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Forum on Trade and Environment & the SDGs – TESS
Dialogue Series on Climate, Trade and Sustainable Development:
Multilateral Perspectives

Fostering access to and transfer of environmental
technologies through trade-related policies and incentives

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*How can Africa's Trading Partners facilitate its strategic path towards
Climate Resilient Development and Green Industrialization (SDGs and
Agenda 2063)?*

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Climate Change is causing Economic and Social Devastation in Africa

- According to the (IPCC) Fifth Assessment Report (AR5), 'climate change is likely to increase the frequency and magnitude of many extreme events; such as sea level rise and drought.'
- AR6 has stated that 'Sub-Saharan Africa has seen increased incidences in heat waves, heavy rainfall, fires and droughts which will continue to affect livelihoods, agriculture, water systems and ecosystems requiring rapid, adaptation and transformational change'.
- The storm in South Africa's Kwa-Zulu Natal province in mid-April, which delivered close to an entire year's usual rainfall in 48 hours, left more than 440 people dead, more than 40 thousand displaced; 630 schools damaged alone with 23 hospitals and 34 clinics is an example...of climate change!

Mainstreaming Climate Change in National Development Strategies

- African countries need to Mainstream Climate change into their National Development Strategies (and SDGs & Agenda 2063) – Climate Resilient Development (CRD)
- CRD strategies must facilitate ADAPTATION (Agriculture, Urban and Rural Infrastructure, etc) to Climate Change Impacts;
- CRDs must be inclusive, participatory, fair, and balanced
- CRDs must support a JUST TRANSITION to a low carbon economy (eg, from fossil-fuel based energy sources to renewable energy).

African Agency: Advancing Climate Resilient Development

There are at least four levels of global engagement where African countries can advance their own development interests and contribute to the global effort to transition to a low carbon economy;

- a) The AfCFTA and Developmental Regionalism.
- b) Africa and South-South Solidarity
- c) Global Climate Governance and the UNFCCC
- d) Multilateral Trade Governance and the WTO

The AfCFTA and Developmental Regionalism

- Implement a 'developmental regionalism' approach to the AfCFTA – complementing trade integration with industrialization and cooperation on cross-border infrastructure.
- Build priority regional value chains in Africa to advance Africa's transformative Industrialization – Adding Value to Africa's Agriculture and Mineral Commodities - and build Africa's industrial capabilities and competitiveness.
- Leverage the AfCFTA to attract investment and technology transfer in strategic sectors:
 - renewable energy and green industrialization in new technologies
 - Organic Cotton and Nature based textiles
 - e-vehicles and batteries

Africa and South – South Solidarity

There are at least three ways in which Developing countries can collaborate to support the transition to a global low carbon economy and society.

- Developing countries can work together, in sharing experiences and knowledge on a ‘just transition’ from coal and other fossil fuel based energy to renewable energies.
- Provide concessional financing for investment in Africa’s cross-border infrastructure projects to reduce transport and logistics costs, without increasing Africa’s unsustainable debt burden (DFIs such as New Development Bank, etc).
- Build effective coalitions to restore the integrity of the WTO and insist on the strengthening of the rules-based trading system that is fair, just and development oriented.

Global Climate Governance - UNFCCC

Developing and developed countries should work toward the following approaches in the UNFCCC and WTO:

- Recognize the principle of Common but Differentiated Responsibilities and Respective Capabilities as agreed in UNFCCC conferences.
- Promises, made in Copenhagen (COP15), for \$100 billion dollars of climate finance per year by 2023 (not met) need to be increased to \$750 billion a year by 2030 – to support developing countries to adapt to climate change and transition to low carbon energy infrastructure and production systems.
- A Trade and Environment Fund could be established by the UNFCCC together with WTO and other multilateral institutions to provide additional finance to developing countries to source critical green technologies and build climate-smart trade infrastructure.

Multilateral Trade Governance and the WTO

First, recognize the principle of Special and Differential Treatment (S&DT) as agreed in the Uruguay Round and WTO Agreements as a Right for developing countries

Second, the Environmental Goods and Services Agreement (EGS) being negotiated in the WTO should be inclusive and multilateral, rather than plurilateral and exclusive.

Third, EU and the US carbon border adjustment mechanisms (CBAMs), are tariffs on imports - widely regarded as unilateral and coercive and will undermine development – should be turned into positive measures to support Climate Resilient Development Strategies(CRDs) of developing countries.

Fourth, expand TRIPS flexibilities for developing countries in relation to technology development and transfer for climate related goods and services - the WTO could agree on a time-limited climate waiver together with a 'peace clause' for disputes on such measures.

