

The *Africa Group* Presentation at the Ad-hoc Technical Expert Group Meeting on the impacts of the implementation of response measures

The **impacts** of response measures on economic diversification & transformation in Africa in context of sustainable development

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Placement of Economic Diversification and Transformation in its **proper context** when discussing the impacts of the implementation of response measures on Africa ?

National versus International aspects of the impacts of the implementation of RM.

- ED & T is central to the African development process, how response measures impact this is of policy relevance and significance.
- For African economies and societies, economic diversification is crucial for pursuing inclusive growth, political stability and structural transformation.
- National and Regional approaches to ED & T differ.

Case studies and experiences on international aspects: **identify** and **quantify the impacts** of response measures on Africa achieving economic diversification, transformation and inclusive growth and development

1. Limited studies promoting systematic reviews on the range of measures taken by developed countries as parties to the UNFCCC and KP to reduce their green house gas emissions, in order to proactively identify impacts and quantify impacts of response measures on efforts to achieve economic diversification and transformation in African economies and societies.

2. There are very few if any detailed assessments of the cross border socio-economic impacts of these developed country measures on Africa , especially with respect to analyzing the systemic implications for Africa's sustainable development efforts to achieve economic diversification and transformation and inclusive growth.

3. Lack of detailed studies (assessments and analysis) with respect to the implementation, monitoring and verification of those provisions enjoining parties to consider the specific needs and interests of African countries by minimizing the impacts of response measures. Despite this most impact assessments of mitigation policies have been undertaken by developed country Parties as part of their policymaking processes, and the assessments have primarily focused on domestic impacts not cross –border impacts on Africa. Interesting to note from Secretariat paper, that whilst some developed country Parties have increasingly been carrying out assessments on the cross-border impacts of response measures these assessments are either limited to a qualitative approach, or, if a quantitative assessment is made, less comprehensive than an assessment of domestic impacts. More importantly where this information exists there is lack of transparency.

4. The limitations of exploratory dialogue and exchange of views on the actual and potential socio-economic impact of climate measures in that they are no longer helpful with respect to quantifying cross border impacts on Africa and planning for such. This deters building up of case studies.

5. Article 3.5 embodies the international aspects of RM and has implicit linkages to Economic Diversification and Transformation but the implementation of this Article is weak.

6. Response Measures of international organizations (ISO, ICAO, IMO) & Response Measures of the private sector especially impacting entire supply chains. Role of global and inter / intra-regional value chains in promoting ED & T in Africa?

7. No African country has undertaken comprehensive assessments of the impacts of developed country response measures. There have only been some limited scoping discussions (Ghana, South Africa) that have been done which are limited to an assessment (qualitative nature) to identify areas of impact on the economy (using GDP). Among other developing countries the emphasis on the fossil fuel sector dominates. However, there are many other impacts of policy –relevance (for example agriculture, waste, transportation) that should be investigated through assessments.

Priority issues of policy concern (non-exhaustive list) with respect to the international aspects of the impact of the implementation of response measures on economic diversification and transformation, inclusive growth and development:

a) “ Sustainable exploitation and management of Africa’s diversity for the benefit of its people” (AU Agenda 2063). What are the impacts of response measures especially with respect to blocking the potential for job creation, higher living standards and poverty reduction in Africa?

b) Considering the role that export development plays with respect to economic diversification and growth in Africa, what are the impacts of RM’s on FTA and preferential trade agreements that Africa is party to? How are RM’s impacting competitiveness of African exports to especially its main export markets and what are the related potential socio-economic impacts on GDP, employment and gender.

c) Comparative assessment of the response measures targeting divestment in coal and related infrastructure and response measures targeting divestment in oil and related products and industries: quantifying the implications for African structural transformation especially when green technology transfer and green investment facilitation remains low.

d) A study or assessment of response measures, (a) identifying and quantifying the socio-economic impacts of these response measures on Africa and (b) an analysis of the implications of the absence of finance, technology and capacity building to minimize those impacts identified and quantified. (c) Including a risk evaluation of the identified socio-economic impacts of the response measures, particularly the forms of security risks that could emerge for Africa, especially with respect to undermining efforts to secure economic diversification, transformation and inclusive growth.

e) The linkages between (a) the decision to address priority issues of concern to developing countries, particularly the impact of the implementation of response measures on the pursuit of economic diversification and transformation of African economies and societies and the (b) the decision to enhance climate technology development and transfer through the Technology Mechanism; with particular emphasis on identifying the role for technology in economic diversification and transformation in relation to the impacts of response measures; by elaborating on the linkages between the **Technology Needs Assessment** and **Economic Diversification and Transformation Needs Assessment**, including technology related to modelling and assessing impacts of response measures

f) Identification of the impacts of response measures on Africa's economic diversification and transformation objectives particularly those pertaining to the gender responsive objectives of economic diversification and inclusive growth.

Addressing the absence of African case studies on the international aspects of RM that **identify** and **quantify the impacts** of response measures on Africa achieving economic diversification, transformation and inclusive growth:

1. The Forum's work programme can support development of regional training programme on assessments and modelling, support for rolling out of an activities based action plan at national and regional level.
1. The TEG can do activities (for example coordinate and facilitate research on specific response measures notified) to address the technical barriers in the assessment and analysis of the impacts of the response measures.

Addressing the international aspects of RM : **identifying and quantify the minimization measures on the impacts** of response measures on Africa achieving economic diversification, transformation and inclusive growth:

1. Addressing issues of comparability and verifiability with respect to reporting on measures to minimize the impacts of response measures on developing countries particularly in respect to their efforts for achieving economic diversification, transformation and inclusive growth and development.
2. Cooperation with international organizations: for example briefings to the TEG and recommendations from the TEG with respect to linkages between their work and work in the TEG and the Forum on Response Measures