa's economy could expand 58% larger by 2050 than current projections suggest, with GDP per capita climbing 45%. This would elevate the continent from peripheral a player to central drivers of global growth. Sufficient energy powering manufacturing, data centers, and digital infrastructure could enable Africa to transition from merely consuming Fourth Industrial Revolution technologies to pioneering key innovations in AI, automation, and advanced manufacturing.

The continent's youthful population—often heralded as a demographic dividend—can become a genuine engine of creativity and prosperity only when energy supports education systems, technology hubs, and job-creating industries. Without reliable electricity, this demographic advantage risks degenerating into a liability.

Without overcoming energy poverty, Africa cannot establish the stable, scalable foundation needed for consistent economic expansion, industrialization, and broad-based prosperity. It is the single most critical constraint stifling the continent's ability to build a resilient growth ecosystem capable of delivering long-term, inclusive development.

*Connect with me to discuss energy project development opportunities in Sub-Saharan Africa and how we can work together to close the energy access gap.*