

Post-TICAD VI Seminar: Implementing the outcomes of TICAD VI

The High 5 for transforming Africa
Le Top 5 pour transformer l'Afrique

Green and inclusive growth for sustainable industrialization in Africa



AFRICAN DEVELOPMENT BANK GROUP

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I. African Development Bank and TICAD VI

AfDB Participation in TICAD VI



AfDB participated in TICAD VI

- AfDB President delivered an opening speech at official plenary of Thematic Session 1.
- President spoke in 6 side events, either keynote speeches, or opening remarks.
- Signed 2 Memorandum of Understandings (MOU) and 2 Letter of Intents (LOI)



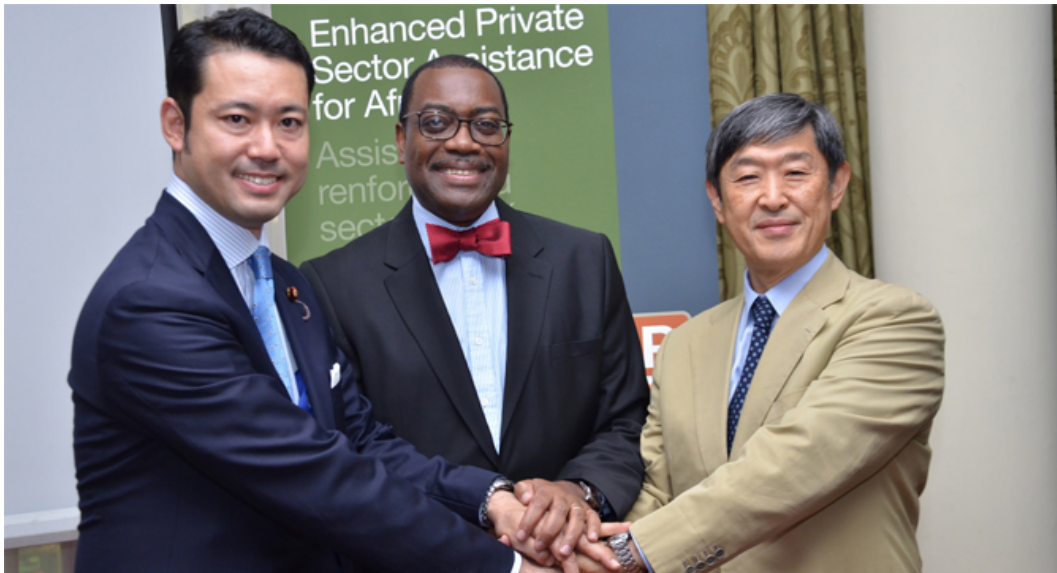
AfDB participated in TICAD VI

- AfDB met with influential figures in African politics and economies.



AfDB participated in TICAD VI

- GOJ and AfDB Jointly announced EPSA 3 new commitment
- US\$ 1.5 billion each to make US\$ 3 billion to support private sector in next 3 years.
- When clean coal technology applies, additional US\$ 300 million will be supported by GOJ.



AfDB participated in TICAD VI

- AfDB actively participated in TICAD VI and met with various stake holders.
- Great opportunity for the Bank and the President to play up the Bank's new strategy and its strong commitment in the continent's development.
- Though AfDB is not one of co-organizers of TICAD process, audiences might see how AfDB plays an important role in African development.
- The Bank continues to support and is engaged in TICAD process including through EPISA.



II. Green and inclusive growth for sustainable industrialization in Africa



Ten Year Strategy (2013-2022)

Two objectives to support transformation

Three areas of special emphasis





High 5s - Scaling up implementation of the Ten Year Strategy



Light up and power Africa

Unlock the continent's energy potential in order to drive much-needed industrialization



Improve the quality of life for the people of Africa

Develop innovative flagship programs to open up opportunities for youth employment, improve access to basic services and create economic opportunities for the extreme poor



Feed Africa

Transform agriculture to increase productivity, lower food prices, enhance food security, revive rural areas and create jobs for Africans



Industrialize Africa

Lead other partners in the process of industrializing Africa and developing the private sector to create wealth from natural assets



Integrate Africa

Address barriers, create regional value chains and leverage complementarities in order to tap the continent's huge market potential

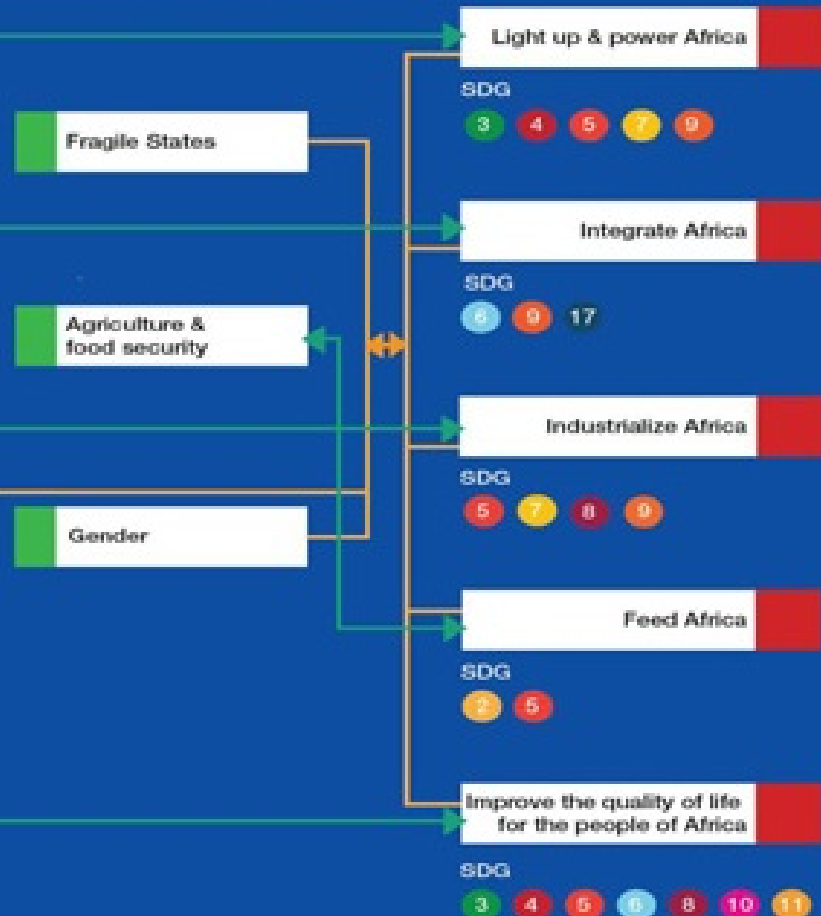
LTS and High 5s are AfDB's response to SDGs



Operational priorities



Areas of special emphasis





Light up and power Africa

Unlock the continent's energy potential in order to drive much-needed industrialization

- **Objective 2025: Universal Access to Electricity**
 - +162 GW electricity generated
 - + 130 million on-grid connections
 - + 75 million off-grid connections
- Aspirational goal: to help the continent achieve universal electricity access by 2025 with a strong focus on encouraging clean and renewable energy solutions.
- Light Up and Power Africa: “A New Deal on Energy for Africa”
- The Bank will invest **US \$12 billion** of its own resources in the **energy sector** over the **next five years**



Feed Africa
Nourrir l'Afrique

- **Objective 2025: Agricultural Transformation**
 - + 150m people adequately fed
 - + 100m people lifted out of poverty
 - + 190m hectares with restored productivity
- Overall goal of the Feed Africa priority: make Africa a net food exporter by 2025
- The Bank Group's **investments in agriculture (both public and private)** are envisaged to quadruple from a current annual average of US \$612 million to about **US \$2.4 billion**.



Feed Africa

Transform agriculture to increase productivity, lower food prices, enhance food security, revive rural areas and create jobs for Africans

- **Objective 2025: Economic Diversification**

- Industrial contribution to GDP increased by 130%

- 35 special economic zones supported

- 30 PPPs developed & strengthened

- The Bank's ambition: to help double the industrial GDP by 2025, and by so doing help increase its industrial GDP to US \$1.72 trillion, with overall GDP increasing to US \$5.6 trillion, mainly by giving the private sector the means to effectively drive the industrialization process on the continent.

- Over the next 10 years, the Bank will facilitate cumulative investment of **US \$56 billion** toward implementing the **6 flagship industrialization programs.**



Industrialize Africa

Lead other partners in the process of industrializing Africa and developing the private sector to create wealth from natural assets



- **Objective 2025: Universal Access to Regional Market**
 - Building regional infrastructure
 - Boosting intra-African trade & investment
 - Facilitating movement of people across borders
- **AfDB Regional Integration Policy and Strategy (2014–2023)** acknowledges the opportunities provided by regional integration in boosting infrastructure, trade, industrialisation and movement of people.
- The Bank will (1) develop regional energy markets, railways and highways to link countries' economic activities; (2) facilitate cross-border investments; (3) eliminate non-tariff trade barriers; (4) harmonise investment and engineering codes, and quality assurance & certification standards; (5) support of changing visa regime (offer visa free or visa on arrival to all Africans), etc.



Integrate Africa

Address barriers, create regional value chains and leverage complementarities in order to tap the continent's huge market potential

- **Objective 2025: Access to Social & Economic Opportunities**

- Creating 80 million jobs
- Building critical skills
- Improving access to water & sanitation
- Strengthening health systems

- Central to this initiative will be an emphasis on **job creation**, for which the Bank has prepared a **Jobs for Youth in Africa (JfYA)** strategy. It aims to create **25 million jobs** and impact **50 million youth over the next decade**. JfYA also supports the **Bank's Gender Strategy**, supporting skills development and the creation of entrepreneurial opportunities that support gender equality. **50%** of JfYA beneficiaries will be **female youth**.

- Bank will continue (1) investing in infrastructure and improving access to basic services such as water and sanitation; (2) promoting an enabling human development policy environment that deliver basic services, particularly in health systems; (3) creating new programs in agriculture, industrialization and ICT that will assess and scale promising solutions to accelerate job creation in Africa.



**Improve the quality of life
for the people of Africa**

Develop innovative flagship programs to open up opportunities for youth employment, improve access to basic services and create economic opportunities for the extreme poor



Power and Light Up Africa

Morocco

**ONEE Integrated Wind/Hydro
Programme**

AfDB financing USD 450 million



Zambia

Itezhi-Tezhi Hydro Project

AfDB financing USD 35 million





FeedAfrica

**Small Scale Irrigation & Agriculture
Value Chain Development, Kenya**
(Total cost USD 71 million /
AfDB USD 40 million)



National Drainage Programme, Egypt
(Total cost EUR 75 million
/ AfDB EUR 50.2 million)





Industrialize Africa



6 Flagship Programs for Industrialize Africa

- 1: Development industrial policies,
- 2: Catalyse funding into industry and infrastructure projects.
- 3: Grow liquid an effective capital markets,
- 4: Promote and drive enterprise development
- 5: Develop effective industry clusters across the continent
- 6: Promote strategic partnerships in Africa





Integrate Africa

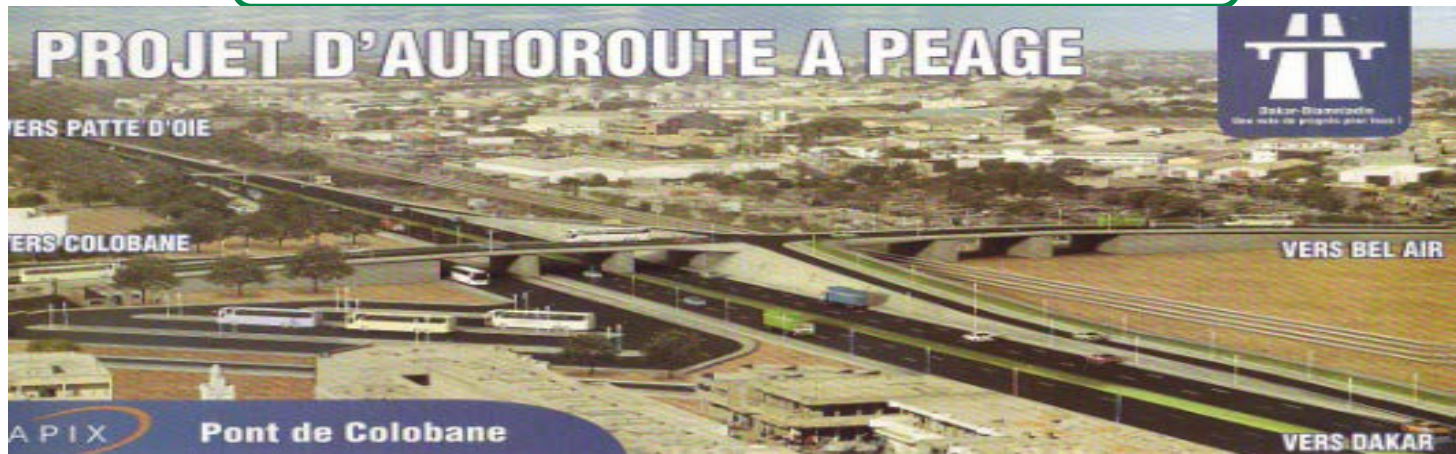
Blaise Diagne Airport - SN



Lekki Port – Nigeria : \$1.5B



Dakar Toll Road – SN: \$225M













Improve the Quality of Life for the People of Africa



The Rwanda Skills, Employability and Entrepreneurship Project (SEEP) Sector: Tertiary and higher education

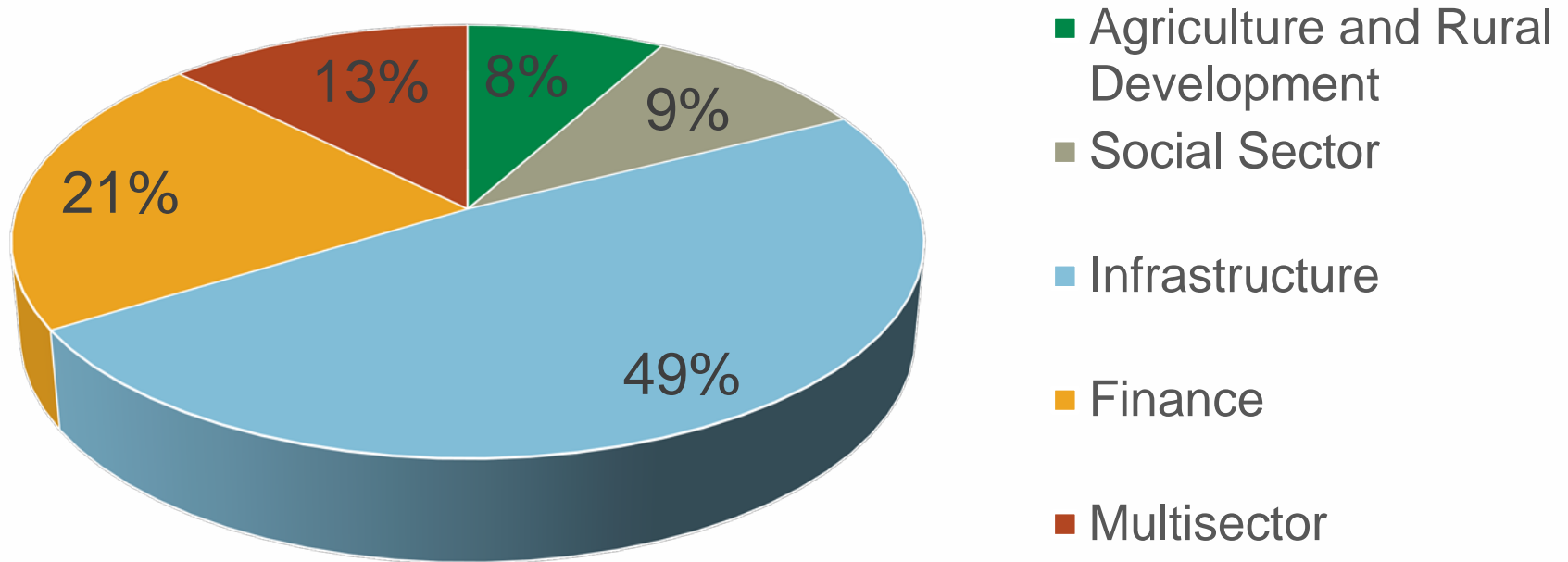
**Rwandan government jointly work with Carnegie Mellon University to
grade up tertiary education and train entrepreneurs.
AfDB invested US \$37.5 million from ADF**

Nairobi Declaration and AfDB's H5

- Pillar 1: Promoting structural economic transformation through economic diversification and industrialization 
⇒ High 5s ((1)  Poor and Light Up Africa,  (2) Industrialize Africa, (3) Feed Africa in terms of agribusiness),
- Pillar 2: Promoting  resilient health systems for quality of life 
⇒ High 5s ((5)  Improve the quality of life for the people of Africa and (3) Feed Africa in terms of nutrition), 
- Pillar 3: Promoting social stability for shared prosperity 

AfDB Investment Trend in 2015 and continue to grow

Bank Group Approvals by Sector in 2015, total US\$ 8.8 billion.



[NOTE] Infrastructure includes; Water Supply and Sanitation, Energy, Communication, Transport.



Lake Turkana Wind Project



Kenya

The Project

- The Project involves the construction and operation of a 300 MW wind farm near Lake Turkana in the Great Rift Valley, in the north-western part of Kenya. The wind farm will comprise 365 turbines of 850KW capacity each.
- The total project cost is EUR585 million. This will be financed with equity (25%), mezzanine debt (5%) and senior debt (70%). The senior debt will be made up of a DFI tranche arranged by the Bank of EUR309 million and a commercial debt tranche of EUR100 million.

Key Figures

Total Project Cost

EUR 585 million

Debt / Mez/ Equity

25% / 5% / 70%

**AfDB Loan
(Approval Basis)**

EUR 110 million (Senior)

**EUR 10 Million
(Subordinated)**

**AfDB Board
Approval**

2013

AfDB Role

Senior/Subordinated lender, MLA, PRG



Menengai Geo-Thermal Power Project



Kenya

The Project

- To increase geothermal energy production capacity by 400 MW.
- To provide a reliable, clean and affordable electricity supply to 500,000 households and 300,000 micro-enterprises.
- To accelerate the energy transition of the Kenyan economy through increasing the proportion of geothermal in the national energy mix.
- To reduce the frequency of power outages caused by the volatility of hydroelectric production.

Key Figures

Estimated Total Project Cost	US\$ 500 million
Co-Financiers (All figures are estimated)	Climate Investment Fund 25m French Development Agency 70m European Investment Bank 35m Kenya Government 245m
AfDB Loan (ADF)	USD 125 million
AfDB Board Approval	2011

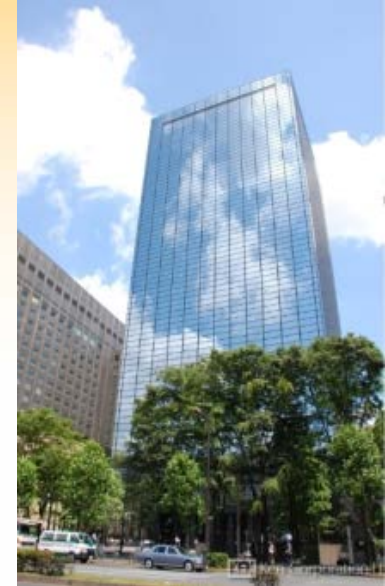
AfDB Role

- ADF

Additional US\$ 8 m for PRG in 2014



External Representation Office for Asia AfDB's First External Office outside Africa



Established in October, 2012

Mission of the ASRO

1. External Partnership and Dialogue
2. Knowledge Dissemination and Exchange
3. Business and Investment Promotion



Head: Tadashi YOKOYAMA



WORLD BANK GROUP "DOING BUSINESS" 2016

Economies		Ease of Doing Business Rank	Starting a Business	Dealing with Construction Permits	Getting Electricity	Registering Property	Getting Credit	Protecting Minority Investors	Paying Taxes	Trading Across Borders	Enforcing Contracts	Resolving Insolvency
Asian countries	African countries											
Singapore		1	10	1	6	17	19	1	5	41	1	27
Korea, Rep.		4	23	28	1	40	42	8	29	31	2	4
Hong Kong SAR, China		5	4	7	9	59	19	1	4	47	22	26
Taiwan, China		11	22	6	2	18	59	25	39	65	16	21
Malaysia		18	14	15	13	38	28	4	31	49	44	45
	Mauritius	32	37	35	41	99	42	29	13	66	27	39
Japan *		34	81	68	14	48	79	36	121	52	51	2
Thailand		49	96	39	11	57	97	36	70	56	57	49
Mongolia		56	36	25	134	44	59	8	91	74	80	89
	Rwanda	62	111	37	118	12	2	88	48	156	127	72
	Botswana	72	143	97	122	70	70	81	71	51	128	56
	South Africa	73	120	90	168	101	59	14	20	130	119	41
	Tunisia	74	103	57	38	86	126	105	81	91	81	57
	Morocco	75	43	29	55	76	109	105	62	102	59	130
China *		84	136	176	92	43	79	134	132	96	7	55
Vietnam		90	119	12	108	58	28	122	168	99	74	123
	Seychelles	95	131	123	139	67	109	105	43	86	138	63
	Zambia	97	78	110	123	157	19	88	46	152	134	107
	Namibia	101	164	66	76	174	59	66	93	118	103	97
Philippines		103	165	99	19	112	109	155	126	95	140	53
	Swaziland	105	156	80	155	113	70	134	79	30	175	96
	Kenya	108	151	149	127	115	28	115	101	131	102	144
Indonesia *		109	173	107	46	131	70	88	148	105	170	77
	Ghana	114	102	132	121	77	42	66	106	171	116	161
	Lesotho	114	112	172	147	108	152	99	109	36	85	117
	Uganda	122	168	161	167	120	42	99	105	128	78	104
Cambodia		127	180	181	145	121	15	111	95	98	174	82
India *		130	155	183	70	138	42	8	157	133	178	136
	Mozambique	133	124	31	164	105	152	99	120	129	184	66
Lao PDR		134	153	42	158	66	70	178	127	108	92	189
	Tanzania	139	129	126	83	133	152	122	150	180	64	99
	Malawi	141	161	65	175	93	152	115	102	123	147	164
	Côte d'Ivoire	142	46	180	146	109	133	155	176	142	120	76
Myanmar		167	160	74	148	145	174	184	84	140	187	162

* The rankings of economies with populations over 100 million as of 2013 (China, India, Indonesia and Japan) are based on data for 2 cities

Source : WORLD BANK GROUP "DOING BUSINESS" <http://www.doingbusiness.org/>



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- Financial and Operational Analysis
- Documentation for Debt Programs
- Rating Agency Reports
- Financial Products for Borrowers
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