



THE AFRICAN BUSINESS LEADERS' CLIMATE STATEMENT

- SHARM EL SHEIKH - 9 NOVEMBER 2022 -

We, the Chief Executive Officers and Chairpersons of [56] African companies, from a diverse range of sectors, representing more than USD [140 billion] in revenue and over [700 000] employees across [50] African countries, are gathered today at the United Nations Climate Change Conference COP27 on the 9th of November 2022 in Sharm El Sheikh, at the invitation of the Government of Egypt and with the support of the UN Global Compact.

We believe the African private sector is uniquely positioned to positively shape the future of our continent and improve the welfare of our communities. We seize the opportunity of COP27 – the African COP – to establish the Africa Business Leaders Coalition (ABLC). The vision of the ABLC is to bring the perspectives of African Business Leaders, and their ecosystems, into the global conversation to actively and meaningfully bring to bear the private sector perspective and engagement on the continent's most pressing issues. The ABLC is a member-driven, action-oriented coalition, which will collaborate with all relevant parties while remaining strictly independent from any political affiliation or agenda. We have asked the UN Global Compact to support the coalition and act as a neutral convener and channel to the broader UN system.

We hear the alarming warnings of the scientific community and understand that although Africa has contributed the least to creating the climate crisis, its people, its ecosystems, its economies, and its cultural heritage are among the most vulnerable and least prepared to adapt – largely due to insufficient support from international partners. Climate action is integral to addressing key issues facing Africa, such as food insecurity, forced displacement, water scarcity, and new diseases, all being exacerbated by climate impacts.

Africa cannot act alone. We call on Governments of wealthy industrialized nations – the main greenhouse gas (GHG) emitters – and international financiers to act urgently to mobilize adequate resources and funding, build back trust by fulfilling commitments, and to support Africa adapt and build resilience to avoid the enormous cost of inaction. We recognise the unique opportunity before us to unite and take action to unlock Africa's sustainability advantage, with the support of the international community and African Governments.



With this declaration, we commit to the following key actions to meet the goals of the Paris Agreement, supporting Africa's just transition towards a 1.5°C future to build a thriving continent rooted in a resilient, green and competitive economy with opportunities for our youth and future generations:

We commit to participate in the UN Global Compact and to uphold its Ten Principles in our business practices and with our suppliers and customers.

We believe that the Global Compact provides an unparalleled framework to foster business resilience, responsible business practices, and corporate sustainability. Transparency and accountability are key in delivering our commitments and we will therefore monitor, report, and evaluate our progress.

Climate change impacts pose a systemic risk to African businesses, economic growth and development, and to the livelihoods of our people. Throughout the countries where we operate, we face intensifying heatwaves, storms, floods, and droughts that endanger lives and livelihoods, disrupt value chains and jeopardise the development of our countries.

We commit to develop robust company resilience plans to improve our adaptive capacity and build systemic resilience by explicitly accounting for climate risks in our business and investments and enabling our suppliers to do the same.

We will engage in constructive policy dialogue on the implementation of National Adaptation Plans (NAPs) and other programs aimed at building resilience in critical systems. Acknowledging the critical importance of nature-based solutions and local innovations, we will ensure our adaptation actions are guided by the principles of preservation and restoration of Africa's natural capital, while respecting the human rights of indigenous peoples, local communities and all people impacted.

Our ambition is to facilitate a just transition for our continent, mindful of the special circumstances of Africa and in each country – where energy demand is growing rapidly to meet development needs, but where energy poverty remains prevalent. It is imperative to ensure universal, affordable, and low-carbon energy access across the continent, while protecting vulnerable communities, and accelerating inclusive economic growth through the creation of decent jobs in the green economy, especially for our youth.



We commit to uphold the guiding principles of a just transition as central to all our climate actions and advocacy, starting with developing company-level just transition plans, ensuring no one is left behind.

This includes upholding labour standards and human rights, building capacity and investing in upskilling our employees, promoting social protection and dialogue, and practising thorough due diligence across our operations and supply chains.

A just transition to low-carbon technologies and a net-zero economy will accelerate the adoption of innovations tailored to the needs of Africa. This transition will help secure market access with key trading partners, instead of locking in outdated technologies and fossil fuel infrastructure, which would ultimately result in stranded assets. Africa's favourable climate and natural endowments represent a unique business opportunity to invest in renewable energy.

We commit to set company targets to drastically increase the share of renewables in our energy use that will contribute to the continental ambition of 27% of renewable power generation by 2030.¹

We acknowledge that all economies will need to transition to net zero emissions, but we urge for the recognition that this transition has to be just, equitable and context-specific. We avail ourselves to contribute to a dialogue to advance the understanding of this fair share principle.

We strive towards decarbonizing our operations and value chains. As immediate actions we work towards quantifying and disclosing our GHG emission baseline. For those of us embarking on the journey towards net-zero emissions, we will set and report on credible emission reduction targets aligned with the best available climate science in support of global Race to Zero.

We will work with our national Governments in ensuring our countries' Nationally Determined Contributions (NDCs) are ambitious and support their implementation, in the spirit of creating ambition loops where private and public sector actions mutually reinforce and enhance climate action.

¹ In line with the Sustainable Africa Scenario (SAS) guidance



As members of the ABLC, we call on all partners, public and private, to substantially ramp up their support, action, and engagement in Africa, including through our Coalition. Today, only a fraction of global climate finance flows to the continent. We call for urgent course correction to meet existing commitments on resourcing and financing in the spirit of climate justice and equity. **We call on the international community to fulfil and enhance the 100-billion-dollar goal by 2023 at the latest and ensure that at least 50% is invested in adaptation and resilience.**

We call on our international partners and national Governments to leverage the power of regulation, policy, and trade to lower the cost of capital, help de-risk projects, increase technological developments, scale mechanisms such as blended finance, ameliorate inefficiencies and inaccuracies in credit ratings, and ensure a fair-trading environment. **We call for the creation of an enabling environment that facilitates increased access to finance and ensures that African businesses can leverage global markets to accelerate the transition to a future fit economy.**

In this vein, it is crucial that Africa has actionable plans to attract much-needed investment. **We call on African Governments to translate climate plans, such as their NDCs and NAPs, into pipelines of bankable climate projects.**

In addition to scaling and improving the quality of climate finance, **we call on the international community to promote technology and knowledge exchange to make decarbonization and adaptation technologies and knowledge more accessible to local companies, communities, and Governments.**

As we turn towards implementation and action, we reiterate our resolve to drive positive change and to leverage the many assets of our continent for Africa to be part of the solution. **We commit to elevate the voice of the African private sector and bring the African perspective to global stages – such as COP27 – to advocate for the sustainable prosperity of our people, our businesses, and our continent.**