

6TH Africa

OIL GOVERNANCE
SUMMIT

2020
Virtual Summit

REPORT

**THEME:
THE IMPLICATIONS
OF CLIMATE
CHANGE ACTION
ON OIL
GOVERNANCE IN
AFRICA**



Endorsed by:



**Ministry of
Energy**
Republic of Ghana

convenor:



Partners:



**FORD
FOUNDATION**



OXFAM



Norad



**NOCHUA
INTERNATIONAL**

KINA

The
socio-economic
advisory

CONTENT

EXECUTIVE SUMMARY	3
OBJECTIVES OF THE SUMMIT	4
STRUCTURE OF THE SUMMIT	4
PARTICIPATION	5
PARTICIPATION OF PERSONS WITH DISABILITIES.....	5
LIST OF ABBREVIATIONS	6
1.0 INTRODUCTION	7
2.0 WELCOME ADDRESS BY THE EXECUTIVE DIRECTOR	8
3.0 PANEL SESSION 1.....	9
3.1 DISCUSSANTS:	9
3.2 PANELISTS DISCUSSIONS	9
3.3 PARTICIPANTS QUESTIONS AND CONTRIBUTIONS:.....	12
4.0 PANEL SESSION 2.....	14
4.1 DISCUSSANTS:	14
4.2 PANELISTS DISCUSSIONS	14
4.3 PARTICIPANTS QUESTIONS AND CONTRIBUTIONS:.....	16
5.0 PANEL SESSION 3.....	19
5.1 DISCUSSANTS	19
5.2 PANELISTS DISCUSSIONS	19
5.3 PARTICIPANTS QUESTIONS AND CONTRIBUTIONS.....	21
6.0 PANEL SESSION 4.....	23
6.1 DISCUSSANTS	23
6.2 PANELISTS DISCUSSIONS	23
7.0 CONCLUSIONS	26

ANNEX 1: COMMUNIQUE OF THE SUMMIT.....	27
8.1 LESSONS THAT SHOULD GUIDE AFRICA’S PARTICIPATION IN THE GREEN REVOLUTION	27
8.2 THE ROLE OF STAKEHOLDERS TOWARDS CLIMATE ACTION.....	27
8.2.1 THE ROLE OF GOVERNMENT.....	27
8.2.2 THE ROLE OF BUSINESSES/INDUSTRY	28
8.2.3 THE ROLE OF CSOS AND CITIZENS.....	29
8.2.4 THE ROLE OF DEVELOPMENT PARTNERS	29

EXECUTIVE SUMMARY

Africa is home to about 12 percent and 8 percent of the world's oil and natural gas reserves respectively. This resource endowment holds the potential for significant revenues to finance urgent development needs in Africa and ensure energy access and security. However, the global urgency to transition to cleaner sources of energy to curb the excessive carbon emissions threatens the revenue potential and energy needs of resource rich African countries. Major oil and gas companies are revising their business and operational models to embrace net zero carbon ambitions as climate concerns mount. British Petroleum for example has declared its ambition to become a carbon neutral company by 2050. Also, countries such as the United Kingdom (UK) has legislated its commitment to achieve net zero emissions by 2050, and this commitment currently drives its foreign policy on aid and development. The sale of petrol and diesel vehicles is expected to end in the UK and Denmark by 2030 and 2035 respectively.

The global pressure to transition from fossil energy notwithstanding, oil and gas resources is expected to remain relevant to Africa's economic development, at least for the next three decades. Fossil fuels will contribute 31% to power generation on the continent between 2020 and 2050, and thus contribute to bridging the electricity access gap for about 700 million people, who may not have access to electricity by 2040 if electrification coverage does not meet population growth. It is also important to highlight the difficulty for any oil-producing African country to immediately limit or halt the exploration, discovery, and production of oil and gas resources in pursuance of their climate targets under the Paris Agreement. Natural gas, considered a much cleaner fuel, has therefore assumed an increasing prominence as a transition fuel to power the industrialisation agenda on the continent. Exploring and producing the available gas resources requires significant investments which most resource rich African countries are unable to provide. They rely significantly on the investments from international oil and gas companies. However, global financial institutions who fund these companies have indicated their intentions to phase out funding for fossil projects.

While Africa is battling with the dilemma of exploiting its resources while committed to meeting global climate targets, it is important to note that Africa remains one of the most vulnerable continents to climate change due to geography, limited adaptive capacity, weak governance and the lack of finance to adapt. According to the [AfDB](#), 7 out of 10 countries that are most vulnerable to climate change are in Africa. It is in response to the dilemma faced by resource-rich countries that the 6th edition of the Africa Oil Governance Summit (AOGS) focused on deliberating how Africa can effectively optimize the gains from its oil and gas resources amidst the global call for climate actions and align with the demands of the green revolution. The team of panellists deliberated on the challenges and agreed on a number of actions key stakeholders should undertake to cushion Africa's efforts in achieving their Nationally Determined Contributions (NDCs).

Objectives of The Summit

The Summit seeks to make climate change response a key feature of oil governance in Africa by taking a holistic view at the various concrete actions that African governments, climate financiers, the business community, and people living in Africa can take to enable Africa feature prominently in the green revolution.

The specific objectives of the Summit are:

1. Support African governments to set climate action agenda within and outside the oil and gas industry in anticipation of COP26
2. Increase knowledge on climate finance options ahead of COP26 negotiations
3. Explore how businesses can decarbonize their activities in upstream oil and gas industry and support Africa's green revolution efforts
4. Explore the role of local knowledge systems around climate change in increasing citizens' knowledge about climate change to support climate action in and outside Africa's oil and gas sector.

Structure of The Summit

The 2020 AOGS was organised in partnership with South Africa-based Nochua International and UK based Kina Advisory Limited. Both organizations have a shared goal of advancing climate action and environmental sustainability in Africa. The summit was held virtually for the first time and this was occasioned by the realities and restrictions imposed by the global pandemic, Covid-19. The 2020 Summit was structured into panel discussions and presentation of technical papers. Panel discussants and moderators were selected from diverse backgrounds to reflect a balance between industry, academia, government, civil society, international community as well as gender. There were four panel sessions in two days which sought to address the following thematic areas:

1. Increasing governments' efforts on climate action amidst oil and gas extraction.
2. Financing options for green development in Africa.
3. Options available to oil and gas companies in decarbonizing their operations.
4. The importance of, and avenues for, citizenry engagement on the climate discourse to advance responsible climate action and innovation in Africa.

There was one presentation on a research work on the topic, "why Africa should care about climate change and the importance of citizenry engagement on the subject matter."

Participation

The virtual Summit recorded an average attendance of 100 participants per panel session with about 600 social media participants.

Participation of Persons with Disabilities

Each year, ACEP collaborates with the National Council of Persons with Disabilities, Ghana Federation of Disability Organizations and other disability associations to ensure the participation of Persons with Disabilities (PWDs) in the dialogue. This is part of efforts to promote inclusion of the vulnerable in the development of Africa's oil and gas resources and governance in general. Although the 6th edition of the Summit was held virtually, special accommodations were made in collaboration with the aforementioned organizations for the participation of PWDs.



List of Abbreviations

ACEP – Africa Centre for Energy Policy

AfDB – Africa Development Bank

AOGS – Africa Oil Governance Summit

AU – Africa Union

CO₂ – Carbon dioxide

COP – Conference of Parties

CSOs – Civil Society Organizations

ECOWAS – Economic Community of West African States

GCF – Global Climate Fund

GDP – Gross Domestic Product

GHG – Greenhouse Gas

MW – Mega Watt

NDC – Nationally Determined Contributions

PWDs – Persons With Disabilities

SDG – Sustainable Development Goal

SWOT – Strength Weakness Opportunity and Threats

UN - United Nations

UNECA – United Nation Economic Commission for Africa

UNFCCC - United Nations Framework Convention on Climate Change

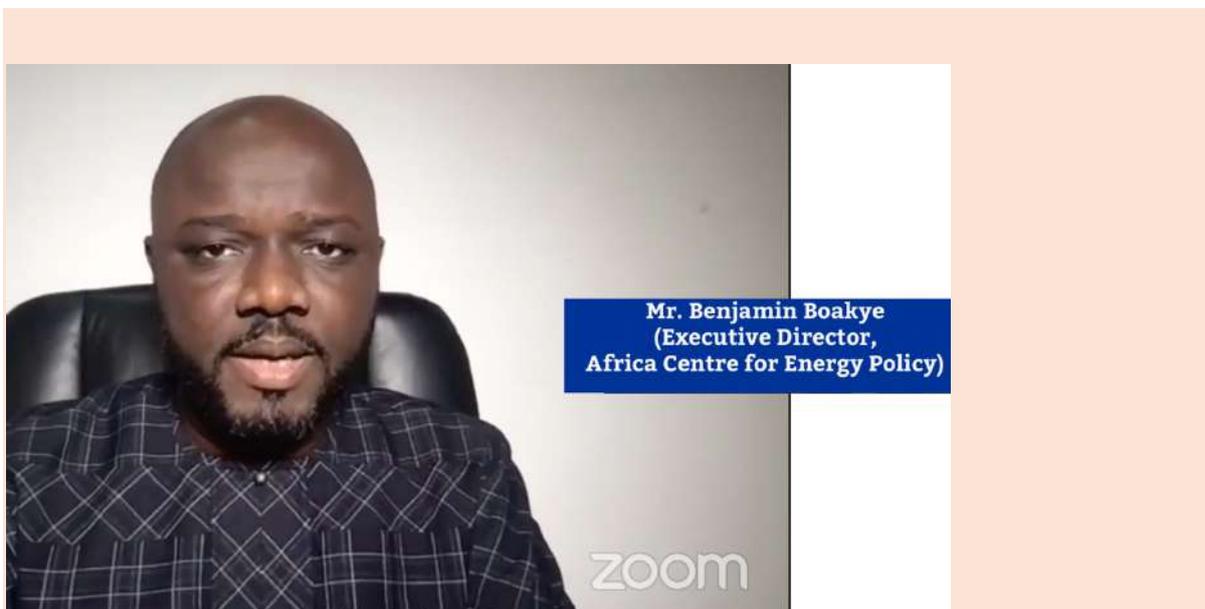
1.0 INTRODUCTION

The Africa Oil Governance Summit (AOGS) is the flagship programme of the Africa Centre for Energy Policy (ACEP). Instituted in 2015, the AOGS is convened annually in Accra, the capital of Ghana. The main goal of the Summit is to shed light and address pertinent governance and development issues pertaining to the management and use of oil and gas resources across the African continent. The AOGS thus creates an avenue for, and brings together, stakeholders in and outside the oil and gas industry across Africa and beyond to deliberate on efficient and effective approaches to engender sustainable and inclusive development through exploitation of Africa's oil and gas resources. The 2020 AOGS was held on the 25th and 26th of November 2020 under the theme, **“The Implications Of Climate Change Action On Oil Governance In Africa.”** This is in response to the growing sense of urgency around climate action across the globe and the calls for energy transition from fossil fuel to relatively cleaner energy sources in anticipation of the UN-led 26th Conference of Parties (COP26) to be held in Glasgow in November 2021. The agenda of COP26 is for parties to the Paris Agreement on Climate Change to assess progress on tackling climate change. The Summit sought to through the deliberations provide the leverage for African governments to properly position themselves ahead of negotiations at the COP26.

The banner for the 6th Africa Oil Governance Summit 2020 Virtual Summit features a background image of an offshore oil rig at sea. On the left, the text reads "6TH Africa OIL GOVERNANCE SUMMIT 2020 Virtual Summit" with a Zoom logo below. A central blue box contains a calendar icon, the dates "25 - 26 Nov' 2020 9am - 1:30pm GMT", and the theme: "THEME: THE IMPLICATIONS OF CLIMATE CHANGE ACTION ON OIL GOVERNANCE IN AFRICA". To the right is a circular inset showing wind turbines and solar panels. At the bottom, logos for the Ministry of Energy, Republic of Ghana, and various partners (Ford Foundation, Oxfam, Norad, KINA, NOCHUA) are displayed, along with a 10th Anniversary logo for ACEP and the AOGS logo. A footer at the bottom of the banner says "Visit www.africaoilsummit.org for more information".

2.0 Welcome Address by The Executive Director

The Executive Director of ACEP, Mr. Benjamin Boakye opened the 2020 Summit and duly acknowledged the participation of stakeholders and panelists in his welcome address. In his opening speech, he gave a brief background of the Summit since its inception in 2015 as a platform that bring together experts to dissect the precarious challenges Africa Oil governance is plagued with and proffer strategies to mitigate these challenges for the benefit of the African people. He also mentioned the need to hold a virtual Summit this year due to the risk of the Corona virus spread amidst travel bans and also expressed his sympathy to all who have lost loved ones to the disease. Mr. Boakye also expressed hope of a successful vaccine to curb the current challenge to enable a physical gathering for the 2021 Summit as it has always been and encouraged all to comply with the safety protocols. Moving on to the agenda of the day, he said Africa oil producers face the dilemma of balancing their dependence on oil revenues and the threats and opportunities of renewable energy technologies. This is heightened by the various policy actions proposed by the major consumers of conventional energy such as France, Norway, China, UK, Germany etc to significantly cut their consumption of conventional energy. This poses a major challenge particularly to oil dependent African countries to navigate the complexity of decarbonization and sustainability of the oil and gas industry. He however, added that climate change also presents intrinsic opportunities that can be harnessed to both save the environment as well as participate in the economic space it offers. Mr. Benjamin Boakye reiterated the purpose of this year's Summit is to deepen the conversation on climate actions within the context of Africa's oil and gas industry and the necessary intervention required to be active participants of the global efforts. He concluded his address by expressing hope that the discussion and contributions from the team of experts from Academia, industry, institutions, CSOs and citizens will yield some critical steps for Africa's response to climate actions. He also took the opportunity to acknowledge the time and efforts put into this by all panelists to proffer critical strategies for Africa to respond positively to the global call. Finally, he expressed ACEP's gratitude to all the institutions which have supported the Summit over the years as well as our partners who supported the organization of the Summit.



3.0 Panel Session 1

Topic: Increasing governments' efforts on climate action amidst oil and gas extraction.

Facilitator: Mr. Prosper Ahmed Amuquandoh (*President, World Energy Council's Future Energy Leaders, Ghana*)

THEME:
THE IMPLICATIONS OF CLIMATE CHANGE ACTION ON OIL GOVERNANCE IN AFRICA

Increasing Governments' Efforts on Climate Action Amidst Oil and Gas Extraction

HOST
Mr. Benjamin Boakye
(Executive Director, Africa Centre for Energy Policy)

Mr. Prosper Ahmed Amuquandoh (President, World Energy Council's Future Energy Leaders, Ghana)

Professor Chukwumerije Okereke (Professor of Global Environmental and Climate Governance, University of Reading)

Ms. Mandy Rambharos (Head, Eskom Just Energy Transition Office, Eskom Holdings SOC Ltd.)

Dr Linus Mofor (Senior Environmental Affairs Officer - Energy, Infrastructure and Climate Change, African Climate Policy Centre-UNECA)

PANEL 1
25th Nov

3.1 Discussants:

1. Professor Chukwumerije Okereke (*Professor of Global Environmental and Climate Governance, University of Reading*)
2. Ms. Mandy Rambharos (*Head, Eskom Just Energy Transition Office, Eskom Holdings SOC Ltd.*)
3. Dr Linus Mofor (*Senior Environmental Affairs Officer - Energy, Infrastructure and Climate Change, African Climate Policy Centre-UNECA*).

The main objective of this session was to deliberate on the most effective approaches stakeholder institutions can support African governments to set climate action agenda within and outside the oil and gas industry in anticipation of COP26.

3.2 Panelists Discussions

Mr. Prosper Amuquandoh set out the agenda for the panel discussion. In his opening remarks, he highlighted the environmental risks associated with oil and gas production which has led to global calls for more investment into green energy. As stakeholders in oil and gas production in Africa, African governments are being encouraged to increase their climate action efforts to drive the green revolution. Mr. Amuquandoh explained that the discussion is to help explore the ideas, strategies and best practices to help in increasing African

government's efforts towards climate action. To achieve such a purpose, the discussion sought to provide a guide on how African governments can manage the impact of oil and gas extraction on climate change and the impact of climate change on oil and gas extraction. It also sought to explore the options and opportunities available to African governments within and outside the oil and gas sector to enable them to effectively address the impact of the use of oil and gas as well as its exploration on climate change. The role of oil and gas firms in the collective effort in decarbonizing the oil and gas industry was another question which the discussion sought to provide answers to. Lastly, the panel sought to explore whether African oil-producing countries should have a common negotiation target or position at the COP 26 in 2021.

Speaking from her experience in the power sector, Ms. Mandy Rambharos called on African governments to conduct their energy transition plans in a socially just manner. According to her, as laudable as transition is for its environmental and economic benefits, it should be done in a socially just manner so that transition does not negatively impact on the livelihoods of people. This is what her office at Eskom has been doing over the years. As a company that generates most of its electricity capacity from coal, Eskom has planned to shut down at least 10 coal plants which generate between 8000-12000 megawatts since they are old and are also faced with pressure to cut down on greenhouse emissions. With a net-zero target plan to achieve by 2050, Eskom has conducted socio-economic impact studies on yet to be shut down plants in communities and have engaged community members through such studies to solicit their ideas. She explained that such a transition strategy has helped them to have an inclusive, phased and timed transition that considers the needs of the society to mitigate the impact of transition on the livelihoods of people.

Ms. Rambharos further explained that Eskom has been engaging with the corporate world to solicit for ideas on how they can repurpose old plants, infrastructure and the land which the coal infrastructure are sited on for more greener options. This engagement has also produced insightful ideas from experts in the renewable industry with some proposing ways that old plants could be repowered with renewable energy and the land used for sustainable agriculture. This strategy is to help Eskom as a power generation company to keep their revenue streams from power generation and explore other energy options whilst increasing or sustaining economic activities in the communities where coal plants are located. Ms. Rambharos advised that other African countries could learn from the Eskom example and African governments can contribute to this by creating an enabling policy environment that will drive and sustain investments in their respective countries. She reiterated that climate finance institutions want to see a clear commitment to transition on the part of governments and enabling policies backed by action would be a good start for African governments to get more climate finance support to boost their climate action efforts. Ms. Rambharos also commented on how African energy firms both government and private can manage the complex challenge of speeding up transition whilst managing their revenue streams. She called for such firms to be realistic by considering their resources and capacity to draw a transition plan they can commit to. She also advised that African energy firms need to conduct various energy modelling simulations, to understand how energy transition will affect their capacity, revenue, operation costs among others to help them draw a realistic energy transition plan.

The second speaker, Dr Linus Mofor looked at the situation in the context of Africa's energy challenges in the midst of climate change which he termed as a paradox of deficits in

abundance. He highlighted that Africa has an electricity access deficit with about 600 million Africans without electricity, capacity deficit as our installed capacity is way behind that of other continents, electricity generation deficit and infrastructure deficit which negatively impact on the efficient transmission of energy. He elaborated that for Africa countries to meet our current energy needs, we need to increase our generation capacity by more than three times the current rate. However, amidst these energy challenges are Africa's huge under-utilised renewable energy resources. He then advised African governments to use global calls for energy transition as an opportunity to address its energy challenges whilst boosting its climate action efforts. He argued that with an estimated \$3-4 trillion investment into renewable energy, Africa can increase its renewable share of its energy mix from its current rate of 5% to about 80%. He, however, stressed that the story is not all bleak for Africa as some African countries have shown great leadership in their climate action efforts with 50 of them having rectified the Paris Climate Agreement in their respective countries. Cumulatively, African countries project need between \$2.6 trillion - \$3 trillion to achieve their respective NDCs. To meet this funding gap, Dr Mofor advised that African governments should look at the private sector and private capital to match their climate action projects with the expectations and needs of private investors interested in bankable climate action projects. He said, such a move has become necessary given the impact of the current global pandemic on revenue generation through exports and the slump in global oil prices affecting export revenues of oil-producing countries.

Dr Mofor also advised that African governments should look to take advantage of climate action initiatives by international organisations such as the United Nations to receive expert advice on climate action efforts necessary to boost the green revolution in Africa. Citing an example from his work with UNECA, Dr Mofor explained that there is an SDG 7 initiative for Africa to drive more private sector investments to support African countries to achieve their NDCs. He said the program which rests on three pillars of sustainability, governance and finance aims to align the interests of investors, governments and other stakeholders to increase skill and speed to accelerate investment into climate projects in Africa. On sustainability, projects under the initiative should be bankable enough with modest returns to attract the interest of investors. On governance, participating countries are expected to restructure their energy sector and remove bottlenecks to create an investor-friendly environment for climate finance projects. Once the above two conditions are met, investors are then drawn in to provide the needed finance for bankable climate action projects in Africa. Dr Mofor however, cautioned that African governments should start thinking about what they will do with their abundant oil and gas resources when they fully transition by investing in research and development and capacity building to explore different eco-friendly ways fossil fuels resources could be used. Such an action will help African countries effectively manage their transition plan and phase out conventional energy without stranding the abundant fossil fuel resources currently at their disposal.

Professor Okereke took the conversation to a different turn by looking at the situation within the context of Africa's vulnerability to climate change and the continent's dependence on extractive resources to fuel its economic growth. He captured his thoughts on Africa's current situation in the context of climate change in four key points. First, despite Africa's economy being predicted to be growing at a faster rate globally in the early 2000s as captured by the Africa rising narrative, hindsight has shown that Africa has seen little structural economic transformation reflecting in the lives of its people. Africa's economic

growth has therefore remained unpredictable, stunted and thus, poverty remains rampant. Second, the slow pace of development that Africa has seen has largely predicated in resource extraction in its crudest form. This means that in the context of climate change and natural resource degradation, Africa remains extremely vulnerable. Third, Africa is one of the most vulnerable continents to climate change due to geography, limited adaptive capacity, weak governance and lack of finance to adapt. And lastly, despite Africa's challenges, global energy transition has taken off which is driving away investments from fossil fuels to green energy. Africa is therefore in a precarious situation which they cannot ignore as the consequences will be dire should African countries ignore calls for climate action.

Commenting on the remedy to Africa's precarious economic and environmental vulnerability to climate Change, Professor Okereke advised that African governments should face the reality and adopt a proactive approach to solving such a complex problem. He urged African governments to respond and not react to the problem of climate change by actively acting and engaging the relevant stakeholders both locally and internationally on the necessary steps they need to take to address climate change in Africa whilst ensuring economic sustainability. According to him, African countries must do detailed scenario analysis, envisioning analysis, SWOT analysis especially oil-producing countries asking themselves critical questions on where they are, what the trends are, how it affects them, as well as what they need to do. This will help African countries to develop a better response to climate change and its environmental and economic threats to development in Africa. On making climate change solutions more context-specific, he advised that there is no one-size-fits-all solution for Africa and that African countries should have varying degrees of responses to climate change based on their situation and capacity available at the time.

3.3 Participants Questions and Contributions:

Following the discussions above, what role should oil and gas companies play in the decarbonization efforts of African countries they operate in?

Answering this question, Professor Okereke advised that oil and gas companies in Africa should be willing to share knowledge on their internal scenario analysis on the threats of climate change to the industry with African governments for a more collaborative approach to climate change in Africa. He said such knowledge sharing practices will help trigger meaningful conversation with African governments on climate change leading to more climate action efforts from both industry players and African governments. He also urged oil and gas companies in Africa to begin thinking on how they can reinvest part of their profits from oil and gas operations into greener energy projects in Africa. Also, as part of their transition plans, oil and gas companies were urged to begin programmes on reskilling and retraining of staff who will be negatively affected by energy transition to make them relevant in a green climate economy. Dr Mofor agreed with Professor Okereke and called for more collaboration on climate change action between oil and gas companies in Africa and African governments.

Should African countries especially oil-producing countries have united front ahead of COP 26 for more climate finance?

On this question, all the panellists agreed that since African countries experience climate change differently, it would be important for African countries to have differentiated stands and strategies for more climate finance ahead of COP 26.

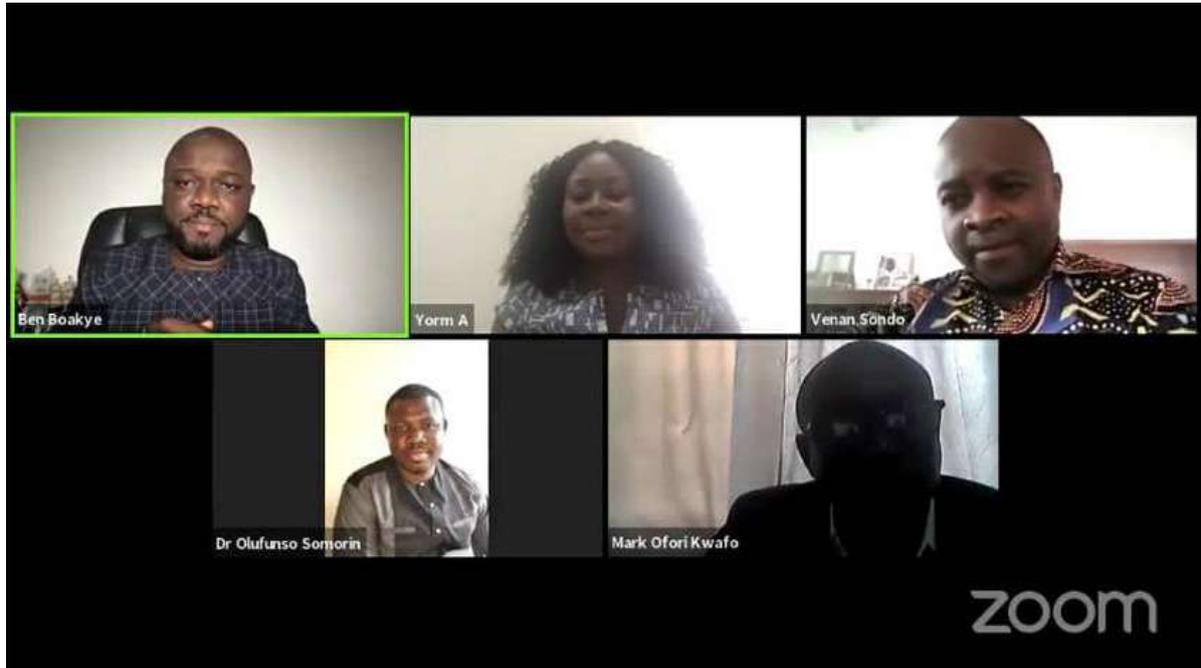
What are the best ways to implement decarbonization pathways?

Answering this question, Miss Rambharos advised that for African governments to have a clear pathway for decarbonization, African governments need to have a clear understanding of what they seek to achieve with decarbonisation and once the decarbonisation goals as established, they can factually design pathways for decarbonisation. This could be done by conducting varying energy modelling exercises to help them envision their decarbonisation future goals and the level of capacity and technology they would need to achieve that.

4.0 Panel Session 2

Topic: Financing Options for Green Development in Africa

Facilitator: Ms. Yorm Ama Abledu (*Lawyer, Lecturer and Energy Consultant*)



4.1 Discussants:

1. Mr. Mark Ofori Kwafu (*Regional Coordinator, Environmental Sustainability, Ecobank Anglophone West Africa*).
2. Dr Olufunso Somorin (*Regional Principal Officer, African Development Bank*).
3. Mr. Venan Sondo (*Managing Director | Co-founder, CHAiNT Afrique GH. Ltd*).

The panel explored options available for climate financing ahead of COP 26.

4.2 Panelists Discussions

Miss Yorm Ama Abledu gave an overview of the topic for discussion which was the financing options available to African countries for the green revolution in Africa. In her introductory speech, she highlighted that 2020 is critical for discussions on climate change as it marks the opportunity to assess the implementation of the Paris Climate Agreement of 2015 ahead of the UN-led 26th Conference of Parties (COP 26) in November 2021. Such a discussion will help African countries to negotiate better during COP 26 to expand their financing options

for the green revolution. The discussion, therefore, revolved around what climate finance is, why it is important, the role of development banks in climate funds, the Global Climate Fund and other funding options available to African countries aside from the Global Climate Fund.

Commenting on what Climate Finance is, Dr Olufunso Somorin explained that whilst conventional understanding on climate finance focus on global funds such as the Global Climate Funds, there is the need to think beyond the funds. To him, climate finance involves not only the funds but its governance, institutions, structures, frameworks and policies that govern investments into green revolution in diverse ways. He reiterated that understanding climate finance beyond the funds is the only way we can effectively talk about how African governments and institutions can effectively access and utilize their climate finance options available at the local, national, regional and global levels.

Mr. Verna Sondo also explained that climate finance is a form of sustainable finance. It is important because of current global challenges such as rapid urbanization, climate change, resource scarcity, demographic and social change among others continue to negatively impact on development across the globe. Therefore, there is the need for impact-driven financial packages to promote sustainable development. Africa is faced with the herculean task of bridging her huge development funding gap and thus must find innovative ways to raise funds for sustainable development in the continent. In his presentation, Mr. Sondo highlighted that Africa needs about \$2.5 trillion per year to meet SDG targets by 2030, \$100 billion per year up until 2020 to meet funding gap for climate change mitigation and adaptation, and low-income developing countries on the continent need about \$0.5 trillion per year to meet their funding gap by 2030. He further explained that traditional sources of development finance may not be enough to meet these gaps and there is the need for Africa to have different forms of blended finance that address Africa's unique developmental needs whilst tackling climate change adaptation and mitigation. Climate finance is therefore important in achieving this objective for Africa by serving the dual purpose of tackling developmental challenges across the continent whilst boosting climate action efforts for green revolution across the continent.

Given the importance of climate finance for sustainable development, the panelists highlighted the role of banks, and other financial institutions in promoting climate finance. Dr Somorin explained that whilst banks do acknowledge the importance of climate finance, banks move in the direction of solvable problems, capacity, and relationships built on trust. In this sense, financial institutions are likely to support climate action projects that are realistic and solvable backed with the requisite capacity and track record to boost investor confidence on the viability of climate projects. Citing inadequate electricity access in Africa as an example, he explained this problem can be turned into an opportunity for climate action and green revolution by building the right technical, managerial, institutional and policy capacity, a track record of transparency and accountability. This is to attract investors and development banks into Africa's renewable energy sector whilst increasing electricity access on the continent. Mr. Mark Ofori Kwafo added that the role of banks in climate finance goes beyond providing finance. Banks are directly involved in the implementation of the projects with the implementation entity and relevant stakeholders affected by the project through meetings and supervision of project milestones and standards.

Mr. Kwafo further used the opportunity to highlight how the Global Climate Fund (GCF) operates and how African countries can access the fund. He explained that the Global

Climate Fund is a multi-lateral fund created by the United Nations Framework Convention on Climate Change (UNFCCC) to combat climate change in the world. The fund has as its objective promoting sustainable development geared towards low-emission and climate-resilient development by supporting developing countries to limit their greenhouse gas emissions and adapt to the impact of climate change considering the vulnerability of these developing countries to the adverse effects of climate change. The funds have fiduciary standards for accountability and transparency, project management, on lending and grant mechanisms, among others. He stated that, as one of the financial institutions managing the fund in Africa, ECOBANK share the pan-African vision of contributing to the economic development and financial integration of Africa and are therefore in a better position to drive this vision towards the green revolution in Africa by providing equal opportunities for African countries and entities in the fight against climate change. According to him, the fund has stringent eligibility criteria and thus countries and entities applying for the funds must meet these stringent criteria before accessing the fund. Such stringent criteria are to help promote compliance and commitment to climate change efforts to boost green revolution on the continent.

On other financing options available to African countries and entities aside from the GCF, Dr Somorin argued that African governments and entities should explore other local and international funds to drive climate change action. Some of these funding options include bilateral funds, climate investment funds, Africa Climate Fund managed by the African Development Bank, among others. African governments were urged to find innovative ways of raising funds for climate action. Initial steps could include combining grants resources with loans, public raising of capital for climate projects through the issuance of government bonds to local investors and explore other avenues such as build-own-transfer options with private capital for climate projects. He said exploring such avenues will help drive climate action efforts in Africa at a faster pace as the Global Climate Fund alone would not be enough for effective climate action in Africa. Mr. Sondo also added that African entities with limited access to regional and global climate funds could explore the private capital market with viable/bankable climate impact projects as there are some private funds on the continent for climate impact projects.

4.3 Participants Questions and Contributions:

How Can African Financial Systems Build Resilience for Climate Change?

African financial institutions were advised to see the call for climate action as an opportunity for them to diversify their investment portfolio and demonstrate leadership and responsibility in their response as well as provide the needed finance for viable climate action projects. African financial institutions should therefore take calculated risks to invest in viable climate impact projects. However, building resilience for climate finance should be a shared responsibility between African governments and African financial institutions. African governments were advised to provide a favorable institutional and policy framework to attract and retain climate investments from African financial institutions. This was considered key to ensuring sustainable climate finance in Africa whilst helping African

financial institutions to take advantage of the opportunities that come with the green revolution.

The Role of Fossil Fuel Revenues for Climate Finance:

To encourage the use of renewables whilst boosting climate finance, panelists suggested that African governments should consider introducing taxes on fossil fuels for climate finance. This is because renewable energy usually requires high initial funding but low maintenance costs and this drives the prices of renewable energy above that of fossil fuel-related energy. Therefore, introducing taxes on fossil fuels will drive up the prices of fossil dependent energy sources to make renewable energy prices competitive. Panelists, however, cautioned that African governments should consider their unique energy and other developmental challenges before introducing fossil fuel taxes as higher fossil fuel taxes might have rippling effects on other sectors of the economy, especially industrialization. In place of taxes, African governments can introduce incentives for the renewable energy transition to boost climate action and green revolution on the continent.

How do African countries balance the state of climate finance and industrialization in Africa?

Panelists argued that Africa's industrialization gap could be used as an opportunity to drive the green revolution in the industrialization sector by championing efforts for new industries to adopt green energy. Given the continent's huge renewable energy endowments, African governments must explore ways of bridging their industrialization gap whilst promoting energy transition in the industrial sector. Renewable energy prices have over the years reduced significantly and further investments could drive its prices lower to more competitive levels to support industrialization in Africa. To drive investments into renewable energy to boost industrialization, African governments were advised to adopt sound policies in alignment with national development goals and investment plans to attract the interests of financiers and banks such as the AFDB who are interested in the green revolution and are willing to provide sustainable climate finance for such investments. The heterogeneous nature of the continent means that different countries have varying forms and levels of climate action. Panelists, therefore, called for an Africa-to-Africa platform where countries can learn best practices from each other.

Are there African countries that are outstanding in their Climate Action Efforts?

Answering this question, Dr Somorin stressed that it is important to acknowledge that African countries have made progress in their climate action efforts and thus Africa is not where it used to be when it comes to climate action efforts. Most African countries have national climate action strategies even though there might be implementation challenges with those national strategies. He highlighted some countries such as South Africa, Rwanda, Kenya, Ghana among others have raised internal conversations on climate change to build

support and consensus around climate action. Others too such as Kenya have made significant progress towards green revolution with 80% of their energy sources coming from renewables with a plan to achieve 100% dependence on renewable energy by 2030. He further stressed that to advance climate action across the continent, we do not need to compare countries but rather pick certain best practices across the continent for countries to learn from each other.

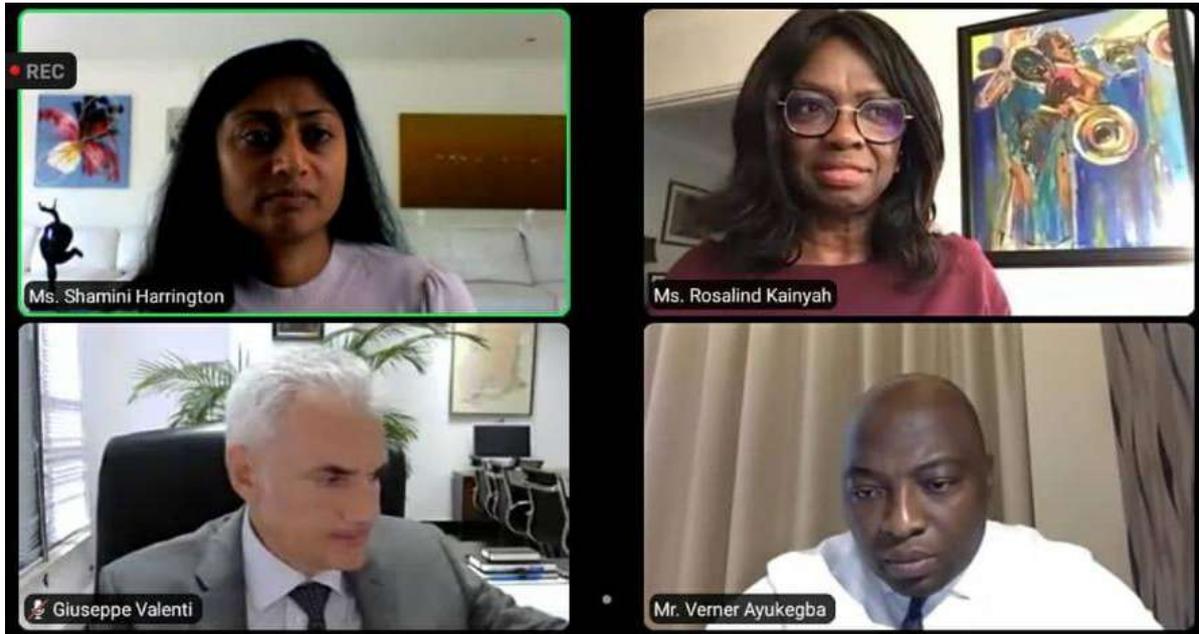
What should African governments be thinking about to negotiate better climate finance during COP 26?

African governments should realize that climate change is a global phenomenon and thus there will not be different rules for negotiating climate finance for Africa and the rest of the world. Thus, African countries should face the reality and build institutional, technical, managerial and policy capacity and leverage on that to negotiate for better climate finance ahead of COP 26.

5.0 Panel Session 3

Topic: Options Available to Oil and Gas Companies in Decarbonizing their Operations.

Facilitator: Ms. Rosalind Kainyah, MBE (*Managing Director, Kina Advisory Limited*)



5.1 Discussants

1. Mr. Giuseppe Valenti (*Managing Director, ENI Ghana Exploration & Production Ltd*)
2. Ms. Shamini Harrington (*Vice President, Climate Change, Sasol South Africa*).
3. Ms. Rachael Akosua Antwi (*Executive Director, Nochua International*)
4. Mr. Verner Ayukegba (*Senior Vice President on Public Policy, Africa Energy Chamber*)

5.2 Panelists Discussions

Ms. Rosalind Kainyah gave an introductory address on why the topic under discussion matters. In her speech, she emphasized global calls for climate action from industries, investors, governments and consumers alike to drive the world towards the green revolution in the near future. As a result, countries across the globe have sought to introduce targets and milestones towards banning greenhouse emissions. She explained that such actions have implications for the oil and gas industry which contribute about 42% of worlds total emissions with 33% of that coming from fossil fuel products and 9% from oil and gas exploration and production activities. She noted that to meet global targets, oil and gas

companies would need to cut their greenhouse gas emissions by about 90%. In light of this, she highlighted the importance for panel discussion given the role that the oil and gas industry play in Africa in terms of revenue generation, employment creation, increasing energy access, among others. The discussion, therefore, sought to find answers to questions within the context of Africa's oil and gas industry. These included who should be responsible for greenhouse emissions in Africa; how oil and gas companies can support African governments in the lead up to COP 26; whether it is fair to expect African nations to decarbonise at the same level as developed nations given the costs of decarbonisation in Africa and its effect on revenue streams from oil and gas activities.

Responding to a question on what oil and gas companies can do to contain emission from oil and gas operations in Africa and accelerate the green revolution on the continent, Mr. Giuseppe Valenti shared the ENI experience on how they have adopted strategies to decarbonise. He said ENI seeks to become an energy transition leader in the industry and thus, have designed a plan to achieve net emission neutral by 2050. As such, ENI have divided their businesses into two core business groups namely natural resources group and energy evolution group. The natural resources group focus on conventional fossil fuel and forestry activities to help keep their businesses financially viable whilst seeking ways to efficiently produce and use fossil fuel resources. The energy evolution group focus on transitioning from traditional energy to bio, blue and green energy products. He stressed that Africa is particularly important for ENI as they have established their presence in 14 African countries employing about 3740 workers and have more than 50% of their oil and gas production activities occurring in Africa. To show their commitment to energy transition in Africa, Mr. Valenti stressed that ENI have already introduced different green energy initiatives and projects such as solar PV plants, gas power plants among others in African countries such as Ghana, Nigeria, Congo and Angola.

Adding to the point above, Ms. Shamini Harrington explained Sasol has taken a different approach to transition by focusing more on just transition giving the economic and social costs transition could have on people who rely on Sasol's operations for employment and electricity access. According to her, Sasol employs about 27000 and any abrupt approach to transition may result in loss of livelihood and possible erratic power supply in the country. Thus, their approach to transition considers all the economic and social realities of South Africa and have designed a transition plan that will occur in phases with a target to transition into green hydrogen. In such a gradual approach, Sasol will rely on gas to power plants to gradually transition into green hydrogen which is their ultimate target. To achieve such a target, Sasol is looking forward to collaborating with corporations, governments, think tanks and other institutions across the globe to build the right infrastructure and capacity to ease in their transition plans. The examples of ENI and Sasol shared by Mr. Valenti and Ms. Harrington are some of the examples of what oil companies are doing to help accelerate the green revolution in Africa.

Speaking from the sustainable finance perspective, Ms. Rachel Akosua Antwi advised that to ensure their sustainability amidst calls for climate action, oil and gas firms need to develop plans that will ensure that their businesses will survive financially in the medium to long term. This is very important as oil and gas activities are becoming riskier for investors because of the momentum that climate action is gaining over the years. She urged oil and gas firms to diversify their investments and invest in green energy technology such as carbon capture to reduce their greenhouse emissions.

Mr. Verna Ayukegba explained that whilst energy transition actions of oil and gas companies are laudable, energy transition in Africa should be context-specific considering African realities. He explained that the transitioning approaches of developed nations should not be the same as that of developing and under-developed nations in Africa. Thus, he advised African governments to consider other energy challenges such as increasing energy access, erratic power supply and others as important as energy transition and take a practical approach to energy transition that solves such challenges rather than complicating them.

Ms. Harrington added to this point by arguing that, Africa's transitioning plan should be different from that of developed nations due to inadequate infrastructure, challenges with climate finance, technical and managerial capacity challenges etc in Africa. To her, developed nations should provide leadership and guidance to African nations by investing in the right technology to explore more efficient and affordable paths towards energy transition.

Mr. Ayukegba again advised that oil and gas companies can support African governments in their preparations towards COP 26 by willingly sharing their various simulation studies and other climate action plans with governments to help them negotiate better during COP 26. He further explained that, in their engagements with governments, businesses should stress the need for businesses and industries to exist amidst energy transition to help African governments devise a plan and negotiation strategy that directly deals with the impact of energy transition on businesses during COP 26. He argued that if this is done well, African countries will be able to support industrialisation and climate action at the same time.

Mr. Valenti again spoke on some of the energy transition projects that ENI have been doing over the years to throw more light on the question of what clean energy transition mean to oil and gas companies in Africa. He said that in their oil and gas operations in Ghana, ENI Ghana reinjects any associated gas extracted into the oil reservoir and non-associated gas is sold directly in the country for power generation. He explained that more than 50% of electricity generated in Ghana currently is generated from their non-associated gas which has led to a reduction in the use of liquid fuels for power generation which is expensive and not eco-friendly. In Congo, ENI operates a 484MW gas power plant which generates about 80% of the country's electricity needs. Ms. Harrington also shared Sasol's similar experience towards energy transition. She explained that Sasol has currently put out an emission reduction framework whilst seeking to diversify their investment portfolio and invest in sustainable green energy products. They currently have a green hydrogen project which is producing on a small scale and seeks to expand it on a larger scale over time.

5.3 Participants Questions and Contributions

Aside from their main presentations, panellists also had the opportunity to respond to questions from participants of the summit. Some of the questions that participants asked can be found below with their answers from panellists.

What options are currently available for alternative use of fossil fuels, is it possible to use them in different ways that will make them more environmentally friendly given its importance for revenue generation in Africa?

Answering this question, Mr. Valenti explained that alternative use of fossil fuels in eco-friendly ways is possible as some companies have successfully piloted some projects along this line. Bio-capture technology has proved viable on a small scale to capture and store CO₂ emissions from fossil fuels which are then used for agricultural activities. Also, in industry, he explained that CO₂ from fossil fuels captured and stored can be used for a special cement mix that is very efficient. He, however, cautioned that bio-capture technology is currently less known and more expensive and would require a lot of investments to make it cheaper so that it can be sustainably used on a large scale.

Do Companies in Africa's Oil and Gas industry plan to have a greenhouse gas reduction plan by 2021. Would it be a good idea that African governments require that companies have such immediate short-term plans for climate action?

Mr. Ayukegba argued that such plans in Africa's oil and gas industry should be geared towards the big oil exploration and producing companies in Africa and be flexible for medium-sized service companies in the industry. He explained that such an approach is very necessary since the big firms may be in a better position to finance such plans whilst medium-sized firms especially service companies may not have the financial resources to finance such short term and immediate plans. He advised African governments take a step back and be protective of mid-sized businesses that operate in these sectors. In a follow-up question on what smaller and mid-sized firms do to transition, Ms. Rachel explained that bigger firms should provide leadership and guidance for smaller and mid-sized firms to transition.

How are oil and gas companies collaborating with service companies to enable them to meet their climate targets?

Using the ENI example, Mr. Valenti explained that oil and gas companies have been collaborating with service companies as they work together with these companies to optimise their operations to be as efficient as possible. He said that in such collaborations, oil and gas exploration and producing firms have been setting stricter and more eco-friendly technical specifications for service contracts such as using eco-friendly fuel sources and equipment as much as they can. He stressed that they have also been working together with these service firms in their operations to produce green energy products.

6.0 Panel Session 4

Topic: The Importance of, and Avenues for, Citizenry Engagement on the Climate Discourse to Advance Responsible Climate Action and Innovation in Africa.

Facilitator: Mr. Julius Mbatia (*Director, Youth for Sustainable Development Goals Kenya (Youth4SDGs, KE)*)



The graphic features a blue and white background with an industrial oil rig scene. On the left, a blue triangle contains the text: 'THEME: THE IMPLICATIONS OF CLIMATE CHANGE ACTION ON OIL GOVERNANCE IN AFRICA'. Below this is a blue box with 'PANEL 4' and '26th Nov'. At the top, a blue banner reads: 'The Importance of, and Avenues for, Citizenry Engagement on the Climate Discourse to Advance Responsible Climate Action and Innovation in Africa'. Six circular portraits of panelists are arranged in two rows. The top row includes Mr. Benjamin Boakye (marked 'HOST'), Mr. Julius Mbatia, and Dr Festus Asaaga. The bottom row includes Ms. Ekemini John, Mr. Chibeze Ezekiel, and Ms. Simphiwe Laura Stewart. Each portrait is accompanied by their name and professional title.

6.1 Discussants

1. Dr Festus Asaaga (*Environmental Social Scientist, The UK Centre for Ecology and Hydrology*)
2. Ms. Ekemini John, Nigeria (*Young professional for Sustainable Development Goals | | Post Graduate Student, Energy Systems-University of Oxford*)
3. Mr. Chibeze Ezekiel (*Coordinator for Strategic Youth Network*)
4. Ms. Simphiwe Laura Stewart (*PhD Candidate | | Research Assistant School of Geography and the Environment, University of Oxford*)

6.2 Panelists Discussions

Mr. Julius Mbatia remarked that citizens engagement in climate change discourse is very important to galvanize support for climate action in Africa. Citing an example from his work on youth in climate change in Africa, he acknowledged the critical role the youth play in climate discussions and explained that such a discussion is important in helping us access how we proceed into the future and how we deal with the present on climate action. After his remarks, Mr. Mbatia opened the floor for panelists to briefly comment on why citizen

engagement matter in climate action. Dr Asaaga remarked that Africa's youthful population and its high vulnerability to the effects of climate change calls for citizens engagement on climate discussion in order to have inclusive an inclusive climate action strategy to mitigate the impact of climate change in Africa. Another panelist added that such a conversation is important in reframing the narrative on the injustices and inequity caused by the oil and gas industry on citizens and thus the discussion provides an opportunity to develop a sustainable and equitable energy and resource governance regime in Africa. A panelist also added that discussions on citizen engagement on climate change are important because the effects of climate change are cross-cutting affecting companies and citizens alike so to have a sustainable solution to the problem of climate, we need to engage all stakeholders in climate discourse including citizens.

Giving a detailed presentation on the topic, Dr Festus Asaaga expounded that although climate change is a global problem, vulnerability is locally experienced. Despite Africa's negligible contribution to global greenhouse emissions, Africa remain highly vulnerable to the effects of climate change due to its geographic location, weak governance structures and limited adaptive capacity. Africa's case is very precarious as most countries on the continent depend on the extractive sector particularly oil and gas, and mining to raise revenue for development projects. The sector also employs a considerable number of people in resource-dependent countries in Africa. This has put such resource-dependent countries in Africa in a precarious position where changes in the extractive sector have rippling effects on citizens and governments alike.

Speaking on the need for effective citizen education on climate change to boost a meaningful and sustained discussion on climate action, Dr Asaaga highlighted that despite strides made by some NGOs and the media in educating citizens on climate action, some gaps still exist. One of such challenges is the framing of the concept of climate change which is usually framed as an abstract scientific phenomenon which only experts and scientists understand. According to him, explaining the concept in a manner that is locally relatable and easy to understand is critical to boosting active citizen engagement on climate change discourse. Adding to this point, Miss. Ekemini stressed that the framing of the message on climate change is sometimes problematic when it is framed as something that is going to happen in the future and not as something that is happening now. Such problematic framing of the discourse on climate change makes it difficult to get citizens to fully engage and commit to climate action. She further argued that calls for climate action should go beyond warning citizens and institutions of the impact of climate change to focus on educating citizens on the actions they can take to battle climate change in their communities and cities. This will help create a more practical response to climate change by citizens and other important stakeholders.

Panelists also argued that in the quest to boost active citizens participation, citizens should be seen as stakeholders in the climate change discourse and not as passive agents waiting to be "enlightened" on climate change. It is therefore important to not only focus on the message but also a critical look should be given to the group/people are who sent out to communities to educate community members on climate change. Thus, there is a need for an innovative and collaborative engagement process whereby community members are trained and sent back to their communities as messengers of climate change education. This strategy is particularly important bridging socio-cultural barriers between climate "experts" and community members as community members might find it easy to relate with their

fellow community members than outsiders from the community sent to educate members on climate change. In areas that have experienced the adverse effects of climate change on their environment and livelihood, climate change educators need to adopt a more open approach to engagement by embracing local coping strategies these communities' members might have adopted to mitigate the impact of climate change. Such local knowledge and adaptive strategies could be streamlined into international best practices on local strategies on climate action. This will help create a more collaborative approach for climate change education whereby local communities as seen as partners and stakeholders in climate change discourse. However, Panelists noted that, for such collaborative approach to community education and engagement on climate to be effective, it is important to understand the power dynamics in climate change education even at the local level to avoid a situation whereby only a select few educated people oversee climate change education in communities. Panelists therefore, called for organizing representational groups within communities for a more equitable and democratic representation at the community level. Beyond this, community engagement should aim at engaging under-represented groups such as women, persons living with disabilities and unemployed youth for an all-inclusive climate action effort. Such an organized form of community engagement will help provide a platform whereby community needs and priorities on climate action could be channeled to the national authorities for a more inclusive approach for climate action.

Another issue that Panelists highlighted in their discussion is that there is no a one-size-fits-all approach to citizen engagement on climate change discussion. For a meaningful climate change discourse with active citizen engagement, the discussion should be context-specific to capture the unique experiences of people on the impact of climate change and adaptive techniques the different groups of people across the continent. Climate Change discourse in Africa should acknowledge where we are coming from to where we are going into the context of the cultural pattern of Africans, the existing infrastructure of Africa and citizens' reception to possible technical solutions to climate change. Miss Ekemini bemoaned that current energy transition models at the forefront of global climate action efforts do not look at Africa contextually. She argued that to boost active citizen engagement on climate action across the continent, we need to understand the economic background of local people coupled with their socio-cultural practices including religious beliefs and how such practices and beliefs might affect their reception towards climate action efforts. For instance, a large number of households in Africa continue to rely on wood and coal-related energy sources for domestic cooking because those options are cheaper. In such instances, it is important to consider the economic costs of the energy transition for such households and ways to cater for such costs to avoid community push-back against eco-friendly fuel sources for economic reasons.

For Africa not to miss out on the opportunities the green revolution presents, panelists advised that African governments could use regional and global energy frameworks as a guide. It was noted that some regional development plans such as the Agenda 2063 have a special component on energy transition which African countries can adopt into their national energy policies setting milestones to be achieved under such frameworks. Other international frameworks that African governments can adopt include the Sustainable Development Goal 7, Paris Climate Agreement, among others. African countries can also leverage on regional platforms such as the AU, ECOWAS among others to learn best practices among African countries. In following such regional and international frameworks, African

governments were urged not just to focus on energy transition but consider adding job creation as part of the transition plan to galvanize local and international support for the green revolution in Africa.

7.0 Conclusions

The 2020 AOGS highlighted pertinent concrete actions that African governments, climate financiers, the business community and citizenry can adopt in response to the green revolution. The team of experts who participated as speakers and audience highlighted the lessons that should guide Africa's participation in the green revolution and the role of stakeholders towards resolving the dilemma of balancing the dependence on fossil fuels and the commitments to climate change action. The Executive Director concluded the Summit by expressing his appreciation to all panelists, participants and the sponsors for a successful deliberation and with the hope that the Action Points will guide African governments in their negotiations at COP 26.

Annex 1: Communique of the Summit

The panelists shared a number of action points that could guide stakeholders as well as governments to effectively optimize Africa's fossil fuel endowments while transitioning to green energy.

8.1 Lessons that should guide Africa's participation in the green revolution

The Summit concluded that Africa has a lot to learn from its past and the current trends.

1. African economic growth from the early 2000s has not been sustainable and poverty has remained extremely rampant. This limited growth has been predicated on the extraction and export of natural resources in the 'crudest' forms. Thus, the increasing Gross Domestic Product (GDP) has not led to structural transformation of African economies.
2. African countries have consistently failed to adequately plan their development priorities and objectives. In instances where some plans exist, they have been poorly implemented to deliver the most optimal outcomes.
3. Africa is one of the most vulnerable continents to climate change. This vulnerability is due to a combination of geography, climate-dependent economic sectors, limited capacity to adapt, weak governance and lack of finance. Although the Africa has historically emitted negligible Greenhouse Gases (GHGs), African countries cannot ignore the effects of climate change on the livelihoods of its citizens.
4. But climate change also offers an enormous opportunity for Africa through following a climate-resilient and low carbon development pathway that incentivizes green and inclusive economic and social transformation.
5. The global green transition has taken off. At least 14 countries and 29 principalities have indicated timelines in the medium term to ban the sale fossil fuel cars in their countries. The transition is not waiting for Africa; it is already happening.

8.2 The role of stakeholders towards climate action

The Summit identified the key roles of various stakeholders in ensuring that Africa is able to effectively respond to the urgency of climate action.

8.2.1 The role of Government

1. **Policymaking and implementation**
 - Governments must model the pathways available to them for transitioning, taking into account the carbon constraints and the emission reduction limits, and provide for the demography of the country, the diversification of and the consequence of inaction.

2. Regulatory systems

- Governments must, in the short term, implement strict environmental standards in the extraction of the natural resources to mitigate their impacts on climate and the environment.
- Governments must ensure energy transition is just. The transition process must account for the socio-economic impacts of the green transition on communities and how to mitigate them.

3. Institutional capacity to deliver leadership

- Governments must think imaginatively to participate in the economics of the transition. There has to be a concerted effort to ensure that Africa actively participates in the development of renewable technologies within a set timeframe through collective thinking and right governance frameworks.
- African Governments should not limit their options to the Green Climate Fund (GCF). Countries need to revise their NDCs to reflect more bankable clean energy actions which generate modest returns to attract investments from the private sector.

4. Incentives for collective actions

- Governments must rethink their approach to citizen engagement on communicating climate change. There is the need to move beyond government engagement championed by scientists to involve CSOs, local actors and the media to target “unorganized/informal” citizenry.
- Governments must also simplify climate change issues for the ordinary citizen using local languages and simplified educational techniques to facilitate citizens understanding and participation in climate change discussions and action.

8.2.2 The role of businesses/industry

- Businesses are encouraged to strategize and set realistic phased targets that are informed by critical modelling of the pathways that are available to them.
- Businesses would need to also invest in carbon capturing and storage technologies to mitigate the risks of stranding fossil assets and contribute to meeting the net-zero targets in 2050.
- Businesses would benefit from diversifying their operation portfolio to include greener power generation sources such as Solar PVs, green hydrogen etc. to remain profitable and sustainable in the transition process and beyond.
- Businesses should invest in research and development on the options for using CO₂ emissions.
- Businesses are encouraged to share with government pathways for transition they have already modelled for their businesses to accelerate government’s understanding and action on the transition process.
- Businesses may also support the investment in research and development in renewable energy technologies either through the utilization of an agreed share of their revenues due government or cooperate to ensure the continent leads in the production of these technologies instead of being consumers.

- Businesses would need to begin the process of reskilling and retraining workers who may be affected by the transition to mitigate the socio-economic effect of energy transition on their livelihoods.
- Businesses should support carbon pricing tax system, remain proactive in meeting the climate-related costs that will affect their businesses, and be well-prepared to remain profitable.

8.2.3 The role of CSOs and citizens

- CSOs and citizens must demand for climate policies, monitor the implementation of those policies and demand accountability from government on climate actions.
- CSOs must also actively participate in the education and sensitization of local communities on the realities and impacts of climate change on their livelihoods and the urgency of climate action.

8.2.4 The role of development partners

- Development partners are encouraged to acknowledge Africa's contextual realities on climate change and progressive climate action and work jointly to invest in high impact areas that will not only strengthen Africa's adaptability and resilience to the effects of climate change, but also support economic diversification in Africa.
- Development Banks should actively provide capacity building support to African governments and African businesses in designing and assessing innovative funding for bankable clean energy projects.



ADDRESS

Avenue D, Hse. No. 119,
North Legon
P.O. Box CT 2121
Cantonments, Accra



0302 900 730



info@acep.africa



@AcepPower



Africa Centre For Energy Policy



www.acep.africa