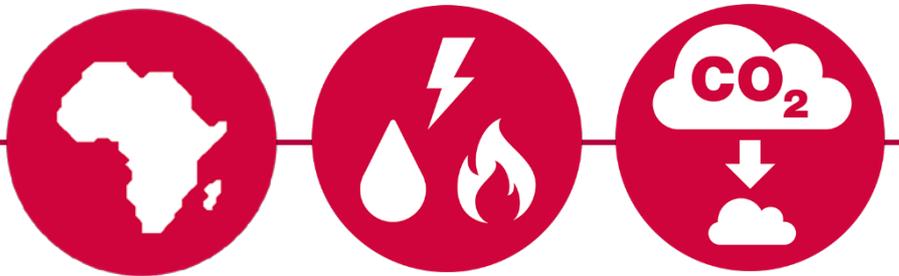


Opportunities and pitfalls

# How the European Green Deal should reshape Africa-EU relations

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In her State of the Union speech, Ursula von der Leyen reiterated the European Green Deal's importance as the flagship of the new EU Commission. The goal of climate neutrality by 2050 is Europe's "man-on-the-moon moment" – it would fundamentally transform European economies and societies and define Europe's image in the world for the coming decades. In Brussels, the Green Deal is seen primarily as a European project. Yet, the EU can only reach its goals if it builds strong international partnerships that help green-up imports, meet green energy demand and help promote green transitions elsewhere. The partnership with Africa is particularly important in this regard. We discuss three transitions where the Green Deal provides opportunities and pitfalls for Africa-EU relations.

First, cooperation on green energy transitions is central. This is also reflected in the EU's "Comprehensive strategy with Africa". Africa is the continent with the lowest energy access in the world and grid unreliability is estimated to cost the continent around 2-4 percent of GDP per year. African countries have enormous potential for renewable energy production that is already competitive or even cheaper than coal. Renewables could supply isolated communities and facilitate irrigation in agriculture. Eventually, Africa could export green energy and support the EU's energy transition. At the same time, some African countries like South Africa or Nigeria are highly dependent on fossil fuels. Promoting green energy transitions therefore faces a double challenge. Access to renewables needs to be increased. At the same time, challenges from phasing out of fossil fuels, for example job losses and stranded assets, need to be addressed. International public finance has provided insufficient support for green energy transitions in the past (60 percent went into fossil fuels in 2014-2016). The EU should consider effective standards and accelerate private investments in the African green energy sector.

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Second, there needs to be an overhaul of trade relations and a move towards a circular economy. Currently, 46,5 percent of African countries' exports to the EU are fossil fuel exports. Lower demand and a carbon border adjustment mechanism, if implemented, will have negative repercussions on relevant

trade. To minimize these effects on Least Developed Countries, the EU should exempt them from a border adjustment mechanism. Moreover, it should use the proceeds from such a mechanism to support those developing countries which cannot be exempted to cut back on their carbon intensity.

At the same time, new trade opportunities open up. Key raw materials like cobalt (available in the Democratic Republic of the Congo and Madagascar) and lithium (Zimbabwe) are vital for electro mobility and other green technologies. Imports of these materials from African countries need to guarantee adequate social and environmental standards and fair value-addition locally. A joint African-European circular economy could further accelerate sustainable trade relations. The EU still exports parts of its waste – especially electronic waste – to Africa. As the EU has committed to an ethically responsible waste management in the Green Deal, it should engage with African partners on a just revision of waste export regulations and finance the establishment of environmentally and socially sound re-manufacturing and recycling facilities that bring value to local economies.

Third, sustainable transitions in agriculture are key. Currently the Green Deal lacks a reference to international climate change adaptation. It is important that the EU makes this a prominent aspect in its relations with African countries. Agriculture is particularly vulnerable to climate change and about 60 percent of Africans work in this sector. A recent study shows that in 2018 less than one-third of climate finance reported by EU institutions went towards adaptation and LDCs received only 14 percent of overall climate finance. The EU needs to step up financing to meet its internationally agreed goal on adaptation.

With the Green Deal, the EU aims to take on a global leadership on climate action. Yet, international partnerships on the Green Deal must move beyond climate policy and include cooperation on energy transitions and the circular economy. The EU and the AU debate green transitions from very different angles. While societal mobilisation around climate mitigation policies is a high priority for the EU, African countries prioritise adaptation and socio-economic issues, such as job creation. A European-African dialogue on green transitions needs to acknowledge these differences and look for win-win opportunities.