

# Eighth Session of the Africa Regional Forum on Sustainable Development

## GREENING THE INFORMAL SECTOR: Green Entrepreneurship for Just Transitions

Side-event concept note



United Nations University Institute for Natural Resources in Africa (UNU-INRA) and United Nations Economic Commission for Africa (UN-ECA).

### Background

The urgency to mitigate the catastrophic impacts of climate change necessitates a rapid transition from fossil fuel-based energy systems to clean, low, to no-carbon energy systems. Without specific efforts to ensure an equitable transition, existing injustices in the current energy systems will be exacerbated, resulting in winners and losers. Winners will benefit from employment and innovation opportunities associated with the transition, while losers will bear the burdens of the transition and lack access to the opportunities.

In Africa, a poorly managed transition would impact the **informal sector**, especially women who form the dominant majority. Given the differentiated socio-economic implications and outcomes of a transition for various stakeholders, it is imperative to investigate how the informal economy will respond to the transition and potential strategies for improving resilience to stranding risks and other future energy crises.

The informal sector is a significant backbone of the Africa economy—they provide a vital source of livelihoods and income opportunities. Across Africa, in several cases, green entrepreneurs have shown greater responses to climate change and green transition than the formal sector by leading several renewable and clean energy innovations. Green entrepreneurs are expanding the footprint of renewables and disrupting traditional energy models. There is, however, minimal reference to the informal sector in the green transition discussions and interventions. Most green entrepreneurs function in solitary spaces without the requisite tools, relevant support mechanisms, and systems (data, infrastructure, policy opportunities) required to thrive and grow. However, accelerating the transition and achieving an inclusive and equitable green transition will be hampered if the informal sector's contribution remains neglected.

UNU-INRA, in partnership with UN-ECA, is undertaking a study that will investigate the intersections between stranded hydrocarbon assets and various forms of risk and inequities

affecting energy access in the informal sector within the context of the political economy implications of 'just transition' in the African context. The study aims to highlight the contributions of green entrepreneurs to green transition efforts and provide a supporting infrastructure for green businesses to thrive through the creation of a digital information hub.

## **Aims and objectives of the side-event**

The core aim of the side-event is to interrogate the issue of just transitions in Africa and the implications and opportunities for the informal sector, one of the largest productive sectors accounting for [80% of urban jobs](#) on the continent. The event will discuss Africa's green transition prospects with a focus on green entrepreneurship and job creation. This will go a long way in understanding how to build resilience, post-covid, and how to improve inclusive sustainable development towards accelerated achievement of the SDGs. The event will draw on evidence from Zambia, Namibia and Ivory Coast.

### **Specific objectives:**

- Raise awareness of African ministers and policymakers on the importance of including the informal sector in Africa's green transition to ensure inclusive and just transitions.
- Inform on the market opportunities available to green the informal sector and how green entrepreneurs can be motivated/supported to drive this.
- Provide policymakers with a learning platform to support evidence-based climate and green policy decisions to better support green businesses.
- Raise awareness of policymakers in Africa to the existential threats of a continued carbon-reliant growth model and advocate for climate-related asset stranding considerations into the planning and policy decisions of African policymakers.
- Discuss ways to accelerate the SDGs and covid-19 recovery through the creation of green jobs.

## **Proposed Agenda**

- Welcome & Opening remarks (10 minutes)
- Presentation of findings (15 minutes)
- Panel discussion (30 minutes)
- Q&A (20 minutes)

- Closing (5 minutes)

Total duration: 1hr 30 minutes

## **Potential speakers**

- Dr Fatima Denton (UNU-INRA)
- Dr Jean-Paul Adam (UN-ECA)
- One of the lead researchers (e.g. Prof. Jewette Masinja)
- A minister of environment, science and technology
- A private sector representative, particularly in green business
- An informal sector or labour representative
- A representative on women's empowerment and inclusion

## **Target audiences**

- African policy-makers and government officials.
- Private sector related to energy and green business.
- Informal sector and labour representatives.
- Development partners.
- Civil society and media.