## **FEMISE**

## MED BRIEF

Forward Thinking for the EuroMediterranean region

May 2018 Med Brief No 6





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Keywords: Paris Agreement, Climate Change, Mediterranean, Renewable Energies, Adaptation, Mitigation, Climate Awareness

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# The Importance of Reconciling South MED Countries positions on The Paris Agreement \*

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in collaboration with:



## 1. Summary

The Paris Agreement is a breakthrough in global efforts to address the threats of climate change. However, fulfilling the agreement requires countries to rapidly implement nationally determined contributions (NDCs), meet emissions reduction targets for 2020 and set future targets that are even more ambitious. This is far from a done deal for the South Mediterranean (MED) countries. This MED Brief argues that MED governments and stakeholders need to think about the various constraints on the effectiveness of the Paris Agreement, identify partners and practices that could complement the process more broadly. This paper alludes to the need of cooperation and collaboration between South Med countries themselves. Governments will need to develop a long-term plan on climate change and provide concrete steps to actually apply it. They need to deal better with domestic economic groups that contribute to the limited level of environmental reforms. Meanwhile, solutions shall always be made while considering the economic and social reality of MED countries.

### 2. Introduction

When it comes to climate change initiatives, the establishment of **the United Nations Framework Convention on Climate Change**, which entered into force back on 21 March 1994, is considered an initial step towards global collaborative climate solution. The UNFCC convention was a remarkable move for its time, as its ultimate objective was to "stabilize greenhouse gas concentrations at a level that would prevent dangerous human induced interference with the climate system".

One of the essential elements that UNFCC has established is the requirement of ratifying countries to submit their national communications (NC), which involves providing relevant information on climate change policies such as greenhouse gas (GHG) inventories, measures to mitigate and to facilitate adequate adaptations, and any other information that the party considers important. It is crucial to mention that this UNFCC has laid the bases for the establishment of what is presently known to be one of the most advanced forms of global collaboration on this issue: *the Paris Agreement*.

The Paris Agreement was signed during the COP21 on December 12th 2015. This agreement is a step forward the initial perspective of the UNFCC, asking for real, visible actions that are actively monitored and enforced on both national and global levels. To this date, the Paris Agreement has been ratified by 175 of 197 parties among which the EU. As such, the Paris Agreement requires all included parties to put forward their best efforts through an official submission of "nationally determined contributions" (NDCs) and to strengthen these efforts in the years ahead. Furthermore, the Paris Agreement has a Global goal on adaptation (Art.7); recognizing that adaptation is a global challenge faced by all parties with local, subnational, national, regional and international dimensions. Meanwhile, its open and evolving nature allows mitigation commitments to be reinforced over time.

Throughout the MED Brief, the focus will be put on the Paris Agreement implementation in South Mediterranean countries.

## 3. Approaches and Results

In order to answer the research question, we examined and compared South Med countries NC's (national communications) that are part of the UN Framework for Climate Change and their NDC's (national determined contributions) that are part of the Paris Agreement. Moreover, we used publicly available legal data and reviewed current investment and development projects in the region that closely pertain to adaptation and mitigation policies.

Due to their location and climate characteristics, South Med countries face similar challenges: from occurrences such as the **rise of the sea level** (which ultimately affects densely populated coastal regions along the Mediterranean), **to desertification**, **water scarcity and food security threats.** When it comes to their participation in global climate initiatives, all South Med countries are parties of the UNFCC and they have all signed, ratified and entered in force the Paris agreement (except for Lebanon which has not ratified it yet). However, there are noted differences between what has been agreed on paper and the expected tangible results among different countries. Most specifically, it can be observed that:

- South Med decision-makers often dedicate little importance to issues of climate change,
- Unfortunately, during the major summits there has been little cooperation between South Med countries. Overall, South Med countries tend to develop their strategies in isolation.
- This has brought up the need of further fostering South-South cooperation in combating climate change, not as a substitute to the North-South cooperation but as an essential complement.
- On a country basis, it can be argued that Morocco is considerably ahead in terms of policies and actions towards climate change. Egypt, Jordan and Lebanon announcements and/or reforms are still awaiting concrete implementations while still facing reluctance from domestic economic interests. In between, countries such as Algeria, Tunisia and Palestine, seem to be willing to take more valiant measures for mitigation adaptation to climate change, but are often lacking necessary tools. This is explained in more detail below.

## **Understanding some elements of success**

Morocco can be considered one of the leading countries in the South Med region in regards to climate change measures. The reason behind such a success is in the fact that responses to climate change are better anchored in the country's framework for growth and development:

## The need to successfully grasp the potential of the Renewables sector

At the core of Morocco's current efforts for emissions reduction stands the National Energy Strategy,

which aims to extend the share of renewable electricity capacity to 42% by 2020 and to 52% by 2030. This means that 10 gigawatts (GW) will be divided between solar power (up to 14%), wind power and hydraulic dams. Thus, investment on solar energy debuted with the first phase of the giant Noor solar complex (using concentrated solar power) near Morocco's southern desert town of Ouarzazate, which was opened in February 2016. Morocco is also investing in wind energy with five new wind farms expected to be built at different sites across Morocco – Midelt, Tangier, Jbel Lahdid, and Tiskrid and Boujdour. Their combined capacity is expected to be of 850MW, taking Morocco closer to its aim of producing 14% of electricity from wind by 2020.

## External funding is important, but needs to be used intelligently

Morocco is characterised by being the one South Med country with the highest amount of climate related initiatives. In this realm, Morocco has been the highest fund-receiving country in the South Med region (and one of the highest worldwide), receiving over 59% of the total funding allocated to the MENA region which in total goes up to 1.2 billion dollars. This can be explained by Morocco's concrete and lauded response to reduce greenhouse gas emissions, most notably by developing its solar energy resources, and to foster adaptation efforts in order to meet the 2030 Agenda for Sustainable Development. In solar energy, fundings from the European Investment Bank (EIB), the EU's Neighborhood Investment Facility, the French Development Agency (AFD) and Kreditanstalt für Wiederaufbau (KFW) have co-financed over €106.5 million for the Noor projects (NOOR I, II and III). As headway is made toward developing emission reduction strategies, Morocco is receiving support to ensure, align, and strengthen implementation mechanisms.

Conversely, Tunisia is still lacking funds to transform its energy production infrastructure. As for Jordan, it is lacking funds, but also its infrastructure as well as its institutional capacity which is not properly developed. At the same time, while Egypt is the second largest beneficiary of climate aid in the MENA region, the results are still far from those achieved by Morocco.

## The need to have structured Adaptation/Mitigation Measures

As part of the "2013 – 2017 EU-Morocco Neighborhood Policy Action Plan" and in collaboration with other countries and institutions, the country has set ambitious targets for climate change cooperation, with clear measures: the establishment and application of different strategies and plans for mitigation and adaptation, establishment of inventories on greenhouse gases; enhancement of a low-emission development strategy (LED) and most important fostering Nationally Appropriate Mitigation Actions (NAMAs) including sectoral credit mechanisms.

Conversely, in Egypt, although their National Communications (NCs) are showing intentions and structured plans, there is little visible result. Concrete action is lacking, while economic interests, along with the Egyptian demography, are factors that undermine environmental policies and projects. Likewise, putting its NC aside, when it comes to the structure of the Egypt's NDC (binding under Paris Agreement), it can be argued that it lacks proper description upon how the above described measures and policies will be implemented, monitored and enforced. The situation seems similar in Jordan, with formulation but no real implementation.

## **Daring Innovative Measures**

In regards to carbon emissions, Morocco has decided to guide the market toward low carbon systems and is one of the rare countries daring to reduce its public subsidies for fossil fuels as to create a solid ground for cleaner sources of energy. Together with the World Bank's Partnership for Market Readiness (PMR), Morocco is examining the feasibility of new suitable market related instruments as well as carbon pricing approaches that can facilitate NDC by creating better systems for monitoring, reporting and verifications of climate related actions. This examination is supposed to be completed by the end of 2018.

## 4. Implications and Recommendations

Ultimately, MED countries face common issues, some of them being more integrated in the field of environmental protection than others. The following proposals for policy-makers could be considered:

- South Med cooperation can be fostered though **transfer of knowledge and experience in terms of reforms in the legal framework** related to climate change. As different institutional arrangements regarding energy and renewables exist in the Arab countries as well as different price reforms experiences, establishing a solid platform for sharing these experiences and lessons learnt could be beneficiary. Cooperation could thus be achieved by developing technology transfer frameworks and enabling environments to integrate technology transfer policies at the national levels.
- South Med countries should take into account that several MED-specific programs and institutions are already present to help in the process of implementing policies towards climate change mitigation and awareness. The Union for the Mediterranean offers the general vision under which low-carbon development may prosper. The UN's Convention for the Protection of the Marine Environment and the Coastal Region of the Mediterranean (Barcelona Convention) provides the legal and institutional framework essential for concerted action between MED countries. Mediterranean networks of experts (FEMISE, Institut de la Méditerranée, MedECC, ENERGIES2050, ANIMA) can also be mobilized to build bridges between the scientific community and MED decision-makers and have the potential of disseminating a large number of policy-relevant studies that are carried out. Lastly, active climate change funds in the region can significantly support the establishment of climate projects in MED countries.[1]
- Climate change concerns should be **integrated in all areas of public policy.** This approach implies i. putting forward "fast policies" toward specific problems (ex. controlling the CO2 emissions of industries due to use of fossil fuels in Egypt, reforming water resources allocation policies by enforcing limits on the amount of water abstracted and improving how water is re-allocated in Algeria), ii. putting in place a project for the protection of regions under threat (ex. the Nile River in Egypt) with the help of national and international environmentalists, iii. progressively moving towards renewable energies on a national level, by putting in place a realistic transition policy that takes into account how oil and gas exploitation are still sources of revenue for some Med countries and iv. focusing on environmental education.
- Agriculture is one of the most threatened sectors from climate change in MED countries and also one that registers high CO2 emissions. Yet, it can also be a sector with significant co-benefits with appropriate policies. Policies related to landfill gas recovery, animal manure management and agriculture fertiliser management can lead to significant reductions in GHG emission. Meanwhile, agricultural subsidies can and should be used in a smarter way. Their traditional forms can be environmentally harmful, however, redirecting them towards environmentally friendly forms of agricultural production can reduce emissions.
- The economic and social reality of MED countries cannot be neglected as reducing carbon emissions may affect workers in energy-intensive industries. Solutions cannot be taken on an ad hoc basis but must be taken in an integrated manner. The case of Lebanon is a good illustration. Developing an eco-friendly public transport would mean the current system of taxi services, that enables the most disadvantaged Lebanese population to survive, would take a hit. Phasing-in policies with a clear timetable is a pre-requisite. Authorities need to propose solutions that retrain workers or allow them to move to other forms of employment, smoothing the transition to a low-carbon economy.

<sup>\*</sup> The main source of this MED Brief is the chapter «L'importance d'aligner les positions des pays du sud de la Méditerranée sur l'Accord de Paris» (The Importance of Reconciling South MED Countries positions on The Paris Agreement), written by Dr. Constantin TSAKAS, Julie HARB and Simona RAMOS and published in the ENERGIES2050-Institut de la Méditerranée-FEMISE report «Les Défis du Changement Climatique en Méditerranée» (The Challenges of Climate Change in the Mediterranean) (2018).

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#### **Notes**

[1] Funds such as: Clean Technology Fund (CTF); Global Environment Facility (GEF4); Special Climate Change Fund (SCCF); Global Environment Facility (GEF5); Adaptation Fund (AF); Germany's International Climate Initiative; Least Developed Countries Fund (LDCF); Adaptation for Smallholder Agriculture Programme (ASAP); Pilot Program for Climate Resilience (PPCR); MDG Achievement Fund; Strategic Priority on Adaptation (SPA) (from GEF4); Partnership for Market Readiness; Global Climate Change Alliance (GCCA), Global Environment Facility (GEF6) and Scaling-up Renewable Energy Program for Low Income Countries (SREP).

FEMISE is a Euromed network established in June 2005 as a non-profit, non-governmental organisation (NGO) following 8 years of operation.

FEMISE is coordinated by the Economic Research Forum (Cairo, Egypt) and the Institut de la Méditerranée (Marseille, France) and gathers more than 100 members of economic research institutes, representing the 37 partners of the Barcelona Process.

Its main objectives are:

- to contribute to the reinforcement of dialogue on economic and financial issues in the Euro- Mediterranean partnership, within the framework of the European Neighbourhood Policy and the Union for the Mediterranean,
- to improve the understanding of priority stakes in the economic and social spheres, and their repercussions on Mediterranean partners in the framework of implementation of EU Association Agreements and Action Plans,
- to consolidate the partners of the network of research institutes capable of North-South and South-South interactions, while it sets into motion a transfer of know-how and knowledge between members.

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The policy brief has been produced with the financial assistance of the European Union within the context of the FEMISE program. The contents of this document are the sole responsibility of the authors and can under no circumstances be regarded as reflecting the position of the European Union.