CAN ARTICLE 6 BENEFIT AFRICAN COUNTRIES?

MANDY RAMBHAROS TAKES A LOOK AT THE IMPACT ARTICLE 6 COULD HAVE ON AFRICAN NATIONS AND THEIR DEVELOPMENT GOALS – DRIVEN BY A NEED TO ENSURE ACCESS TO ENERGY

The African Union’s Agenda 2063 monumentally articulates the shared desires and aspirations for a sustainable and prosperous continent. Prosperity is elaborated, among others, as an environment with ecosystems that are healthy and preserved, with climate resilient economies and communities. The means to achieve this kind of development lies in cooperation domestically, regionally and internationally. Article 6 of the Paris Agreement suggests this kind of cooperation as a means to promote sustainable development, among other benefits.

Although some African countries have experienced economic growth in the last few years, international investment has largely slowed in most countries. For this majority, the lack of economic growth has stagnated job creation, leading to large unemployment numbers. Further, access to sustainable energy remains a significant challenge. The existing stock of power infrastructure is also suffering from inefficiencies and insufficient quality of supply to support growing energy demand. Access to sustainable energy is key to unlocking investment and sustainable development on the continent. Through the cooperation already alluded to, Article 6 could play a pivotal role in this regard.

Often carbon markets are linked only to mitigation and emissions reductions; the argument being that we price carbon purely to drive reductions and that sustainable development is merely a co-benefit. However, there is a broader narrative that says that we price carbon for sustainable development itself: not as an add-on benefit, but to drive development that is sustainable.

The WEC Trilemma report goes on to say that to unlock Africa’s resource potential and meet future energy demand, the region must take bold and more collaborative actions to attract investment by improving energy policies and the regulatory framework, building institutional capacity and improving its on-grid and off-grid energy supply. Linking carbon markets to sustainable development is just the kind of bold, collaborative thinking that is required to unlock this vast potential.

For example, an Article 6 approach could promote the development of solar microgrid projects between countries in the different African regions. If this approach includes an option for part ownership of the plant by a community and part ownership by the developers, this will increase the attractiveness for the community to contribute to their development (and contribute to the country’s NDC) while the developer receives a portion of the carbon credit benefit. This type of project also lends itself to increased job creation.

Further, the microgrid plant would be built according to thresholds that will withstand extreme climate events predicted for those areas, thereby reducing the vulnerability of the community to events that could otherwise result in the loss of electricity and the knock on impacts of loss of income. In other words, such an initiative would be using an Article 6 approach to create climate resilient economies and communities.

There is a myriad of such projects, which include international cooperation and investment with clear sustainable development benefit that could be unlocked by a well-designed carbon market approach. Indeed, many African countries make reference to market mechanisms in their Paris Agreement contributions, in order to assist them in both the implementation of their NDCs and the sustainable transformation of their economies.

However, African countries are interested in Article 6 approaches and mechanisms if they function in a practical, inclusive and equitable manner. These criteria are...
The aspiration of African countries is sustainable development underpinned, in many cases, by access to sustainable energy.