# The Africa Green Industrialization Initiative {AGII}

Policy Brief
2026



POWER SHIFT AFRICA



# Table of Contents


**Introduction** 3

**Defining Green Industrialization** 4

**The African Green Industrialization Initiative** 5

- Organisational and Governmental Structure 6
- Partners 7
- The 'Industrial Cluster Model' 8
- Funds Allocated to Date 8

**Power Shift Africa Observations and Recommendations** 9

1. Community Participation 10
2. Energy Access 11
3. Transparency 11
4. Affordable Finance 11
   - Climate Finance 12
   - Domestic Resource Mobilisation 12
   - Carbon Credits 12
   - Toward a Just Financial Architecture 13
5. Technology Transfer and Skills Training 13
6. Unapologetically African-centred National Green Industrial Policies which Foster a Common African Industrial Position 14
7. Policy Coordination 16
8. Local Content Requirements 16
9. AfCFTA and Regional Integration 16
10. Sustained Political Support 17
11. Recycling and Circular Economy 17
12. Nuclear Power and Fossil Fuels (including gas) must be rejected by the AGII 18
13. Infrastructure Development 18
14. Deregulation and Special Economic Zones 19

**Conclusion** 21

**Endnotes** 20



# Introduction

The recent pledge of $100 billion of African money in support of the Africa Green Industrialization Initiative (AGII) demonstrates Africa's collective determination to frame green industrialization as an African-owned and African-directed sustainable developmental strategy. This significant commitment from African financial institutions signals that they are serious about realising sustainable green growth as articulated in the 2023 Nairobi Declaration on Climate Change.

While recognising that the AGII is a relatively new institution which is still being operationalized, this Policy Brief explores its current objectives and organisational structure before making several observations and recommendations that it hopes will contribute to its success. Before doing, however, this Policy Brief contextualises its findings by briefly explaining how Power Shift Africa understands green industrialization.

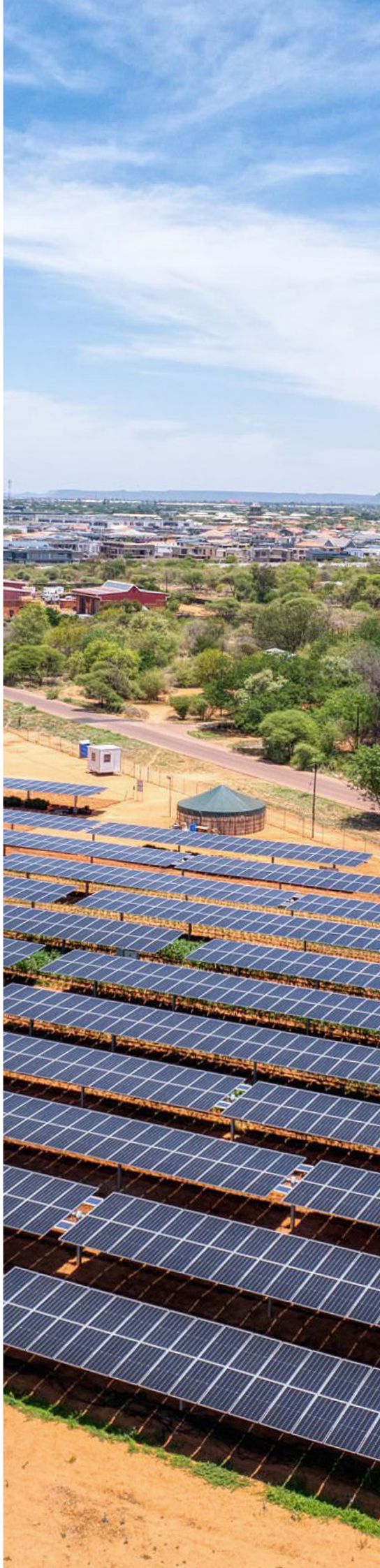
# Defining Green Industrialization

The transition of economies from producing primary goods (agriculture, mining etc.) to manufacturing finished goods, largely initiated in the Global North in the nineteenth century and more recently in the twentieth century in parts of Asia, is known as industrialization. In general, this process has been facilitated by massive increases in capital formation for investment in machinery; rapid technological progress; the entry of labour into the formal wage economy (resulting in increased urbanization); and widespread improvements in formal education to provide the skills demanded by manufacturing.

The vast majority of the colossal amount of energy needed to transition economies in this way has historically come from fossil fuels, first coal and then oil.[1] In addition, the technological enablers of industrialization and many of its products are reliant on fossil fuels. It is this reality which has, of course, resulted in the climate crisis.

As the process of the industrialization of society has resulted in massive developmental gains for most people living in industrialized societies, there is now a concerted global attempt to 'green' industrial processes to continue to contribute to development but at much less cost to the environment. Green industrialization aims to make structural changes to how products and services are made and delivered to avoid, mitigate, reduce, and potentially eliminate environmental externalities so that we live within planetary boundaries.[2] Green industrialization at its best aims to build green economies that are low carbon, resource efficient and, importantly, socially inclusive.[3]

Given that most African economies continue to produce and export primary goods, the ongoing industrial sustainability agenda presents Africa with a unique opportunity to redefine its development trajectory through green industrialization. With its abundant natural resources, vast renewable energy potential, and a young and growing population, Africa holds many of the key ingredients needed to lead green industrialization. In effect, it presents Africa with a chance to avoid the negative environmental impacts of historic fossil fuel-based industrialization to advance much more environmentally sustainable industrial developmental economies which are genuinely socially inclusive.



# The African
# Green Industrialization Initiative

Officially launched by African leaders at COP28 in December 2023, the AGII is designed to facilitate one of the key objectives of the Nairobi Declaration on Climate Change; to 'advance green industrialization across the continent'.[4]

Officially articulated as 'a strategic and collaborative framework', AGII seeks to foster green economic development by sustainably exploiting Africa's competitive advantages in renewable energy and energy transition mineral resources. A key goal of the AGII is to integrate Africa's economies both regionally and internationally into green production and supply chains, leaning heavily on the African Continental Free Trade Area (AfCFTA) to cut barriers to industrial integration and facilitate regional trade. While operating at a pan-African level, AGII will also operate within individual African countries to design and operationalise respective green growth competitive advantages.

### The AGII has four primary tasks:

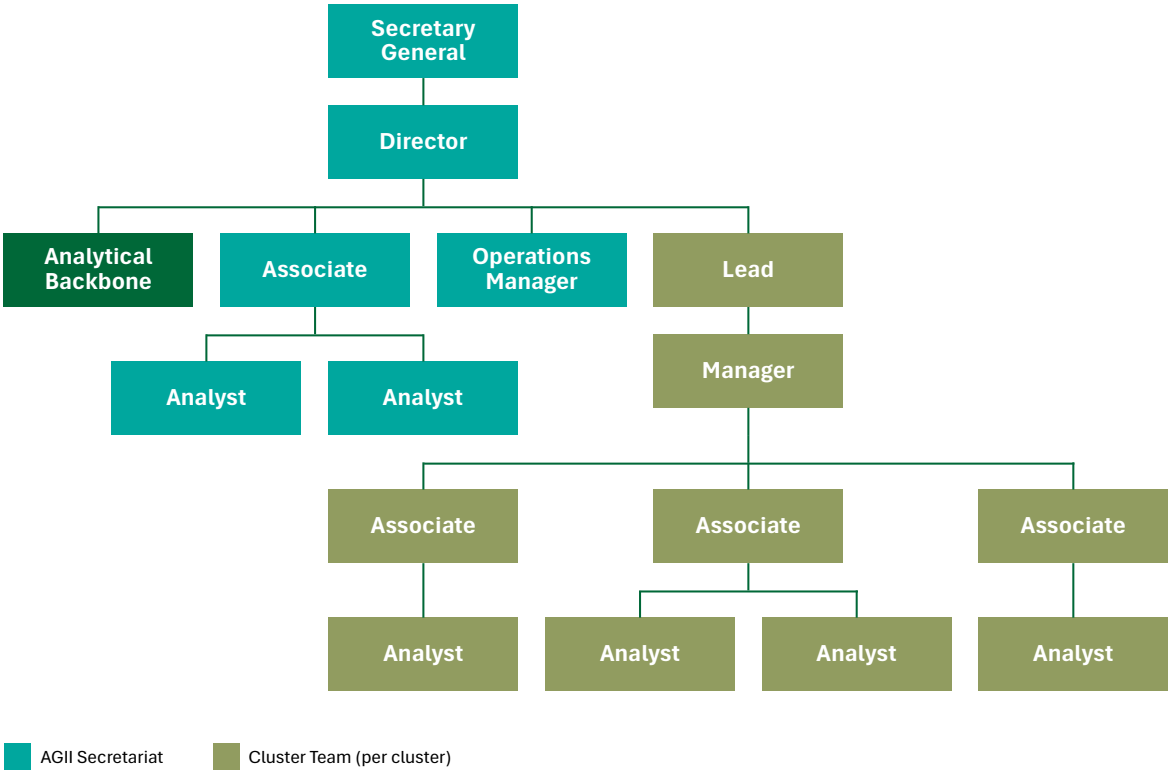
1. Mobilising capital at scale by leveraging Africa's financial institutions and attracting global investment.
2. Powering renewable-driven industrial clusters to anchor new green value chains in areas such as energy transition minerals, green fuels, and battery manufacturing through a joint project preparation and development platform.
3. Aligning policies and standards across borders to boost trade under the AfCFTA and cut barriers to industrial integration.
4. Promote knowledge transfer and skills development to prepare Africa's workforce for digital and circular economies.[5]

Under its initial five-year workplan, the AGII is focussed on five 'Industrial Clusters': renewable energy power generation, transmission, balancing and storage; value addition to minerals and metals, building on responsible mining; green hydrogen production and its downstream products, including green ammonia for fertiliser; sustainable synthetic fuels, including for shipping and aviation; and cement production and other building materials (including bio-based materials). These 'Industrial Clusters' will work collaboratively, adopting a 'data-driven approach to catalyse viable industrial ecosystems that prioritize environmental and economic sustainability' to increase local value and create jobs.

## Organisational and Governmental Structure

The operation and coordination of the AGII is vested in a Secretariat which is led by a Secretary General under which there is a 'Director' and four to five supporting managerial and research staff. In addition, it will be supported by an 'analytical backbone' unit which will provide research data. It is stated that the Secretariat will oversee daily operations and coordinate with national and regional stakeholders. It is tasked with:

- Supporting opportunity identification, cluster incubation, and policy alignment with an emphasis on co-development.
- Leading knowledge-sharing activities to ensure each cluster benefits from collective learning. This is said to focus on best practises in terms of operations, regulations and community engagement.
- Engaging in policy advocacy to support Africa's positioning in global climate and economic discussions.




*Reference for diagram: Africa Green Industrialisation Initiative, Secretariat Terms of Reference, Updated post review by AGII Sherpas' meeting, 14 November 2024*

Each of the five 'Industrial Clusters' has a 'Cluster Lead' and supporting managerial and research staff. Each 'Cluster Lead' reports back to the Secretary General. For the initial 12 months, it is anticipated that each 'Industrial Cluster' will have ten staff members.

### There are three tiers of governance in the AGII.

1. **A Steering Committee** which is comprised of African Heads of State will meet annually to provide strategic direction, review progress and set priorities. This Committee will be run by a sub-set of African leaders at any one time but will be open to all African heads of state on a rolling basis. This Committee will link itself to continent-wide bodies for key decisions and input (e.g. the Committee of the African Heads of State and Government on Climate Change and where relevant the AUC or AU Parliament).
2. A '**Technical Committee of Sherpas**' (represented by ministers or senior officials) will meet quarterly and will become the AGII's decision-making body, essentially its Board. It will review 'Industrial Cluster' progress, discuss regulatory issues, and endorse initiatives for the Steering Committee to review.
3. '**Industrial Clusters**' will have their own governance arrangements which will be specifically tailed to their respective needs.

It is also reported that there will be Sub-committees on 'innovation', 'Industrial Cluster portfolio management', and 'policy regulation and partnerships' which will report to the 'Technical Committee of Sherpas'. It is anticipated that this arrangement will enhance oversight and ensure alignment with regional and global policy developments.

## Partners

As the work of AGII will be through agreements with bi- and multi-lateral development finance institutions, 'partner observers' from supporting institutions will be invited to the Technical Committee.

The African Union recognises that the AGII is not working in isolation and that several initiatives, such as the Accelerated Partnership for Renewables in Africa (APRA) and the Africa Green Minerals Strategy (AGMS), are already undertaking similar work to that proposed for the AGII. Accordingly, it is stated that the Steering and Technical Committees will ensure that the 'AGII's activities are focused in novel areas, rather than duplicating existing efforts and progress.'

It is also stated that 'Cluster teams will manage individual cluster activities, engaging closely with local governments, industries, and communities'. It states that 'communities' can 'benefit from employment and are partners in land access and mutual benefit engagement', while governments are 'critical partner for regulation, special project status and permitting'. [6]

## The 'Industrial Cluster Model'

The idea behind 'Industrial Clusters' is to directly link industrial processes with renewable energy generation via specific off-take agreements. It is anticipated that the negotiation of off-take agreements will raise the necessary capital to accelerate green industrialization because it will create 'investor confidence' – industrial producers will have an assured supply of electricity, while electricity generators will have a guaranteed buyer. Investor confidence is also to be generated by facilitating the creation of more 'supportive' regulatory environments by 'host governments'. The AGII anticipates that 'Industrial Clusters' will be best organised in Special Economic Zones (SEZ).

## Funds Allocated to Date

In September 2025, it was announced that a Cooperation Framework in support of AGII had been signed by the African Development Bank (AfDB), Afreximbank, Africa50, the Africa Finance Corporation, KCB Group, Equity Bank, Standard Bank Kenya, Ecobank, and the AfCFTA Secretariat.[7] It included a commitment to work collaboratively raise $100 billion. In effect, this framework is designed to facilitate the joint development, financing and implementation of green industrialization projects on the Continent.[8]



**H.E. Wamkele Mene, Secretary General within the AfCFTA Secretariat, stated at the announcement:**

We show the world we are not applicants, but investment partners inviting global capital to join an initiative that is already underway, structured and de-risked by Africa itself. Our focus is not isolated projects, but full ecosystems, industries that will anchor Africa's future value chains. Africa is not waiting. We are no longer recipients of external blueprints. We are architects of our own green future, demonstrating African leadership and ownership.[9]

During the announcement it was stated that a $313 million 'flagship' AGII project had been selected to 'unlock green industrialization via improved access to renewable energy' in Kenya. The project, financed via a Public Private Partnership, will involve the construction of two transmission lines, 177 km 400 kV Lessos–Loosuk and the 64 km 220 kV Kisumu–Kakamega- Musaga lines, and associated substations. Both lines are 'expected to facilitate green industrialization by enabling the evacuation and distribution of renewable energy across Kenya's gird, especially from geothermal and wind sources'.[10]



# **Power Shift Africa**
# Observations and Recommendations

The assertion of Africa's collective 'ambition to define its own economic and climate pathway' as expressed in the Nairobi Declaration of 2023 (recently reaffirmed at Africa Climate Summit 2 in Addis Ababa), taken together with the return of global industrial policy, the ongoing erosion of established trade regimes, Africa's massive renewable energy potential, and global demand for Africa's energy transition minerals, provide the Continent with an historic opportunity to reset its industrial policies and pathways.[11] It is within this context, that Power Shift Africa welcomes the Africa-led aspirations and objectives of the AGII which has the potential to accelerate green industrialization in Africa.

That said, for the AGII to be a success it, and partner institutions, will have to address several issues which will be explored in the following pages of this Policy Brief.

## 1. Community Participation

While it is argued that the AGII will hold no specific investments or make specific investment decisions, because it is primarily designed as a space for green industrialization collaboration between role players[12], the Secretariat will clearly be able to exert considerable influence of green developmental pathways, both nationally and regionally (in conjunction, of course, with the Steering Committee). As such, it is important that the AGII reforms its current governance structures which are currently elite led, having no mechanisms for the inclusion of African communities, organised labour, or civil society organisations in decision-making and oversight governance structures. Unless genuine mechanisms for participation are included in the Initiative, it is unlikely that any projects which develop from its various 'Industrial Clusters' will establish a social license to operate.



Projects must be designed inclusively from the outset with specific attention being paid to genuine and realisable benefits that will accrue to local community members, especially women and youths, who will be impacted by green industrialization. Interesting case studies are how the Agro-Industrial Parks in Ethiopia have strong integration of building rural supply chains. The purpose of this project is to process local agricultural produce, reduce post-harvest losses, shorten value chains and anchor rural–industrial linkages[13]. In South Africa, the Abalobi Fishers' Green Cold-Chain Cooperatives is a fisher-led cooperative using solar-powered cold storage, small-scale fish processing and digital traceability tools[14].

As evidence reveals, 'a mutually beneficial relationship between industrial projects and local communities reduces operational and political risks, strengthens the social licence to operate, and increases the chances of project success and broader economic development outcomes'.[15] This should include the reality of building no go zones that include indigenous People and communities, heritage, and protected biodiversity zones. A strong sense of co-creation must, therefore, be fostered in all green industrialization projects where community members are not simply treated as passive potential beneficiaries but as project partners.

AGII project selection should, therefore, only come after meaningful national debates within each respective 'host country' between government, a wide range of civil society stakeholders, and the private sector have decided which green industrialization strategies should be pursued. Unless previously marginalised groups are included in both project decision-making and the ongoing oversight of projects, AGII runs the risk of replicating historic patterns of exploitation.

## 2. Energy Access

While the AGII focuses on the development of large-scale industrial projects powered by utility-scale renewable energy, the social license to operate is unlikely to be realised if communities in host countries still lack access to electricity and do not receive any co-benefits from developments. If AGII is to drive inclusive, resilient, climate-aligned growth as it is hoped, it must also promote wider energy equity and affordable energy access.[16] A Just Transition cannot be delivered if 600 million Africans still lack access to electricity with another significant contingent in more developed African countries unable to afford electricity.

Thus, while utility-scale projects to drive green industrialization must be prioritised, so too must the development of community-centred and community-owned renewable energy systems. Given the focus on attracting private sector investment via financially attractive off-take agreements, it is likely that capital for community energy projects will be difficult to raise from the private sector, meaning that alternative forms of affordable finance must be generated.

A policy instrument could be created which places conditionalities on developers to ensure that industrial energy projects also provide a portion of the electricity they generate to local communities. Conditionalities such as this could be part of a wider policy instrument which would empower Africa to establish its own infrastructure priorities, rather than simply deferring to the narrow interests of foreign financiers.



## 3. Transparency

Transparent and accountable governance needs to be fostered within the AGII. As a starting point, and as an example of how it must proceed in the future, the AGII's Secretariat needs to indicate how much of the $100 billion recently promised to the AGII comes from each of the named funders, and what each respective allocation is for.

## 4. Affordable Finance

Both competitive green industrialization and community-energy projects rely on access to affordable finance. However, Africa's structural disadvantages in the global financial system are well known and multifaceted. Though there is a wide range of financing options available to both governments and businesses - including grants, concessional and commercial loans, equity investments, guarantees, and export credits - Africa has limited access to affordable capital. At the same time, it is burdened by external debt which soared to $1.152 trillion by the end of 2023, equivalent to nearly half of the continent's total GDP.[17] It is within this context that green financing solutions must be found.

## Climate Finance

A crucial component of financing green industrialization in Africa must come from climate finance but this is an area where Africa continues to face systemic inequities. According to the OECD, non-concessional loans accounted for 69% of public climate finance between 2015 and 2020, while grants made up only 28%.[18] Most of these loans were channelled through multilateral development banks (MDBs), often coming with stringent repayment terms. This effectively means that climate finance has been debt-inducing, adding financial strain rather than easing it. This reality fundamentally undermines the equity principles embedded in the United Nations Framework Convention on Climate Change (UNFCCC), which affirms common but differentiated responsibilities. In fact, African countries are now paying more in annual debt service than the total of all climate finance pledges combined—including the long-promised $100 billion from Copenhagen, the Green Climate Fund (GCF), and the new Loss and Damage Fund - reinforcing the inadequacy of finance flows, not just in terms of quantum, but quality.[19]

The African Group of Negotiators on Climate Change has rightly called for at least $1.3 trillion per year by 2030 in financing for developing countries. This includes the $5.8–5.9 trillion needed globally for full implementation of Nationally Determined Contributions (NDCs) by 2030, annual adaptation costs of up to $387 billion, and up to $5 trillion per year for clean energy transitions until 2050.[20] Despite the disappointment of COP29, African states should continue to demand for massive increases in the New Collective Quantified Goal while also pushing for the Green Climate Fund to expand its support for National Adaptation Plans (NAPs) that incorporate industrial transformation, infrastructure development, and clean energy goals.[21]

## Domestic Resource Mobilisation

African countries can also do more to mobilise domestic resources for green industrialization, denominated in local currencies. They could do so by issuing sovereign-backed green bonds; by facilitating the greater use of pension funds in African infrastructure development; and by increasing funding to public development banks to expand ‘blended finance’ options. These initiatives would create more ‘patient capital’ of the sort needed for green industrial development.

## Carbon Credits

The importance of carbon credits as a potential source of finance for green industrialization on the Continent continues to feature strongly in deliberations and declarations from Africa’s leaders.[22] It is, however, a mistake to consider carbon markets as a viable means by which to accelerate green industrialization. Not only do carbon markets tend to replicate historic patterns of exploitation, but the price of carbon is also currently so low, and the carbon credit verification system so poorly implemented, that Africa is destined to gain little, if anything, from pursuing carbon markets.[23]



### Toward a Just Financial Architecture

To reverse this trajectory, Africa must push for deeper reform of the international financial architecture. This includes meaningful follow-up on the Sharm El-Sheikh Implementation Plan, which calls for the restructuring of MDBs and International Financial Institutions (IFIs) to prioritize equitable, accessible, and climate-aligned finance. It also requires tapping into emerging public finance instruments like the New Development Bank (BRICS Bank), Asian Infrastructure Investment Bank, Silk Road Fund, and strengthened continental institutions such as the African Development Bank (AfDB), Afreximbank and Africa Energy Bank. These institutions can be leveraged for large-scale, concessional, and targeted investments in green industrial value chains.

MDBs, including African ones, must also stop funding fossil fuels. For example, AFREXIM channelled over $5.2 billion, nearly a fifth of its total loan portfolio, to oil and gas projects in 2023.[24] These funds must be redirected into green industrialization.

In addition, MDBs, working with governments and institutions such as the AGII, need to prioritise creating the conditions that unlock 'patient capital' to accelerate Africa's green industrialization endeavours.[25] This means that innovative solutions such as blended finance models, grants, highly-concessional capital and other forms of hybrid capital, needs to be scaled to unlock investment.[26] Above all, finance must be debt sensitive with grants and debt relief prioritised over yet more debt financing.

## 5. Technology Transfer and Skills Training

For the objectives of AGII to be fully realised, it is clear that technology transfers to Africa will be required. As part of its climate obligations, the Global North should facilitate the transfer of green technology to Africa to further the AGII. This transfer should be accompanied with skills development initiatives to provide African employees with the necessary skills to facilitate a green transition.

One bold proposal is zero-dollar financing for technology transfer - a form of climate justice where critical green technologies (such as solar PV, EV batteries, and wind turbines) is shared royalty-free or subsidized under the umbrella of global public goods. This approach would mirror calls for a TRIPS waiver for climate technologies, helping African countries access and build green manufacturing capacity without added fiscal burdens.

African government also need to reflect on the types of skills that will be in demand from the green industrialization sector and target all levels of their respective education systems to meet this demand.

## 6. Unapologetically African-centred National Green Industrial Policies which Foster a Common African Industrial Position

The return of industrial policy (government intervention) means that all African nations should develop robust, realisable and long-term green industrialization and transition policies. These policies should ensure that African governments are not merely regulators of policy, but actively and strategically drive structural changes that will facilitate the AGII.[27]

It is vital that these policies be unapologetically African-led and African-centred and do not accommodate externally imposed agendas which will likely perpetuate historical power imbalances and forms of maldevelopment. The dangers of externally imposed agendas are already being revealed in recent Green Hydrogen agreements between Europe and some African states. In the rush to attract foreign investment, some African countries appear to have built their green hydrogen strategies around export-oriented models ignoring issues of energy and water access[28] thus replicating existing extractive patterns that could potentially lead to stranded assets.[29]

It is, therefore, essential that the AGII Secretariat works in a coordinated manner to further African-centred green industrialization policies. These policies need to be clearly articulated and must have strong and sustained national and regional political support and leadership to provide the long-term stability required to attract the necessary capital.[30] In this regard, the AGII must play a critical role in harmonising domestic green industrialization polices so that Africa can adopt a common position and green industrial plan in similar fashion to how the European Union has adopted its Green Deal Industrial Plan and Net Zero Industry Act.

It also vital that the AGII identifies areas of competitive advantage and specialisation so that African countries are not trying to trade the same goods but are rather working harmoniously to strengthen Africa's collective global competitiveness (complementarity not duplication).

Three specific areas of green industrial development could form the basis of the AGII's initial strategy:

1. **Green Ammonia** – The industrial production of green ammonia via green hydrogen presents a significant opportunity for Africa. Not only does it facilitate green industrialization, but it also promises to produce sustainable low-carbon fertilizer at a cost which can meet Africa's significant fertilizer shortfall.[31] Green ammonia plans are most advanced in South Africa via a $5.8 billion green ammonia project in the country's Eastern Cape province which is expected to reach financial close in 2026.[32]

   The AGII also has a role to play in ensuring that green industrialisation deals are structured in such a way that production does not simply get exported as some fear.[33] For example, it appears that the primary purpose of Hive's green ammonia project in South Africa is to supply green ammonia to the global market, with Japan, Korea and Europe being lined up as primary consumers. There is, therefore, little evidence to suggest that Africa will benefit from the production of locally produced green ammonia from the Hive project.[34] There is clearly an important role for the AGII to play here in ensuring that green industrial projects are structured in such a way that Africa benefits directly from what is being produced. For example, legal instruments could be used to formalise processes whereby certain amounts of output are retained in Africa.

2. **Green Steel** – Being both rich in iron ore and renewable energy sources, Africa is ideally placed to accelerate the greening of existing steel production via green hydrogen and renewable power sources and in the development of new green steel manufacturing plants. There are plans to green existing steel production in South Africa (currently stalled) and there is clearly an opportunity to produce new green steel infrastructure via investments such as those being made in new steel production by China in Zimbabwe.[35]

   Through its role in assisting in the harmonisation of green industrialisation via comparative advantage, and in line with the vision of the AfCFTA (see below), the AGII could, for example, facilitate the flow of green hydrogen from countries to such as Namibia and South Africa to enable green steel production in Zimbabwe. In addition, the AGII could advocate for unlocking further parts of the value-chain by encouraging investments in the production of stainless steel in Zimbabwe (this could further de-risk investments due to the diversification of production).[36] Power to supply the arc furnaces in these steel plants could, in turn, be provided by renewable energy sources from neighbouring countries. The AGII could play an important role in regulating and harmonising such jointly beneficial green industrialisation initiatives. This is, presumably, the type of 'mutually reinforcing groups of opportunities that can be co-developed' that the AGII has in mind to realise African competitiveness. [37]

3. **Large-Scale Batteries** – The development of large-scale batteries is set to accelerate in the near future in Africa with the anticipated opening in late 2026 of the $5.6 billion Kenitra battery gigafactory in Morocco, while the production of large-scale vanadium redox flow batteries in South Africa recently received a boost.[38] These initiatives are in addition to the proposed Transboundary Battery and Electric Vehicle industry Special Economic Zone between Zambia and the Democratic Republic of the Congo which is looking to develop a green value chain in the batteries.[39]

   Developers in South Africa are clear that for vanadium redox flow batteries to be built at scale in South Africa coherent and supportive policies (standard setting etc.) and the necessary finance are needed to support beneficiation, refining and manufacturing, drawing particular attention to the need to source seed capital. In this instance, the AGII has a role in facilitating seed finance, and in helping identify both potential African suppliers of the components of vanadium redox flow batteries and in identifying export markets in Africa and in the world. In terms of the Transboundary Battery and Electric Vehicle industry Special Economic Zone, there is clearly a danger that products from the initiative simply get exported via the proposed Lobito Corridor railway.[40] Again, there is an obvious role here for the AGII to discourage the wholesale export of batteries, let alone the pit-to-port export of critical minerals.

It is clear that green industrialization projects need what one expert described as 'thoughtful design', whereby projects need to be designed to both appeal to funders and developers and also capture short-term local and longer term green transformational benefits for Africa.[41] The AGII has an obvious role in fostering such 'thoughtful design' within and between African countries.

## 7. Policy Coordination

Given the existence of several Continent-wide initiatives dedicated to the development of both green industrialization and renewables in Africa (e.g. the APRA, the Cleantech Value Chains in Africa Initiative, the Alliance for Green Infrastructure in Africa, Mission 300, and the AGII) it is critical that these initiatives do not replicate work already being undertaken. It is paramount, therefore, for the leaders of each initiative to have a clear understanding of the specific mandates of each body so that cooperation and policy harmonisation and alignment can be fostered.

Policy coordination is especially important in regard to the AGMS as it is 'explicitly aiming to accelerate sustainable industrialization on the continent'.[42] Therefore, the AGII should work closely with the various AGMS task teams (value-chain task team etc.) and the AU's African Green Minerals Observatory to harmonise the identification of the most appropriate green investment opportunities. The AGII should also play a supporting role in the development of the proposed Green Mineral Value Chain Investment Fund, which is a core component AGMS. The emphasis throughout the AGMS on the need for green industrialization to be 'equitable' should be always foregrounded.

## 8. Local Content Requirements

If well implemented, regulations on minimum local content requirements can boost local economic development and create much-needed jobs. Thus, appropriate trade and tariff policies via the AfCFTA should be adopted to encourage and protect nascent local green value chain manufacturing.[43]



## 9. AfCFTA and Regional Integration

A formalised relationship between the AfCFTA and the AGII is critical to the success of the AGII because, as one expert notes, AFCFTA gives it 'a political anchor which lends it long term legitimacy' both regionally and globally because it is aligned with a cooperative treaty.[44] Therefore, alignment with AFCFTA, enables the AGII to situate itself within the political context of regional economic integration.[45]

While domestic green industrialization polices must be anchored in nationally owned frameworks, they should also reflect the realities of each members country's developmental priorities and comparative advantages in terms of maximising domestic and regional economic opportunities (deepening linkages).

In essence, the role of AfCFTA in terms of the AGII is twofold:

1. At a political level, AfCFTA must exercise its own agency to create a powerful platform from which to assert Africa's right to green industrialization on the global stage, doing so with a unified voice and with the full political support of its member states.[46]
2. AfCFTA needs to create an institutional framework which manages 'trade-offs between countries and secures alignment around regulatory frameworks, trade facilitation and infrastructure development and maintenance'.[47] In doing so, it must encourage and facilitate AGII member coordination and cooperation so as to discourage where possible the signing of bilateral agreements, such as is currently happening with critical mineral deals, which undermine the political and economic leverage that can come from coordinated Continent-wide action to realise a green transition.[48] Both the AfCFTA and the AGII must, therefore, be cognizant of the wider geopolitics of the global decarbonisation agenda, and how this influences the green industrialization landscape domestically and regionally.[49] It is important that the AGII responds to the geopolitical landscape of green industrialization by demonstrating to African states that it is to their advantage to work together rather than individually.

To further deepen regional integration, the AGII should also work closely with all eight of Africa's regional economic bodies, such Southern African Development Community (SADC). This will ensure that regional green industrial strategies, such as the SADC's 2015 Green Economy Strategy and Action Plan for Sustainable Development, are harmonised with the objectives, policies and plans of the AGII.

## 10. Sustained Political Support

For the AGII to have a significant impact on green industrialization in Africa over the long-term it needs sustained high-level political support. While aligning itself with the AfCFTA goes some way to ensuring this political support, it will still require consistent high-level support from African leaners. Currently driven by President Ruto of Kenya, it needs to build up sufficient political capital for it to be able to outlive election cycles and the vagaries of politics. The best way it can do so is to regularly and convincingly demonstrate to African leaders that their green industrialization plans can be better realised by working with the AGII.

## 11. Recycling and Circular Economy

There is no evidence to date to suggest that recycling or circular economy approaches have been seriously considered by the AGII. Given the urgency of recycling for mineral recovery (including energy transition minerals), Africa can position itself a key player in this sector both in terms of mineral recovery, and in designing and building manufactured outputs such as batteries which are easier to recycle. This vision of a circular economy replacing a linear one is entrenched in the AGMS and this emphasis should be reflected in the policies and practises of the AGII.[50]

## 12. Nuclear Power and Fossil Fuels (including gas) Must be Rejected by the AGII

The current push for nuclear power, especially in South Africa and Kenya, is inconsistent with green industrialization because nuclear power is not a clean source of energy nor is it a renewable one. While nuclear power is a lower carbon source of electricity compared to fossil fuels, several meta studies have concluded that renewables are more positively related to emissions reductions that nuclear power stations, while investment in nuclear power has been proven to crowd out investment in renewables.[51] Nuclear power is also spectacularly expensive compared to renewable power sources while nuclear power stations take far too long to build to offer a meaningly solution to the climate crisis meaning that it cannot deliver energy justice in Africa. [52] Nuclear power is, therefore, a climate distraction that must be rejected by the AGII as a means by which to power Africa's green industrialization.[53]

The same conclusion must be reached in regard to fossil fuels, including gas. Any expansion of fossil fuels will the lock the Continent into fossil fuels, redirecting investment that should be going towards renewables while potentially creating massive, stranded asset liabilities for African governments. Like nuclear power, neither energy justice nor green industrialization can be realised by fossil fuels.[54]



## 13. Infrastructure Development

For green industrialization to succeed and Africa to move from a consumer to a producer of green technologies, the historic legacy of poor basic infrastructure in Africa needs to be overcome.

While the 'Industrial Clusters' model can potentially result in the provision of green industrial outputs, the ability to reach markets, domestically, regionally and globally, is compromised by poor infrastructure, particularly relating to transport and logistics.[55] The African Development Bank estimates that the continent's infrastructure needs amount to between $130–170 billion a year.[56] These weaknesses are particularly acute when it comes to intra-Africa connections, which obviously has serious implications for trade integration between African countries. This is another area where African governments need to work with DFIs to facilitate private capital.

The AGII Secretariat must, therefore, ensure that policies are aligned with domestic and Continent-wide climate resilient infrastructure development initiatives such as the African Union's Programme for Infrastructure Development in Africa.



## 14. Deregulation and Special Economic Zones

While the AGII is committed to 'streamlining and fast-tracking permitting processes is vital to reduce delays and increase investor confidence', this must not be done so at the cost of necessary social and environmental safeguards.[57] Therefore, any streamlining of regulatory requirements must be carefully targeted and managed.

Similarly, the development of Special Economic Zones (SEZ), as articulated in the AGII in relation to 'Industrial Clusters', must not lead to any weakening of essential social and environmental regulations as has previously happened with SEZs attempting to attract foreign investment.[58]

To ensure social and environmental safeguards are met, African governments must ensure that their Environmental Impact Assessment (EIA) mechanisms are fit for purpose during both green industrialization permitting processes and throughout the life cycle of projects, including any decommissioning and rehabilitation. This should include CSO-led and community-based monitoring, alongside labour representatives and independent experts (e.g. academia), with a clear mandate to scrutinise social and environmental compliance. The key point is institutional and financial independence from both SEZ authorities and private developers, so oversight is not reduced to internal reporting or box-ticking.



# Conclusion

Africa is undoubtedly at an historic crossroads when it comes to economic development and industrialization. A crossroads which offers Africa a choice between replicating the social and environmental problems characterised by 20th century fossil fuel-based industrialization or building modern socially inclusive green industrial economies fit for the 21st century. In advocating strongly for an Afrocentric and Pan-African vision of the latter choice, the AGII must be commended.

It is vital, however, that the AGII is guided by a vision that accepts that green industrialization cannot just be an economic imperative for Africa, for it also must be Africa's pathway to climate justice, job creation, energy security, and true sovereignty in the 21st century. For this vision to be achieved, it is critical that the AGII is driven by meaningful public participation and inclusive decision-making because this is the only mechanism through which genuine climate justice will be delivered to the people of Africa.

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