

POLICY BRIEF No. 166

Moving Europe and Africa towards more common ground on climate and energy

By Alfonso Medinilla, Afaf Zarkik and Larabi Jaïdi

with contributions by John Asafu Adjaye, Nezha Alaoui M'hammdi, Karim Karaki, Koen Dekeyser and Hanne Knaepen

September 2023

COP27 reached a breakthrough agreement on a new loss and damage fund for vulnerable countries and opened the door for a review of the international financial architecture. Ahead of COP28 at the end of 2023, the AU-EU partnership can help drive global climate change and energy transition agendas forward. A fruitful collaboration between the two continents starts with the following:

- Africa and Europe must find common ground to maximise the benefits and minimise the costs of combating climate change and the green transition. Both must move from dogmatic positions on renewable energy and fossil fuels to focus on green transition business opportunities.
- Both continents must acknowledge, address and alleviate tensions between Europe and Africa over decarbonisation. Failure to do so will slow the progress of promoting a just energy transition in Africa.
- African and European representatives should avoid the trap of 'policy signalling' or ideal-type solutions but focus on delivering rapid results on climate finance, energy and industrialisation, as well as communicating more effectively on their progress.

Four priorities for a stronger partnership

Commitment, ambition, justice, and resilience are key to cement cooperation between Africa and Europe on climate and energy:

1. Keeping momentum for climate justice:



The EU's commitment to a "loss and damage" fund for vulnerable countries hit hard by climate disasters must be met. The United Nations Climate Change Conference COP27 agreement to provide "loss and damage" funding in November 2022 has created the opportunity for Europe and Africa to cooperate more closely. Progress must be shown at COP28 in November-December 2023.

2. Raising ambitions:



Momentum is building to reform the way global financial institutions support the world in moving towards net zero and help developing countries reach their sustainable development goals (SDGs). This includes tackling the debt burden of developing countries, particularly in Africa, reforming the World Bank and other Multilateral Development Banks (MDBs) and increasing investment in achieving the SDGs by 2030. The June 2023 Paris Summit for a new global financial pact presented a roadmap of reforms and reiterated these commitments. In order to maintain the momentum for this agenda, rapid progress will be needed in the second half of 2023.

3. Striving for Justice:



A "just energy transition" is critical. This includes acknowledging that Africa's energy transformation must go hand in hand with reduced poverty, hunger and inequality while fostering growth and development in Africa to achieve the ambitions of the SDGs. Striving for a just transition will ensure that those who suffer the most from climate change but contribute the least to emissions get financial support from countries that have contributed the most to creating the problem.

4. Securing Resilience:



More needs to be done and more needs to be spent on climate change resilience and adaptation. Africa is bearing the brunt of climate change. It suffers a disproportionate impact from extreme weather, ranging from droughts to floods, caused by climate change. More can be done to make the most of EU external adaptation finance and to increase diplomatic pressure on other large emitters to ramp up adaptation finance for global climate action.

Introduction : A critical alliance in combating climate change

The United Nations Climate Change Conference COP27 that took place in Egypt in November 2022 resulted in a breakthrough agreement to provide “loss and damage” (L&D) funding for vulnerable countries hit hard by climate disasters. On the one hand, the conference highlighted the challenge of finding common ground on collective action to tackle global climate breakdown. On the other hand, it underscored what can be achieved when advanced and developing economies find common ground in the fight against climate change. European and African delegates played a pivotal role in that ground-breaking decision in Sharm el-Sheikh illustrating how critical this alliance can be in combating climate change and the clean energy transition.

The EU and the African Group of Negotiators (AGN) are influential groups in the United Nations Framework Convention on Climate Change (UNFCCC). They make up more than four out of ten of the total parties to the Convention, accounting for 14% and 29% of the total parties respectively. The EU and AU also have shared a commitment to coordination on climate since 2007. This commitment to coordinate is critical on the international stage. This was reaffirmed at the 6th EU-AU Summit¹ in February 2022, alongside the announcement of a EUR 150 billion African investment package under the EU Global Gateway. At COP27, the EU also pledged EUR 1 billion in investments to support Africa’s adaptation and resilience to climate change.² This common commitment has generated a growing number of common initiatives.

While common ground exists, there are also differences. Agreement and alignment on the urgency of tackling climate breakdown between the EU and the AU has proved tricky. Africa and Europe diverge in three key areas. Firstly, there are differences in historical responsibilities. Secondly, there are differences around prioritising economic development and reducing emissions. Thorny issues include how African countries see EU external climate measures, such as the Carbon Border Adjustment Mechanism (CBAM), as well as the role of industry subsidies, and

fossil fuels. Thirdly, Europe and Africa find themselves in different coalitions in climate negotiations. This is illustrated by the recent leadership shown by the SIDS, V20 and the continued importance of the LDCs and G77 on the developing country side, and the EU and G7 on the developed country side.

This policy brief charts a course for Europe and Africa to move towards more common ground to combat climate change and accelerate the clean energy transition. It reflects on challenges and opportunities in Africa-Europe climate and energy diplomacy discussed at a meeting in Ethiopia in January 2023 between a consortium of different African and European think tanks (ECDPM et al. 2023). And it recommends ways to deepen that partnership ahead of COP28 in the United Arab Emirates (UAE) at the end of 2023.

Discussions revealed that while Africa and Europe are often part of different coalitions, COP27 represented an opportunity to deepen their cooperation. Several important developments stood out. This included the launch by the “Vulnerable 20 Group of Finance Ministers (V20) of 58 climate vulnerable economies” and the “Group of Seven” (G7) of the Global Shield against Climate Risks,³ and the EU’s critical support for the creation of an L&D fund.

The EU and several of its member states spoke out along with the developing countries who had been advocating for loss and damage financing for decades (Farand 2022). COP27 was also the stage of an emerging consensus on the need to reform the global financial architecture. Several European countries, including France and Germany, broadly supported the Bridgetown initiative launched by Prime Minister Mia Mottley of Barbados, which calls for reviewing the international sovereign debt architecture, (more) rapid emergency liquidity, drastically expanding multilateral lending, and an ambitious USD 500 billion global mitigation trust fund (MFA Barbados 2022; Demertzis 2023). In June 2023, French President Emmanuel Macron hosted a summit in Paris on a new global financial pact, with the hope to move towards decisive action ahead of the G7 meeting in Japan later in the year (Élysée 2023; Lapiere and de Wit 2023; Présidence de la République française 2023a).

While challenges to achieving just and equitable climate action through multilateral means remain, these breakthroughs have the potential to build trust and create momentum for the Global North and the New South – for Europe and Africa – to move more purposefully towards finding common ground. Central to that common ground is a shared vision and a shared narrative that:

- Emphasises the increasingly deep interconnection between climate risks faced by Europe and Africa.
- Focuses on the urgent need to step up commitments worldwide.
- Showcases shared benefits and innovation of an ambitious decarbonisation agenda.

Milestone events in the run-up to COP28, including the UNFCCC Intersessional meetings in Bonn in June or the Africa Climate Week in Nairobi in September, provide opportunities for developing a joint narrative and arriving at a common position regarding climate adaptation. But that is just one step in the right direction. There are more and bigger steps to take.

Four steps towards common ground on climate and energy

Keeping momentum for climate justice

Finance is the single most important challenge for achieving fair and just global climate action. It is also a major sticking point in moving towards common ground between Africa and Europe.

That means that meeting commitments to the historic loss and damage (L&D) fund is critical to cementing cooperation between Europe and Africa. The EU should also use its political influence to ensure that developed countries urgently honour their financial commitment and agree on a new collective quantified target for increased funding from the \$100 billion floor. Rich countries should provide a clear roadmap on how to finance the \$600 billion pledged between 2020 and 2025.

A prominent role for developing countries in the design, creation and the governance of the fund is crucial. Ahead of the COP28 summit in the United Arab Emirates (UAE) in November-December 2023, Africa and Europe can strive to find common ground on representation, organisation, and size of the L&D fund. They can move towards turning a long-held aspiration⁴ into reality.

The stakes are high. Small island states and other lower-income countries most vulnerable to climate change have been seeking financial assistance for loss and damage for nearly three decades to rebuild infrastructure devastated by extreme weather. A study by the V20 unveiled that these countries have lost USD 525 billion to climate impacts from 2000 to 2019 (V20 2022). With risks from climate change growing, the cost of capital and debt have risen to unsustainable levels across climate vulnerable economies.

Important questions are raised about the design, governance, funding and structure of the L&D fund. Overall, the New South and African countries must play a key role to guarantee success and successfully meet their needs. Progress is being made. The 24-member Transition Committee in charge of getting the new L&D fund off the ground held its first meeting in late March 2023. It is responsible for finalising the institutional arrangements, structure, governance, and terms of reference of the fund. Its mission is to identify and expand sources of funding, ensure coordination and complementarity with existing arrangements. The committee's work will be considered for adoption at COP28 in Dubai at the end of this year.

Ahead of the conference, Africa and Europe have the opportunity to build common ground on key issues including the L&D fund's governance, decision making and representation of Africa's diversity. Work will need to be done on mapping risk. This is critical to successfully channel funds, but also for anticipating and managing climate risks. Organisational differences will also need to be considered, including the fact that the AU is an intergovernmental institution and not a supranational one like the EU.

Finally, the Committee must determine the amount of funding needed to address the current consequences of climate change. In its recommendations, it should confirm the principle of climate justice. Africa and developing countries in general expect the rehabilitation and reconstruction plan to be funded by industrialised countries, as well as by international financial institutions, including the International Monetary Fund (IMF) and multilateral development banks. Additional resources must be made available as the impact of climate change becomes more significant. It is crucial: Africa and Europe need to find common ground on finance.



An Africa-Europe partnership, guided by the EU and AU, can play a pivotal role in ensuring the success of the fund, and maintaining the fragile momentum for collective action on climate justice in the UNFCCC.

They can promote:

- **Participation:** The fund represents an opportunity to strengthen the voice of developing countries in global institutions. The design of the fund must address key issues, including its mission, resources, and governance. These include whether the fund will have its own resources or will involve other funds to rationalise existing financial resources. The participation of Africa, and other developing countries of the New South, is critical to the success of the L&D fund. The AU-EU partnership can help foster that participatory approach.
- **Momentum:** An AU-EU alliance can capitalise on the momentum generated by the announcement of the fund to promote wider reform of international financial institutions. This includes reform of multilateral development banks and operational entities of the financial mechanism (Adaptation Fund, Global Environment Facility, Green Climate Fund, United Nations Multilateral Fund for the Implementation of the Montreal Protocol, United Nations Environment Programme, among others).

- **Technical assistance:** Promoting deeper and wider technical assistance is crucial to ensure the fund's success. An AU-EU partnership has the potential to capitalise on the EU's success in setting up transregional projects and promote training, research and development, applied research and knowledge transfer across borders and continents.
- **Risk Analysis:** The AU-EU can promote detailed risk mapping. This will ensure the fund anticipates and manages risks pre-emptively.

Raising ambitions

Europe and Africa have a significant voice on the global stage. They carry weight in calling for the world to step up its ambitions to meet the critical climate change target of limiting a rise in temperatures to 1.5°C.

The common and ultimate goal is to stop global warming and avoid the "tipping points" that climate scientists believe will lead to a global catastrophe. The onus is primarily on industrialised economies, which have consumed two-thirds of the "carbon budget" over the past 150 years, as well as current major emitters like China and India, to ensure that the temperature increase is limited to 1.5°C. The remaining third of this "budget" represents what developing countries will need to lift themselves out of poverty and achieve the Sustainable Development Goals (SDGs).

Getting there will require greater ambition on both climate mitigation and adaptation. The North's mitigation commitments must be strengthened and accelerated significantly to credibly maintain the 1.5°C target.

Additionally, even if global adaptation efforts have increased, there is a glaring finance and implementation gap⁵ that will continue to grow as the planet heats up (IPCC 2022). The commitment made in Copenhagen since 2009 to mobilise USD 100 billion per year for climate action financing is only set to be achieved in 2023,⁶ and many African countries' adaptation plans remain unfunded. Africa's climate finance gap over the period 2020-2030 is estimated at around USD 1.3 trillion (Asafu-Adjaye 2022).

Nonetheless, the EU's financial contribution to adaptation has grown over the years. Climate finance to developing countries by the EU and its member states has grown considerably and totalled EUR 23.4 billion in 2020 (CoEU 2021). At COP27, the EU also announced a new EUR 1 billion Team Europe Initiative (TEI) on Climate Change Adaptation and Resilience in Africa. Yet, despite these initiatives closing the adaptation finance gap remains a daunting challenge.⁷

The Glasgow Climate Pact, which calls for "at least doubling" the funding for adaptation measures, must be respected. COP28 in the UAE should establish a mechanism to measure and track financial flows for climate adaptation. An effective AU-EU partnership can help to make the most of EU adaptation finance in Africa. This means focusing on the quality of European finance, ensuring it: (1) complements Official Development Assistance (ODA), (2) is highly concessional to avoid the accumulation of unsustainable debt, (3) helps to mobilise \$100 billion annual support by 2025 (Knaepen 2022a), and (4) attracts private finance to fund climate change adaptation. The AU-EU partnership can also help to stimulate the rollout of innovative financing solutions. These can be tailored to African countries' ability to mobilise funds. This includes blending, guarantees and debt-for-climate swaps (Karakı and Medinilla 2022). The partnership can also foster technical assistance and access to climate adaptation finance for small and medium-sized enterprises (SMEs) and small-scale farmers in Africa.

Support for the Bridgetown initiative created fresh momentum for ambitious reforms of the international financial architecture underpinning the world's best hopes of achieving net zero by 2050. However, the journey towards COP28 has been marked by underwhelming achievements.

The Paris summit for a "New Global Financial Pact", primarily yielded a 'roadmap' for future meetings like the G20 Summit and IMF/WB annual meetings and a scorecard of previous pledges (Présidence de la République française 2023a), while the Chair's summary of the Summit captured the reiteration of existing appeals, and the dearth of major new

commitments (Présidence de la République française 2023b). Noteworthy announcements were President Macron's confidence in fulfilling the \$100 billion commitment in 2023, the IMF's announcement that it had met its target of making \$100 billion in SDRs available for vulnerable nations, and the World Bank's toolkit and efforts to optimise lending and ease financing for countries hit by natural disasters (Leigh T. et al 2023). The official bilateral creditor committee also agreed to restructure Zambia's \$6.3 billion debt, providing extended maturities and grace periods with some contingencies. This agreement offers some relief but falls short of the New South's key demands on debt relief (Weise and Colman 2023).

Many African economies still face unsustainable debt burdens following the COVID-19 pandemic and the impacts of the Russian war in Ukraine, locking them out of much-needed affordable public and private finance. These countries already spend a significant share of their public budget on debt servicing, with growing needs for managing climate shocks and adaptation (UNECA 2017). This limits their ability to green their economies and industrialise.



As a coalition of industrialised and developing countries, Africa and Europe can help raise the ambitions for reforming the international financial architecture for a more effective global climate action. The AU and EU can help move this agenda forward and shape the narrative on global climate finance, focusing on the following:

- **Alleviating the debt burden:** Debt cancellation and debt restructuring, as well as new allocations of special drawing rights are critical to ensuring developing economies can achieve their development goals and tackle climate change. Other options include direct support for reconstruction projects, and private investment in projects that can be structured, for example, through blended finance, to be commercially viable. The G20 Common Framework has broadly failed to deliver a significant reprieve from the debt burden faced by many developing countries. This has led to a South African call for reform (Naidoo 2022). Given

the urgency and potential impact of failure, the EU and AU could offer proposals for more effective and rapid implementation of the Common Framework, as well as for scaling up innovative instruments such as debt-for-nature or debt-for-climate swaps (Karaki and Medinilla 2022).

- **Liquidity for securing the SDGs:** Commitments to re-channel emergency liquidity to African countries predate the 2021 issuance of USD 650 billion in Special Drawing Rights (SDRs). However, this has proven difficult, both practically and technically. The African Development Bank (AfDB) and Inter-American Development Bank (IADB) are leading the call for re-channelling through MDBs. This could support the work of the European Investment Bank (EIB) in Africa. However, this is still blocked by the European Central Bank (ECB). Greater coordination between Africa and Europe, including by its financial institutions, holds the promise of mobilising more funds for Africa to achieve the SDGs.
- **Reform to make global finance fit for the fight against climate change:** Advanced economies continue to play a pivotal role in global decision making through the G20, G7, IMF, World Bank and UNFCCC. Reform of the World Bank and other MDBs is now at the top of the global agenda. The 2023 Summit for a new global financing pact was an opportunity to strengthen the Africa-EU cooperation and strengthen African representation in multilateral fora, including the G20, and IMF board, but fell short of expectations. EU member states, in particular, are major shareholders of MDBs. They can demand long overdue reforms. In the longer term, the AU and EU can also advocate for more reforms, even beyond the existing institutions and MDBs, in order to close the glaring climate finance gap (Hafez 2023).

Striving for a ‘just energy transition’

A ‘just energy transition’ is critical to common ground between Europe and Africa. This includes acknowledging that Africa’s ‘energy transformation’

must go hand in hand with reducing poverty, hunger and inequality while fostering growth and development to achieve the ambitions of the SDGs and the aspirations of 1.4 billion people on the African continent. Striving for justice when talking about ‘energy transition’ will ensure that those who suffer the most from climate change but contribute the least to emissions get financial support from countries that have contributed the most to creating the problem.

Africa’s energy transformation is not an energy issue alone. It is an economic, environmental, and social issue. For Africa, the focus on climate change is essential, but it is also crucial to prioritise human development. First, there is a need to reduce the gap in access to energy. Second, the cost of reducing emissions should not be a barrier to development. Third, energy is not just an economic input but also a lever for economic development and industrialisation. Having these clear priorities in mind presents an opportunity to promote sustainable energy systems that benefit both regions.

African and European countries have different energy needs, resources, and infrastructure. They also have dramatically different carbon footprints and levels of development. Africa accounts for a small share of global greenhouse gas emissions, at just 3.8%, in contrast to 23% in China, 19% in the US, and 13% in the European Union (CDP 2020). African countries, as low emitters, argue that they should not sacrifice domestic economic advancement to meet international environmental goals caused by high emitting countries. From stranded assets to fossil fuel exports, African countries are concerned that they will be asked to pay too high a price for lowering emissions.

Despite the effects of the Russian invasion of Ukraine, Europe’s energy transition is speeding up (Jones 2023). Nonetheless, European consumption of fossil fuels is still double that of Africa (Mo Ibrahim Foundation and Africa Europe Foundation 2022), and while the EU’s energy crisis has in fact led to a nearly 20% reduction in natural gas consumption in the winter of 2022-23,⁸ crisis measures to diversify Europe’s supply, including with new imports from Africa (Krishnamurthy 2023), reinforce accusations of double standards. This has led

to tensions between Europe and Africa that must be acknowledged, addressed, and alleviated. Failure to do so will slow progress on promoting a 'just energy transition' and renewables in African countries.

Several AU member states have seen growth in renewables that far surpasses that of some EU member states (Medinilla and Sergejeff 2023). Yet while many African leaders are highly optimistic about renewables, they also see the risks of disruptive change. They argue that the energy transition should, above all, prioritise a resilient energy system, i.e., a gradual progression towards a system that is inclusive, provides reliable access, and environmentally friendly.

Transfer of technology and financing for sustainable energy provides an opportunity to find common ground. The EU has a critical role to play, for example, in supporting initiatives such as the African Union's Energy Commission (AFREC) and the "Justice Energy Initiative." AFREC is the continental specialised energy agency of the African Union. Its mandate was established by African heads of state and government in 2001. Among its objectives are to develop energy policies and programs, mobilise technical and financial support for member states and implement capacity building programs.

Making progress on energy access in African countries calls for a reflection on the complex social, political, regulatory, economic, technological, and infrastructure dynamics that ultimately define a country's transition preparedness, and its ability to benefit economically from a green energy transition (Loulichki 2022).



The AU-EU partnership can play a key role in diffusing tensions around fossil fuels and emphasising concrete opportunities in (renewable) energy for economic development and industrialisation. Key conditions for delivering on a common and inclusive just energy transition include:

- **Understanding:** Common understanding of the paths countries are taking towards a clean energy future is critical to cementing cooperation and finding common ground. This includes a better

understanding of fossil fuel phaseout timelines and 'transition risks' faced by some African economies. It includes a deeper understanding of the costs and risks for African economies switching to higher renewable energy use, including the impact of shortcomings in infrastructure, industrial development, and power networks. The AU-EU partnership could, for example, support better analysis on the role for natural gas as a transition fuel in Africa.

- **Openness:** Europe's accelerated clean energy transition, and the potential spill-overs of EU measures including the CBAM, and Green Deal Industrial plan (EC 2023a),⁹ raises many questions and challenges for developing countries. These measures fuel a persistent perception that the EU is trying to persuade other countries to make expensive and high risk investments in the energy transition, while denying them the economic tools and opportunities to develop their economies through a new form of green protectionism (Moenes and Mathiesen 2023). The AU-EU partnership can help facilitate more openness on how African countries can navigate the increasingly dense EU green trade measures and help shape accompanying measures in order to minimise the costs and maximise opportunities for a mutually beneficial green transition (Byiers et al. 2023a).
- **Opportunities:** The past year saw a rapid increase in new partnership agreements and Memoranda of Understanding (MoUs) to develop green hydrogen and ammonia. This was largely driven by the prospects of the EU as a future export market. As the EU seeks to compete on 'Net-Zero technology' manufacturing (EC 2023b), and increase domestic battery production, its demand for African critical raw materials may increase substantially with the potential to boost African trade, industry and jobs. Investment in African hydrogen production should first and foremost improve energy access and create new opportunities for hydrogen-based industrialisation. This requires significant investment in research and innovation (R&I), technology transfer and skills development to maximise local content and opportunities beyond

export. Similarly, the drive to secure essential raw materials should directly contribute to increasing local value-addition and industrialisation.

- **Success:** The AU-EU partnership can help focus political and financial support by showcasing successful examples of how green energy can benefit Africa. The focus should be on rapidly scaling access to clean energy, but also on ramping up productive capacity. This means integrating African economies in new industrial value chains such as solar PV assembly and construction, electric mobility, and the development of an African hydrogen economy linked to domestic and regional industrialisation objectives.

Securing resilience

Africa is on the front line of climate change. Lower agricultural productivity, increased water insecurity, coastal erosion, flooding, desertification and extreme weather events are causing loss and damage to African communities (Trisos et al. 2022). Africa's climate vulnerability is further intensified by a large workforce active in climate-vulnerable sectors, poverty, accelerated population growth and limited infrastructure. Europe also faces lower agricultural productivity, particularly in the South (EEA 2019). More food crises in Africa will also increasingly affect Europe, through humanitarian emergencies and rising insecurity in neighbouring countries (Magnan 2022; Knaepen and Vajpeyi 2022).

The EU and Africa both have a stake in climate resilience. The EU will need to work with Africa to make the adaptation of vulnerable African sectors part of a larger move towards structural economic transformation (Knaepen 2022b). Not doing so risks disrupting international trade and financial markets, displacing vulnerable people or escalating conflict, further jeopardising the global climate agenda and causing welfare loss everywhere (Knaepen 2022b). With climate adaptation being generally cost effective, building resilience today will reduce future loss and damages.

Adapting to climate change will require convergence of economic policies and value chains. This significant undertaking will also require substantial funding. It will require sustainable trading practices, such as nearshoring.



The AU-EU partnership can build on a track record of joint initiatives and a clear prioritisation of adaptation and resilience-building on both sides.

African and European partners can help drive the agenda both on a technical level, focusing on innovations, and on a financial one, maximising the effectiveness of EU external adaptation finance. Opportunities for developing a shared understanding and common positions include:

- **Manage spill-overs of a European food system transition:** Efforts to green the European food system can create new barriers to food trade between Africa and Europe. This can have an unintended negative impact on some African countries (Dekeyser and Woolfrey 2021; Byiers et al. 2023a). Anger about these barriers is rising (Moens and Mathiesen 2023). The AU and EU can cooperate to find complementary measures to ease adaptation costs for developing countries.
- **Invest in knowledge and innovation:** The AU-EU partnership can help deepen the cooperation between African and European research and policy **institutes** and the private sector and amplify African adaptation priorities in research programmes. The adoption of the joint AU-EU Innovation Agenda, which has resilience and adaptation among its priorities, can facilitate this effort and bring adaptation science and policymakers closer together.
- **Foster nearshoring:** Adapting to climate change requires the alignment of economic policies and value chains, including nearshoring. By shortening transportation distances, **nearshoring** can significantly reduce the carbon footprint of products and services, while also improving supply chain resilience in the face of climate-related

disruptions. To effectively integrate nearshoring into climate adaptation, EU and AU policymakers will need to work closely with each other and with businesses to identify opportunities and develop supportive policies. This presents significant opportunities for shared innovation and progress.

Towards common ground on climate and energy

COP27 was a failure in terms of global emissions reductions and a setback in the fight against climate change. Nonetheless, the last-minute breakthrough agreement on a loss and damage fund has raised hopes of fresh momentum for a global climate justice response. It has laid the ground for deeper trust and cooperation, between the Global North and the New South, between Europe and Africa.

The stakes are high in 2023. For Africa, Europe, and the world. Choices made today will decide whether African countries, among the most vulnerable to climate change, are at the centre of a global green transition and decarbonisation.

The choices made today will determine the credibility of the European Green Deal. The EU's ability to showcase the benefits of a net-zero economy, to create and finance new opportunities beyond the bloc's own borders, is crucial to finding common ground between Africa and Europe in the fight against climate change.

Europe and Africa are well positioned to find that common ground. Firstly, with the AU-EU partnership, they have a long-standing partnership architecture built around political dialogue, technical and institutional cooperation. Secondly, EU and AU member states and institutions have shown initiative and leadership on key climate issues, including in leading the reform of the international financial system, energy diplomacy, and strengthening adaptation and resilience. Thirdly, the EU has a degree of credibility when it comes to climate finance and adaptation.

The road to and beyond COP28 is a rapid succession of diplomatic and political opportunities for European and African leaders to engage. Africa and Europe partnering can make a valuable contribution to the global climate agenda, both by facilitating dialogue and engagement, and by supporting emerging consensus in other fora. They can drive more coordinated efforts across different multilateral fora and help facilitate a more consistent dialogue around respective positions as they take shape across a range of multilateral, regional and bilateral fora, and involve a complex patchwork of instruments and institutions.

The clock is ticking. The world is counting on Europe and Africa to make a difference without delay. For the partnership to genuinely play a bridging role, and help move the climate agenda forward, a number of key conditions will urgently need to be put in place:

1. **It is time to move from dogmatic positions on renewable energy and fossil fuels and focus on business opportunities.** This requires better recognising the spectrum of climate and economic development priorities that inform national positions, and the structural, political and economic factors that enable countries' ability to be ambitious on green energy. African and European representatives should focus the conversation on developing shared benefits while addressing persistent transition risks.
2. **It is time for a more open discussion on the spill-over effects of EU climate measures.** This includes a more upfront discussion of mitigating and accompanying measures linked to EU measures like the CBAM and other external climate measures (Byiers et al. 2023b; Karkare and Medinilla 2023; Oguntoye et al. 2023). Similarly, the EU's efforts to green its industries and boost their competitiveness should not be presented as a *fait accompli*, but as a starting point for discussions with a range of partners and stakeholders in the New South.
3. **It is time for a more intentional and strategic approach built around showcasing project-level results.** The timeline for achieving effective global climate action is extremely short, and the risk of a loss of momentum is very high. African and European representatives should avoid the trap of 'policy signalling' or ideal-type solutions, but focus on delivering rapid results on climate finance, energy and industrialisation, as well as communicating more effectively on progress.

References

- Asafu-Adjaye, J. 2022. [Climate Action for Africa at COP27](#). Accra: African Center for Economic Transformation (ACET).
- AU. 2022. [6th European Union - African Union Summit: A Joint Vision for 2030](#). Addis Ababa: African Union (AU).
- Byiers, B., Medinilla, A. and Karaki, K. 2023a. [Navigating green economy and development objectives: Opportunities and risks for African countries](#). ECDPM Discussion Paper 339. Maastricht: ECDPM.
- Byiers, B., Medinilla, A. and Karaki, K. 2023b. [Navigating green economy and development objectives: The effects of external climate regimes on African economies](#). ECDPM Briefing Note 159 (Part 2). Maastricht: ECDPM.
- CDP. 2020. [CDP Africa report. Benchmarking progress towards climate safe cities, states, and regions](#). New York, NY: CDP.
- CoEU. 2021. [Council approves 2020 climate finance figure](#). Press release. Brussels: European Council, Council of the European Union (CoEU).
- Colenbrander, S., Cao, Y., Pettinotti, L. and Quevedo, A. 2021. [A fair share of climate finance? Apportioning responsibility for the \\$100 billion climate finance goal](#). Working Paper. London: Overseas Development Institute (ODI).
- Dekeyser, K. and S. Woolfrey. 2021. [A greener Europe at the expense of Africa? Why the EU must address the external implications of the Farm to Fork Strategy](#). ECDPM Briefing Note 137. Maastricht: ECDPM.
- Demertzis, M. 2023. [Concessional climate finance: the Bridgetown Initiative](#). Comment. Brussels: Bruegel.
- EC. 2023a. [The Green Deal Industrial Plan: putting Europe's net-zero industry in the lead](#). Press release. Brussels: European Commission (EC).
- EC. 2023b. [Internal Market, Industry, Entrepreneurship and SMEs](#). Brussels: European Commission (EC).
- ECDPM, ACET, ISS and Policy Center for the New South. 2023. [Africa-Europe cooperation on climate and energy: Where to from here?](#) Workshop. Maastricht, Addis Ababa, Accra, Copenhagen and Rabat: ECDPM, European Union Delegation to the African Union, the Embassy of the Arab Republic of Egypt in Addis Ababa and Permanent Mission to the AU, the African Centre for Economic Transformation (ACET), the Institute for Security Studies (ISS) and the Policy Center for the New South (PCNS).
- EEA. 2019. [EEA Report No4/2019](#). Copenhagen: European Environment Agency (EEA).
- Élysée. 2023. [Communiqué conjoint avec Mme Mia MOTTLEY, Première ministre de la Barbade](#). Paris.
- Eurostat. 2023. [EU gas consumption decreased by 19%](#). News Articles. Brussels: European Commission (EC).
- Farand, C. 2022. [EU opens the door to a loss and damage facility – if China contributes](#). Energy & Environment, Climate Change. Brussels: Euractiv.
- Hafez, G. 2023. [The World needs a Green Bank](#). Rabat: PCNS.
- IPCC. 2022. [Synthesis Report of the IPCC Sixth Assessment Report \(AR6\)](#). Geneva: Intergovernmental Panel on Climate Change (IPCC).
- Jones, D. 2023. [European Electricity Review 2023 - Ember's analysis of the EU electricity transition in 2022: what happened in 2022, what can we expect for 2023?](#) London: EMBER.
- Karaki, K. and Medinilla, A. 2022. [Tackling sovereign debt for effective climate action: Toward a European agenda](#). ECDPM Briefing Note 147. Maastricht: ECDPM.
- Karkare, P. and Medinilla, A. 2023. [In search of shared benefits- Europe and Africa in a global green transition](#). ECDPM Discussion Paper 345. Maastricht: ECDPM.
- Knaepen, H. 2022a. [Supporting adaptation in African agriculture. A policy shift since the EU Green Deal?](#) Briefing Note 148. Maastricht: ECDPM.
- Knaepen, H. 2022b. [A reality check for Europe-Africa climate diplomacy](#). ECDPM Commentary. Maastricht: ECDPM.
- Knaepen, H. and Vajpeyi, I. 2022. [European responses to transboundary climate impacts and insecurity](#). Cascades Policy Brief. London: Chatham House.
- Krishnamurty, R. 2023. [Dash for gas: 7 new countries enter African gas markets](#). Africa. New Delhi: Down to Earth.

-
- Lapierre, A. and de Wit, E. 2022. [Macron pushes for ‘a new financial pact with the South](#). Publication. London: Norton Rose Fulbright.
- Leigh Thomas, John Irish and Elizabeth Pineau. 2023. [At Paris summit, World Bank, IMF take steps to boost crisis financing](#). Reuters.
- Loulitchki, M. (supervisor). 2022. [Atlantic Currents. An annual report on wider Atlantic perspectives and patterns. Cooperation in a Mutating World: Opportunities of the Wider Atlantic](#). Rabat: Policy Center for the New South (PCNS).
- Magnan, A.K. 2022. [What does the IPCC’s 6th Assessment Cycle say about the imperative to adapt to climate change?](#) Blog Post. Paris: IDDRI.
- Medinilla, A. and Sergejeff, K. 2023. [Scaling up African clean energy](#). ECDPM Discussion Paper 334. Maastricht: ECDPM.
- MFA Barbados. 2022. [The 2022 Bridgetown Initiative. Urgent and Decisive Action Required for an Unprecedented Combination of Crises. The 2022 Bridgetown Agenda for the Reform of the Global Financial Architecture](#). Bridgetown: Ministry of Foreign Affairs and Foreign Trade - Barbados.
- Mo Ibrahim Foundation and Africa Europe Foundation. 2022. [Africa and Europe. Facts and Figures on Climate and Energy](#). London, Dakar and Brussels.
- Moen, B. and Mathiesen, K. 2023. [Trade partners see red over Europe’s green agenda](#). Brussels: Politico.
- Naidoo, P. 2022. [Africa’s Only G-20 Member Wants to Reform Its Debt Framework](#). Economics. New York, NY: Bloomberg.
- OECD. 2022. [Climate Finance and the USD 100 Billion Goal](#). Paris: OECD.
- Oguntoye, O., Mant, K., Medinilla, A., Byiers, B. and Bilal, S. 2023. [The EU’s carbon border tax can accelerate a low-carbon revolution if done right](#). Commentary. Maastricht: ECDPM.
- Packroff, J. 2023. [EU announces own green industry plan in global subsidy race](#). News. Brussels: Euractiv.
- Présidence de la République. 2023a. [Proposed roadmap to build on key milestones of the international agenda as a follow-up to the Summit on a New Global Financing Pact](#). Summit for A new global financing pact.
- Présidence de la République. 2023b. Chair’s summary of discussions at the Summit on a New Global Financing Pact. Summit for A new global financing pact.
- Trisos, C.H., Adelekan, I. O. and Totin, E. , A. Ayanlade, Efitre, J., Gameda, A., Kalaba, K., Lennard, C., Masao, C., Mgaya, Y., Ngaruiya, G., Olago, D., Simpson, N.P. and Zakieldeen, S. 2022. [Africa](#). In: Pörtner, H.-O., Roberts, D.C., Tignor, M., Poloczanska, E.S., Mintenbeck, K., Alegría, A., Craig, M., Langsdorf, S., Löschke, S., Möller, V., Okem, A. and Rama, B. (eds.). *Climate Change 2022: Impacts, Adaptation and Vulnerability. Contribution of Working Group II to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change*, chapter 9, pp. 1285– 1455. Cambridge: Cambridge University Press. doi:10.1017/9781009325844.011.
- UNECA. 2017. [Africa spending more than its fair share for climate adaptation, a new study reveals](#). Addis Ababa: United Nations Economic Commission for Africa (UNECA).
- UNEP, DTU, WASP. 2021. [Adaptation Gap Report 2020](#). Nairobi: United Nations Environment Programme (UNEP).
- UNFCCC. 2022. [Report of the Standing Committee Addendum Summary and recommendations of the fifth Biennial Assessment and Overview of Climate Finance Flows](#). Conference of the Parties, Twenty-seventh session. Bonn: United Nations Framework Convention on Climate Change (UNFCCC).
- V20. 2022. [Climate Vulnerable Economies Loss Report](#). Resources, Publications. Geneva, Rotterdam and Accra: Vulnerable Group of Twenty (V20).
- Weise, Z. and Colman, Z. 2023. [Paris climate finance summit delivers momentum but few results](#). Brussels: Politico.

Endnotes

- ¹ The Summit's 'Joint Vision 2030' outcome document includes a pledge to 'support Africa in its transition to foster just and sustainable pathways towards climate neutrality' (AU 2022).
- ² This includes €60 million for loss and damage.
- ³ This is an initiative for pre-arranged financial support designed to be quickly deployed in times of climate disasters. Initial contributions include around EUR 170 million from Germany and more than EUR 40 million from other countries.
- ⁴ It has been a long road. The 2013 COP19 saw the establishment of the "Warsaw International Mechanism for Loss and Damage" to improve understanding of risk management approaches. It was put on the table at the COP21 Paris Agreement in 2015, but without specific commitments around it. Initial thinking on how to address L&D was launched in 2017 at COP23. At the 2019 COP25 negotiations, the Santiago Network was established to prevent, minimise, and address L&D in developing countries. The network focuses more on technical assistance than financing, and champions a southern perspective. At COP26 in 2021, an agreement was reached to fund it, but its institutional framework is not yet finalised.
- ⁵ While global adaptation finance reached an average of USD 49 billion per year in 2019–2020, this represents just 6% of global climate finance flows (UNFCCC 2022).
- ⁶ The 2023 Paris Summit announced the 'likelihood' of reaching the goal in 2023 (Présidence de la République française 2023b).
- ⁷ Even if the emissions gap is closed and we get onto a pathway to hold warming below 2°C by 2050, adaptation costs could hover around \$35 billion per year (UNEP et al. 2021).
- ⁸ In the period of August 2022-January 2023, EU consumption was down 19.3% compared to the average for the same months between 2017-2022 (Eurostat 2023).
- ⁹ The February 2023 Green Deal Industrial Plan seeks to enhance the EU's industrial competitiveness as part of a global subsidy race with the US and China (Packroff 2023), including by further relaxing state aid rules.

About the project

ACET, ECDPM, ISS and the Policy Center for the New South, we are joining forces in the project 'Africa-Europe relations: A balanced narrative and reality check' in an effort to enrich the policy dialogue between the AU and EU and better connect Brussels and Addis-based policymakers with practical insights and substantial input. The overall aim is to have a joint reality check towards a more balanced narrative on Africa-Europe relations.

This project, supported by the European Delegation to the African Union, wants:

- To broaden the policy research community feeding into the AU-EU partnership, bringing in views beyond Brussels- and Addis-centric conversations as a 'reality check' to the policy discourse by integrating national-level expertise
- To feed into the discussions around the EU-AU partnership in the selected policy areas, with a specific focus on: climate action and green transition, digitalisation, economic transformation and integration (through the AfCFTA), peace and security
- To help ensure that future policies are based on a clear understanding of past successes and failures and to highlight the need for follow-up measures announced after each summit.

