



United Nations  
Economic Commission for Africa

# 11<sup>th</sup> Conference on Climate Change and Development in Africa

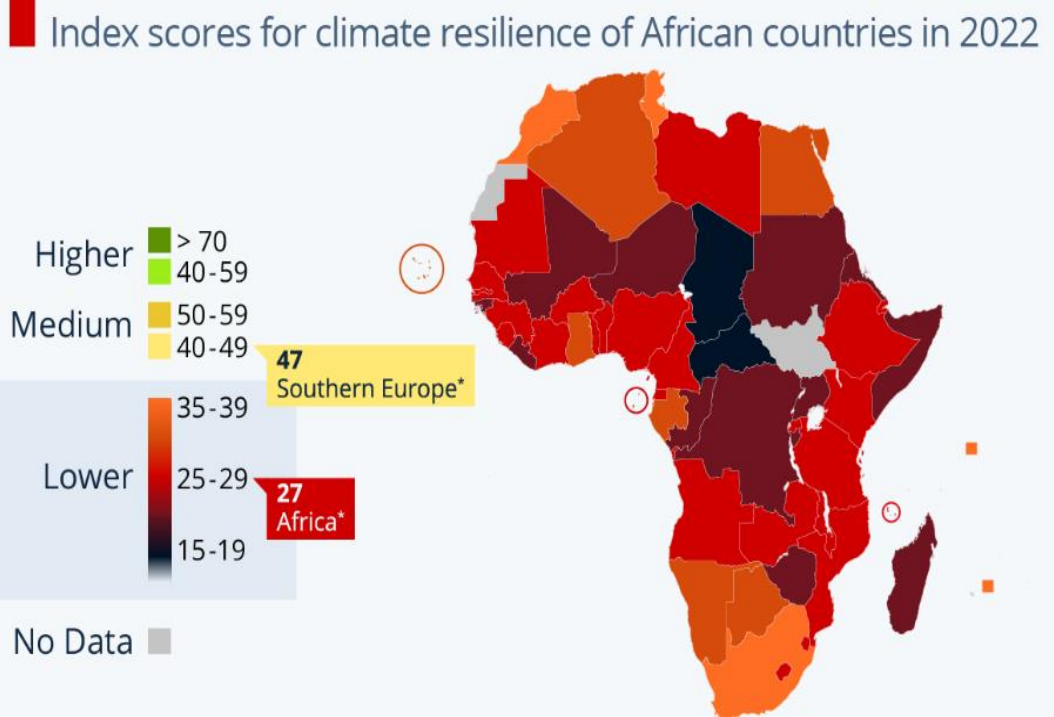
## **Actualizing Green Transitions and Climate Resilience in Africa: Together for Ambitious Global Climate Action**

1<sup>st</sup> September 2023

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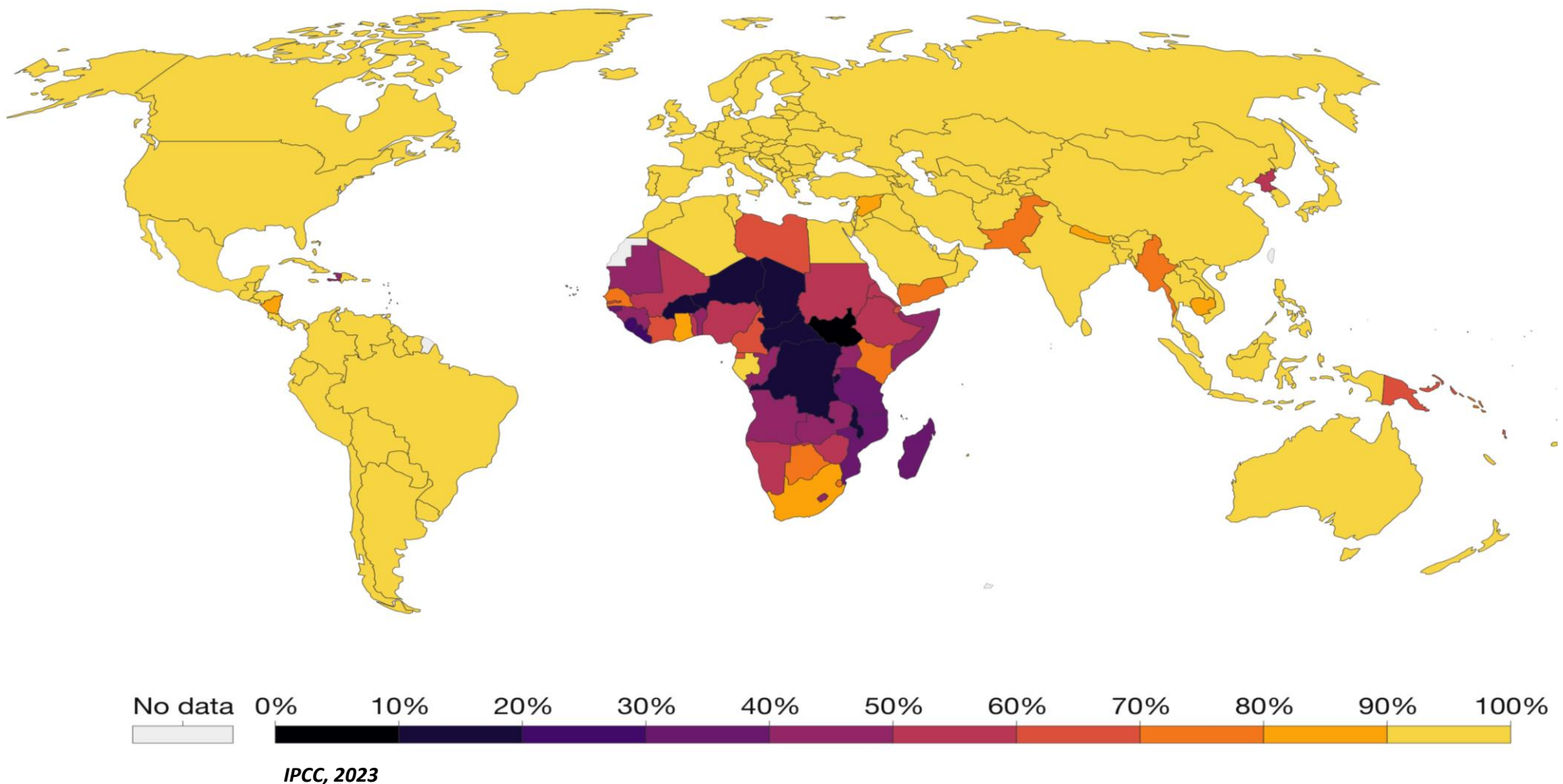
# Africa is in the frontline on Climate Change.



IPCC, 2023

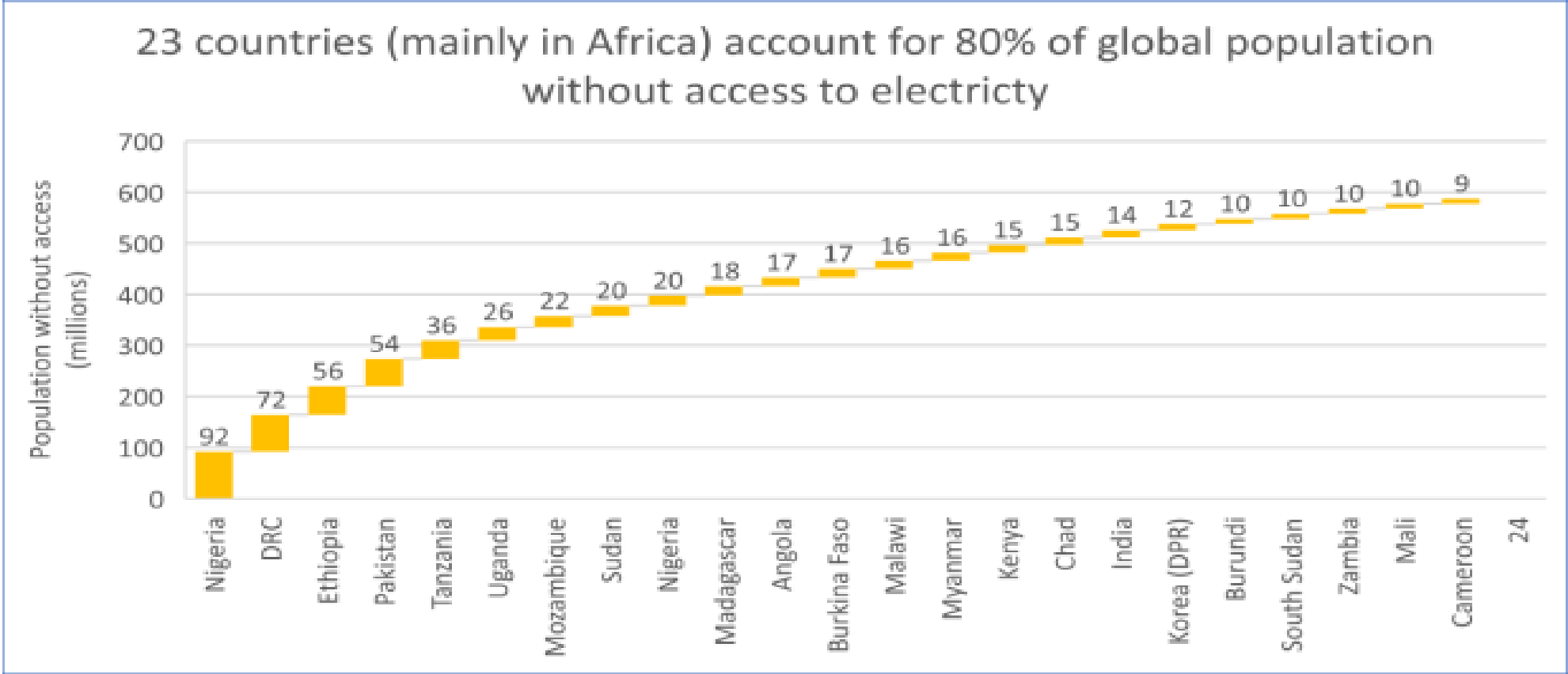
- Global warming has already reached **1.1 C**, with devastating impacts including unprecedented extreme weather events, rapidly rising sea levels, and impacts on people and ecosystems (IPCC, 2023)
- Although African countries contribute relatively little to global emissions (**less than 4%**), they remain at significant risk from the devastating economic effects of climate change
- By 2030, Africa could spend **5% of its annual GDP** on climate crises based on a warming scenario of 2 degrees, with the Sahel region paying as much as 15% (AfDB 2022)
- Even if fully implemented, the current revised nationally determined contributions to climate action (NDCs) put the world on a course of **1.7 C warming** (UNEP, 2022).
- Without programs and strategies to support the implementation of the NDCs, we are on a path to at least **2.5 C warming**, which would have dire consequences for people, economies, ecosystems, and infrastructure, particularly so in Africa (NDC Synthesis Report, UNFCCC, 2022).

# Africa is the most energy poor continent...



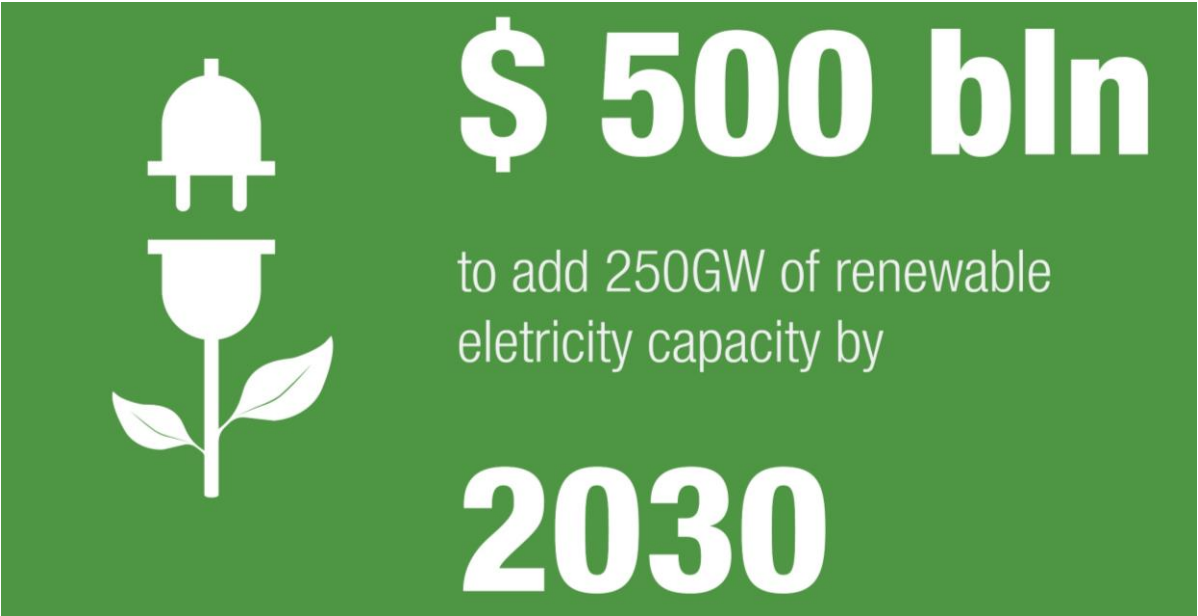
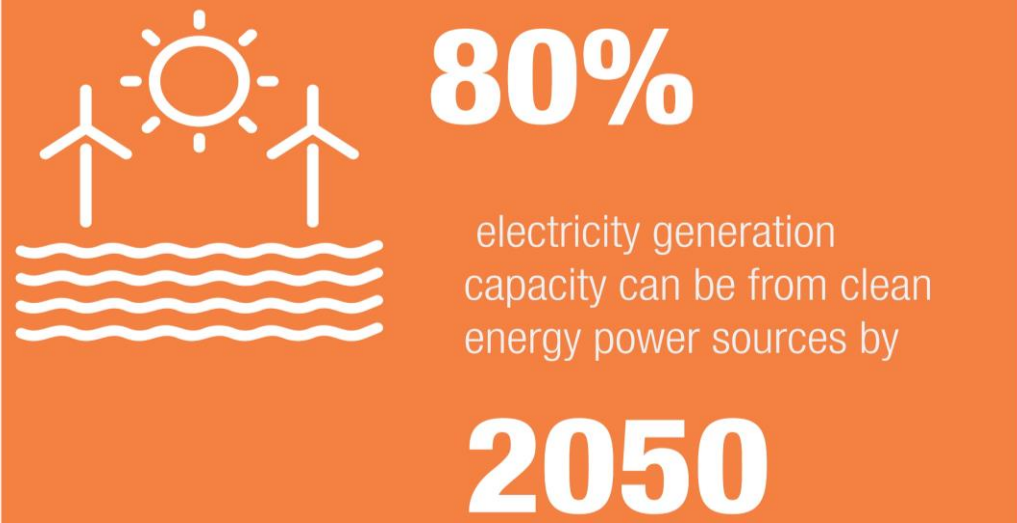
- Africa remains the world's **least electrified region**, with inadequate, unreliable and generally expensive supply, severely constraining development ambitions.

# ...concentrated in 19 countries.



- **Nearly 600 million people** do not have access to electricity (3/4 of global population without access) with severe implications on health, education, poverty reduction, industrialization and sustainable development (AfDB, 2022).

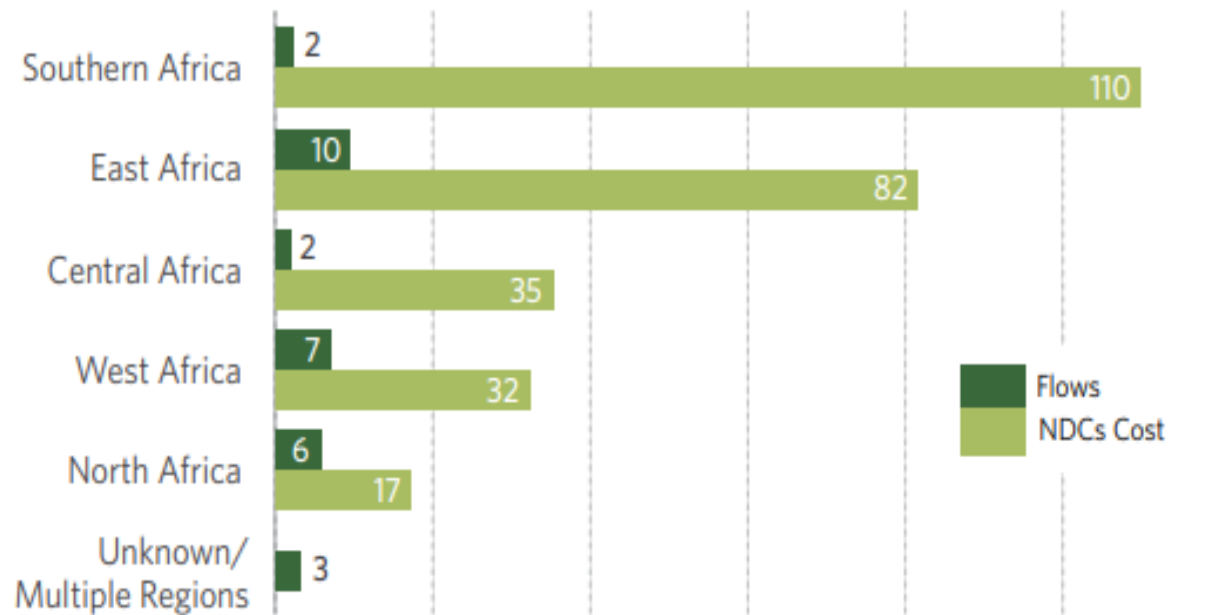
# Huge potential to close Africa energy deficit with renewable electricity



# Huge financing needs to meet these targets.

- The biggest challenge facing the translation of climate policies into actions is the **limited financial resources** needed to translate climate commitments into investments
- Climate-related disasters cost estimated between **5 to 15% of GDP** annually
- Close to **\$3 trillion** required to implement Africa's NDCs.
- Approximately **\$2.5 trillion** (or \$250 billion per year) is required from 2020-2030 (CPI, 2022).
- Yet, total annual climate finance flows in Africa for 2020, both domestic and international, were **only \$30 billion**, roughly 12% of needs, signifying a **massive finance gap**.

Climate finance flows and needs in Africa (USD billion, annual average)



Climate Policy Initiative, 2022

# Green transition



- The continent's energy transition **cannot be identical to the rest of the world** and requires pragmatic solutions.
- The transition must be **just, inclusive, and equitable, leaving no one behind**. There will be no net-zero by 2060 **without universal access by 2030**.
- Africa's energy transition must be compelling, defined and **owned by Africa**.
- Developed nations and private sector must provide a **clean energy offer to finance the transition in Africa** as part of their climate finance pledge as this remains the linchpin in accelerated renewables development.
- Africa's private sector and capital has a big role to play supported by the appropriate policies.

# Africa abundant opportunities in green transition

- Africa has **abundant renewable energy resources** (40% of global solar irradiation, 20,000 MW of geothermal, 350,000 MW of hydropower, 110,000 MW of wind)
- Africa has a **huge potential for green hydrogen** to industrialise and trade.
- Is rich in **cobalt, manganese, platinum, lithium, and copper** – critical minerals for producing batteries and other green transition products
  - The drive toward achieving net-zero emissions is expected to trigger a 40-fold increase in lithium demand and a 25-fold increase in cobalt demand.
- Is home to rich **natural capital**, such as the Congo Basin - African countries could provide up to **30% of the world's sequestration** needs employing only nature-based sequestration
- African countries could mobilize up to **\$82 billion** per annum by participating in well-functioning carbon markets





# ECA working closely with member States to support green transition (1/2)

**Sustainable debt treatment:** launch of the Sustainable Debt Coalition (SDC) at COP27, providing a framework for collaboration between creditor and borrower nations, focusing on the nexus of sustainability and debt management (debt-for-nature swaps, issuance of green bonds, climate contingency clauses, blended finance, and the sustainable budgeting approach) among others. So far, more than 21 member states have expressed interest in joining the Coalition.

**Supporting financing for climate action and SDG:** debt-for-nature swap of 140 million EURO between Cabo Verde and Portugal, which was agreed in January 2023, converting Cabo Verde's debt repayments into funds for ocean conservation. Further, it is working towards the issuance of a regional blue bond, sustainability-linked bonds among member states to stimulate and crowd in financial resources for ocean-related projects.

**Developing regenerative blue economy/Great Blue Wall initiative:** promote the Great Blue Wall Initiative (GBWI) with IUCN, AUC and other partners to strengthen sustainable management of the marine ecosystem, climate action, and job creation for the island and coastal countries in the West Indian Ocean Region.

**SDG 7 initiative:** accelerate private sector investments in clean energy for access and climate action (3pillars: sustainability, governance and finance). First local currency green bond of ZAR 3 billion supported for renewables in South Africa.

# ECA working closely with member States to support green transition (2/2)

**Carbon markets:** assisted the 16 member countries of the Congo-Basin Climate Commission (CBCC) with the development of a regional carbon registry that allows fast-tracking of the credits generated and projects from which the credits have been generated. In 2023, ECA started extending a similar support to the African Island Climate Commission with the similar tools, and countries from SADC.

**Circular Economy:** UNEP, ECA and AUC have developed *Guidelines for Accelerating the Circular Economy Transition in Africa*; a continental circular economy action plan is being developed. The action plan will provide concrete actions and stakeholder responsibilities to drive circular economy at continental, regional, national and subnational levels.

**AFRI-RES:** a joint initiative of the UNECA, AUC, the World Bank, the Nordic Development Fund and AfDB supporting member States and stakeholders with tools and capacities to climate-proof long-lived investments in climate-sensitive sectors to ensure the investments made today can perform and yield returns under future climate.

**CLEWs:** tools and capacities for policy coherence and integrated **C**limate, **L**and, **E**nergy and **W**ater systems modelling for integrated implementation of NDCs and SDGs (Ethiopia, Cameroon, Namibia).



**THANK YOU!**

More: [www.uneca.org/eca-events/CCDA-XI/](http://www.uneca.org/eca-events/CCDA-XI/)

Ideas  
to  
Action