VOLUME 10 - ISSUE 2 - 2021

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Great Insights

COP26 and beyond

It's choice, not chance

We need the same mobilisation, commitment and sense of urgency that we have seen for COVID-19 in implementing the climate agenda.

Amani Abou-Zeid, African Union Commissioner for Infrastructure, Energy and ICT

Vulnerable economies are going to be subject to the most adverse climate effects. The two go together. Solving the adaptation and resilience problem is part of solving the economic transformation issue.

Saliem Fakir, Executive Director African Climate Foundation

The impact of climate change is destroying everything that people have built up and we have to halt this together.

Meryame Kitir, Belgian Minister for Development and Major Cities Policy

Green transition is the only realistic way forward.

Hans Bruyninckx, Executive Director, European Environment Agency

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Great Insights

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ECDPM's Great Insights magazine offers a quick and accessible summary of cutting-edge analysis on international cooperation and Europe-Africa relations. It includes an independent overview of analysis and commentary from a wide variety of experts and high-level officials and provides updates on policy debates in Africa and Europe.

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Publisher European Centre for Development Policy Management (ECDPM)
Executive editor Virginia Mucchi
Guest editor Hanne Knaepen
Web editor Jacquie Dias
Production videos & podcasts Catarina Farinha
Language editor Michelle Luijben
Cover illustration Yaseena Chiu-van 't Hoff
Design of cover and magazine template Yaseena Chiu-van 't Hoff
Magazine concept San Bilal and Claudia Backes
Research, layout and production Claudia Backes

ECDPM Head office
The Pelican House
Onze Lieve Vrouweplein 21
6211 HE Maastricht
The Netherlands
Tel +31 (0)43 350 29 00

ECDPM Brussels office
Rue Archimède 5
1000 Brussels
Belgium
Tel +32 (0)2 237 43 10

ISSN: 2215-0593 (print) 2213-0063 (online)

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Besides structural funding from ECDPM's institutional partners: The Netherlands, Belgium, Estonia, Finland, Ireland, Luxembourg, Sweden, Denmark and Austria., this issue also benefited from funding by the EU H2020 project CASCADES.

cascades
Cascading climate risks:
Towards adaptive and resilient European Societies

Editorial

we've ruined
our only home for
convenience and profit
neither of which will be
useful once the earth
can't breathe

(Rupi Kaur in *home body*, 2020)

In this climate issue of Great Insights, we gather ideas on how the earth can take a fresh, new breath. But, we also have frank discussions on what blocks progress towards a greener, more sustainable and resilient future.

The deadly floods in my country Belgium this July struck in a totally unpredictable way. Suddenly the devastation of climate change was here, and no longer a possible scenario for a faraway country. It is extremely alarming that, in the coming years, **the global impact of climate change will be even more destructive, causing dire human suffering.** The latest release Climate Change 2021: The Physical Science Basis by the Intergovernmental Panel on Climate Change (IPCC) shows again that Africa will be one of the most affected regions in the world. It is ever more clear that countries must quickly and radically cut greenhouse gas emissions to limit average global warming to 1.5°C.

The EU Green Deal promises for the EU to become climate neutral by 2050. However, this mid-century deadline risks putting green ambitions on the backburner: **halving global emissions in the next 9 years is crucial** if we want to stop the most devastating climate impacts. This won't be easy: the soaring energy prices risk limiting the Green Deal objectives. Still, governments and companies across the world have committed to tackling climate change, and now it's time to make them deliver, as lawyer Roger Cox, recently listed as one of the 100 most influential people of 2021 by Time Magazine argues. Ms Annett Möhner and Mr Daniel Morchain, while not undermining the value of global UN climate frameworks, emphasise the **importance of ambitious domestic climate action.** Climate action in Bangladesh or Nepal reveals the secret ingredients of doing this successfully.

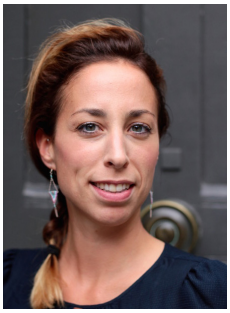
A green transition is the only realistic way forward, as Hans Bruyninckx says, but it must also be a **socially just transition**, as emphasised by Minister Meryame Kitir, Commissioner Dr Amani Abou-Zeid, and Dr Rebekah Shirley. African countries, such as Ethiopia, have made great progress in generating renewable energy. But they continue to call for support for climate mitigation and adaptation, based on the principles of climate justice. The EU has built its work on this concept, but it can do more, as our researchers Mariella Di Ciommo and Pamella Eunice Ahairwe tell us. At the same time, African countries should open up their markets to international investors in renewable energy if they want to embrace a just energy transition, Secretary-General Roberto Vigotti from RES4Africa tells us.

Climate impacts far outpace adaptation action, as underlined by Prof. Anthony Nyong. Integration of adaptation is the way forward: it should be part of the COVID-19 recovery plans, and development and health agendas, to drive Africa's economic development. **Building climate resilience in food systems** - a key topic of this month's UN Food Systems Summit - is also extremely important for African livelihoods. Dr Christophe Béné reflects on how to make the shift towards more sustainable (and climate-friendly) food systems but expresses his doubts on the actual feasibility.

Lastly, the debate around climate action often comes down to the question of "who is going to pay for what?". **The adaptation finance gap is huge**, as Ms Nancy Saich acknowledges, but the EIB is keen on closing the gap. Ms Sara Mbago-Bhunu gives concrete ideas on how to leverage additional funding to finance adaptation and ultimately, build stronger food systems.

The efforts to be done ahead of COP26, with a focus on the implementation of the Paris Agreement, seem insurmountable. Mr Saliem Fakir and Commissioner Amani Abou-Zeid have **higher expectations for COP27** that will be held on African soil when the world will have had more time to deal with the aftermath of the COVID-19 crisis.

But there is so much we can do before then. I hope that our climate edition can contribute to the debate on the energy transition and adaptation, by offering a wide variety of views and ideas. Looking forward to hearing your thoughts.



Hanne Knaepen, Guest editor
Policy Officer, Climate Change Adaptation & Sustainable Food Systems

@Hanne_Tweets

Glossary

Adaptation
The process of adjustment to actual or expected climate and its effects. In human systems, adaptation seeks to moderate or avoid harm or exploit beneficial opportunities. In some natural systems, human intervention may facilitate adjustment to expected climate and its effects.

Adaptation Finance Gap
Gap between the costs of meeting a given adaptation target and the amount of finance available.

(Agri-)food systems
This comprises all activities related to the production, processing, distribution, sale, preparation and consumption of food.

Cap and trade
A common term for a government regulatory programme designed to limit, or cap, the total level of emissions of certain chemicals, particularly carbon dioxide, as a result of industrial activity.

Carbon bubble
The hypothesised bubble in the valuation of companies dependent on fossil-fuel-based energy production, because the true costs of carbon dioxide in intensifying global warming are not yet taken into account in a company's stock market valuation.

Circular economy
An economic system of closed loops in which raw materials, components and products lose their value as little as possible, renewable energy sources are used and systems thinking is at the core.

Climate justice
Term, and even more, a movement, that acknowledges climate change can have differing social, economic, public health, and other adverse impacts on underprivileged populations.

Climate-smart agriculture (CSA)
An approach that helps to guide actions needed to transform and reorient agricultural systems to effectively support development and ensure food security in a changing climate. CSA aims to tackle three main objectives: sustainably increasing agricultural productivity and incomes; adapting and building resilience to climate change; and reducing and/or removing greenhouse gas emissions, where possible.

Emission Trading Scheme (ETS)
A scheme set up to allow the trading of emissions permits between business and/or countries as part of a cap and trade approach to limiting greenhouse gas emissions. The best-developed example is the EU's trading scheme, launched in 2005.

EU Green Deal
A set of policy initiatives by the European Commission with the overarching aim of making Europe climate neutral by 2050.

Global warming
The long-term heating of Earth's climate system observed since the pre-industrial period (between 1850 and 1900) due to human activities, primarily fossil fuel burning, which increases heat-trapping greenhouse gas levels in Earth's atmosphere.

Leapfrogging
The ability of a developing or less developed country to essentially "skip" less efficient and higher carbon-intensive technologies during the course of their development.

Least Developed Countries (LDCs)
The group of poorest and weakest countries in the world. The current list of LDCs includes 49 countries - 33 in Africa, 15 in Asia and the Pacific, and one in Latin America.

Mitigation
A human intervention to reduce the sources or enhance the sinks of greenhouse gases. Mitigation strategies include retrofitting buildings to make them more energy efficient or adopting renewable energy sources like solar, wind and small hydro.

Net-zero emissions
Achieving an overall balance between greenhouse gas emissions produced and greenhouse gas emissions taken out of the atmosphere.

Resilience
The capacity of social, economic, and environmental systems to cope with a hazardous event or trend or disturbance, responding or reorganising in ways that maintain their essential function, identity, and structure, while also maintaining the capacity for adaptation, learning, and transformation.

Special Drawing Rights (SDG)
An international reserve asset, created by the IMF in 1969 to supplement its member countries' official reserves.

Supermarketisation
A process in which the economy becomes more developed, and consequently, the share of supermarkets or groceries (including convenience stores) of the market increases.

United Nations Framework Convention on Climate Change (UNFCCC)
One of a series of international agreements on global environmental issues adopted at the 1992 Earth Summit in Rio de Janeiro. The UNFCCC aims to prevent "dangerous" human interference with the climate system. It entered into force on 21 March 1994 and has been ratified by 192 countries. It is also famous for its recent Paris Agreement (2016).

An expert view on green transition in Africa

Amani Abou-Zeid

African Union Commissioner for Infrastructure, Energy and ICT

In this podcast, ECDPM's Bruce Byiers speaks with Commissioner Dr Abou-Zeid about what green transition means on the Africa continent, with a special focus on financial, technical and infrastructure challenges. But they also discuss opportunities, as renewable energy is becoming increasingly competitive in many African countries. Furthermore, they talk about how a continental free trade agreement can be a catalyst for more investments in digital innovation, better transportation systems and renewable energy.

About Amani Abou-Zeid

Dr. Amani Abou-Zeid is the African Union Commissioner in charge of Infrastructure, Energy & ICT. For more than 30 years, Dr Abou-Zeid has served in leadership positions in international organisations. She has managed AfDB largest operational portfolio and implemented national and continental multi-sectoral development programmes, including the world's largest solar power plant. An Egyptian national, Dr Abou-Zeid holds a BSc in Electrical Engineering, Cairo University; MBA, Université Senghor; MPA, Harvard University; and Ph.D. Economic Development, The University of Manchester.

Website Twitter

Tackling climate change is a social struggle

Meryame Kitir

Belgian Minister for Development and Major Cities Policy

ECDPM's Director Carl Michiels speaks with Belgium's Minister of Development Cooperation and Major Cities Policy, Meryame Kitir. Topics were this past summer's wake-up call in Europe on the costs of climate change, Belgium's higher development budget for climate action and focal projects in a number of partner countries.

What are Belgium's key positions in the run-up to COP26? What can we expect you to focus on in particular?

Meryame Kitir (MK): Let me start by saying that the climate challenge is in the foreground more than ever. The events of this summer have unfortunately shown us why it is important to invest in the climate challenge. The call to action is becoming more concrete, as people understand that it is no longer a far-from-my-bed show, but something that affects us all. In my view, the climate challenge is also a social struggle, because it is unfair that those who emit the least are the ones who suffer the most. So I am glad there is a strong awareness that we need to move forward with climate finance.

As Minister of Development Cooperation I always expected to be confronted with the consequences of climate change during my missions abroad. Little did I know that I would be confronted with that crisis first in my own backyard. During my recent visit to the flooded areas in Belgium, it became very clear that we are all fighting the same struggle: people had lost everything and suddenly found themselves without housing, energy and information. The impact of climate change is destroying everything that people have built up, and we have to halt it together.

The current government has big ambitions in the field of climate action and green transition. We decided to phase out nuclear power in our country by 2025, and are in the process of closing at least five of our seven nuclear plants. The Recovery and Resilience Plan recently endorsed by the European Commission has disbursed €5.9 billion, of which €3 billion will be invested in green projects. We want to be climate neutral by 2050 and achieve a 55% reduction by 2030. But beyond the nuclear phase-out, we will also have to make the switch to producing new green energy in Belgium.

On the international front, we will increase our climate funding to €100 million, 40% more than the previous years. For example, we are going to invest more in regions, such as the Sahel region, instead of countries. Also, we are going to pay more attention to the climate in

our bilateral contacts, for example, with Palestine, where we are going to focus on establishing a new recycling industry and help them clean up the heavily polluted river in the Gaza Strip.

Does Belgium have European allies in these ambitions?
At a gathering organised by Enabel [the Belgian Development Agency] this morning, I spoke with Koen Doens of the European Commission and representatives of the African Union and it's gratifying to see that the climate challenge is also high on their agenda. Furthermore, not only politicians but also citizens are starting to see the importance. Look at the many demonstrations by our young people. They are demanding a green future – not merely asking us to recalibrate choices between trees and people. My colleagues and I are working hard to realise this call to action. It is urgent, but not yet too late.

> **The impact of climate change is destroying everything that people have built up and we have to halt this together.**

United Nations reports conclude that it has never been as hot in the last 125,000 years as it is now, increasing the likelihood of extreme weather conditions. It is very serious but shows that we need to change course. We used to think that Africa, which only contributes 4% of global emissions, would bear the brunt of climate change impacts, but for example, in France, 14,000 people died in 2003 because of the extreme heat. The changes we must make will have a huge impact on our lives. And, everything is interlinked; not addressing the climate will result in more droughts, and more farmers losing their harvest, which will lead to food shortages. This will cause conflicts and people fleeing their homelands. So these impacts indirectly connect the world. Just as COVID-19 does not stop at borders, the climate challenge does not stop there either. The events of July made everyone realise that even more must be done.

I also understand that there are sometimes fears about how we are going to tackle this crisis, but there are many clever ways to deal with it, without increasing energy costs too much.

What are Belgium's priorities in Africa, especially when it comes to climate adaptation?
In our climate portfolio we have opted for a regional approach in two areas: first on climate and second on social protection. The portfolio allocates €50 million over the next five years to projects in the Sahel region. Together with local administrations and communities, including farmers, we want to look at what is needed to take on the climate challenge. Farmers, for instance, will be working on rainwater collection to make them more resilient to a changing climate. This is not something we can impose, we have to do it together with local partners.

How can the European Green Deal help Belgium achieve its climate objectives?
The flooding in Belgium is – ironically – 'helping' us now because it was a huge wake-up call. Nobody expected it. The climate crisis was not tangible for many people, and many have seen the transition to green energy or building resilience as costly. But, people are starting to understand that, in the long run, addressing the crisis will actually make life better and healthier, and much less costly. We will face fewer food shortages, famines, floods and terrorism.

Do you think this new realisation will help the European Green Deal achieve its ambitions, which are rather high?
I believe one has to be ambitious in life to get things done. We are now, with our administration, having discussions on how we can turn the Green Deal policies into concrete actions. The date of COP26 is therefore very timely. We cannot afford to do nothing, it is time to act now.

You already gave us one example, but what other activities are being undertaken in countries?
Apart from the project in Palestine mentioned earlier, we are working with Mozambique, which is facing major challenges. That project focuses on smart irrigation systems and 100% renewable energy. Here, too, we want to help the population protect themselves against droughts. In Congo, we will support the Central African Forest Initiative, which is protecting the rainforest from logging. On that, we are partnering with local populations that depend on the forests for their livelihood.

Meryame Kitir being interviewed by Carl Michiels, September 2021. Photo by Virginia Mucchi.

A new aspect here is that we try to create jobs with renewable energy. The International Labour Organisation (ILO) has projected that limiting global warming to 2°C could create 24 million new jobs. Contrasting this with the 6 million jobs that would actually disappear, that would be a win. Through social protection, you can make people self-reliant. Adaptation is good to make people resilient to climate change. Some 80% of Africans work informally. We want to help them become self-reliant, and make a job out of it.

You work mainly with local partners. How is local ownership being ensured?
We focus on cooperation, with the partners at the governmental level, but also close to the people and in communities to create support. We have help from NGOs and multilateral partners. In Belgium, we have our so-called 'common strategic frameworks' that require NGOs to work together. The new Team Europe initiatives also combine efforts, so we are not only aware of each other's projects but can also join forces. Cooperation is the motto. We are complementary to each other, and by joining forces we can achieve more.

Funding for your climate portfolio has been raised to €100 million, as you mentioned. However, some calculations indicate that based on Belgium's national income we should actually contribute €1 billion. We are still far from that. Is growth still possible?
Do we need to do more? Yes! Do we want to? Yes! But the reality is we have just come out of a COVID-19 period that has put a lot of pressure on our budget. In spite of that, we have still managed to increase the climate budget to the current €100 million. It is still not enough, but it is nevertheless an important step forward, especially since it provides 40% more to spend than under the previous government. Mind you, within this €100 million, there is also €12 million in funding that the federal government has decided to contribute on top of the existing budget.

Is Team Europe creating new momentum in development cooperation?
I see that it is gaining momentum. More partners are looking to work with each other. For example, take the social protection portfolio. Social protection has always been a very important priority to me. I'm very glad we are part of Team Europe. This gives us the opportunity to put the importance of social protection also on the agenda of other Member States. The Team Europe approach does encourage member states to work together.

What is your hope for the outcome of COP26?
I hope that we take concrete actions, and give our youth the prospect of a green, healthy and positive future. We owe it to them.

About Meryame Kitir
Ms Meryame Kitir is Belgium's Federal Minister of Development Cooperation and Major Cities Policy since 2020. At the age of 19, she started working in the Ford factory in Genk for more than a decade, while she successfully built her way up in the worker's union to ultimately become a union representative. In 2006, she was elected to become a Municipal Councillor of the city of Genk before becoming chairwoman for the socialist party between 2015-2020.

Website Twitter

Good governance as the key to effective adaptation

Hans Bruyninckx

Executive Director of the European Environment Agency

In this podcast, ECDPM's Hanne Knaepen speaks with Dr Bruyninckx on the role of the European Environment Agency, notably its work on setting up datasets to track whether countries' climate actions are in line with climate policies. They also discuss the conditions for successful investment in adaptation in Africa, including good governance, financial transparency and local ownership. Lastly, Dr Bruyninckx shares his hopes for the EU's new financial framework that mainstreams climate action across the board.

About Hans Bruyninckx

Dr Hans Bruyninckx became the Executive Director of the European Environment Agency on 1 June 2013. In 1996 he completed a PhD in international environmental politics at Colorado State University and since 2010 headed the HIVA Research Institute in Leuven which specialises in policy research. Over the last 20 years, he has conducted research in more than a dozen countries, in areas including environmental politics, climate change, and sustainable development.

Website Twitter

WHAT YOU NEED TO KNOW ABOUT THE NEW EU ADAPTATION STRATEGY AND ITS INTERNATIONAL DIMENSION

Beyond the EU's borders

In February 2021, the European Commission published its much anticipated EU Adaptation Strategy. The strategy raises the profile of climate adaptation as a key element of the European Green Deal and identifies opportunities for the EU to advance adaptation at all levels. It has been well received because it steps up international action on adaptation, with a special focus on small island developing states and least developed countries. The international dimension also includes an important focus on cross-border climate impacts.

An integrative and 'climate just' approach

The new EU Adaptation Strategy aims for better data collection, faster action and a more systemic approach, integrating nature-based solutions, creating synergies with ecosystem restoration, biodiversity, water management and health. The policy recognises adaptation as a priority in Covid-19 recovery. Importantly, the strategy brings justice to adaptation: "just resilience is about addressing fundamental inequalities in society, and about protecting the weakest and most vulnerable."

Raising the financing bar

The international aspect of the adaptation strategy promises to increase financial support for international climate resilience. The EU has now set a target of at least 30% for climate action, including adaptation, in the Multiannual Financial Framework for 2021-2027. Under the new framework, the Commission is moving towards purely geographical allocation of funding in the Neighbourhood, Development and International Cooperation Instrument (NDICI), with a much stronger alignment with countries' priorities, based on national adaptation plans for instance. Special efforts will be done to leverage more funding for adaptation, including through the private sector.

Room for improvement

Critics say that the Adaptation Strategy fails to set out concrete, measurable and time-bound targets for the EU and its member states to become climate-resilient. This contradicts a request from the European Parliament for binding and quantifiable targets. There is a strong call for a clear action plan on how to support locally-led community-based adaptation. It also remains to be seen how the strategy can trigger stronger adaptation action by the development finance institutions.

Solving adaptation is solving vulnerability

Saliem Fakir

Executive Director African Climate Foundation

In this podcast, ECDPM's Hanne Knaepen speaks with Saliem Fakir, Executive Director of the African Climate Foundation about how Africa's focus has shifted from dealing with the climate crisis to dealing with the repercussions of the COVID pandemic. Furthermore, they talk about African perceptions of the EU Green Deal, the global adaptation finance gap and the complex economic conditions needed for green transition on the African continent.

About Saliem Fakir

Saliem Fakir is the Executive Director of the African Climate Foundation. Prior to establishing the ACF, Saliem served as the Head of the Policy & Futures Unit of WWF South Africa. Saliem has worked as a Senior Lecturer at the Department of Public Administration and Planning and an Associate Director for the Centre for Renewable and Sustainable Energy at Stellenbosch University. Saliem has served on a number of Boards and is a prolific writer who contributes regularly to leading South African publications like Engineering News, Business Day and the Daily Maverick.

Website Twitter

Dutch lawyer brings the courts into the fight against climate change, and wins

Roger Cox

Climate Change Litigator, Paulussen Advocaten

"Facts don't always matter in the political arena and the media. But they do matter in a court of law", says Roger Cox, the Dutch lawyer now known as 'the man who beat Shell'. Cox spoke with ECDPM policy officer Hanne Knaepen on the dangers of government inaction on climate change.

What made you devote your life to the fight against climate change?
I always had an interest in nature. But the urgency of climate change didn't really sink in with me until I watched Al Gore's 2006 documentary, 'An Inconvenient Truth'. After seeing it, I was astounded that this wasn't all over the news. I felt we had been kept in the dark by the media and politicians who had failed to report and act on what was really happening. I was also angry at myself for underestimating the problem, thinking a small rise in global temperature or sea level wasn't really an issue. There is still a huge knowledge gap among the general public, the media, politicians and the CEOs of large companies. That means the problem is not yet being tackled and continues to grow.

I also felt a moral obligation to my children. If I chose to be ignorant, how could I justify it to them 20 years from now? Al Gore's documentary made me dive deeper into the issue. To inform more people, we set up a foundation that organised free screenings of the film at 20 cinemas across the Netherlands. I also became actively involved in the circular economy and the cradle-to-cradle concept, and I spent a lot of my free time reading about climate change, its causes and consequences.

In your book 'Revolution Justified' you state that only the law can save us now. What motivated you to take on Shell, one of the world's biggest oil companies?
In my book, I explain that we can only stop climate change if we change the fossil fuel-based energy system we are currently in. We are still very much dependent on fossil fuels, and there are strong links between those who profit from that dependence and those with the power to change it, like Royal Dutch Shell, which is responsible for 2% of global CO_2 emissions.

Science has shown us the course we have to take, but we are still stuck in the status quo. We all know there is an urgent problem, but our governments and large

multinational energy companies have failed to act and are unwilling to set adequate long-term climate strategies, too concerned with quarterly figures and election cycles. Only the law seems strong enough to break this political and commercial status quo.

Few people know that we are currently only just experiencing the full consequences of our CO2 emissions until the1980s, because there is a 30-50 year delay in CO2 emissions and their global warming impact. That means there is more warming in the pipeline that cannot be avoided anymore, and our emissions of tomorrow will add additional warming on top of that. That's why we have to act now if we want to come anywhere near the goals we set in the Paris Agreement. It's like steering a big oil tanker: you have to hit the brake before land is in sight to avoid hitting the harbour wall.

Regarding Shell, the purpose of starting a case against them, with Friends of the Earth and others, was to hold them accountable for the damage they knowingly caused since the early 1990s and to obtain a court order forcing them to reduce their emissions. [The Dutch court ruled that Royal Dutch Shell must reduce its global emissions by 45% by 2030.] Facts don't always matter in the political arena and the media. But they do matter in a court of law. All parties have the opportunity to give evidence, present their arguments and are listened to in full transparency. To understand why the judges ruled in our favour, you have to understand that climate change is a full-fledged human rights issue. Therefore one can demand that large companies and governments take responsibility for reducing CO2 emissions.

Have you seen significant changes in Dutch policy since the Urgenda case in 2015? Are we now on track to supplying everyone with green energy?
Some changes have been made, but not enough. The ruling by the court in 2015, the appeal court in 2018 and the supreme court in 2019, ordered the Dutch government to immediately take effective action against climate change and reduce CO2 emissions by at least 25% by the end of 2020 [compared to 1990 levels]. We've nearly reached that goal, but that is in part due to the COVID-19 crisis and not necessarily only because of actions by our government. Similar lawsuits in Germany triggered that government to pass a new climate action law that brings the neutrality target forward to 2045 via reductions of at least 65% in 2030.

To achieve the goals of the Paris Agreement, the EU Green Deal target of 55% emissions reduction by 2030 is not enough. To make this happen, the 65% reduction as set by Germany should be followed by the EU as

Hanne Knaepen and Roger Cox at the Pelican House Maastricht, July 2021. Photos: Jason Powell

well. As western countries we are obliged to take the lead in tackling the global warming problem. On top of that, we have a historical debt to the countries of the South to allow them to develop, which now can only happen responsibly if they "leap frog", i.e. choose renewable energy and skip the fossil fuel [dependency] step as much as possible. It is our obligation as western countries to assist and support the countries of the South through finance, knowledge transfer and other obligations we rightfully accepted in the Paris Agreement.

Will the impacts of climate change be most noticeable in the Global South?
Climate changes will in the first instance be felt most strongly in the South. It is true that those who are most dependent on the climate for their livelihoods [like small farmers and fishers] will be most affected, and they also don't have the funds to adapt. We have seen longer droughts and heavier rainfall in Africa, but in places like North America and Europe too, temperatures are at a historic high. Every update science has given us in the past years paints a more serious picture than the one previous. Climate related disasters are happening all over the world and this trend will only worsen in the coming decades. That's due to the earlier mentioned delay of 30-50 years, but we still can avoid the worst impacts of climate change, if we push to achieve the Paris Goals.

We've recently seen groups of activist shareholders instigating changes in oil companies, like ExxonMobile and Chevron, by replacing board members who were not doing enough for sustainability. Will that affect the energy transition?
There are many ways to increase pressure and instigate change, as we saw with the mass youth climate strikes, which unfortunately were brought to a halt by COVID-19. They were creating a huge following and momentum, putting pressure on politicians and CEOs. Now shareholders are also creating more pressure on companies to better prepare for the energy transition and its financial fall out. We are currently living in a 'carbon bubble', as the monetary value of the oil and gas reserves of companies are already activated on their balance sheets. But we need to keep most of these reserves in the ground if we are to achieve the Paris Agreement goals. That makes those reserves worthless. Shareholders want their board members to have a better understanding of these financial risks for their companies and this will be helpful for the energy transition.

We all know there is an urgent problem, but our governments and large multinational energy companies failed to act and are unwilling to set long-term climate strategies, too concerned with quarterly figures and election cycles.

What does the future hold for coal, oil and gas companies? Can they achieve a green transition? Also, do you see an impact of the European Green Deal on companies and public sector activities?
The position of large companies like Shell and the European Green Deal are two different things. The crux is, large influential fossil fuel companies have much greater CO_2 emissions than countries like the Netherlands or Belgium [which emit 10-15 times less]. That makes these companies big players with enormous revenues, but they can also heavily invest.

They can make a difference by phasing out their investments in fossil fuels and switching investments to renewable energy. Moreover, the judges ruled that they have a legal responsibility to do so, because they contributed heavily to the situation we are in now. It is time for them to take up that responsibility and help create a more sustainable society, to repay their debt by contributing to a healthy and safe environment. The Green Deal can support them with that but does not take away their individual responsibility to go above and beyond if necessary. We all have to make sacrifices in the years to come. It requires a major rethink and adjustment in the way we live. It's like remodelling a house while you're living in it. It's going to be uncomfortable and hard, but in the end, it will be worth it.

Could Shell argue that if it ceases production somebody else will take over and therefore nothing changes?
Shell brought that argument to the table, but we managed to convince the court that other companies will not necessarily fill that void, also because the environment around fossil fuels is changing. Since the signing of the Paris Agreement, several governments have been careful or even ceased granting authorisations for new oil or gas exploration. On top of that, there are strong proven links between less production and less consumption. For every barrel of oil not produced, between 0,2 and 0,6 barrels of oil are not consumed. Also, the central premise in the Paris Agreement is that the way to achieve the climate goals is through change in investments and this is exactly what the consequence of the verdict against Shell is. The call for this change is growing, and not only from society, governments and court cases.

Under the European Green Deal, the EU will impose carbon emissions tariffs on imports, including steel and cement. African countries have called this 'environmental protectionism'. What are your views on a fair, green transition, especially given countries' right to develop?
First and foremost, I understand this is a very complex issue. What we set out to achieve in the court cases was enforcement of specific CO_2 emissions reduction targets. How these targets are achieved is primarily a political issue and not for us to decide. What I can say is that developed countries have been very negligent in their climate policies. They knew since the UN Climate Convention of 1992 that they had to take the lead in tackling the climate problem. But they have seriously underperformed. Courts are correcting this and this is also in the interest of African countries since this is the only way to avoid dangerous climate change. Emissions are a global issue. Their impacts don't stop at European borders. Reductions in Europe benefit the whole world including the African continent. But the EU will also need to help African countries to transform and further their economies in a sustainable way, by technology transfer, financial assistance and by other means, because we all have so much to lose if we don't tackle it together. Also companies like Shell could better invest in sustainable energy solutions in Africa than in new fossil fuel infrastructure. The financial gains from fossil fuels coming out of African countries can also best be reinvested in renewables by the ruling parties in the countries themselves.

COP26 takes place in Glasgow later this year. What outcomes are you hoping for?
I think we should stop focusing solely on the 2050 deadline and bring these goals forward to 2030. If we still want to halt climate change, halving worldwide emissions in the next 9 years is crucial. That is a very very big task. The developed countries need to commit even more to these targets and help developing countries transform their economies. We also need to stop looking for new oil and gas fields and invest in renewables on a much greater scale. I also believe that governments have a task in educating people about the measures that need to be taken and how these will affect them. There is a lot at stake at COP26 and I hope the global community is up to the task. Our common future depends on it.

About Roger Cox
Roger Cox is a Partner with Paulussen Advocaten and a trusted advisor in large projects in the real estate, infrastructure and energy sector and has extensive experience in structuring public-private partnership. Roger is also a successful litigator and is known around the world for his precedent setting litigation work in the so called Urgenda climate case. He is also founder of the Planet Prosperity Foundation, through which he promotes the circular economy and a visiting university lecturer and senior fellow with the Centre for International Governance Innovation in Waterloo, Canada. He was recently elected as one of the most influential people in the Time 100 list.

Website Twitter

Ensuring that the green transition and just transition go hand in hand

Rebekah Shirley

Director of Research, Data & Innovation, WRI Africa

Hanne Knaepen speaks to Rebekah Shirley about her work at the World Resources Institute, green transition policies and fair access to electricity for Africans.

About Rebekah Shirley

Dr. Rebekah Shirley is the Director of Research, Data & Innovation at the World Resources Institute, Africa and former Chief of Research at Power for All. Rebekah leads applied research on power systems and clean energy integration across Sub Saharan Africa and the Caribbean. Rebekah was a Chancellor's Fellow at the University of California, Berkeley and has won many awards as a young leader in energy. on a number of Boards and is a prolific writer who contributes regularly to leading South African publications like Engineering News, Business Day and the Daily Maverick.

Website Twitter

Here's how to accelerate investments in renewables with Africa

Roberto Vigotti

Secretary-General, Renewable Energy Solutions for Africa Foundation (RES4Africa)

Africa's greatest challenge is to ensure access to clearn, affordable and reliable energy for the 600 million people who, today, live without it. To achieve this, African governments must take action, creating an enabling environment for foreign investments. Only by opening up the market to international investors will Africa be able to embrace a just energy transition.

Africa is confronted with political, socio-economic, demographic, technological and climatic changes. Amid the challenges that these bring, the full use of renewable energy is essential for economic, social and human progress. A green recovery strategy is the best way to emerge from the current crisis stronger and more resilient.

The principles of sustainability, circular economy and shared prosperity are the most effective way to ensure universal access to energy. At the same time, they contribute to addressing climate change and offer businesses an extraordinary opportunity in terms of competitiveness and job creation, generating value for companies, customers and communities.

Europe is fully aware of this. It aims, with its European Green Deal, to be the first carbon-neutral continent in the world. But for Africa, the continent with the highest global rate of population growth, urbanisation and climate impacts, undertaking this path is even more urgent.

The African paradox

The good news is that Africa is a rough diamond when it comes to renewable energy. The continent has all the potential to shine. Using solar, wind and geothermal power, it could generate up to 24,000 TWh of electricity per year, corresponding to over 26 times the amount currently generated and approximately 90% of the energy produced worldwide in 2018. However, despite its outstanding potential, only 2% of the global renewable energy solutions were installed in Africa in the last ten years.

Multiple factors explain this paradox. Chief among them are economic and political instability, energy tariffs insufficient to recoup investments, long bidding processes, uncertain financial sustainability of public services, inadequate risk reduction tools and weak regulatory frameworks. It is clear that to overcome these multifaceted obstacles, involvement of the international private sector is necessary (and long overdue). Public finances are unable to provide the necessary investment funds.

A secure environment for international private investments

African governments' agendas must prioritise creating an enabling environment for scaling up private investments, as these are essential for the development of Africa's energy markets. Pursuing an energy transition without this would be like inaugurating a new building without a structural assessment or safety protocol.

Opening up the energy market to international investors will positively impact the everyday lives of Africans. But it will also require a common effort to develop unique and effective instruments and strategies to make African markets an appealing option for foreign investors.

Tax exemptions for renewables plants, well-constructed production-based support schemes (i.e., feed-in tariffs and public tenders dedicated to renewable energy) and discounted financing or concessional grants are just a few of the measures that African governments could implement to attract international private investments.

Investors need to feel safe and secure about their investments. In this regard, the Renewable Energy Solutions for Africa Foundation (RES4Africa) is working to create a new environment in which long-term financial commitments are possible thanks to financial and regulatory warranties throughout all phases of a project, backed by effective de-risking tools, such as power purchase agreements, tariff inflation indexing and expression in hard currency.

In addition, measures are being taken to ensure transparency and reliability, for example, by setting up detailed national energy policies, introducing strong regulation for independent power producers (with market participation and non-discriminatory grid access clauses) and establishment of an independent regulatory authority with clear and defined responsibilities.

RES4Africa's renewAfrica initiative is a virtuous example of what can be done through an international cooperative approach. Welcomed by European Commission Vice President Frans Timmermans, the programme conducts advocacy actions directed to African governments and **promotes the creation of a single EU-led de-risking instrument in support of private investments in the clean energy sector.**

> A green recovery strategy is the best way to emerge from the current crisis stronger and more resilient.

A joint commitment

RES4Africa and its network are committed to bringing together the efforts of Europe and Africa to meet the urgent energy needs of the African population and promote their social and economic development. Beyond that, investing in renewable resources in Africa makes a substantial contribution to the global struggle that has become a symbol of this generation: the one against climate change.

Renewable energy sources are the only possible road to truly sustainable development on a global scale. Only through synergies and collaborations between states and between the public and private sectors can we truly achieve the common goal of building a future more prosperous, peaceful and sustainable for all, leaving no one behind. To face our common challenges, Europe needs a strong Africa, just as Africa needs a strong Europe. RES4Africa is working to do its part.

About the author

Roberto Vigotti is Secretary-General of the Renewable Energy Solutions for Africa Foundation (RES4Africa). The Foundation's mission is to create favourable conditions for scaling up investments in clean energy technologies to accelerate the continent's just energy transition and transformation. See more at www.res4africa.org.

Website Twitter

The limits of the UNFCCC and the need for domestic adaptation action

Annett Möhner

Team Lead, Adaptation Division, United Nations Framework Convention on Climate Change

In this conversation, ECDPM's Hanne Knaepen speaks with Annett Möhner, the UNFCCC's adaptation expert, who guides us through the technical and policy aspects of adaptation with the UN context, as well as the role and the limits of the UNFCCC. They discuss the ultimate need for countries to come forward with ambitious adaptation plans and move to effective implementation while looking at success stories of countries like Nepal or the Pacific Islands.

About Annett Möhner

Annett Möhner is a Team Lead in the Adaptation Division of the Climate Change Secretariat supporting the work of the Adaptation Committee: the principal advisory body on adaptation under the Convention.

Website Twitter

Conversation between multiple scales and actors as a premise for successful adaptation

Daniel Morchain

Policy advisor, International Institute for Sustainable Development

During this conversation, ECDPM's Hanne Knaepen talks with Daniel Morchain from the NAP Global Network about the main conditions to advance on adaptation, including in the domain of adaptation finance, in the Global South. They look at lessons learned from countries like Bangladesh, the Marshall Islands and Peru. Also, they discuss the importance of a constructive dialogue between various governance scales, ranging from the multilateral UN scale to the local community level.

About Daniel Morchain

Daniel Morchain is a Policy Advisor with IISD's Resilience Program, leading our work on National Adaptation Planning (NAP) processes in several Latin American countries through the NAP Global Network.

Website Twitter

Transforming food systems: How easy is it?

Christophe Béné

Senior Researcher,
International Center for Tropical Agriculture

It may be an exaggeration to state that food systems are stuck in their current status quo and nothing will change. But it is equally naïve and perhaps more dangerous to expect changes that will magically make all problems disappear and nudge food systems in the direction needed for sustainability.

The need for a Great Transformation of our food systems is widely acknowledged by scientists and policymakers. For instance, in an international report by the EAT-Lancet Commission on Food, Planet and Health, a group of 37 experts concluded, "global food systems can provide win-win diets to everyone by 2050 and beyond. However, achieving this goal will require... nothing less than a Great Food Transformation." Beyond the general consensus that our food systems are not in good shape and that something needs to be done, the roadmap toward this Great Transformation is still unclear. In fact, there is a serious risk that no real change will happen at all, and business as usual will prevail.

For instance, we know that, on average, Europeans eat too much red meat, and this excessive consumption has detrimental effects on their health. High consumption of red meat is associated with health problems including type 2 diabetes and cardiovascular disease, among others. It is also bad for the environment, as the meat industry is a large contributor to climate change. Yet, the recent "Less Meat, More Life" campaign launched by the Spanish minister of consumer affairs was highly criticised by members of his own coalition government. In France, President Macron's government criticised an initiative of the mayor of Lyon (from the Green Party) to remove meat from school lunch menus. These kinds of attempts to establish healthier and environmentally friendlier diets and address important issues related to food systems often seem to be nipped in the bud, bringing us back to the business-as-usual scenario. This leads us to the question of whether fears that nothing will change are justified? Or are such concerns just an expression of an overly pessimistic discourse?

It would not be the first time that experts adopt a 'catastrophe' narrative strategically, in the hope of triggering more focused responses. Some years ago, for instance, a group of scientists declared that by the mid-21st century all fish will disappear from the oceans due to overfishing. Fish, of course, is still there; and food systems will continue to change in the future. That is because food systems, like all social systems, keep evolving and changing, especially when they operate in a changing environment.

Transformations in the past

Human history provides plenty of examples of food systems transformation. Particularly influential were the Green Revolution and the adoption of high-yielding varieties in

many developing countries in Asia and Latin America. The 'supermarketisation' of food systems is another – that is, the rapid establishment of foreign-owned supermarket chains in many parts of the world. We have seen a 'homogenisation' of crops and food supply; in other words, a tendency to derive more of the foods we eat from progressively fewer crops and animal species. The increasing use of genetically modified organisms (GMOs) in both lower and higher-income countries is another ongoing transformation. Clearly, our food systems have always been transforming and will continue to do so.

Because profitability is not sustainability

Is there cause to fear that the needed Great Transformation might not happen? I would argue that such fears are justified because the transformations we saw in the past are not necessarily of the same nature as the Great Transformation that we need now. There are two main reasons for this.

First, experts generally use 'Great Transformation' to refer not only to the scale and magnitude of the changes needed but also, and more importantly, to their normative nature. The Great Transformation is expected not just to bring any changes, but positive changes that lead to 'better' systems, possibly ones that contribute to the Sustainable Development Goals.

For this to happen, contrary to common belief, we cannot rely on technological innovations as a panacea to fix food systems. Technological innovations are driven by economic priorities and profitability, not by their potential benefits to societies and the environment. The patterns of transformation that characterise innovation processes – in food systems and elsewhere – are random and can lead to both desirable and less desirable outcomes. An example of a desirable outcome is when the Green Revolution helped reduce famine in the poorest countries of South Asia. A less desirable outcome, linked to the supermarketisation of food systems, is the disappearance of street vendors on which poor urban consumers (especially in slums) depend for their food security.

In fact, the food systems we see today, with all of their strengths but also their weaknesses – such as the increase in type 2 diabetes, high and rising prevalence of obesity among children and adults, and contributions to climate change – are a result of the last 50 years of technological innovation. In other words, the processes that drive food systems transformation lack the purposive dimension that is necessary to ensure that innovations in food systems are not just economically viable but also are aligned with the societal goal of sustainability.

The market, left alone, is blind to sustainability.

A second reason to doubt whether the Great Transformation will actually come about is the requirement it brings for more than just a few easy innovations. Positive changes that can counter or reverse the 'negative' changes that will occur anyway need to happen at all levels and in all subsectors of food systems, from seed selection to agrochemical production, transport, processing, retailing, marketing, consumption, waste management and so forth. We are talking about the need for a substantial number of innovations, all working together and all pushing the system in one direction. Some might argue that it is unreasonable to expect this perfect (positive) storm to ever happen. We can't blame them for being sceptical.

In sum, it may be an exaggeration to state that food systems are stuck in their current status quo and that nothing will change. But it is equally naïve and perhaps even more dangerous to expect changes that will magically make all problems disappear and nudge food systems in the direction needed for sustainability. Like Mike Huckabee, former governor of the US state of Arkansas, stated a few years ago, "It is important that well-meaning critics understand that food companies are not focused on making people fat; they are focused on making money." This is exactly my point. The market, left alone, is blind to sustainability.

About the author

Christophe Béné is a Senior Researcher at the International Center for Tropical Agriculture (CIAT) based in Cali. Colombia. He has 20+ years of experience in interdisciplinary research and advisory work in Africa, Asia and the Pacific, focused on poverty alleviation, food security and low-income countries' economic development.

Website Twitter

With the right investments, we can transform food systems

Sara Mbago-Bhunu

Director of the Eastern and Southern Africa Division of the International Fund for Agricultural Development

Food systems can reduce inequality and sustain livelihoods for millions of people, but only if we produce food within our planet's boundaries, make the right investments and create an inclusive and enabling environment for small-scale farmers in the agricultural sector.

A triple crisis

The world is currently facing a triple crisis of hunger, climate change and energy access. Hunger has been rising for several years. In 2020 alone, 768 million people went to bed hungry. The situation was already dire before the COVID-19 pandemic, due to conflict and climate change. The additional stress of the global health emergency has magnified the vulnerability of our food systems and pushed millions more into hunger.

The majority of small-scale farmers in Africa rely on rainfed production, despite low levels of productivity. The devastating impact of climate change on these producers' activities is a growing concern globally. As weather conditions become more variable and droughts, floods and cyclones grow increasingly frequent, farmers are less and less assured of a harvest. In addition, the environmental footprint of agriculture, and food systems more broadly, is now an urgent concern.

Energy access for all

There has been progress in the energy sector, especially in the domain of renewables. However, the goal of energy access for all remains elusive. In sub-Saharan Africa, 570 million people lack electricity, and 900 million people lack access to clean cooking facilities (IREA 2021). Challenges related to the energy sector cost Africa an estimated 2-4 percent of its annual gross domestic product (GDP). This undermines sustainable economic growth, job creation, investments, well-being and health.

Resetting agrifood systems

Traditionally, investments in agriculture have been driven mainly by public and bilateral actors. Over the last decade, we have seen substantial change in the sustainable development finance landscape. There are more types of financing instruments available. We now have crowdfunding, bonds, loans, guarantee schemes, equity schemes, challenge funds, grants, incubators, accelerators, carbon markets and payment for environmental services.

These days, there is also a wider range of investors funding agriculture, including multilateral and international financial institutions, the private sector, impact investors and philanthropists. The private sector plays a dual role in the agrifood system: as an investor

and as an operator. Private sector actors manage the bulk of storage facilities, warehouses, cold chains and logistics. These are key in facilitating the movement of products from farms to markets. As an investor, the private sector provides some US $15 billion annually for the Global South. This finance can de-risk investments in agricultural innovation and make sustainable development finance more accessible to small-scale farmers.

> **The United Nations Food Systems Summit and COP26 need to define game-changing solutions that are action-oriented and enable us to produce food within planetary boundaries.**

The COVID-19 pandemic has demonstrated the vulnerability of our food systems to disruptions of supply and distribution chains, closures of markets and the emergence of transboundary pests and diseases. The pandemic has underscored how constrained the agricultural sector remains by the agency limited capital available to it. It also offers investors in the sector an opportunity to redefine how, in what and where they invest.

The way forward

There are several paths forward to take advantage of the opportunity in front of us and reset food systems.

- Forge and leverage partnerships. Transforming food systems can only be done through partnerships. We need to bring together different investors, including small-scale farmers. This helps us to "crowd in" investments and come up with the blend of finance required to fund national research systems and de-risk private investment, especially for local investors.
- Redefine parameters for investment decisions. Investors make investment decisions based on parameters such as time to impact, scalability, additionality, sustainability, country context, cost-benefit and risk management. Unfortunately, only 7 per cent of investments in innovation for sustainable agriculture intensification include environmental and social objectives. This harms our food systems. By including such parameters, we can ensure that investments in food systems are inclusive, create jobs and incentivise communities to safeguard biodiversity.
- Redefine areas for investment. Most investments in agriculture focus on seeds and technologies as the key pathway to increasing productivity for small-scale farmers. Unfortunately, with the adverse effects of climate change, these investments will fall short. Financiers, therefore, need to broaden their investment focus, to include areas like water use efficiency, renewable energy and land-use patterns, to safeguard and promote nature-positive outcomes.

Call to action

Agriculture and food systems have the potential to lift millions of people out of poverty. But our current food systems are failing us. We need to transform them, to create decent jobs and provide inclusive and equitable livelihoods. With concerted action, we can reset food systems to make healthy diets affordable to the people who work within food systems and agriculture.
To achieve this, the upcoming United Nations Food Systems Summit and COP26 need to define game-changing solutions that are action-oriented and that enable us to produce food within planetary boundaries. For Africa, we need to localise food systems and rebalance agency in them, putting the voices of small-scale farmers at the heart of the transformation and regoverning markets to ensure decent jobs in readiness for the Africa Continental Free Trade Area.

About the author

Sara Mbago-Bhunu is the Director of the Eastern and Southern Africa Division of the International Fund for Agricultural Development (IFAD). Mbago-Bhunu holds a Masters in Business Administration from Maastricht School of Management, and a BSc in Agricultural Economics from the University of Reading, UK.

Website Twitter

Climate banks can spur a green transition in this make-or-break decade

Nancy Saich

Chief Climate Change Expert,
European Investment Bank

Green transition, green deals, Paris alignment and sustainable finance all amount to the same thing: financing more of what solves the problems we are facing, financing less of what causes the problems, and making sure we do this in a socially inclusive way.

We underestimate the climate danger ahead and how fast it's approaching. Climate change threatens all of the systems we take for granted, such as weather, food, water, transport and finance. We need to make major changes before 2030. Otherwise, we dramatically increase the risk of "runaway" climate change scenarios. Recovery from the COVID-19 pandemic can bring opportunities. We can make the green transition a key part of building back better.

A new green deal for every country

Climate action is at the heart of the new European Green Deal. This is an ambitious package of measures to cut EU greenhouse gas emissions by 55% by 2030, to reach carbon neutrality by 2050, invest in cutting-edge research and innovation, adapt to climate change and preserve the environment.

The European Green Deal has a major international component. That means the European Investment Bank (EIB), as the EU's "climate bank" and the largest global multilateral development bank, needs to lead on climate change mitigation and adaptation in its financing and advisory services throughout the world. As with the pandemic vaccination response, if we don't support all countries, we will never meet the Paris Agreement goals. Internationally, we at the EIB aim to help all our client countries increase their climate action and environmental sustainability, as well as work towards the Sustainable Development Goals (SDGs). The EU and EIB together represent the biggest contributor of climate finance to developing countries, providing more than €20 billion annually in recent years. But financing clean, green investments is not enough if we carry on financing business as usual in other sectors. This is where article 2.1.c of the Paris Agreement comes in. It's about "Paris alignment"

The EIB finances billions of euros in climate and environment projects. If we are not helping all of our clients transition to greener, more resilient societies, we are not doing our job as a public bank. Public banks

must lead by example. We have to align all our finance flows with the goals of the Paris Agreement, while also delivering finance for the SDGs. We have to partner with private finance to drive a deeper and more urgent greening of the financial system.

At the EIB, we have committed in 2019 to align all of our financing activities with the principles and goals of the Paris Agreement. We spent the following year working hard to put in place our Climate Bank Roadmap, laying out how we will do this. Now we are implementing that roadmap and sharing our experiences within the group of multilateral development banks, working together on Paris alignment based on our "Six Building Blocks" framework.

We also launched the EIB climate risk assessment system in 2019, to screen new projects for climate change risks. This is a big job because we sign €65 billion to €70 billion in new loans each year. But it's a key aspect of Paris alignment, as is our commitment to stop financing unabated fossil fuel power.

We need to work harder

We have set a new green target: for climate action and environmental sustainability to exceed 50% of total EIB finance by 2025. That applies globally, but we want to make extra efforts in Africa. In 2020, in Africa we signed nearly €4 billion in own-resource loans, 27% of which went to specific climate action investments. Our work across the African continent helps thousands of small businesses, encourages women to start companies, brings safe water to millions of people and improves mobile connections and public transport.

But we need to do much more, in particular on adaptation around the world. We are therefore preparing an ambitious adaptation plan that will be launched at COP26 in November. We know that climate change impacts are accelerating. But developing adaptation projects is difficult because the best way to adapt is location-specific. Good adaptation involves introducing climate data analysis into the planning cycle as early as possible. This builds resilience not just into the project, but also into the system that the project is part of.

We have to help our clients with that challenge. To do that we need to identify and put in place specific facilities, advisory services and funding for adaptation.

There is no time to waste

This summer, we saw catastrophic floods across several European countries and China. Extreme heat, drought and worsening extreme weather are striking many parts of the world, including vulnerable least-developed countries and small island developing states.

More climate projects and better quality

Many developing countries need extra help in planning projects and accessing climate finance. The City Climate Finance Gap Fund launched in September 2020, for example, helps urban areas in Africa and around the world receive free technical assistance to prepare urban climate projects. So far, the Gap Fund has worked with 15 developing country cities to prioritise and prepare urban climate investments. The goals of the Gap Fund, supported by Germany and Luxembourg, are to accelerate investments and enhance long-term project quality, considering the fast speed of urban population growth in developing countries.

> **If we are not helping all of our clients transition to greener, more resilient societies, we are not doing our job as a public bank.**

In Africa, there are few financial resources for managing climate impacts, whether in the domain of agriculture or infrastructure. I would like to see a lot more effort going to provide financial resources and technical assistance to address these problems – not only to develop plans for adaptation at the country, regional and city levels but to move from plans to bankable projects. This requires further assistance. It is exactly this "gap" that the GAP Fund addresses. We need to create a lot more initiatives like that.

One advantage of the developing world is that it is not locked into old industrial technologies for energy and transport. These countries urgently need power and transport, as well as economic growth. It is therefore

The European Investment Bank helped fund a large wind power park in Lake Turkana, northern Kenya.
Photo supplied by author.

key that our funding helps countries leapfrog quickly to modern low-carbon solutions.

Bringing electricity to many parts of Africa is a huge challenge. It will take billions of euros and many years to electrify the whole continent. While we are funding that, with a focus on renewable sources of power, we must also deliver off-grid renewable power and storage solutions. This means installing solar parks in cities and rural areas, as well as offering solar kits for homes, businesses and schools. Big change happens even with a small amount of power to run lights for a business or community. Businesses can stay open later, children can do schoolwork in the evening and people can charge a phone easily, giving them access to mobile payments and online banking.

My hope for COP26

Right now we are already in the make-or-break decade for climate change. What I hope to see at COP26 is clear and ambitious 2030 greenhouse gas reduction targets from countries and the public and private finance sector. These are needed to strengthen the many "net-zero" longer-term commitments. If we don't get this decade right, "net-zero" will come too late. We can do it, but we have to look the problem in the eye and act now.

About the author

Nancy Saich is Chief Climate Change Expert at the European Investment Bank.

Website Twitter

The key to effective climate adaptation in Africa

Anthony Nyong

Regional Director Africa at the Global Center on Adaptation

The Global Center on Adaptation (GCA) is driving Africa's adaptation in agriculture, infrastructure, youth entrepreneurship and job creation, and climate finance. With endorsement of the African continent, GCA's solutions provide value for money for the $100 billion climate finance that must be delivered by COP26.

You have been Regional Director for GCA Africa since early this year. What are GCA Africa's objectives and next steps when it comes to climate adaptation?
The GCA is the only global organisation that has the support of Heads of State from the OECD, Africa and other regions and focuses solely on the climate adaptation and resilience agenda.

We deliver action on the ground, at scale, through the mobilisation of finance and the implementation of innovative programmes for adaptation. Our work focuses on supporting the most vulnerable to adapt to climate impacts. GCA therefore prioritises Africa, where the demand for adaptation and resilience is high. We work with amongst others the African Development Bank (AfDB) on the jointly developed Africa Adaptation Acceleration Program (AAAP). That programme aims to mobilise US $25 billion to drive adaptation, focusing on four key areas: climate-smart digital tools for agriculture and food security; resilient infrastructure; youth empowerment and job creation; and climate finance.
The AAAP links demand with promising and successful initiatives, scaling up what works to drive Africa's economic development in ways that are inclusive, climate-resilient and sustainable. We support the design of projects to strengthen adaptation and resilience building, for instance by multilateral development banks. We aim to work with and for all African countries, partnering with the African Union Commission, the public and private sector, knowledge institutes, civil society and key development partners.

A recent GCA study on adaptation finance in the context of COVID-19 reported a reversal of the decade-long trend of increasing adaptation finance for developing countries. What do you see as the best way forward to close the adaptation finance gap amid the global crisis?
Even prior to COVID-19, global attention had always skewed towards mitigation, taking up over 90% of the resources, with less than 10% going to adaptation. It is important to focus more global attention on adaptation and demonstrate political will to finance adaptation.
The COVID-19 crisis has further constrained climate adaptation. Rising government debt has complicated domestic resource mobilisation, and global climate finance decreased by 10% in 2020. As a result, climate impacts far outpace adaptation action. To break with this trend, adaptation must be mainstreamed in COVID-19 recovery plans, and in development agendas, leveraging the triple dividend of responding to the health crisis,

driving Africa's economic development and building climate-resilient societies.

It is generally estimated that about 75% of the resources needed to combat climate change will come from the private sector. Innovative financial instruments are needed to support micro-, small- and medium-sized enterprises and larger players. Resilience bonds or de-risking instruments, and enhanced ease of doing business, are crucial to mobilise the private sector. Let us not forget that developed countries also have a key responsibility: they still have not met the $100 billion financial support committed to in the Paris Agreement, of which 50% is to be allocated to adaptation. This commitment can and must be met.

Also, the plan of the International Monetary Fund to issue $650 billion in new Special Drawing Rights (SDRs) to boost global reserves and liquidity will be enormously helpful to increase the fiscal space to plan and spend on adaptation. It would be even more helpful if developed countries agreed to allocate a significant share of their own SDRs, especially to the more vulnerable developing countries. By expanding fiscal space, the SDRs can make a big push on climate finance, and a bigger push for climate adaptation.

> European countries are increasingly understanding that Africa cannot and should not bear the burden from the climate impacts it faces alone.

Your current position at GCA is a secondment from your position at the AfDB where you served as the Director of Climate Change and Green Growth. The AfDB is the climate adaptation champion among the MDBs. Two-thirds of its climate finance goes to adaptation, compared to about 10% for the European Investment Bank. What lessons can be learned from the AfDB on creating attractive investment for adaptation?

For Africa, a low-emitting continent, the main priority is adaptation. The African Development Bank is supporting many mitigation initiatives, but aligning to expressed needs, it has focused on adaptation. This remains a challenge: designing and implementing adaptation projects is less straightforward than most mitigation projects. Securing funds for adaptation is also complicated. The AfDB, as well as the GCA, works to defy these complications. Importantly, it focuses on changing the narrative on adaptation from being a public good to being simply smart economics: the benefit-cost ratio for adaptation and resilience projects is quite good, ranging from 4:1 to above 10:1. Designing adaptation interventions to bring out these benefits and giving resilience value is essential to attract private sector investors. The AfDB is doing this, encouraging impact investors in the adaptation and resilience space.

The African Development Bank is also supporting public sector investments while countries are facing the COVID-19 crisis. At the onset of the COVID-19 pandemic, the AfDB set up a $10 billion COVID-19 response facility to support African countries to flatten the COVID-19 incidence curve. The AfDB also launched a $3.5 billion COVID-19 social bond. By carefully mainstreaming adaptation into these responses, they are supporting African countries to chart a stronger and climate-resilient recovery pathway, thereby mobilising available and additional finance for adaptation.

In African countries, adaptation in agriculture and food systems is crucial, since the majority of people is dependent on rainfed agriculture. But science shows that crop yields will decrease tremendously due to climate impacts. What is your advice on the key steps that African countries, which are so dependent on agriculture, should take to better adapt their agri-food systems to climate impacts?

Agriculture is a crucial sector in Africa's economies and in climate adaptation. Today, over 50% of Africa's population is food insecure. Some 280 million Africans are malnourished. If no action is taken, climate impacts will lead to overall yield reductions of up to 30% by 2050, while extreme weather events will result in higher post-harvest quality and quantity losses. Evidently, adapting agri-food systems is needed. This requires a holistic approach, looking not only at production but also at markets, policies and transportation. At the farm level, it requires supporting Africa's 250 million smallholders, of which 40% are women, as they are most at risk of climate change impacts.

Luckily, adaptation solutions exist. Drought or heat resistant crops have already raised the productivity and income security of millions of African farmers. So have digital solutions such as weather, climate and market information, advice, and access to insurances. As of now, over 400 digital agriculture solutions are said to have

helped an estimated 32 million African farmers increase their yields by between 40-70%. Having the potential to reach many, also those in remote areas, in efficient and targeted ways, it is crucial to scale these solutions up. To do so effectively, basic weather observation stations must be established and the capacity to transform this into usable information must be improved. Today, 70% of Africa's infrastructure is yet to be built. To reduce post-harvest losses, enhance urban food security and increase farmers' income, the development of more and resilient infrastructure is also essential.

Photo: Drazen Zigic/Istock

GCA is headquartered in the Netherlands, and its mandate is to push strongly for more effective adaptation in developing countries. However, "adaptation" – and especially adaptation finance – has been a contentious topic between Europe and Africa. Now, given the efforts of GCA and others, do you see potential for better cooperation between Europe and Africa on adaptation, for example, in the run-up to COP26?

Europe is being devastated by floods and the region understands the need for adaptation and resilience. I do not see any conflicting interests between Europe and Africa on adaptation. As a matter of fact, Europe is Africa's strongest supporter of the fight against climate change. However, a lot more is needed. European countries are increasingly understanding that Africa cannot and should not bear the burden from the climate impacts it faces alone. Africa's adaptation is an increasing priority in European development strategies. However, plans do not yet align with actions and figures: Africa only received 3% of global climate finance. This cannot be acceptable. If we want to achieve the SDGs, and not reverse the progress we already made towards achieving them, this figure must change drastically. As the knowledge and solutions are available, there are no longer excuses not to act.

COP26 provides a key moment and platform to change course, to ensure that large parts of the committed $100 billion will be channelled to Africa for adaptation. As GCA has the adaptation solutions Africa needs, I am hoping to see a significant increase in support to GCA to tackle adaptation, especially through the AAAP.

You were also a coordinating lead author for the Intergovernmental Panel on Climate Change (IPCC) 4th Assessment Report. Knowing very well the possible negative impacts of climate change on the African continent, what are you hoping to see as a result from the upcoming COP26?

Africa and its adaptation challenges are still not sufficiently taken seriously. It is estimated that climate change will cost Africa about $50 billion per year by 2040 if concerted actions are not taken now. This has global implications. At COP26, more support must be provided, and more room must be given to African countries and stakeholders to lead the adaptation agenda and discussions. The yearly $100 billion committed by developed countries to support developing countries should have commenced last year and did not have to wait for COP26 – it was not tied to COP at the time of pledging. These resources must become available and be spent in the most effective, sustainable and equitable ways.

For that, specific actions and solutions are needed that meet the scale of the demand and ambitions. The AAAP is a vehicle that can be used as a fit-for-purpose mechanism to accelerate adaptation. GCA stands ready to support African countries and global partners to safeguard African societies and realise the Nationally Determined Contributions and National Adaptation Plans. We have the solutions that work and we are bringing together the key actors needed to implement them at the required scale. GCA will come to COP26 showing clear progress on the implementation of the AAAP, and we aim to leave COP26 with additional partnerships and collaborations to drive the implementation of the AAAP and further realise its goal to mobilise $25 billion by 2025 for the continent.

About Professor Nyong

Before his appointment at GCA, Professor Nyong served as Director of Climate Change and Green Growth at the African Development Bank and has over 30 years of experience in environmental and natural resources management, renewable energy and green growth. Mr. Nyong holds a Ph.D. in Geography from McMaster University, Canada. He was also named among the top 20 of the 100 most Influential People in Climate Policy 2019 by Apolitical.

Website Twitter

Financing the EU Green Deal: Putting Africa and adaptation higher on the agenda

Mariella Di Ciommo and Pamella Eunice Ahairwe

Policy Officers, ECDPM

The success of the European Green Deal depends on how it is translated internationally. The EU has the opportunity to raise the bar on adaptation financing and support for the most vulnerable, particularly in Africa.

The European Green Deal beyond EU borders

The EU is trying to position itself as a leader in combating climate change through its flagship European Green Deal. Despite the Green Deal being primarily a domestic plan, its success depends on Europe's ability to support partner countries in their transitions towards a more sustainable future. As part of the Green Deal, the EU penned an adaptation strategy that, for the first time, introduces an international component.

The document recognises the strategic value of international climate resilience to Europe. It presents adaptation as a "crosscutting element in the EU's and member states' external action, spanning international cooperation, migration, trade, agriculture and security". Interestingly, the strategy focuses on Africa, small island developing states (SIDS), least-developed countries (LDCs), and fragile and climate-vulnerable contexts. It also says that the EU will employ its external financing to support adaptation in these geographies.

Adaptation features in Africa's latest green recovery plan

African governments and financial institutions have increasingly prioritised climate change, especially adaptation. For example, in 2020, the African Development Bank invested about 62% (US $1.3 billion) of its climate finance in adaptation and 38% ($785 million) in mitigation. Though mitigation is important, adaptation is Africa's greater need. Overall, developing countries have an adaptation funding gap of estimated $70 billion annually, with African countries among those expected to suffer the highest losses from climate change.

The African Union's (AU) Green Recovery Action Plan 2021-2027 puts adaptation and resilience high on the agenda, especially as part of its climate-resilient agriculture and clean and resilient cities priorities. The plan notes that "COVID-19 does not change the urgency of addressing African (and broader) environmental challenges, but it has accelerated decision points

that could have substantial impacts". The AU highly encourages member countries to adopt the necessary post-COVID-19 recovery programmes that integrate solutions to Africa's environmental challenges with promoting public health and prosperity.

The AU Green Recovery Action Plan, together with the Nationally Determined Contributions (NDCs) and National Adaptation Plans (NAPs), provide the EU with some direction on how to better work with African countries on climate. EU financing will yield greater outcomes if it embraces partnerships and builds strong synergies across regional and national action within Africa.

Opportunities for EU adaptation financing in Africa

The EU adaptation strategy aims to increase EU funding for adaptation and mobilise additional financing through member-states and other bilateral channels. To achieve this goal, the EU must harness all opportunities offered by the current EU financing architecture for development. Notably, the Neighbourhood Development and International Cooperation Instrument - Global Europe (NDICI-Global Europe), which is the principal instrument for EU external financing, focuses strongly on Africa. Of its €79.5 billion total, it allocates €29.2 billion to sub-Saharan Africa and €19.3 billion to the Neighbourhood (including the Southern Neighbourhood).

These figures mean that the EU's climate and environmental action in Africa will need to make a substantial contribution to achieve the commitment of spending 30% of EU external financing on climate change and the environment. That target applies to the whole EU budget, as does the principle of aligning all financing with the Paris Agreement and the "do no harm" principle.

> **EU financing will yield greater outcomes if it embraces partnerships and builds strong synergies across regional and national action within Africa**

The NDICI-Global Europe also includes the External Action Guarantee (EAG) and the European Fund for Sustainable Development Plus (EFSD+). In line with the EU adaptation strategy, the European Commission intends to use the EFSD+ to leverage additional resources from private and public sources, including EU member states, to further support adaptation among SIDS and LDCs. However, striking a better balance between mitigation and adaptation financing and increasing support for poorer and more fragile contexts are two of the biggest challenges ahead.

Increasing EU funding for adaptation and LDCs

The European Commission has traditionally maintained a good record on adaptation financing, though wider EU financing has performed less well. In 2020, just 23% of European Investment Bank (EIB) investments (US $740 million) went to climate adaptation, versus the much higher share of 77% ($2.5 billion) that went to climate mitigation in low and middle-income countries. Similarly, the European Bank for Reconstruction and Development (EBRD) invested about 21% ($481 million) of its total climate finance in adaptation, relative to the 79% ($1.8 billion) invested in mitigation. Both institutions will play a crucial role in delivering on the external objectives of the European Green Deal and have raised their climate ambitions accordingly. While interest in adaptation financing is growing, shifting resources requires European financing institutions for development to evolve their portfolios to include adaptation projects. Typically, these offer less appealing returns, longer time horizons and less certain risk profiles than mitigation actions. Still, the requirement for these actors to better align their activities with EU priorities is high. Opportunities could lie, for example, in the financing of resilient infrastructure. Use of de-risking mechanisms, such as guarantees, technical assistance and better risk assessments can also help.

To scale up financing for the countries most in need, and overcome some of the bottlenecks, the programming of EU external resources needs to be more centred on national priorities – and on country adaptation plans. In parallel, European actors need to cooperate more decisively to mobilise low-cost climate adaptation

finance, especially for SIDS, LDCs and other climate-vulnerable countries, including through the EFSD+. The European Commission has a better track record in financing LDCs than other European actors. Still, following a global trend, most of European climate financing goes to MICs.

Strengthening a climate justice approach

There is space for the EU to integrate a climate justice approach into its external action. Looking ahead, the integration of such a perspective into climate change interventions would raise their impact, while aligning with the SDGs and the commitment to leave no one behind. It would also raise the EU's credibility as a leading climate actor. In Africa, this could translate into a focus on vulnerable groups, including youth and women, many of whom work in subsistence agriculture and have been heavily affected by COVID-19 and the associated lockdowns.

There are policy and political opportunities to keep the bar of ambition high and make deeds follow words at the implementation point. The EU-Africa Summit and COP26 are two key moments ahead to embrace strong partnerships between the EU and Africa for a better green transition and to scale up ambitions for financing adaptation in Africa. Still, the ongoing collaboration that will take place afterwards may matter even more in the end. Climate features strongly among African and EU priorities, including Team Europe initiatives.

These flagship collaborations, which involve the EU institutions, EU member states and EU financing institutions, can lend visibility and impact to EU external action. Ensuring that adaptation and climate justice are part and parcel of EU external action, in EU programming documents and in subsequent annual action plans will be crucial. Such policy level priorities also need to be embraced in the financing choices of the implementing partners — EU financial institutions such as EIB and EBRD, especially through increased investments in adaptation. Similarly, working closer with country stakeholders and the intention to support national plans will be as important.

About the authors

Mariella Di Ciommo and Pamella Eunice Ahairwe work at ECDPM as Policy Officers, respectively in the European External Affairs programme and in the Trade, Investment and Finance programme.

Website

Twitter

cascades

Cascading climate risks:
Towards adaptive and resilient European Societies

How ECDPM contributes to work on cascading climate impacts

ECDPM is one of the eleven partners of the interdisciplinary CASCADES project, funded by the EU's Horizon2020 Programme. CASCADES will analyse the cross-border impacts of climate change for Europe, identify critical risks and explore potential solutions. The CASCADES project is coordinated by the Potsdam Institute for Climate Impact Research (PIK).

ECDPM's contributions focus on the development, security and foreign policy implications of climate change outside of Europe. We will formulate recommendations on how European policies can address these risks coherently, analyse how European climate finance is affected by climate change, and advise on how these institutions can build resilience to climate risks.

An important part of our work will take place in regions that are key to European foreign policy, such as the Western Sahel and North Africa.

Cascading climate impacts in a nutshell

Impacts of climate change - such as droughts, floods, wildfires and sea-level rise - can have knock-on effects that cross borders and continents. These effects can escalate through security relations, international trade, financial markets, international aid operations or migration. They are called 'cascading climate impacts'. In our work, we look at the risks of cross-border and cascading climate change impacts, and possible mitigation and adaptation efforts.

To learn more about CASCADES watch the video:

Our recent work for CASCADES

- A publication on *Climate change and resilience In the central Sahel.*
- A publication and video on *Climate change and security in North Africa.*
- A publication and video on *Climate risks in Tunisia: Challenges to adaptation in the agri-food system.*
- A publication on *preserving oasis agriculture in Gabès, Tunisia.*

ECDPM, as part of CASCADES and one of the co-champions of the European Climate Change Adaptation Conference (ECCA2021), will be present during COP26! Stay tuned for our side-event "Adaptation in the EU and in Africa: lessons learned and perspectives for stronger cooperation" in the *EU Pavillion*, co-organised with ECCA2021, NEPAD, UNDP, NAP GLobal Network, supported by AfD. For more CASCADES events during the COP26, visit our CASCADES events webpage.

ECDPM commentaries

Our hopes for the UN Food Systems Summit
Sean Woolfrey, Cecilia D'Alessandro, Paulina Bizzotto Molina and Hanne Knaepen, 20 September 2021

The UN Food Systems Summit is taking place on Thursday. It represents the culmination of an 18-month global process that has brought together UN member states, food producers, researchers, civil society representatives and private companies to explore solutions to the many social, economic and environmental challenges afflicting the world's food systems.

Power, politics and inclusion in food systems: The case of Sudan
Paulina Bizzotto Molina, ECDPM commentary, 5 July 2021

There is an emerging consensus that our food systems need to change to provide healthier diets within planetary boundaries. There has been no shortage of potentially game-changing solutions proposed by the international community, but well-intended policies will fail if they don't take into account power dynamics at a local level. Instead, they could push marginalised groups further into poverty, cause costly enforcement because they lack legitimacy, or block change because of vested interests.

The beauty contest is over: High time to reform the European financial architecture for development
San Bilal, ECDPM commentary, 21 June 2021

In June, the Council of the European Union (EU) finally adopted long-awaited conclusions to set clear directions on how to enhance the European financial architecture for development (EFAD).

Mandatory environmental due diligence: What is exactly expected of companies?
Valentina Bolognesi and Katrin Recke, guest commentary, 14 June 2021

In April 2020, EU justice commissioner Didier Reynders announced that the European Commission was preparing sustainable corporate governance legislation that would require companies operating in the EU to carry out human rights and environmental due diligence.

Africa Day: The AU's role in African and global affairs – Part 1 & 2
Philomena Apiko, Lidet Tadesse, Martin Ronceray et al, 21 & 31 May 2021

For Africa Day 2021, commemorating the founding of the African Union (AU)'s predecessor, the Organisation of African Unity (OAU), we asked our team working on African institutions and regional dynamics to share their thoughts on key processes shaping the AU's role in African and global affairs.

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