

CHAPTER

2

**GLOBAL AND CONTINENTAL
DEVELOPMENT FRAMEWORKS
FOR GREEN INDUSTRIALIZATION**



Green industrialization can advance the broader objective of sustainable development in Africa. It is an opportunity for the continent to keep down its greenhouse gas emissions and to protect its biodiversity and ecological systems while reaping the benefits of long-term, socially inclusive economic growth.

The commitments in recently adopted global and continental frameworks—such as the Addis Ababa Action Agenda, the United Nations 21st Conference of the Parties (COP21), Agenda 2063 of the African Union, and the 2030 Agenda for Sustainable Development (Agenda 2030) focused on the Sustainable Development Goals (SDGs)—provide a supportive backdrop for adopting and following through on green industrialization initiatives. These frameworks should also support African countries' efforts to integrate their diverse development policies and strategies.

Africa's aspiration for inclusive structural transformation, underpinned by commodity-based industrialization, remains largely unmet despite positive trends in socioeconomic indicators. The gross domestic product (GDP) of most African countries is dominated by services and agriculture, with only a small contribution from manufacturing. That leaves most African economies undiversified and vulnerable to shocks. While real GDP growth has exceeded the global average over the last decade, it remains below the 7 per cent benchmark generally considered necessary to eradicate extreme poverty (ECA (1999)). It also masks the continued depletion of the natural resource base, measured by the adjusted net savings indicator (ECA and UNEP 2013).

On the social front, despite improvements in access to primary education and health services, the quality of services remains a concern—evidenced, in part, by the still relatively high rates of maternal and child mortality. Access to safe drinking water and basic sanitation is low in Africa, with rural-urban disparities and performance gaps between

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North Africa and the rest of the continent. Social exclusion—typified by declining but high levels of spatial and horizontal inequalities in income and access to basic social services—also remains a challenge (Armah et al., 2014). Underlying these issues is the continent's vulnerability to environmental hazards and stresses, heightened by climate change.

Collectively, these problems call into question the sustainability of growth and development in Africa. They also call for re-examining Africa's industrialization through the lens of social, economic and environmental sustainability.

Recent global and regional developments point to an increasingly supportive environment for Africa's sustainable development. Globally, Agenda 2030, and regionally, Agenda 2063, have committed the international community to a set of global interventions and resources. Similarly, the agreements reached at December 2015's COP21 conference heightened awareness about the environmental fall-outs of the current global growth trajectory and proposed concrete measures that should inform the continent's agenda for structural transformation.

This chapter examines the opportunities for promoting green industrialization in the context of these frameworks, identifying commitments that can leverage industrial greening in Africa.

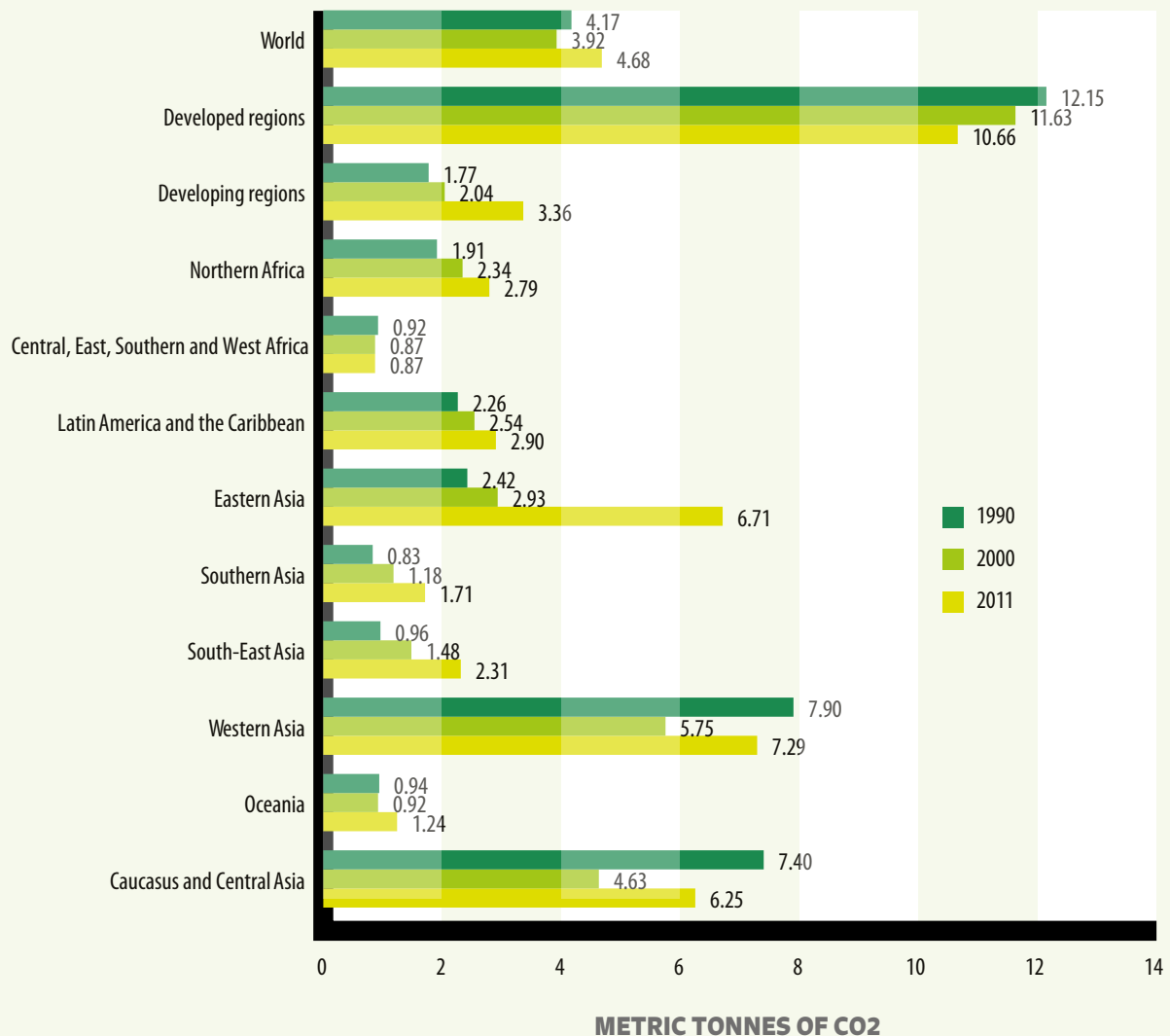


2.1 GLOBAL AND REGIONAL DEVELOPMENT AGENDAS FOR SUSTAINABLE DEVELOPMENT

The Millennium Development Goals (MDGs) galvanized the international community and resources around a core set of global issues such as poverty, hunger, HIV/AIDS and maternal and child health. During their 15-year span (2000–2015), Africa witnessed sharp declines in poverty, significant reductions in maternal and child deaths, improve-

ments in primary school enrolment and declines in malaria, TB and HIV-related deaths (ECA et al., 2015)—as well as the representation of women in national parliaments and the continued emissions of low carbon dioxide. Africa’s performance on the MDGs was particularly striking given its low initial conditions. That said, the continent is unlikely to

FIGURE 2.1 CARBON DIOXIDE EMISSIONS (METRIC TONNES PER CAPITA), VARIOUS YEARS



SOURCE: UN (2015a).

achieve all the MDGs by the end of 2015. With mounting concerns about climate change, natural resource depletion and vulnerabilities to economic shocks, the successor development agenda has reoriented the discourse towards environmental sustainability and conservation of natural assets.

AFRICA'S CONTRIBUTION TO ENVIRONMENTAL DEGRADATION IS LOW

Africa's contribution to global environmental degradation is insignificant, but the continent is highly vulnerable to climatic hazards. Carbon dioxide emissions in metric tonnes of CO₂ per capita in Central, East, Southern and West Africa in 2011 were much lower than the global and developing country average: 0.87 metric tonnes of CO₂ per capita compared with 4.68 globally and 3.36 for developing regions as a whole; the figures were slightly higher in North Africa, which averaged 2.79 (figure 2.1). Similarly, Africa's consumption of ozone-depleting substances is low. In Central, East, Southern and West Africa, such consumption was 1,371 tons of ozone-depletion potential in 2013, compared with 1,661 tons in Southern Asia and 17,675 tons in Eastern Asia (ECA et al., 2015).

Protected areas are essential to conserving species and ecosystems and a key element in climate change mitigation. The continent has performed comparatively well in protecting terrestrial and marine areas, controlling biodiversity loss, and slowing the pace of species extinction. Globally, 14 per cent of terrestrial and marine areas were protected in 2012; in Central, East, Southern and West Africa, protected area coverage increased from 10.7 per cent in 1990 to 15.2 per cent in 2012. In 2014, 32 African countries had reached the target of protecting at least 10 per cent of their territorial and marine areas, up from 19 countries in 1990 (ECA et al., 2015). On average, 96.9 per cent of the continent's species, in Central, East, Southern and

West Africa, are not at risk of extinction, against 91.7 per cent of those in developing countries and 91.3 per cent in the world as a whole.

AFRICA IS HIGHLY VULNERABLE TO ENVIRONMENTAL AND CLIMATIC HAZARDS

Notwithstanding their limited contribution to environmental degradation and thus resource depletion, African countries (Schellnhuber et al., 2013) and regions (Turco et al., 2015) are hotspots of current and future climate impacts, which have already hit GDP growth. Extreme variations in rainfall patterns can disrupt commercial and industrial activities, damaging capital stocks or reducing income-generation capacity. In a study of the effects of precipitation on macroeconomic output, Barrios, Bertinelli and Strobl (2010) demonstrated that the paucity of rainfall was a "significant determinant of poor economic growth" in Africa during 1960–2000. The reliance on agriculture by many Africa countries for food, value added and employment further renders their economies particularly vulnerable to extreme droughts (World Bank 2015).

Africa's contribution to natural resource depletion is lower than the global average. For instance, Central, East, Southern and West Africa uses only 3 per cent of its total water resources, compared with 9.1 per cent for the developing world as a whole and 8.8 per cent for the planet.¹ The figure is, however, much higher for North Africa, at 78.8 per cent (ECA et al., 2015).

Even though the continent currently exploits only a small fraction of its natural resources, natural resource use as a share of gross national income (GNI) is high. Net adjusted savings is one measure of the intensity of resource use. It discounts total national savings for carbon dioxide emissions as well as the depletion of energy, forest and

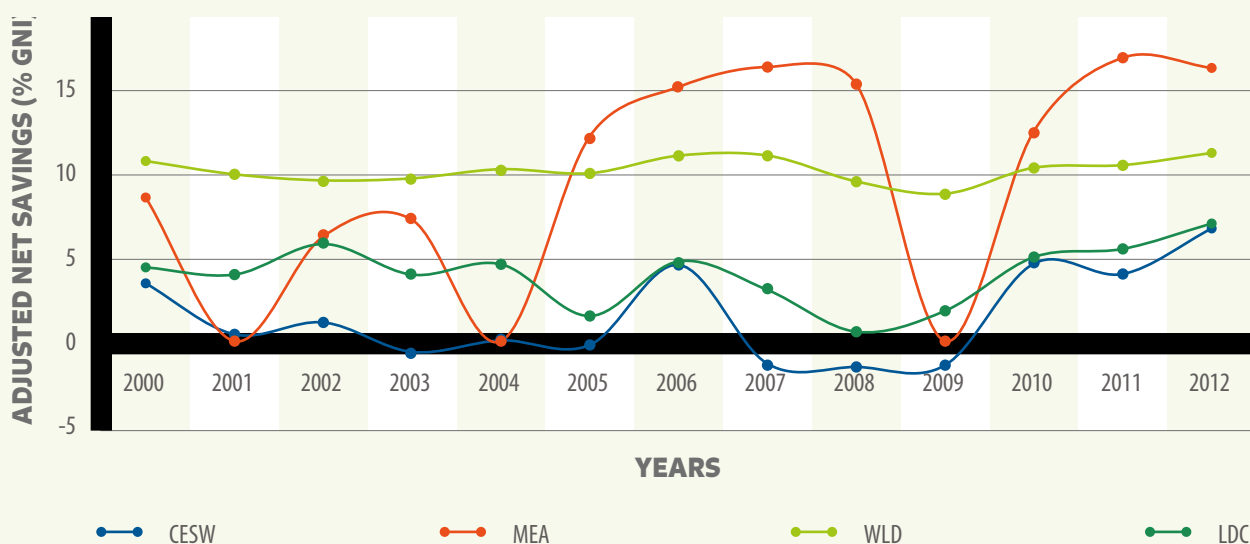
mineral resources. In Central, East, Southern and West Africa, net adjusted savings were negative during 2007–2009, and below the least-developed country average (figure 2.2). The net adjusted savings is even lower for natural resource-rich countries like Angola, Republic of Congo and Democratic Republic of Congo (figure 2.3).

The evidence suggests that Africa’s contribution to global environmental degradation and natural resource depletion is relatively low. However, given the dependence of several African countries on natural resources, resource depletion accounts for a relatively high share of its gross national income. Consequently, if Africa should pursue an industrialization pathway based on “brown” technology, its contribution to greenhouse gas emissions will inevitably rise and further lower its net adjusted savings.

Africa’s status as a latecomer to industrialization should be viewed as an opportunity to avoid the environmental mistakes of emerging countries like China. A green industrialization pathway that promotes growth, creates employment and reduces poverty will sustain development and increase net adjusted savings.

Still, advancing green industrialization in Africa will not be cost-neutral: it will require a boost in domestic resource mobilization and the support of the international community in financial and technological resources. In line with this thinking, the Rio outcome document calls on the international community to facilitate the green economy by avoiding creation of new trade barriers and imposition of new conditions on aid and finance. It also urges development partners to support technological innovation in developing countries and to enhance their policy space to pursue their own paths to sustainable development (UN 2012).

FIGURE 2.2 ADJUSTED NET SAVINGS BY REGION (% GNI)



SOURCE: WORLD BANK (2015). CESW: CENTRAL, EAST, SOUTHERN AND WEST AFRICA; MEA: MIDDLE EAST AND NORTH AFRICA; WLD: WORLD; LDC: LEAST DEVELOPED COUNTRIES.

2.2 SUSTAINABLE DEVELOPMENT, THE GREEN ECONOMY AND GREEN INDUSTRIALIZATION: THE NEXUS

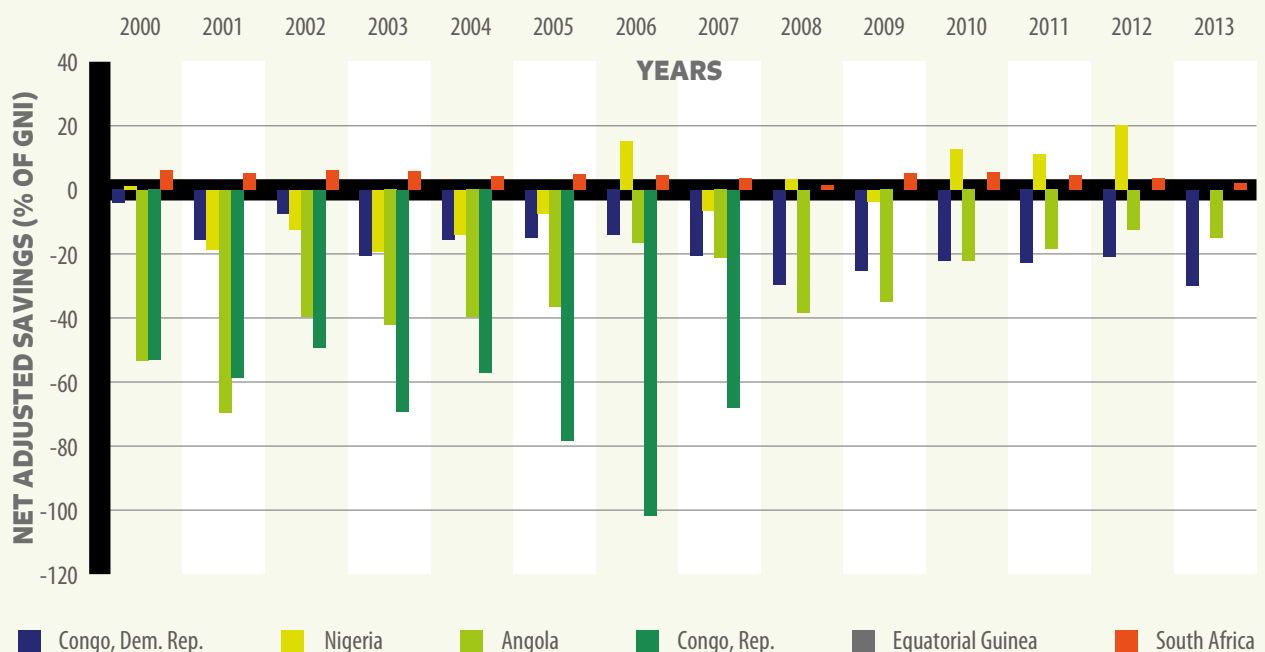
The recently adopted Sustainable Development Goals are anchored on the economic, social, and environmental dimensions of sustainable development and hence provide a framework for greening industrialization in the context of sustainable development.

Sustainable development and green industrialization are linked through the concept of a “green economy”. It is generally accepted that greening the economy through a shift away from fossil fuel dependency to renewable energy is critical for sustainable development. The Rio outcome document for instance, acknowledges “the green economy as a means to achieve sustainable development” (UN, 2012). However, opinions differ on the appropriate mechanism for transitioning from

green economy to sustainable development. The Rio document stresses the importance of sustainable consumption and production patterns and non-market approaches in the transition process. Other schools of thought place greater emphasis on market-led approaches such as a global carbon market and markets for ecosystems.

Despite differences in approach, broad consensus argues that greening the economy should facilitate improvements in human well-being and social equity, while reducing environmental risks and ecological scarcities. To the extent that the green economy is driven by green investments, such investments constitute one of the green-economy drivers (UNEP, 2011).

FIGURE 2.3 NET ADJUSTED SAVINGS IN SELECTED AFRICAN COUNTRIES (% OF GNI)



SOURCE: WORLD BANK (2015).



THE SUSTAINABLE DEVELOPMENT GOALS

The SDGs provide a framework for green industrialization because they embed industrial development in the larger context of environmental sustainability. Seven of the 17 SDGs have a direct bearing on environmental sustainability (table 2.1).

AGENDA 2063

Similar to the SDGs, Agenda 2063—Africa’s blueprint for development—provides an enabling framework for green industrialization by prioritizing environmental sustainability (see table 2.1). It emerged from the 50th Anniversary (Golden Jubilee) of the AU in 2013, where the Heads of State rededicated themselves to the Pan-African vision. The Agenda has three key components: the vision itself, the transformation framework and the first 10-year implementation plan. Anchored by 7 aspirations, 20 goals and 34 priority areas, the framework spans the three dimensions of sustainable development, including the environmental (AUC, 2013).

THE ADDIS ABABA ACTION AGENDA

Implementation of Agenda 2030 is supported by the commitments in the Addis Ababa Action Agenda and the outcome documents of the Third International Conference on Financing for Development, which was endorsed by the General Assembly in its resolution 69/313 of 27 July 2015 (UN, 2015). A number of the commitments have broad implications for green industrialization in Africa. They include commitments to develop an infrastructure platform to coordinate investments in resilient infrastructure in Africa; develop a technology facilitation mechanism to support innovation, science and technology in Africa; strengthen international cooperation on tax matters to stem

illicit financial outflows and ensure that Africa retains a fair share of the returns from private investments particularly in natural resources; and strengthen capacities for domestic resource mobilization. Collectively these commitments to boost investments in green industrial development in Africa.

COP21

The 21st Conference of the Parties in Paris in December 2015 reached agreement on issues tying economies to a pathway of environmental sustainability. The conference committed to holding the increase in the global average temperature to well below 2 degrees Celsius above pre-industrial levels and to pursue efforts to limit the temperature increase to 1.5 degrees Celsius. Countries were also urged to strengthen their capacities for adaptation and resilience to climate change and reduce greenhouse gas emissions. To this end, all parties were encouraged to devise and communicate their strategies for reducing greenhouse gas emission within the framework of intended nationally determined contributions. The conference agreed to provide at least \$100 billion a year in climate financing for developing countries. There was also broad consensus to strengthen the capacities of member states in technology research, development and demonstration—and to enhance endogenous capacities and technology (UN, 2015c).

In sum, the global and continental accords open opportunities and obstacles—discussed in the next section—for green industrialization in Africa. Through set goals and commitments of support, the international community can play an important role in advancing the broader objective of economic, social and environmental sustainability.

TABLE 2.1 GREEN GOALS OF AGENDA 2063 AND AGENDA 2030

Agenda 2063	Agenda 2030
1. A high standard of living, quality of life and well-being for all Priority area 4: Modern and livable habitats and basic quality services	7. Ensure access to affordable, reliable sustainable and modern energy for all 6. Ensure availability and sustainable management of water and sanitation for all 12. Ensure sustainable consumption and production patterns
4. Transformed economies and job creation Priority area 4: Hospitality/tourism	14. Conserve and sustainably use the oceans, seas and marine resources for sustainable development
5. Modern agriculture for increased productivity and production Priority area 1: Agricultural productivity and production	1. End poverty in all its forms everywhere 2. End hunger, achieve food security and improved nutrition and promote sustainable agriculture 13. Take urgent action to combat climate change and its impacts
6. Blue/ocean economy for accelerated economic growth Priority area 1: Marine resources and energy	14. Conserve and sustainably use the oceans, seas and marine resources for sustainable development 7. Ensure access to affordable, reliable, sustainable and modern energy for all
7. Environmentally sustainable climate resilient economies and communities Priority area 1: Biodiversity, conservation and sustainable natural resource management. Priority area 2: Water security Priority area 3: Climate resilience and natural disasters and preparedness	2. End hunger, achieve food security and improved nutrition and promote sustainable agriculture 6. Ensure availability and sustainable management of water and sanitation for all 14. Conserve and sustainably use the oceans, seas and marine resources for sustainable development 15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss 11. Make cities and human settlements inclusive, safe, resilient and sustainable 9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation 1. End poverty in all its forms everywhere 3. Ensure healthy lives and promote well-being for all at all ages 13. Take urgent action to combat climate change and its impacts 7. Ensure access to affordable, reliable, sustainable and modern energy for all 12. Ensure sustainable consumption and production patterns
12. Capable institutions and transformed leadership in place at all levels Priority area 2: Human rights, justice and the rule of law	12. Ensure sustainable consumption and production patterns 16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

SOURCE: AUC (2015); UN (2015b).



2.3 KEY ISSUES, CHALLENGES AND OPPORTUNITIES IN THE TRANSITION

After almost three years of intense global, regional and national consultations, in September 2015, the UN General Assembly adopted a new global development agenda, with features somewhat different from the MDGs. These elements create opportunities for the continent but also signal operational challenges. This section identifies those requiring attention from policy-makers, especially during the transition.

CONVERGENCE WITH AFRICA'S PRIORITIES WILL FOSTER BUY-IN AND INTEGRATION IN NATIONAL FRAMEWORKS

Africa's proactive engagement coupled with the broadly consultative process that underpinned the development of Agenda 2030 allowed the continent's priorities to be reflected in the document, particularly by articulating a common position on the post-2015 agenda and by creating a political structure for that (the High Level Committee on the Post-2015 Development Agenda). This success will encourage member states to buy in to the agenda and help integrate it with national development frameworks.

THE AGENDA'S VERY COMPREHENSIVENESS PRESENTS IMPLEMENTATION AND FOLLOW-UP CHALLENGES

The more comprehensive nature of Agenda 2030 makes implementation and follow-up even more daunting process than for the MDGs (17 goals

and 169 targets, up from 8 goals and 18 targets). This numerical surge reflects not only a desire to accommodate competing priorities of multiple interest groups but also a conscious effort to tackle emerging issues such as climate change and to direct the global spotlight to the root causes of poverty.²

Achieving and following up on all these goals and targets (with more than 200 indicators) will obviously be difficult, requiring states to have the capacity to identify interventions with multiplier effects on other goals and targets.

ACHIEVING THE SDGS WILL BE HARD

Unlike the MDGs, Agenda 2030 is anchored by the three dimensions of sustainable development: economic, environmental and social. The focus on sustainability adds yet another layer of complexity: countries must grow in a way consistent with environmental sustainability and social inclusion.

In effect, sustainable development has institutional and policy implications including: the choice of the drivers of growth (such as the role of crude oil or coal exports in the growth mix), the appropriate energy mix (renewable or nonrenewable) to drive growth; the requisite macroeconomic policy regime to promote inclusion and equitably redistribute the benefits of growth; and the institutional architecture to coordinate and operationalize the three dimensions.

COMPETITION FOR RESOURCES WILL INTENSIFY

The new development agenda applies to all countries and, unlike the MDGs, is not restricted to developing countries. Agenda 2030 erodes the exclusive attention enjoyed by developing countries during the MDG era. Developing countries must factor this “preference erosion” in their implementation strategy. Middle-income countries in particular will share the limelight of global attention with their poorer counterparts, affecting the volume of financial and nonfinancial resources directed to the latter.

CAPITALIZING ON THE MEANS OF IMPLEMENTATION IS ESSENTIAL

More positively, Agenda 2030 includes a “means of implementation” mechanism as well as a more elaborate architecture for follow-up. The means of implementation is explicitly linked to the outcome document of the Third International Conference on Financing for Development (the Addis Ababa Action Agenda) and underpinned by Goal 17 of Agenda 2030, which focuses on this issue. In addition, Agenda 2030 includes means of implementation for each of the 16 other goals (goal-specific means of implementation). The integration of the means of implementation in Agenda 2030 provides a more robust mechanism relative to the MDGs, to assess country performance against financial and nonfinancial support. But the outcomes of the Addis Ababa Action Agenda underscored the limited appetite by development partners to honour their existing commitments (especially the 1970 commitment by DAC countries to provide 0.7 percent of ODA/GNI to developing countries) and to commit new resources to the new development agenda, notwithstanding their expressed desire to craft an ambitious agenda. For instance, the Agenda made no new ODA commitments,

and partners, except for the European Union (EU), did not agree a timeline to meet existing commitments. And even though the bloc committed to fulfilling the 0.7 per cent commitment of ODA/GNI by 2030, such resources will have an impact only if they are disbursed well before the end of the SDG cycle.

EXPLOITING SYNERGIES BETWEEN AGENDA 2030 AND AGENDA 2063

African countries are confronted by a dual transition: a global level transition from the MDGs to Agenda 2030 and a regional transition from New Partnership for Africa's Development (NEPAD) to Agenda 2063 (and its 10-year implementation plan). They must be coordinated to ensure coherence and pre-empt burdening policymakers with multiple development frameworks.

The agendas share a considerable overlap in part owing to the inclusion in both of several elements of the Common African Position in Agenda 2030. Both are comprehensive and address the social, economic and environmental dimensions of sustainable development. Both share a common aspiration of sustainable development. Both aim to improve the living standards of households through inclusive and sustainable growth. And both call for poverty eradication, greater equity in the distribution of economic and social assets and improvements in social service delivery for all social groups irrespective of gender, ethnicity, age or geography.

Yet several elements of Agenda 2063 are not in Agenda 2030, including Goal 8 on creating a United Africa; Goal 9 on the creation of continental financial and monetary institutions; Goal 15 on ensuring a fully functional and operational African Peace and Security Architecture; and Goal 19 on ensuring that Africa as a major partner in global affairs and peaceful co-existence.



2.4 FINANCING GREEN INDUSTRIALIZATION IN THE SUSTAINABLE DEVELOPMENT AGENDA

Successful transition towards a green economy requires huge financial investments by public and private investors, with a focus on renewable energies and resource-efficient technologies, water and waste management systems, conservation of resources in environmentally friendly agriculture and forestry, and prevention of climate-related disasters.

African governments recently stepped up their efforts to plug the financing gap, particularly that for infrastructure, estimated at \$93 billion a year by the World Bank (African Development Bank 2010). Beyond the large investments already made in clean energy, Africa needs to invest more than \$50 billion a year for transformative, inclusive and green growth (ECA, 2015). The estimated cost of all the projects in the Programme for Infrastructure Development in Africa to address the infrastructure needs through to 2040 is \$360 billion, across energy, transport, information and communication technologies and trans-boundary water resources. The energy sector accounts for 60 per cent of that amount (ECA and AUC, 2012).

Renewable energy generation has become an important driver of green growth. By 2040, such resources are projected to provide more than 40 per cent of all power generation capacity in Africa (OECD and IEA, 2014). But efficiently harvesting the continent's renewables is costly, and requires mobilizing both domestic and external finances, including that through South–South cooperation, public–private partnerships and climate finance. Many countries face difficulties in domestically financing infrastructure owing to low domestic savings rates and tax revenues. Moreover, large renewable-energy projects and their financing depend on strong, long-term policy frameworks for renewable energy and their translation into reliable instruments. With domestic legal, structural and economic frameworks often too weak to allow the emergence of domestically financed market-based renewable energy development, investments in such projects are driven by international finance and development institutions (GIZ, 2014).

Renewable energy projects account for a third of the active energy portfolio of the African Development Bank, clean energy projects about half. In its effort to boost Africa's energy generation from renewables in the mid to long term, the Bank is acting as an implementing agency of the Clean Technology Fund and the Scaling Up Renewable Energy in Low Income Countries Program. It also supports 27 African countries through the Climate Investment Fund (AfDB, 2015a).

Appropriate policy instruments, incentive mechanisms and regulatory frameworks are essential for attracting private and public investments in renewable energy resources. Some African coun-

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tries have embraced development options that can steer the continent towards green economies. For instance, Ethiopia and South Africa demonstrated how political will, supported by enabling partnerships and policy and regulatory frameworks, can readily mobilize and leverage domestic and foreign investments in transformative low-carbon energy and climate-resilient development. Public-private partnerships are also an important source of infrastructure funding. The full potential of such partnerships needs to be explored in more detail.

Part of South-South cooperation and investment, Chinese engagement in Africa's energy has grown considerably, with Central, East, Southern and West Africa receiving nearly \$10 billion in official development assistance (ODA) from that country in 2005–2011. Chinese investment is not, however, evenly disbursed across the region, with Angola, Ethiopia, Nigeria, South Africa and Zimbabwe, for example, receiving greater shares. Chinese companies are among the largest investors in renewables across the continent, in major hydropower, solar, wind and biogas projects. For instance, China has provided, through its the Export-Import Bank, financing for transmission lines related to the Gilgel Gibe III hydropower project in Ethiopia and a \$500 million project loan to the Transmission Company of Nigeria (OECD and IEA, 2014).

Access to climate finance remains a key challenge for Africa. However, some progress has been made in climate negotiations, which agreed to make finance flows consistent with a pathway towards low greenhouse gas emissions and climate resilient development. The agreement

also sets a new collective floor of \$100 billion a year in climate financing (UN, 2015c). However, the contention by developing countries that climate financing should not be double-counted as ODA has not been well received by development partners. Furthermore, questions remain about the adequacy and distribution of climate funding in general; financing is skewed towards mitigation as opposed to adaptation.

Africa regional banks are, however, stepping up to the plate. The African Development Bank aims to nearly triple its climate financing to reach \$5 billion a year by 2020. Apart from increasing its own climate financing, the Bank will also pursue co-financing opportunities by mobilizing concessional climate financing from global funds such as the Climate Investment Funds, the Global Environment Facility and the Green Climate Fund (AfDB, 2015b).

The capacity of countries to achieve the SDGs will depend in part on their capacity to mobilize the requisite financial and nonfinancial resources to facilitate implementation. Strengthening capacities for domestic resource mobilization, stemming the tide of illicit financial flows and re-invigorating the manufacturing sectors will be key to enlarging Africa's fiscal envelope. Nevertheless, African countries and especially least developed countries and small island states will require a supportive global environment and technological support to transition to a green economy pathway. In this context, following through on the commitments to the means of implementing the SDGs will be vital for success.



2.5 CONCLUSIONS AND POLICY RECOMMENDATIONS

The global and continental frameworks provide a favourable context for sustainable development and green industrialization, yet exploiting them will require their integration with national planning frameworks. The convergence of Africa's priorities with the SDGs will likely consolidate support for implementation and follow up among African countries. Still, the broad scopes of Agenda 2030 and Agenda 2063 will create implementation and follow-up difficulties. Further, having developed (not just developing) countries in the agenda will engender greater competition for an ever-shrinking pool of ODA. Policymakers in Africa must work to resolve these issues.

Maintaining [the continent's] low greenhouse gas emissions will require heavy investments in green technology and renewable energy.

African countries will begin pursuing the agendas from some low initial conditions, notably industrial development. Continued dependence on

natural resources and fossil fuels will expose the continent to the challenges faced by China and other fossil fuel-dependent emerging economies. Maintaining its low greenhouse gas emissions will require heavy investments in green technology and renewable energy.

Yet as a late industrializer, Africa has a unique opportunity to avoid the pitfalls of brown development, including costly environmental fall-outs, by leapfrogging to a green industrial development pathway. It will be aided by the recent global and regional development agendas that facilitate access to resources, encompassing climate financing, curbs on illicit financial outflows and domestic resource mobilization.

Policymakers must take full advantage of the commitments in the Addis Ababa Action Agenda on international tax cooperation and the technology facilitation mechanism to mobilize financial and non-financial resources. They must hold the international community accountable for their commitments.

Finally, investments in green infrastructure, particularly energy, will be vital for successful green industrialization, so policy-makers must engage the private sector as partners to fill the infrastructure financing gap.

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2.7 ENDNOTES

- 1 Defined as surface water and groundwater withdrawal as a share of total actual renewable water resources.
- 2 These factors include limited access to infrastructure; limited employment opportunities resulting from excessive dependence on primary commodity exports; weak governance systems; and conflict and insecurity.