What’s next for the African continent?

Charting a path to ambitious climate action in 2023

CAT team
12 December 2022
www.climateactiontracker.org
Agenda

- Introductory remarks
- Fossil gas is not the answer
- Enabling the renewable energy transition in sub-Saharan Africa
- The importance of climate governance
- A Climate Action Tracker take on climate governance
- Q & A
FOSSIL GAS IS NOT THE ANSWER

Hanna Fekete, NewClimate Institute
Global demand for gas has to decline for 1.5°C, existing infrastructure more than enough

- Under Paris-compatible pathways:
  - **No new oil and gas fields** should be developed
  - Global gas demand should **already be declining**

- Existing LNG infrastructure already in 2030 **exceed needs** under 1.5°C scenarios

- Emissions of additional LNG infrastructure would cause ~40 GtCO₂ until 2050 - ~10% of remaining global CO₂ Budgets

**Source:** Massive gas expansion risks overtaking positive climate policies | Climate Action Tracker, 2022
Example: plans for German LNG import infrastructure oversized

- Planned German LNG terminals could import **50% more gas** than came from Russia before the invasion.

- Continued savings and securing imports of neighbouring countries would make those **LNG terminals redundant** also in the short term.

Source: [Pläne für deutsche Flüssigerdgas-Terminals sind massiv überdimensioniert | NewClimate Institute, 2022](www.climateactiontracker.org)
Major gas export & consumption expansion foreseen in Africa

- **Huge pipeline** of new gas extraction projects, pipelines, power plants & LNG facilities

- Countries with discovered gas have **plans to exploit reserves**

<table>
<thead>
<tr>
<th>AFRICA</th>
<th>Expansion of natural gas infrastructure and use</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gas extraction</strong></td>
<td>Operational</td>
</tr>
<tr>
<td>Number of projects/fields</td>
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<td>In Development</td>
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<tr>
<th>Pipelines</th>
<th>In Development</th>
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<tr>
<td>Thousand kilometres</td>
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<tr>
<th>Million tonnes per year</th>
<th>Operational</th>
<th>In Development</th>
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<tr>
<td>Liquefied Natural Gas (LNG) export capacity</td>
<td>74</td>
<td>60</td>
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<th>Million tonnes per year</th>
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<tr>
<td>Liquefied Natural Gas (LNG) import capacity</td>
<td>20</td>
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<tr>
<th>Power plant capacity</th>
<th>In Development</th>
<th>Operational</th>
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<tr>
<td>Gigawatt</td>
<td>37</td>
<td>55</td>
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Natural gas infrastructure in operation and development in Africa. Note that gas extraction includes fields for gas production only. There are additional projects in operation and development with co-production of oil and gas. Source: [Natural gas in Africa - May 2022 (climateactiontracker.org)](https://www.climateactiontracker.org), based on data from Global Energy Monitor 2022
Egypt – example of benefits with increased renewable energy

- Scenarios with **high RE share** show higher employment

- **Additional benefits**, such as decreased air pollution and avoided stranded assets

Source: [Natural gas in Africa - May 2022 (climateactiontracker.org)](https://www.climateactiontracker.org)
ENABLING THE RENEWABLE ENERGY TRANSITION IN SUB-SAHARAN AFRICA

Deborah Ramalope, Climate Analytics
Sub-Saharan Africa at a crossroads in energy development

- Rapid growth in electricity generation is needed to overcome energy poverty and supply power for growing industry
- Unique opportunity
  - low level of incumbent fossil fuel infrastructure
  - large and growing demand for clean and affordable energy
- Abundant but underused renewable resources (60% of the world’s solar resources)

Source: Climate Analytics (2022). Renewable energy transition in sub-Saharan Africa
Fossil fuel investment prioritised

- Received only 1.7% of global investment in renewable energy
- Financial institutions & investors still prioritising fossil fuels over RE
- Investments in fossil fuels 6-7 times greater than in RE
- Promised climate finance required to fund the energy transition missing
- Despite viability, high perceived risks of RE investments in the region
  - Investors require a higher rate of return
  - Projects face high financing costs
  - Limited availability of long-term financing

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Implications for development

**Push for gas**
- Drive for new fossil gas developments in Africa
- Sold as opportunity for economic growth and to achieving goal of universal energy access

**Risks of continued support for fossil fuels**
- No new gas development needed in 1.5C compatible world
- Risk locking in high emissions, stranded assets
- Losing out on economic opportunity to invest in RE
- Debt and expensive fossil infrastructure
- Worsen poverty
- Increase dependency on international aid
RE development has multiple benefits for sub-Saharan Africa

• Reduced emissions
• More sustainable employment opportunities
• Reduce vulnerability to global fossil energy price shocks
• Economic growth through the development of other sectors and industries
• Improved health, security and livelihoods from reduced pollution
IMPORTANCE OF CLIMATE GOVERNANCE

Claire Stockwell, Climate Analytics
Importance of climate governance in delivering on targets
Climate governance country coverage

- Up-coming analysis
- Colombia

climateactiontracker.org/publications/climate-governance/
CAT Climate Governance Framework

Climate Governance Series
Assessment Framework

- Political commitment
- Institutional framework
- Policy processes
- Stakeholder engagement

Categories

- High level government leadership
- Quality of government decision making
- Effective coordination
- Knowledge infrastructure
- Paris-compatible emissions pathway
- Transparency framework
- Adequate resources
- Ratchet-up mechanism
- Level and scope
- Management of non-state actor interests
- Non-state actor interests & influence

Criteria

7 indicators 8 indicators 6 indicators 7 indicators

Indicators

https://climateactiontracker.org/publications/climate-governance/
CAT Climate Governance Framework

**Category**

- **Criteria**
  - A Paris-compatible emissions pathway
  - Transparency framework
  - Ratchet-up mechanism

- **Indicators**
  - Passage of comprehensive climate mitigation-related legislation
  - Pursuing a Paris-compatible decarbonisation pathway
  - Consideration of decarbonisation targets for near-term policy development and implementation

**Question**

Is there climate mitigation legislation in place and what authority does it possess?

- **Benchmarks**
  - 0 - There is currently no climate mitigation legislation in place.
  - 25 - Only a patchwork of laws and regulations exist.
  - 50 - Comprehensive climate mitigation legislation is under development or the legislation that does exist is not comprehensive.
  - 75 - Comprehensive climate mitigation legislation exists.
  - 100 - There is comprehensive climate mitigation legislation in place and the necessary legislative framework exists to enable emission reductions.
CLIMATE GOVERNANCE IN AFRICA

Koffi Koumassi, Climate Analytics
Country Profile: Rwanda overview

Highlight of main recommendations:

• Establish an inter-ministerial coordination mechanism with a clear mandate and designated member actors to enhance coordination between line ministries, and between central government and district governments

• Establish an expert advisory body to support transition-related policy development

• Develop a Long-Term Strategy (LTS), including a pathway to meet the country’s 2050 net zero CO₂ emissions goal

• Adopt a climate change law to enshrine the country’s NDC targets and 2050 net zero CO₂ emissions goals into law as well as outline its governance framework, especially around interministerial coordination

• Include consideration of a Just Transition and the promotion of green jobs into the policy development process
### Country Profile: Senegal overview

**Highlight of main recommendations:**

- **Strengthen the commitment of government officials from all relevant ministries to the transition,** especially the need to accelerate the uptake of renewable energy.

- **Strengthen the National Committee on Climate Change (COMNACC)** through addressing its long-standing operational constraints.

- **Establish a new, or mandate an existing, entity to provide transition related advice to the government.**

- **Continue with efforts to develop a long-term low carbon development strategy.**

- **Strengthen efforts to ensure a just transition for all by adopting a comprehensive strategy and by addressing the issues of those negatively affected by the needs of transition.**

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<td>Level and scope</td>
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<td>Management of non-state actor interests</td>
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<td>Just transition</td>
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Country Profile: Nigeria overview

Highlight of main recommendations:

- Strengthen leadership on the transition to a zero emission society across all sectors, particularly concerning linkages to other national priorities.

- Establish an authoritative institution, or mandate an existing institution to provide advice to the government on transition-related issues.

- Reconcile differences in ambition between the net zero target passed into law under the Climate Change Act and the overall and sectoral targets submitted in Nigeria’s LongTerm Vision to ensure short and medium-term planning is consistent with Nigeria’s long-term goals.

- Establish an authoritative institution, or mandate an existing institution to provide advice to the government on transition-related issues.
### Climate Governance in Sub-Saharan Africa

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<td><strong>South Africa (Oct 2020)</strong></td>
<td><strong>Political commitment</strong>&lt;br&gt;High-level government leadership&lt;br&gt;Quality of government decision making</td>
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<td><strong>Institutional framework</strong></td>
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| Ghana (Aug 2021)                      | **Political commitment**<br>High-level government leadership<br>Quality of government decision making |
| **Institutional framework**           | **Effective coordination**<br>Knowledge infrastructure<br>Adequate resources |
| **Policy processes**                  | **Paris-compatible emissions pathway<br>Transparency framework<br>Ratchet-up mechanism** |
| **Stakeholder engagement**            | **Level and scope<br>Just transition<br>Exogenous non-state interests and influence** |

| Kenya (Dec 2020)                      | **Political commitment**<br>High-level government leadership<br>Quality of government decision making |
| **Institutional framework**           | **Effective coordination**<br>Knowledge infrastructure<br>Adequate resources |
| **Policy processes**                  | **Paris-compatible emissions pathway<br>Transparency framework<br>Ratchet-up mechanism** |
| **Stakeholder engagement**            | **Level and scope<br>Management of non-state actor interests<br>Exogenous non-state interests and influence** |