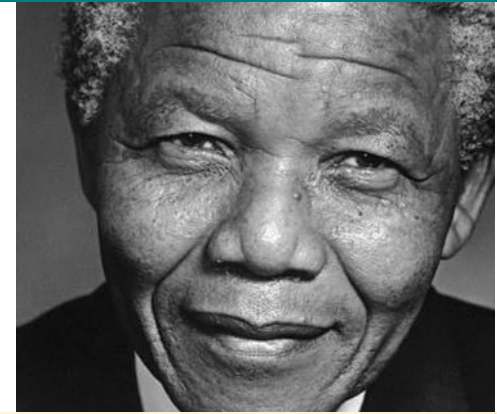


# BE PART OF THE LEGACY

JOIN UCT'S NELSON MANDELA SCHOOL OF PUBLIC GOVERNANCE



## DEVELOPING AFRICA'S NEXT GENERATION OF ETHICAL LEADERS



UNLEASHING AFRICA'S HUMAN POTENTIAL

# Trade and Climate Change An African Perspective

Presentation to the WTO Public Forum  
30<sup>th</sup> September 2022:  
Towards a Sustainable and Inclusive Recovery

By Professor Faizel Ismail

Director and Professor, Nelson Mandela School of Public Governance,  
University of Cape Town

IPCC, WGII Sixth Assessment Report, Chap 9.

***“Africa has contributed among the least to greenhouse gas emissions, yet key development sectors have *already experienced widespread loss and damage* attributable to anthropogenic climate change, including biodiversity loss, water shortages, reduced food production, loss of lives and reduced economic growth” (IPCC, 2022).***

## i) How should African countries address the challenge of Climate Change at the National Level?

- African countries are making commitments, in accordance with the UNFCCC Paris Agreement, in their Nationally Determined Contributions (NDCs) to climate change mitigation.
- As African countries implement their commitments to transition to a low carbon economy - the plight of workers and communities needs to be addressed – through a **Just Energy Transition (JET)**
- the ‘just energy transition’(JET) must be located **within a broader framework of ‘climate resilient development’ (CRD)** - that combines adaptation and mitigation to realize the goal of **sustainable development”**.
- African countries should be integrating and mainstreaming Climate Resilient Development in their **National Development Strategies/SDGs/NDCs**

## ii) How can the AU/AfCFTA advance Africa's climate resilient pathways?

African countries led by the AfCFTA and the AU **need to mainstream climate change into their development strategies (and SDGs)**, by advancing the **AfCFTA and climate resilient developmental regionalism**, through **several pathways**, including;

- a) renewable energy and transformative green industrialization;
- b) agriculture, food and nutrition security and climate change adaptation;
- c) strengthening its development finance institutions;

### iii) How can South-South relations support Climate Resilient Developmental Regionalism in Africa?

- First, the African Group can **work together** with other developing countries to restore the integrity of the **WTO** and insist on the strengthening of the rules-based trading system that is **multilateral, inclusive**, fair, just and development oriented
- Second, African countries can **share experiences on a 'just transition'** from coal and other fossil-fuel based energy to renewable energies, with other developing countries. They can conduct peer reviews to share experiences and act together with other developing countries in the UNFCCC to **negotiate fair and 'just transition' mitigation commitments.**
- Third, African countries, can collaborate with BRICS countries and **utilize their financing instruments**, such as the New Development Bank (or BRICS Bank), Asian Infrastructure Investment Bank (AIIB) and the Silk Road Fund to provide concessional financing for **investment in Africa's cross-border infrastructure** projects to reduce transport and logistics costs, without increasing Africa's unsustainable debt burden.

## iv) How can the AU and AfCFTA assert their Agency in the MTS and UNFCCC and contribute to reform of the Global Governance Architecture?

Developing and developed countries should work towards a **positive trade and environment agenda**:

**First**, developed countries should recognize the principle of Special and Differential Treatment (**S&DT**) and Common but Differentiated Responsibilities (**CDR**)

**Second**, the Environmental Goods and Services Agreement (**EGS**) being negotiated in the WTO should be **inclusive and multilateral**, rather than plurilateral and exclusive.

**Third**, the WTO can use the example of the Doha Ministerial Declaration on the TRIPS Agreement and Public Health to also **expand TRIPS flexibilities for developing countries in relation to climate related goods and services**.

**Fourth**, African countries should insist that EU and US should rather support a **positive trade agenda** to encourage and assist developing countries to implement their mitigation commitments and adaptation development strategies, **rather than impose unilateral measures such as CBAM**.

**Fifth**, developed countries that are mainly responsible for historical emissions have a responsibility to **make good on their promises**, made in Copenhagen (COP15), for \$100 billion dollars of climate finance per year by 2023 (the original target agreed at Copenhagen was to be met in 2020 but not met) and to increase this to between **US\$750 billion and US\$1.3 trillion a year by 2030**.

# Global Green New Deal

The reform of the WTO should take place in a context of re-imagining the architecture to the current global governance system to address **climate change and the environment based on the principle of sustainable development**.

We need to bring together the expertise and resources of different global forums – UNFCCC, UNCTAD, WTO, G20 – on environment, development, trade, investment and finance – and build a coherent and integrated response to the greatest systemic risk ever faced by humanity since the Second World War.

The UNCTAD Geneva principles are an excellent starting point to frame the discourse for a new architecture of Global Governance. The principles are set out below.

- **Principles for a Global Green New Deal**

- i) Global rules should be calibrated toward the overarching goals of **social and economic stability, shared prosperity, and environmental sustainability** and be protected against capture by the most powerful players.
- ii) States share **common but differentiated responsibilities** in a multilateral system built to advance global public goods and protect the global commons.
- iii) The right of states to **policy space to pursue national development strategies** should be enshrined in global rules.
- vi) Global regulations should be designed both to strengthen a dynamic international division of labor and to **prevent destructive unilateral economic actions** that prevent other nations from realizing common goals.
- v) Global public institutions must be **accountable** to their full membership, **open to a diversity of viewpoints**, cognizant of new voices, and have balanced dispute resolution systems.