Promoting Climate Change Resilience and Decarbonization in Africa Ports
Importance of Ports in Economic Development

• Ports are catalyse economic development by enabling trade and supporting supply chains.
1. Water quality and the health of marine life.
2. Loss or degradation of habitat areas and harm to marine life.
3. Direct and indirect carbon emissions within logistic activities e.g. moving cranes, non-renewable electricity etc.
Transport Infrastructure and Climate Change

- **22% of global CO2 related emissions** due to the transport sector
- **3x more** car passengers and a doubling of oil demand for transport (2012-40)
- **90%** of urban air pollution in developing countries due to vehicle (UN)
- **3% of global CO2 related emissions** due to Maritime Shipping
- **Movement’s disruptions** of people and goods with direct impact on eco. productivity and social access
- **Increase cost** of repair, maintenance and more frequent rehabilitation
Why the Ports and Maritime Transport Industry Should Promote Climate Change Resilience and Decarbonization in Africa

- **Support the UN Sustainable Development Goals** and the global energy transition.
- **Proactive compliance with IMO GHG Emissions Strategy MEPC Guidelines.**
- **Cut air and water pollution** and improve the health of over 3.5 billion people while helping curb climate change.
- **Provide safe access and safe berths for ships.**
Africa extreme weather events and pollution threaten vital infrastructure and people’s life

Adaptation needs

Mitigation measures required
How can ports be more sustainable?

1) Provide alternative energy sources for docked ships: Cold ironing technologies in ports & onshore power supply in ports.

2) Improve waste disposal facilities.

3) Utilize big data to improve efficiency.

4) Upgrade port equipment and incorporate designs that utilize lower carbon emission power sources.

5) Reduce noise and light pollution.

6) Provide bunkering infrastructure to ensure the bunkering procedure is safe.
African countries are committed to tackle climate change

**NDCs**
2015 Paris Agreement to keep global warming below 1.5°C until 2030

**USD 1.2 trillion**
Cost of committed NDCs of all African countries, by 2030

**Transport**
75% of African NDCs indicated transport as key sector to tackle climate change
Barriers in financing low emission and resilient Transport Infrastructure

- Policies and enabling environments
- Leveraging finance
- Longevity and scale investments
- Uncertainty to climate conditions and potential impacts on design
- Strategic planning and programming
- Financial structuring
- Project preparation and technical design
Options for Entrenching Climate Change and Decarbonization

- Ports Authorities can do the following as regulators to entrench the climate change Agenda in National Ports and Maritime sector;

1. Leverage tariffs and incentives to support low/no-carbon measures and upgrade environmental and safety standards to support the alternative fuels value chain.

2. Introduce green ports and shipping policy frameworks to channel investment in lower carbon emission technology.

3. Introduce schemes to publicly recognize service providers who embrace green ports and shipping practices at National level (terminals, shipping lines, logistics players) & Regional levels.
Instruments for Supporting for Climate Finance Investment

Multi donor Trust Fund hosted at the bank
- Canada African Development Climate fund

Bank’s Climate funds & key partnerships
- Global Green Growth Institute
- Global Center on Adaptation

External Funds where the Bank is accredited entity
- Green Climate Fund
- Adaptation Fund
- Global Environment Facility

Key partnership for readiness to unlock finance
- Climate Investment Funds
**Goal:** bridge the financial and advisory gap to develop resilient and low emission transport infrastructure projects

**HOW TO**

1. **Strategize, plan, and prioritize for adaptation and/or mitigation**
   - Assess climate risk/challenge
   - Build capacity for sustainability
   - Mobilize resources to finance resilience and/or mitigation
Addressing Capacity Gaps in Climate Resilience and Decarbonization Programmes

1. Feasibility studies
2. GHG emissions Assessment
3. Climate Resilience assessment (CRA)
4. PPP advisory
5. Structuring support
6. Capacity building
Climate Finance Instruments intervene at various part of the project cycle Versus Bank’s Financial Instruments

Enabling conditions:
- Financial and non-financial incentives
- Policy Advice

Project Preparation:
- Grant for feasibility studies (climate risk ass. and climate rationale dev.)
- Capacity building
- Transaction support and structuring

Project Finance:
- Sovereign Financing
- Concessional finance
- Equity
- Commercial debt
- Guarantee
- Syndication
AfDB’s Climate Change Policy and new Climate Change Action plan 2021-26

**AfDB and Climate Finance**

**USD 25 billion**
Investment in climate finance, allocating equally split between adaptation and mitigation

**40% commitment**
Bank’s approval of projects with climate finance

**NDCs**
Aligning Bank-financed investments with the objectives of the NDCs

**AfDB’s Climate Change Policy and new Climate Change Action plan 2021-26**

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**AfDB and Climate Finance**

**USD 25 billion**
AAAP In partnership with AfDB pledged to double its financing USD 25 billion for adaptation by 2025

**88%**
To date, the 88% of Bank’s projects based on climate informed design

**USD 500 million**
Green Bond issued by AfDB in 2015

**USD 3.6 billion**
In climate finance lent by the AfDB in 2019
Alliance for Green Infrastructure in Africa (AGIA)

The AGIA is a special initiative that seeks to accelerate Africa’s just and equitable transition to Net-Zero and bridge the continent’s infrastructure gap in a low-carbon and climate resilient manner. AGIA’s core objectives are:

1. Develop a pipeline of bankable projects
2. Catalyze funding for greening Africa’s infrastructure

AGIA will pursue a demand driven approach to invest in climate-resilient infrastructure (both urban and rural) across several sectors, including:

- Energy
- Transport
- Water and sanitation
- Health infrastructure
- Broadband infrastructure

Target sectors will be regularly reviewed considering the needs of African countries as they transition to Net-Zero in a just and equitable manner.

AGIA is not a new institution or a replica of Africa50, but rather a delivery platform to provide much-needed financing to the infrastructure sector in Africa at speed and at scale.
<table>
<thead>
<tr>
<th>Project location</th>
<th>The Gambia</th>
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<tbody>
<tr>
<td><strong>Adaptation Resilience Objective</strong></td>
<td></td>
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<tr>
<td>• Addressing climate hazards in the expansion of the Banjul Port to enhance resilience and improve capacity of the assets and support services.</td>
<td></td>
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<tr>
<td>• Aligning the project with the New Port Master Plan (2019-2038) and the great Banjul area, adopting an integrated approach to urban regeneration.</td>
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<tr>
<td>• Regenerating and preserving mangroves in the Tanbi Wetland Complex as an important coastal defense.</td>
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<tr>
<td><strong>Value of the Project</strong></td>
<td></td>
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<tr>
<td>• Total project cost : USD 114, 6 million</td>
<td></td>
</tr>
<tr>
<td>• AFDB: USD 21.75 million</td>
<td>USD 5 million for climate adaptation measures</td>
</tr>
<tr>
<td>• EIB: USD 60 million sovereign concessional</td>
<td></td>
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<tr>
<td>• EU: grant up to USD 13 million for climate adaptation measures.</td>
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<tr>
<td><strong>Climate adaptation contribution measures</strong></td>
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<tr>
<td>• Develop a climate risk assessment to identify climate hazards and impacts to the asset, people and services in the Banjul Port</td>
<td></td>
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<tr>
<td>• Prioritize adaptation and resilience options, with focus on Nature-Based Solutions (NBS).</td>
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<tr>
<td><strong>Status</strong></td>
<td></td>
</tr>
<tr>
<td>• Under Preparation: Project Concept Note</td>
<td></td>
</tr>
<tr>
<td>• Board Approval – Q4 2022.</td>
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</tbody>
</table>
Key transport sub-sectors, Climate Measure Type matrix

- Airlines
- Mobility
- Green Cities
- Airports
- Financing vehicles
- Ports
- Roads & Bridges

Mitigation

Adaptation
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