

2022 GOVERNORS' DIGEST



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Message from the President

Dr. Akinwumi A. Adesina

President, African Development Bank Group

At the Annual Meetings of the African Development Bank Group, we show the world what we are all about. Making a difference. Over the past few years alone, we touched the lives of hundreds of millions of people all over Africa.

I am deeply grateful for the strong confidence our creditors, donors, and shareholders have shown in the Bank. We are united in the pursuit of our High-5 strategic priorities, which are to light up and power Africa, feed Africa, industrialize Africa, integrate Africa, and improve the quality of life for the people of Africa.

The High-5 priorities represent our collective vision and passion for Africa. A few days out from the Annual Meetings, our Board of Directors approved a historic \$1.5 billion African Emergency Food Production Facility to help African countries avert a looming food crisis in the wake of Russia's war in Ukraine. Expanding on our highly successful Technologies for African Agricultural Transformation (TAAT) initiative, the Facility is putting technologies into the hands of farmers faster and at greater scale.

As we gather for the 2022 Annual Meetings in Accra, we reflect on yet another year filled with accomplishments. Over the last 12 months, thanks to our investments, some 1.3 million people in Africa obtained access to electricity. Roughly 3.6 million farmers benefitted from improvements in agriculture, while 133,600 people gained access to finance. In addition, 12.2 million gained access to water and sanitation, while 6.6 million people were able to benefit from improved transport services. These are the results that matter.


We collaborate closely with civil society organizations across Africa, putting emphasis on strengthening capacity, and where necessary, equipping our partners with knowledge and skills. Meanwhile, we are making considerable improvements within our own institution, serving the needs of our regional member countries even better and delivering more value for money to our shareholders. We are operating as One Bank, breaking down the silos that used to stand in the way of progress. We are a culturally diverse bank, with more than 2,000 employees from around the world. We value gender equality. The percentage of women in our organization has increased from 30% in 2019 to 31% in 2021. At a management level, 26% are now women.

On the 1st of September 2020, I was sworn in for a second five-year term as President after being unanimously re-elected by all our shareholders, regional and non-regional. I feel deeply grateful to have been given the opportunity to remain at the helm of this extraordinary team. Despite very difficult circumstances, we have shown great resolve. Since we deployed our \$10 billion Crisis Response Facility in 2020, we have gradually resumed investments in our High-5 priority areas. We are the only Triple-A rated financial institution in Africa and are renowned for our exceptionally high governance standards.

The pandemic has been a stark reminder of the inequalities that remain. We must be relentless in our efforts to help build a quality healthcare defense system in Africa, including a strong pharmaceutical industry and plenty of vaccine manufacturing capacity. Russia's war in Ukraine has exposed Africa's chronic dependence on food imports. But it has also galvanized action to address the nexus between conflict, food insecurity and climate change. Rising energy

prices and widespread inflation have put tremendous pressure on national budgets, which are already stretched to their limits.

And while Africa accounts for barely 3% of the world's carbon dioxide emissions, it is our continent that is hit the hardest by climate change. That's why the African Development Bank and the Global Center on Adaptation (GCA) have launched the Africa Adaptation Acceleration Program (AAAP)—a unique, Africa-led initiative established to mobilize \$25 billion and prepare the continent for the inevitable consequences of climate change.

There is an old African proverb, which says that a difficult journey will make you daring and harden your will. That wisdom certainly applies to the African Development Bank Group. We have been put to the test on many occasions, and never faltered. Whatever lies ahead, we will be ready, for we know that when we work together there is no limit to what we can achieve. 



DR. AKINWUMI A. ADESINA

President, African Development Bank Group



**Our Board of
Directors approved
a historic \$1.5
billion African
Emergency Food
Production Facility**



FOREWORD

Dean of the Board of Directors

The African Development Bank Group Annual Meetings is that unique time of the year when Governors—along with Executive Directors, Management and staff of the institution—assemble to appraise progress over the preceding 12 months, and to look at the year ahead.

As we gather in the beautiful city of Accra this week, I am delighted, in my capacity as Dean of the Board of Executive Directors of the African Development Bank Group, to extend a warm welcome to readers of the May 2022 Annual Meetings Governors' Digest. This is the third edition of this publication, which offers a platform for Governors to share their views on the work of the Bank as a valued partner and on any number of topical issues relating to the development of the African continent.

The last two years have not been easy ones, given the challenge of the Covid-19 pandemic and all its ramifications. With the Bank's quick mitigating action and unstinting support, we faced down Covid despite the odds. We continue to tackle the impacts of climate change, in addition to the most recent challenge—a looming food crisis resulting from the Russia-Ukraine war.

I think it would therefore be fair to say, in the wake of Covid—which has not left us—that the Bank and its regional member countries are now operating under what we might call the new normal. In the current transition environment, we are doing well, and performance reflects this from a portfolio perspective.

Going forward, this is a critical year for the Bank Group as we progress with the 16th replenishment of the African Development Fund. It is also a pivotal time as we chart a strategy for the next 10 years. Discussions on the Bank Group's new Ten-Year Strategy have commenced. Therefore, it is important that the engagements between Governors and the rest of the Bank focus on the objectives that we want to set ourselves for the next 10 years. This is what will inform how the institution will best support African countries in this new period.

Earlier this year, the Executive Board held a most productive retreat. We assessed what we thought should be the strategic direction of the Bank over these next 10 years. We concluded that the institution is on the right trajectory in terms of focus, and it needs to stay on track with what it is doing. In other words, we see no reason to change course but rather for the institution to keep doing what it is doing and to do it even better. After examining all pillars, we agreed that there should be no change in direction. Our position as executive directors is that the High 5s are strategic anchors to the work of the Bank, and they remain critical in communicating our ambitions. Our conclusion was that they must be retained, with a sharper focus on key areas articulated in the Ten-Year Strategy. ^{GD}

> > [More on www.afdb.org](http://www.afdb.org)

MMAKGOSHI PHETLA-LEKHETHE

Dean, Board of Executive Directors
African Development Bank Group

PREFACE

Secretary General of the African Development Bank Group


The Governors' Digest is part of an innovation initiated in 2018 to highlight the central role played by the Boards of Governors atop the governance architecture of the African Development Bank Group as representatives of the shareholders of the African Development Bank and the government participants of the African Development Fund.

This edition of the Governors' Digest has been timed to coincide with the annual meetings (the 57th Session of the Bank's Board of Governors and the 48th Session of the Fund's Board of Governors), being held jointly in Accra, Republic of Ghana, from 23-27 May 2022, at which the Fund celebrates its 50th anniversary.

The digest provides the unique perspectives of several governors on this year's meeting theme, "Achieving Climate Resilience and a Just Energy Transition for Africa" and other topics relevant to the socio-economic development of the African continent. These include Africa's recovery from the Covid-19 pandemic, the necessity of scaling up climate adaptation and mitigation initiatives, investment needs to address the ever-expanding financing gap for infrastructure development and the growing population of young Africans entering the labor market. It also showcases the Fund's remarkable achievements as it marks its 50th anniversary.

As Secretary General of the Bank Group and to the Boards of Governors of the Bank and of the Fund, working with the Bank Group's Communications and External Relations Department, I have the distinct privilege and honour of presenting this edition of the Governors' Digest. We hope that it will give greater voice to the boards of governors in shaping the strategic direction of the Bank Group and that it will help enrich the annual meeting deliberations.

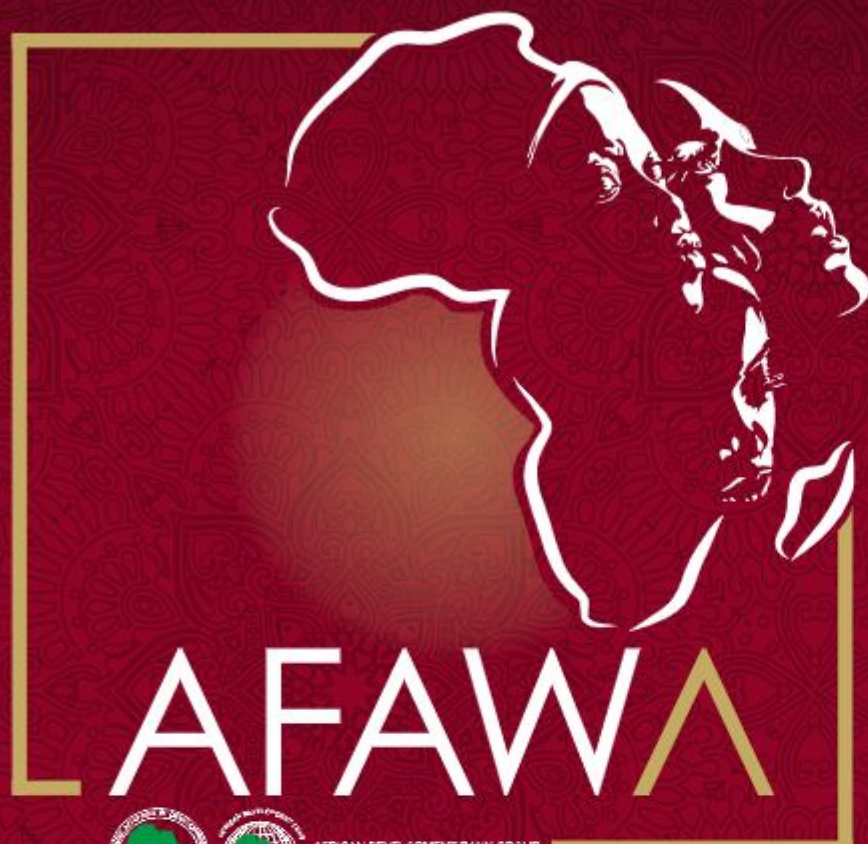
Management remains committed to producing and publishing the Governors' Digest every year ahead of the Annual Meetings.

It is my sincere hope that all readers will take great pleasure in reading this year's edition. 

PROF. VINCENT O. NMEHIELLE

Secretary General
African Development Bank Group





AFRICAN DEVELOPMENT BANK GROUP
GROUPE DE LA BANQUE AFRICAINE
DE DEVELOPPEMENT

AFFIRMATIVE
FINANCE ACTION FOR
WOMEN ENTREPRENEURS
IN AFRICA



EDITORIAL

SOLOMON MUGERA

Welcome to the 2022 edition of the African Development Bank Group Governors' Digest. We have gone bigger, bolder and brighter. The Digest brings you the important voices of our governors, deputies, the President of the African Development Bank Group, the Bank Group's Secretary General and the Dean of the Board of Executive Directors. And much more.

The messages underscore the seriousness that African governments and the Bank Group attach to the impact of climate change and the urgency needed to tackle the climate challenge.

Clearly, technology has helped to keep effective communication running during the past two years of meeting and travel restrictions due to the Covid-19 pandemic. Zoom and Microsoft Teams meetings may have cut travel costs, but they cannot match the sensory power of physical interaction—where all senses come alive: That eye-to-eye contact, that possibility of being able to lean in closer to one's interlocutor, that warm embrace or firm handshake over common perspectives, and that shared laughter over any number of things. That is where coming together physically trumps virtual meetings.

When you read this year's Governors' Digest, it is clear that the agenda for these Annual Meetings—*'Achieving Climate Resilience and a Just Energy Transition for Africa'*—could not come at a more auspicious time.

We have all seen recent images of the destruction caused by floods in South Africa. Those floods claimed the lives of more than 400 people. They are a stark reminder of the devastating impact of climate change.


The people of Madagascar endured severe drought for more than four years. According to Governor Rindra Hasimbelo Rabarinirinarison, this year Madagascar suffered "seven intense and violent cyclonic phenomena."

Dr. Bärbel Kofler of Germany told *Governors' Digest*, "Scaling up investment in climate-resilient infrastructure, agriculture, and food security has become more urgent than ever; we call on the AfDB to expand ways to address food security and sustainable agri-food systems."

That is exactly what the African Development Bank Group has been doing, and this month it launched its \$1.5 billion Emergency Food Production Program Facility. The facility is about food production, and I stress, not food aid.

The United Kingdom remains the largest international development partner to the African Development Fund, the Bank Group's concessional lending window to low-income countries. The UK's Minister for Africa, Latin America and the Caribbean, Vicky Ford, says that as the Fund celebrates its 50th birthday development partners should "ensure a successful replenishment of the ADF to support the most vulnerable African countries to tackle climate change."

From Accra all eyes will be on Egypt which is hosting this year's COP27. Egypt is calling for the preservation of Africa for future generations, because, as Governor Tarek Amer says: "If climate resilience is not addressed properly, future generations will experience deeper food insecurity, poverty, and forced displacements."

This is not a future to look forward to nor one we would want to bequeath to the next generation. Therefore, the time to accelerate action is now, here in Accra. 



DR. SOLOMON MUGERA

**Executive Editor, Governors' Digest
Director of Communication and External Relations
African Development Bank Group**

A conceptual image featuring a zipper that runs diagonally from the top right towards the bottom center. The zipper separates a lush green grassy area on the left from a parched, cracked, and brownish-grey area on the right, which resembles dry, cracked mud. The zipper pull is visible in the center, acting as a point of separation between the two contrasting states of the land.

African Development Bank leads on climate action **Now others must follow**



UN Secretary General António Guterres has commended the African Development Bank for its global leadership on the climate emergency.

In his keynote address to the UN General Assembly, he highlighted the Bank's efforts while at the same time warning delegates that the planet was "sleepwalking to disaster.... (and is facing) the greatest cascade of crises in our lifetimes": "I'm here to sound the alarm. The world must wake up. We are on the edge of an abyss and we're moving in the wrong direction. The world has never been more threatened or more divided, with the Covid-19 pandemic, super-sized glaring inequalities, the climate crisis pummelling the planet".

He called for "coalitions of solidarity" to address inequality, instability, and climate change and lauded the great strides Africa and the African Development Bank are making to combat the climate emergency: "The African Development Bank set the bar in 2019 by allocating half of its

climate finance to adaptation. Some donor countries have followed their lead. All must do so. My message to every member state is this: Don't wait for others to make the first move. Do your part."

“We need a sense of urgency”

African Development Bank President Dr. Akinwumi Adesina welcomed the UN Secretary-General's remarks, and added that by 2020, the African Development Bank was investing 63% of its climate finance in adaptation, higher than the benchmark for climate mitigation and adaption called for by the UN.

In 2019, the African Development Bank invested \$10.3 billion in development projects in Africa. Of this, some \$3.6 billion went to climate finance, a four-fold increase from 2016. Dr. Adesina issued this challenge to the richer countries:

"There must be a sense of urgency on climate adaptation. Action to avoid the worst impacts of the climate disaster must start with developed countries making true on their commitment for additional climate finance from a floor of \$100 billion per year. We must boost Africa's capacity for climate adaptation."



“We must act now to avert catastrophe”.

Dr. Adesina's call to action was supported by Professor Esther Duflo, the 2019 Nobel Laureate in economics. Speaking at the Kofi Annan Eminent Speaker Lecture Series, she said that although 10% of the highest polluters are responsible for about 45% of global emissions, the greatest impact of climate change will be felt in Africa and other parts of the developing world: “We must act now to avert catastrophe. The poorest countries will bear the brunt of the worst effects of climate change. In the next 20 years most of Africa will see more hot days over 32 degrees with more health problems and deaths,” she said.

“Africa holds the balance of climate in its hands. It's not usually recognized or compensated for it, but this is an important reminder. We need to chart the best course that will increase Africa's economic wellbeing in a way that doesn't damage the environment.”

Professor Duflo runs the Poverty Action Lab at the Massachusetts Institute of Technology, carrying out research on poverty alleviation in health, education, financial inclusion and governance. She says her research lab has already positively impacted 650 million lives.

The Poverty Action Lab, she explained, has funded and developed sustainable air conditioning and heat-resistant seeds for farmers, two

examples of its innovative solutions. Dr. Adesina highlighted the Bank's African Adaptation Acceleration Programme, which has already reached more than 11 million farmers in Africa and plans to scale up to 40 million. He said this would enable the farmers to double their yields to feed 200 million people.

Dr. Adesina also pointed to the Bank's 'Desert to Power' initiative, a \$20 billion project to bring solar-powered electricity to 250 million people in the Sahel region of Africa.

“A crisis of credibility and trust”

Professor Duflo offered to work closely with the African Development Bank on its efforts to scale up its climate adaptation initiatives and called for collective action across the world. However, she warned that while change would require a global enforcement of regulations, there is “a crisis of credibility and trust for governments whose actions were not aligned with this commitment”. The global response to the Covid-19 crisis has not been encouraging: “The world has not shown great generosity to poorer countries during the Covid19 crisis. Rich countries spent large amounts of money on their own citizens so experience shows that rich countries will try to save themselves first.”

“The failure of promises to the poorer countries on Covid-19 has put a damper on my willingness to trust the developed world. It was a fantastic opportunity to prove to the world that we can do things together for the common good—and yet that wasn't done. How can we trust the developed countries on climate after this?”

She added that one of the lasting lessons of the Covid-19 crisis was the realisation that nature is stronger than we are. It proved that dire warnings by experts do come to pass, and the international community must take these lessons on board as it seeks to address the climate emergency.

Her call echoes the UN Secretary-General's warning that the developed countries must provide additional climate finance to pull back from the abyss: “My message to every member state is this: Don't wait for others to make the first move. Do your part.”

The Bank is doing its part. Now others must follow.



Amina J. Mohammed

**Deputy Secretary-General,
UN and Chair, UNSDG,
United Nations**

**African countries
can benefit from
the recovery
to invest in
climate resilient
infrastructure
and cities, and
nature-based
solutions in land
restitution and
in sustainable
agriculture.**



Ban Ki-moon

**President, Assembly and
Chair of the Council Global
Green Growth Institute**

**While our
scientists have
developed the
vaccines to
protect us from
coronavirus,
there is no
vaccine for the
climate crisis.**

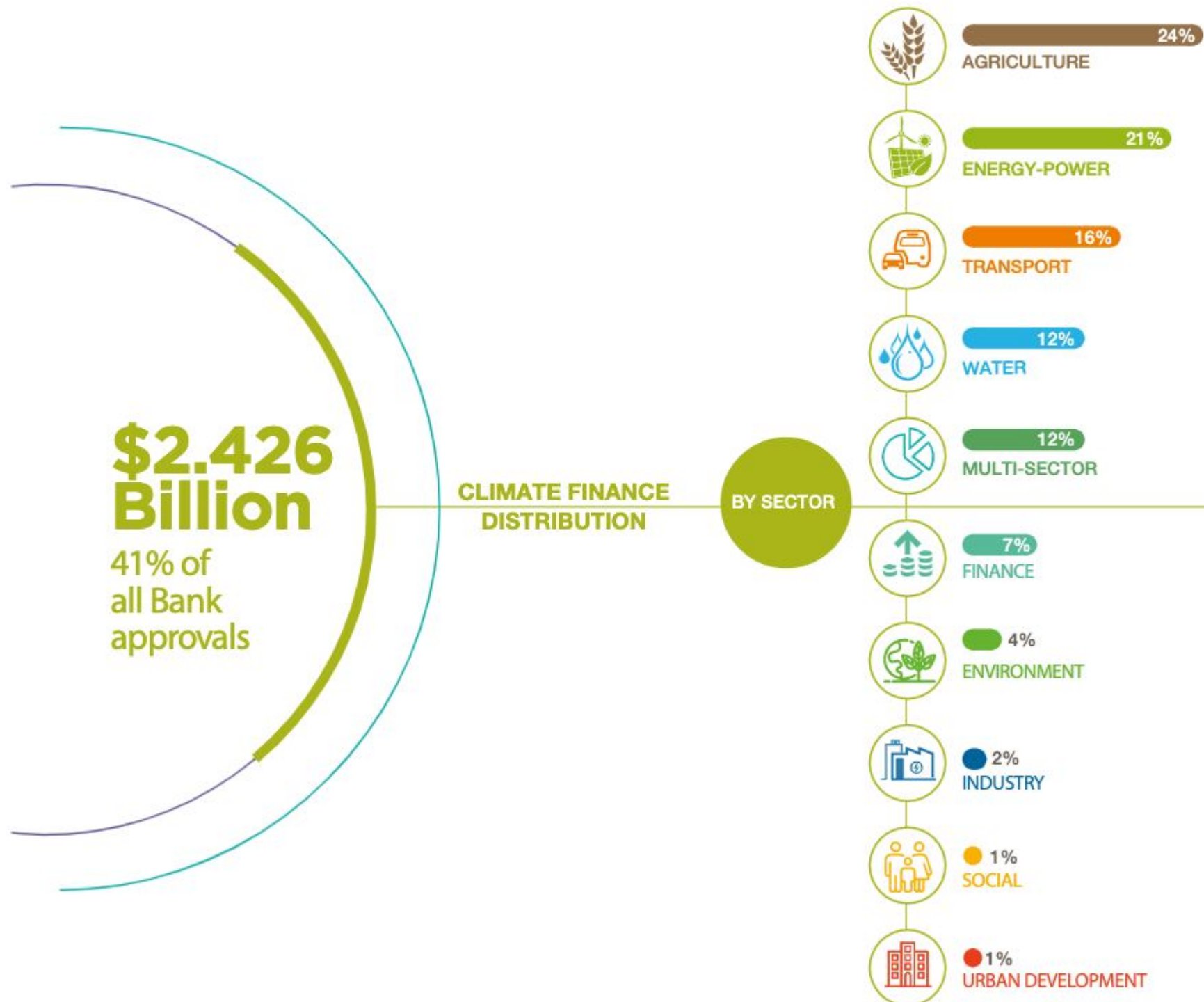


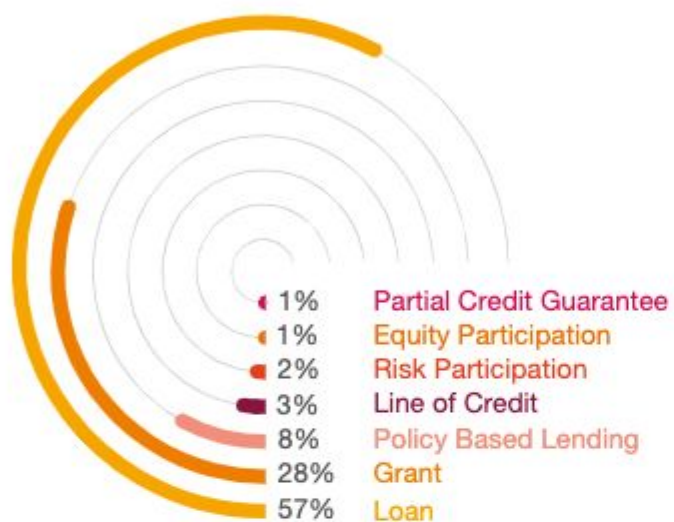
Patrick Verkooijen

**There is a plan. It's
the African Adaptation
Acceleration
Programme. It's
endorsed by African
leaders who have said,
“count us in!”**

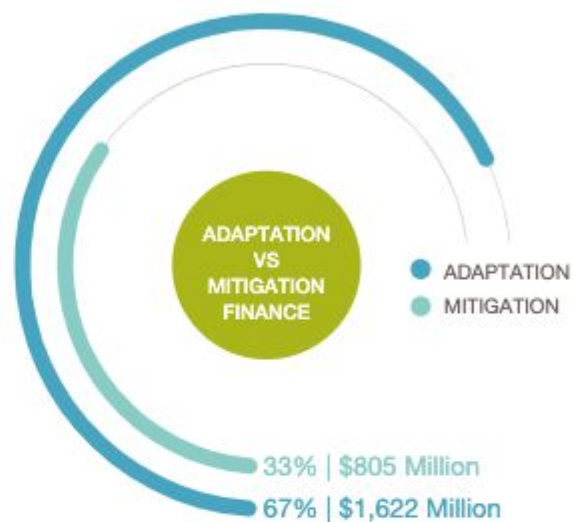
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AFRICAN DEVELOPMENT BANK 2021 CLIMATE FINANCE

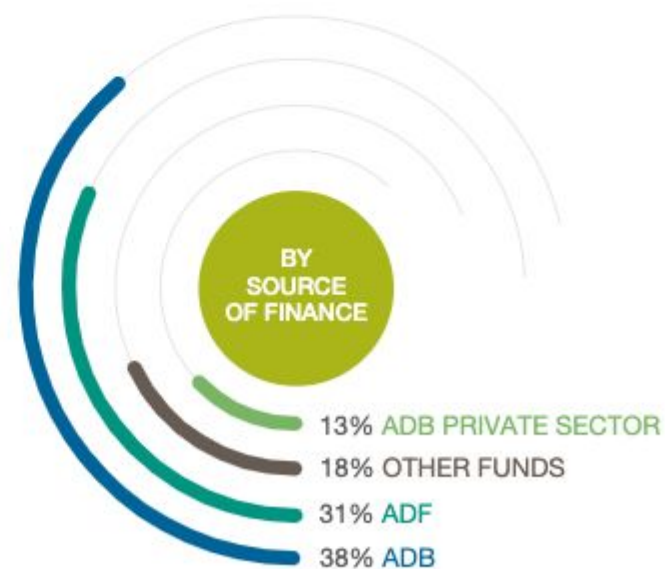
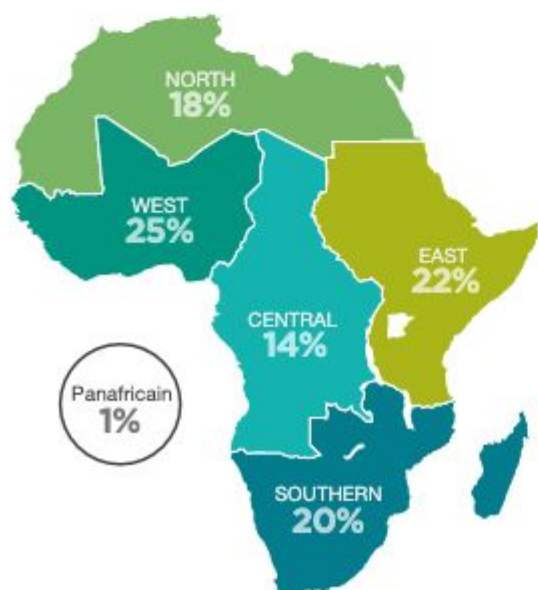




BY FINANCING INSTRUMENT



BY REGION





ALGERIA

Bio

Abderrahmane Raouya was appointed as Finance Minister in February 2022, having previously held this office from 2017 to 2019 and in 2020. He has long experience in the Algerian Ministry of Finance: Administrator at the Directorate of Fiscal Studies and Legislation (1985-1987), Bureau Chief (1990-1993), Deputy Director of International Tax Treaties (1993-2000) and Director of Tax Legislation (2000-2003). He also worked as an expert with the International Monetary Fund in the Democratic Republic of Congo, between 2003 and 2005. After his appointment as Head of Research and Syntheses in the office of the Minister of Finance in 2005, Abderrahmane Raouya was appointed to the role of General Inspector of Taxes until his appointment as Finance Minister in 2017. Mr Raouya holds a law degree from the University of Algiers and also a diploma from the National School of Taxation in Clermont-Ferrand, France.

Concrete measures must be taken at the global level to help Africa address climate challenges, including a genuine transfer of technology and know-how to developing countries.



ABDERRAHMANE RAOUYA

Minister of Finance

Finance and technology transfer: the challenge of building climate resilience in Africa

With an estimated share of only 3.8% of the world's greenhouse gas emissions, Africa is the continent that contributes least to global warming. Yet it is highly vulnerable to climate change, whose effects are exacerbated by inequalities in food security and access to education and health services.

Climate change is a real challenge to African countries' socioeconomic development prospects, accentuated by many issues related to lack of access to affordable, reliable modern energy services and strong dependence on fossil fuels. What's more, the severe impact of the Covid-19 pandemic has seriously hampered the continent's ability to respond to climate challenges and has caused Africa's first economic recession in 25 years. Millions of Africans have been driven into extreme poverty.

A just energy transition in Africa should help achieve the 2030 Sustainable Development Goals and those set under the African Union's Agenda 2063. Such a transition must translate into better access to clean, affordable energy to meet the continent's socioeconomic challenges. Africa's growing financing needs therefore comprise a serious challenge.

Indeed, in 2020, the International Monetary Fund estimated additional climate-adaptation financing needs at between \$30 billion and \$50 billion per year for sub-Saharan Africa alone. In 2017 and 2018, however, average annual worldwide flows of climate adaptation funding barely reached \$30 billion, and only 23% of that sum was spent on Africa.

Against this backdrop, it is important that developed countries honour their commitment

to provide the financial resources to help developing countries mitigate and adapt to climate change. The African private sector should also play a greater role in implementing climate action and environmentally-sustainable investment.

Algeria, affected but proactive

Algeria, like other African countries, faces significant climate threats and is considered as one of the countries most affected by climate change. It is particularly exposed to the risks of desertification, land degradation, and extreme weather events that seriously challenge socioeconomic development.

Algeria is acutely aware of the threat of climate change. The country's primary challenge is putting in place policies to combat climate change while ensuring that it continues to develop by diversifying its highly carbon-dependent economy and moving towards a greener, more resilient economic model.

The Algerian government's action plan seeks to protect and promote nature and biodiversity, accelerate the implementation of the circular economy, and combat global warming and all forms of pollution.


To meet these objectives, the government has adopted various strategies, master plans and national plans that it has implemented in the framework of its environmental policy, such as the National Action Plan for the Environment and Sustainable Development, the National Action Plan for Biodiversity, the National Strategy for Integrated Waste Management to 2035 and the National Climate Plan. Similarly, the Algerian legislative and regulatory frameworks have been strengthened by new laws and provisions on climate issues. A range of incentive and dissuasive tax measures in application of the "polluter pays" principle

have also been introduced into the financial legislation framework.

Combining transition and pragmatism

At the international level, Algeria has ratified the various conventions and accords on climate change, affirming its willingness to participate in efforts to combat global warming by fulfilling the commitments set out in its Nationally Determined Contributions, including a reduction in its greenhouse gas emissions by at least 7% by 2030, using national resources. A conditional 22% reduction of greenhouse gas emissions is envisaged by 2030, with international support.

Lastly, it is important to emphasize that concrete measures must be taken at the global level to help Africa address climate challenges, including a genuine transfer of technology and know-how to developing countries in general and to African countries in particular, to help them ensure an effective, rapid transition towards a green, environmentally friendly economy. The African Development Bank and other development partners are encouraged to make greater efforts to develop pragmatic approaches that can respond to countries' different needs and capacities and to encourage a real transfer of environmentally sustainable technologies.

Regarding countries' different climate needs and capacities, the importance of adopting a flexible approach that promotes climate-change mitigation and adaptation efforts should be emphasized, without compromising African countries' development processes, which often depend on access to affordable energy. Fossil-fuel energy will remain a necessity for several African countries for the foreseeable future. The challenge, then, is to promote economic growth while improving the environmental management framework. 



ARGENTINA



Financial support for family farmers is necessary for low-emission agricultural practices, an acknowledgement that they generate agricultural employment and alleviate poverty.

Sharing Argentina's experience with Africa

The theme at this Governor's Annual Meeting is climate resilience and a just energy transition for the African continent. I would like to share the strategies we are developing in my country, Argentina, that could be applied to the African continent.

Argentina is currently working on its long-term strategy for carbon emissions and greenhouse gas reductions for 2050 and on its national adaptation and mitigation plan to provide good exchanges of information and experience. Argentina is interested in supporting Africa's efforts to build climate-resilient, low-carbon economies. Let us review the figures: the United Nations estimates that the costs of climate change events for Africa could reach \$50 billion by 2050. Until now, 53 African countries have submitted their first nationally determined contributions to the Paris Agreement. To implement them, Africa must invest over \$3 million in mitigation and adaptation from now until 2030 not only to address climate change but also to move forward to achieve the Sustainable Development Goals targets. For many countries, climate action is key to achieving sustained development and investment is heavily influenced by the availability of financial and technical support. The centrality of the role of the African Development Bank thus becomes evident.

Argentina has a production matrix focused on food production, which makes it particularly sensitive to climate change. We can share our strategies and experiences fighting droughts and floods—costly risks for the Argentine economy as they affect primarily the agricultural and livestock

sector. It is clear to us that we are responsible for the food security of our people, and that of the countries that consume the food we produce.

Family farms are vulnerable to climate change

The socio-economic structure of those who produce the food the world consumes also needs to be noted. Africa knows this well. Most agricultural and livestock establishments are family farms, a particularly vulnerable sector. Family farmers depend almost exclusively on the services provided by the ecosystems in which they live and are particularly sensitive to climate circumstances. Financial support for family farmers is necessary for low-emission agricultural practices, an acknowledgement that they generate agricultural employment and alleviate poverty. Access to better financing conditions will also help reduce demographic displacement from rural areas to informal settlements on the peripheries of large cities.

We believe in the economic recognition of the important ecosystem services that our systems provide the world. We believe that development will only be sustainable if it incorporates economic, social, and environmental perspectives.

Finally, the strategy for the farming sector must include improvements in infrastructure (energy, water and sanitation, transport, water resources, and logistics), equipment to help family farmers transition to industrialization, and the generation of technological solutions to increase productivity, and improve marketing and establish distribution networks.

To this end, the African Development Bank is essential for leveraging financial support for just, inclusive, and sovereign development, aligned with the Sustainable Development Goals and the fight against climate change.

We must seize upon the vast cooperation agenda between Argentina and Africa within the South-South framework. Argentina wants to play its part in building this. 



LEANDRO GORGAL

**Undersecretary of International Financial Relations for Development
Secretariat of Strategic Affairs**

Bio

Mr. Gorgal is a political scientist who holds a Master's degree in Public Administration and Public Policy from the San Andrés University, Argentina. Specializing in international financial relations and development, he has held several senior positions in the Argentine federal government and has worked as a Senior Institutional Development Officer at the CAF-Development Bank of Latin America. As part of his continuing education process, Leandro earned a Master's degree in Development Administration and Planning from University College London. Mr. Gorgal currently represents the Argentine government in all development banks.



Austria is already putting its water expertise at the disposal of the African Development Bank Group, most prominently through our partnership with the African Water Facility.

The green transition presents great opportunities for Africa

The Covid-19 pandemic has led to severe social and economic dislocations across the globe, and has hit African countries particularly hard. According to ILO estimates, 13.5 million full-time jobs were lost in sub-Saharan Africa alone in 2020, and millions of Africans were pushed into extreme poverty. To deliver on the 2030 Agenda and secure a bright future for Africa's young population, we need to ensure a robust economic recovery on the African continent guided by a clear vision and supported by strong partnerships.

The 6th EU-AU Summit in Brussels represented a move towards consolidating a "renewed partnership" and a "joint vision" for Europe and Africa. One of its key outcomes, the Global Gateway Africa-Europe Investment Package, aims among other things to support Africa in taking advantage of the many opportunities offered by a green transition. Austria fully endorses such initiatives on climate action, both on the European and the international levels. We are convinced that, by tapping their potential to generate cheap renewable energy, African countries can leapfrog existing polluting technologies and embark on a sustainable economic growth model that creates high-quality green jobs for the population. The African Development Bank and Fund can play a critical role in supporting African countries with access to finance, capacity and knowledge.


In Austria, we strive to be a frontrunner in the green transition. We aspire to produce 100% of our electricity from renewable sources by 2030 and achieve net-zero emissions by 2040, ten years before the EU target. Austria shares with many African countries a great potential for hydroelectric power generation. In 2019, Austria generated 77% of its locally produced electricity from renewable sources, with over 55% coming from hydropower alone. Over the years, Austria has developed a globally competitive industry

and innovation ecosystem that is supporting infrastructure projects around the world, including in Africa. This includes the design of new climate-smart hydropower projects and maintaining and upgrading existing infrastructure. Austria is already putting its water expertise at the disposal of the African Development Bank Group, most prominently through our partnership with the African Water Facility.

Harnessing Africa's solar potential

Unlocking Africa's vast solar potential will be equally critical for providing the continent with access to the affordable energy it needs to develop its economy and improve the quality of life for all of its people. Large regional projects like the African Development Bank's Desert to Power initiative and small-scale off-grid solutions in rural areas can contribute to closing the energy gap.

Changing climate conditions and climate-related disasters already put a heavy burden on many African countries and threaten peoples' livelihoods. They exacerbate existing fragilities and have a particularly severe impact on women and girls. Therefore, investments in climate adaptation, especially in agriculture—which remains dominated by particularly vulnerable smallholder farmers—and infrastructure, are crucial. We therefore welcome the African Development Bank's strong engagement and its advocacy for adaptation action in international fora such as the COP.

Let me conclude by congratulating the African Development Bank Group for acting as a key enabler of a greener, more inclusive, more prosperous Africa and as an important platform for knowledge exchange and policy dialogue for the continent. We are convinced that the green transition will significantly contribute to Africa's bright future by accelerating its economic and social development. We will continue to lend our support to our African partners to fully realize their great potential. 



MAGNUS BRUNNER

Minister of Finance

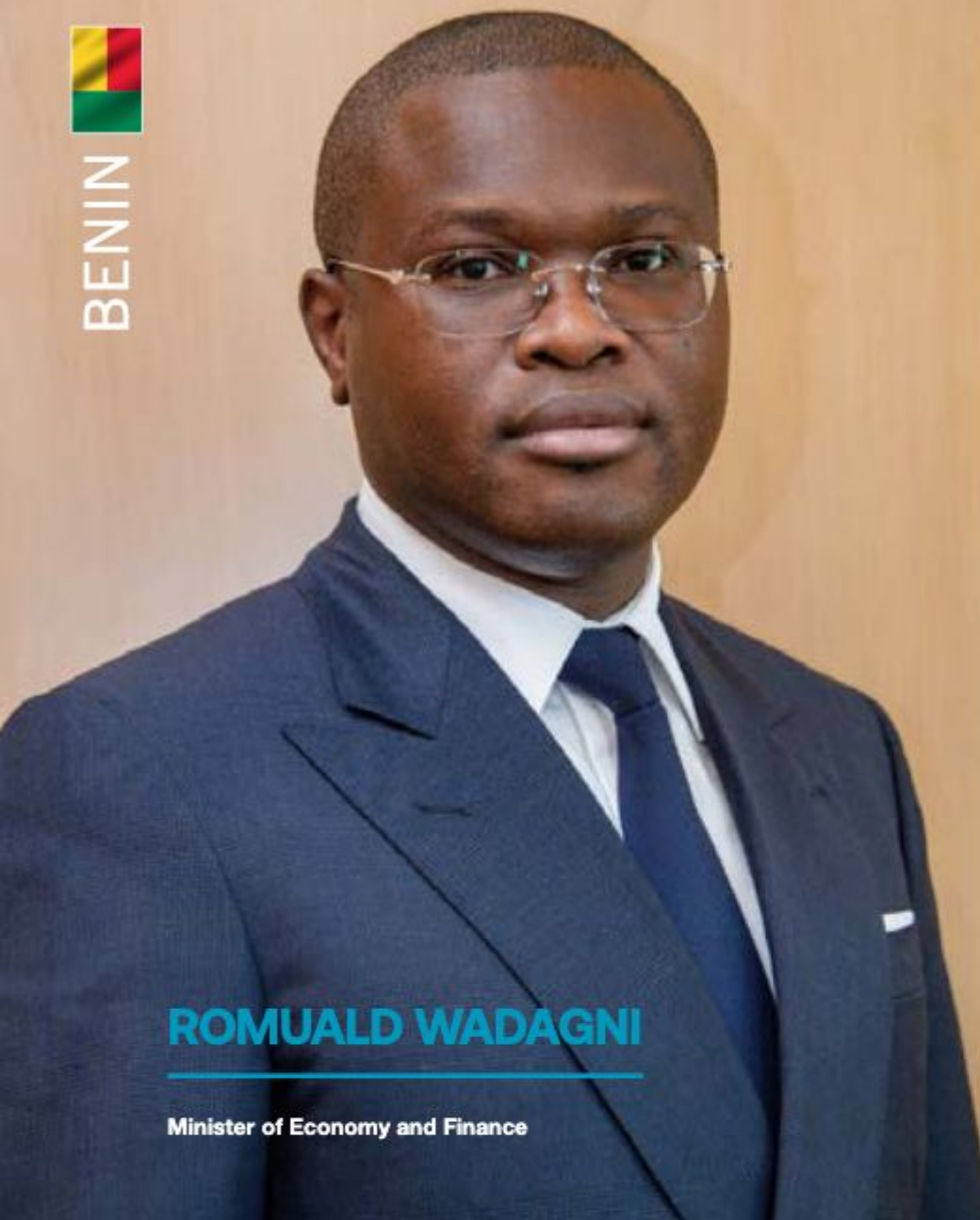
Bio

Magnus Brunner has been the Federal Minister of Finance of the Republic of Austria since December 2021. Before that, since 2020, he was State Secretary in the Federal Ministry for Transport, Innovation and Technology. For more than ten years, Mr. Brunner served as an executive board member in the energy sector and acted as vice-chair of the Federal Council, one of Austria's two parliamentary chambers.

Mr. Brunner holds a doctoral degree in Law from the University of Innsbruck and the University of Vienna, and a postgraduate degree from King's College London.



BENIN



ROMUALD WADAGNI

Minister of Economy and Finance

Bio

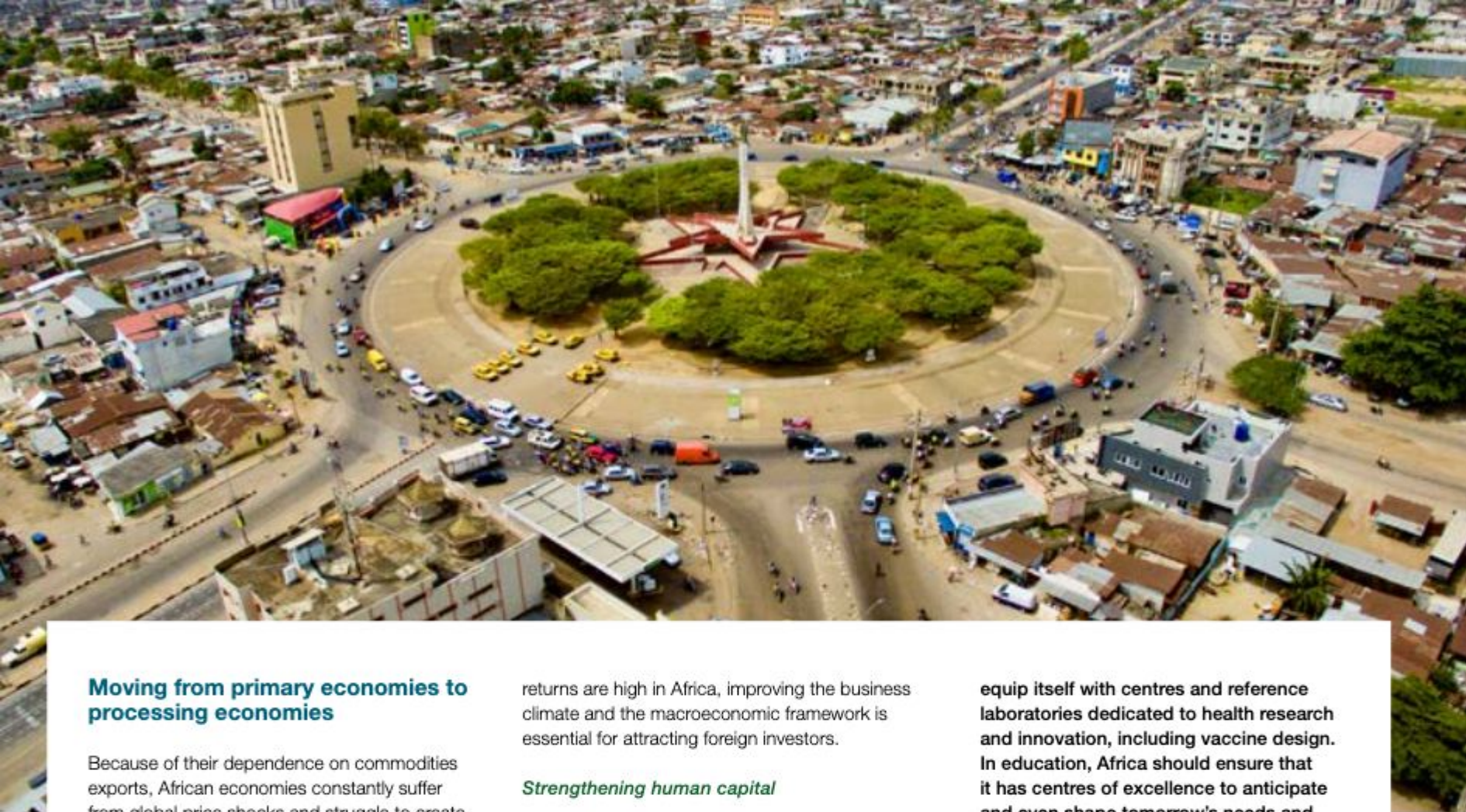
Romuald Wadagni has been Minister of Economy and Finance of the Republic of Benin since 2016. He was promoted to Minister of State for the same portfolio on 25 May 2021. Since his appointment, he has focused on consolidating public finances, launching an ambitious reform of the Beninese public finance management system and the structural transformation of the Beninese economy. From 2018-2020, he was President of the Statutory Council of Ministers of the West African Economic and Monetary Union, where he led the historic reform of the FCFA. He currently chairs the Board of Governors of the ECOWAS Bank for Investment and Development. Since 2018, he has been named Africa's best finance minister on three different occasions.

In the post Covid-19 era, what should Africa's development model be?

Africa's development is all too often afflicted by a "stop-go" model dictated almost exclusively by the international environment. The Covid-19 pandemic and now the war in Ukraine are the most recent examples. The post-Covid era should mark the beginning of a new paradigm that we drive with a focus on national and regional development.

Making growth pro-poor in Africa

Widely dependent on raw materials, growth in Africa is not sufficiently pro-poor. While the rate of extreme poverty on the continent has fallen from 40.2% in 2010 to 34% in 2019, the number of people living below the global poverty line has increased significantly from 414 million in 2010 to 478 million in 2019, according to World Bank data. The recession caused by the Covid-19 pandemic and the consequences of the war in Ukraine accentuate this trend. Because of the pandemic, the number of people living in extreme poverty rose by 37 million in 2021, according to UNCTAD. These data show that commodity-driven mechanical growth is not the solution for Africa. At the same time, social safety net programmes aimed at providing the poor with resources seem to be ineffective. What is needed, therefore, is the establishment of programmes to build social safety nets targeted at making beneficiaries much more productive and that contribute to wealth creation to reduce poverty on a more sustainable basis. At the macroeconomic level, a change in the economic paradigm is sorely needed.



Moving from primary economies to processing economies

Because of their dependence on commodities exports, African economies constantly suffer from global price shocks and struggle to create sustainable and inclusive growth. In addition to weakening the productive fabric, the Covid-19 crisis marked an investment slowdown and rise in unemployment. The war in Ukraine is exacerbating economic difficulties, particularly by increasing energy and food prices. Africa, then, needs to break out of its untrammelled dependence on commodities and equip itself with the means to transform them into finished or semi-finished products. For this, priorities should focus on the following four pillars.

Economic diversification

In the face of recent exogenous shocks, the most-diversified economies have fared better. There is, unquestionably, a model of growth that will encourage the greatest possible diversification of economies. In this perspective, Africa will have to rely on increasing its agricultural productivity by modernizing and mechanizing its practices.

Accelerating tax reforms and improving the business climate

The low mobilization rate of our own resources and our tax rates severely limit the fiscal space in Africa. Existing tax schemes should therefore be used more effectively to increase domestic resources. The digitalization of the economy is a key ally in this quest. Moreover, while investment

returns are high in Africa, improving the business climate and the macroeconomic framework is essential for attracting foreign investors.

Strengthening human capital

Breaking from the mass underemployment of young people will require rebuilding the education system on a more dynamic basis and adapting educational provision to the real and changing needs of economies. Education must have the capacity to instil a spirit of creativity, innovation, and risk-taking to produce active citizens able to contribute to the emergence of untapped economic potential. Technical and vocational education and training need to take precedence over general courses in African educational centres. Benin, for example has opted to train 70% of its young people in technical and professional disciplines. Africa must work to control its population and take full advantage of the demographic dividend.

Strengthening regional integration

Africa is the continent with the lowest inter-country trade, at 16% in 2020 compared to 60% for Asia and 66% for Europe. Economic industrialization could create greater complementarity and foster the development of intra-African trade. Africa must strive to build stronger and more effective integration around several key challenges.

- **Building African integration of health and education: The continent should be a major player in addressing global health challenges. To do so, it should**

equip itself with centres and reference laboratories dedicated to health research and innovation, including vaccine design. In education, Africa should ensure that it has centres of excellence to anticipate and even shape tomorrow's needs and meet them through innovation and entrepreneurship.

- **Achieving a great African infrastructure plan: Strengthening African integration requires quantitative and qualitative interconnections between African countries through transport and telecommunications networks. An African "Marshall Plan" equivalent is essential for bridging the infrastructure interconnection gap. **

Benin has opted to train 70% of its young people in technical and professional disciplines.



SEGLARO ABEL SOME

Minister of Economy, Finance and Planning

Bio

Seglaro Abel Somé has led the Ministry of Economy, Finance and Planning since March 2022, having served as its Secretary-General since 2016. A fine economist and recognized expert, he has worked with a number of institutions and programmes since 2002: Centre for the Analysis of Economic and Social Policy, Poverty Reduction Strategic Framework for Development of the Strategy for Accelerated Growth and Sustainable Development (SCADD), National Technical Secretariat of SCADD, and the National Economic and Social Development Plan. He has been an economist and teacher-researcher at Thomas Sankara University since 1995, where he taught statistics and industrial economics until 2020. A Scout from childhood—he was also president of the Scouting Association of Burkina Faso for six years. Seglaro Abel Somé began his graduate studies in Ouagadougou before obtaining a doctorate in economics at the University of Toulouse 1, in France.



Maintain the momentum of our growth, despite the obstacles

Burkina Faso's socio-economic development over the period 2016-2020 has been supported by the implementation of the National Social and Economic Development Plan, in a socio-political context marked by the increasingly obvious impacts of climate change and a particularly difficult security situation.

The country, which has returned to a normal constitutional order after peaceful presidential and legislative elections, has faced multiple and recurrent terrorist attacks that have resulted in various losses and population displacements. Burkina Faso has also been affected by the adverse effects of climate change, especially poor rainfall seasons, which have impacted the economy.

The resilience of the Burkinabe economy

An estimate of the effects of insecurity on the Burkinabe economy over the period 2017-2019 found the impact on real GDP was not very significant, with an average contraction of 0.5%. This reflects a degree of economic resilience, but even so, the negative impact is particularly felt in the three growth sectors:

- In the primary sector, an average of 1.9%, resulting from the impact of terrorist attacks on various subsectors of this area of the economy;
- In the secondary sector, a much more pronounced average contraction of 1.8%;
- And in the tertiary sector, excluding taxes and duties, there have been greater reductions (2.5% on average) equivalent to a loss of 63.3 billion CFA francs per year.

Nevertheless, the Burkinabe economy has proved itself to be resilient, showing significant sustained growth over recent years, growth that is forecast to be sustained.


Despite an international context marked by more-pronounced security challenges since 2016 and the effects of climate hazards on agriculture, the average growth of the Burkina Faso economy stood at 6.1% over the period of 2016-2019, thanks to the service sector and strategic investments that have boosted the growth in the secondary sector.

In 2020, in the midst of global recession (-3.1%), this growth decelerated due to the effects of measures related to Covid-19, slowing to 1.9%. This was supported by the dynamism of the extractive sector, with growth of 25.4%, and cash-crop agriculture which expanded by 20.6%.

In 2021, in the context of the relaunch of global economic activity on the back of vaccination campaigns and reduced Covid barrier measures, the Burkinabe economy grew by 6.9%, the result of recovery in branches of the tertiary sector (trade: +20.5%, transport: +27.1%, hotels/restaurants: +17.6%, post and telecommunications: +13.2%, and public administration: +8.3%) and the sustained dynamism of the secondary sector with growth in gold extraction at 9.8%, benefitting from gold's position as the international safe haven asset. Average annual inflation was +3.9% in 2021, against +1.9% in 2020, due to increased food prices which rose by 14.3%.

Prospects for a better future

In perspective, this dynamism is likely to continue, assuming a calming of international geo-political tensions, the control of new variants of Covid-19, a normalized national security situation, a peaceful socio-political climate and favourable rainfall. This would allow economic activity to maintain its momentum and achieve growth of 6.7% in 2022, driven by all sectors.

For the period 2023-2025, economic activity is expected to follow a similar growth trend, hovering around 6% on average. 

The Burkinabe economy has proved itself to be resilient, showing significant sustained growth over recent years, growth that is forecast to be sustained.





Technologies for African Agricultural Transformation: Resolving the continent's food crisis





The African Development Bank Group's *Technologies for African Agricultural Transformation* platform delivers climate-smart agricultural technologies to boost Africa's food production. It is set to play a central role in the *Africa Food Emergency Production Plan* to support African countries through the food crisis caused by the conflict in Ukraine. We asked African Development Bank Group Vice President for Agriculture, Human and Social Development, Dr. Beth Dunford, to explain the connection.



Dr. Beth Dunford, Vice President for Agriculture, Human and Social Development.

Before we get to Bank platforms and plans, can you first help us understand how an armed conflict in Ukraine is impacting Africa's food value chains?

The news reports coming out of Ukraine that we see on TV and online are chilling. The images are heart breaking. This conflict between Russia and Ukraine is taking place thousands of miles away, but its impacts hit close to home. The ripple effects from the crisis that are reaching Africa are being widely felt in disrupted global commodity markets and trade, and threaten to shake Africa's food systems to their foundations.

Many consider Ukraine to be the world's breadbasket because, according to aid agencies, it exports 40% of its

wheat and corn to Africa¹. African Development Bank member countries in every region in Africa source their wheat, fertilizer, and cooking oil, in large part, from Russia and Ukraine. Take wheat. The conflict in Ukraine is estimated to have affected 40% to 100% of its supply in Africa.²

Or consider Africa's farmers. They are seeing increases of up to 300% in the cost of fertilizer. Would you be able to handle a sudden tripling in the cost of inputs needed to do your job well? If access to fertilizer this season is insufficient, we can expect a 20-50% reduction in Africa's local food production. And that's just for one season.

African nations need solutions for citizens experiencing exponential increases in costs for staples like sugar, wheat, chicken meat, and more that stems from the conflict. This comes on top of already high food and energy prices. And these are compounding efforts to recover from climate-change induced extreme weather like flooding and drought, or to 'build back better' from the Covid19 pandemic.

African Development Bank Group President Dr. Akinwumi A. Adesina recently said, "Africa must prepare for the inevitability of a global food crisis." That's what we're doing with our Africa Food Emergency Production Plan.

How is the Technologies for African Agricultural Transformation platform connected to the Africa Food Emergency Production Plan?

The Africa Food Emergency Production Plan provides African countries with resources to increase local food production and procure fertilizer. It draws on the success of our *Feed Africa* flagship, *Technologies for African Agricultural Transformation*—or TAAT.

Since 2019, TAAT has used demonstration trials to introduce and bulk up certified seeds of climate-adapted crop varieties for delivery to millions of farmers. For example, since 2019, TAAT has delivered heat-tolerant wheat varieties to 1.8 million farmers in seven countries and increased wheat production by 2.7 million metric tons with a value of \$840 million during the same period.

¹ Source: <https://www.voanews.com/a/russia-s-invasion-of-ukraine-increases-food-insecurity-in-africa-/6516024.html>

² Source : <https://www.voanews.com/a/russia-s-invasion-of-ukraine-increases-food-insecurity-in-africa-/6516024.html>



I was recently in Ethiopia where TAAT has helped lower wheat imports by 50% and aims to see wheat self-sufficiency in Ethiopia. In the country's irrigated lowland areas, farmers using TAAT-funded climate-smart high-yielding water-use-efficient heat-tolerant varieties of wheat are seeing yields increase from 1.5 metric tons per hectare to 4 metric tons per hectare.

Farmer Yilma Mamo has been farming vegetables for half-a-century. When I met him, he was growing his first TAAT wheat crop and told me that production costs for TAAT wheat are dramatically lower and that he's looking forward to dramatically higher profits in an arid region where he was always told that wheat would not grow.



Ethiopian farmer Yilma Mamo says TAAT-funded, heat-tolerant wheat varieties will have him harvesting wheat where he once thought it couldn't grow.

The Africa Food Emergency Production Plan aims to expand TAAT best practices to increase food production through 2024. It will scale up wheat production with heat-tolerant wheat varieties, maize production with water-efficient maize, and rice and soybean production. In addition, it will create internet and communications technology-based systems that deliver transparent, inclusive support to farmers, especially women and youth.

The Bank Group will also work with fertilizer manufacturers, credit guarantees and other financial instruments to deliver 3.54 million metric tons of fertilizers to smallholder farmers. In total, the Bank Group initiative's \$1.5 billion investment is expected to support the production of 37.6 million metric tons of food, worth an estimated \$11.5 billion.

The Africa Food Emergency Production Plan sounds like a good one. How will it be financed?

We intend to source \$1.3 billion in financing from African Development Bank resources and from the Group's soft lending window, the African Development Fund. The remaining funds come from humanitarian emergency assistance programs.

Does TAAT's inclusion in the Africa Food Emergency Production Plan mean an end to the flagship in its current form?

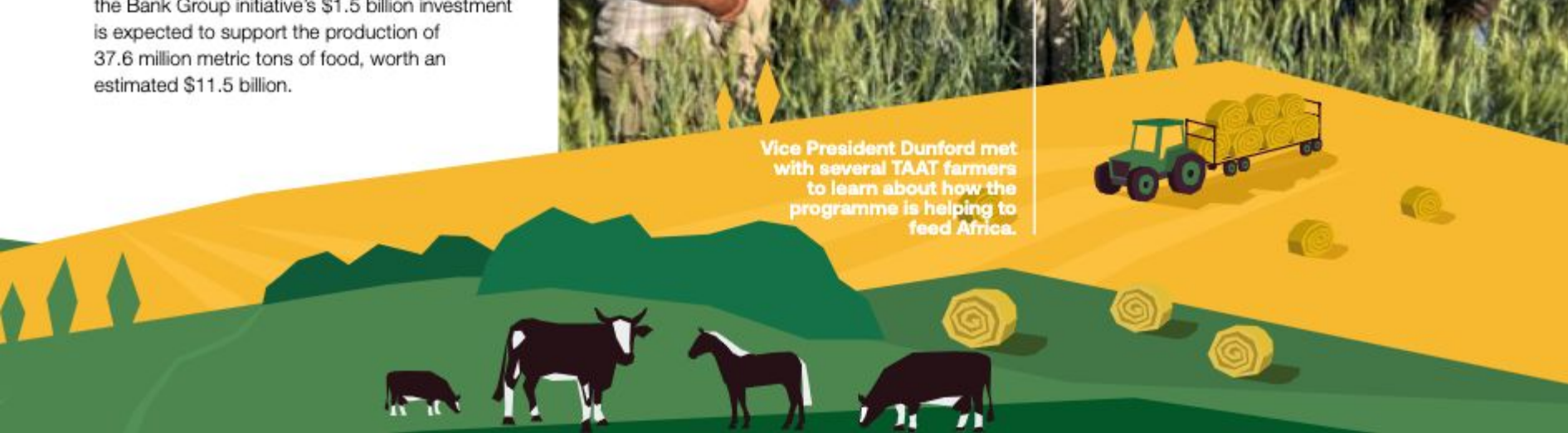
While the Africa Food Emergency Production Plan provides an immediate, short-term solution to mitigate the impact of the Ukraine crisis on Africa's food security, TAAT has medium and long-term roles to play in building up the continent's agriculture sector and addressing structural issues, especially in the seed sector. We've seen how TAAT's proven technologies are helping to feed Africa and improve the quality of life for the people of Africa. TAAT has millions of farmers growing more, and more nutritious, food. It is helping communities sustain jobs and increase incomes. We believe that when TAAT is scaled up to its full potential, Africa will be on the path to becoming a breadbasket to the world. 



Ethiopian TAAT farmer inspects her climate-smart, heat-tolerant wheat.



Vice President Dunford met with several TAAT farmers to learn about how the programme is helping to feed Africa.



WOMEN 'AGRIPRENEURS' LEADING **YOUTHADAPT** COMPETITION FOR CLIMATE ADAPTATION, BACKED WITH **\$1 MILLION** IN GRANTS FROM BANK YOUTH ENTREPRENEURSHIP AND **INNOVATION** **MULTI-DONOR TRUST FUND**

During the height of Covid-19 pandemic lockdowns that saw Kenya's formal employment sector workers staying at home, 31-year-old Carolyn Mukuhi Mwangi, founder of a plant seedling and nursery start-up, saw a business opportunity.

"People in formal employment were seeking ways to generate some money because they weren't sure if they'd still have a job. People were not allowed to go anywhere or go shopping for food. They opted to grow food in their gardens. People started farming," said Mwangi, describing the dramatic uptick in customers stocking up vegetable, herb, fruit and tree seedlings from her three business branches in Kenya.

"Despite the pandemic, we were able to increase our revenue," the CEO of Kimplanter Seedlings and Nurseries Ltd. added.

Mwangi wants to expand her drought-resistant seedling agribusiness, which also offers climate adaptation training, agronomic support, extension services in climate-affected communities and market linkages to more than 1,200 farmers. Kimplanter Seedlings' recent win of a \$100,000 grant in the YouthADAPT Solutions Challenge, organized by the African Development Bank and the Global Center on Adaptation should soon see Mwangi bring improved irrigation systems and other innovations to its 35-member work team.



The YouthADAPT Solutions Challenge aims to strengthen inclusive growth, as well as broaden investment and economic opportunities for African youth and women. Seven of the ten YouthADAPT winners are women-led enterprises, six of those women leaders are "agripreneurs"—entrepreneurs working in the agriculture sector. All winners will receive up to \$100,000 in grant financing provided by the Bank's Youth Entrepreneurship and Innovation Multi-donor Trust Fund and the Global Center on Adaptation.

"Agricultural development is a lynchpin to better feed Africa and improve the quality of life for the people of Africa. The YouthADAPT competition spotlights how young African women get it—they're leading the way toward sustainable, climate-adaptable approaches to Africa's agribusiness," said Dr. Beth Dunford, Vice President of the Bank's Agriculture, Human and Social Development Complex, where the Youth Entrepreneurship and Innovation Multi-donor Trust Fund is housed.



In addition to the \$100,000 grant, each winner qualifies for a twelve-month accelerator program that helps them grow their businesses, deepen impact and create decent jobs.

"YouthADAPT is focused more on expansion, it goes beyond training," said winner Ifeoluwa Olatayo, about her accelerator program experience to date. Olatayo, 33, heads Soupah Farm-en-Market Limited in Nigeria, which specializes in hydroponic agriculture, which can use up to 95% less water than traditional farming.

"They want to see that we have reached a certain impact and how can we impact ten times more than what we were having before... that can only happen if there's expansion. Expansion in terms of machineries, and in terms of infrastructure and systems," Olatayo said, comparing YouthADAPT to other start-up competitions where her agribusiness won prizes ranging from \$2,500 to \$5,000.

Soupah Farm-en-Market Limited is based in Ibadan, Nigeria, and says it envisions

expansion to 80 greenhouses on rooftops in 15 major cities in Nigeria in by 2025. Olatayo says Soupah Farm-en-Market hopes the accelerator program will provide the tools for a hydroponics franchising model for other countries, now that they'll have funding.



hADAPT Award Ceremony



"This has been the highest award I have ever received. This will mean phenomenal improvement and phenomenal growth for us as a business," she added.



The **YouthADAPT** competition is part of the YouthADAPT flagship program—the program partnership between Climate Investment Funds, the African Development Bank and Global Center on Adaptation aims to accelerate climate action by empowering transformations in agribusiness, clean technology, energy access, climate resilience, and sustainable forests in developing and middle-income countries.

"Our goal is to identify, to incentivize and support the youth to tackle Africa's huge adaptation challenges," said African Development Bank Group President Dr. Akinwumi A. Adesina, at the YouthADAPT competition winner announcement.

"Because of you, Africa will have a more resilient future," Adesina added. 🗣️



A blue, green, and digital transformation for a resilient, diversified economy

Bio

Olavo Correia is Cabo Verde's Vice Prime Minister, Minister of Finance and Business Development, and Minister of the Digital Economy. In a previous administration, he served as Minister of Finance and Deputy Prime Minister. He has been a governor of Banco de Cabo Verde, the country's central bank, where he was the alternate governor at the International Monetary Fund and a member of the central bank's advisory board. Earlier in his career, Mr. Correia served as Director General of the Cabo Verde Treasury. In the private sector, he was managing director of the banking group, Banco Montepio Geral Cabo Verde, and director of Cabo Verde-based Tecniciil Group. Mr. Correia holds a post-graduate degree in business management from Riedenburg in Germany and a degree in economics from Berlin.

We must harness our young people to be the drivers of development in Africa.

Cabo Verde's economic and social context during Covid-19

Our economy was hit hard by the Covid-19 shock. GDP growth rates had been growing at an annual average of 5.7% but these gains were wiped out by a 14.8% contraction in GDP growth in 2020, weighed down by containment measures and disruptions in global and regional supply chains due to the pandemic. Tourism is one of the major drivers of economic growth, accounting for 25% of GDP, 23% of formal jobs and 55% of export revenues, and it contracted by 71% in 2020. The pandemic also reversed progress in poverty reduction achieved since 2015, pushing close to 10,000 people into temporary extreme poverty and leading to 23,000 jobs losses in 2020.

Given these challenges, our government stepped up efforts to mitigate the pandemic. Ten days after the first case was reported on 19 March 2020, a state of emergency was declared for the first time, on 29 March 2020, and borders were closed. Our people are the most precious asset of our economy; our government thus adopted a monthly solidarity income of CVE 10,000 (\$103) covering 24,406 informal sector self-employed workers. Food assistance totaling CVE 80 million (\$725,000) was approved to protect vulnerable families in extreme poverty. We also extended a credit line of EUR 400 million to boost liquidity and support economic recovery.

The economic outlook remains uncertain due to the likelihood of new variants of Covid-19, prolonged drought affecting our islands, and, more recently, the effects of the Russia-Ukraine war. However, our government is committed to promoting growth-friendly reforms to gradually return to the pre-pandemic growth rates of 6% in the medium-term and 7% in the long-term, driven by sustainable investments in tourism,

the blue economy, renewable energy, and the digital economy.

Enhancing climate resilience and a just energy transition for sustainable growth

Cabo Verde has updated its Nationally Determined Contribution focused on climate change issues. We have developed our National Adaptation Plan anchored in a greater integration of issues related to increasing climate resilience in public, national, and sectoral planning, and budgeting processes, to ensure an enabling environment for the efficient, effective implementation of adaptation measures on the ground. Some measures to highlight include a focus on the circular water economy and the promotion of fair access to water for the entire population along with its sustainable use, fewer water distribution losses and the promotion of desalination. We have developed a national strategy for disaster risk reduction and plan to introduce smart, sustainable solutions to address the negative effects of climate change. We are currently promoting the use of treated wastewater in agriculture, the use of desalinated water for agricultural irrigation, the promotion and development of short-cycle, drought-resistant crops, and the use of renewable energies for water treatment and distribution, among other initiatives.

The effects of climate change are inevitable in Africa, even though the continent contributes the least to global warming. The only way to avoid major disasters is to limit the increase in global average temperature to a maximum of 1.5 °C, which implies a drastic reduction in global greenhouse gas emissions. The capacity to address these events, in our view, is essentially by strengthening good governance, fully integrating social and gender equality issues into climate policies, integrating issues related to increasing climate resilience in planning


processes and strengthening capacity building, technology transfer and additional financing for adaptation at both national and regional levels.

For the development of our continent, Africa must function, economically, as a single, integrated, dynamic market. Hence the importance of the Africa Continental Free Trade Area. In the same way, we must tackle the climate issue together. For this, the first stage should be the preparation of regional climate plans, such as the recently approved ECOWAS regional climate strategy. Africa must bet heavily on green or low-carbon technologies, whether in electric mobility, industry or agriculture.

Cabo Verde considered the energy transition as a pillar of economic growth and has achieved good results. Today, we are one of the best in Africa in terms of clean energy penetration (22%); our goal is to reach 50% by 2030 and 100% by 2040. In the same vein, our commitment to using clean energy for seawater desalination has had great results, impacting the quality of life of our people and improving the business environment in terms of energy and water costs.

Young people are the great active force in the fight against climate change. In fact, there has been engagement around the world of young activists with a great capacity for influence and mass mobilization. We must harness this power to strengthen our capacity for adaptation, resilience, and mitigation. At the national level, a program is underway that makes a great investment in training young people about climate change, contributing to the creation of a civil society platform for climate change.

We must harness our young people to be the drivers of development in Africa. This will only be possible if we equip our youth with the right skills for employment and entrepreneurship, with a clear investment in excellent education focused on private sector and market needs at the national and international levels. We must make our young people internationally competitive on an equal footing with the young people of the most developed countries.

Cabo Verde has already taken a big step by considering the development of human capital as the main engine of inclusive growth and development, anchored in excellent education, health promotion for all, gender equality and social inclusion, leaving no one behind. 



OLAVO CORREIA

**Minister of Finance, Business Development and the
Digital Economy**



ALAMINE OUSMANE MEY

Minister of the Economy, Planning and Regional Development

Bio

Alamine Ousmane Mey graduated in engineering from the Rhineland-Westphalian Technical University in Aachen, Germany. In 1993, he joined CCEI BANK, which later became Afriland First Bank. He became its managing director in 2003, a position he held until 2011. In December 2011, he was appointed Finance Minister of Cameroon. In 2016, Alamine Ousmane Mey received the African Banker Award for Finance Minister of the Year, awarded by the African Development Bank. Since March 2018, he has served as Minister of Economy, Planning and Regional Development.

Climate change: challenges and opportunities for low-income countries

Climate change is a serious threat to the future of our world. It can weaken the foundations of development in low-income countries. With rivers drying-up, more frequent flooding, and reverses in agricultural and pastoral productivity, the rural world faces seriously damaged prospects. Similarly, deforestation, recurrent droughts, and induced natural disasters make climate change one of the biggest challenges for development strategies on the African continent. To meet the needs of a rapidly growing population of 1.4 billion Africans today and a projected 2.4 billion in 2050, access to natural resources will be a great additional constraint on the development path of low-income countries, especially in Africa.

To address these challenges, major national projects and programmes supported at the continental and international levels are required. The main objective is to reconcile environmental preservation with legitimate industrialization and infrastructure-development policies. It will be a matter of ensuring that the African Union's Agenda 2063, the African Development Bank Group's five operational priorities, and national development strategies are consistent. Whatever solutions are found for the possible contradictions must be rooted in sustainable development and shared prosperity.

Hopeful prospects for addressing climate change

Engaging in actions based on common values to adapt, attenuate and mitigate climate change therefore requires greater mobilization of multifaceted resources. Low-income countries need better access to the different climate funding instruments. It is also worth pointing out that consultations during the 16th replenishment (ADF-16) are already giving rise to real hope. The prospects are very encouraging of mobilizing the appropriate resources to rigorously and effectively address climate-change issues.

Our Bank has always risen to the major challenges. For this, I would like to commend the exceptional leadership shown by Dr. Akinwumi Adesina. There is no doubt that the ADF-16 consultations will ultimately open enable low-income countries to have the best financial opportunities that judiciously combine improving the quality of life and preserving the planet.

Cameroon has included climate change adaptation in its national development strategy 2020-2030. As such, the government intends to systematically integrate climate-change concerns into its sectoral strategies and policies, strengthen the capacities of the institutions responsible for climate monitoring, and operationalize the mechanism for monitoring, preventing, and responding to the effects of climate change. It also intends to strengthen monitoring of companies' industrial waste management and to promote corporate social responsibility. The transnational and cross-cutting nature of the issue requires an integrated, holistic approach and the support of development partners, including the African Development Bank Group. In this regard, deepening regional integration is an essential lever for facilitating climate change adaptation. The Integrated Programme for Development and Adaptation to Climate Change in the Niger Basin is one example. It brings together nine Niger Basin countries, including Cameroon, to help improve the resilience of the Basin's populations and ecosystems through sustainable natural resource management of. For future generations, the mission is both noble and decisive. 

Low-income countries need better access to the different climate funding instruments (...) Consultations during the African Development Fund's 16th replenishment are already giving rise to real hope.





CÔTE D'IVOIRE

NIALE KABA

Minister of Planning and Development

Bio

Nialé Kaba completed university studies in economics and statistics in Côte d'Ivoire before pursuing them in France. After graduating from the IMF Institute, she taught at the Abidjan School of Statistics and worked in several public administrations, including the Office of the Prime Minister, the Ministry of Economy, the Ministry of Handicrafts, and the Head Office of Côte d'Ivoire Tourism. In 2011, Nialé Kaba was appointed Minister of Housing and in 2012, became the first female Minister of the Economy in Côte d'Ivoire. Since 2016, she has served as Minister of Planning and Development and, at the same time, as Governor of the African Development Bank, the Islamic Development Bank, and the ECOWAS Investment and Development Bank. She chaired the African Development Bank Board of Governors from June 2019 to August 2020, a period that included the Bank's seventh capital increase (the largest in its history). In 2021, she was elected to parliament in Côte d'Ivoire under the banner of the Rally of Houphouëtists for Democracy and Peace.



Governments as facilitators of environmental transition

The impact of climate change continues to impact Africa with extreme weather events, including prolonged periods of drought, cyclones, and floods, as well as locust invasions. How is your country adapting to climate change?

Côte d'Ivoire is one of the most vulnerable countries to climate change because of its geographical location and especially because of the structure of its economy, which is highly dependent on agriculture. As a result, the Ivorian government considers the challenges of climate change to be a national priority and is committed to putting in place a mitigation and adaptation policy to address its consequences. Côte d'Ivoire is a signatory to the United Nations Framework Convention on Climate Change and has subscribed to the 2015 Paris Climate Agreement.

It is important to recall that all climate action is built around the Paris Agreement and Nationally Determined Contributions (NDCs). Côte d'Ivoire has just revised its NDCs, providing for a reduction of 30.41% in its greenhouse gas (GHG) emissions by 2030 (mitigation) and increased resilience in five sectors that are all highly vulnerable to climate change (adaptation)—forestry, agriculture, water resources, coastal zones and health.

Beyond this low-carbon strategy, Côte d'Ivoire is now finalizing its National Adaptation Plan (NAP), which has been developed in stages, from identifying vulnerable sectors to adaptation and appropriate measures for mobilizing the necessary financial resources before designing the NAP itself.

The National Development Plan (NDP) 2021-2025 demonstrates the will of the Ivorian government to adapt to climate change. It provides a strategic reference framework that integrates the challenges of climate change based on several sectoral strategies including

the National Climate Change Programme and the National Strategy for the Fight against Climate Change. More recently, Côte d'Ivoire has committed to speeding up its actions for zero-deforestation agriculture and cocoa production without deforestation.

The warming process has been faster in Africa than the global average for land and ocean combined. This has led to disasters and disruptions in economic, ecological, and social systems. How can these consequences be avoided and in your opinion what mechanisms could help to prepare for the intensification of dangerous climate phenomena?

Direct negative effects, heavy dependence on agriculture, and limited capacity to adapt mean that climate change could have a major impact on Africa. Adaptation policies involving the private sector will be needed to shield the continent from these negative shocks, and should include the relocation of people, changes in the sectoral structure of production in cultivation patterns. African governments have a major role to play in implementing this adaptation strategy to climate change. The principal role of government is to provide the information, the incentives, and the economic environment to facilitate these changes.

On the mitigation side, we need to design emissions trading frameworks that favour greater participation by Africa and include changes to land use. Mitigation in other areas will also have a major impact on the continent that are both positive (new technologies) and negative (notably, changes in commodity prices resulting from biofuel policies).

Several measures have been identified in Côte d'Ivoire. I have already mentioned "zero deforestation agriculture", the target of 42% renewable energies, including a large


hydroelectricity component in the energy mix, sustainable waste management and recovery, and improving air quality.

It will be important to raise awareness among vulnerable populations about the risks of climate change, so that they can adapt their behaviour to minimize health impacts. We also need to create an early warning system, strengthen the environmental information system, and establish a response and monitoring system to help manage the risk of natural disasters.

Regional integration usually entails massive threats linked to climate change: increasing numbers of vehicles on the roads leading to higher air pollution and carbon emissions. How can regional integration be made more sensitive to the challenges of climate challenge?

Regional integration contributes substantially to global GHG emissions, particularly through the transport of goods. Regional integration can be made compatible with climate challenge if, and only if, free trade agreements between countries include an emphasis on good environmental practice in (better market access for technologies and "green" services).

Together with adaptation, reducing GHG emissions is a major challenge.

Green and renewable energies are a way of reducing GHG emissions using innovative technologies. Sub-regional collaboration to create carbon sinks would also favour a North-South and South-South transfer of technologies and skills. The regional project to promote electric transport ("e-mobility"), initiated by UN-Environment in the ECOWAS zone, is one example of this. 

> > More on www.afdb.org



TAREK AMER

Governor of the Central Bank of Egypt

Bio

Mr. Tarek Amer has been the Governor of the Central Bank of Egypt since November 2015 and served as Deputy Governor from 2003 to 2008. He was the leading architect of Egypt's home-grown reform program linked to the IMF and the driving force behind the country's exchange rate reform. Under his leadership, the financial stability and international reserves were restored thanks to the reform agenda. Previously, Mr. Amer was the Chairman and CEO of the National Bank of Egypt. His banking career spans more than 40 years in the industry in corporate finance and investment banking.

A call for preserving Africa for future generations

Although they are responsible for a mere 3.8% of global emissions, African countries are required to allocate funding and participate in the global efforts to fend off the impact of climate change. Policymakers face a huge challenge in acquiring and allocating the necessary resources while still respecting their poverty reduction and developmental agendas in today's worsening debt environment amid the Covid-19 pandemic and geopolitical tensions. The situation demands that more developed economies be involved to help the more vulnerable reach the net zero goal. Today only 3% of global climate finance flows to the continent.

The escalating adverse effects of climate change in Africa have left it extremely vulnerable to disasters and disrupted economic and social systems. This has put even greater pressure on the budgets of African governments' budgets. Several countries currently spend between 2%-9% of their budgets on unplanned expenses related to climate change. If climate resilience is not addressed properly, future generations will experience deeper food insecurity, poverty, and forced displacements.

For decades, Africa has been affected by emissions and pollution that were exported through the outsourcing of manufacturing and deploying less environmentally compliant technologies. Accordingly, heavy carbon exporters have a moral obligation to compensate African countries and mitigate the impact of climate change. Moreover, these nations should bear a significant share of the global costs to mitigate climate change.

Collective action by MDBs, DFIs, and direct action by advanced economies are crucial for channeling the necessary resources to a greener Africa. This includes making available blended finance mechanisms, guarantees, concessional loans and grants. Furthermore, it is vital that cooperation shift from the mere exchange of information about climate technology to transferring and localizing the technologies.

However, when any measure addressing climate change is implemented—be it trade policies, taxation and access to finance—its social and economic implications should be considered. Moreover, the imposition of any restrictions on international trade under the umbrella of environmental protection should be conducted taking a fair transitional approach while providing the appropriate technical and financial support for the affected countries.

Reaching Sustainable Solutions

We believe that COP27 in Sharm El-Sheikh will provide an engaging platform to address the continent's challenges and opportunities.

During its presidency of COP27, Egypt aims to reach sustainable solutions by taking a comprehensive, neutral approach that considers the views and positions of all parties, and incorporates the various reservations and conflicting priorities. Egypt seeks to mediate opposing views to reach positive outcomes on pressing topics of the international climate agenda. The key priorities during the COP27 presidency include:

- **Stimulating global ambitions regarding the Nationally Determined Contributions**

aligned with the Paris Agreement goals

- **Supporting the shift from pledges and promises to implementation**
- **Reducing the global climate action gap**
- **Empowering youth and civil society to enable positive impact**

The COP27 presidency aims to launch several global, regional, and sectoral initiatives that will, we believe, benefit the majority of African countries. We eagerly await the active engagement and collaboration of African policymakers in Sharm El-Sheikh.

Finally, I look forward to fruitful discussions and practical outcomes that will meet the aspirations of our fellow member countries during the African Development Bank 2022 Annual Group Meetings. 

The COP27 presidency aims to launch several global, regional, and sectoral initiatives that will, we believe, benefit the majority of African countries.



GIORGIS TEKLEMIKAE

Minister of Finance and National Development

Boosting climate change resilience through agricultural transformation

Like many African countries, Eritrea is highly susceptible to climate change, including the El Niño ocean warming trend. Rainfall patterns vary significantly during and between years throughout the country. The country is divided into six agro-ecological zones, on the basis of climatic conditions, altitude, mean rainfall, landforms, soil types and land use. These include moist lowland and highland, arid lowland and highland, semi-desert and sub-humid.


Agriculture, notably farming and pastoralism, is the main source of livelihoods for about 65% of the population who are at risk of climate change impacts on food production, productivity, and livelihoods. To address the scarcity of water for agriculture, the government of Eritrea has made a concerted effort to build water-holding structures of various sizes. In 1991, there were only 138 ponds and dams in the country, a figure that has risen to 785, dramatically increasing the total area of irrigated land for vegetables and fruit. Moreover, the country has innovatively diversified agricultural production to use improved crop varieties that are high yielding and drought tolerant. This includes Irish potatoes, date palm, sorghum, pearl millet, and wheat, which have boosted food and nutrition security, and household incomes.

Crop diversification for greater climate resilience

Eritrea is implementing measures to counter the impact of climate change on agriculture, food, and nutrition security. Diversification of new crop varieties is a key vehicle for building resilience to climate change. According to the Ministry of Agriculture (MoA), Irish potatoes were difficult to cultivate in the lowlands, but in November 2021, it embarked on a pilot project using 47

In 1991, there were only 138 ponds and dams in the country, a figure that has risen to 785, dramatically increasing the total area of irrigated land for vegetables and fruit.

hectares of land for potato production in the Gash Barka in the northern and southern Red Sea regions. The pilot achieved positive results in the lowlands for household consumption during the cold season (December-February). The MoA provided agriculture extension services and farm inputs to farmers in the pilot areas. An average of 242 quintals of potatoes per hectare were harvested in the Gash Barka region, and 163 quintals per hectare in the southern Red Sea region. This initiative targets 109 beneficiaries and has demonstrated that potato cultivation can be scaled up successfully in most lowland areas of the Gash Barka region, especially in the sub-zones of Shambuko, Dige, and Tesseney. The initiative is expected to consolidate food and nutrition security and household incomes, and build resilience to climate change. Since 2016, the MoA has also promoted date palm plantations in different parts of the country. Located in the main sites of the northern and southern Red Sea regions, the project focuses on seedling production by introducing a new technique of tissue culture and suckers. The MoA has also promoted date palm plantations through training, workshops, and awareness programmes. This technique has increased production of high quality, healthy plants. The date palm production industry in Eritrea has the potential to expand employment and investment opportunities, thereby boosting income generation, increasing foreign exchange earnings and reducing desertification.

Going forward, Eritrea will focus on rolling out the potato and date palm programmes to many farmers who were not part of the initiative. This is expected to give lowland farmers the opportunity to produce potatoes and meet the supply gaps in the country. Regarding the date palm technology, the MoA plans to continue with the tissue culture techniques to increase production of high quality, healthy plants across large parts of the country. 



AFRICA'S POWER INVESTMENT MARKETPLACE CURATES TRANSFORMATIONAL PROJECTS FOR AFRICA



Africa Investment Forum, November 2019



Where will you have an opportunity to invest in a 1000-mile highway linking five countries, or technology-driven health care systems that will provide more than 2000 new jobs?

The answer is the Africa Investment Forum, a flagship initiative of the African Development Bank and its seven founding partners (AfreximBank, Africa 50, Africa Finance Corporation, Development Bank of Southern Africa, European Investment Bank, Islamic Development Bank and Trade and Development Bank), dedicated to advancing private and public-private-partnership projects to bankable stages, raising capital, and accelerating the financial closure of deals.

Launched in 2018 in Johannesburg, the Africa Investment Forum has quickly become an essential platform for attracting crucial investment for African infrastructure, agriculture, health care, and many other sectors. According to African Development Bank President Dr. Akinwumi Adesina,

“The Africa Investment Forum is the power investment marketplace for Africa”.

The in-person 2018 and 2019 editions of the Africa Investment Forum secured investment interests across 120 standout transactions worth an estimated \$114.6 billion. This included an excess of a \$20 billion deal to develop a strategic natural gas plant in Mozambique, which remains one of Africa's largest single foreign direct investments.



CHINELO ANOHU
Senior Director,
Africa Investment Forum

Distinguishing Factor

The Africa Investment Forum's innovative boardrooms are structured so that project sponsors, potential investors, and policy-makers can meet to accelerate the understanding of the deals before expressing their commitment. These boardrooms remain the secret of success.

In March 2022, the Africa Investment Forum hosted a virtual boardroom event in anticipation of the face-to-face gathering later in the year in Abidjan, where hundreds of investors are expected. It raised more than \$32 billion in investment interests.

The 1000-mile-long Lagos-Abidjan highway was one of some 40 showcased bankable projects. It will link five countries and transform the movement of people and goods between Nigeria, Benin, Togo, Ghana, and Côte d'Ivoire while connecting the key West African cities of Lagos, Cotonou Lomé, Accra, and Abidjan.

Investment in the \$15.6 billion project has been led by the Economic Community of West African States with the African Development Bank providing more than \$40 million in feasibility studies to prepare it for investment.

Women as investment champions

The Africa Investment Forum launched Women as Investment Champions in 2019. Since then, it has curated 9 projects worth \$5 billion, including telemedicine, textile processing, a tannery, and agro-processing, among others. In support of these women-led projects, the Affirmative Finance Action for Women in Africa (AFAWA), has pledged \$1 million to take the deals to bankability.

Unified Covid-19 response

In response to the pandemic, the Africa Investment Forum acknowledges the increased interest in the healthcare sector and is thus seeking investment in three specific areas:

1. Building quality healthcare infrastructure.
2. Developing the continent's pharmaceutical industry.
3. Increasing the capacity of vaccine manufacturing.

In addition to the health sector, the Africa Investment Forum is highlighting four other sectors—ICT and telecoms, energy and climate adaptation, industrialisation and trade and, of course, Africa's biggest employer agriculture, as AIF Senior Director Chinelo Anohu explains.

“Agriculture is one of the pillars of the African economy. It is fundamental to transforming rural areas, reducing poverty, and facilitating economic growth.”

Ms. Anohu added that at the virtual boardrooms this year, she felt what she called “an energized commitment to push the continent forward through impactful transactions that incorporate ESG principles.”

“The Africa Investment Forum’s vision is to be a catalyst for significant investment to accelerate growth over the next decade and improve productivity in an equitable and sustainable manner” 

Africa Investment Forum 2021 pipeline: Advancing projects to bankable stage, raising capital, accelerating deals to finance closure



136 originated deals were screened, **79** were successfully classified as **41** boardroom deals, **25** B2B deals and **13** gallery deals.



754 investor participants from **110** organizations registered to attend the virtual boardrooms.

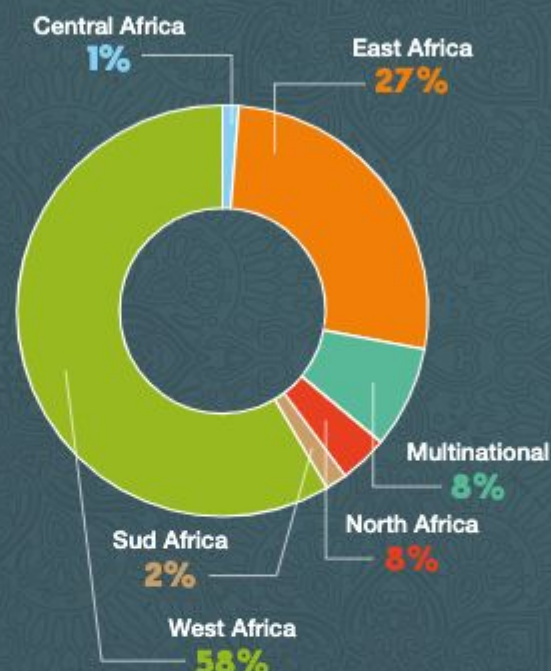


USD 57.8 billion in deal value generated from the pipeline, among which the boardroom deals have a value of **USD 53.9 billion**. The B2B deals and gallery deals value at **USD 2.6 billion** and **USD 1.3 billion**, respectively.



USD 32.8 billion of confirmed interests (as of 17th March, 2022) have been drawn from the deal pipeline.

> Regional Breakdown of the AIF 2021 Pipeline by Deal Value (%)



- **79** projects valued at **USD 57.8 billion** were originated across 26 countries.
- It presented a funding gap of **USD 44.8 billion**.
- West Africa recorded the highest number in both deal value (**USD 32.3 billion**) and deal volume (**18 projects**).
- To date, the African Development Bank has expressed interest in **14** deals.

> Sectoral Breakdown of the AIF 2021 Pipeline by Deal Value (%)



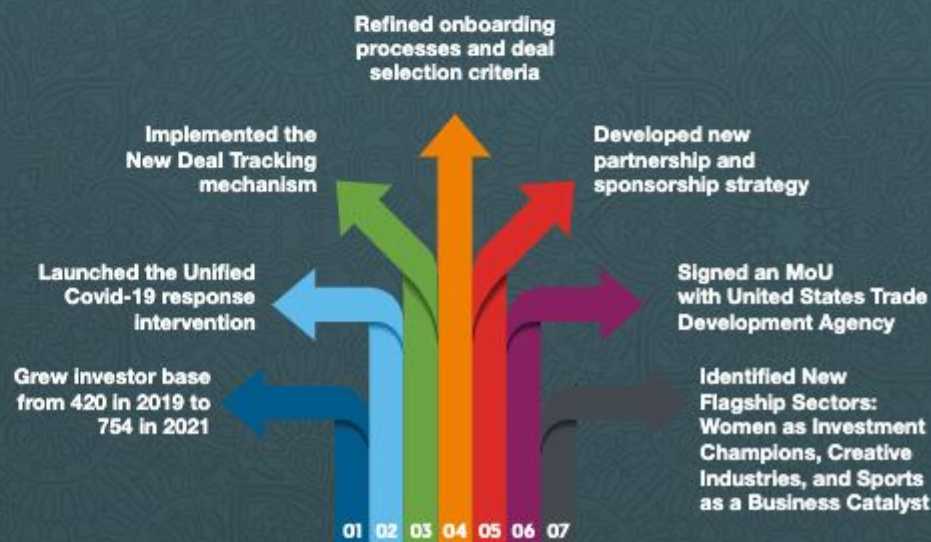
Infrastructure remains the largest sector in terms of value size. There are 8 Infrastructure related projects with a total value of USD 24.5 billion.



Energy is the largest sector in terms of deal volume, and the second largest in terms of deal value. There are 18 energy related projects with a total value of USD 20.5 billion.



> AIF 2021 Highlights





AHMED SHIDE

Minister of Finance

Bio

Mr. Ahmed Shide was appointed Minister of Finance in October 2018. He is currently leading the economic reform agenda to boost private sector participation in the economy and enhance economic efficiency. Prior to serving as Minister of Finance, Ahmed Shide served as Minister of Transport and Minister of Government Communication Affairs and State Minister of Finance for more than eight years. He has contributed significantly to realizing national development goals based on his experience in delivering Ethiopia's economic reforms, economic cooperation, regional development and the integration agenda.



Drought, cyclones, floods, and locusts

Africa continues to experience extreme weather patterns because of climate change. We have witnessed prolonged drought, cyclones and floods, and invasion of locusts. How is your country adapting to climate change?

Like other African nations, Ethiopia is highly prone and vulnerable to a range of natural hazards, which are exacerbated by climate change and have severe human and economic impacts. Ethiopia ranks among the top 10 countries globally with the largest number of disaster-affected people, reaching 46 million between 2000 and 2019. Severe droughts affect 1.5 million people on average annually and recurrent flooding impacts the lives of 250,000 people yearly. These pose the greatest risks with average annual losses of \$40 million and \$200 million respectively. Future climate

variability is expected to increase the likelihood and intensity of hydro-meteorological events such as floods and landslides.

We have taken key policy measures and are implementing several programs to tackle the effects of climate change. For example, Ethiopia's Climate Resilience and Green Economy National Adaptation Plan, which was approved in 2019, and focuses on five priorities, among which mainstreaming climate change adaptation in development interventions is key. Accordingly, we are mainstreaming adaptation in every planning process. Another is innovation and technologies for adaptation interventions. For example, this year, droughts in lowland areas have been severe but food security has not significantly deteriorated for some communities living in the worst affected areas. Pastoralists are starting to break with tradition by adapting

cultivation in addition to livestock rearing. They are pumping water points so that they have clean drinking water. When you plant fodder crops for their livestock, you have built the community's resilience. Further, the government is currently working with the World Bank to develop a drought risk insurance scheme for vulnerable pastoralists. The other adaptation priorities are related to knowledge management, sustainable financing, and capacity building. In this regard, in 2015, through the ClimDev Africa Special Fund, the Bank has supported us to enhance our capacity in climate analysis and dissemination in the process of decision-making.

Regional integration usually includes massive climate change threats: a greater number of vehicles using roads, increased air pollution and carbon emissions. How can we make regional integration more climate smart?

Africa has the world's lowest levels of emissions yet is severely impacted by climate change. East African countries have by now realized that sustainable development cannot be achieved without integrating climate-smart policies in all development strategies. That also goes for regional integration strategies.

In the Horn, we are working jointly to mainstream climate change into the regional integration programs on climate resilient transport, energy and drought risk management. Specifically, building the resilience of regional transport corridors by planting trees, implementing fuel reduction strategies, carrying out more frequent maintenance, and constructing shade structures. Regional power interconnections should also facilitate the cross-border flow of renewable energy. The Grand Ethiopian Renaissance Dam is Ethiopia's key strategic and regional contribution to supporting climate change adaptation. Moreover, to address food security and mitigate drought risks, Ethiopia, Somalia, and Kenya are collaborating on a drought-risk-sharing mechanism by establishing a weather index insurance scheme to protect pastoral communities against weather shocks.

What are some of the recent major achievements of which your government is proud? To what extent has the African Development Fund been instrumental in Ethiopia's development?

The last two years have been tough for Ethiopia. The compounded impacts of the conflict, Covid-19, locust swarms, and climate change and drought have challenged the economy and severely impacted people's livelihoods. However, we have persevered through this unprecedented crisis. And I am proud of what we have achieved so far. First, the measures we took to mitigate the impact of the shocks were instrumental. Second, we have made progress in our reform agenda despite the challenging period. Had we been not effective with these, we would have not maintained the positive trajectory of growth. The reforms pushed by the government have yielded some impressive results. Over the last three years, we have introduced competition in the key growth-enabling sectors of telecoms, logistics, and energy while adopting a new investment environment. We have also strengthened state-owned enterprises.

The role of the African Development Bank in supporting Ethiopia to address key development challenges has been critical with many results achieved. Millions of people have benefited from access to roads, electricity,



education, and clean water. The Bank has also supported Ethiopia through TAAT innovative program using technology to produce seeds that are resistant to heats in lowlands of the country which has enabled the country to cultivate thousands of hectares of lands. Now the country is producing millions of kilos of wheat through irrigation and aiming to be self-sufficient in wheat in the next few years. In addition, hundreds of thousands of hectares of land were improved with water management practices and replantation. In parallel, the Bank has consistently supported our reform efforts in key areas.

Fostering regional integration and building resilience to climate change are key elements for more inclusive, sustainable development for Africa. I commend the African Development Bank for being among the leading partners in addressing these two areas. The Bank invested \$126 million in the recently completed section of 93 km Modjo-Hawassa Highway, an essential part of the Trans-East African Highway connecting Ethiopia and Kenya. With the Bank's support, we are embarking on enhancing cross-border electricity trade with Djibouti.

The impact of climate change is a significant threat to integration. The Bank has provided substantial support for building community, country, and regional resilience. A regional project for food and nutrition security was approved recently, and will further support the country effort with an integrated regional and

community-level approach that has climate adaptation and resilience at its center.

Going forward, a resilient recovery requires strengthening partnerships with the private sector, African Development Bank, and other strategic development partners to meet the targets to achieve our Ten-year Development Plan and the SDGs. Meeting our targets for reducing emissions from 2021-30 requires some \$275.5 billion for mitigation and \$45.5 billion for adaptation measures, of which \$63.2 billion is expected to be mobilized from domestic sources. Continued international support is very critical. 





FRANCE



EMMANUEL MOULIN

Director-General of the Treasury

Bio

Emmanuel Moulin was part of the general management of the French Treasury from 1996 to 2000, when he was named Alternative Director at the World Bank in Washington. He served as Secretary General of the Paris Club from 2003-2005 before becoming a senior banker at Citigroup. In 2007, he was appointed Deputy Chief of Staff to Christine Lagarde, Minister of the Economy, Finance and Industry, where he was responsible for macro-economic policy. In 2009, he joined the Presidency of the Republic as economic advisor to President Nicolas Sarkozy. He served as Deputy CEO of Eurotunnel, which he joined in 2012, and went on to become the head of the investment bank, Mediobanca, in Paris in 2015. From 2017-2020, he served as Chief of Staff to Bruno Le Maire, Minister of the Economy, Finance and Economic Recovery. A former ENA student, Emmanuel Moulin earned a degree from Sciences-Po, from the ESSEC, and a Master's in Law from the University of Paris II.

Mobilizing on a common agenda

In recent months, we have seen significant progress in addressing the Covid-19 pandemic and its health, economic, and social consequences. However, the recovery remains fragile, especially in Africa. Russia's invasion of Ukraine has also created new economic difficulties, particularly by significantly increasing energy and grain prices.

In this context, France and the African Development Bank, whose partnership is both long-standing and excellent, have mobilized around a common agenda. First, the Summit on the Financing of African Economies, held in Paris in May 2021, which, in the presence of 18 Heads of State and Government and of the main international financial institutions, provided an opportunity to reflect on solutions for relaunching African growth, for supporting private sector development, and for creating jobs for young people. Our joint mobilization was decisive in bringing to fruition, last August, the exceptional allocation of special drawing rights (SDRs) and the complementary international commitment to mobilize \$100 billion for the benefit of vulnerable countries. We are pleased that the Bank is examining technical solutions to leverage SDRs for the benefit of African countries. The Bank also was fully involved in creating the Alliance



for Entrepreneurship in Africa, which was officially launched in Dakar on 21 March 2022, in the presence of four African Heads of State and high-level representatives of the major international financial institutions. Thanks to the cooperation of major donors, the alliance will mobilize innovative funding that directly targets African SMEs to sustain the momentum of entrepreneurship on the continent and further expand existing programmes, such as the AFAWA women's initiative.

2022, a pivotal year

To fully achieve these common objectives, it is essential that the Bank capitalize on its comparative advantages and further strengthen its financial sustainability.

The lack of infrastructure, particularly regional and climate-change-resilient infrastructure, remains very significant. The Bank needs to remain highly engaged in this area. For this reason, France welcomes the launch of an Alliance for Green Infrastructure in Africa at the EU-AU Summit in February, at which the French Development Agency was also in attendance. The priority of infrastructure must be reflected in the implementation

of sectoral strategies, such as the health strategy, which must first allow infrastructure financing. To do this, the Bank needs to maintain efforts to ensure its long-term financial sustainability, including through innovative measures, and to use the best international governance standards.

2022 will be a pivotal year for the Bank and for the African continent. The Bank must provide appropriate responses given the continuing fragility of many countries, their increasing exposure to the effects of climate change, and to their worsening debt situations, while remaining selective and complementary. The replenishment of ADF-16, which we hope will meet these challenges, should make it possible to mobilize new concessional resources by offering financing that meets the need of beneficiary states. France will also be attentive to having the Bank strengthen its role as a leader in addressing the root causes of fragility and in the fight against climate change. On this last point, the 2021 adoption of the Bank's New Strategic Framework on Climate Change is a positive first step, with the commitment to full alignment with the Paris Agreement by 2025. We hope to see an equally ambitious review of the energy strategy, with a commitment to the gradual phasing-out of fossil fuels. 

France and the African Development Bank have mobilized around a common agenda (...) Our joint mobilization was decisive in bringing to fruition, last August, the exceptional allocation of special drawing rights.



BÄRBEL KOFLER

**Parliamentary State Secretary to the Federal Minister
for Economic Cooperation and Development**

Bio

Dr. Bärbel Kofler has served as Parliamentary State Secretary to the Federal Minister for Economic Cooperation and Development since December 2021. She first became a member of the Bundestag in September 2004, where she served as the Social Democratic Party's parliamentary group spokesperson on development policy from 2013-2016, as the federal government Commissioner for Human Rights Policy and Humanitarian Aid from 2016-2021, and as a member of the Committee on Foreign Affairs from 2013-2021. Dr. Bärbel Kofler earned her doctorate in 1998 and subsequently spent three years as part of the German Academic Exchange Service in Moscow.

Germany's political priorities and goals resonate with “Achieving climate resilience and a just energy transition for Africa”

It is a great pleasure for me to address this audience for the first time as the newly appointed Governor for Germany. I look forward to meeting you all at the African Development Bank's Annual Meetings in Accra, which will provide an excellent platform for deeper exchange.

The context for this year's annual meetings is especially challenging: the socio-economic consequences of the Covid-19 pandemic of increased poverty and debt burdens strongly affect African countries' scope for development. I am deeply worried that the current droughts, political conflicts, and Russia's war against Ukraine will put further pressure on African countries and plunge more people into hunger and poverty. At the same time, our efforts to address climate change must continue. In the face of these many challenges, German development cooperation is working on a new strategy with the African continent—and the African Development Bank is a key player for us.

This year's theme, Achieving Climate Resilience and a Just Energy Transition for Africa, addresses a key challenge and perfectly resonates with Germany's own political priorities and goals of the G7 Presidency. I commend the Bank for its role as a frontrunner in providing financial and advocacy support for climate adaptation in Africa. Scaling up investment in climate-resilient infrastructure, agriculture, and food security has become more urgent than ever; we call


on the African Development Bank to expand ways to address food security and sustainable agri-food systems. At the World Bank's spring meeting, Minister Schulze presented a proposal for an Alliance for Global Food Security in which regional development banks would play an important role. The concept of a Just Energy Transition—one of the focus areas of our G7 Presidency—links climate mitigation requirements with opportunities for modernized, diversified and sustainable economic development, including job creation. I am glad to see that in 2021, the Bank achieved its goal of 40% climate finance and is positioning itself as a partner for energy transition, e.g. in South Africa. Much remains to be done. The AfDF-16 replenishment could be crucial for making it possible for the most vulnerable and poor countries to keep pace with this transformation.

The crucial nexus of gender equality and climate change

Another priority is gender equality. We need to ensure that all people enjoy equal rights, have access to resources and can fully participate socially, politically and economically—irrespective of gender, ethnicity or other factors. The nexus between gender equality and climate change is of critical importance when it comes to food security. In order to foster sustainable economic development, we must support women's access

to labor skills and finance. Confident girls and women are key to conflict-sensitive societies and crisis prevention.

The AfCFTA is fostering regional integration and can become a game changer for sustainable development in Africa. Infrastructure expansion is key for regional trade and value chains. The multilateral development banks and national development finance institutions are key actors in this process, as they can offer valuable expertise on high-standard, sustainable infrastructure development and substantial, tailored long-term funding. They can support low- and middle-income partner countries through public funding and are also important catalysts for leveraging private capital and expertise. I am pleased to note that the African Development Bank has become the largest MDB finance source for infrastructure with private participation in Africa. As part of our G7 Presidency, Germany and its partners—including MDBs and national DFIs—are working on narrowing the infrastructure investment gap in emerging markets and developing countries, using sustainable solutions (G7 Partnership for Infrastructure and Investment).

We need a strong African Development Bank. I thus commend management for its efforts to ensure financial sustainability. And I would like to stress the importance of the ongoing steps to further strengthen its governance. As Germany's Governor, I can assure you that Germany will continue to support the Bank in addressing the many varied challenges ahead. 



African Development Bank has become the largest MDB finance source for infrastructure with private participation in Africa.



GHANA



KEN OFORI-ATTA

Minister for Finance

How do we build climate resilience without hurting our people?

Bio

Ken Ofori-Atta became Minister for Finance of the Republic of Ghana in 2017. He is Chair of the Board of Governors of the African Development and Chair of the Governing Board of the African Capacity Building Foundation. He co-founded and was executive chairman from 1990-2012 of the investment banking firm, Databank Group. In 2019 and 2020, he was chairman of the World Bank and IMF Development Committee. In 2020, he also chaired the G24. He received his Bachelor's in economics from Columbia University (New York). He was a John Jay Fellow. He earned his MBA from the Yale School of Management and was the first African Donaldson Fellow at Yale University. He was a Henry Crown Fellow of the Aspen Institute Go Forth Class and co-founded the Aspen Africa Leadership Initiative.

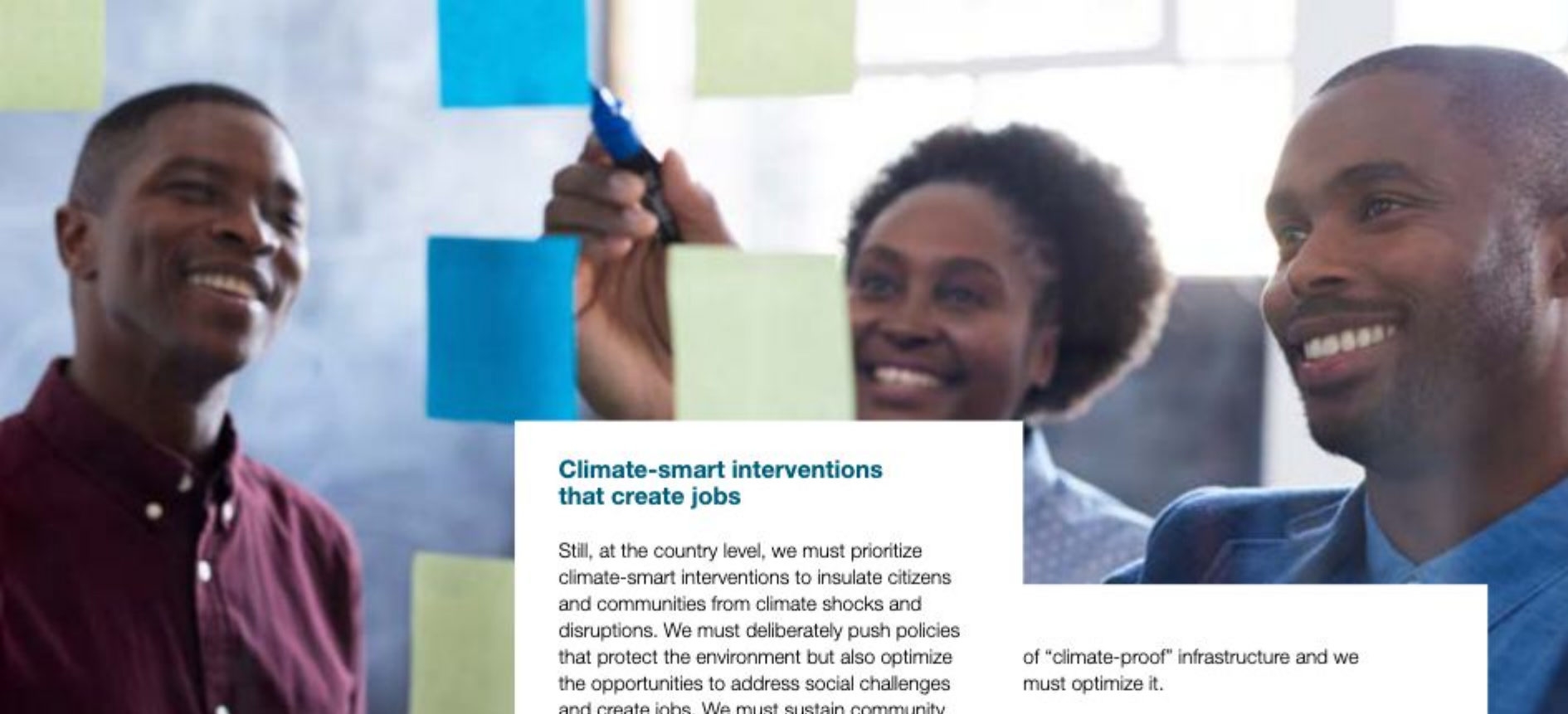
Re-balancing the issues of people, the planet, and prosperity has become one of the pressing issues of our time. The compounding costs of our collective inaction and failure will continue to significantly impact global prosperity and our common humanity. We have barely begun to sum up the disproportionate impact of weather-related disasters on developing countries and its economic impact (UNDRR 2020).

According to UNEP, by the end of 2020, between 75 million and 250 million people had been affected by climate-induced water stress and that yields for rain-fed agriculture had dropped by up to 50%. In addition to climate-induced food insecurity, we witnessed the devastation caused by typhoons Idai and Kenneth in 2019. Building climate resilience is critical. The question, however, is how to do this without sacrificing our people.

We must answer the question boldly to save the lives and livelihoods of our people and firmly hold the feet of the rest of the world to the fire

of equitable burden sharing. The harsh truth is that while Africa is responsible for a negligible 3.8% of global carbon emissions, it will now disproportionately shoulder the consequences and bear the brunt of some of the worst impacts of climate change. The positive correlation between fossil fuel-driven industrialization and greenhouse emissions in the last century, in which Africa barely featured, must embolden us to seek just compensation for our now stranded assets.

Our continent is home to 77% of the global population with no electricity and around 940 million people have great difficulty accessing clean cooking fuel, which negatively impacts their health, and impairs their productivity. Almost 490,000 premature deaths per year are linked to unclean cooking facilities, affecting women and children worst. It is also worrying, especially in a globalized world so prone to pandemics, that about 60% of the health facilities on this continent have no reliable source of electricity. As a result, shifting to a more sustainable economic model without making communities and nations worse-off is uniquely important for us as Africans.



Bridging the gaps

The massive energy gaps need to be bridged urgently and we must remember that others have achieved phenomenal development largely on the back of fossil energy. Given the scale of our development and energy deficit, we must highlight the fact that, in our context, the issue must not only be about reducing access to our natural resources. We must continue to challenge the COP 26 assumptions and commit to an algorithm that ensures a return on our blocked assets.

The world's approach to achieving a just transition for Africa must be sensitive to local and national resource endowments. The cost of renewable energy has certainly declined over the past 10 years, highlighting the potential of renewable energy technologies, but the difference between renewables as part of a nation's energy mix and complete reliance on them must be acknowledged. Given that technologies such as solar and wind are nature dependent and may not guarantee our total needs for global industrialisation, multiple pathways may be needed in the medium term.

Recognizing the diversity of energy resources and development levels in Africa should allow us to confront the pervasive either-or (fossil fuel or renewables) scenarios. The urge to move from fossil fuels to renewables has to be tempered with a desire to move in a phased manner. African nations must be "allowed" to take locally customized approaches to the energy transition.

Climate-smart interventions that create jobs

Still, at the country level, we must prioritize climate-smart interventions to insulate citizens and communities from climate shocks and disruptions. We must deliberately push policies that protect the environment but also optimize the opportunities to address social challenges and create jobs. We must sustain community engagement and co-create schemes for environmental management.

Sustainable finance has a key role to play in achieving a just transition. Existing estimates suggest that the annual financing gap for developing countries to reach the SDGs has increased by \$1.7 trillion because of the COVID-19 pandemic. We must therefore ramp up domestic revenue mobilisation, including a focus on the digital space. Deepening the scope of financial eco-systems with new, proactive institutions would create additional space for climate related financing. We must remedy a situation where only \$6 billion of the global \$30 billion in climate adaptation finance flows to Africa. The continent attracts less than 1% of global green bond issues, estimated at \$600 billion. We must support countries with fairly priced funding for climate-compliant infrastructure.

The African Development Bank is well positioned to develop appropriate instruments that crowd-in sustainable climate-compliant investments. We must ensure that physical infrastructure—particularly across the energy, water, and transport sectors—is made climate-resilient so that our continent can withstand climate variability. Infrastructure that integrates climate adaptation underpins sustainable, resilient, inclusive development. This is increasingly important as regional integration through AfCFTA is expected to present significant climate change threats, for example, increases in the number of vehicles using roads, and more air pollution and carbon emissions. We have a unique opportunity to mainstream the funding and development

of "climate-proof" infrastructure and we must optimize it.

The issue of \$100 billion in annual climate finance—which advanced countries have committed to paying to developing countries for mitigation and adaptation measures since 2009 and that were due from 2020—must be pursued with a collective voice. In addition to the African Development Bank's promised \$25 billion to support investments that address climate change and to promote green growth by 2025, the Bank must become the leading regional voice for seeking financing for this grave socio-ecological challenge of our time.

Ultimately, no significant progress is possible without coherent policy and smart regulations. Financial institutions and the private sector in general need guidance. As a continent, we need to set our own direction on an energy transition and create our own narrative. Reinforcing Africa's agenda and climate change roadmap and realigning resources and institutions should be among the first steps, and the West should join us on this journey to a low carbon future. We must be fair to Africa if we are to save the world. 

**We must be
fair to Africa
if we are to save
the world.**



LANCINÉ CONDÉ

Minister of Economy, Finance and Planning

Exemplar partnership, fruitful cooperation

Guinea is a pioneer that engaged in creating the African Development Bank Group and making it operational. As a country Governor, we are proud of the international track record of this African development finance institution. We are pleased and satisfied by the quality of our partnership with the African Development Bank and by the results of the support it has provided to improve the living conditions of our people. For us, the African Development Bank is a model of success, a powerful tool created by an African initiative to meet the development financing needs of our continent. It is the living expression of an "Africa that believes in itself".

Bio

An economist by training and experience, Lanciné Condé was appointed Guinea's Minister of Economy, Finance and Planning in October 2021 after an impressive career. His early work was in the field of development for international NGOs, after which he was a teacher-researcher and subsequently worked in the Guinean public administration as national director of the economy for German Cooperation with ECOWAS. Methodical, passionate, and involved, Lanciné holds a doctorate from the Centre for Studies and Research on International Development at Clermont-Auvergne University in France.

In Guinea, the African Development Bank is a major technical and financial partner that supports the country and finances major projects. It was also the first major development finance institution to renew its cooperation with Guinea, relaunching its operations to support the government's implementation of priority projects and programmes during the national as of September 2021, under the aegis of Colonel

Mamadi Doumbouya, Transitional President and Head of State.

A portfolio that has tripled since 2017

This strategic decision by the Bank's board under President Dr. Akinwumi Adesina attests to the confidence that the African Development Bank places in Guinea, and its ongoing and renewed commitment to developing and diversifying the country's enormous socio-economic and natural potential. Guinea and the African Development Bank Group have a common, shared vision of development issues and challenges in Africa. The Bank's 2018-2022 country strategy paper for Guinea was perfectly aligned with the Bank's High 5 priorities: Light up Guinea; Feed Guinea; Integrate Guinea; Industrialize Guinea, and Improve the quality of life of Guinea's people.

Thanks to this synergy in action, a large part of the population now has access to electricity, drinking water provision has been improved along with sanitation, transport services, support for agriculture, investments in infrastructure, governance support, and capacity building.

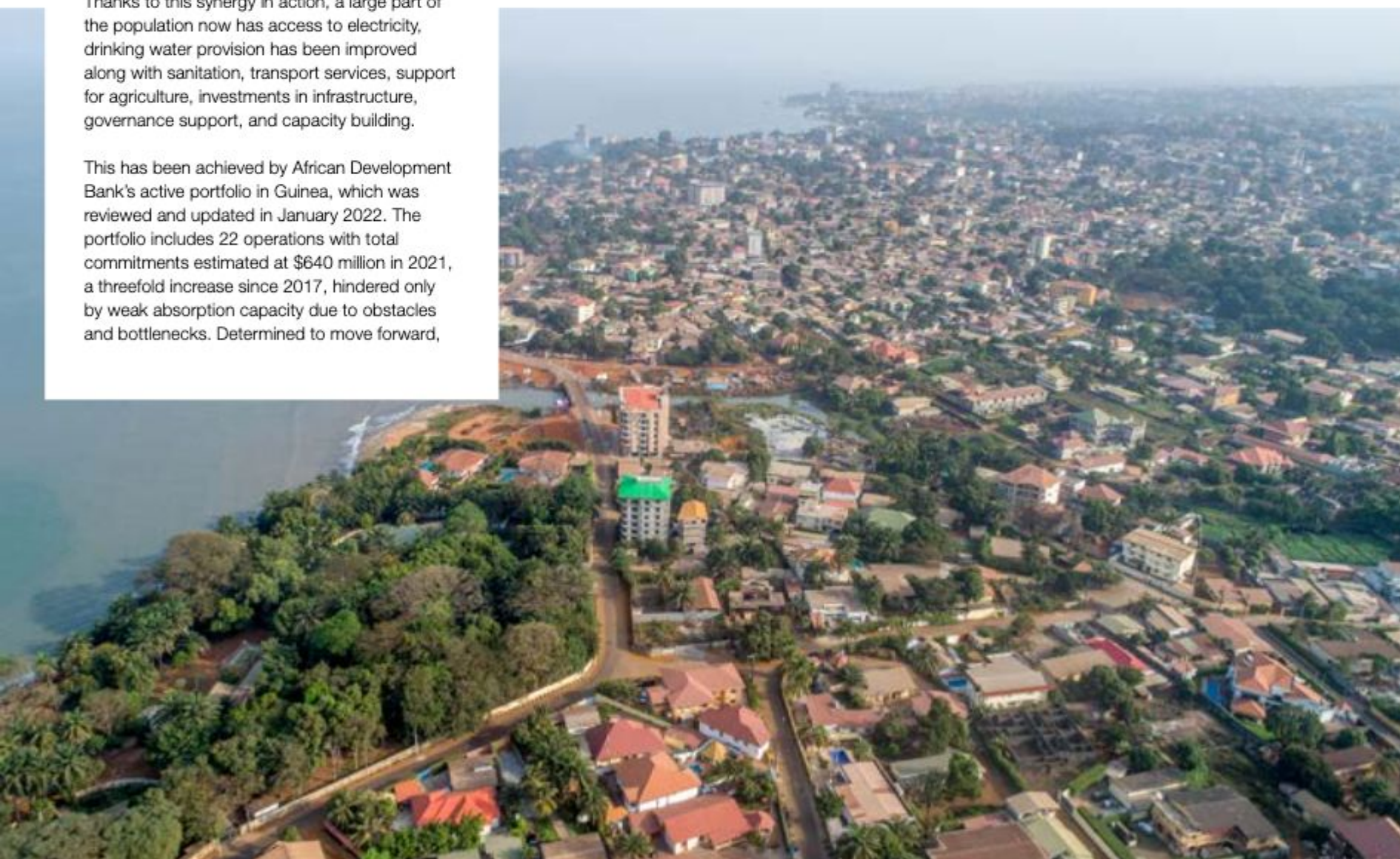
This has been achieved by African Development Bank's active portfolio in Guinea, which was reviewed and updated in January 2022. The portfolio includes 22 operations with total commitments estimated at \$640 million in 2021, a threefold increase since 2017, hindered only by weak absorption capacity due to obstacles and bottlenecks. Determined to move forward,

we have identified solutions to correct these weaknesses and improve the disbursement rate, including the establishment of an institutional monitoring mechanism for projects and programmes, stakeholder capacity building and simplified procurement procedures (shorter timelines and simpler arrangements for payment of counterparty funds).

We are working to renew the portfolio and improve its efficiency. We are proud to have a "new look" portfolio that is efficient and has shared responsibility. Our ultimate goal is to use the resources allocated to Guinea effectively and efficiently by implementing projects and programmes that meet our people's expectations and pressing needs.

With the reaffirmed support of African Development Bank Group, we look forward to meeting major development challenges and accomplishing the major projects of our refoundation together. 

Our ultimate goal is to use the resources allocated to Guinea effectively and efficiently.





Challenges and opportunities for economic development in Guinea-Bissau

The Covid-19 pandemic took a heavy toll on the Guinea-Bissau economy during 2020, halting the recovery that the country has begun in 2015. The biggest impact on growth was from a fall in cashew nut exports, due to trade disruptions and lockdowns. The country's economy is highly dependent on the cashew nut trade, which makes it vulnerable to external shocks as well as to climate change.

The country recovered in 2021, helped by the resumption of trade, the expansion of the cashew nut crop and investments in construction, agro-industry, and trade. The economy grew an estimated 8% in 2020.

Guinea-Bissau's fiscal situation was also hard hit in 2020 by lower cashew exports and increased spending on measures to contain the Covid-19 pandemic. This situation improved in 2021 thanks to an increase in tax revenues and spending cuts by government. An ambitious fiscal consolidation programme was put in place in 2021 to ensure that debt levels remained manageable while development needs were met.

Economic resilience after the pandemic

A National Vaccination Plan against Covid-19 got underway in Guinea-Bissau on 1 April 2021 using AstraZeneca vaccines donated by multiple partners. As of February 2022, Guinea-Bissau had administered 584,665 vaccinations and 25.2% of the population had been vaccinated, among the highest vaccination rates in West Africa. The country faced a fourth wave of the pandemic in late 2021 and early 2022, but cases have been declining since February 2022. Guinea-Bissau recorded 8,202 cases of COVID-19, with 7,528 recoveries and 171 deaths between March 2020 and April 2022.


Guinea-Bissau received 27.2 million Special Drawing Rights (SDRs) or \$38.4 million (equivalent to 2.4% of GDP) under the general SDR allocation. The government used its allocation to strengthen debt sustainability and cover expenses related to the Covid-19 pandemic, including immunization and improvements to health services. SDR allocation has been a valuable way of covering the external deficit, which Guinea-Bissau was unable to meet in full even after receiving the Rapid Credit Facility disbursement of SDR 14.2 million (about \$20 million) in January 2021.

The challenges of climate change

Guinea-Bissau has the highest ratio of natural wealth per capita in the West African region, but it is also among the countries that are most vulnerable to climate change. Impacts from climate change are widespread and resources are being rapidly depleted. Every year, fires destroy more than 120 hectares of forest and the natural environment is vulnerable to increasing desertification and deforestation amid the rising demand for domestic fuel, overfishing, and saltwater intrusion in agricultural areas.

The government has started to implement various measures for climate resilience,

The country's economy is highly dependent on the cashew nut trade, which makes it vulnerable to external shocks as well as to climate change.

including the introduction of drought-tolerant crop varieties, the diversification of agricultural production, and funding for projects to promote cleaner energy alternatives. The Hora Tchiga National Development Plan 2020-2023 emphasizes the preservation of biodiversity and combatting the impacts of climate change among six national priorities. The government's strategy is to provide short-term financing for green energy technologies, with the support of multilateral donors. The government has identified two main sources of greenhouse gas (GHG) emissions in the nationally determined contributions (NDCs): change of land and forest use and the energy sector. The NDCs aim to reduce GHG emissions by 30% by 2030. Mitigation measures will be focused on reforestation and electricity generation from renewable energy. Financing needs between 2021 and 2030 are estimated at \$694 million, a substantial amount given the current financial challenges facing the country. 

MONICA BUARO DA COSTA

Secretary of State for Planning and Regional Integration

Bio

Mónica Buaró da Costa has been Secretary of State for Regional Integration and Planning since 2020, with responsibility for coordinating Guinea-Bissau's economic development with its neighbouring countries.

Previously, between 2018 and 2019, she was Director of the public broadcaster Rádio Difusão Nacional, following a position as Director-General of Government Decentralisation at the Ministry for Territorial Administration. Mónica Buaró da Costa holds a degree in public administration from Universidade Federal de Sergipe in Brazil, which she completed in 2008. In 2016, she completed a course at Portugal's National Institute of government in Senior Management in International Public Administration, a field she specialises in, and in 2018 participated in the intersectoral workshop to finalise the action plan for investing human resources in the health and social sectors in WAEMU countries. Between 2012 and 2013, she was Chief of Staff at the National Ministry of Education, Youth, Culture and Sport.



Tackling vulnerability and climate risks to unlock Africa's potential

Ireland strongly believes in the potential of Africa. For this reason, we are deepening our partnerships across the continent. We are opening new embassies, encouraging more trade and investment, supporting greater private sector collaboration, enabling collaboration in research and innovation, and providing more opportunities for students from Africa to study in Ireland. Our engagement in Africa is underpinned by our development cooperation and our commitment to the Sustainable Development Goals, which are at the heart of Ireland's foreign policy.

Two years have passed since Ireland became the 81st member of the African Development Bank Group. The complex challenges which the world has faced since then have been particularly severe across Africa. In addition to the tragic consequences for health and human life, the Covid-19 pandemic has undermined macroeconomic progress, with the most serious effects for those who are furthest behind. Climate change continues to pose a huge and growing challenge. Rising prices, in particular rising food prices, now pose a further threat to food security. Ireland remains convinced that by working in partnership with the African Development Bank, we can make a more effective contribution to addressing these challenges and supporting Africa to realize its enormous potential.

We must accelerate our efforts. The impact of climate change threatens to undermine progress towards achieving the SDGs and exacerbate the vulnerability of the least developed countries. The African Development Bank is the only multilateral development bank to have succeeded in allocating over 50% of its climate finance to adaptation actions. Ireland strongly supports this focus. We encourage further efforts to build on this. As a co-founder of the Champions Group on Adaptation Finance, we will continue to call for improved quantity, quality and accessibility of adaptation financing for countries most exposed to climate

change impacts. We look forward to increasing our engagement with the African Development Bank Group on this important issue.

Addressing the links between climate change, food security, conflict and development

The African Development Bank has a track record of supporting sustainable food production. This support is more necessary than ever. The rapid rise in food and commodity prices that has followed Russia's war on Ukraine illustrates the vulnerability of many African countries to global food price shocks. This vulnerability is even starker in fragile contexts, which are home to more than three quarters of the world's most extreme poor. Reaching the furthest behind first requires us to address the interlinkage between climate change, food security, conflict and development, and to work across the humanitarian, development and peace nexus. Ireland is committed to working in partnership with the African Development Bank and other stakeholders at international, regional, national and local level to deliver the maximum impacts for people living in fragile contexts.

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Strong linkages between gender equality, climate change and fragility

Ireland has made tackling gender inequality a priority of its international development policy. Gender equality is both a fundamental right and an essential condition for achieving sustainable development. Given the role of women in agriculture in Africa, gender equality is closely connected with food security. There are also strong interlinkages between gender equality, climate change and fragility. The African Development Bank has recognized these interlinkages and demonstrated a strong commitment to mainstreaming gender across its operations. Ireland fully supports this endeavor.

If the last two years have taught us anything, it must surely be that we are all connected. The challenges we face are too great and too complex for any one country to tackle alone. By working together, through closer regional integration and stronger multilateral cooperation, we can address those challenges and deliver new opportunities for Africa. The African Development Bank's role in fostering sustainable and inclusive social and economic growth and prosperity in Africa is more important than ever.

Ireland looks forward to growing our partnership in the years ahead. 

PASCHAL DONOHOE

Minister for Finance



Bio

Paschal Donohoe TD has served as Minister for Finance since 2017 and was reappointed in 2020, the same year he was elected president of the Eurogroup. He served as Minister for Public Expenditure and Reform from 2016-2020, and from 2014-2016 as Minister for Transport, Tourism and Sport. He served as Minister for European Affairs at the Department of An Taoiseach and the Department of Foreign Affairs from 2013-2014.

First elected as a TD (Teachta Dála or member of the Irish parliament) in 2011 for the Dublin Central constituency, Minister Donohoe was a member of Seanad Éireann (the Senate) from 2007-2011 and served from 2004-2007 as a member of Dublin City Council.



New finance strategies must help us decarbonize our energy systems

The Russian invasion of Ukraine has significant implications for the global energy transition, on energy access and on climate action. The need for sustained political will and global coordination is paramount. By joining forces, the international community must resolutely pursue a just transition towards a more sustainable, resilient and inclusive growth. The African Development Bank Group is playing a key role in bolstering the multifaceted just transition of African countries, combining its well-established expertise in infrastructure financing with further support of ambitious long-term climate strategies. The Italian government commends and supports all these efforts. We are mindful of the disproportionate vulnerability of the African population to economic and climate shocks.

Climate and environmental considerations must be effectively integrated into our decision-making. Public policies should include the right mix of regulatory approaches and incentives, together with well-designed market-based mechanisms. Investments should be boosted in key areas such as sustainable infrastructure and innovative technologies that promote de-carbonization and circular economy. This requires a radical revolution in the functioning of the financial system, which should favor the process of de-carbonization of our energy



DANIELE FRANCO

Minister of Economy and Finance

Bio

Daniele Franco has served as Minister of Economy and Finance since February 2021. Prior to taking office as a government minister he was Senior Deputy Governor of the Bank of Italy.

He graduated in Political Science from the University of Padua in 1977; he obtained a Master's degree in business organization from the Consorzio Universitario di Organizzazione Aziendale di Padua and a Master of Science in Economics from the University of York, UK. He joined the Economic Research Department of Bank of Italy and from 1994 to 1997 was an Economic Advisor at the European Commission's Directorate General for Economic and Financial Affairs. Upon his return to the Bank of Italy, he held several senior management roles until 2013. From 2013 to 2019 he held the position of State Accountant General.


systems and encourage orienting private capital flows towards sustainable investments. Flagship initiatives of the African Development Bank, such as the Desert to Power and the Sustainable Energy Fund for Africa, are important milestones, as well as further efforts to promote integrated solutions for agriculture, energy and climate.

Carbon taxes and emissions trading

Last year, the Italian G20 Presidency championed various efforts in this area, most notably through establishing the Sustainable Finance Working Group (SFWG) and the G20 Sustainable Finance Roadmap. The latter analyzes existing gaps and challenges that hamper the potential of sustainable finance and recommends concrete, timed and prioritized actions to address those barriers. In this context, the Coalition of Finance Ministers for Climate Action, of which the African Development Bank is a founding Institutional Partner, can play a leading role in tackling climate change, incentivizing climate-informed public expenditure, and utilizing climate fiscal tools such as carbon taxes and emissions trading systems to cut emissions and prioritize low-carbon development, thus reaffirming commitments and accelerating actions to implement the Paris Agreement.

While Africa has contributed negligibly to the changing climate, it is paying for the consequences of the climate crisis. The poorest and most vulnerable countries of the continent are among the hardest hit by the impact of global warming, as well as by food insecurity linked to drought and extreme weather events. Climate impacts vary considerably depending on the geographical and economic context. Any development strategy and any related specific intervention greatly benefit from a local-led approach to better capture the specificities in national and local contexts, including implications on gender, poverty, and human rights. Further work is needed to identify and assess nature-based solutions as tools to maximize the adaptation benefits of the current pipeline of nature investment projects.

African communities have a lot to teach us about environmental protection, land-use, sustainable agriculture and in many more areas. However, they need support to empower local actors with a long-term perspective. The African Development Bank can provide technical and financial support, as well as contribute to attracting further climate finance to the continent. Progress toward the alignment of operations and internal activities with the Paris Agreement remains key.

The paradigm shift in global environmental concerns must be incorporated in policy making. Individual governments and international financial institutions should accelerate efforts to promote a healthy global environment and a fairer and more prosperous society for future generations. 





JAPAN



SHUNICHI SUZUKI

Minister of Finance

Bio

Shunichi Suzuki is the Minister of Finance and Minister of State for Financial Services. His previous positions include Minister of the Environment, Minister in Charge of the Tokyo Olympic and Paralympic Games, and State Minister of Foreign Affairs. He was first elected to the House of Representatives in 1990 and has been re-elected nine times since by his constituency in Iwate, northern Japan. He graduated from the School of Education, Waseda University.

Rising Debt and Climate Change: A Double Challenge

African countries are suffering from the economic and social impact of the Covid-19 pandemic and soaring food and commodity prices caused by Russia's invasion of Ukraine. Under these circumstances, the debt situation has also been exacerbated. These challenges must be overcome urgently. At the same time, climate change also needs to be addressed to achieve sustainable development. Japan is ready to support these efforts by and with the African Development Bank.

Japan's Climate Change Policy

For the entire international community to achieve the global goal of "net zero," all countries must promote maximum reduction of greenhouse gas emissions without, however, sacrificing the energy access and economic growth of each country. Currently, many countries, including African countries, have announced emission reduction targets, accelerating the global movement towards net zero emissions. It is important to mark out an effective and realistic pathway towards a transition that finds the balance between the development and climate change responses specific to each country's circumstances. The international community must provide comprehensive support along the way.

Identifying the best available option for energy transitions

Some African countries have difficulties leapfrogging to renewable energy, like those facing the need to transition from charcoal to gas for cooking. Japan believes that identifying the best available option for achieving a realistic, solid transition based on technical feasibility and affordability in each country, and supporting energy sources for that transition “green” and “non-green,” including natural gas, will ultimately lead to a maximum reduction of cumulative greenhouse gas emissions.

In addition to mitigation and adaptation measures including disaster prevention, climate resilient high-quality infrastructure and agriculture are equally important, especially in those African countries vulnerable to natural disasters.

Providing context-specific energy support in Africa

Consonant with this policy, Japan has provided energy support in Ghana and Mozambique, including natural gas, in different energy circumstances, through the cooperation between Japanese companies and JICA. JICA is also actively engaged in a wide range of climate adaptation support measures based on local needs. At a workshop on disaster risk management in Southeast Africa, for example, JICA experts described effective forecasting and warning using a weather observation system. In the Sahel and the Horn of Africa, JICA is supporting water resource management and drought management.

Respecting African ownership and pushing for sustainable development driven by Africa, together with the African Development Bank

To provide assistance tailored to the specific circumstances of each African country and region, the African Development Bank plays a very important role as the premier development financial institution of Africa. Japan expects the African Development Bank to support African countries to lay out a realistic transition path that maximizes emission reductions while addressing development challenges including universal access to energy. Japan also expects the African Development Bank to support those projects that implement this path. Mobilizing private finance and capacity building are also important, and we look forward to the African Development Bank's efforts in these areas.

Japan is ready to support the African Development Bank's operations through bilateral trust funds, such as the Policy and Human Resources Development Grant.

In August this year, the 8th meeting of TICAD, which Japan launched with African countries, will be held in Tunisia. TICAD has been a major international forum open to a wide spectrum of partners, including both regional and non-regional countries, international organizations such as the African Development Bank, the private sector, and civil society. Japan respects African ownership and will continue to strongly push for sustainable development driven by Africa, together with the African Development Bank.

To conclude, as a long-standing partner of the African Development Bank, Japan will continue working with the African Development Bank to support African countries to achieve sustainable development, climate resilience and energy transition. 

Identifying the best available option for achieving a realistic, solid transition based on technical feasibility and affordability in each country, and supporting energy sources for that transition “green” and “non-green,” including natural gas, will ultimately lead to a maximum reduction of cumulative greenhouse gas emissions.



UKUR YATANI

Cabinet Secretary National Treasury and Planning

Bio

Ambassador Ukur Yatani has served for nearly three decades as a public administrator, political leader, international diplomat and governance expert. In 2020, he was appointed Substantive Cabinet Secretary for National Treasury and Planning in the Kenyan government. He has also been Cabinet Secretary for Labour and Social Protection. In 2013, he was elected Governor of Marsabit County, a post he held until 2017. Mr. Yatani has also served as Kenya's ambassador to Austria, with accreditation for Hungary and Slovakia, as well as Permanent Representative to the United Nations Office in Vienna and the International Atomic Energy. He holds a Master of Arts in Public Administration and Public Policy, University of York, UK, 2005; and Bachelor of Arts in Economics, Egerton University, Kenya, 1991.



Progress towards mitigating climate change impacts requires coordinated partnerships to mobilize sustainable finance

Kenya is heavily dependent on natural resources for its socio-economic development and is therefore vulnerable to the effects of climate change. This is also the case for many African countries. On average Kenya has lost 58 lives per year between 1997 and 2016 as a result of climate change effects including droughts, floods and heat. During the same period, GDP shrunk by 0.36%, as climate change negatively impacts economic sectors including agriculture, tourism, energy, manufacturing and infrastructure.

Over the past decade, however, Kenya has made great strides in mitigating the impacts of climate change by creating an enabling policy and legal environment to drive innovation and inclusivity in mobilizing long-term climate finance from the private and public sectors. Kenya now has in place the requisite national plans, policies and regulatory frameworks: the

National Climate Change Action Plan, Climate Change Act and the National Policy on Climate Finance, among others.


Kenya is committed to reducing emissions by 32% by 2030 and estimates that over \$62 billion will be required for climate mitigation and adaptation to achieve its Nationally Determined Contributions under the United Nations Framework Convention for Climate Change. This will require coordinated partnerships to mobilize sustainable finance from both the private and public sectors.

Over 86% of Kenya's installed capacity is drawn from green energy sources

The Government of Kenya, through the national treasury, has continually called for increased climate finance flows to developing countries at risk of climate change impacts over and above the usual overseas development assistance.

Additionally, the national treasury is progressively mainstreaming climate change considerations—including risks—in economic and budgetary planning to ensure the sustainability of public finances. This is in line with its commitment to pursue a low-carbon, climate-resilient pathway to national development and mobilization of financial resources.

Kenya's energy sector stands as a shining example of this commitment, with over 86% of the country's installed capacity drawn from green energy sources such as geothermal, wind, solar and hydro. This is one of the highest renewable energy penetration rates in the world, combined with Kenya's pioneering role in geothermal energy in Africa.

The Covid-19 pandemic has further compounded climate change challenges, especially through the disruption of economic activities and livelihoods. However, Kenya has put in place a post Covid-19 Green Recovery Strategy focused on resilient infrastructure, food and water security and a circular economy. Focus on its successful implementation will help the Government of Kenya to overcome the twin challenges of Covid-19 and climate change. 





YEARS
1972-2022

Fifty
Voices and Stories



ADF at 50

50! A real milestone! The ADF's 50th anniversary presents the perfect opportunity to take stock of achievements and to re-evaluate the Fund's pertinence to the new aid landscape, particularly in the ever-evolving context of its clients and the dynamics of traditional and emerging competitors.

The African development Fund can be proud of its achievements. Since its creation in 1972, it has been an important source of funding, a capacity builder, and a catalytic financier to its clients. Since its inauguration, it has evolved in size and scope. From a quarter of a billion units of account (UA) in ADF-I, it has grown to a volume of UA 5.4 billion in ADF- 15. Its multiple partnerships with donors enable it to mobilize resources to address pressing development issues in the 37 countries that are currently eligible for its concessional financing.

Since the inception of the Bank Group's Credit Policy, six countries have graduated from category A, ADF-only, to category C, AfDB-only, that is, they are no longer eligible for ADF resources: Equatorial Guinea (1998), Egypt (1999), Angola (2010), Cabo Verde (2011), Congo and Nigeria (2014). Another five countries have graduated from category A, ADF-only, to category B, blend—enabling them to access both windows under special conditions: Cameroon and Zambia (2014), Kenya (2015), Senegal (2018) and Côte d'Ivoire (2019). Collectively, ADF countries represent nearly 640 million inhabitants, of whom over 75% still live on less than \$2.50 a day. ADF countries clearly require special assistance. Many are fragile and conflict-affected, with weak state capacity and vulnerability to a range of shocks. ADF contributes to their poverty reduction and economic and social development by providing funding for projects and programs, technical assistance for studies, and capacity-building activities. The ADF boasts a track record of delivering transformative development impacts in Africa's low-income and transition states, having cumulatively invested UA 37.0 billion¹ (\$51.5 billion²) over 48 years of operationalization on the continent and 2,771 projects.

Achievements

The ADF innovates. It has demonstrated agility and flexibility by adapting its operations and processes to respond to emerging issues of global health pandemics, climate change, fragility, vulnerability, and indebtedness. The creation of a regional operations envelope and a transition support facility to address fragility and build resilience solidified the Fund's pioneering reputation and its ability to deploy innovative solutions to complex, challenging problems. The regional operations envelope recognizes that the integration of small fragmented markets is an important requirement for national and regional growth, and the transition support facility support balances needs and performance for countries weathering difficult political or economic situations. Within the overarching framework of the Heavily Indebted Poor Countries and Multilateral Debt Relief Initiative (MDRI), ADF played an important role in addressing the debt trap into which most ADF countries fall. By adopting risk mitigation instruments and a credit enhancement facility, the Fund can contribute to the development of the private sector in ADF countries. To mobilize resources, it integrated concessional donor loans and bridge loans into its financial framework. ADF also finances the African Legal Support Facility, which assists governments in negotiating operations primarily in the natural resources sector and supports them against creditor litigation and inequitable commercial agreements. By the end of 2021, the facility had cumulatively approved over \$62 million for more than 130 operations in 21 transition states.

ADF is a clear leader in regional integration. Across recent ADF cycles, the Bank has positioned itself as the continent's leading financier for regional transport corridors, regional energy pools, cross-border industrial and agricultural value chains, and joint management of cross-border resources, such as forests and river basins. From 2011-21, ADF injected close to \$9 billion in multinational projects (UA 6.4 billion). **Of that amount, 55% went to infrastructure projects, another area where ADF leads.** The Fund uses its unique regional operations envelope cost-sharing mechanism to incentivize ADF countries to work together and overcome common regional bottlenecks through dialogue and investments. The same mechanism allows it to attract co-financing from partners to

take on transformational development operations on a scale that individual ADF countries could not. **ADF's financial additionality is even more valid in low-income countries where there is no available private finance on favourable terms.** Through its private sector facility, it shares risk in ways that make public-private transactions viable and attractive.

ADF stood by Africa's poorest countries through the 2008-09 global financial crisis, the 2014 Ebola outbreak in West Africa, and more recently, the Covid-19 pandemic, which proved unprecedented in scale and impact. ADF demonstrated its ability to respond rapidly and at scale, reprioritizing its operations and putting in place an agile, targeted program to mitigate the impacts of the pandemic through the Covid-19 Response Facility. Of the \$3.6 billion that the Bank spent on its Covid-19 response, \$1.3 billion came from ADF with 36 operations approved between May-November 2020 to help those most in need.

Challenges and opportunities

The challenges facing Africa today are of a new order of magnitude and complexity.

The pandemic has erased decades of hard-won progress, and existing challenges have been magnified. Government revenues are falling, and debt vulnerabilities are rising; risks of fragility, conflict, and instability are on the rise. **ADF countries are uniquely exposed to the accelerating impacts of climate change, and least equipped to deal with its consequences.** Add to this the surging global wheat prices and rising fuel prices resulting from the war in Ukraine that seriously threaten Africa's food security.

In this bleak scenario, there are also unique opportunities for ADF countries. Most the world's unused arable land is located in Africa, which offers a huge potential to expand its production of food staples. With the right investment in rural infrastructure and agricultural productivity, African can not only be food secure, but can also become the world's breadbasket and a key player in global food supplies. The new African Continental Free Trade Agreement offers an opportunity that must be taken to drive

the development of agricultural value chains, creating opportunities for the rural poor and engineering inclusive growth.

The next 50 years: a bolder vision for Africa

For 50 years, the ADF has lived up to its mandate of providing concessional resources to Africa's poorest countries. The value addition of ADF resources comes from its combination of concessional financing, technical assistance, and converging power. Often understated is the quality of ADF assistance. Borrowing from the private sector and non-concessional official bilateral lenders¹ impose no conditions on key issues such as environmental/social safeguards, gender and procurement rules; conditions that have been introduced to build a better, more sustainable, more inclusive Africa. Choosing the non-concessional path invariably recreates a form of development that has been detrimental to the continent and its people. For this reason and **given the financing needs facing Africa, the ADF must remain relevant in an evolving aid architecture with larger traditional and new financiers.**

The next 50 years need to fit within a bolder vision—for Africa and for ADF. This starts with a historical ADF-16 replenishment to ensure that ADF countries build back better and stronger. To mark the 50th anniversary, we aim to mobilize \$50 billion in resources for ADF countries over the next eight years to deliver transformational impact. Internally, we will press ahead with an ambitious program of institutional reforms to ensure continuous improvement in the quality of support to our clients. 

¹ Data Portal, African Development Fund from 1974 to Dec 2021. Available at: <https://projectsportal.afdb.org/dataportal/financingSources/show/46003>

² March 2022 Exchange Rates. Available at: <https://www.afdb.org/en/documents/march-2022-exchange-rates>

³ Center for Global Development. \$19 trillion and No Money for the Multilateral Development Banks? Available at: <https://www.cgdev.org/blog/19-trillion-and-no-money-multilateral-development-banks>



DESERT TO POWER

Desert to Power Initiative

A fundamental element of the AfDB Group's core activities and one of the ADF's comparative advantages is its set-aside to support Regional Operations in ADF countries. Fifteen percent of the RO envelope is dedicated to support Regional Public Goods in ADF countries. The Desert to Power project falls under this category. A flagship initiative designed to harness the vast solar power potential across the Sahel region, Desert to Power will connect 250 million people with electricity and solar resources. It will make the Sahel the world's largest solar production zone with up to 10,000 megawatts of solar capacity and speed up economic development through the deployment of solar technology.

The project will accelerate economic development through access to electricity. It will allow for irrigation powered by electrical pumps and improve agricultural productivity and food security. It will facilitate better access to health and education. In addition, it will help combat environmental and climate fragility, reduce time spent collecting firewood for cooking, and create new opportunities, particularly for women and youth.

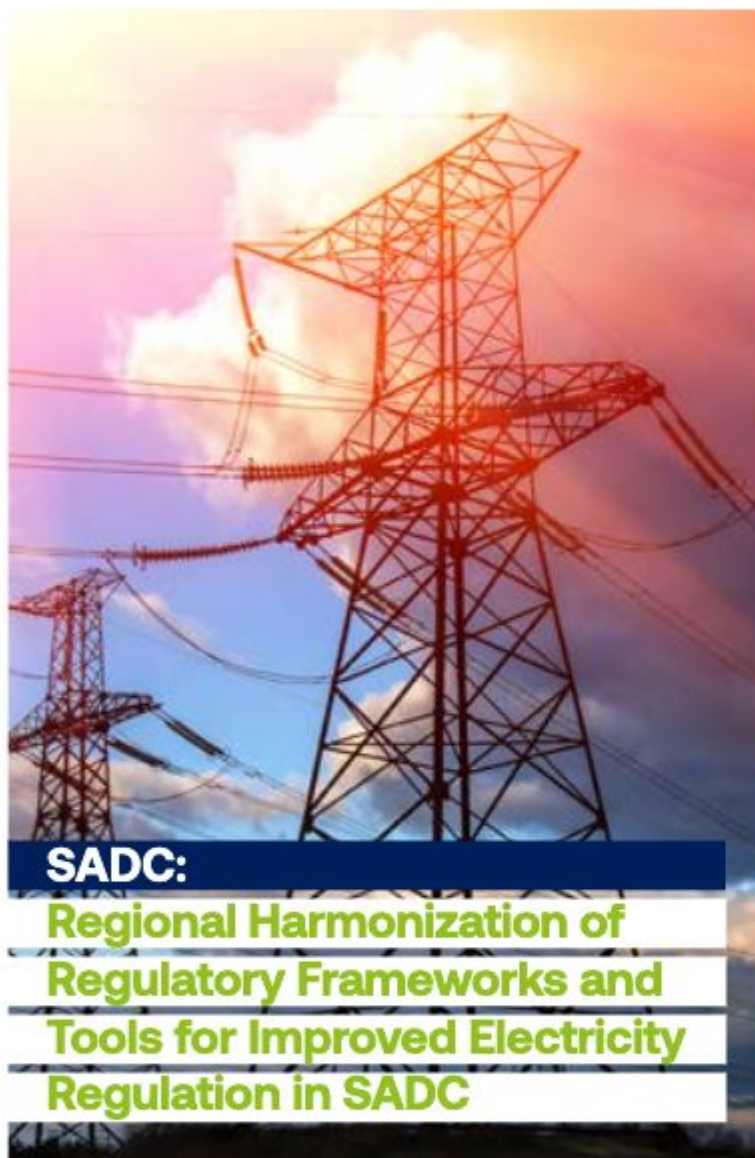
The first phase of the program is being rolled out in seven countries in the western, central, and northern regions. These countries are Burkina Faso, Chad, Mali, Mauritania, Niger, and Senegal. A subsequent phase will target Djibouti, Ethiopia, Eritrea, and Sudan. ¹⁰



Girls' Education and Women's Literacy in Chad

In 2020, through the Transition Support Facility, the ADF provided a grant of \$11 million to Chad to improve the quality of life of women and girls. The project is increasing access to middle, secondary and vocational schools for girls, rehabilitating and building two schools, as well as financing academic, scientific, and digital infrastructure. The project seeks to improve the quality of education through the mainstreaming of gender issues in the education programs, strengthening science studies, and diversifying vocational trades for job creation.

The project has already begun to bear fruit. It has enabled access to quality secondary education in a safe and healthy school environment for 5,000 girls, as well as the training of 2,200 teachers and administrative officials. More than 7,500 women have benefited from literacy programs. There is increased awareness about reducing gender-based violence among residents in target areas. There has been a reduction in early marriages and pregnancies. The grant has also helped in the renovation of a new women's high school. ¹¹



SADC:

Regional Harmonization of Regulatory Frameworks and Tools for Improved Electricity Regulation in SADC

The main objective of this regional initiative is to harmonize regulatory frameworks to facilitate electricity trading within SADC, a Regional Economic Community comprising 16 Member States. It will do so through effective, uniform, and transparent regulatory frameworks that set out clear principles, rules, processes and standards for the SADC region. A combination of studies, capacity building and development of tools will be financed from ADF Grant Resources of the order of \$1.2 million. ⁶⁰

Mombasa—Addis Ababa Transport Corridor

The Mombasa—Addis Ababa Road Corridor project promotes trade and regional integration between Ethiopia and Kenya by improving transport links between both countries. The project upgraded 438-kilometer road sections to bitumen standard. This included the 245-kilometer Merille River—Marsabit—Turbi Road section in Kenya and the 193-kilometer Ageremariam—Yabelo mega road section in Ethiopia. Linking Kenya and Ethiopia the corridor benefits eastern Africa and the Horn of Africa regions, with several tangibles, including reduced transport and shipping costs between Kenya and Ethiopia; reduced transit time for import and export goods; increased accessibility to markets; and, increased volume of Ethiopian transit goods using the port of Mombasa. ⁶¹



The Technologies for African Agricultural Transformation (TAAT) Program



11 million farmers

across 29 million countries have already benefited from proven climate-adapted agricultural technologies.



In Sudan, farmers planted five heat-tolerant wheat varieties across **294,000 hectares** of land, doubling wheat production to 1.1 million tons in four years.



Some **5.2 million households**

were provided with drought-tolerant maize varieties on 841,000 hectares of land, when drought and the invasive pest fall armyworm hit Africa's southern region in 2018 and 2019.



In Ghana, **15,000 hectares**

of underutilized savannah and partially degraded land was transformed into no-till maize and soy production fields.


The program is harnessing proven high-impact technologies to boost agricultural productivity in Africa. Since 2020, this ADF program has made a remarkable difference by enabling farmers to increase yields and improve their livelihoods. Examples abound in the successful deployment of drought-resistant maize, heat-resistant wheat, and treatments against pests like the fall armyworm, which has been devastating crops across the continent. The program is mitigating risks and promoting diversification and processing in 18 agricultural value chains in many countries. Overall, the program is expected to increase food output by 100 million tons and lift 40 million people out of poverty by 2025. It is deploying technologies at scale along nine commodity value chains: maize, rice, wheat, high-iron bean, cassava, orange-fleshed sweet potato, sorghum/millet, livestock, and aquaculture.



The **harvests were sold**

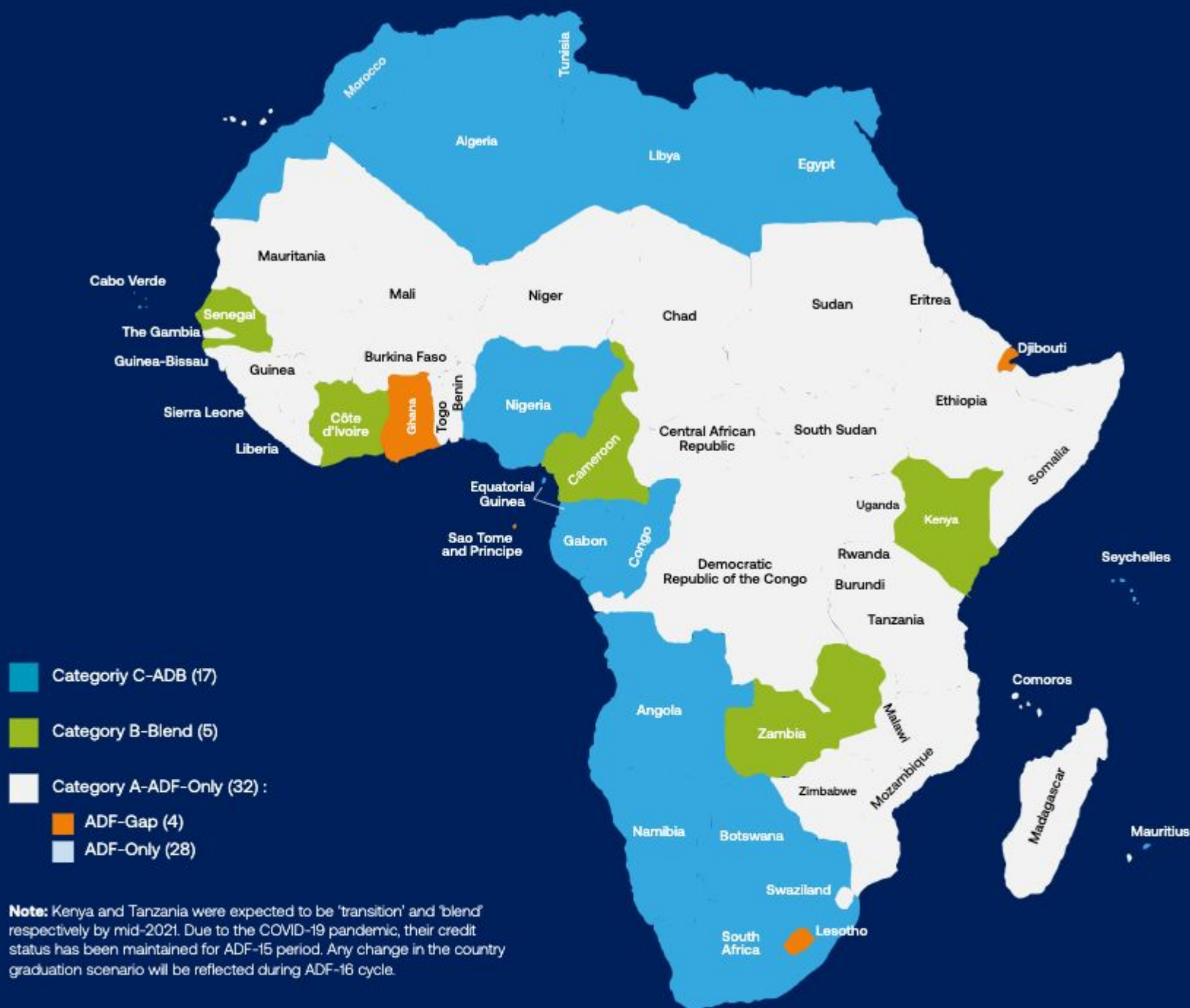
to boost feedstock for the poultry feed industry.



11 million farmers across 29 million countries have already benefited from proven climate-adapted agricultural technologies. In Sudan, farmers planted five heat-tolerant wheat varieties across 294,000 hectares of land, doubling wheat production to 1.1 million tons in four years. Some 5.2 million households were provided with drought-tolerant maize varieties on 841,000 hectares of land, when drought and the invasive pest fall armyworm hit Africa's southern region in 2018 and 2019. In Ghana, 15,000 hectares of underutilized savannah and partially degraded land was transformed into no-till maize and soy production fields. The harvests were sold to boost feedstock for the poultry feed industry. 



01 Current ADF recipient countries

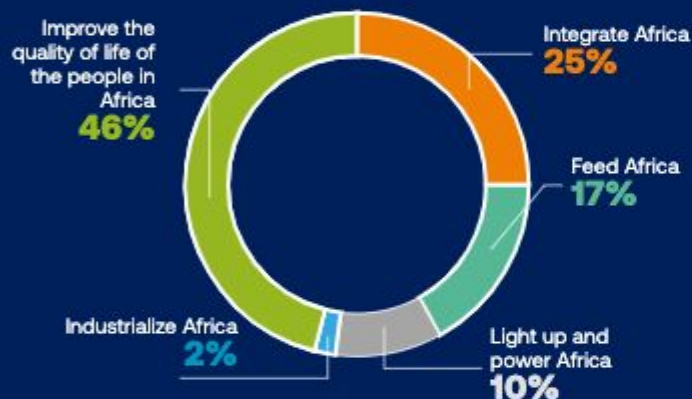


02 ADF sector distribution over the past decade (2011-2021), showing ADF's prioritization of regional and infrastructure (power and transport) operations.

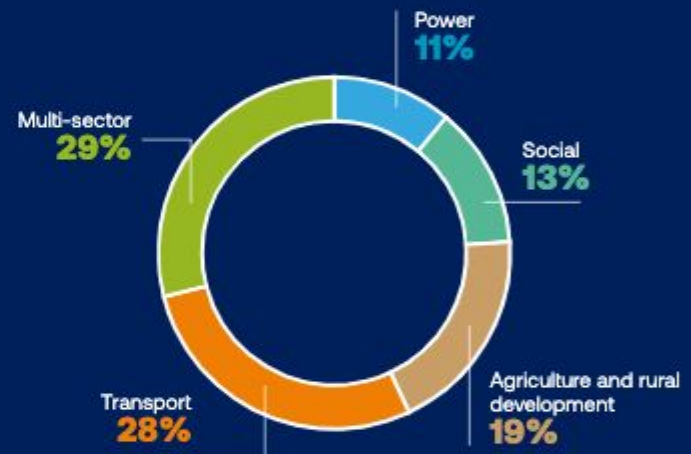


ADF at a Glance

03 Distribution of ADF resources across the High 5 over 50 years:



04 Top 5 sectors benefitting from ADF resources over 50 years:



05 Achievements during 2015-2020





LIBERIA

Africa continues to experience extreme weather patterns due to the impact of Climate Change: We have witnessed prolonged drought, cyclones and floods, and invasion of locusts. How is your country adapting to climate change?

Consistent with the sensitivity around the fear of climate change, the Government of Liberia through the Environmental Protection Agency (EPA), with support from the United Nations Development Program (UNDP) and the United Nations Economic Commission for Africa (UNECA) launched the "Climate Change National Policy and Response Strategy" in an effort to enhance effective and coherent climate change adaptation processes and serve as the pillar for comprehensive sectoral strategies and action plans. Our government endeavors to enhance coordination, cooperation, and collaboration between stakeholders to achieve the objectives of the National Adaptation Plan (NAP) and Nationally Determined Contribution (NDC). The National Disaster Management Agency of Liberia is working to identify climate-related risks and prevent occurrences.

Africa has been warming faster than the global average for land and ocean combined. All this has led to disasters, disruptions in economic, ecological and social systems. How can this be avoided, what mechanisms do you think could help prepare for increases in dangerous climate events?

Liberia has preserved about seven million hectares of forest, representing nearly half the entire forest remaining in West Africa's Upper Guinea. Moreover, agroforestry and coastal mangroves comprise about 1.9 million hectares, which means that approximately 90% of the country's landmass sequesters carbon. At the 26th United Nations Conference on Climate Change (COP 26), Liberian President George M.

Weah voiced concern about the imbalance in the current architecture of climate financing, and called for the establishment of an African carbon credit trading mechanism. That call is reaffirmed.

Regional integration usually includes massive climate change threats: increase in the number of vehicles using roads, hence an increase in air pollution and carbon emissions... How can we make regional integration more climate smart?

Countries in the same region should invest more in alternative means of integration, including data sharing on weather forecast, investment in hydropower, clean and renewable energy, and the holding of regional dialogues to share solutions on energy to facilitate less carbon dependency. Digitization of economies could reduce commuting via roads and enhance climate-smart regional integration. Emerging technological solutions provide opportunities to breach the gaps in traditional methods of trade.

What are some of the major achievements your government is proud of? To what extent has the African Development Bank and the African Development Fund been instrumental to the development and economic growth of your country? Please give as much detail about the projects as possible.

As of January, the Bank has 11 ongoing and approved projects in Liberia with a total commitment of UA 270 million (US\$378 million) for a disbursement rate of 50.8 percent. The portfolio seeks mainly to contribute to three of the four objectives of the Government's Pro-Poor Agenda for Prosperity and Development (PAPD), including (i) poverty alleviation through enhanced domestic food production and job creation; (ii) improved infrastructure, particularly road energy infrastructure; and (iii) transparent and accountable governance system.

Liberia has preserved about seven million hectares of forest, representing nearly half the entire forest remaining in West Africa's Upper Guinea.

The Bank-approved pipeline of projects for 2022 includes the phase III of the Mano River Union Road Development and Transport Facilitation Program. The Liberia Special Agro-Industrial Processing Zone Project is signed and in process for ratification. The Enhancing Climate Information Systems for Resilient Development in Liberia (CIS) is approved and awaiting signing. The Bank is also supporting the following projects, including the:

- **Renewable Energy for Electrification in Liberia (REEL)**
- **Multi—Country Covid Crisis Response Support Program**
- **Integrated Public Financial Management Reform Project Phase II (IPFMRP II)**

Africa is the youngest continent in the world. Increasingly, the continent will be a significant source of the global workforce. What approach would you choose to invest in human capital to enable people to have productive, well-paid and sustainable jobs?

African leaders should invest in cultivating knowledge through training in regional institutions to facilitate shared responsibility for the development of our young population. We should also provide incentives for those seeking higher education in areas of science and technology and develop a framework for productive, well-paid, and sustainable jobs in industries, factories, and agricultural plants in Africa. Liberia offers free education in all public institutions up to the tertiary level. We have also prioritized investment in technical and vocational education and we are contemplating holding a donor conference for vulnerable youth to empower them into future productive assets and citizens for the development of the country.

Much of Africa's international trade and external debt are tied to its natural resources. What strategies do you think African countries need to get a better deal? How can those resources—which are a backbone of economics in Africa—be better utilised for the development of the continent?

African countries need to concentrate more on diversification through investment in non-traditional export sectors. The economics behind primary exports has yielded minimum benefits to developing economies due to the volatility of exports to global shocks and price instability on the world market. We need to invest in the transformation of raw materials into finished goods and expand our productive capacities to compete with countries that are better off in trade.


“Investing in health is investing in national security,” as President Akinwumi A. Adesina told African leaders at the 35th Summit of the African Union. “Africa cannot afford to outsource the healthcare security of its 1.4 billion citizens to the benevolence of others.” How can we meet this challenge?

We need to demonstrate strong political will in healthcare investment through increasing health expenditure in our respective annual budgets. Individual governments must provide incentives to frontline health workers to attract the younger generation's interest in science and technology. Undoubtedly, some African countries are far ahead of others in the area of healthcare provision. It is only reasonable for those countries leading to leverage their potential in areas of need on the continent to facilitate knowledge sharing.

What role can African youth play in climate change adaptation, mitigation and awareness? Do you have any specific national initiatives or projects involving young people?

The issue of climate change is youth sensitive, as they bear the greatest impact of climate change relative to declining food security, water scarcity, and national disasters. Therefore, the younger generation should be the driving force in pursuing a low-carbon climate-resilient future. The Government of Liberia convened a National Youth Dialogue in 2020 on the revision of the NDC to enable broad-based youth participation in reducing emissions in five targeted areas: Energy, forestry, agriculture, waste, and transport. Universities have incorporated environmental science into their curriculum at the post-graduate level to facilitate a knowledge-based climate change society.

The world, including Africa, is beginning to record a decline in the number of Covid19 infections and deaths. But the effects of the pandemic will continue to be felt over a long period of time. For you, what's your biggest concern about those effects?

The World Bank Global Economic Outlook of June 2020, estimated recession in most economies with per capita income contracting by the greatest fraction since 1870. This is a major concern for countries heavily dependent upon international trade for sustainability. The market value for most developing countries' exports has reduced, thus causing a balance of trade deficit. Developing countries have to diversify their export portfolios and their economies, which require huge capital investment and new markets. 



SAMUEL D. TWEAH, JR.

Minister of Finance and Development Planning

Bio

Liberia's Minister of Finance and Development Planning Samuel Tweah, drafted Liberia's Pro-Poor Agenda for Prosperity and Development (PAPD), targeting the development of the country's road and electricity infrastructure, transforming its health and education sectors, and making agriculture the driver of job creation and food security. PAPD also targets improved governance and economic diversification. Prior to becoming Minister, Samuel Tweah served as chief economist of Liberia's Millennium Compact Project and served as senior advisor to the African Development Bank Executive Director representing Liberia, Sierra Leone, Gambia, Ghana, and Sudan. He earned his bachelor's degree in economics from the University of Liberia and a Master's from George Washington University in the United States.



LUXEMBOURG

YURIKO BACKES

Minister of Finance

Bio

Prior to her appointment as Luxembourg's Minister of Finance in 2022, Yuriko Backes served as marshal of Luxembourg's Grand-Ducal Court. She also held several diplomatic positions, including European Commission Representative in Luxembourg; diplomatic advisor and Sherpa to Luxembourg Prime Ministers Jean-Claude Juncker and Xavier Bettel; and Deputy Head of the country's Directorate of International Economic Relations. Earlier in her career, she served as Luxembourg's permanent representative to the United Nations in New York and at the Luxembourg Embassy in Tokyo.



Why Africa and Luxembourg must both tackle gender issues

Zainab Ahmed has been Nigeria's Minister of Finance, Budget, and National Planning since 2019, responsible for a portfolio that makes her one of the country's most influential ministers. Élysée Munembwe Tamukumwe has been Deputy Prime Minister and Minister of Planning in the Democratic Republic of Congo since 2019. And Ngozi Okonjo-Iweala has been Director-General of the World Trade Organization since 2021 is a former Minister of Finance of Nigeria. These are just some examples of African women in prominent positions of responsibility. As for myself, I became Luxembourg's first female Minister of Finance in January this year.

Women in finance are rather a rarity. African and European countries more generally must still tackle gender biases today, and there is a long way to go.

Of course, much has been achieved. Today, women in Luxembourg enjoy the same rights as men. But this was not always the case. Luxembourg now has the lowest gender pay gap in the EU. Women under 40 earn on average more than men. Yet elder women suffer an important pension gap. In Africa, women work hard and contribute significantly to the workforce in certain sectors of the economy. A considerable number of women benefit from inclusive microcredit programs. We now see women in decision-making positions. Yet countless women still face limited job security since many work in the informal sector. Up to 80% of female SME owners were forced to close their businesses during the pandemic, joining other women facing poverty. 59% of the world's poorest women live in sub-Saharan Africa and this figure is expected to reach 70% by 2030.


Luxembourg has firmly supported gender equality and inclusion in Africa since joining the African Development Bank

I am proud to say that the African Development Bank Group plays its role in promoting gender equality. Since joining the African Development Bank in 2014, Luxembourg has firmly supported gender equality and inclusion in Africa, in particular those actions oriented towards women empowerment through access to finance. Luxembourg is a founding member and contributor of the "African Digital Financial Inclusion" fund, which invests in inclusive digital financial services. Likewise, through our contribution to the "Capital Markets Development Trust Fund", Luxembourg aims to strengthen regional capital markets so that the entire society, including women, ultimately benefit. The African Development Bank Gender Strategy 2021-2025 indicates the firepower to carry out impactful projects to build better, more resilient economic and social systems based on gender-equal pillars. This requires mainstreaming gender across all projects.

Gender action must happen outside the African Development Bank but must start from within. Luxembourg welcomes the steps taken by Bank management to obtain the Economic Dividends for Gender Equality certification, such that the Bank joins a select group of banks. Luxembourg also recognizes the African Development Bank's remarkable efforts to achieve its 50/50 gender parity goal in its workforce by 2025. This shows that institutions like the African Development Bank can lead by example in tackling gender issues, and rightly so.

The pandemic has made life much harder for women in many countries. The global recession caused by the coronavirus is described as a

"she-session" by some economists because it has impacted women more than men: Women comprise 39% of the global workforce, but account for 54% of overall job losses, according to a recent McKinsey study. This concerns all our countries.

We must continue to tackle the gender gap and capitalize on the potential women offer for economic development and more inclusive decision-making everywhere. I am proud to have the support of the African Development Bank on this important issue. 

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BUILDING THE HEALTH SECTOR IN AFRICA

Interview with **Solomon Quaynor**, Vice-President, Private Sector, Infrastructure and Industrialization

Will Africa produce and even export vaccines and other health products?

Africa can produce pharmaceuticals and other medicines, and in fact must do so to meet its own needs. African pharmaceutical production covers no more than 30–40% of its demand, with major disparities among countries. Five countries have local production above 30%: Morocco, Algeria, Tunisia, Egypt, and South Africa.

An important lesson from the Covid-19 pandemic is that Africa needs to rebuild its health defence systems and achieve a minimum security of supply. Africa has the potential to develop pharmaceutical manufacturing capacities to good manufacturing practice (GMP) standards to cater for its domestic pharmaceutical needs, tailored to its epidemiological developments. Acquisition and greenfield activities in Africa have accelerated over the past seven years, reflecting local market attractiveness.

Structural constraints remain, however, and will need to be addressed. Only 20% of African manufacturers adhere to GMP standards. Pharmaceutical standards are not harmonized across countries, which discourages regional operations and trade. Moreover, maritime freight between African countries is costly: it is about 30% cheaper for a company to export from Europe to Dakar than from Morocco to Dakar, indicating that logistic integration will need to be strengthened. Additionally, regulatory capacity and systems do not support the efficient licensing of new drugs. Talent and know-how are limited—there is on average only one pharmacist per 10,000 people in African countries. R&D is not attracting much investment and only 2% of global pharmaceutical R&D is conducted in Africa.

How could we achieve equality of care and access to vaccines in Africa?

Traditionally, vaccines supplied by GAVI and UNICEF have played a significant role in the African vaccines landscape by providing secure long-term contracts for 90% of market volume. Less than 1% of Africa's vaccine needs are manufactured domestically, making geographic and supplier consolidation a high risk to Africa's supply of key vaccines.

Eight African countries self-finance their vaccine supplies and, in the next five years, at least 10 countries are expected to transition from sourcing vaccines via GAVI. Africa's challenges in securing timely access to vaccines during the Covid pandemic spurred the African Union and the Africa Centres for Disease Control and Prevention to come up with a vision to develop African vaccine manufacturing capacity to produce 60% of the continent's routine vaccine needs by 2040. Vaccine manufacturing is a long-term project and requires meeting demand, return on investment, and the potential to address future outbreaks.

Africa is the only region that has articulated a continental strategy for vaccine manufacturing. It will be implemented by setting up manufacturing hubs and spokes. Regional and global bodies are being coordinated at the moment to address structural constraints—regulatory oversight, demand certainty, access to finance, know-how, technology transfer, and infrastructure.

Estimates suggest that five manufacturing plants are needed, with a total investment of \$600 million to \$1.2 billion depending on several factors. Achieving the AU 2040 vision is possible—depending on access to finance for all vaccine manufacturing projects and the creation of an enabling ecosystem and coordination across all project phases. One way to provide early development funds and coordinated financing to manufacturers would be a deal preparation one stop shop.

A solution for ensuring demand security would be a take-or-pay system that would drive the African vaccine manufacturing industry through three successive steps. The first is pooling via offtake commitments and forecast modelling to achieve secure and consolidated high demand volumes for manufacturers. Wheeling, the second step, entails re-routing orders to a country willing to buy more than its original commitments where another purchasing country cannot honour its commitment, which will require cooperation on logistics, from, for example, UNICEF, Coca Cola, or Jumia. The third step, guarantees, requires providing partial risk guarantees on behalf of governments to secure off-take.

Manufacturing drugs is vital, but the pharmaceutical industry is highly automated and does not employ a lot of people. Will it be necessary for African countries to adapt their health policies?

Pharmaceutical manufacturing exists within a broader ecosystem covering the supply of inputs, product warehousing and distribution. As a result, expanded pharmaceutical manufacturing on the continent could create jobs beyond manufacturing products.

Additionally, the Covid-19 pandemic has provided an opportunity to shift to continental production systems. African countries can harness local capacity to boost local production systems through the African Continental Free Trade Agreement and the African Medical Supplies platform.

Beyond the broader interventions necessary to reduce trade barriers, African countries will need to adapt their health policies to enable regional cooperation for pharmaceutical manufacturing. Policies and guidelines to improve the quality of production to meet international standards and to ensure sustainable manufacturing and distribution practices need to be implemented.

Does the continent have enough skills to manage this revolution?

The African pharmaceutical industry seldom meets high quality standards due to a notable shortage of skilled professionals and a failure to implement norms to ensure high quality.

Developing skills for the pharmaceutical industry will require several steps: increasing the number of qualified pharmacists, improving pharmaceutical training programs to address targeted therapeutics and vaccines, increasing collaboration with universities, building regional centres of excellence, leveraging technology transfer and research and development initiatives.

Is a health integration possible, or should the target be a distribution of specialist skills in each country or region?

The World Health Organization's roadmap for scaling up human resources for health in the

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African region (2012-25) indicates that initiatives to address the uneven distribution of skilled health workers can be effective in tackling human resource challenges. They include sub-regional and regional collaboration to harmonize professional regulation, accreditation, and practices.

Furthermore, it will be necessary to strengthen human resource information systems to support evidence-based decision-making on training and deploying human resources for health. This will also advance the development of a skills mix that matches the evolving burden of disease and the African market.

The health sector has developed in different ways around the world. Should we follow a strict model that promotes safety, or a more open model that encourages innovation?

In a world where information technology and artificial intelligence have become increasingly important, innovation will play a pivotal role in Africa's health sector over the coming years. Innovation will improve the effectiveness of health services and the efficiency of healthcare delivery. Healthcare innovations will enable us to reach more underserved people, including those in hard-to-reach areas, and reduce some of the delivery costs.

Safety must remain at the core of health sector developments. This means putting in place adequate capacity and regulation to ensure the quality and efficacy of health technologies. It will also entail strengthening evidence-based selection and the rational use of health technologies, developing national policies on innovation and intellectual property, and strengthening national regulatory authorities.

Does Africa have the means and industrial infrastructure to manage large laboratories and expensive equipment?

Vaccine manufacturing is complex. However, Africa's vaccine manufacturing has evolved from a regional to a global effort. Working with interested investors, African companies are not alone in building the sector. Joint ventures with global companies will also be encouraged. Additionally, vaccine research and development is a global effort, and global partnerships are being forged to equip local laboratories with needed capabilities.

Additionally, technology transfer agreements between international companies and local manufacturers are facilitating the manufacture of fill and finish products for vaccines produced in other regions. Advisory support, technical assistance, and even turnkey contracting are facilitating the process. Lastly, development finance institutions and donors are expected to coordinate their financing efforts through a one-stop-shop that leverages complementarities and reduces transaction costs.

Can the necessary funding be secured, and would the production facilities be sustainable?

African governments' current capital expenditure of \$4.5 billion falls far short of the estimated \$26 billion in annual investment needed to meet evolving health needs over the next decade. The economic contraction caused by the Covid-19 pandemic means that African countries will have even fewer domestic resources in the short term and will therefore need to raise additional resources from the private sector and even from social enterprises.

Africa's healthcare sector could be worth an estimated \$259 billion by 2030, which presents a lucrative opportunity for the private sector. Investment opportunities exist across all segments of the healthcare industry, including building and improving physical assets, improving distribution and retail systems and providing pharmaceutical and medical supply production facilities.

However, African governments and their partners will need to do more to improve the investment climate, including strengthening the policy and regulatory environment and addressing the supply of trained health workers.

Cost competitiveness has traditionally lagged behind benchmarks because of smaller plants and lower labor productivity. Overall cost per unit is higher in Africa than in other emerging economies (+61% compared to China). Plants are smaller in Africa than in other markets, and large manufacturers that can compete globally are lacking.

African manufacturers' per capita productivity is also low compared to the benchmark, but comparable to Indian levels. Large plants can specialize in production lines for one product

and therefore produce almost around the clock, whereas African plants typically produce several products on each line and lose as much as one work shift per day cleaning the lines.

Innovation will contribute to further cost reductions. For example, the take-off of mRNA technology improves cost competitiveness and flexibility while addressing most of Africa's demand.


If consumers feel sceptical about locally produced generic medicines, will they trust vaccines?

A continent-wide system is being established to improve standards and foster a sustainable environment for the growth of local manufacturing capacities. It will include improved standards throughout the value chain by compliance enforcement to national and regional GxP standards for all market participants. Currently, only 20% of participants meet standards. There will be greater confidence when more manufacturers match GxP norms.

Another step to strengthening consumer assurance about vaccine quality is to build the capacity of national medicines regulatory authority personnel and ensuring adequate inspections and assessments. Currently, no region has achieved harmonized regulatory standards for medicine registration, although ECOWAS and COMESA are actively implementing projects in this regard.

Lastly, market integration by harmonizing drug regulation and regulatory policy at regional and then continental levels. The African medicines agency, which has not been established, would oversee the regulation of pharmaceutical quality standards and harmonization across the continent. Its certification and licensing would be globally recognized.

How to fight against counterfeit drugs?

Counterfeit drugs are a huge source of illicit financial flows and levy a high public health cost. Fighting them will require improvements in quality standards cited in the previous response. Other measures include enhanced tracking of production and distribution of medicines. 



RINDRA HASIMBELO RABARINIRINARISON

Minister of Economy and Finance

Bio

Minister of Economy and Finance for Madagascar, Rindra Hasimbelo Rabarininarison previously monitored the government's general policy in addition to being responsible for coordinating with partners and conducting international negotiations in her capacity as Secretary-General of the Ministry. Since February 2020, she has served as an Alternate Governor on the World Bank Board of Directors. A graduate of Georgia State University in Atlanta in public management and from the International Law Institute in Washington DC in international public procurement, Rindra Hasimbelo has also passed the magistrates' examination. She was first in her class for her advanced study degree in public law and political science which is jointly awarded by the Catholic University of Madagascar and the University of La Réunion, for her Master's in political science, and for her university degree in social sciences.



Making Madagascar a climate-resilient country: challenges and prospects

Climate change is having increasingly devastating impacts on people: recurrent food insecurity, drought, flooding, and cyclones are all leading to an upsurge in poverty and growing inequality. Madagascar was ranked 29th in the 2021 Global Climate Risk Index. Since the beginning of 2022, it has suffered seven intense and violent cyclonic events (including Batsirai and Emnati), which have displaced populations and destroyed infrastructure (homes, schools, health centres, roads and bridges). Batsirai severely impacted 143,718 people and destroyed 8,820 homes; Emnati impacted 169,583 people and destroyed 6,118 homes. Tragically, there were also lives lost. These cyclones have a major impact on the economy, especially on agriculture, which accounted for 24.7% of GDP and employed 64% of the working population in 2020.

The PNLCC and the NDC as solutions

In light of these threats, Madagascar adopted a national policy to combat climate change (PNLCC) in 2010 and went on to develop its first nationally determined contributions (NDCs) in 2015, to reduce greenhouse gas emissions by 14% by 2030 and increase carbon absorption sinks by 32%. The PNLCC was updated in 2021 and Madagascar is currently working to revise its NDCs.

Incorporating priority sectors: a decisive step

Agriculture, forestry and biodiversity, public health, water resources and coastal areas are identified as priority sectors for adaptation to climate change. Additional priorities include the availability of climate data and projections and early warning systems, as well as land use planning and infrastructure resilience.

The National Adaptation Plan: the primary support measure

Standards have been developed to build road and hydro-agricultural infrastructure and climate-resistant buildings. Similarly, a national directive on building community-level drinking water infrastructure has also been drawn up. Madagascar already has a national adaptation plan that identifies priority activities to address urgent and immediate needs in this area.

Building resilience to ensure economic recovery

In addition, the government's strategy aims to strengthen resilience to climate hazards through an integrated multisectoral approach deployed in parallel with the emergency responses to promote sustainable development. The government has identified the priority projects around which its strategy to strengthen this resilience is built, including the new emergent projects in the south and the national recovery plan, intended to produce a radical socio-economic transformation that addresses the long-standing problems in the south that have been exacerbated by this year's successive cyclones.



The support of technical and financial partners is needed

Madagascar is a vulnerable country that needs the support of the African Development Bank Group and of the international community to accelerate the implementation of the actions included in the various framework documents (PNLCC, NDC, NAP). There is also a need to develop mitigation activities to the extent that they support sustainable development and do not impede efforts to reduce poverty. These include developing low-carbon energy infrastructure, promoting a circular economy in agricultural value chains (sustainable land management, efficient irrigation systems) and developing green industry techniques (energy efficiency, industrial waste recovery). The estimated cost of these measures is \$42 billion by 2030.

Madagascar greatly appreciates the participation of the African Development Fund in financing the Africa Disaster Risks Financing Programme, which aims to establish an innovative approach to natural-disaster risk management. This initiative allows the "Big Island" to benefit from insurance premiums (against droughts and cyclones) for a cumulative amount of \$12 million, against a subscription of \$4 million over the same period. This innovative approach is an effective means of preserving development gains and ensuring resource availability to provide rapid assistance to vulnerable populations. In this period of discussion for the 16th replenishment of the ADF, I would like to launch a call to do even more, as it remains a key instrument to help countries like Madagascar meet the challenges of resilience and the social and economic inclusion of populations. 





ALOUSSÉNI SANOU

Minister of the Economy and Finance

Bio

Mali's Minister of the Economy and Finance Alousséni Sanou has nearly 30 years of experience in the banking and financial sector. He began his career at the Bamako Dairy Union and in the World Bank's forestry section, joining the National Bank for Agricultural Development in 1991. In 2016, he became the bank's financial director. He has served as administrator in several organisations, including the Mali Company for Management and Intermediation and the Malian Solidarity Bank. In 2015, he joined the National Bank for Agricultural Development where he served as Interim President from 2017-2019. Mr. Sanou holds a Master's Degree in economics from the ENA in Mali. He also developed specialisations in France and in Côte d'Ivoire including stockbroker management, electronic banking, and BASEL II/III.

Geopolitical tensions and climate challenges: Mali's economy shows resilience against new shocks

In addition to security, political, health and climate challenges, Mali suffered two new shocks in 2022: the economic, financial, and diplomatic sanctions imposed by ECOWAS and WAEMU on 9 January 2022, and the Russia-Ukraine conflict, which has taken a toll on the economy. The results were a downward revision of the country's growth prospects. The economy is now expected to grow by 4.2% in 2022, compared with an earlier forecast of 5.2%. Growth in 2021 was 3.1%.

The ECOWAS and WAEMU embargo led to slowdowns in the trade, industry, transport, and transit sectors. It also contributed to a fall in tax and customs revenues, an increase in domestic debt, the suspension of disbursements for public projects and new loan agreements, and a series of missed payments to external creditors. Revenues in Mali's private sector have shrunk, and shortages of goods have driven inflation and undermined food security. Moody's rating agency reacted to the embargo by lowering Mali's credit rating from Caa1 to Caa2.

To attenuate these negative effects, the government has taken steps to ensure that banks working in Mali can continue to finance the economy. It is also


diversifying transport corridors through the ports of Conakry and Nouakchott to support export and import flows.

The conflict between Russia and Ukraine has significantly impacted the Malian economy: spiralling food prices and pump prices for petrol and diesel are making energy and food products harder to afford. The Malian government is maintaining and intensifying dialogue with all stakeholders to secure available stocks, quickly move them at transit ports and prevent speculation. Steps are also being taken to diversify the country's sources of supply and to support industry in seeking new business partners and financing facilities. Domestic wheat cultivation is being stepped up, as is the production of bread from other cereals. Tax breaks have also been granted (for example on customs duties and road charges).

Financing the climate agenda, a major challenge for Mali

Mali is among the countries that are most vulnerable to climate change, which is driving thousands of its people into food insecurity. Sparse rainfall and occasional floods resulted in a 10.5% drop in cereal production in 2021 and the loss of 225,000 hectares of fields, affecting 3 million people. Financing Mali's climate agenda remains a major challenge. Only 1.9% of the 2021 national budget was earmarked for measures to address it and the country depends on foreign partners to finance the climate agenda. A more sustainable

financing model is clearly needed. This is the goal of the National Environment Financing Strategy, adopted in November 2021, and the related 2021-2025 action plan. The policy options include strengthening the contribution of the private sector by designing environmental taxation and promoting public-private partnerships.

The Malian government has managed public finances rigorously and efficiently, taking specific steps to address the recent shocks. The budget deficit was reduced from 5.7% in 2020 to 4.7% in 2021 (against a 5.5% forecast) and is forecast to remain at 4.7% in 2022. Economic recovery is still on track with a growth rate of 3.1% in 2021 after a recession of 1.2% in 2020. 

Financing Mali's climate agenda remains a major challenge. Only 1.9% of the 2021 national budget was earmarked for measures to address it and the country depends on foreign partners to finance the climate agenda. A more sustainable financing model is clearly needed.





A glaring need to reverse course

Africa currently has no choice but to endure the effects of a world economic order that does not benefit it fairly. The least-industrialized continent, which emits only 4% of the world's greenhouse gases, is paradoxically the most-vulnerable to the effects of climate change. Africa's growing exposure to recurrent droughts, floods, and cyclones, land degradation, deforestation, and desertification, weighs heavily on its economic growth and considerably increases the likelihood of the emergence of multiple food, water, health, and security risks, and the mass migrations of its populations.

The urgency to reverse course is glaring, while the reduction of activities that are harmful to the environment is entirely possible, as demonstrated by the Covid-19 crisis.

This call for responsible collective engagement in the face of climate change is the uncompromising position that the Kingdom of Morocco—which hosted COP 22 in 2016—defends in all appropriate international forums, demonstrating its unswerving commitment at the regional and international levels to fight against the effects of climate change and to preserve biodiversity and natural resources.

Africa continually experiences extreme weather events due to the impact of climate change. We see episodes of prolonged drought, cyclones, and floods, as well as locust invasions. How is the Kingdom of Morocco adapting to climate change?

The fight against climate change is a high priority. This commitment was strengthened under Morocco's new development model and is reflected in coordinated, collective, and concrete actions in an ensemble of strategies and initiatives to ensure the population's food, water, and energy security, while rationally exploiting natural resources and preserving biodiversity.

First, the Kingdom of Morocco aims to become a front-runner in competitive, green energy and has raised its Nationally Determined Contribution from a 42% to a 45.5% reduction in greenhouse gases by 2030. This plan forms part of the Morocco 2050 Long-Term Low-Carbon Strategy, which aims to guarantee the Kingdom's energy security by increasing the share of renewable energy in the electricity mix to 70% by 2040 and to 80% by 2050.

As for food security, Morocco is working towards food sovereignty underpinned by modern, inclusive, responsible agriculture that offers high value added. As such, the Moroccan government has been guided since 2008 by the Green Morocco Plan for the agricultural sector, which employs 38% of the working population and contributes 13% of GDP. The plan focuses on adapting agriculture to climate change, including rationalizing the management of water resources. The new agricultural strategy, Generation Green 2020-2030, puts human resources, and especially farmers and SMEs, at the center of its priorities; its second pillar targets the sustainability of agricultural development.

On a continent-wide scale, at COP 22 in Marrakesh in 2016, Morocco confirmed its deep commitment to the Triple A Initiative for the adaptation of African agriculture, which provides a platform for sharing good agricultural practices, including water management, adapted seeds, and traditional low-energy, water-saving agricultural techniques and know-how — all to limit the negative effects of climate change on agricultural systems.


Showing the same determination to reverse land degradation, reduce the scale of desertification and mitigate its impacts, the Forests of Morocco 2020-2030 strategy was devised to boost the competitiveness and sustainability of the forest sector using an inclusive model that places user populations at the heart of forest management.

In the same vein and to ensure water security, the Kingdom has, in recent decades, undertaken an ambitious dam policy that has enabled it to meet most drinking water and irrigation needs. To meet increasing demand, given the pace of socio-economic development, Morocco has designed its National Water Plan 2020-2050, which aims to guarantee a sustainable water supply, by strengthening the existing infrastructure, using non-conventional sources such as seawater desalination, and raising stakeholder awareness about the preservation of water resources.

The Kingdom of Morocco created the prestigious King Hassan II Great World Water Prize, seeking innovative, sustainable, and integrated solutions to global water challenges.

What are the key accomplishments that make your government proud? To what extent has the Bank contributed to your country's development and growth?

We thank the African Development Bank for its unwavering support for the Kingdom of Morocco, which is contributing to a model of green, resilient, inclusive, and human-centred development by realizing major projects and strategic reforms.

Among the many examples, the Bank's contribution to financing the Noor Ouarzazate solar generation complex located south-east of Marrakesh, must be hailed. Launched in 2009 as part of an energy transition centred on developing renewables and executed under a PPP scheme that facilitated technology transfer and the strengthening of Morocco's human capital, this first project under the Moroccan NOOR Solar Plan is one of the world's largest solar parks. Its 580-MW capacity currently supplies nearly two million Moroccans with electricity while preventing the emission of nearly one million tonnes of greenhouse gases every year. 

> > More on www.afdb.org



NADIA FETTAH

Minister of Economy and Finance

Bio

The first woman to hold this position, Nadia Fettah was appointed Minister of Economy and Finance of the Kingdom of Morocco by His Majesty King Mohammed VI—may God be with him—on 7 October 2021. At that time, Ms. Fettah had been Minister of Tourism, Crafts, Air Transport and the Social Economy since 2019. A graduate of the École des hautes études commerciales (HEC), Paris, in 1994, Nadia

Fettah began her career as a consultant with one of the largest financial analysis firms in Morocco, before going on to found and run an investment fund for five years. After leading a Moroccan insurance company, she advised a global holding company on the development of its capital in African and the Middle East. At the time of her appointment as Minister in 2017, Ms. Fettah was Managing Director of a group of companies in Africa. Elected “CEO of the Year” in 2018 at the Africa Ceo Forum Awards in Abidjan, Nadia Fettah is active in the voluntary association sector; she co-founded Women’s Club, serves on boards of directors and is a member of the global “Women Corporate Directors” network.



ZAINAB SHAMSUNA AHMED

Minister of Finance Budget and National Planning

Bio

Zainab Ahmed was appointed Nigeria's Minister of Finance in September 2018. Before this, she was Minister of State for Budget and National Planning responsible for budget implementation, monitoring and evaluation, and donor co-ordination as well as managing the National Social Investment Programme. Zainab Ahmed is a member of the international board of the Extractive Industries Transparency Initiative (EITI), and a Co-Chair of the Open Governance Partnership (OGP). Mrs. Ahmed graduated with B.Sc. Accounting in the Ahmadu Bello University Zaria, Nigeria and did her MBA at the Ogun State University, Ago Woye, Nigeria.

The Federal Government of Nigeria recognizes climate change and variability as significant threats to its citizens and the nation's socio-economic development. The government has taken specific steps to mitigate the impact of climate change and to adapt. Underscoring the determination of the government, legislation has been enacted to tackle climate change and its effects. Climate change issues are integrated into Nigeria's National Development Plan, which sets out the vulnerability of Nigeria to a changing climate.

At the COP 21, President Muhammadu Buhari pledged to commit Nigeria to net-zero carbon emissions by 2060. The Climate Change Bill, which became law in Nigeria in 2021, provides an inclusive legal framework to articulate a long-term climate plan for Nigeria, with the aim of achieving a net-zero carbon emission target and national climate resilience. Nigeria is using a multi-sector strategy to address the issue of climate resilience through its mitigation, adaptation and afforestation measures. We have programs in different ministries and parastatals and state governments are also an integral part of the collaboration to ensure accurate information that can help curb climate change.

Nigeria is the first country in the African continent and the fourth globally to issue security to finance environmental projects after its first and second tranches of a N 150 billion (\$361 million) Sovereign Green Bond program. The program is a funding process to assist Nigeria in meeting its Nationally Determined Contribution (NDC) target. It supports the country in exploring a common carbon mechanism for socio-economic development related to the Economic Recovery Growth Plan (ERGP). The bond offers Nigeria the latitude to establish national leadership in green financing plans while exposing a new investor base and affirming the government's commitment to adhering to the Paris Climate Change Agreement.

Green Bond initiatives

The Afforestation Programme is a crucial component of Nigeria's strategic framework toward achieving Nigeria's Nationally Determined Contribution (NDC) under the Paris Agreement. The Green Bond has been used in two significant areas: energizing education programs and developing off-

grid independent power projects. The bond has supported projects in 37 Federal Universities and seven teaching hospitals in Nigeria; the Phase 1 Solar Project area financed under the 2017 Green Bond is in seven universities across the country with a cumulative 12.5 megawatt capacity. The project is developed to bolster electricity distribution within the selected universities, creating over 4,580 jobs from the power plants' construction, operation, and maintenance. Also, the afforestation programs are among the projects financed by the Green Bond. Nigeria's NDC aims to reduce black carbon, methane, hydrofluorocarbon emissions, and other health-damaging air pollutants such as particulate matter and nitrogen oxides. Therefore, the execution of Nigeria's NDC would lead to significant domestic benefits for human health through reduced air pollution. The NDC activities are expected to be weighed against the Energy Transition Plan, National Adaptation Plan, Just Transition, Gender Action Plan, Circular Economy, and National Development Plan 2022-2025 to ensure alignment.

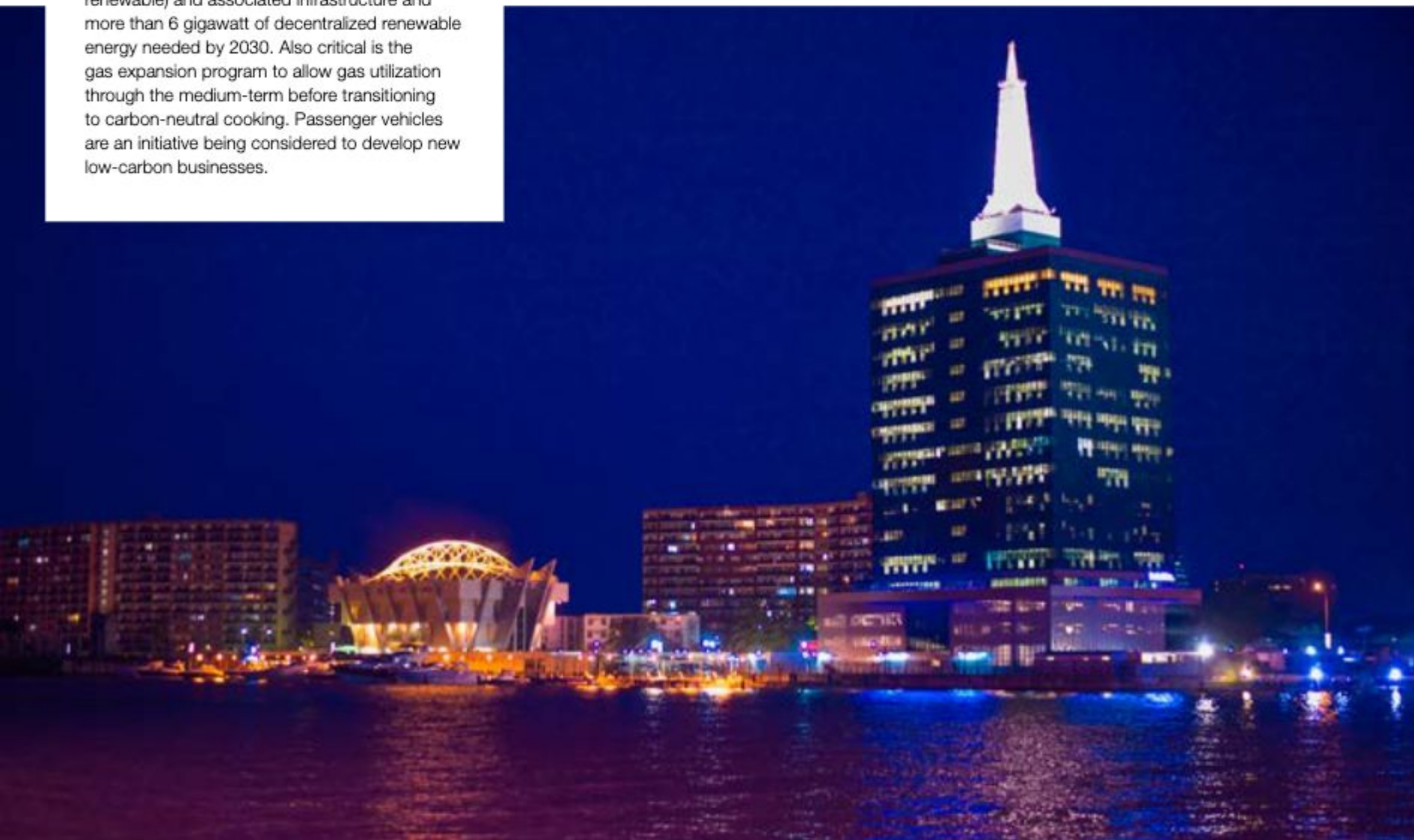
Energy transition plan

The Nigerian Government will build more than 40 gigawatt of on-grid centralized power (40% renewable) and associated infrastructure and more than 6 gigawatt of decentralized renewable energy needed by 2030. Also critical is the gas expansion program to allow gas utilization through the medium-term before transitioning to carbon-neutral cooking. Passenger vehicles are an initiative being considered to develop new low-carbon businesses.

There is a clear role for natural gas in Nigeria's Energy Transition Plan to support the electrification of the economy and the transition to lower carbon cooking (LPG). As part of Nigeria's commitment to the NDC, the third issuance of a Green Bond is underway. Nigeria's second Green Bond was oversubscribed; therefore there is an expectation that a third will also attract strong interest.

Climate change is perhaps the most significant challenge faced by our generation, and our decisions now will determine its impact on future generations. Climate change is not just an environmental issue. It is a developmental issue that has economic and social repercussions. Combating climate change will not be easy and will require a multi-sectoral approach. The revised NDC captures Green Job Assessment; Vulnerability Mapping; Gender Mainstreaming; Just Transition; Nature-Based Solutions; Clean Cooking; Circular Economy; and Youth Engagement.

Considering that climate resilience and a just transition are capital intensive, the Federal Government of Nigeria needs to finance a portion of the transition. However, we require the support of key funding partners to fund the remaining aspects of a just transition. [ED](#)





UZZIEL NDAGIJIMANA

Minister of Finance and Economic Planning

Bio

Dr. Uzziel Ndagijimana has served as Rwanda's Minister of Finance and Economic Planning since 2018. He is a member of the Presidential Advisory Council to H.E. Paul Kagame, President of the Republic of Rwanda. Previously, he served as Rwanda's Minister of State in charge of economic planning; Permanent Secretary in Rwanda's Ministry of Health; Vice Rector of the National University of Rwanda; and Rector of Rwanda's School of Finance and Banking.

Cyclones, Droughts, Floods, Landslides and Locusts: **Africa, a victim of climate change**

Africa continues to experience extreme weather patterns due to the impact of climate change: We have witnessed prolonged drought, cyclones and floods, and invasion of locusts. How is your country adapting to climate change?

The devastating impacts of climate change are particularly affecting our continent. While Rwanda ranks 185 of 188 countries in per capita GHG emissions (Rwanda's state of the environment report 2021), the Global Climate Risk Index included Rwanda in the top-10 countries most affected by climate change in 2018 (German Watch, 2019). Every year, in different parts of Rwanda, natural disasters such as drought, floods, and subsequent landslides result in loss of life, damage to infrastructure, property and crops, soil erosion and water pollution. Additionally, small but incremental climate changes negatively affect water resources, agricultural production, biodiversity, human health, fish and forestry and other vulnerable ecosystems, with further impacts on the economy.

To adapt to climate change and mitigate its effects, Rwanda was one of the first countries in Africa to submit a National Adaptation Programme of Action (2006) to identify its priority activities to respond to adaptation needs. It was also the first country in Africa to submit the updated Nationally Determined Contributions to UNFCCC (2020) including the country's approach to adapt to and mitigate the effects of climate change. All these frameworks are coupled with the 2050 Green Growth and Climate Resilience Strategy that embodies Rwanda's pathway to green and carbon neutral economy by 2050. The current measures identified for adaptation and mitigation include, but are not limited to: integrated water resources management, early warning systems and rapid intervention response, promotion of intensive sustainable agriculture and animal husbandry, introduction of crop varieties resistant to environmental conditions, development of energy source alternatives to firewood, enhancing reforestation and forestation programs, enhancing urban and rural settlements (green city and green village approaches) and introducing electric vehicles, among others.

Africa has been warming faster than the global average for land and ocean combined. All this has led to disasters, disruptions in economic, ecological, and social systems. How can this be avoided,

what mechanisms do you think could help prepare for more frequent dangerous climate events?

Every year, millions of people are affected by both human-caused and natural disasters where they face the danger of death or physical injury, and may also lose their home, possessions, and community. In Rwanda, between 2016 and 2020, floods, landslides, droughts, and earthquakes directly affected over 90,000 people per year. Rwanda's National Risk Atlas, launched in September 2015, is the first-ever comprehensive disaster risk profile developed in Africa to enhance disaster risk management and provide risk-informed guidance to national planning and policymaking processes including mainstreaming with respect to disaster risk reduction. It presents a comprehensive, nationwide assessment of natural hazard risks focused on the five major natural hazards—droughts, floods, landslides, windstorms, and earthquakes—that occur in Rwanda. The at-risk elements that are considered include population, agriculture, health, education, housing, and transportation.


Rwanda was one of the first countries globally to adopt the Sendai Framework Monitor on disaster risk reduction when it was introduced in March 2018. This was made possible due to the development of a national disaster loss database whose overall objective is to substantially reduce disaster risk and loss of life, livelihoods, and health and in the economic, physical, social, cultural and environmental assets of people, businesses and communities.

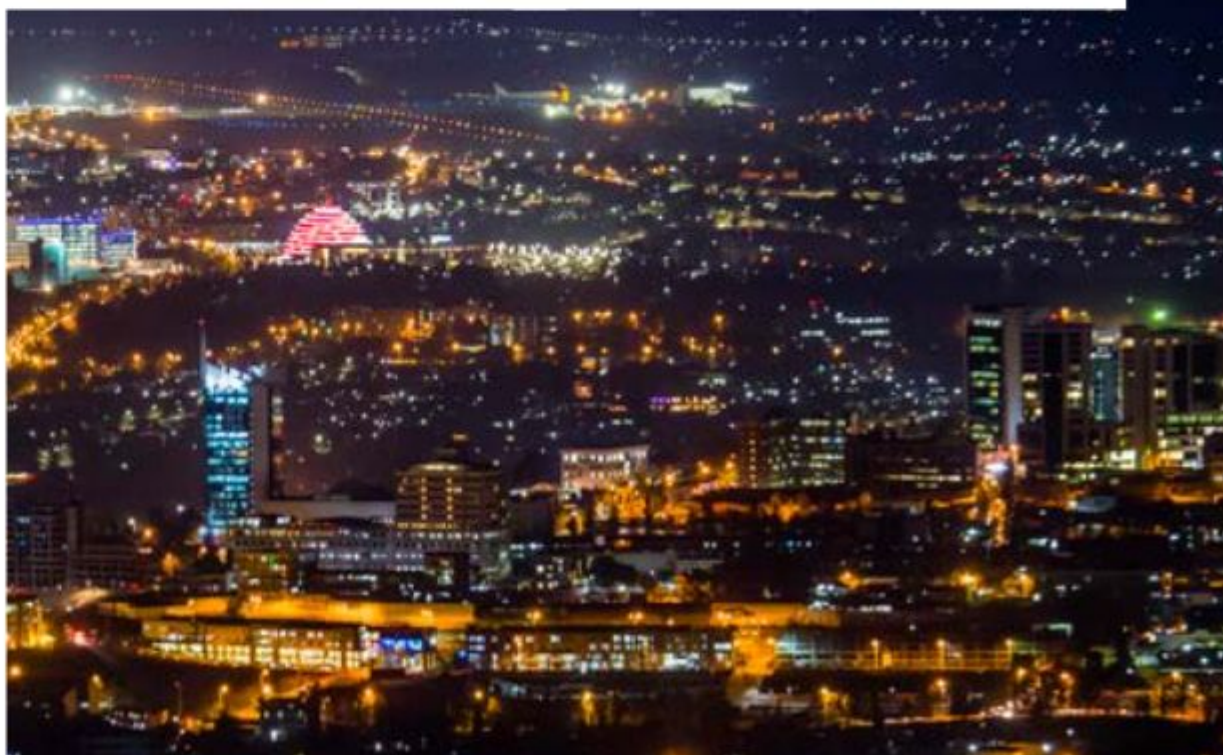
In terms of disaster risk management in Rwanda, pre-disaster planning and risk reduction have been effective. Since 2016-17, the government has significantly increased resources to support disaster risk reduction and management. Between 2016-17 and 2018-19, DRR investments in Rwanda were channelled largely through the Ministry of Health, with 17 subprograms, and the Ministry of Environment (13), Ministry of Agriculture (12) and Ministry of Infrastructure with 7 programmes. The Ministry of Infrastructure received the largest financial allocations at \$71 million, followed by the Ministry of Health (\$39 million), the Ministry of Agriculture (\$31 million) and the Ministry of Local Government (\$12 million) (Rwanda state of the environment report 2021). Rwanda has also put in place environmental regulations and standards to enforce proper design, construction and use of disaster-resilient building materials and ensure compliance with building codes, which have been updated to take disaster risk reduction elements into consideration. As part of

a broad public awareness campaign, the ministry in charge of emergency management regularly undertakes media and social media campaigns to improve awareness of disaster management. Rwanda has also set up the National Platform for Disaster Management, including government institutions, NGOs, the private sector, academia, and CSOs. Its objectives include strengthening networking and sharing information, experiences, and technical expertise nationally, regionally, and internationally; reviewing policies and relevant plans; ensuring a multi-stakeholder participation in the development, updating, and sharing a disaster risk reduction and management information system among others. Rwanda has also developed a district disaster management plan including identification of areas highly prone to disasters and the proposed disaster management plans henceforth.

What role can African youth play in climate change adaptation, mitigation, and awareness? Do you have any specific national initiatives or projects involving young people?

Rwanda is endowed with a diversity of ecosystems from moist, steep mountains to flat dry plains. Almost all valleys are wet with natural water sources. However, Rwanda's mountainous topography and growing human population have resulted in increasingly severe environmental degradation: soil erosion from cultivation of steep slopes; pollution and sedimentation of water sources, and the loss

of forests, protected areas, and biodiversity to new human settlements. Other threats to the environment take the form of depletion of biodiversity, degradation of ecosystems such as swamps, wetlands, and pollution of waterways. Different approaches have been taken including national policies and strategies that encompass green growth and climate resilient strategies, environment and climate change policy, as well as implementation frameworks. As for the role of the youth, the government of Rwanda through the Ministry of Youth established the Youth Eco Brigade Programme (youth cooperatives working for environmental ecosystem protection), a government initiative seeking to preserve the environment and create green job opportunities for youth. The successful implementation of this programme requires a strong partnership between government institutions and strong collaboration with other actors including the private sector. The Eco Brigade programme is expected to play an important role in addressing these issues, especially in rural areas. Conservation of the Nyabarongo River Catchment and other degraded rivers, restoration of the degraded forests (including fruit planting) and forestation of all high-risk, fragile landscapes, rehabilitation of mining sites, creation of green jobs and livelihoods improvement targeting semi-skilled youth (lakes and river catchment management, tourism sites, etc.), greening and beautifying Kigali City and six secondary cities through partnerships with local youth cooperatives (including the development and management of green spaces) and the management of related tourism sites. 



DR. RYADH M. ALKHAREIF

Deputy Minister for International Affairs

Bio

Dr. Riyadh Alkhareif serves as Saudi Arabia's Deputy Minister for International Affairs. Prior to holding this position, he was Alternate Executive Director for Saudi Arabia on the International Monetary Fund Executive Board, and represented Saudi Arabia at the G20 Framework Group. He also served at the Saudi Central Bank as head of the studies division.

Dr. Alkhareif earned his doctorate in economics at Kansas University and has participated in leadership programmes at the Harvard Business School and Massachusetts Institute of Technology. He is the co-author of *Advances in Monetary Policy Design: Applications to the Gulf Monetary Union*.



The fiscal challenges of climate change

Climate change has natural and man-made causes that result in long-term temperature and precipitation changes and short-term extreme events. In Africa, in the Middle East and in the North Africa region, the socio-economic impacts of climate change are apparent in several economic sectors including agriculture, energy, infrastructure, and health. Climate change also impacts the supply and demand for economic goods and services with varying degrees of intensity. Increasing temperatures, rising sea levels, frequent extreme weather events and other climatic changes have widespread impacts on economic activities, on human and national security, and the health and well-being of populations.

The Middle East, North Africa and sub-Saharan Africa are already seeing their water and other resources come under stress from climate factors. Moreover, with the world's highest population growth rates, these regions are likely to see their natural resources and environment


be subjected to even more pressure in the coming decades. Climate change will also carry massive fiscal challenges. Unless they are managed well and carefully planned for, the fiscal sustainability of government budgets could come under pressure over the medium to long term.

For example, the need to rebuild infrastructure or support the affected population after a weather-induced natural disaster could necessitate a large increase in public spending. Even in the absence of disasters, climate change impacts will necessitate higher public expenditures for maintenance and for building new climate-smart infrastructure. In addition, climate change could have adverse economic effects, either because of weather-related disasters or because certain economic activities will no longer be viable. In either case, the result will be an erosion of the tax base and a reduction in tax revenues, increasing fiscal imbalances. Many governments are paying more attention to the fiscal consequences of climate change, which will constitute an even more pressing challenge in countries where demographic pressures will increasingly burden public finances in the coming decades.

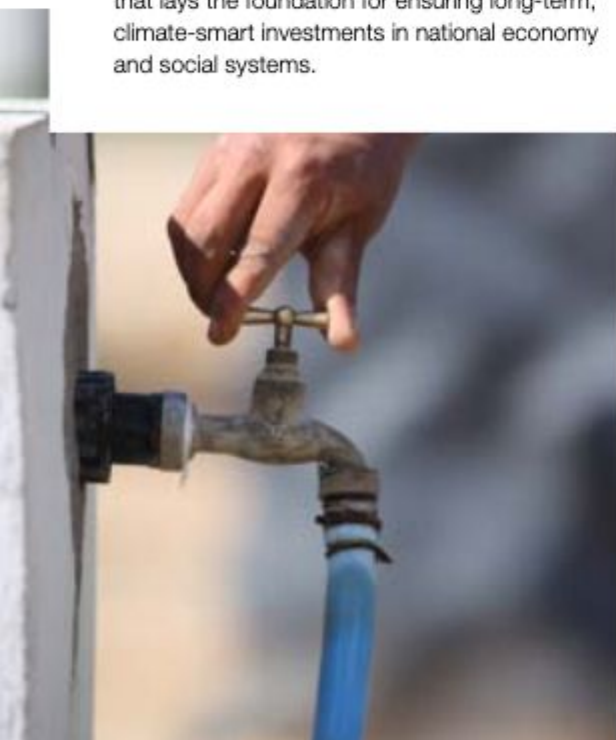
Fiscal risks cannot be ignored

To ensure that fiscal sustainability is protected, governments will have to learn to manage and reduce fiscal risks, including those associated with the impacts of climate change. A first essential step is to explicitly recognize fiscal risks and include them in fiscal forecasts. Ignoring them, as many countries have done in the past because they are considered uncertain or unlikely, will simply not be an option. Similarly, climate-sensitive budgeting and expenditure tracking is an approach to manage fiscal risks that lays the foundation for ensuring long-term, climate-smart investments in national economy and social systems.

Fiscal policies must be recognized as a key element in an integrated strategy to address the causes and impacts of climate change. To be implemented efficiently, Nationally Determined Contributions submitted to the United Nations Framework Convention on Climate Change must be translated into effective government policies, including fiscal policies, and their fiscal costs and risks must be incorporated into fiscal forecasts and medium-term fiscal frameworks.

The countries in our region are very diverse in their exposure to climate change and their adaptive capacity and financial resources. The risks they face also vary greatly. The tools and strategies they employ to adapt to climate change, build resilience, and achieve their NDCs will also vary greatly. But we must all become cognizant of the climate-related fiscal pressures and risks to become better equipped to handle them. 

Fiscal policies must be recognized as a key element in an integrated strategy to address the causes and impacts of climate change.





Sovereignty in health and pharmaceuticals: a high stakes gambit

Africa must invest massively in health to benefit from the demographic dividend of a young population and to realize its ambition to be the largest world market by 2050. The

Covid-19 pandemic, which has threatened the significant progress in reducing poverty and inequality, has made this clear.

As the pandemic and its successive phases continue to batter the world, we are reminded of the urgency of sovereignty in the health and pharmaceutical industries. The stakes are well understood by the African Development Bank, our continent's principal development financing institution, whose President, Akinwumi Adesina said, "investments in health are investments in national security".

The objective of health and pharmaceutical sovereignty is at the heart of Senegal's recovery plan, Priority Action Plan 2, Adjusted and Accelerated (PAP2A), which has set aside more than FCFA one trillion for health and pharmaceuticals, the fourth largest share of PAP2A investments (7% of the total).

This sovereignty is a crucial part of Senegal's strategy to reduce its dependence on the rest of the world by expanding its healthcare map to take account of territorial equity, raising technical standards, and strengthening the numbers and quality human resources.

Large-scale investments are needed to meet these challenges, particularly by the private sector, along with key reforms to improve healthcare sector governance, management, and regulation so as to attract local and international investors.

Senegal, future producer of "made in Africa" vaccines

The five-year investment plan that has been put in place includes flagship projects and reforms. The new legal framework for public-private partnerships (PPP) prepares the ground for private sector involvement in project implementation. Development partners such as the African Development Bank are expected to support the work by investing in the preparation of health PPP projects or through "blended finance" mechanisms that can help attract private capital.

Senegal has also launched a pharmaceutical industry development strategy seeking to cover 30% of the country's pharmaceutical needs by 2030 and 50% by 2035. The strategy includes reforms, which have begun with the establishment of a regulatory authority, and which will continue by making social capital available in the sector and by addressing tax frictions.

Senegal is also committed to becoming a vaccine producer, as demonstrated by the MADIBA project, which will go from an initial

production capacity of 300 million Covid-19 vaccines to producing vaccines against other illnesses. The project, which aims to serve the whole of Africa and particularly the ECOWAS bloc, was honored by a visit from African Development Bank President, Akinwumi Adesina.

To conclude, the Covid-19 pandemic has been pivotal and has underscored the urgent need for Africa to achieve health and pharmaceutical sovereignty. Senegal intends to meet the challenge with PAP2A, the health sector investment plan and the MADIBA project, supported by such chosen partners as the African Development Bank. ⁶⁰

Senegal has launched a pharmaceutical industry development strategy seeking to cover 30% of the country's pharmaceutical needs by 2030 and 50% by 2035.



AMADOU HOTT

Minister of Economy, Planning and Cooperation

Bio

Prior to his appointment as Minister of the Economy, Planning and Cooperation in Senegal in April 2019, Amadou Hott was Vice President of the African Development Bank's Electricity, Energy, Green Growth and Climate Change Complex. He is an economist and investment banker with over 20 years of international experience in investment banking, structured finance, fundraising on capital markets, sovereign wealth funds, infrastructure investment and the development of integrated energy solutions. Upon returning to Senegal in 2012, Amadou Hott was appointed special adviser to President Macky Sall, served as President of the Blaise Diagne International Airport and Managing Director of Senegal's Sovereign Fund for Strategic Investments (FONSIS).

That same year, at the World Economic Forum in Davos, he was awarded the title of Young Global Leader. Amadou Hott holds a Master's Degree in financial markets and bank management from the University of Paris 1 Panthéon-Sorbonne. As part of an exchange programme, he took Masters' courses in financial mathematics at the University of New York in the United States.

COP27



The road to Sharm-El-Sheikh to deliver Africa's resilience.

COP 26 in Glasgow was supposed to be the world's wake up call to the deepening climate emergency. Now all eyes and ears for turn to COP 27 in Sharm-El-Sheikh in Egypt for the African COP to make this Africa's year to lead the world tackling the climate crisis.

The African Development Bank's President Dr. Akinwumi Adesina arrived at the COP 26 Summit warning that Africa was already suffering drought in Madagascar and flooding across East Africa as a direct result of the climate crisis. The African Development Bank President Dr. Akinwumi Adesina didn't hold back, telling delegates that Africa was at the forefront of the climate emergency, and that funding for climate adaptation was urgent:

"While negotiators at COP 26 were focused on how to slash emissions rapidly enough to rein in climate change, the destructive impacts of a warmer world are here to stay. African countries are already struggling to cope with today's increasingly uncertain climate. They are not prepared for a future of greater climate extremes".

Dr. Adesina went on to argue for investment to build greater resilience and he called on delegates to mirror what the Bank was doing to devote most of global climate financing to adaptation. He called the Bank's Africa Adaptation Acceleration Programme (AAAP) **"a game changer for Africa to deliver results, fast and at scale"**:



The Africa Adaptation Acceleration Summit was held as part of COP 26's World Leaders Summit and was hosted by the current Chair of the African Union President Felix-Antoine Tshisekedi.

Several global leaders made a commitment to supporting the programme which was launched in early 2021 by the African Development Bank with an initial commitment of \$12.5 billion. This sum is intended to be doubled to make a total investment envelope of \$25 billion.

There was recognition at the World Leaders Summit that the Bank has taken a unique and visionary leadership role by launching the AAAP as a major contribution for Africa to adapt to the climate emergency.

Dr. Adesina also cited the Technologies for African Agricultural Transformation (TAAT) as a successful model. This programme, supported by the Bank and the Bill and Melinda Gates Foundation, has already delivered climate resistant technologies for more than 11 million farmers across 29 countries in Africa.

TAAT is designed to support vulnerable communities from the ravages of drought and heat. It has developed drought-resistant maize and heat-resistant wheat which can withstand changes in climate. It has also introduced higher-yielding seed varieties which are designed to protect farmers' crops from pests. The project is already proving a success and there are now plans to extend it to reach 40 million farmers. They will then be able to produce 100 million metric tons of food, enough to feed 200 million people and reduce hunger by 80%.

Desert to Power — A vital financing mechanism

The Sahel countries are characterized by low energy access, with two thirds of the population lacking electricity. These countries are heavily reliant on fossil fuels for their energy needs. Conversely, the Sahel region receives the highest amount of sunlight, a natural and abundant source of solar energy.

The African Development Bank through the Desert to Power Initiative, aims to harness solar energy in the Sahel to provide clean energy for the Sahelian people. That includes making the transition from fossil fuels to solar energy so vital to the Bank's African energy transition agenda. The Desert to Power Initiative aims to produce 10 gigawatts of electricity by 2030 to light and power 11 Sahelian countries from Senegal in the west to Djibouti in the east, comprising the Sahel's G5 countries of Burkina Faso, Chad, Mali, Mauritania and Niger as well as Djibouti, Eritrea, Ethiopia, Nigeria, Senegal and Sudan.

The Djermaya solar power plant is one of the flagship projects in partnership with a range of major investors in renewable energy such as the European Investment Bank, the French Development Agency, the USA's Power Africa, Proparco, the Emerging Africa Infrastructure and others. The project, which is 30 kilometers north of Chad's capital city N'Djamena, will become the country's first solar power plant and also the first public-private partnership in the power sector, proving the importance of partnerships to support the continent's efforts to combat climate change. The project will help meet up to 10% of Chad's energy needs.

The Bank recognizes the importance of partnerships to secure for private sector investments. The African Development Bank recently approved an envelope of \$379.6 million for the Desert to Power G5 Sahel Financing Facility which aims to provide 500 MW of solar capacity for the five countries with energy storage.

Co-financing of \$150 million was approved by the Green Climate Fund (GCF) Board on October 6, 2021 and expected third parties' co-financing from other Development Finance Institutions and commercial banks of \$275.4 million and private investors equity of \$161.7 million. The Facility will catalyze private sector investment by deploying financial instruments such as partial risk guarantees and reimbursable grants.

The world's largest solar power station

The Bank is also the leading financial partner of the Noor Ouarzazate complex, which is the world's largest concentrated solar power station that extends over 3,000 hectares of desert in Morocco, while in Burkina Faso the Bank has invested almost 50 million Euros in the Yeleen project to build four solar power plants to connect about 200,000 people to power. Once operational the energy produced will power irrigation systems, replacing the current diesel-powered pumps with technologies based on solar power. The objective is to reduce dependence on fossil fuels, increase agricultural production and improve farmers' livelihoods.



The African Development Bank will work with Egypt to build on the outcomes of COP26 and to ensure that our African COP27 is an overwhelming success. Egypt has undertaken tremendous efforts to address climate change vulnerability and has invested.

Although Africa's voice was undoubtedly amplified in Glasgow there is still much to do to generate the international support and finance that Africa needs if COP 27 later this year in Egypt is to be a success.

Promises don't always translate into action. Just weeks after delegates left Glasgow and COP 26 a new report from scientists from the Intergovernmental Panel on Climate Change (IPCC) stated that the world is still on course to breach its 1.5 degree centigrade threshold and that this will increase the risk of triggering "irreversible" shifts to the environment.

The UN Secretary-General António Guterres called the international responses to this latest IPCC report "a litany of broken climate promises": "It is a file of shame, cataloguing the empty promises that put us firmly on track to an unlivable world. Some government and business leaders are saying one thing—but doing another. Simply put, they are lying. And the results will be catastrophic.

"We are on a fast track to climate disaster. It's time to stop burning our planet and

start investing in the abundant renewable energy all around us."

Africa is at the frontline

This IPCC report was the third and final section of the IPCC's latest comprehensive review of climate science, drawing on the work of thousands of scientists over seven years of research. It follows a first section published before COP 26 in Glasgow that warned that "human changes to the climate were becoming irreversible" and a second section published in February 2022 warning of "catastrophic impacts".

All three IPCC's reports conclude that Africa is at the frontline of this climate emergency. It is the most fragile and vulnerable continent and is already suffering the most from the impact of global warming.

According to the IPCC, humanity must reduce global emissions by 43% by the end of this decade if the 1.5 centigrade warming threshold is to be met. IPCC scientists say fossil fuel usage

must fall substantially and electricity grids rewired to shift heavily on renewable energy.

The countdown to COP 27 in Sharm-El-Sheikh is underway and there is still much work to do if the world is to change direction. African delegations including the African Development Bank have ambitions to place the continent at the center stage of what is being called “the African COP”.

COP 27 will further demonstrate the Bank's efforts to address the climate emergency. In addition to updates on Desert to Power, initiatives like the \$10 million scheme to improve Liberia's early warning weather systems where weather-related disasters currently cost the country more than \$6 million a year, and the Dodoma Resilient and Sustainable Water Development and Sanitation programme in Tanzania to build climate resilience will be showcased.

The \$125 million Dodoma programme aims to improve water supply through a dam and a water treatment plant and is expected to enhance access to clean water for two million people while creating 640 jobs. The Bank Group is financing 94% of

the cost of the first phase with the Tanzanian government partnering and funding the rest.

Our African COP—An overwhelming success

The countdown to COP 27 is under way. Already the African Development Bank's Vice President for Power, Energy, Climate and Green Growth, Dr. Kevin Kariuki has led a delegation to Egypt to explore how the Bank and Egypt can collaborate and deliver a successful COP 27:

“The African Development Bank will work with Egypt to build on the outcomes of COP 26 and to ensure that our African COP 27 is an overwhelming success. Egypt

has undertaken tremendous efforts to address climate change vulnerability and has invested significantly to put forward measures to enhance resilience. It is important to showcase these achievements”.

Egypt has recently launched the 2050 National Climate Change Strategy and between now and November the Bank will be exploring ways of showcasing Egypt's pioneering initiatives for advancing green transformation and replicating them throughout the continent.

The African Development Bank already works closely with the Egyptian government and so COP 27 could well be a great opportunity to put Africa at the heart of this crucial global climate change debate. [GD](#)



**DENNIS K. VANDI**

Minister of Finance



Strengthening adaptation to climate change in all sectors

Bio

Dennis Vandi is Sierra Leone's Minister of Finance. He was appointed in 2021 after two years as the Minister of Agriculture and Forestry. He has more than 35 years of professional experience in the public sector, including a period in 2018 as Secretary to the President. From 1986 to 2018 he was Permanent Secretary in various Ministries including Defence, Finance, Labour, Education, Agriculture, Local Government, Transport and Tourism. He holds an MBA from Durham University Business School and a Degree from Njala University College in Sierra Leone. He's also a graduate of the Kennedy School of Government where he received training in Public Finance and Taxation.

Sierra Leone is highly vulnerable to the adverse impacts of climate change. A growing number of people are at risk of extreme events and their significant impacts on the economy. Like other vulnerable countries, Sierra Leone has been experiencing higher temperatures, inconsistent weather patterns, recurrent storms, floods, landslides, rising sea levels, coastal erosion, poor water quality and scarcity, changes in ecosystems, and loss of biodiversity. Sierra Leone ranks 47th on the 2021 World Risk Index of 181 nations with high scores for vulnerability, susceptibility, and lack of coping capacities. In August 2017, mudslides and flooding in Freetown and its outskirts affected thousands of people and resulted in multiple deaths. The floods provoked the destruction of at least 1245 properties. Over 11,000 people were displaced and their livelihoods were completely destroyed.

Sierra Leone has adopted a national climate change policy and a national climate change strategy and action plan. Its policy response to climate change is driven by the need to urgently address the adverse impacts of climate change on the country's economy and society and physical environment. This entails efforts to reduce vulnerabilities and increase adaptation in every sector and at all levels, and to develop and implement mitigation initiatives for a low-carbon, high-growth development path.

Climate change mitigation is particularly crucial for adaptation given the country's ranking as one of the world's least able to adapt to climate change.

Sierra Leone's updated Nationally Determined Contribution (NDC, 2021) emphasizes that climate change mitigation is particularly crucial for adaptation given the country's ranking as one of the world's least able to adapt to climate change. The medium-term national development plan 2019-2023 stresses the need to align environmental, climate, and economic development plans to put into place proactive efforts to mitigate the causes of global warming and help vulnerable citizens in rural as well as urban settings to effectively adapt to climate change over the long term.


Building on lessons learned

With climate risks and impacts affecting various sectors and population groups in different ways, the NDC proposes sector-based measures for adaptation and mitigation (as project and policy actions) to address current and emerging

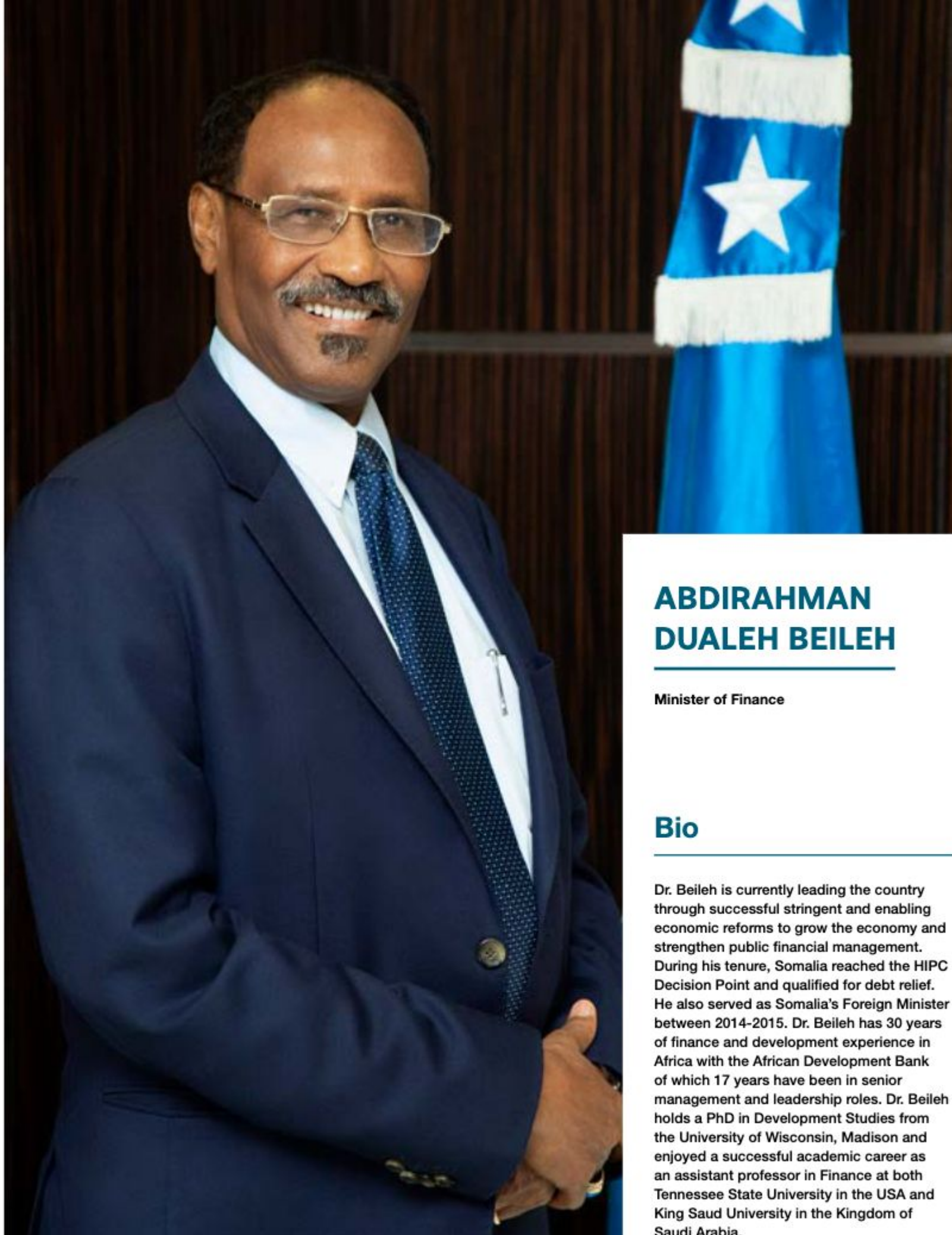
vulnerabilities and to contribute to reducing greenhouse gas emissions. The measures build on lessons learned and experiences gained from implementing actions in the previous NDC1 and working with international and local development partners on various environmental and climate actions. Development partners and national structures can implement these measures through their own strategies, policies, and operations, although current arrangements for coordination will be in full swing to ensure joint planning and shared action, which are critical to closing current gaps in data, finance, and project standards.

The NDC envisions achieving long-term goals for mitigation: a 10% reduction in CO₂ emission levels by 2030 from about 74,655 Gg in 2020 with a transformational shift toward a low-emission development pathway, by targeting priority sectors, implementing REDD+ (Reducing Emissions from Deforestation and Forest Degradation) and promoting innovation and technology transfer for sustainable breakthroughs in energy, waste management, transport, agriculture, etc. Technology transfer through private sector partnerships will create new markets, provide jobs, and support economic growth, while reducing greenhouse gas emissions.

Regarding transitioning to renewable energy, the bulk of Sierra Leone's installed generation capacity comes from green energy sources, particularly hydro. Since the country's approximately 25% electricity access rate is one of the world's lowest, investment in green energy generation infrastructure remains a top priority.

To facilitate green economic recovery, the government's 2022 budget invests in low-cost, renewable energy such as hydropower, liquefied petroleum gas, and solar mini-grids to reduce carbon emissions while stimulating economic activity. The financing needs of Sierra Leone's NDC are estimated at \$2.7 billion for 2020-2030, to be mobilized from public and private financing sources and international support from the Global Environment Facility and the Green Climate Fund, technology transfer and technical assistance. The NDC climate finance framework responds to the imperative of domestic and international resource mobilization by building a climate change project portfolio. 





ABDIRAHMAN DUALEH BEILEH

Minister of Finance

Bio

Dr. Beileh is currently leading the country through successful stringent and enabling economic reforms to grow the economy and strengthen public financial management. During his tenure, Somalia reached the HIPC Decision Point and qualified for debt relief. He also served as Somalia's Foreign Minister between 2014-2015. Dr. Beileh has 30 years of finance and development experience in Africa with the African Development Bank of which 17 years have been in senior management and leadership roles. Dr. Beileh holds a PhD in Development Studies from the University of Wisconsin, Madison and enjoyed a successful academic career as an assistant professor in Finance at both Tennessee State University in the USA and King Saud University in the Kingdom of Saudi Arabia.

Transitioning to clean energy—fostering environmental sustainability

Somalia developed an energy policy in 2021 to guide efforts to increase access to electricity, diversify the energy mix, and contain the carbon footprint pursuant to the objectives of its national development plan (2019-24). These efforts are driven by centrality of energy access, which continues to drive industrialization and technological progress. Modern economies increasingly rely on new, reliable, efficient energy sources that facilitate the adoption of new technologies and foster economic and social transformation. Access to energy, especially electricity, by a broad range of end users has thus become an important economic development policy issue in Somalia.

Despite its significant energy potential, Somalia's current energy profile is less than optimal. About 93% of Somalia's energy is generated from fossil fuels, and the balance from renewables that include hydro and solar. An estimated 16% of the population (36% of urban dwellers) has access to electricity but more than 90% of the population depends on charcoal as a source of energy. Given dwindling forest resources and the associated environmental damage, an energy transition is more urgent now than ever. Installed electricity generation capacity is approximately 106 MW, with heavy reliance on diesel generators, although interest and investment in hybrid systems is growing. Yet, Somalia is estimated to have the highest potential of any African nation for onshore wind power, which could generate 30,000 to 45,000 MW, and more than 2,000 kWh/m² could be generated from solar power.

Kick-starting the transition to renewables

For Somalia, transitioning to clean energy is an economic and environmental imperative. Somalia's high tariffs—an estimated \$0.5—\$1 per Kwh compared to Kenya (\$0.16/Kwh) and Ethiopia (\$0.007/Kwh for households and \$0.02/Kwh for businesses)—make the country's productive activities less competitive. Somalis are also highly vulnerable to climate change and environmental degradation. Somalia is the second most vulnerable country (181/182) and the least equipped to adapt to climate change according to the 2019 Country Index of the Notre Dame Global Adaptation Initiative. Several climate effects over the last four decades have had severe implications for livelihoods, as the population principally survives on agriculture, land, and marine resources. To kick-start the transition to renewables, a group of private companies formed the Somalia Green Energy Association in 2021 to reduce reliance on fossil fuels that are prone to price shocks.

As part of its efforts to mitigate climate change, the Federal Government of Somalia developed the Intended National Determined Contributions and National Adaptation Programs of Action in 2015, updated in 2021 into the Nationally Determined Contributions. Several measures were proposed across different sectors as part of the adaptation and mitigation efforts to build resilience to climate change. These measures include investments in renewable energy resources to harness the country's significant potential and reversing deforestation and range land degradation, among others.

Climate change poses an existential threat to Somalia, but a just energy transition needs to balance the country's commercial interests and sustainable, green growth ambitions. Somalia still needs to invest and develop the energy sector to raise access rates and lower energy tariffs, both of which make the transition more attractive. Somalia has yet to exploit its oil and gas potential, although the development of this industry will be shaped by the country's commitments to net-zero emissions. Nor must the energy transition disrupt the nascent economic recovery and ambitions to achieve inclusive, sustainable development. A careful assessment must be made of Somalia's optimal energy mix, including wind- and solar-generated power, as well as access to global climate funds. ⁶⁰

Somalia is estimated to have the highest potential of any African nation for onshore wind power, which could generate 30,000 to 45,000 MW.



Creating jobs and transforming rural communities

ENOCH GODONGWANA

Minister of Finance

In the words of President Cyril Ramaphosa, "There is a yawning gap between where we are and where we want to be." This is why in his 2022 State of the Nation Address, President Ramaphosa identified five priorities to drive the economy in the immediate term:

- overcoming the Covid-19 pandemic
- a massive rollout of infrastructure investment
- a substantial increase in local production
- creation of jobs and
- the rapid expansion of energy generation.

These government priorities are aimed at addressing high unemployment, among others. In the fourth quarter of 2021, unemployment reached its highest recorded level at 35.3%. In response to this, South Africa has extended the Presidential Employment Stimulus as part of the Economic Reconstruction and Recovery Plan. This has provided work and livelihood opportunities for 850,000 people in the 16 months since its establishment. It includes 100,000 small-scale farmers who have received vouchers to expand production.

There are plans to expand this program to reach 250,000 farmers to transform South Africa's rural communities. There also ongoing initiatives to place 10,000 unemployed youth into workplaces this year. This will be in a scheme run by the Department of Higher Education and Training to support graduates of technical vocational education and training colleges. In addition, a coordinated public-private sector plan called the Digital Work Accelerator has been launched to enhance digital skills and create digital jobs.

A resilient economy

The South African economy is expected to rebound in 2022 with projected GDP growth of around 2%. While this will not be enough to make a massive reduction in the record-level unemployment, South Africa still remains one of Africa's strongest and most diverse economies.

The country's mining sector registered 11.8% growth in 2021 and remains a crucial pillar of the economy. It is a key source of foreign direct investment. At this year's annual South Africa Investment Conference, the mining and mineral beneficiation sector attracted investments valued at around 46 billion rand (\$2.4 billion).

Nevertheless, similar to other African economies, South Africa has many challenges ahead as it seeks to rebuild from the pandemic. But at the same time, it also has many achievements of which it can be proud. The facts and figures below clearly illustrate this.

South Africans living in formal housing: 81%.

South Africans with access to clean water: 90%


South Africans with access to electricity: 85%

Percentage of children attending schools where more than nine million of them receive a free meal under the National School Nutrition Program: 96%.

Even though the South African economy expanded by 4.9% in 2021, the impact of the Covid-19 pandemic continues to be felt throughout the economy and society at large. Covid-19 claimed the lives of over 100,000 South Africans, and put two million people out of employment, especially in the service industry.

This global health crisis—the worst in more than a century—hit just as South Africa was emerging from more than a decade of low economic growth and deepening unemployment. Youth unemployment continued to rise as government ramped various initiatives to absorb the youth into the mainstream economic activities.

South Africa has also played a leading role as the African Union's Covid-19 Response champion in coordinating Africa's response to the pandemic. It has embarked on a program to boost the continent's vaccine coverage to 70% of Africans. And it has opened Africa's largest Covid-19 vaccine manufacturing plant. This plant has made provision for more than 15 million Covid-19 vaccine doses to other African countries.

South Africa will work closely with the African Development Bank, the African Development Fund—the Bank Group's concessional lending arm, and the African Union, to play a major role in the transformation of the African continent. 

Climate-induced floods and the impact of Covid-19

Torrential rains which led to severe floods hit the KwaZulu-Natal province of South Africa in April 2022, leaving in its wake devastating effects. To date, the KwaZulu-Natal provincial government estimates that 448 people have died as a result of the floods, while a total of 88 people are still reported missing.

A total of 27,069 households were affected with 8,584 houses totally destroyed and 13,536 partially destroyed, the government declared a national state of emergency. The situation underscores the harsh disasters that extreme climate-induced weather patterns can cause. Coming in the wake of the Covid-19 pandemic, the floods brought about yet another major challenge for South Africa.





AGAK ACHUIL LUAL

Minister of Finance and Planning

Bio

Agak Achuil Lual has served as South Sudan's Minister of Finance and Planning since 2021. Prior to holding this position, he served as First Undersecretary of Trade and Industry from 2018 to 2021 and as First Undersecretary of Finance at the Ministry of Finance and Planning from 2017-2018. A seasoned development practitioner, Mr. Agak Achuil Lual has worked for more than four decades in humanitarian and public service in various UN agencies, including UNOCHA and UNDP, and on a wide range of multi-donor development projects and in macroeconomic planning and financial issues. His broad experience and qualifications also encompass finance, accounting, revenue management, and trade.

Cascading Effects of Climate Change in South Sudan

South Sudan continues to experience a wide range of environmental challenges, including an increasingly warm and dry climate with erratic rainfall, soil degradation, and deforestation. The changes in temperatures and rainfall patterns have made the country more prone to droughts and flooding. According to the USAID climate risk profile (2016), central and southern Sudan are among the most rapidly warming globally, with temperatures increasing by up to 0.4°C per decade. Together with precipitation, once perennial recurrent rivers have become seasonal and bring such adverse ecological impacts as drying trees and disrupted livelihoods because of lower agricultural productivity and less clean water available for domestic use, livestock and irrigation. Flooding and drought reduced the agriculture sector's contribution to real GDP growth by 0.5% in 2017 compared to 2016. The flooding in October 2021 affected over 800,000 people and is likely to increase humanitarian challenges with over 1.7 million internally displaced people. Droughts and floods also pose major threats to food security and to achieving the Sustainable Development Goals such as eliminating poverty and hunger and promoting environmental sustainability. Furthermore, the indirect impact of the Russia-Ukraine war may bring additional pressure to humanitarian needs because the country is highly dependent on imported products from Uganda and Kenya, which import wheat from Ukraine.

Targeting environmental stability, climate resilient communities, and efficient land use

The government of South Sudan recognizes the importance of tackling and adapting to climate change to achieve sustainable development. To this end, it has identified promoting environmental sustainability, climate resilient communities and efficient land use as enablers to support the strategic priorities outlined in its National Development Strategy 2021-24: Gender, Youth, and environment and climate change. This is also consistent with the government's aim to transition from a least developed country to a middle-income country by 2030, supported by inclusive, stable, and sustainable economic growth while alleviating poverty. To achieve this objective, the government developed several sectoral and strategic plans, including the National Disaster

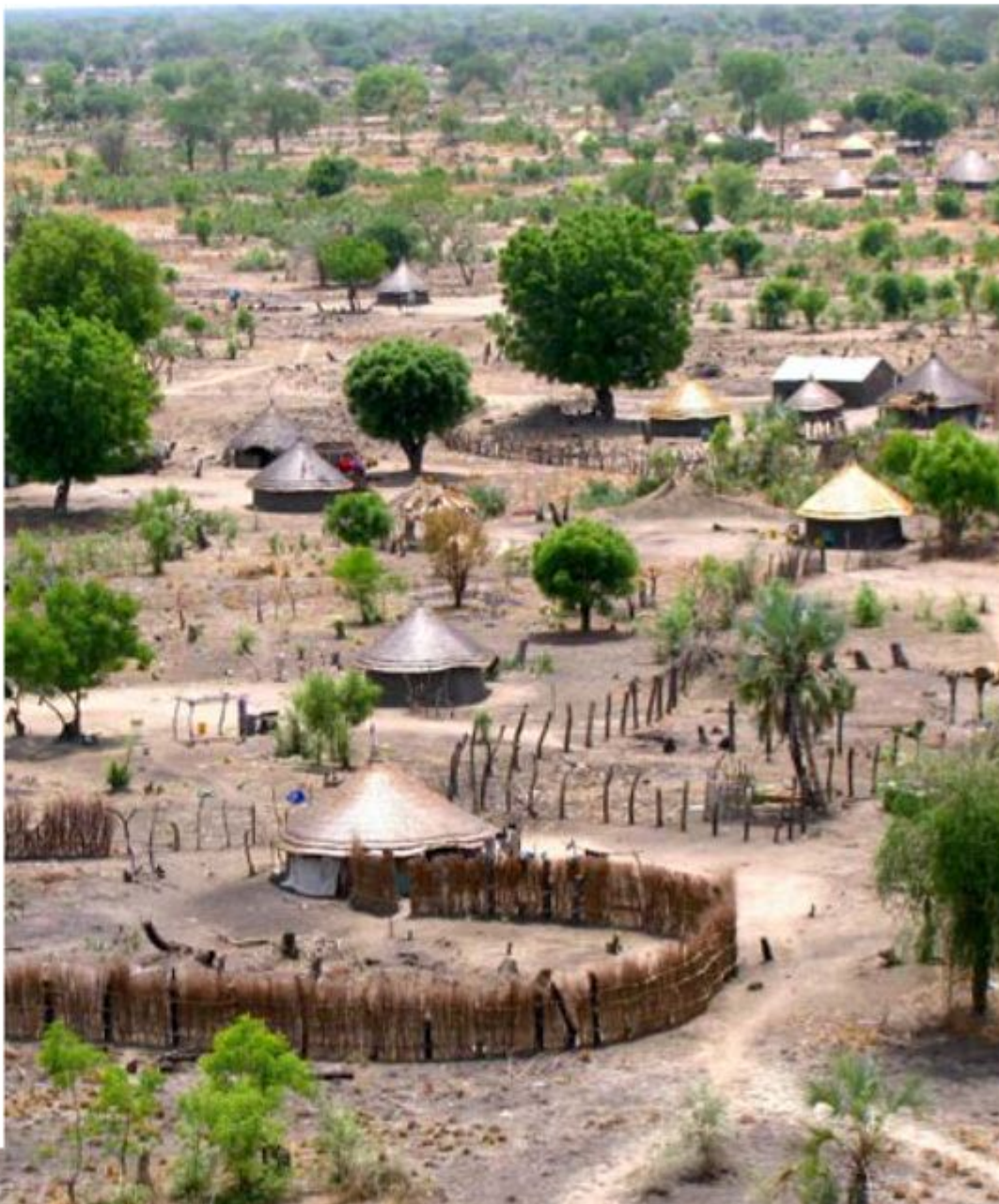
Management Strategic Plan (2018-20), adopting the National Environmental Policy (2015-26), a Disaster Risk Management Policy in 2017, the first National Determined Contribution in 2017, the comprehensive Agriculture Master Plan (2015-40) and subsequently the Second NDC report in 2021. The government also developed a three-year strategic plan (2019-21) to build national resilience, focusing on food security and livelihoods, health, and environmental planning. Other sectoral strategies developed include agriculture, livestock, and fisheries; biodiversity, ecosystem and sustainable wetland management; forestry; mining and quarrying; health among others. According to the SNDC, South Sudan will be able to reduce an estimated 109.87 million tCO₂e and sequester 45.06 million tCO₂e by 2030 by implementing these plans.

Notwithstanding these efforts, to effectively implement these strategies and policies and aim to transition to a low carbon and climate-resilient economy, requires significant access to finance. The government's second NDC framework estimates that South Sudan needs up to \$386.7 million to finance its mitigation and adaptation objectives by 2030, focusing on climate adaption actions and mitigation in various sectors including agriculture, livestock, and fisheries, forests, disaster risk management among others.

Promoting climate-smart agricultural technologies

The African Development Bank's support through the Programme for Building Resilience of Food and Nutrition Security in the Horn of Africa, Agricultural Markets, Value Addition and Trade Development Project and the Strategic Water Supply and Sanitation Improvement Project will promote climate-smart agricultural technologies and enhance agricultural productivity by developing infrastructure and improved crop and livestock varieties. Furthermore, continued support is needed to relevant government ministries and institutions to mobilize climate finance by offering technical assistance in climate finance proposal development and the design of effective climate change policies and strategies. 

The government's second NDC framework estimates that South Sudan needs up to \$386.7 million to finance its mitigation and adaptation objectives by 2030.





SWITZERLAND



DOMINIQUE PARAVICINI

Head of Economic Cooperation and Development Division

Bio

Ambassador Dominique Paravicini has led the Economic Cooperation and Development Division, Directorate of External Economic Affairs of the State Secretariat for Economic Affairs (SECO) since 2021. He also serves as a member of SECO's Board and a delegate of the Federal Council for Trade Agreements. Paravicini has held numerous diplomatic posts, including Ambassador of Switzerland to the Republic of Turkey. He has also been deputy director for the directorate of European Affairs in the Federal Department of Foreign Affairs (FDFA). He has also been head of economic affairs at the Swiss embassy in Rome. He joined the diplomatic service in 1998. Prior, he was a delegate of the International Committee of the Red Cross, working in field operations in Sri Lanka, Mexico, Haiti, South Sudan, and Rwanda, and at its headquarters in Geneva.

Decarbonizing economies for a climate-resilient future

Climate change is affecting the lives and livelihoods of billions of people globally, and particularly in Africa. As the continent emerges from the Covid-19 pandemic and faces the prospect of a protracted recovery with a new food crisis looming, climate change threatens to further disrupt economic and social development. But climate change also provides us with an opportunity to decarbonize economies and work towards a greener, more resilient and inclusive development. African countries do not face climate change alone: concerted, well-coordinated actions of governments, the private sector, the civil society and bilateral and multilateral development actors can help mitigate climate risks and harness the opportunities for sustainable and inclusive development.

Switzerland is committed to working with the African Development Bank Group to shape a sustainable path towards a climate-resilient, low-carbon future in Africa. The Bank plays a relevant role in helping African countries strengthen climate resilience and support the continent's energy transition, while reducing poverty and fostering inclusive development. Against the backdrop of large financing needs, the Bank must be selective, focus its scarce resources on its comparative strengths, and work closely with others to maximize our collective impact. For Switzerland, innovative and transformative investments in climate resilient infrastructure, mobilizing private sector finance, transforming energy systems, and creating a strong enabling

environment for climate action are areas where the Bank has a proven track record. Working and deepening partnerships with other MDBs, the UN system, the IMF, and the private sector are critical for mobilizing additional climate finance for Africa, raising the level of ambition and maximizing development impact. I look forward to this year's replenishment of the African Development Fund as an opportunity to further sharpen the Bank's strategic focus and help shape its vision of partnerships.

Reaching net-zero emissions by 2050: A key priority

Switzerland welcomes the commitments the African Development Bank made in the context of the new climate change and green growth policy towards full Paris alignment and scaling up climate finance for adaptation and mitigation. For Switzerland the transition from all fossil fuels, consistent with Paris Agreement and the goal of reaching global net-zero emissions by 2050 is a key priority. It is for this reason that we are providing additional bilateral support on climate change mitigation and resilience. With a contribution of \$9 million, Switzerland is one of the main donors of the Africa Disaster Risk Financing programme, which provides regional member countries with the possibility of joining the African Risk Capacity insurance scheme to help mitigate the impacts of natural disasters such as droughts or cyclones.

At this year's annual meeting, Switzerland, together with the African Development Bank, launches the Ghana Net Metering project. Together with funding from the African Development Bank and the Scaling Up Renewable Energy Programme, the \$14 million grant from Switzerland will provide funding for rooftop solar installations on 1,089 public buildings, incentives for installations to 6,061 SMEs and 4,910 households and investment grants for 12,000 smart metered connections. The project illustrates how joining forces can make a meaningful impact, paving the way towards a climate-resilient, low-carbon future in Africa. 

For Switzerland the transition from all fossil fuels, consistent with Paris Agreement and the goal of reaching global net-zero emissions by 2050 is a key priority. We are providing additional bilateral support on climate change mitigation and resilience.





Climate change financing in Tanzania

Bio

Dr. Mwigulu Lameck Nchemba Madelu has been Tanzania's Minister for Finance and Planning since 2021. Prior to this appointment, he held a number of ministerial posts, including Minister for Constitutional and Legal Affairs; Minister for Home Affairs; and Minister for Agriculture, Livestock and Fisheries. He has also served as Deputy Minister of Finance and Planning.

Bridging the gap in climate change financing to address vulnerabilities and build resilience in Tanzania will require significant scaling up of support from international partners and greater engagement of domestic non-state actors including the private sector and civil society.

Tanzania's economy has grown robustly over the past decade. While its structure has evolved significantly, the economy continues to depend heavily on climate-sensitive sectors. Tanzania's economy has continued to recover from the negative effects of the Covid-19 pandemic. From January-September 2021, growth edged up slightly to 4.9% from 4.8% in the corresponding period of 2020. Development was primarily supported by mining activity, which recorded the fastest growth at 10.9%; information and communication services (10.2%); electricity (9.7%), and water services (7.1%). In GDP, the agriculture sector remains the mainstay of the economy, employing about 65% of the country's labor force and supporting the livelihoods of about three-quarters of the country's population. However, with little mechanization, the agriculture sector is largely rain-fed and therefore vulnerable to climate variabilities. Tanzania's growing population and economy are putting pressure on natural resources and increasing greenhouse gas emissions, making the country vulnerable to climate change impacts.

Climate change variability inflicts significant economic costs on Tanzania and threatens its long-term growth. Tanzania is vulnerable to the adverse impacts of climate change, including seasonal variations, prolonged droughts, floods, strong winds, and rises in sea level associated with saltwater intrusion. Extreme events such as floods and prolonged droughts are already affecting millions of people and livelihoods and negatively impacting long-term growth. Climate change could have a negative impact on key sectors, including agriculture and food security,

water supply, power generation, industry, and infrastructure and these may collectively threaten Tanzania's future economic growth and development. A 2011 study by the Global Climate Adaptation Partnership estimated the annual economic cost of climate variability in Tanzania at about 1% of GDP, with a likelihood of escalating to 2-3% of GDP annually by 2030.

Benefitting from international climate funds

Financing climate change mitigation and adaptation in Tanzania will require scaling up resources from international partners and domestic initiatives. The country is eligible for most of the available international climate funds and has been receiving support from multilateral funds including the Global Environment Facility, the Adaptation Fund, the Least Developed Countries Fund, and Green Climate Fund. Since 1991, Tanzania has received non-repayable financial support from GEF valued at \$1.096 million and \$7.987 million in co-financing for climate change-related programmes and projects in the country. Tanzania has also participated in several regional and global projects funded by GEF amounting to \$988.3 million, with operations leveraging co-financing of \$7.485 million. Tanzania benefited from LDCF funding amounting to \$15.1 million, which also attracted \$111.7 million in co-financing to support climate change mitigation and adaptation initiatives. Domestically, the Local Climate Finance Initiative allows local government authorities across the country to access and use climate finance effectively for building verifiable climate-resilient local economies and communities. Also, ongoing public investments in renewable energy and the bus rapid transit system in the leading commercial city of Dar es Salaam will contribute significantly to the efforts to reduce GHG. However, despite these efforts financing for climate change mitigation and adaptation in Tanzania remain inadequate. Several studies estimate annual needs at about \$500 million to reduce current vulnerability to climate change, and a further \$100-150 million per year to build capacity and enhance resilience to future climate change. Furthermore, the cost of implementing Tanzania's National Determined Contributions is estimated to be \$14 billion. Bridging the gap in climate change financing to address vulnerabilities and build resilience in Tanzania will require significant scaling up of support from international partners and greater engagement of domestic non-state actors including the private sector and civil society. 



**MWIGULU LAMECK
NCHEMBA MADELU**

Minister for Finance and Planning



Leveraging the power of Special Drawing Rights: how developed countries can help boost Africa's development

An interview with **Hassatou Diop N'Sele**, Acting Vice-President for Finance and Chief Financial Officer

Q1: At the African Union Summit of Heads of State and Government in Addis Ababa, in February, African leaders called for part of the re-allocated Special Drawing Rights for Africa to be provided to and passed through the African Development Bank Group. Do you think Africa can succeed in securing a bigger settlement?

Africa must succeed. Countries are expected to access additional Special Drawing Rights (SDRs) through initiatives led by the International Monetary Fund (IMF) such as the Poverty Reduction Growth Trust and the Resilience and Sustainability Trust. But this will not be enough. Senegalese President Macky Sall and other leading voices have been asking for a new issuance of SDRs to meet Africa's development challenges and the expectations of their population. French President Emmanuel Macron, civil society organisations, and many others around the world are calling for more resources for lower-income and middle-income countries, and more resources for Africa through the allocation of SDRs.

If the world is truly committed to development, to equality, to the United Nations' Sustainable Development Goals (SDGs), and to fighting climate change, these calls will be heard. SDRs are a formidable tool to fight climate change. They offer a practical way for allowing developed countries to meet their commitments.

Q2: The IMF injected \$650 billion in SDRs into the global economy. Africa received just \$33.6 billion. Is that enough?

No, it is not enough. The 54 countries of the African continent received \$33 billion. By contrast, the seven largest economies of the world, the G7, received \$277 billion. That equals an average of \$600 million per African country and an average of \$39 billion per advanced economy. In fact, the

allocation received by Africa is smaller than that of the United States (\$113 billion), Japan (\$42 billion), China (\$42 billion), and Germany (\$36 billion).

SDRs are allocated to countries based on IMF quota. This means they are allocated inversely to needs. SDRs allocated to developed countries supplement their trillions of reserves. Considering the impact of the Covid-19 pandemic, climate change, Russia's war in Ukraine and other huge threats facing Africa at the moment, the only right thing to do is to recycle a portion of the SDRs from developed countries to their vulnerable counterparts.

Africa's share of IMF's reallocated special drawing rights



Q3: What is the Bank's case for a higher allocation of SDRs?

A higher allocation of SDRs to Africa offers a unique opportunity to put the continent on track to meeting the United Nations' SDGs and build the Africa we want. Africa's challenges are a matter of global concern. We can fight climate change, we can reach Zero Hunger, and we can be meet the United Nations' SDGs at no cost to developed countries' taxpayers through the solution we are proposing.

Our proposal is for developed countries to lend their SDRs to multilateral development banks. Institutions such as the African Development Bank Group play a critical role in supporting efforts to translate the United Nations' SDGs into meaningful country-level targets, policies, programmes, and projects. They provide direct financing and help unlock and catalyse additional public and private resources, and have unrivalled regional, country and sector expertise. Multilateral development banks ensure that investments benefit the respective country and their citizens through emphasis on transparent procurement, project governance, environmental standards, and social considerations.

But a determining factor to consider, is the fact that they can leverage SDRs three to four times. In other words, they have a multiplier effect, and contrary to all the current existing initiatives for channelling SDRs, \$50 billion in SDRs allocated to multilateral development banks means they can invest \$150 billion to \$200 billion to build back greener and better and address global inequities. We have designed a hybrid capital structure that will allow rich countries to lend SDRs to multilateral development banks. The latter can account for that as equity and leverage that equity by borrowing from capital markets at affordable pricing thanks to their triple-A rating and significantly reduce their debt burden.

An allocation of SDRs to the African Development Bank Group and other multilateral development banks will amplify the impact of the SDRs issuance and allocation by the IMF and make a critical and powerful development impact. This solution should not be ignored. Multilateral development banks have the capacity to transform SDRs from static foreign reserves in developed economies into lending instruments to finance high-priority transformational development projects and substantially improve countries debt profile.

Q4: How can the SDRs make a difference for the African Development Bank Group?

SDRs made available to the African Development Bank Group would be deployed to address Africa's core challenges and to support global development ambitions such as the United Nations' SDGs and the African Union's Agenda 2063. A \$5 billion allocation to the African Development Bank Group is an additional \$15 billion to \$20 billion that the Bank Group will be able to sustainably deploy. The African Development Bank Group fully supports the Finance in Common agenda and would play a leading role in building a strong network of public development banks and development finance institutions across the continent.

We would channel liquidity and investment financing into well structured, sustainable, and inclusive development projects. This would be done by strengthening their balance sheet through equity investments of leading players such as Afreximbank, the West African Development Bank, the East African Development Bank, the Development Bank of

Southern Africa, the Trade Development Bank, and others. It would provide capacity building and providing credit enhancement, among other things.

Importantly, the resources will be used to address Africa's critical gaps, finance high quality sustainable transformational projects, help Africa adapt to climate change and promote gender equality. The resources will be redeployed in line with the African Development Bank Group's High 5 priority areas. Multilateral development banks in general, and the African Development Bank Group in particular, can leverage SDRs and boost their development impact.

Q5: There are many discussions around the importance of preserving the 'reserve asset status' of SDRs. Can you tell us more?

SDRs are not a currency but an international reserve asset created by the IMF. As such, they were expected to have reserve assets features, including immediate availability to address financial needs. G7 countries hold \$2 trillion in reserves. Today, given the amount in reserves cumulated over time by developed countries, investments are made in a variety of assets with various degrees of liquidity.

According to the Organisation for Economic Co-operation and Development, reserve assets are assets that are readily available to, and controlled by, monetary authorities for direct financing of payment imbalances. Reserve assets may be SDRs, monetary gold, a reserve position in the IMF, foreign exchange assets consisting of currency and deposits and securities, as well as other claims. This indicator is measured in SDRs. The IMF determines the value of SDRs daily by totalling the US dollar value based on market exchange rates of a weighted basket of currencies.

Developed countries want to preserve the reserve asset status of the SDR holdings. In other words, they would like to be able to still account for them as reserves, when they lend them out. This has been the reason why they have not been ready to allocate their SDRs to the African Development Bank Group and other multilateral development banks.

Average SDR reallocation by country:



\$39 billion /country



\$0.6 billion /country

AFRICA'S SHARE:
65 times smaller than the G7 countries



In the Arabian Gulf, the African Development Bank Group finds partners and investors to meet Africa's challenges

The economic and health effects of the COVID-19 pandemic exposed Africa's vulnerabilities, including inadequate primary health infrastructure, over-reliance on commodity exports for revenues and on imports for medicine and fertilizer.

Thanks to the swift, bold policy responses from the African Development Bank, African governments, and other development partners, Africa rebounded strongly from the COVID-19 pandemic in 2021. However, challenges remain:

persistent pandemic effects, volatility brought about by the impact of the Russia-Ukraine war, food insecurity exacerbated by the conflict, mounting debt levels, and the existential threat of climate change.

Public and private investment will need to be ramped up to put Africa's economic progress back on track, particularly in infrastructure, agriculture, and digital technology.

As the African Development Bank Group works with partners to drive Africa's recovery, 2022 is shaping up to be an important year. The African Development Fund is turning 50 and will hold

a 16th triennial replenishment in November. In November, COP 27 will take place in Egypt, spotlighting Africa's urgent climate adaptation agenda. The Africa Investment Forum, the continent's premier platform for investors to engage with transformational projects seeking financing, is also scheduled for late 2022.

To expand the resource mobilization efforts to finance the continent's development deficits, the African Development Bank Group has been strengthening partnerships in the Gulf of Arabia, a potential source of new investors, donors, and innovative financing mechanisms.

The region is attractive for the Bank: Kuwait, Saudi Arabia, and the United Arab Emirates are already non-regional members of the African Development Bank Group; the UAE is a donor to the African Development Fund and an increasingly important investor and lender to the African continent.

For example, in 2010, Saudi Arabia's bilateral loans to the African continent amounted to \$2.7 billion. By 2020, this had increased to \$14.1 billion, as the kingdom—along with other member states of the Gulf Cooperation Council—sought to deepen economic ties with Africa. These are encouraging signs.

More importantly, these countries share a cultural affinity with North Africa and many mutual strategic interests with the wider continent, including the need to rapidly adapt to climate change, and to address food and water insecurity.

In March 2022, African Development Bank President Akinwumi Adesina led a small Bank delegation to the UAE for meetings with His Highness Sheikh Maktoum Bin Mohammed Al Maktoum, Minister of Finance, Her Excellency Reem Al Hashimy, Minister of State for International Cooperation, and the Minister of State for African Affairs, His Excellency Sheikh Shakhboub bin Nahyan bin Mubarak Al Nahyan.

"We are happy to see the United Arab Emirates become a valued partner and significant investor in Africa," said Dr. Adesina during his visit, adding, "There is much that the African Development Bank and the UAE can do together."

Dr. Adesina also signed a memorandum of understanding with the Abu Dhabi Development Fund for closer cooperation. "We believe that Africa is the world's next growth frontier and we don't want to miss that," said Mohammed Saif Al Suwaidi, Director General of the Fund.

The African Development Bank also has a strong partnership with the Islamic Development Bank, a development finance institution headquartered in Saudi Arabia that focuses on Islamic finance.

In 2017, the African Development Bank and the Islamic Development Bank signed a \$2 billion agreement to accelerate Africa's economic development with a focus on agriculture and food security, energy, and small and medium enterprises.

The two multilateral institutions work closely on a range of shared priority areas. For instance, in January 2022, the Islamic Development Bank joined the African Development Bank and IFAD to invest over \$300 million in the African Development Bank's flagship special agricultural zones project in Nigeria.

The Islamic Development Bank is also one of the eight founding partners of the Africa Investment Forum, a multi-stakeholder, multi-disciplinary platform that advances private and public-private-partnership projects to bankability, raises capital, and accelerates deals to financial closure.

The relationship between the two development finance institutions is about innovation and investment. The Islamic Development Bank is a leader in Islamic finance, which complies with Sharia law and includes such products as sukuk and takaful.

The market for Islamic finance is growing across Africa, not only in the Maghreb but also in Nigeria, Kenya, and Senegal. Islamic finance offers another path for the Bank to strengthen resource mobilization and deepen capital markets, both of which figure among its key goals. Furthermore, the emergence of sustainability and green sukuk demonstrates the innovativeness of Islamic finance.

As the continent's economies rebound and initiatives like the African Continental Free Trade Agreement begin to take hold, investors in the Gulf region are likely to find Africa to be an increasingly attractive market. ^{6D}

The High 5s: A roadmap to accelerate Africa's economic transformation



for transforming Africa
pour transformer l'Afrique





39 million
gained access to
electricity • 2015-2021



81 million
equipped with
agricultural technologies
• 2015-2021



19 million
gained access to
finance • 2015-2021



75 million
provided with improved
transport • 2015-2021



67 million
with improved water and
sanitation • 2015-2021



Resilience in the face of interrupted growth

SEEDY K.M. KEITA

Minister of Finance and Economic Affairs

Bio

Mr. Seedy K. M. Keita was appointed Minister of Finance and Economic Affairs on 4 May 2022. Before this appointment, he was Minister for Trade, Industry, Regional Integration, and Employment. From 2011 to 2020, he was a director of the finance department of the Islamic Corporation for the Development of the Private Sector, the private sector entity of the Islamic Development Bank in Jeddah. Between 2010 and 2011, he served as deputy director in the IFAD Treasury where he managed liquidity and oversaw operations and funding. As Minister of Finance and Economic Affairs, Mr. Keita believes in developing a robust, sound economy grounded in prudent financial management to support Gambia's development agenda and improve the lives and livelihoods of Gambians.



Before the Covid-19 pandemic, the Gambian economy was on a strong growth trajectory, based on improved confidence, record tourist arrivals, and sound macroeconomic management. In 2019, growth was at 6.2%, which improved the country's overall fiscal position.

However 2020 was a difficult year for our economy as the pandemic caused a major setback. Growth contracted to 0.6% from an average of 6.7% in the preceding years. This stemmed from global supply chain disruptions, coupled with major disruptions in domestic economic activity due to mitigation measures. The services sector, which accounts for 60% of GDP, was the most severely impacted sector during the pandemic, as tourism and trade collapsed, among others. Additionally, the pandemic negatively impacted revenue collection and significantly increased expenditure

due to mitigation and relief measures, thereby considerably stretching the country's fiscal position. Shutdowns and long halts in business activity increased vulnerability and pushed more than 25,000 people into extreme poverty, while job creation and human capital accumulation were threatened.

Nonetheless, prudent measures were taken to ensure that the economy remained resilient and can now embark on a quick path to recovery. While economic recovery was a key priority during this difficult period, the most important priority was, without a doubt, the Gambian people. Government provided support to sectors, businesses, and individuals, with a major focus on vulnerable groups. This support of approximately GMD1.5 billion (\$30 million) ranged from cash and food assistance to individuals, to tax breaks for businesses, and support to sectors like tourism, agriculture, and aviation.

Although the Gambian economy appeared to be beginning a subdued recovery, the Russia-Ukraine conflict and its effects on global supply chains and commodity prices has dampened these prospects. Additionally, the agriculture sector's rain dependency leaves it vulnerable to climate shocks, which, coupled with the likelihood of new Covid variants, makes the medium outlook quite uncertain. Nonetheless, government remains steadfast in its efforts to remain resilient against shocks while implementing reforms that drive sustainable growth.

Energy projects to meet climate targets

The World Risk Index 2020 ranks The Gambia as the 28th most climate-vulnerable, highly sensitive to climate variability and its effects. Investments in climate adaptation and mitigation are therefore vital for achieving zero emissions for resilient, inclusive growth. The 2021 windstorms affected over 16,849 people in 100 communities, destroying homes, schools, seed storage facilities and hospitals, injuring 100 and killing 10 people.

In term of green energy, The Gambia lags behind, with less than 2% of total energy production. However, the \$86 million OMVG project—a 56 megawatt solar energy project for 1,100 schools and hospitals, as well as a 20 megawatt solar photovoltaic plant, and a 150 megawatt solar park, will fast-track the country towards a target of 40% of green energy by 2030.

The Gambia has mobilized \$66 million in climate finance, but an additional \$1.35 billion will be required to achieve climate targets, with adaptation costed at \$420.6 million and mitigation at \$925.74 million of the additional estimate. To leverage private sector finance, the government should introduce feed-in tariffs, carbon trading, clean energy subsidies, and risk management instruments to mitigate risk in low-emission projects, and climate-resilient investments. ⁶⁰

In term of green energy, The Gambia lags behind, with less than 2% of total energy production.





TOGO

SANI YAYA

Minister of Economy and Finance



Togo works to optimize its energy mix

Bio

Sani Yaya has served as Togo's Minister of the Economy and Finance since 2016, after heading the ministry of the budget. An experienced banking and financial sector professional, he has worked in several major institutions, including the Central Bank of West African States, the Banking Commission of the West African Monetary Union, and Ecobank group after beginning his career in the National Investment Company of Togo. An insurance specialist with over 30 years of experience in senior positions, Sani Yaya is one of the architects of the successful Togolese Revenue Office, having designed the national debt reduction strategy and signed an extended credit facility agreement with the International Monetary Fund. He is also responsible for the ambitious National Development Plan 2018-2022, which is the government's current roadmap for Togo-2025. Sani Yaya was Chairman of the Board of Governors of the ECOWAS Bank for Investment and Development from 2020 to 2021 and is the current chairman of the West African Monetary Union Council of Ministers.

Togo is putting the climate emergency and the changes it requires at the top of its development agenda, as shown by the country's commitment to renewables in its electrification and industrialization strategy.

Prioritizing renewables and achieving energy independence are complementary goals for the Togolese government. The country recently installed a 50 megawatt solar power plant, and more solar plants are planned in the medium term. The emphasis on renewable energy demonstrates the country's firm commitment, led by President Faure Essozimna Gnassingbé, to building a green economy while achieving self-sufficiency in electrical energy.

Togo is also implementing an off-grid policy to electrify rural areas and provide access to electricity for people living in remote regions of the country. The CIZO project, established in December 2017, aims to equip homes not connected to the power grid with solar kits that can meet domestic needs for lighting, use of television and radio and charging of mobile phones.

Solar energy is being used for irrigation in agriculture, for access to drinking water (boreholes are equipped with solar pumps) and for the electrification of health centres by the construction of photovoltaic mini-grids and the installation of solar water heaters.

Togo's ambition is for universal access to reliable, sustainable and affordable energy services by 2030, and the Tinga Fund, launched by the government in April 2022, will be crucial for success. The purpose of the Fund is to enable ultra-concessional financing to connect low-income segments of the population to electricity.


The Fund pays for:

- connection costs to the national low-voltage electricity distribution network or to a low-voltage mini-network;
- work on low-voltage interior electrical installations;
- acquisition of necessary electrical equipment and solar kits.

The Tinga Fund complements other initiatives, such as the CIZO programme, construction of the Blitta solar power plant, the Kékéli combined cycle thermal power plant in Lomé, and the deployment of over 300 mini-solar power plants right across Togo.

The Blitta Power Plant: epicentre of solar energy in West Africa

Togo intends to be 50% reliant on renewable energy sources by 2025. Plans to expand the Blitta solar power plant from 50 to 70




megawatts will make an important contribution to this target and will make Blitta the largest solar power plant in West Africa.

The Togo Electricity Company (CEET) has committed 120 billion FCFA in recent years to update its network and improve the energy mix, understanding the importance of power supplies for economic development and the fight against poverty.

The government's aim in these initiatives is to ensure a decentralized and climate-friendly energy supply. People living in rural areas, particularly women, children and young people, will be the main beneficiaries of the policy.

The Covid-19 crisis has not slowed the pace of projects in Togo's energy sector. On the contrary, it was necessary to act quickly to help social groups most affected by the health and economic crisis. Resilience of the national energy policy despite the pandemic illustrates the agility of the public authorities in Togo.

The government has also taken action to mitigate the impact of coronavirus on households through the Novissi aid programme.

Togo can count on the support of the African Development Bank to help achieve its objectives. The Bank's country strategy for Togo aims to accelerate structural transformation and diversification of the Togolese economy to create decent jobs with high added value, and to encourage socio-economic resilience for sustainable and inclusive growth. 

Togo intends to be 50% reliant on renewable energy sources by 2025. Plans to expand the Blitta solar power plant from 50 to 70 megawatts will make an important contribution to this goal and will make Blitta the largest solar power plant in West Africa.



Sharing finance and expertise to help Africa tackle climate change

MURAT ZAMAN

Deputy Minister, Treasury and Finance

Bio

Mr. Murat Zaman is the Deputy Minister at the Ministry of Treasury and Finance of Turkey. From 2019-2021, he served at the Ministry of Treasury and Finance as Director General of Financial Markets and Exchange. He serves as the executive director and governor for Turkey at many development banks: the Islamic Development Bank, Asian Development Bank, African Development Bank, ECO Trade and Development Bank, and Black Sea Trade and Development Bank. He is alternate governor at the World Bank, Asian Infrastructure Investment Bank, and the European Bank for Reconstruction and Development. He is also the chairman of the Turk Eximbank.



Today our world is feeling the impact of climate change very deeply. Africa has contributed least to climate change and has the lowest carbon footprint but unfortunately, it is most exposed to its negative effects. This exposure is exacerbated by weaker institutions, high agricultural dependence, and a low capacity to adapt to new climate conditions. Therefore, climate change raises a major challenge for the continent's sustainable development.

The African continent has massive renewable and natural energy resources. But it lacks the necessary capacity to utilize them. Although 13% of the world's population lives in Africa, only 4% of the energy produced worldwide is consumed here.

Against this backdrop, Turkey has been contributing to Africa's fight against climate change and to activate its potential in renewable energy for the sake of African people. Our motto is, "African solutions to African problems", having a basis in mutual benefit and mutual respect.

To this end, the following activities should be emphasized.

First, Turkey's Development Assistance Implementing Agency, the Turkish Cooperation and Coordination Agency, has been contributing to the continent's energy transition by transferring know-how in various projects, including the construction of solar and wind energy laboratories as part of the vocational training programme in Algeria. These laboratories aim to introduce innovations in renewable energy and help meet Algeria's need for a skilled workforce. They have started to host training sessions to several Algerian experts (Display 1).

Second, Türk Eximbank is engaged in several infrastructure energy transition projects, including financing the export of a geothermal drilling machine park to Djibouti. This project will deliver new type of technologies and increase local employment through training programs (Display 2).



3. Akim Oda, Akwatia and Winneba Water Project In Ghana, Financed by Eximbank in 2017.

Bilateral and multilateral efforts

Third, Türk Eximbank's financing of Akim Oda, Akwatia and Winneba Water Project in Ghana is also at the forefront of these projects. It consists of installing a new two million cubic metre potable water treatment plant that serves up to 300,000 people (Display 3).

Turkey's bilateral contributions are of course a drop in the ocean. For this reason, we believe in the multilateral efforts successfully carried out by multilateral development banks like the African Development Bank. We see the African

Development Bank as the appropriate agent for the continent to reach out all necessary financial, technical and capacity-building sources.

We welcome the Bank's Climate Change and Green Growth Framework, which will certainly serve a climate-resilient, low-carbon, green, inclusive, integrated, prosperous Africa, justly transformed for the benefit of all Africans. This transformation will be directly linked to economic growth, livelihood generation, job creation, and socially inclusive progress.

All in all, Turkey's approach to the continent rests on acting in tandem with its priorities. While providing financing, we are ready to share our experience to enable a smooth, gradual and just energy transition in Africa. We are also committed to cooperating with the African Development Bank towards this end. ⁶⁰



2. Geothermal Drilling Machine Park Project in Djibouti, Financed by Türk Eximbank in 2018.



1. Renewable Energy Laboratories in Algeria, Built by TİKA in 2021.



MATIA KASAIJA

Minister of Finance, Planning and Economic Development

Bio

Mr Matia Kasaija is Uganda's Minister of Finance, Planning and Economic Development. Prior to holding this position, he was Minister of State for Finance, responsible for Planning. Between 2006 and 2010, he served as Minister of State for Internal Affairs. His political career began in 1981, when he became a member of parliament. Since that time, he has been Deputy Director of Mass Mobilization at the National Resistance Movement Secretariat, Executive Director of the Departed Asians Property Custodian Board, and Political Mobiliser at the National Resistance Movement Secretariat. He also worked as a distribution manager at Shell and BP. Mr Kasaija has served as Governor of the World Bank Group, the International Monetary Fund, the African Development Bank, and the Trade Development Bank, formerly the PTA Bank.

Recovery for better economic transformation

Africa's recovery from the Covid-19 pandemic, climate adaptation, the investment needed for the ever-expanding financing gap for infrastructure development, and the growing population of young Africans entering the labor market: the case of Uganda.

The overarching goal of Uganda's third National Development Plan is to foster economic recovery and reach inclusive socio-economic transformation. In this regard, Uganda's policy and planning frameworks will continue to support initiatives for accelerating and sustaining inclusive economic growth without compromising macroeconomic stability and debt sustainability. Uganda's fiscal year 2021-22 national budget will be premised on the "Full monetization of the Ugandan economy through the involvement of rural households in commercial agriculture, industrialization and market access". To achieve this, the government will continue with the ongoing sensitization and education of rural households about good investment decision-making.

The twin goals of Uganda's Economic Growth Strategy for fiscal year 2022-23 are to restore economic activity to pre-pandemic levels and accelerate the pace of socio-economic transformation. Economic recovery will be achieved by boosting aggregate demand, restoring domestic consumption, renewing private and public investment, and enhancing export promotion. The key to economic recovery is the mitigation of the Covid-19 pandemic by vaccinating Ugandans and strengthening the health systems. In the medium-term, increasing the household wealth of and eliminating poverty, particularly using the Parish Development Model are key for socio-economic transformation because they kick-start the full monetization of the economy with two proven opportunity equalizers—education and financial inclusion. In addition, diversifying the economy and Uganda's exports are essential for returning to the planned economic growth trajectory. Uganda's economic policy in fiscal year 2022-23 and, therefore, in the future, seeks to achieve three broad objectives:

- i. Ensure peace and stability through enhanced security and macroeconomic stability, key foundations for growth and development.
- ii. Mitigate the impact of the Covid-19 pandemic with widespread vaccination, support to businesses, and re-opening the economy to enable all sectors to function optimally.
- iii. Enhance socio-economic transformation by redirecting budgetary resources towards wealth and job creation, industrialization, promote exports and other areas the yield high returns on investment.

The Covid-19 pandemic has had far-reaching implications for the Ugandan economy and has increased the budget deficit for the last two fiscal years. The slowdown in growth plus the additional expenditures required to finance the government's response further constrained budgetary options and necessitated additional borrowing. However, the government remains determined to maintain debt sustainability and will therefore continue to prioritize concessional borrowing. In addition, the following measures will continue to be pursued to slow debt accumulation and promote its sustainability.

- i. Implement the measures under the **Uganda's Domestic Revenue Mobilization Strategy** aimed at increasing domestic revenue by 0.5% of GDP each year.
- ii. Enhance efforts to promote exports and substitute imports to increase foreign currency inflows and reduce outflows.
- iii. Sequence projects, giving priority to those generating the largest growth dividends.

The government will also continue to enhance project execution by fully implementing the reforms under the Public Investment Management Strategy, for the timely realization of their benefits and subsequently, their impact on the economy.

Adapting to climate change

1. *Africa continues to experience extreme weather patterns due to the impact of climate change: We have witnessed prolonged drought, cyclones and floods, and the invasion of locusts. How is your country adapting to climate change?*
- i. Uganda is in high gear on undertaking interventions for mitigating and adapting to the effects of climate change. Under the United Nations Framework Convention on Climate Change (UNFCCC), Uganda has committed to invest 30% in mitigation and 70% in adaptation. The many adaptation efforts in Uganda include the following:

- ii. The legal and regulatory framework in place with the enactment of the 2021 Climate Change Act and the 2015 Climate Change Policy.
- iii. The water and environment sector and the agricultural sector prepared their sectoral National Adaptation Plans (NAPs). The Ministry of Water and Environment consolidated all sectoral NAPs into a national NAP.
- iv. Several commitments were made to adapt in the Nationally Determined Contributions to the UNFCCC and the Uganda Green Growth Development Strategy.
- v. Government has undertaken adaptation activities in different sectors including irrigation, tree planting, investment in clean, renewable energy like hydropower and solar, access to clean water and road infrastructure.


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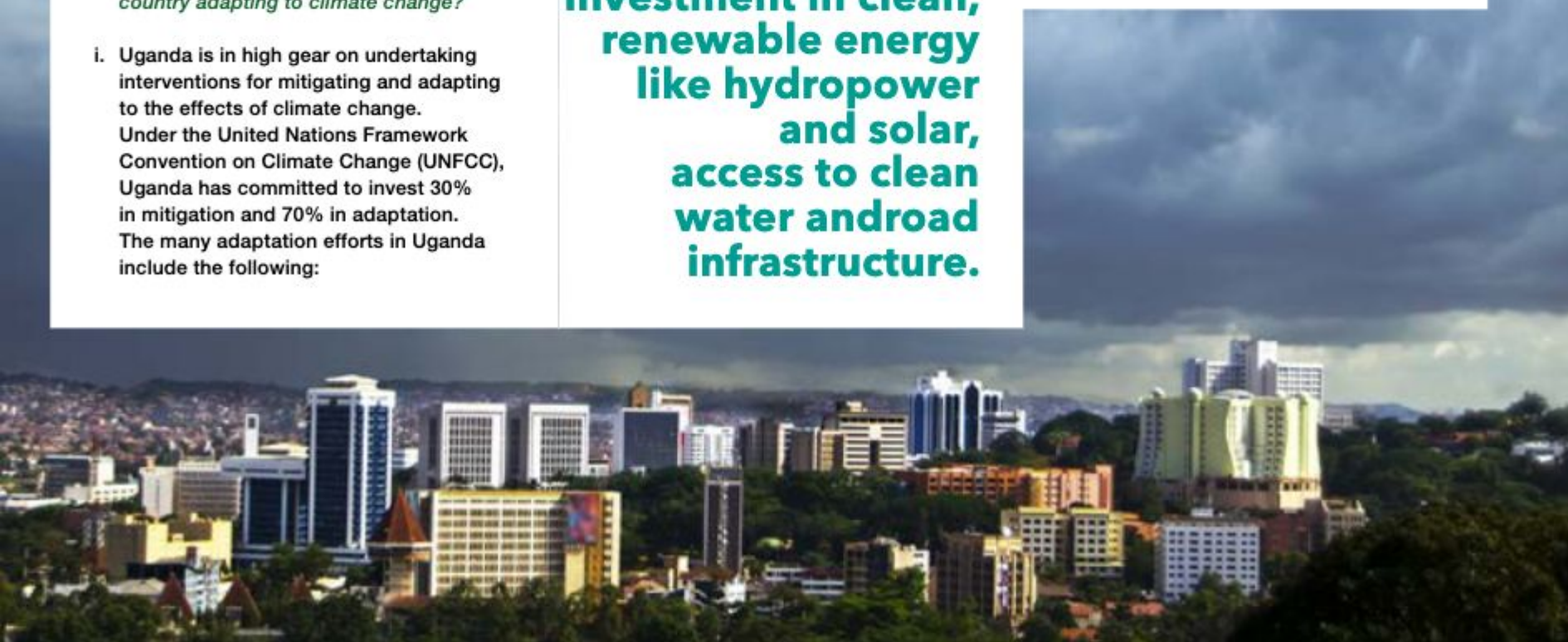
Preparation and adaptation

2. *Africa has been warming faster than the global average for land and ocean combined. All this has led to disasters, and disruptions in economic, ecological, and social systems. How can this be avoided, what mechanisms do you think could help prepare for increases in dangerous climate events?*

Studies show that poverty levels correspond to natural resources and to biomass loss. Forest cover in Africa has been reduced for lack of alternatives like renewable energy. By ensuring poverty reduction in Africa, we will see a decline in deforestation for charcoal and agriculture. Therefore, there will be more afforestation and conservation of natural forests that act as carbon sinks.

3. *Regional integration usually includes massive climate change threats: increased number of vehicles using roads, hence increased air pollution and carbon emissions... How can we make regional integration more climate smart?*

- i. Policies and regulations need to be developed on the types and categories of imported vehicles. For example, Uganda and Kenya do not accept small vehicles with an initial registration more than eight years prior.
- ii. The region should also advocate for a climate negotiation bloc under the UNFCCC Conference of Parties to increase the climate finance flows that will help increase climate action in the region. 





Achieving climate resilience and a just energy transition for Africa

Africa is one of the most vulnerable regions in the world to the effects of climate change, which continues to have an outsized and growing impact on the poorest people in the continent.

The Global Center on Adaptation reports that 40 African countries need \$331 billion through to 2030 to meet the costs of climate-change adaptation alone. Acting as a driver for fragility, food insecurity, conflict, migration and poverty, climate change could otherwise push a further 132 million people into extreme poverty by 2030.

But Africa—with the support of the African Development Bank—is rising to this challenge.

For example, the Bank has achieved its target of 40% of funding for climate-related projects, including through the creation of programmes such as the Africa Adaptation Acceleration Programme (AAAP), which aims to mobilise \$25 billion for adaptation actions by 2025. The UK is proud to be a partner with the Bank in the AAAP.


We are also pleased to be working with the African Development Bank to help countries prepare for crises and respond rapidly, helping people protect themselves and their homes, enabling them to feed families after harvests fail or are destroyed. This is when insurance can help. Rapid payouts, for example, from an African insurance scheme (African Risk Capacity) help governments act fast, pre-empt damage and help get people back on their feet quickly. By expanding support through the African Disasters Risk Finance Programme (ADRF), the African Development Bank can help African countries afford the cover they need against droughts and storms. Thanks to ADRF, over 4 million citizens have been protected over the past two years.

Leapfrogging over the carbon-intensive energy systems that have characterized energy elsewhere, Africa is in a prime position to install low carbon energy systems and utilize clean technologies that can support economic growth and development.

Supporting Africa to tackle climate change

To help meet the Glasgow Climate Pact commitment to keep 1.5° alive, the UK recognizes the essential need to work with historically high-emitting countries to help accelerate their emission reductions. We are proud to be working with the US, France, Germany, and the EU to support the \$8.5 billion South Africa Just Energy Transition Partnership announced at COP26, which provides a platform to work with the African Development Bank and other climate finance donors to help South Africa achieve the highest levels of ambition outlined in its nationally determined contribution, and provide an opportunity to leverage significant private sector investment, while protecting jobs and livelihoods.

This year, ahead of the African-hosted COP27, donors will replenish the African Development Fund as it celebrates its fiftieth birthday. The UK has been a strong supporter of the Fund and is currently its largest donor. We welcome the huge strides it is making in tackling climate change, and in this replenishment we are calling on the Bank to go further by creating a dedicated climate window to attract additional climate financing to the Fund and to commit to supporting countries to deliver their Nationally Determined Contributions.

Ahead of COP27, it is vitally important that countries deliver on the commitments they made in Glasgow, particularly on the undertaking to deliver more ambitious Nationally Determined Contributions and by developed countries to double adaptation finance. In this respect, we call on donors to ensure a successful replenishment of the ADF to support the most vulnerable African countries to tackle climate change. 

**Ahead of COP27,
it is vitally
important that
countries deliver on
the commitments
they made
in Glasgow.**

Bio

In September 2021, UK Member of Parliament Vicky Ford was appointed Minister for Africa in the Foreign, Commonwealth & Development Office and as such, Alternate Governor for the African Development Bank. In December 2021, she became UK Minister for Africa, Latin America, and the Caribbean after having served as Parliamentary Under Secretary of State for Children and Families in the Department for Education. Ford had also been a member of the European Parliament, where she led work on digital policy and single market reforms to boost trade, and on banking reform in the aftermath of the financial crisis. Prior to entering politics, Vicky Ford was managing director of a major international bank, where she raised finance for key infrastructure projects across Europe, the Middle East, and Africa.



VICKY FORD

Minister for Africa, Latin America and the Caribbean

Fostering climate resilience and a just energy transition for Africa through evaluative evidence

Economic development is impossible in the dark, yet around 600 million Africans still have no access to electricity. For those who do, consumption remains constrained by high costs and poor service quality. Energy supply is one of Africa's greatest infrastructure challenges, with 30 countries already experiencing regular power shortages and many paying high premiums for emergency power supplies. Given the continent's relatively low level of legacy energy infrastructure and the falling cost of renewable energy technologies, there is an opportunity for Africa to pivot to clean energy solutions.

The African Development Bank's 7th General Capital Increase prioritizes harnessing Africa's large, untapped clean energy sources. The Bank also has a new Climate Change and Green Growth Strategic Framework to ensure that all the projects it finances are aligned with the Paris Agreement and help Regional Member Countries (RMCs) shift to a low-carbon pathway. A recent political evolution came with the 2021 Glasgow Climate Pact, which acknowledges a "Just Energy Transition". A just transition for Africa takes into consideration the fact that the continent has barely contributed to historical greenhouse gas emissions and accounts for only a small share of current emissions. For African countries, the transition must also adequately consider other criteria necessary to achieve SDG 7, such as finance, technology development, and capacity building. With the tendency to preclude new investment in coal power generation, and the slow pace of energy transition to a low carbon pathway compared with Africa's development needs, natural gas is being touted as a possible bridging fuel to renewables.

In supporting RMCs to build their climate resilience and transition to clean energy, the

African Development Bank can draw on a wealth of evidence produced by Independent Development Evaluation (IDEV) to inform its policies, strategies, frameworks and operations in the areas of power, energy, climate change and green growth. A key evaluation, Mainstreaming Green Growth & Climate Change into the African Development Bank's Interventions (2021) and others provide the following main findings, lessons, and recommendations for the Bank.

Policy and strategy considerations

The Evaluation of the African Development Bank's Assistance to the Energy Sector (1999–2018): Refocusing Support for Improved and Sustained Energy Access in Africa (2020) points to the need for RMCs to enhance their capacity to formulate and implement comprehensive energy policies. These should encompass long-term power development plans, energy security strategies, and energy efficiency/conservation plans. To this end, evaluations recommend strengthening Bank assistance to countries by increasing the use of non-lending instruments, such as analytical work and technical assistance, and by strengthening policy dialogue based on established, well-structured national sector reform strategies and road maps.

Financing sustainability: more support to improve power utility organizational and operational capacity

Evaluative evidence (e.g. Impact Evaluation of the Kenya Last Mile Connectivity Project, Phase 1 (2022) shows that long-term maintenance of electricity infrastructure in RMCs is associated with the strength of a power utility's business model. IDEV therefore recommends

that the Bank increase support for interventions that strengthen the organizational and operational capacity of power utilities in RMCs. Priority areas of action include investments that balance power generation, transmission, and distribution; and a holistic approach to electricity cost drivers, innovative subsidy design, and electricity pricing.

To increase the Bank's funding to countries and to the private sector in sustainable energy access, the Evaluation of the African Development Bank's Assistance to the Energy Sector (1999–2018): Refocusing Support for Improved and Sustained Energy Access in Africa (2020) also recommends scaling up blended finance approaches that mobilize more private sector investments and creative concessional finance. They also show that technical assistance and adequate project preparation help optimize the investments.

Regional power interconnections for climate change resilience

Regional power interconnections foster climate resilience by enabling resource-poor countries to tap into cheaper, cleaner sources of energy with limited greenhouse emissions. However, evaluative evidence from the Powering Africa Through Interconnection: Cluster Evaluation Report (2018) shows that to achieve long-term results, multinational projects require sustained political commitment from participating state-parties.

Focusing on learning about green growth and climate change mainstreaming at the country level is imperative. In Mozambique for example, there is evidence that lessons learned from using green growth and climate change approaches and technologies in the agricultural sector are being leveraged for other projects. Sharing lessons and experience across projects and

among staff in a Bank-assisted ministry or department has the under-reported effect of lessons being adopted and applied.

Integrated solutions spur rural socio-economic development

Evaluation evidence shows that integrated solutions in rural areas have a sustained development impact (Spurring Local Socio-Economic Development Through Rural Electrification: Cluster Evaluation Report (2018)). They optimize the productive use of electricity and help foster rural business development and expansion. Integrated solutions require more synergy between rural electrification interventions and other rural development interventions involving energy services, e.g., agricultural, commercial and industrial activities.

An effective rural electrification strategy requires additional measures to promote economic activities that spur the productive use of electricity in electrified areas: integrating complementary interventions (e.g., microfinance services, vocational training services, sensitization campaigns, etc.) that link electricity access to income-generating activities. ⁶⁰

KAREN ROT-MUNSTERMANN

Evaluator General
African Development Bank



Impact Evaluation of the Kenya Last Mile Connectivity Project, Phase 1 (2022)



Evaluation of Mainstreaming Green Growth & Climate Change into the African Development Bank's Interventions (2021)

Evaluation of Mainstreaming Green Growth & Climate Change into the African Development Bank's Interventions—Energy and Transport Cluster (2021)



Evaluation of the African Development Bank's Assistance to the Energy Sector (1999–2018): Refocusing Support for Improved and Sustained Energy Access in Africa (2020)

Evaluation of the African Development Bank's Program Based Operations: Energy Governance Cluster (2019)

Spurring Local Socio-Economic Development Through Rural Electrification: Cluster Evaluation Report (2018)

Powering Africa Through Interconnection: Cluster Evaluation Report (2018)



The background of the slide is a dark, semi-transparent aerial photograph of a city skyline, likely Lagos, Nigeria, with a large body of water visible in the distance. On the left side, there is a vertical teal bar with a white geometric pattern. The text is white and bold, positioned in the center-left of the image.

Executive Directors of the African Development Bank Group guide strategy, help to develop policy, and provide advice on operational implementation. Their role in ensuring inclusiveness and sustainability in Africa's economic transformation is invaluable.



MOHAMED EL GHOLABZOURI

Executive Director, Representing Morocco, Tunisia and Togo • Since 2019

Mohamed El Gholabzouri began his career at the Moroccan Ministry of Economy and Finance and held the position of Deputy to the Director of Treasury and External Finance. He was also Head of Department in charge of relations with the Americas, the Arab and Islamic World and African and Asian countries. He has served on the Board of Directors of several leading institutions including the Development Bank of Central African States (BDEAC) and the Arab Investment & Export Credit Guarantee Corporation. He graduated from the Mohammed V University in Rabat with an advanced degree in economics and holds a Certificate in Management from the École Nationale d'Administration in Paris.

DAVID STEVENSON

Executive Director, Representing Canada, China, Korea, Turkey and Kuwait • Since 2017

As Director General of the Canadian International Development Agency (CIDA) and Managing Director of the Howard G. Buffett Foundation, David Stevenson has pursued a leadership career in humanitarian diplomacy and development in Africa for more than 30 years in government, private sector and multilateral agencies. He served as the World Food Programme's representative in Rwanda and Zambia, and led the transformational change from food aid to food assistance at the agency. He is a Political Science graduate from the University of Calgary and holds a Master's degree from Queen's University.



PAAL BJORNESTAD

Executive Director, Representing Norway, Denmark, Finland, India, Ireland and Sweden • Since 2019

Paal Bjornestad has held a range of senior positions in the Norwegian government and its Foreign Service. From 2001 he served as Second Secretary in Norway's mission to the European Union in Brussels, and later became Deputy Head of Mission in Saudi Arabia and South Africa. In 2011 he became a senior advisor in the Norwegian Prime Minister's office and from 2013 served as Secretary of State and Deputy Minister in Norway's Finance Ministry. He attended the University of Mannheim and the University of Oslo, and earned a Master's degree in international affairs and economic policy management from Columbia University, New York.

EXECUTIVE DIRECTORS



STEPHANE MOUSSET

Executive Director, Representing France, Spain and Belgium • Since 2020

As Head of the International Financial System Division at the French Treasury, Stéphane Mousset has represented France at numerous major international summits, including meetings of the G7, the World Bank and the G20. He was Secretary of the G20 Working Group on Multilateral Development Banks and wrote the G20 Working Group Report on Development that was presented to the G20 London Summit during the 2008-9 global financial crisis. From 2010 to 2013 he served as the French Consul for economic affairs in Brazil. As Head of the International Financial System Division at the French Treasury, he was in charge of coordinating French positions for multilateral summits from 2015-2017. In 2017 he was appointed Chief of Staff at the International Fund for Agricultural Development (IFAD).



SAID MAHERZI

Executive Director, Representing Algeria, Guinea Bissau and Madagascar • Since 2019

Said Maherzi joined the Bank of Algeria in 1990 and has held the posts of Director General of Research and Advisor to the Governor, becoming Vice Governor of the Bank in 2016. He has worked closely on Algeria's relations with the World Bank, the International Monetary Fund and regional finance bodies. His academic career began as an Assistant Lecturer at the Institut des Sciences Économiques and the École Supérieure de Commerce of Algiers. He became an Associate Professor at Algeria's École Nationale Supérieure d'Administration and the Maghreb Institute of Customs and Tax Economics. He holds a degree in economics from the University of Algiers and a Master's degree from the University of Surrey, UK.



ADAMA KONÉ

Executive Director, Representing Côte d'Ivoire, Guinea and Equatorial Guinea • Since 2019

In a distinguished career as a high-ranking civil servant in Côte d'Ivoire, Adama Koné has held several senior government positions, including Minister of Economy and Finance from 2017 to 2019. He has served as Director-General of the Treasury and a minister responsible to the Prime Minister for the economy. His numerous honours for his government service include Chevalier of the the National Order of Côte d'Ivoire. He is a graduate of the École Nationale d'Administration de Côte d'Ivoire, and holds a degree in economics from the University of Abidjan and an MBA from New York's Adelphi University.



EXECUTIVE DIRECTORS



JUDITH KATEERA

Executive Director, Representing Angola, Mozambique, Namibia and Zimbabwe • Since 2019

In a long and distinguished civil service career, Judith Kateera has held numerous senior positions in the government of Zimbabwe, including Policy Permanent Secretary in the Ministry of Finance and Economic Development where she specialised in revenue, financial markets and international co-operation.

She has a degree in economics and a Master's degree in development economics from Williams College in Massachusetts, USA, and a PhD in economics from Zhongnan University, China. A macroeconomist, she has written extensively and is currently finalising work on two books, one on sustainable infrastructure financing and the other a collection of her economic thoughts.

MAIMOUNA NDOYE SECK

Executive Director, Representing Senegal, Benin, Burkina Faso, Cabo Verde, Gabon, Union of the Comoros, Mali and Niger • Since 2019

As a specialist in electricity and renewable energy, Maimouna Ndoeye Seck has played a major role in Senegal's power sector, chairing Senegal's Electricity Sector Regularity Commission which co-ordinated the regulation of electricity tariffs including rural electrification concessions for Senegal's national electricity company Senelec. She was in charge of planning Senelec's production operations. She has led several ministries in Senegal including Air Transport, Tourism, and the Department of Energy and the Development of Renewable Energy. She trained as a polytechnical engineer at the École Polytechnique in Senegal, and has a Master's degree in energy management and economics from the Swiss Federal Institute of Technology.



AHMED MAHMOUD ZAYED

Executive Director, Representing Egypt and Djibouti • Since 2018

Ahmed Mahmoud Zayed has worked extensively with the Egyptian government as a senior advisor in the Ministry of International Cooperation, where he was responsible for implementing initiatives enhancing economic cooperation between Egypt and the rest of Africa. He also served as Advisor to the Minister of Planning and Economic Development where he implemented the Egyptian Social Development Fund and numerous other community programmes supporting employment and training. He is a graduate of Cairo's Faculty of Economics and Political Science, and has a host of academic awards and diplomas, including from Columbia University School of International Affairs.

EXECUTIVE DIRECTORS



MBUYAMU MATUNGULU

Executive Director, Representing the Democratic Republic of the Congo, Cameroon, Burundi, the Republic of the Congo, Central African Republic and Chad • Since 2019

Minister of Economy, Finance and Budget of the Democratic Republic of the Congo from 2001 to 2003, Mbuyamu Matungulu is an economist by training, holding a doctorate in economics from the American University of Tufts. A former special advisor to the Vice-Governor of the Central Bank of the Congo, he also had a long career with the International Monetary Fund (IMF), which recruited him as early as 1992 in Washington. He was the IMF's resident representative for three years in Cameroon, where he oversaw an ambitious economic recovery program—which helped the country reach the decision point of the Heavily Indebted Poor Countries Debt Relief Initiative—before returning to serve his country as a minister. Following differences over economic and financial governance issues, he resigned in 2003 to return to the IMF, from which he took early retirement in 2014.



JESSICA ISAACS

Alternate Executive Director, Representing the United States • Since 2020

Jessica Isaacs has held a variety of positions in the U.S. government with a focus on multilateral institutions, international development, and energy and climate. Before joining the AfDB Board in 2020, she represented the U.S. Treasury Department at the World Bank, the Green Climate Fund, the G20 and in other multilateral fora. She previously served at the International Energy Agency and in private sector renewable energy development. She holds a policy degree from Scripps College and a Master's degree from Duke University.



CORNELIUS KARLENS DEKOP

Executive Director, Representing Botswana, Malawi, Mauritius and Zambia • Since 2019

Cornelius Karlens Dekop has more than 30 years' experience in the public sector.

Trained as an economist, he served Botswana's Secretary for Budget and Development Programmes in the Ministry of Finance and Economic Development for seven years, before being appointed Permanent Secretary at the Ministry of Mineral Resources, Green Technology and Energy Security in 2018. He was also a board member of the Botswana government-owned Okavango Diamond Company for six years. He later joined the board of De Beers' Debswana Diamond Company and became Chair of the sales and marketing company, Diamond Trading Company Botswana.



EXECUTIVE DIRECTORS



ABDULHAKIM MOHAMED ELMISURATI

Executive Director, Representing Libya and Mauritania • Since in 2019

Abdulhakim Mohamed Elmisurati has held senior positions in a range of financial institutions, most recently as director of financial institutions and technical cooperation at the Libyan Ministry of Finance. Previously he was the Managing Director, Libya, for an investment holding company in Egypt, a subsidiary of the Libyan Arab Foreign Investment Company. He has served on several boards, including the Libyan African Investment Company, the Arab Organization for Agricultural Development, and the National Housing and Construction Company in Uganda. He has a PhD in accountancy from Egypt's Suez Canal University.



KENYEH BARLAY

Executive Director, Representing Sierra Leone, Ghana, the Gambia, Liberia and Sudan • Since 2019

Kenyeh Barlay's career began in Sierra Leone's Ministry of Development and Economic Planning where she became Head of the Social Services Division. In 1997 she became the Director of Sierra Leone's highly successful post-conflict Social Action and Poverty Alleviation programme. She went on to develop this into Sierra Leone's National Microfinance Programme. From 2013-2016, Ms. Barlay coordinated the World Bank and JICA funded West African Agricultural Productivity Programme (WAAPP). She has consulted on a range of topics, including tackling poverty and gender inequality and improving women's access to finance, among other issues, for the World Bank and other agencies. She holds a Master's degree in social planning from University College, Swansea, South Wales.



NIELS BREYER

Executive Director, Representing Germany, Luxembourg, Portugal and Switzerland • Since in 2019

As an official of the German Federal Ministry of Economic Cooperation and Development (BMZ) since 1987, Niels Breyer has dealt with African affairs for the most of his career. He headed BMZ's divisions in Central, West and East Africa, and served as the coordinator to the G8 Africa Personal Representative to the German Chancellor. He gained on-the-ground experience in Somalia, Mozambique and more recently Nigeria, where he led the German support programme to the ECOWAS Commission. Mr. Breyer is a development economist by training and has a banking background.



EXECUTIVE DIRECTORS



AMOS KIPRONOH CHEPTOO

Executive Director representing Kenya, Eritrea, Ethiopia, Uganda, Rwanda, Seychelles, Somalia, South Sudan and Tanzania • Since 2019

Amos Cheptoo has more than 23 years' experience as a public sector economist and civil servant. This includes several years as a senior manager and acting director at the Macroeconomic & Financial Institute of Eastern and Southern Africa (MEFMI) in Zimbabwe. Previously he served for 10 years as an economist at the Central Bank of Kenya where he helped to develop Kenya's macroeconomic framework.

He has authored many publications on macroeconomic policy and holds a degree in economics and sociology from Egerton University in Kenya and a Master's degree from Addis Ababa University in Ethiopia.

DR SAMSON OYEBODE OYETUNDE

Executive Director, Representing Nigeria and Sao Tome and Principe • Since 2021

Dr. Oyetunde is the former Senior Special Advisor to President Buhari of Nigeria, advising on finance, fiscal policy and legal matters. As a qualified chartered accountant and legal practitioner he has wide knowledge of legal and financial matters and served as special advisor to Nigeria's Minister of Finance. He was Vice Chair of Nigeria's committee on fiscal policy reforms, the working group that produced Nigeria's National Development Plan. He is a former senior member of the Standard Bank Group and holds a Master's degree and Doctorate from Queen Mary, University of London and a Master's degree from the London School of Economics and Political Science.



TAKAAKI NOMOTO

Executive Director, Representing Argentina, Austria, Brazil, Japan and Saudi Arabia • Since 2021

Takaaki Nomoto is a seasoned Japanese economist who began his career in Japan's Ministry of Finance in 2004 where he held a range of senior positions including Deputy Director of the Financial Institution Division and Tax Examiner. From 2011-2014 he served as Economist at the Asian Development Bank, and in 2018 became Senior Advisor to the Executive Director for Japan at the World Bank Group. He holds an LLB from the University of Tokyo, a Master's degree in Economics from University College London (UCL) and a Master's degree in Economic History from the London School of Economics and Political science (LSE) in the UK.

EXECUTIVE DIRECTORS



MMAKGOSHI E.P. LEKHETHE

Executive Director, Representing Lesotho, South Africa and Swaziland • Since 2016

Ms. Mmakgoshi Phetla-Lekhethe is the Dean of the Executive Directors. She is also Chairperson of the Committee on Administrative Matters concerning the Board of Directors. Prior to joining the Bank, she was Deputy Director General at the National Treasury in South Africa's Ministry of Finance from 2009 to 2016 where she specialised in treasury and risk management.

Previously she worked at the World Bank as Senior Advisor to the Executive Director, Africa Group.

Ms. Phetla-Lekhethe has two Bachelor of Commerce degrees from the Universities of the Witwatersrand and KwaZulu-Natal in South Africa, and a Master's degree in Economics from London University's School of Oriental and African Studies (SOAS).

CHRISTOPHER WILLIAM CHALMERS

Executive Director, Representing Italy, the United Kingdom and the Netherlands • Since 2019

Christopher Chalmers worked at the UK's Department for International Development (DFID) as Head of Strategy before he joined the African Development Bank. At DFID he held various senior positions in India and China, and led work on the UK's 2016 Bilateral Development Review and the 2015 UK Aid Strategy. He holds a degree in History from the University of Wales, Swansea and a Master's Degree in Public Policy and Management from London University's School of Oriental and African Studies (SOAS).



This publication acknowledges the dedicated and visionary leadership of the African Development Bank's Governors, who guide its mission to transform the continent, grow economies and improve the quality of life for millions of Africans. The men and women featured in this Governors' Digest are among the 81 Ministers, Central Bank Governors and senior leaders at the forefront of Africa's transformation. The strategic insights they offer are a testament to their strong commitment to the people of Africa.

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