

Concept note and agenda for EMPLOYMENT Seminar No. 40

Maximising green in the industrialisation path of African countries

Thursday, 19 May 2022

14:30 to 15:30 CEST

Background:

African countries face an existential dilemma: how to advance their economic transformation and industrialisation paths while being responsive to required climate change action. In the current climate debate, however, there has been little talk of how to link these efforts in a win-win way. Africa contributes the least to the climate crisis (in terms of cumulative greenhouse gas (GHG) emissions compared to other continents), but it needs the most economic development and support on job creation. For both African development and action on climate change to be successful, the global response needs to embrace Africa's industrialisation potential in all its forms while supporting the continent's low-carbon transition as much as possible.

Many industrial products and sectors that are fundamental to industrialisation are high contributors to greenhouse gas emissions. These include steel, cement, aluminium, plastics and ammonia, plus sectors such as food and beverage, textiles and apparel, chemical industries, and electronics and electrical equipment. For these sectors, pathways to a zero-carbon transition remain unclear due to the lack of availability of green technologies and solutions or their comparatively high pricing compared to traditional solutions, which leads to a high green premium.

New technologies and solutions are expensive and challenging in any part of the world, with a high risk of failure and a long-term vision needed for success. Applying them in African nations may prove to be additionally complex and require tailored support.

It is essential for African countries to find a realistic and pragmatic balance between following their industrialisation and development paths and their climate goals, with support from high-income countries (HICs). Green industrialisation aims to decouple economic growth from negative environmental externalities by maximising the application of clean energy, sustainable inputs and green-production technologies. In the African context, green industrialisation should mean strengthening the industrialisation path that nations have embarked on, hence supporting local capabilities, while also maximising the application of sustainable technologies to accelerate the reduction of carbon footprints and help grow green industries where feasible.

The role of HICs in the gradual green industrialisation of African countries will be critical. They must be strategic and long-term partners to facilitate a realistic and pragmatic transition while aligning with the long-term visions of African countries for their own development. And they also need to guarantee technology transfer and capacity to African countries for new green tech, while bearing the green premiums for critical industrial products and sectors until more affordable technologies are available at scale – and until pathways for green industrialisation are realistic and affordable. It is essential that the global community ramp up its support for African countries to pursue a viable path for their economic transformation. It is also imperative that global climate action is sensitive to the biggest challenges and opportunities faced by African nations in this effort.

Objective of the seminar:

This seminar will present a view on the potential green industrialisation path in African countries and the role of green industrial policies in the continent and will present an overview of what this path could look like. It will also discuss the role of high-income countries in the gradual green industrialisation of African countries.

Participants

Chair: Sangheon Lee, Director, ILO/EMPLOYMENT

Presentation: Chema Triki – Head of Industrialisation – Africa Advisory – Tony Blair Institute for Global Change

Discussant : Maikel Lieuw-Kie-Song. Senior Technical Specialist. Employment Intensive Investment Programme. DEVINVEST Branch/EMPLOYMENT