Integrating Low Carbon considerations into Development Planning

Seventh African Development Forum
Side Event on Energy and Climate for Development
(World Bank – ESMAP – UNECA)

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Presentation Outline

- About ClimDev & African Climate Policy Centre
- Some points of emphasis
- Low carbon assessments and development goals (& priorities)
- Reflections on Integrating low carbon considerations in energy planning
- …and challenges with implementation
About ClimDev

- ClimDev-Africa – Regional initiative, jointly undertaken by the AUC, ECA and AfDB, with highest-level political endorsement

- Designed to respond to climate change and variability challenges for Africa’s development, with focus on climate-sensitive sectors: Agriculture and food security; water resources; energy; health

- Aimed at:
  - Increasing the resilience of Africa’s population to climate change by enabling effective adaptation activities
  - Addressing the need for greatly improved climate information for Africa
  - Strengthening the use of such information for decision-making by improving analytical capacity, knowledge management and dissemination activities
About ACPC

• Political leadership provided by the AUC, who will co-ordinate the Continental policy response and global negotiations

• ECA-based *African Climate Policy Centre* (ACPC) to serve as ClimDev-Africa knowledge-management and Policy-facilitation arm

• *ClimDev-Africa Special Fund* to provide a channel for demand-led funding of implementing institutions across Africa – Based at and managed by AfDB
About ACPC

- Main activities of ACPC work: With focus on development policies and strategies for priority climate-sensitive sectors:
  - Policy research and analysis (CC vulnerability, impacts, adaptation costs/benefits & policy options)
  - Policy advocacy, communication and outreach
  - Consensus building at the regional level
  - Capacity strengthening, technical advice and assistance
  - Knowledge management and peer learning
  - Facilitation of field-level operations development and implementation
Some points of emphasis

- **Africa - vulnerable to climate change**
  - Climate variability has significant economic & social costs for Africa – recurrent floods, droughts, health impacts, etc

- **Africa – contributed little to climate change**

- **Low energy consumption/capita and**
  - low energy intensity

- **Africa is growing – more energy is needed**
  - Why should Africa be focused on mitigation? Why should Africa embrace low carbon development? Why should this even be Africa’s agenda?
Some points of emphasis

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Geography of Responsibility:
Distribution of regional per capita GHG emissions in 2004

South Africa - 65% share
Some points of emphasis

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  - Climate variability has significant economic costs for Africa – recurrent floods, droughts, health impacts, etc
- Africa – contributed little to climate change
- Low energy consumption/capita and
  - Low energy intensity
- Africa is growing (7% by 2011) – more energy is needed
  - Why should Africa be focused on mitigation?
  - Why should Africa embrace low carbon development?
  - Why should this even be Africa’s agenda?
Low carbon assessments & development goals

• Why low carbon assessments are in line w/ development priorities:
  – 39 out of 53 countries are net oil importers
    • About 40% of the total energy consumed in Sub-Saharan Africa is imported against a world average of 19% - heavy dependence of imported fuel.
  – 75% of Africans have no access to electricity, which is impacting on the achievement of MDGs
    • AfDB – plans for universal access by 2050
    • Other plans too…
Between 1999 and 2002, schools in Guinea had a modest pass rate of 30-35%.
Since 2003, that has dropped to between 20 and 25%. 

Guinea's G'bessi Airport, Conakry
## Targets agreed by African Ministers for 2015

<table>
<thead>
<tr>
<th>Service Description</th>
<th>FEMA</th>
<th>ECOWAS</th>
<th>EAC</th>
<th>CEMAC</th>
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</thead>
<tbody>
<tr>
<td>Modern energy for cooking</td>
<td>50%</td>
<td>100%</td>
<td>50%</td>
<td>80%</td>
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<tr>
<td>Modern energy services/electricity for basic needs in urban and peri-urban areas</td>
<td>75%</td>
<td>100%</td>
<td>100%</td>
<td>50%</td>
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<tr>
<td>Electricity for rural households</td>
<td>36%</td>
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<td>35%</td>
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<tr>
<td>Electricity for schools, clinics and community centres</td>
<td>75%</td>
<td>60%</td>
<td>100%</td>
<td>56%</td>
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<tr>
<td>Mechanical power for productive uses in rural areas</td>
<td>100%</td>
<td>60%</td>
<td>100%</td>
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</tbody>
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**World Bank investment estimate for 100% access to electricity by 2030**
- $11 billion/year

**World Bank investment estimate for 48% access to electricity by 2030**
- $4 billion/year

**WB/ECOWAS estimate for all energy services by 2030**
- approaches $15 billion/year
Low carbon assessments & development goals

• We may be running out of fossil fuels (peak oil)
  – “understanding depletion is simple. Think of an Irish pub. The glass starts full and ends empty. There are only so many more drinks to closing time. It’s the same with oil. Also, we have to find the bar before we can drink what’s in it.”
    Colin Campbell, an English petroleum geologist (2002).

• Huge hydro, solar, geothermal & wind potential across the continent

• Price gap closing between conventional and new energy systems
  – Solar in rural East Africa – cheaper than conventional

• Thinking about a low carbon pathway would allow the opportunity to have an open assessment of the energy options (avoids lock-in and increase diversification and resilience)

• Would strengthen Africa’s negotiations position for finance and climate action….‘If those with the least (pollution) start doing the most, what excuse can the rich have for continuing inaction?"
Reflections on Integrating low carbon considerations into energy planning

• Enact a clear vision of an integrated energy and climate policy framework
  – Reach across government agencies at different levels, civil society and private sector players
• Life cycle costing to supply systems (Energy access project)
• Invest in building in-country expertise and technical capacity
  – Research & energy development programmes based on local needs, building energy (climate) in engineering curricula
• Promote & Invest in energy efficiency
  – improves the service from a resource without increasing the primary supply; supply side initiatives would increase technical efficiency
  – Plenty of opportunities in demand side initiatives – behavioural & technical
  – Delivers quick and relatively less expensive results
• New thinking on sustainable transport – better public transport, cycling?
• It cannot all be centralised initiatives – various scales
• Examine innovative financing models, eg. Feed-in-tariffs; price on carbon?
Challenges with implementation of low carbon options

- Financial impediments
  - Much will come from external sources
- Bias towards large projects
- Not enough emphasis on diversification – creates vulnerability
  - During drought, hydro-reliant systems become expensive and blackout-prone
- NAMAs, NAPAs and PRSPs are not coordinated
- Benefits from improvements in health, education and quality of life may not be captured by traditional economic analysis
- Private sector players remain on the sidelines
  - Not enough incentives or opportunities for revenue generation
- Africa needs a new conversation on energy
Thank you