



ECA Subregional Office for North Africa (SRO-NA)

**Online Preparatory Policy Dialogue for the Conference of African Ministers of Finance,
Planning and Economic Development 2024**

(Pre-COM 2024)

**Theme: “Financing transition to inclusive green economies. Imperatives,
opportunities and policy options for North African countries”**

Wednesday 21 February 2024

Time: From 14:00 -16:00 (UTC+1)

Concept Note

Background

The transition to inclusive and green economies is essential for African countries to build climate resilience and make the most of their natural resources to drive sustainable industrialization that creates jobs, eradicates poverty, and contributes to sustained economic growth and overall sustainable development. Despite significant progress in some areas, Africa faces significant challenges in its efforts to transition to a green economy and achieve the Sustainable Development Goals.

In North Africa, almost all countries in the region, namely Algeria, Egypt, Mauritania, Morocco, Sudan, and Tunisia, submitted their Nationally Determined Contributions (NDCs) in line with their commitments under the Paris Agreement and provided estimates of their financial needs to implement their initial or updated NDCs. Egypt and Morocco have been the most successful in calculating and mobilizing climate finance to meet their needs. However, the North African region in particular faces a growing climate threat. The economic downturn associated with the COVID-19 pandemic and other concurrent crises has done little to slow the climate crisis. The region is also characterized by high youth unemployment and a unique combination of projected water stress and drought risks, coupled with reduced crop yields due to climate change. In addition, recent interest rate hikes, current inflationary pressures and the war in Ukraine have added to the debt service burden. As result, most North African countries have limited fiscal space, which limits their ability to meet spending commitments or allocate additional resources to climate action. NA countries face a significant financing gap for the effective implementation of adaptation and mitigation measures, while at the same time the international community is also struggling to allocate funds to climate projects in the region and on the African continent in general.

Against this backdrop, the aim of the policy dialogue is to strengthen focus and invigorate action to mobilize green and development finance to enable the region’s transition to climate resilient and inclusive green economies and to achieve the Goals of the 2030 Agenda for Sustainable Development and the goals

of Agenda 2063: The Africa We Want, of the African Union. The topics to be discussed during the policy dialogue will inform the COM 2024 event organized by the Economic Commission for Africa.

Objective

The aim of the Pre-COM 2024 high-level policy dialogue, organized by UNECA Subregional Office for North Africa (SRO-NA), is to encourage consideration of the necessity for North Africa to transition towards inclusive green economies. It also aims to identify priority pathways and discuss financing opportunities and options to accelerate the transition towards inclusive green economies in North African countries.

Format

The following questions will be discussed in the virtual high-level political dialogue for North Africa:

1. What are the key challenges and opportunities associated with financing the transition to inclusive green economies in North Africa?
2. How can North African countries catalyze private Investments and climate finance to turn Energy transition ambitions to reality?
3. What are some examples of successful financing models for inclusive green economies and how can they be replicated in North Africa?
4. What role do central banks and ministries of finance play in combatting climate change and developing sustainable finance?
5. how countries can best align financial flows with their net-zero targets and capitalize on climate finance provided and mobilized?
6. What role could development organizations play in supporting and facilitating financing green transition across North Africa?
7. What are the policy options for financing green transitions in north Africa?

Expected Outcomes

The expected outcomes of the high-level political dialogue for North Africa include:

- Increased awareness and understanding of member states on the importance and benefits of transitioning to inclusive and green economies.
- Sharing of best practices and national experiences and encourage partnerships and joints effort to mobilize finance for the transition to green economies.
- Identify innovative financing mechanisms that can accelerate the transition to green economies.
- Produce a set of recommendations for policymakers at national and international levels to guide the implementation of financial mechanisms that support the transition to green economies.

Participants.

The high-level policy dialogue will involve all seven Member States of ECA SRO-NA and experts on financing the transition to inclusive green economies.

Date and Venue

The high-level policy dialogue will take place virtually on Wednesday, February 21, 2024.

Contacts

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