





Green finance takes a leap in Tunisia

DECEMBER 13TH

Context

The Tunisian Professional Association of Banks and Financial Institutions (APTBEF) and the Global Pact Network Tunisia (RPMT) organized on November 30, 2021 in Tunis a conference entitled 'Sustainable Finance: issues, state of play, vision for the future'. Here are the main outcomes:

Mohamed Agrebi, President of APTBEF



Bilel Sahnoun, CEO of Tunis Stock Exchange



- The Financial Market Council (CMF) will soon publish **a guide to issuing green bonds** developed in partnership with the International Finance Corporation (IFC) to **promote the role of the financial market in financing projects** that meet the imperatives **of sustainable development** in the country.
- The Tunis Stock Exchange, in partnership with the CMF and the Konrad Adenauer Stiftung Foundation, **launched** on December 2nd the **ESG (Environment, Social and Governance) reporting guide for publicly traded companies**. This guide is supposed to convince the actors of those companies of the usefulness of the ESG approach for themselves, for the company, and for the community.
- The aim is to finally create an **ESG index to attract responsible investment funds** or investments that are oriented towards green finance.
- Tunisia benefited from **\$4.6 billion** mainly through the programs of the National Agency for Energy Management (ANME), while **Morocco** and **Egypt** benefit from almost double of that amount **at respectively \$10.8 billion and \$11.4 billion** (confer 2nd page of the Flash News).

RECOMMENDATIONS OF THE SPEAKERS:

- Developing green financial products.
- Uniting the entire banking sector for a new transformational and sustainable financing offer.
- Relaunching investments in productive and sustainable sectors through improved financial and fiscal incentives.
- Establishing guarantee mechanisms for small businesses.

Seen on social media

The new ESG reporting guide targets all actors of publicly traded companies.



The new ESG reporting guide has been launched by the Tunis Stock Exchange.



Tunisie: Un guide du Reporting environnemental, social et de gouvernance à la disposition des entreprises cotées à la Bourse de Tunis

Le Conseil du Marché Financier (CMF)et la Bourse des Valeurs Mobilières de Tunis (BVMT) ont mis à



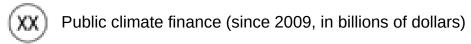


Assessment of climate finance flows in Africa

DECEMBER 13TH

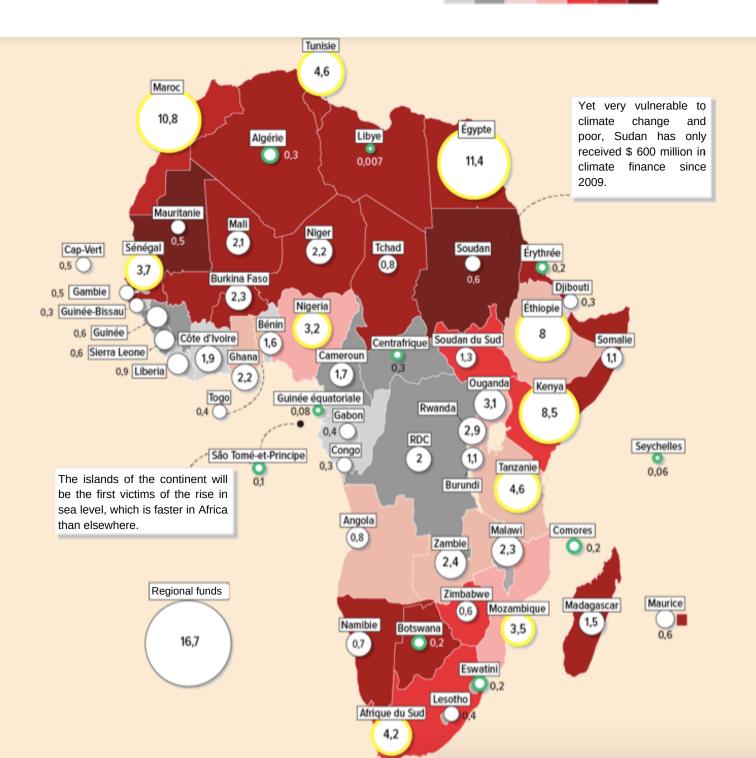
Context:

Jeune Afrique, a pan-african news outlet, assessed in an article titled "COP26: where does climate finance go in Africa?" the paths of climate finance flows in Africa. Its infographics (with the help of 2021 OECD statistics) show that emerging African countries are more advantaged than poor countries vulnerable to climate change.





Climate change vulnerability index : Low Very high









Flash News The conversation on decarbonizing Morocco continues

DECEMBER 13TH

Context:

The Policy Center for the New South organized on December 1st a roundtable discussion on "Decarbonizing" the Moroccan Economy: Challenges and Opportunities in the aftermath of COP26". The event featured key international stakeholders, namely Ricardo Puliti, Vice President of Infrastructure at the World Bank and Simon Martin, UK Ambassador to Morocco.

Simon Martin, UK Ambassador to Morocco



The synthesis of the main messages of the COP26 concerning developing countries and Morocco in particular.

- At the COP, the UK's priority was to finalize the Paris rulebook to make the **Paris Agreement fully operational.**
- 95% of the major developed country climate finance providers have adopted new commitments for the next 5 years. Commitments that will enable significant progress to be made in terms of the \$100 billion. In this regard, this target will be reached by 2023 at the latest and will continue on an upward trajectory to grow until 2025. It is now likely that \$500 billion will be mobilized over the period 2021-2025.
- As for the private sector, we are talking about trillions of dollars aligned with the Paris Agreement.
- Regarding Article 6 (that establishes a framework for countries to reduce emissions and meet their pledges according to their NDCs) a **new mechanism for the carbon market will be put in place** along with transparency tools and common timeframes on NDC review. Thus every year the member countries must update their NDCs and not every 5 years.
- Green recovery requires investment in education and training to address both immediate unemployment due to the pandemic and structural unemployment. It also requires closing the skills gap in the low-carbon technologies of the
- Prior to the UK's COP presidency, there was only one multilateral development bank that had a timeline to align with the Paris Agreement, but now almost all MDBs have a plan to align by 2025 at the latest.
- In Morocco, strengthening coordination and convergence between institutions and donors to encourage a green recovery in developing countries has been at the heart of the climate negotiations and is also included in the Glasgow Climate Pact.
- Morocco and Britain have begun rigorous work to align the investment policy of the Mohammed VI Fund with the new requirements of donors and international development banks. This fund serves as a Strategic Investment Fund to fulfill a mission of support for production activities and financing of large public-private investment projects, in various fields including sustainable and green projects.

Seen on social media

Morocco and the UK are cimenting their cooperation in terms of climate action.









Flash News The conversation on decarbonizing Morocco continues

DECEMBER 13TH

Riccardo Puliti, Vice President of Infrastructure at the World Bank



The World Bank's global vision and the strategic imperatives for Morocco. AT A GLOBAL LEVEL:

- Climate change disproportionately affects the poorest populations: it could plunge more than 130 million people into poverty by 2030 and cause the migration of more than 200 million people by 2050.
- In 2021, the WB published its 2021-2025 action plan, which marks a paradigm shift. The idea is to green the economies as a whole.
- 35% of the World Bank's financing is aimed at climate co-benefits. The World Bank Group focuses on key sectors such as agriculture, energy, food and water, transport, cities and industry that need to be part of a resilient, low-carbon future.
- The Climate Investment Fund, which is managed by the WB, has announced the implementation of the Investment Program for Accelerating the Transition from Coal. Some countries like India, South Africa and Indonesia have been selected to benefit from it.

BUT IN THE GLOBAL ECONOMY THERE IS A NEED FOR RESILIENT AND GREEN INFRASTRUCTURE, THE BIG QUESTION IS HOW TO **FINANCE IT?**

• This type of infrastructure is expensive while governments are more fiscally constrained than ever. It will therefore be essential to catalyze public and private resources, including those of international development institutions.

THE WB HAS BEEN SUPPORTING MOROCCO IN THE DEVELOPMENT OF A PROGRAM FOR GREEN HYDROGEN AND ITS DERIVATIVES

- In the MENA region, Morocco is pioneering the important role of the private sector as an investor in power generation and distribution in major cities. However, power generation is still dominated by coal despite efforts to invest in renewable energy. In that sense, it is necessary to strengthen the role of the regulatory authority and to open the electricity distribution and transmission network to renewable energy producers and consumers.
- Green hydrogen is an important solution to promote large-scale renewable energy, sustainable mobility (road and air transport) and the integration of the Moroccan electricity market into the European market. The larger the networks and markets, the more stability they offer for the integration and exchanges.
- Finally, digitalization plays a catalytic role, as digital technology allows energy supply networks to be more intelligent and optimize the efficiency of transport networks. Indeed, digital technology improves the delivery of services even in remote areas.

Seen on social media

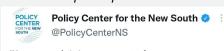
The WB promotes the PCNS event on decarbonizing Morocco.



page: wrld.bg/ZK5Q30hbZ8W

@PolicyCenterNS

Jesko Hentschel, WB director for the Maghreb and Malta participated to the PCNS event.



"Les ambitions sont énormes dans le secteur du transport concernant la transition énergétique. Une partie de cela sera financée mais d'autres transitions vont coûter cher. Il y a des ambitions mais aussi des coûts au'il faut étudier."

@JeskoHentschel @WorldBankMENA







Flash News The conversation on decarbonizing Morocco continues

DECEMBER 13TH

Bouzekri Razi, Director for Climate Change, Biodiversity and Green Economy at the Ministry of Energy Transition and Sustainable Development



As part of Morocco's National Determined Contribution (NDC), the government has identified 7 projects that will contribute to the reduction of greenhouse gases (GHG):

- The establishment of wind farms, extensions of some solar power plants, thermo-solar power plants and new capacities in terms of hydroelectricity for a total capacity that exceeds 10 GW. All this will contribute to 34.5% of the overall GHG reduction target of 45.5%.
- The establishment of minimum standards of energy performance of engines whose power is greater than 75 kW. There is also the recovery of biomass and the installation of photovoltaics on the roofs of industrial sites with a capacity of 1500 MW.
- The development of a sustainable and reasonable agriculture (through the planting of trees and the use of renewable energy for irrigation). This project will contribute 14.1% to the GHG reduction objective.
- The promotion of integrated waste management (through the collection of biogases from public landfills to produce electricity) for a contribution of 7.6% to the target.
- The acceleration of the development of efficient buildings through the adoption of the thermal regulation code in residential and tertiary buildings. In addition, the establishment of minimum energy performance standards and the labeling of air conditioners (for a contribution of 6% to the target). There is also an energy efficiency program for tourism.
- The support of the transport sector through a series of projects and measures. Thus, the extension of tramway lines in Rabat and Casablanca and the introduction of the Euro 6 standard for new vehicles that will be in circulation as of January 2023 (for a contribution of 4.8%).
- The last project is the amplification of the central role that forests play as a carbon storage well. Thus, efforts will continue in terms of reforestation and generation of forest vegetation coverage (for a contribution of 4.3%).

Follow Us On Social Media



