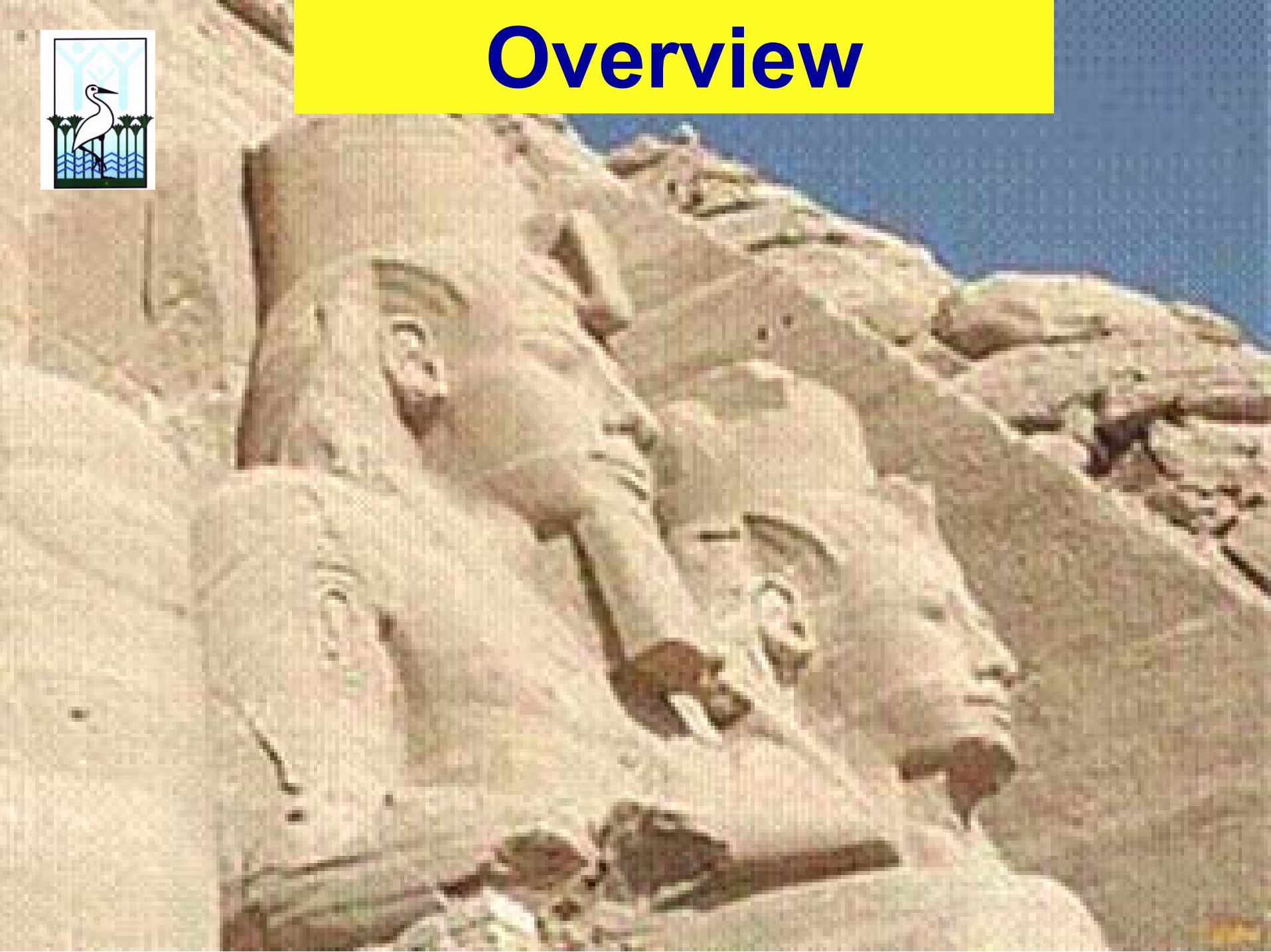


EEAA

Economic Diversification, Sustainable Development and climate change



Overview



Actions Needed To Be Taken



- **Support Integration of economic diversification into sustainable development.**
- **Providing support to develop structural and institutional capacity.**



Egyptian Environmental
Affairs Agency

Action needed by the convention



- Assistance in leveraging **needed financial** assistance through existing financial institutions (**GEF, SCCF, World Bank**).
- Foreign Direct Investment by the **Public and Private Sector**.

Proposed priorities for support



- Formulation of **National Adaptation Programme for Action** with appropriate emphasis on **strategies and action plans** for ED;
- **Technical** and **financial** support for the development of key infrastructure necessary for **economic activities**, as the countries concerned have **varying** level of development and ED, when a **country's income** falls below certain level.

- Technical support for the promotion of **inward** foreign direct **investment**, labor-intensive exports (**manufacturing** and **services**), competition, access to developed countries' markets and human resource



Proposed areas for support



- Technical support for **price** and **ownership reforms** in energy and associated industries;
- Studies and exchange of **past experience** of economic diversification and **lessons learnt**;



- Activities and projects that promote the **synergy** between **poverty reduction**, **adaptation** and economic diversification;
- **Capacity Building** to strengthen the structural and institutional capacity for ED.

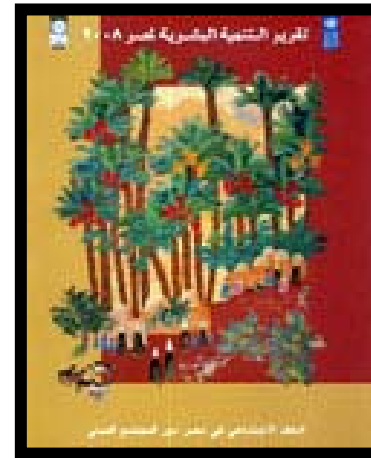


Conclusions



- In most **MENA** countries
Concentrating Solar Power will
provide the core of **electricity in 2050**
- **Wind energy** is a **major** resource in
Morocco, **Egypt** and Oman,

- **Geothermal power** is available in Turkey, Iran, Saudi Arabia and Yemen.
- **Major hydropower and biomass** resources are limited to **Egypt**, Iran, Iraq and Turkey.



Issues for Consideration



- **Integrating** sustainable development in diversification **strategies**.
- **Technical** assistance for diversification.
- **Encouraging** foreign and domestic private sector **investment**.

Sustainable Development in Diversification Strategies



- **Energy regimes** are an obvious area of focus: win-win-win. \$17 trillion in **new investment** needed **2004 -2030**. e.g, **development and dissemination of new energy-related technologies**
- **Strategies may, though, have nothing to do with energy, climate change.**
- **It is needed to be country-led, appropriate to circumstances.**

Encouraging foreign and Private Sector Investment



- Similar **challenges** to those faced in **fostering economic diversity**.
- Few analysts support **blanket-type** measures: focus on **quality** of investment, not **quantity**.
- **International investment** agreements only **useful** as part of broader **strategy**.

Thank you

