



Informal Africa-Europe Climate Convening – 12th June 2024

Jointly hosted by the Africa-Europe Foundation (AEF) and the Pan-African Justice Climate Alliance (PAJCA), in partnership with the African Union Commission (AUC).

Context:

Participants attending the Informal Africa-Europe Climate Convening, organized in the sidelines of the 60th Subsidiary Bodies (SBs) of the UNFCCC asked themselves: As Africa and Europe, what do we need to do differently given that next year, in 2025, we will celebrate the 10-year anniversary of the Paris Agreement?

With the current changes in the global geopolitical landscape, including wars in Europe, the Middle East, and Africa, how can Africa and Europe ensure that climate cooperation is enhanced and taken seriously?

Climate change is a crisis that needs global attention and there is an urgent need to avoid a North-South divide. The latest figures from the OECD on climate finance show that we are moving in the right direction, but there is still not sufficient volume. There is also a perception that finance is not hitting the ground and delivering on impact for the most vulnerable, particularly Africa. Global focus on geopolitical dynamics relating to the ongoing war between Russia and Ukraine as well as the conflict between Israel and Hamas is obscuring the climate change discourse yet we must keep the momentum alive.

Africa and Europe have a long history of partnership and there are opportunities to collaborate to achieve global decarbonisation. Indeed, there is a window of opportunity to reorient the partnership and catalyze greater action, turning the Africa-Europe partnership from dialogue into action, notably for growth in investment, climate adaptation and finance.

This meeting marks the first in a series, and lays the foundation for partners from Africa and Europe to break the ice and overcome deadlocks to take the partnership forward, starting with climate action and finance.

Collective action on climate adaptation:

With 2025 being the year to agree the New Quantified Collective Goal on Climate Finance (NCQG), there is a need to demonstrate strong signals in favour of increased climate finance. There is an opportunity to design adaptation finance for the years to come and to have a breakthrough on adaptation finance in the context of the negotiations. In this regard, NCQG should be considered a key moment to deliver and write the next chapter of climate finance, advancing a new vision.

On our way to COP30, we need to more than double adaptation action and finance, and for adaptation champions to bring forward clear commitments: achieving the doubling of



adaptation finance by 2025 compared to 2019; meeting targets for global adaptation funds; pledging contributions to signature initiatives, such as the UN Secretary-General Early Warning for All Initiative (EW4ALL); supporting with climate diplomacy the writing, financing and putting into practice of Nationally Determined Contributions (NDCs) and National Adaptation Plans (NAPs).

The meeting heard that we need to fix higher targets for adaptation and to elevate adaptation in the Africa-Europe partnership, notably in light of new policy cycles at the EU and new programming with Africa. Participants from the EU stressed that they stand ready to accelerate climate action and adaptation efforts in Africa.

A stronger narrative on adaptation is needed, which translates commitment into action on the ground and pushes for effective locally-led adaptation. Examples include the Locally-Led Adaptation (LoCAL) Programme and Kenya's Financing Locally-Led Climate Action (FLLoCA) Programme, to which the European Commission and a number of EU Member States are signatories.

As Africa and Europe, we have a lot of objectives in common, but we all need to work on the fine print to achieve the challenge ahead of us.

Converging positions:

The meeting heard that there are progressive positions on climate from Africa and Europe but much more needs to be done. With Africa and Europe having a long historical relationship, a lot of commonalities but also contrasting perspectives, climate requires all of us to work together, recognizing the principles of common but differentiated responsibilities and the fact that we have different capacities.

The African Group of Negotiators (AGN) and the European Union (EU) share the desire to remain on the progressive side of cooperation, and a common concern to secure greater emission reductions to limit climate impacts.

There is a lot of concern about adaptation finance, and the need for more grant-based finance for adaptation, and less for mitigation. We need to do much more on adaptation and be smart with mitigation. Now that the European Commission has achieved funding parity on adaptation and mitigation, we must avoid subsidizing mitigation and focus on climate smart adaptation solutions and action.

Africa and Europe take the position that it is not enough to focus on existing sources of public finance. Rather, additional climate finance must be brought to the table, including for climate action, adaptation, and loss and damage.

But we need to do things differently:

Africa and Europe need to do things differently. For too long, Europe has overlooked Africa as a source of solutions and of major economic opportunities, which has created problems for the

two continents, be it for its supply of critical minerals for the digital and energy transition, or for human mobility, among others.

Nevertheless, Africa and Europe have until 2030 to show they can implement the SDGs and cut emissions at least in half. This tight and challenging timeline should help to accelerate joint action, with its urgency being a lever to achieve these goals.

But to do things differently, first we need functioning institutions, then for finance to flow at the right speed and scale, by setting up the policy frameworks to drive investment and action. We also need to inspire ourselves and turn mistakes into successes, enabling cooperation to be innovative and bold.

During the inaugural Africa Climate Summit (ACS) of 2023, African leaders underscored the opportunity presented by the African continent for global climate positive growth. The Summit highlighted possibilities to course correct by considering Africa in a new light, as a solutions provider.

This was recognized by EU leaders who offered new avenues for driving investment, shifting finance flows for transformation, spurring economic growth and jobs, and accelerating climate action.

Against this background, the two continents have an opportunity to address common issues jointly. There is a need for the EU to be as responsive as possible to the needs and priorities of African development partners in terms of climate priorities, and particularly, adaptation.

Using all financial means and ongoing multilateral processes:

At the meeting, climate diplomats recognized the need to escape from the constraints of the UNFCCC negotiations, to break the silos and anchor negotiations in the real world.

It means working on the outer layer of the financial ecosystem, and talking to the private sector, institutional investors, treasurers, and investment communities. It also means assessing risks differently, noting the high level of indebtedness of African economies and the need to collectively work on this.

There is a need to send different signals to credit ratings agencies, demonstrating a pipeline of bankable projects with good governance, to make the green economy viable and vibrant for investment to follow.

Increased dialogue between Africa and Europe should focus jointly on new streams of finance (i.e: Global Solidarity Levies Task Force; Task Force on Debt, Nature and Climate; Reforms on the international financial architecture), to address the long-term balance of power, and refocus attention towards climate action, including adaptation needs, and loss and damage.

Public finance will never be enough to cover the NCQG. New avenues must be explored (i.e: G20 wealth tax, tax on aviation, maritime, fossil fuel production, advertising) and to work with



Ministers of Foreign Affairs and national treasuries to understand what is feasible. Africa and Europe could be in the vanguard in support of such new measures.

Driving impactful adaptation finance:

Over the past years, trust between Africa and Europe has been eroded in relation to climate finance. The unfulfilled promises and commitments have led to a crisis of confidence.

As an example, the EU had announced funding commitments in Glasgow that were celebrated but, a year later, pledges intended to cover a single year, were spread over a number of years. This has contributed to an erosion of trust from African partners. Furthermore, climate finance is often pledged but not disbursed. Overall, it is an issue of accessibility and quality, predictability, and honouring the commitments.

The meeting noted the importance of indicating timeframes when making pledges. Furthermore, it is key to establish a process for tracking progress, demonstrating evidence of action, and supporting recipients' planning. The EU-Africa Global Gateway-related Team Europe Initiative for Climate Adaptation and Resilience in Africa is a case in point. It highlights great ambition from the EU, but with very limited visibility on progress and delivery of the \$1bn pledged at COP27.

In the context of the post-EU election, it is recommended for the new EU policy cycle to improve its Team Europe approach, ensuring better and more effective means to drive investment, transparency, and delivery of action on the African continent.

There is a need to win back the confidence of African partners, building on the latest figures of the OECD, which indicates that the \$100bn target has been met (with \$32bn for adaptation finance, representing about 20% of total climate finance), yet there are concerns about validity of these figures and investments on the ground

Recently, there has been a tendency by donor government to avoid multilateral funds, such as the Adaptation Fund (AF) and Green Climate Fund (GCF). Cooperation has been focused on bilateral deals and engagement, which has led to a deficit of trust on delivery of action from civil society. To restore trust, it is important to focus on replenishing multilateral adaptation funds to be channeled to projects on the ground.

Overall, there is a need to identify the disconnect between (i) donor money pledged and accounted for, and (ii) finance received on the ground. This will contribute to greater awareness of the impact of climate finance at the African level. It was also recommended to look at tools that can trace climate finance flows from the source to the recipient, with a feedback mechanism to ensure accountability.

The meeting heard that it is less about the volume of finance and more what finance has achieved. There was strong interest in crafting a model with a common understanding to ensure climate finance flows better towards Africa, as well as innovative suggestions such as the possibility of pre-financing the writing of NDCs and NAPs.

The world and especially global finance institutions and investors should look at Africa differently with regards to risks associated with investments in the continent.

Investing in the right infrastructure is both adaptation and mitigation:

In Africa, mitigation and adaptation must be looked at through the same lens, but more focus needs to now be brought to adaptation in the context of Africa. Today, investments in mitigation lose their value by the vulnerability of the continent. We have to realize that every single euro is at risk because of climate change and investing in resilience is investing in both adaptation and mitigation.

Adaptation is not attracting a lot of interest but for Africa, there is no real difference between adaptation and mitigation. There are co-benefits for both, such as investing in the right infrastructure.

There is an opportunity for private sector engagement in adaptation, by making it investable. Looking at adaptation in relation to resilience will turn it into a sector with business interest (i.e: built infrastructure, energy systems, etc).

It is in the interest of all to make sure that investments are both climate resilient and financially resilient. As climate risk assessments are developed, these should inform not only the public but the private sector as well, ensuring it also invests in adaptation and resilience.

The devil is the details:

Despite close Africa-Europe alignment to position adaptation finance for Africa high in the conversation, the devil is in the details. Indeed, the shared ambition often fails to translate into common understanding at the negotiating table.

If we all agree that adaptation finance and the level of ambition need to be raised, and we want to prevent adaptation finance from falling behind again, how can Africa and Europe translate this clear commitment into adaptation action and finance?

There are numerous lessons we have learnt in the magical \$100bn goal, including the fact that adaptation finance is currently lagging behind, representing only 20% of total climate finance in the latest OECD report and is very distant from reaching parity with mitigation (80% for mitigation).

We are also failing to agree on a new goal to prevent this from happening again, including agreeing on a sub-goal for adaptation as part of the NCQG (both in terms of a concrete number and percentage).

The question of climate finance as loans:

Another major concern relates to climate finance as loans. With African economies already reeling into deeper debt, what does it mean if a high percentage of the climate finance flowing to Africa remains in terms of loans in the new NCQG? This would represent hundreds of billions

or trillions of dollars of additional loans for African economies, further exacerbating an already dire situation.

However, it is important to note the following: What is measured as concessional loans within the \$100bn in the case of Africa, where many countries are LDCs, are loans that have at least 45% concessionality, with a very high grant element.

Some stakeholders feel that these are not loans that increase debt because they can be serviced at a lower rate than the rate of the country. Talking of loans creates a false impression.

The leveraging power of climate finance:

The ratio of mobilization (leveraging effect) of climate finance is very low, highlighting that we are doing something wrong and maybe there is an accounting issue.

If we are to depend on blended finance or guarantees, it requires addressing the challenge of the mobilization ratio currently being very low.

Most Development Financial Institutions (DFIs), EU Member States and institutions do not look closely at the private investment mobilized by the public climate finance provided when accounting for what was achieved. This highlights an inherent issue of accounting.

In any case, more adaptation finance is needed and the absolute quantum of finance is not the best proxy for results on the ground. We need to demonstrate impact and resilience. Achieving resilience will require smarter and more effective forms of finance and its delivery.

As such, there is a need to recognize the work of the Global Goal on Adaptation (GGA) and associated indicators. This analytical work will help specify what kind of impact needs to be achieved in different sectors (thematic and sectoral targets). We can then translate impact indicators on actions into their final cost, which then tells us the level of finance that is required. But for this, we need further technical work and alignment as Africa and Europe.

Way forward and next steps:

Participants at the meeting affirmed their commitment and interest to continue the dialogue, culminating into a physical meeting at the margins of COP29 in Baku, and with a view to continue working jointly to enhance the partnership in view of COP30.

The meeting noted the importance of creating more synergies and aligning EU and African priorities, as well as to work jointly to mainstream adaptation in the Africa-Europe partnership – building on African priorities and the upcoming EU policy cycle.

As Africa and Europe, there is a need to make adaptation a priority while ensuring that Africa at large benefits from climate finance and the investment needed to enable the continent to grow. All tools at our disposal should be mobilised to improve the Africa-Europe partnership.

Overall, it is not just about the money but its effectiveness and the political will of all involved. The single most efficient way to increase the volume of adaptation finance is to prioritise adaptation finance, and for EU countries to ensure 50/50 adaptation/mitigation parity.

On the back of the EU elections, there is a need to raise awareness of global climate action into constituencies and ensure climate remains a priority for the EU, including climate diplomacy with Africa.

Participants also agreed to explore opportunities to engage in the upcoming global convenings of interest, including the UN Summit of the Future in September 2024, the High-Level Political Forum, and the IMF-WB annual meeting in 2025.

List of Participants:

1. **Ali Mohamed**, Chair of the African Group of Negotiators (AGN), Special Climate Envoy of Kenya
2. **Kevin Magron**, French Climate Envoy
3. **Cromwel Lukorito**, Vice-Chair of IPCC Working Group II
4. **Mithika Mwenda**, Executive Director, Pan-African Justice Climate Alliance (PAJCA)
5. **Mattias Frumerie**, Swedish Climate Ambassador
6. **Seth Osafo**, Legal Advisor of the African Group of Negotiators (AGN)
7. **Christophe Guilhou**, Director of Global Affairs, Ministry of Europe and Foreign Affairs, France
8. **Dimitrios Zevgolis**, European Commission Head of Multilateral Affairs at DG CLIMA, Deputy Head of the EU at the UNFCCC
9. **Caroline Tagwireyi**, Senior Mitigation Officer, Climate Change, African Union Commission (AUC)
10. **Augustine Njamnshi**, Executive Director, African Coalition for Sustainable Energy & Access (ACSEA)
11. **Charles Mwangi**, Head of Programs and Research, Pan-African Justice Climate Alliance (PAJCA)
12. **Christophe Schwarte**, Senior Associate, Legal Affairs, Pan-African Justice Climate Alliance (PACJA)
13. **Pacifica Ogolla**, Director Climate Change Directorate, Kenya
14. **Jackline Amongin**, Member of Parliament East Africa Legislative Assembly
15. **Jori Keijsper**, UNFCCC Head of Delegation, the Netherlands
16. **Fionnuala Callanan**, UNFCCC Head of Delegation, Ireland
17. **Jette Michelsen**, Chief Advisor at the Department of Green Diplomacy and Climate, Denmark
18. **Bertha Argueta**, Senior Advisor, Climate Finance and Development, GermanWatch
19. **Hanne Knaepen**, Head of Green Transition and Climate Action, European Centre for Development Policy Management (ECDPM)
20. **Cristina Rumbaitis del Rio**, Senior Advisor, Adaptation and Resilience, United Nations Foundation
21. **Raphaël Danglede**, Lead Portfolio Manager for Climate and Development, Africa-Europe Foundation