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Funding Innovation Crucial for Strengthening Climate-Stressed Food Systems.The global food system is facing more demands from society than ever before in modern times hence the need to fast track investement in adaptation projects. (Image courtesy of All Africa website)

THE IMPLICATIONS OF THE JUST CONCLUDED COP 26 (GLASGOW) FOR AFRICA : WHAT DOES IT MEAN FOR AFRICA?

The pragmatic optimism that pulled the globe together in 2015 to adopt the Paris Agreement was a good beginning that laid the foundation to finally iron out pending issues that prevented full, ambitious implementation of the agreement – which is what the Glasgow Climate Pact has achieved six years later. COP26 registered some notable achievements. For example, while the planet was on course to a dangerous 2.7^0 warming going into Glasgow, new announcements made during the conference could see warming this century limited to 2.4^0 C, or as little as 1.8^0 C if other such "commitments" from the private sector are included. In addition, parties agreed to revisit their commitments, as necessary, by the end of 2022 to put the planet on track for the safe 1.5°C warmings. The newsletter will cover all these implications in an African setting.

THE IMPLICATIONS OF THE JUST CONCLUDED COP 26 (GLASGOW) FOR AFRICA : WHAT DOES IT MEAN FOR AFRICA?

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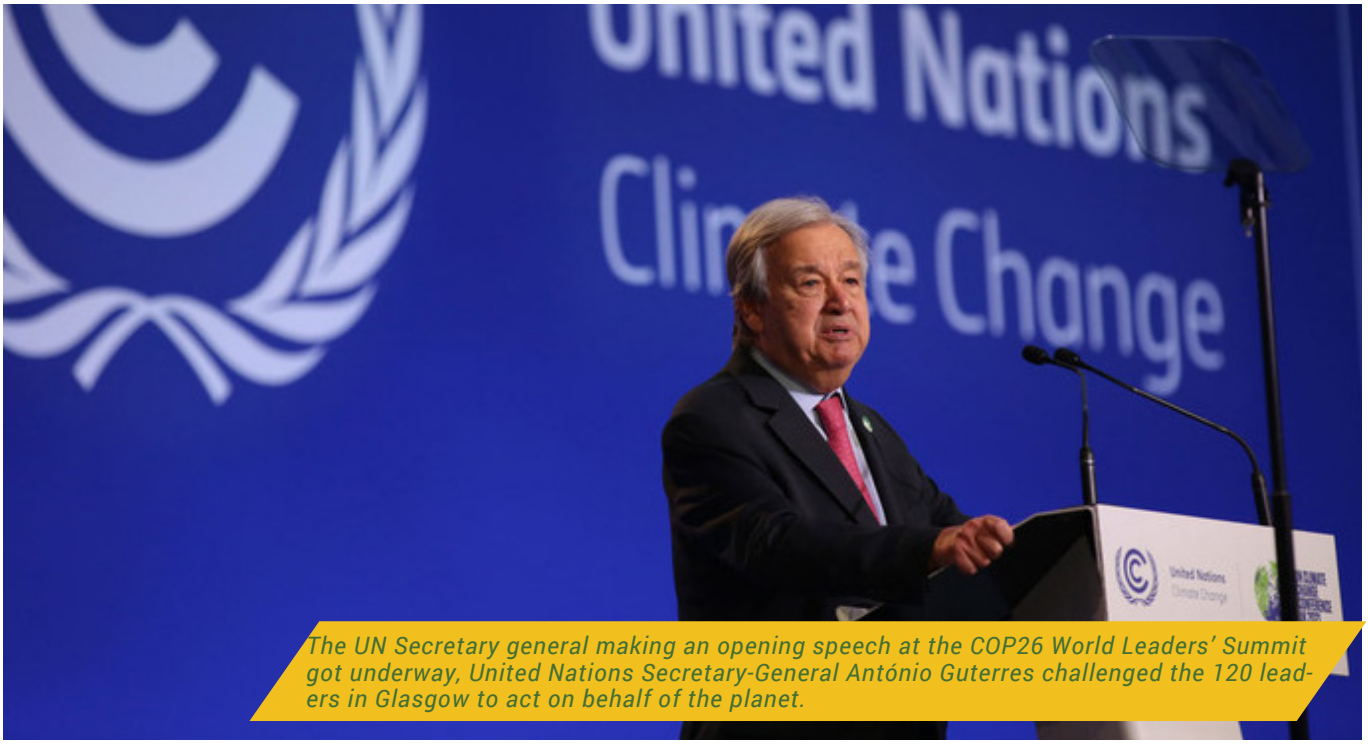

The UN Secretary general making an opening speech at the COP26 World Leaders' Summit got underway, United Nations Secretary-General António Guterres challenged the 120 leaders in Glasgow to act on behalf of the planet.

COP26 registered some notable achievements. For example, while the planet was on course to a dangerous 2.7^{0} warming going into Glasgow, new announcements made during the conference could see warming this century limited to 2.4^{0} C, or as little as 1.8^{o} C if other such "commitments" from the private sector are included. In addition, parties agreed to revisit their commitments, as necessary, by the end of 2022 to put the planet on track for the safe 1.5°C warmings. To put this in perspective, estimates before the Paris Agreement in 2014 took the world to 3.7^{0} C of warming this century. So, in the very short period from 2014 to 2021, predicted warming this century has fallen from 3.7^{0} to as low as 2.4^{0} or even 1.8^{0}. That is a very significant change. For the first time, the conference also agreed to phase-down unabated coal and inefficient fossil fuel subsidies, all practical steps towards achieving the safe warming thresholds. And all this actuated in a manner that justly transitions economies to low emissions pathways.

The conference also finalized the "**Paris Rule Book**," which explains the "how" of implementing the Paris Agreement. This covered key issues of cross-border collaboration in implementation that are covered under Article 6 and transparency & reporting on progress by all parties that had previously been contentious.

On the critical finance issues, wealthy countries committed to doubling the collective share of adaptation finance within the $100 billion annual targets for 2021-2025. And to reach the $100 billion goals as soon as possible. Parties also committed to a process to agree on long-term climate finance beyond 2025.

Implications for Africa

But which way Africa? One fundamental fact is that climate change stressors did not stop even as the negotiations ended in Glasgow. Africa continues to hold the unenviable position of being disproportionately vulnerable. For a region that has contributed least to the changing climate, accounting for only 2–3%, Africa is already heating up twice as fast as the rest of the globe, and 20 countries are already warming more quickly than the globe. By proportionality, the implication is that as the world crosses the safe target of 1.5^{0} Celsius Africa could be approaching catastrophic levels of up 3^{0} Celsius And with this, the escalation of socioeconomic misery that is already at breaking point is guaranteed.

The over 12 million young people who need jobs every year .The up to 60million children are malnourished and costing the continent between 1.9% and 16% of its GDP.

This portends more bad news. Be it the 257million people experiencing hunger. The over 12million young people who need jobs every year that remain disenfranchised in unemployment. The up to 60million children are malnourished and costing the continent between 1.9% and 16% of its GDP. To a surge in vector-borne diseases like malaria. To increasing flood risks, where flooding costs between $10billion. Despite all these, another variable, the COVID-19 global pandemic, has been added to this equation of stressors

This then means that Africa's pace to build resilience must exceed the global average. The continent must aim for resilience building at least at twice the global pace. And this should follow pathways that unlock tangible socioeconomic opportunities – including food security, creating inclusive enterprise opportunities and competitive macro-economic growth. By this ensure a just transition of Africa's communities to the low emissions development pathway.

What steps for Africa?

Already, the continent has taken steps to demonstrate this urgency. For example, the region was among the leading leaders in ratifying its first Nationally Determined Contributions (NDCs) commitments. Up to 98% of countries have ratified their 1st round Nationally Determined Contribution (NDC) that are now being built upon. This makes Africa the continent with the highest compliance rate. As countries submit second-round NDCs, already 37 countries have submitted revised NDCs, with 18 being highlighted for submitting stronger targets. Among these include Namibia, for example, which has set a target of emissions cut to the tune of 91% conditional & 14% unconditional. Ethiopia has set 68.8% conditional & 14% unconditional. Nigeria has set 47% conditional & 20% unconditional. Zimbabwe has set an emissions reduction target of 40%.

Democratic Republic of Congo's President Felix Tshisekedi making his presentation at the COP 26 conference at Glasgow. He highlighted the issues at stake for Africa with the changing climate. (Image courtesy of Reuters)

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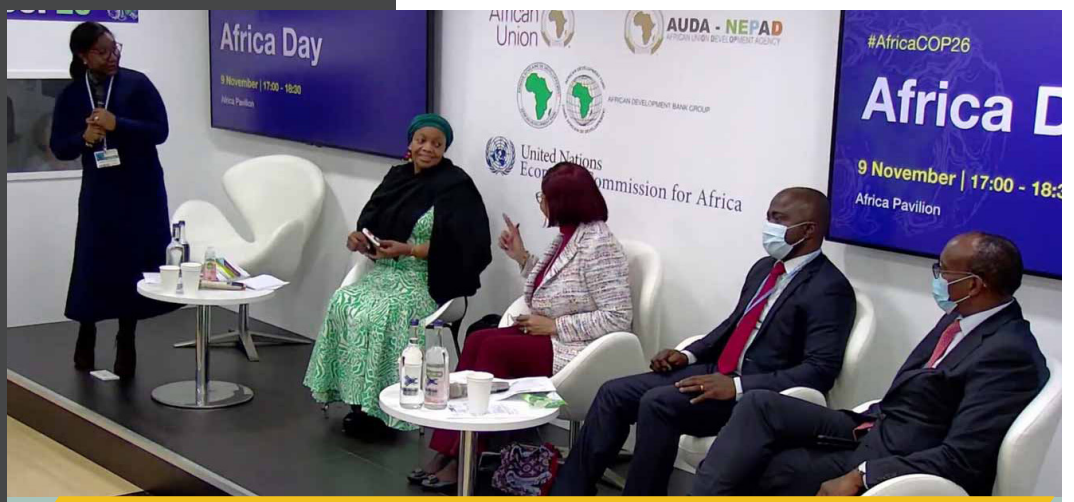

An image courtesy of Arican Development Bank (AFDB) showing African climate change activists discussing African issues at the cop 26 in Glasgow.

UNEP Executive Director Inger Anderson making a presentation at the COP 26 in Glasgow. She urged the rest of the world to ramp up support for the fight against Climate Change. (Image courtesy of IISD)

Mauritius has targeted 40%. Mauritania targets emissions cut to the tune of 92.49% conditional & 11% unconditional. Kenya has set a target of 32%. etc. These are examples demonstrating the continent's commitment to cut emissions. But while impressive, these emissions cuts need to be considered in the context of achieving a just transition for a region that remains a negligible emitter yet disproportionately vulnerable because of a low socioeconomic base.

Implementation considering a just transition in Africa

Fundamental questions need to be answered as to how the region approaches issues such as ending fossils fuel subsidies, operationalising market mechanisms, the finance question among key elements agreed to in Glasgow towards ratcheting up implementation ambition of the Paris Agreement. The following are the key issues to guide Africa's implementation of its climate commitments considering the need to actuate a just transition.

First, relook at fossil fuel subsidies. It is estimated that Africa has spent as much as $75billion in fossil fuel subsidies in just one year. But the question we need to ask is, how do such expenditures contribute to a just transition? How do they contribute to job creation, for instance? The answer needs to start from a serious consideration of economic inclusivity. The entirety of Africa's extractive sectors is estimated to employ less than 1% of Africa's workforce. The lack of inclusivity in this sector coupled with the economic effects of commodities price shocks, where Africa has lost up to $63 billion due to price shocks, and leading oil economies shrinking by up to 10.6% in 2020/21, means that the region needs to look at everything around fossil fuels, including subsidies, from economic inclusivity. And this calls for an urgent need to re-invest proceeds from oil and fossil-based extractive industries into the inclusive climate-resilient areas of the economy instead of fuel subsidies that are unsustainable in the long run. Part of the $179billion in oil revenues that Africa earns, together with part of the $75billion currently expended in subsidies, needs to be re-invested in inclusive and climate-resilient sectors of the economy to provide dividends in jobs and competitive enterprise opportunities for the majority. For example, up to $320billion in new business opportunities can be added each year to Africa's economies between now and 2030, if we transition to low carbon, value-added, sustainable, and climate-proofed food and land-use systems. Part of the proceeds from and subsidies expended in the oil sector needs to be re-invested to unlock these opportunities.

The second is just a transition in energy. The energy conversation in Glasgow focused on "phasing-down" coal and fossil fuel subsidies. We need to ask in Africa how this discussion relates to a region that is not only a negligible emitter but also leads to energy poverty.

Currently, over 580 million Africans lack access to energy. In addition, unpredictable and frequent power outages cost firms in low- and middle-income countries – the majority in Africa – up to $300 billion each year. To bridge this gap, using fossil-based high emitting solutions such as generator-based power costs three to six times what grid consumers pay across the globe. This impedes the competitiveness of local enterprises that must pay more for unstable power than their competitors in the local marketplace. An equivalent discussion for Africa that will achieve the same objectives of abating energy-related emissions envisioned in Glasgow should be to bridge the energy divide using clean sources. And considering that energy is an enabler of economic development and not an end, this approach has two paradigms to focus on:

One is that up to 84% of Africa's energy poor are in rural areas and live far from grid connectivity. The lower energy demand densities in rural areas coupled with high dispersal where potential users are spread sparsely over large areas mean that extending grid connectivity becomes uneconomical, including costly transmission losses. This then makes off-grid solutions the most economical for Africa. And in investing in such an off-grid, Africa will need to target its areas of comparative strength. Clean energy solutions such as solar power offer the region the most significant comparative advantage. Africa has the richest solar resource in the world. Africa enjoys the lowest cost of solar development at $1.30 per watt compared to the global average of $1.80 per watt., Africa holds less than 1% of the global total installed solar capacity even with this significant advantage. This is a timely gap that the region should focus on bridging and turning its comparative advantage into a global competitive edge.

Two is the context of application which should target productive applications. Bridging the energy gap needs to prioritise relevant energy solutions that can be applied to power key income-generating activities in Africa's underserved to enable them to enhance incomes and build resilience. Accordingly, most of Africa's population residing in rural and underserved areas are engaged in agriculture. The high postharvest losses of up to $48 billion each year are attributed to lack of power for value addition, and off-grid solutions that can power value addition and create cottage industries can go a long way in converting these losses into productivity. For example, decentralising solar mini-grids to power micro-irrigation in farms, has been shown capable of increasing farm-level incomes by five to ten times, improving yields by up to 300% and reducing water usage by up to 90% while at the same time offsetting carbon emissions by generating up to 250 kW of clean energy. A good place to start is to retrofit all irrigation schemes in the continent using fossil power to invest in solar power micro-irrigation to maximise returns. Beyond on farm application, decentralising simple solar dryers can dehydrate and increase shelf-life of perishables, as well as increase earnings up to 30times. The scalability of this approach is multiplied when we consider the $4-$48billion in annual post-harvest losses that Africa faces each year that can be recouped and translated into income opportunities, jobs, food-secure homes, and revenues for government etc. This proved more critical, especially at the height of the COVID-19, where control measures necessitated the closure of open-air, informal food markets, increasing losses in the stock of perishables –by up to 50% in some cases, which was the highest globally. In addition, these dryers can mitigate over 200,000tones of CO2 compared to alternative fossil fuel solutions.

The third is the finance gap. Even as Glasgow parties agreed to double the $100 billion pledge to developing countries, Africa already needs a minimum of $2.5trillion to implement its climate action commitments. This means that even if the pledges were honoured in full, the gap would still be gapping. At the same time, the region already invests in adaptation at the rate of 2% of GDP each year. The question is how the region can bridge the finance gap using what it already has. One area that is a big win for the region was the finalization of the rule book, with key issues of Article 6 being ironed out. This is to say that the region can leverage Article 6 to mobilise market financing to drive key NDCs action in the two most critical sectors to the just transition – agriculture and clean energy – that are already prioritised in over 70% of NDCs. For example, Article 6.2 on Internationally-Transferred Mitigation Outcomes allows countries that are considered the highest emitters to partner with low emitters across the globe – including in Africa – and agree on how their high emissions can be offset through investing in supporting a low emission action within the territories of low emitters.

A trader counting their money in a market in Africa (Image courtesy of Brookings institute).

A strong and passionate call from a 26-year-old African climate activist as she spoke to the world leaders on the first day of the world leaders' summit of the COP 26 hosted by Prime Minister Boris Johnson. The call for action transcends the different levels of society members from governments to activists. (Image courtesy of Jena Africa Organization)

Africa, due to its negligible emissions, is a natural supply market here. But the key to Africa's benefit should be on how well such market mechanisms are tied to catalyse the growth of competitive low carbon enterprises on the continent. While typical areas of investment have been in reforestation, Africa should take a strategic stance and prioritise how any collaborations towards reforestation will enhance much needed economic productivity. Creating of jobs for youth, enhancing food security to drive a trajectory of competitive economies is key. Here, collaboration to invest in clean energy aligned to powering agriculture value addition enterprises will be unlocking up to $48 billion worth of PHLs, as positive financing tied to power a just transition. Africa should look at investing its 2% of GDP contribution to climate action to forging collaborations under Article 6 that unlock such tangible enterprises to implement up to 70% of its NDCs while unlocking key socioeconomic opportunities to drive a just transition.

Also, some of the money pledged and promised will go to developing countries to restore damaged land and help tackle wildfires, the above opportunities for Africa should inform how this money is utilised to drive the implementation of NDCs. Indirect financing through incentivising critical constituencies of implementers in Africa is key. These resources should be used to incentivize a shift to non-typical sources such as micro-finance & cooperatives that are most accessible to most Africans in the informal sector and most vulnerable. Leveraging the informal sector that provides livelihoods for up to 80% of Africans and the youth to invest in enterprise actions that drive the realisation of country NDCs is a critical niche to tap. Africa informal sector, as well as the youth, are already engaged in various actions. In addition to looking at new sources of investment, we need to look at catalysing a shift of investments by these actors who are the majority players in Africa's economies.

Fourth, incentivise the youth & informal sector for implementation in the aforementioned areas; Africa can only compete from her position of strength. The region's strength is her youth, who form over 60% of the population. Another is the informal sector that engages up to 80%. These two constituencies need to be tapped as the foot soldiers of ground implementation and inform policy recalibration to maximise implementation. The enterprises they do need to be incentivised to take up climate action solutions as productivity and income generation sources. For example, clean cooking is an area many youth are already engaged in. Fuelwood is a major driver of deforestation in Africa. The provision of sustainable alternatives that are better is a key incentive for reducing this risk that African countries need to prioritise in their NDCs implementation.

UNEP's work shows that leveraging waste recovery to fuel briquettes solutions, which is 2times cheaper than charcoal, is a sustainable alternative to charcoal to forestall degradation and a healthier alternative. Indoor pollution claims up to 700,000 lives across Africa each year due to unclean cooking. Fuel briquettes that do not smoke provide this added socioeconomic advantage to enhance uptake within the society and alleviate pressure from over-dependence on forests while improving household savings and creating sustainable livelihood opportunities that the youth can engage in and create jobs for themselves.

It is crucial to support youth to retool their skills into establishing enterprise actions that drive clean cooking to lower pressure on ecosystems and minimize indoor pollution. Targeted fiscal incentives such as offering tax holidays for youth & informal sector entrepreneurs who establish enterprises in the NDCs areas to enable them to minimise their tax burden during the formative years will go a long way to attracting enterprise growth and longevity in climate action.

Fifth is data for policy. The entrepreneurial actions of the youth and informal sector actors in implementing climate actions need to be tapped as sources of empirical data of what works successfully to be further targeted by enabling policy incentives to expand such successes. This will form a continuous loop of policy being informed by what works to make them targeted and maximize their impact in driving implementation.

Africa's take home!

The success in Glasgow elicited the nostalgia of Paris 6 years ago, where pragmatism and unity of purpose to combat common challenges of climate change led to the Paris Agreement. Glasgow replicated this success, only this time, from an implementation dimension. Africa will be among the regions that will benefit most from the full implementation of the agreement, which should now be the focus for everyone across the planet

The different frames shows (Frame 1) leaders in a discussion forum at COP 26. Frame 2 & 3 shows yields by farmers after a succesful harvest highlighting the need to create normal life for all.

Strengthening the institutional capacities for the delivery of climate action enterprises. Increase better health and welfare of our environment using ecosystem based adaptation approaches and awareness campaigns using various available channels. UNEP-EBAFOSA has enhanced capacity building of insitutions necessary to spearhead sustainable production and climate action enterprises in Africa.

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