Building back better through greening the AfCFTA

Organized by African Trade Policy Centre (ATPC) of ECA in collaboration with the Overseas Development Institute (ODI)

Background

Broad consensus is emerging around the silver-lining opportunity to “build back better” from the COVID-19 crisis by creating more sustainable, resilient and inclusive societies. But in the broader context of climate change, what does this mean for Africa, which produces just 2-3% of global carbon dioxide emissions from energy and industrial processes? In building back better, Africa can take strategic advantage of the landmark African Continental Free Trade Area (AfCFTA) agreement to advance the green transition agenda. The AfCFTA intersects the green agenda through specific provisions in its protocols, and the strategies adopted to drive implementation. Covering goods, services, investment, competition policy, intellectual property rights and e-commerce, AfCFTA offers several pathways forward for Africa. The AfCFTA can also be utilized as a platform to develop a common African position to present at international trade and climate change discussions, including UNFCCC, UNCITRAL and the WTO. This will help to ensure that the trade and environmental sustainability agenda is more responsive to the concept of inclusive trade and that it fully takes into account the situations of countries at different stages of development.

Against this backdrop, ECA and ODI have initiated a partnership to assess the trade and climate change nexus in the context of the AfCFTA and Africa’s structural transformation agenda. The partnership will publish two papers in the first quarter of 2021, namely, (1) Mapping the climate and trade nexus in a context of economic fragility and (2) African trade strategies in a climate constrained world. The side event will provide a space to share the critical findings and recommendations of these papers and a platform for ATPC and ODI to receive feedback from experts and policymakers in the region. The event will also help to inform advocacy efforts for mainstreaming climate change considerations within the remaining AfCFTA process, including phase II and III negotiations, and national-level implementation.

Objective

The objective of the session is to discuss how trade and the AfCFTA can be used to advance Africa’s green transition. To deliver on this objective, the session will aim to answer the following questions:

- What role can trade play to mitigate and adapt to climate change in Africa?
- What actions are required by African policymakers and businesses for African countries to harness the AfCFTA to further the green agenda?
- How can the AfCFTA be utilized to develop a common African position on trade and climate change to help secure the continent’s trade and climate interests in other forums, including at the multilateral level?
- How can green technologies support intra-African trade and environmental sustainability?

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