

3GF Africa Plenary

13-14 May 2015 - Nairobi, Kenya

SESSION The Green Industrial Development (Thematic Session breakout)

Date, time: 13 May 2015, 14.00-15.00 (Parallel session)

Background

To drive the high ambitions of economic growth and job-creation in Africa, industrialization is inevitable.¹ Industrialization in many SSA countries is still underdeveloped. Except for few countries like South Africa that boast well developed manufacturing industries, for most of the African countries the lions share of their economic turnover comes from agriculture.

This provides many opportunities to “leapfrog” and “tunnel” to a green growth transition.

Leapfrogging in Africa has a potential to help speed up the process of development using advanced systems². It can do so by avoiding intermediate steps taken in countries in the North. Carrying out leapfrogging in the right context can save on infrastructure development costs by creating a shortcut to clean, safe and efficient technologies. Africa can learn from the experience of more advanced countries regarding the how-to of providing the social benefits to a significant portion of its population while avoiding at the same time negative environmental side effects. It can also enhance its opportunity to become competitive in applying advanced systems early on.

The major opportunities for leapfrogging in Africa are the rich natural resource endowment of the continent; its currently low level of technological development; limited infrastructural expansion; and low-level corporate establishment. The challenges in realizing leapfrogging into SCP in Africa manifest at three points namely, pre-leap phase in the form of platform and framework (e.g. global economic structure); vehicles (e.g. low level of education); and during the post-leap phase (e.g. lock-in problems).

There are now several successful cases globally and in Africa where countries and villages have leapt from no existing technology to efficient and modern technologies. Many of the current leapfrogging cases focus on the ITC sector. In addition to ICT, there is an opportunity to consider leapfrogging possibilities in other sectors such as agriculture, manufacturing and service sectors.

¹ World Bank (2012): *Inclusive Green Growth: The Pathway to Sustainable Development*

² UNEP: *Leapfrogging Possibilities for Sustainable Consumption & Production in Africa*

Leapfrogging to green growth is desirable and possible in Africa. It is important to highlight the role of legislative and policy level measures that can pave the way for leapfrogging. For any kind of technological change that can be characterized as some form of leapfrogging to succeed, both strong government policies and good technological capabilities are needed in order to achieve widespread deployment.

Leapfrogging and tunneling also present opportunities for development of robust entrepreneurship and SME sectors. In South Africa the countries largest banks have signed an intent to invest more into small and medium-sized enterprises (Banking Association of South Africa). In Kenya, Nairobi has been called the “Silicon Valley” of Africa boasting a friendly environment for start-up businesses and accelerators.