

LIBREVILLE, December 7 (Infosplusgabon) - The President of the African Development Bank, Akinwumi Adesina, called on African business leaders to take advantage of investment opportunities in Africa and decarbonize their industries more quickly during the COP28 global climate conference in Dubai.

“Africa is a very reliable destination for investment,” since the continent has a “dominant position in terms of green metals, the critical metals that will support storage and energy systems,” Dr Adesina said on the third day of the conference.

The continent also has a green hydrogen market that is set to increase from around USD 5 billion in 2022 to USD 134 billion in 2032, an electric vehicles market estimated to reach USD 7,000 billion by 2050, and manufacturing capacity for non lithium-ion batteries that is three times less expensive in Africa than in the United States, Poland or China.

“We have 11 terawatts of solar energy, 350 gigawatts of hydroelectricity, 110 gigawatts of wind energy and 15 gigawatts of geothermal resources. There is absolutely no reason why we cannot have 100 percent electricity in Africa,” he continued, pointing out that this should be “enough to trigger an energy revolution and transform the continent”.

“Now, in order to exploit this potential and accelerate its own transition towards net zero emissions, Africa must increase the pace of its investments in green infrastructure,” said Dr Adesina. He was speaking at a session organized by the United Nations Global Compact and the Africa Business Leaders Coalition (ABLC) on “Driving Accountable and Actionable Climate Solutions in Africa”.

Several African business leaders, representatives of multinationals, investors and delegates from financial and development institutions took part in the session on 2 December, in which senior managers from companies such as DP Word explained their commitment to decarbonization, or the huge investments they were making to develop renewable energies in Africa.

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Outside the COP, the Norwegian company SCATEC has entered into an agreement with Egypt to develop a 1,000 megawatt photovoltaic system, backed by a 200 MWh battery-based energy storage system. The Bank has committed to supporting this project, which in the long term, will offer the lowest price on the continent for solar systems and battery-based energy storage systems.

“We are working hard when it comes to creating a pipeline of bankable investment projects in the context of the Glasgow Finance Alliance for Net Zero (GFANZ), for which I chair the African network. We are working on carbon markets at the national level and are strengthening the standards for the Africa Carbon Markets Initiative (ACMI),” said Mahmoud Mohieldin, the United Nations Special Envoy on Financing the 2030 Agenda and a climate champion for Egypt.

Mr Mohieldin called on businesses to make more space for young people in terms of climate investments. “We are seeing competition rather than collaboration, because there are not many opportunities for young people,” he observed.

“That said, I think it is very important to invest more in young people. While we know that it sometimes involves more risk from a commercial perspective, we can also mitigate that risk by making things easier for young people, offering them a helping hand, connecting them to mentors and examining how to offer them opportunities in the system and the value chain,” he said.

Dr Adesina said Africa can achieve wealth creation through a green transition. “It is essential that Africa should not be rich in natural resources and then suddenly poor in monetary terms,” said Mr Adesina.

He said investors had every reason to look at opportunities in Africa, since “in agriculture, (the continent) has 65 percent of all uncultivated agricultural land, 600 million people lack access to electricity and there are 900 million people, women (who) do not have access to their own

kitchen. It's a commercial opportunity," he stated.

Business leaders were reminded that Africa is suffering enormous financial losses due to climate change, although it is only responsible for 3 percent of global CO2 emissions. Losses are estimated at between USD 7 and 15 billion per year.

"Africa has no choice. It has to adapt to climate change. It's the only option we have," he said.

To achieve this, Dr Adesina invited business leaders to "develop the carbon market in Africa at both the national and regional level, while avoiding a 'carbon grab' in African countries comparable to a 'land grab, which is not a good thing." (Source : African Development Bank Group (AfDB)).

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