



Resource Mobilization of the African Development Bank and the Role of the Private Sector in Africa's Economic Development

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Deputy Head, Asia External Representation
African Development Bank

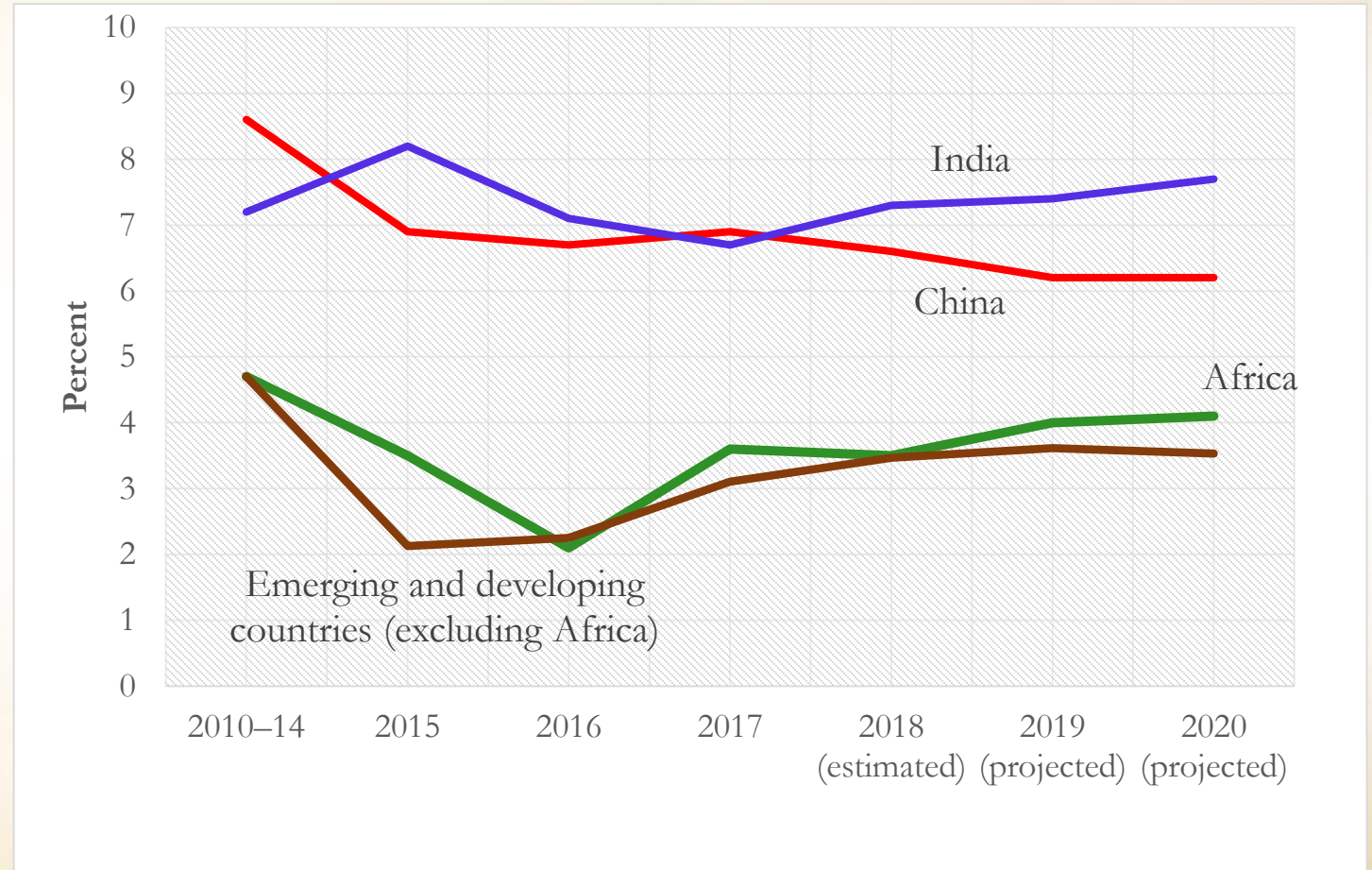
Mamoru Endo, PhD.

African Economic Status

African Economies Have Maintained Growth Momentum...

- Average Real GDP growth in Africa is estimated at 3.5 percent in 2018.
- And projected at 4 percent in 2019 and 4.1 percent in 2020.
- Higher than projected growth in other emerging markets and developing economies.

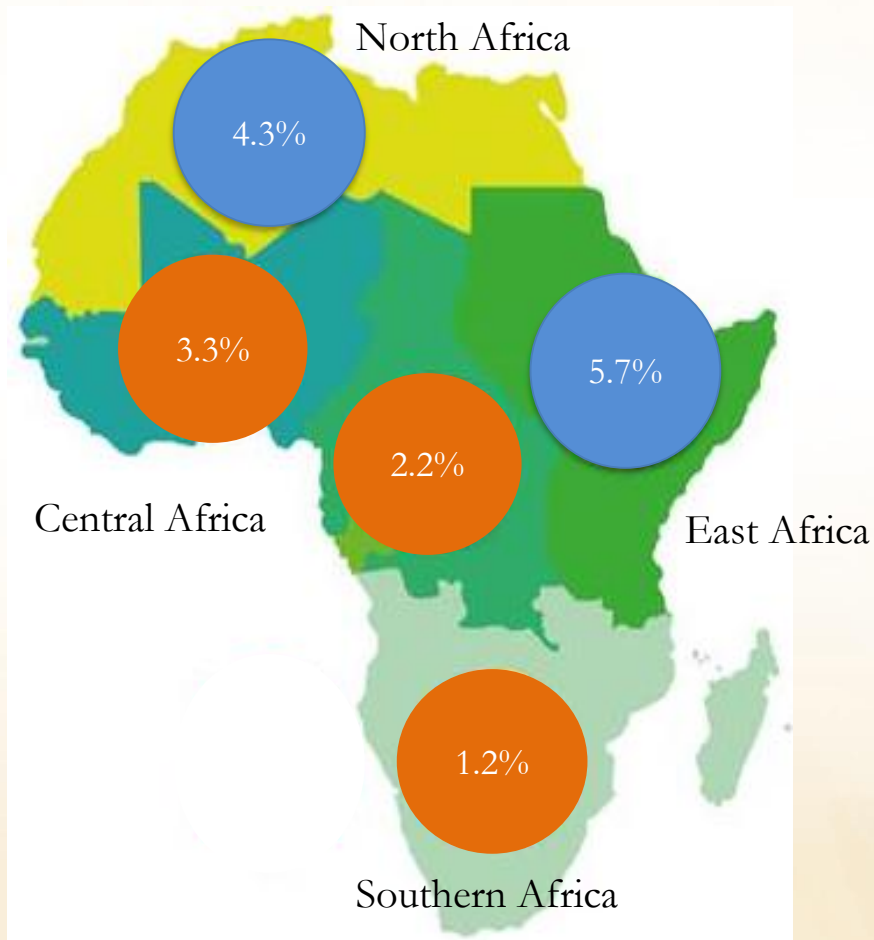
Real GDP growth in Africa, 2010–20



Source: African Development Bank statistics and International Monetary Fund

...WITH SIGNIFICANT REGIONAL VARIATIONS

2018



Country	2017	2018
Benin	5.8%	6%
Burkina Faso	6.3%	6%
Cote d'Ivoire	7.7%	7.5%
Ethiopia	10.1%	7.7%
Ghana	8.5%	6.5%
Guinea	8.2%	5.8%
Rwanda	6.1%	7.2%
Senegal	7.2%	6.6%

Potential Headwinds

- **External downside risks include:**
 - Normalization of interest rates in advanced economies.
 - Uncertainty in trade tensions between US & China.
 - Volatility of commodity prices.
- **Domestic risks include:**
 - Vulnerability to debt distress in some countries.
 - Security and terrorism concerns.
 - Uncertainties associated with elections and political transition.

AfDB and Its Financing

55 years of partnership for the development of Africa

Americas

USA	6.663%
Canada	3.880%
Brazil	0.334%
Argentina	0.090%

Africa

Nigeria	9.388%	Burkina Faso	0.401%
Egypt	5.658%	South Sudan	0.372%
South Africa	5.110%	Namibia	0.347%
Algeria	4.291%	Sudan	0.292%
Côte d'Ivoire	3.754%	Sierra Leone	0.276%
Morocco	3.629%	Burundi	0.238%
Libya	2.325%	Malawi	0.228%
Ghana	2.149%	Niger	0.224%
Zimbabwe	1.856%	Benin	0.194%
Ethiopia	1.586%	Liberia	0.193%
Kenya	1.446%	Togo	0.160%
Tunisia	1.414%	Equ.Guinea	0.147%
DRC	1.298%	Gambia, The	0.144%
Zambia	1.182%	Rwanda	0.132%
Angola	1.174%	Eswatini	0.114%
Cameroon	1.087%	Cabo Verde	0.071%
Botswana	1.081%	Sao Tome & P.	0.068%
Senegal	1.051%	Chad	0.063%
Gabon	1.004%	Lesotho	0.057%
Tanzania	0.766%	Mauritania	0.057%
Mauritius	0.654%	CAR	0.042%
Madagascar	0.652%	Eritrea	0.031%
Mozambique	0.625%	Somalia	0.030%
Uganda	0.436%	Seychelles	0.028%
Mali	0.435%	Guinea Bissau	0.019%
Congo	0.431%	Djibouti	0.019%
Guinea	0.404%	Comoros	0.008%

African members: 60%
Non-African members: 40%

G-7 Shareholding: 29%

Europe

Germany	4.202%
France	3.795%
Italy	2.453%
U.K.	1.813%
Sweden	1.588%
Switzerland	1.482%
Norway	1.188%
Denmark	1.184%
Spain	1.071%
Netherlands	0.884%
Belgium	0.646%
Finland	0.494%
Austria	0.451%
Portugal	0.242%
Luxembourg	0.204%

Middle-East

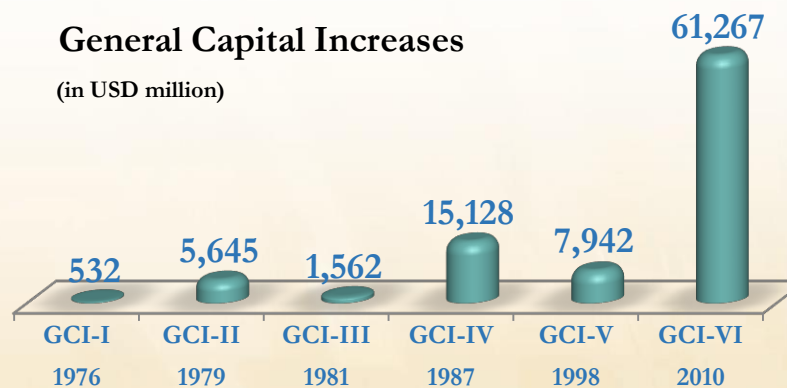
Kuwait	0.451%
Turkey	0.363%
Saudi Arabia	0.195%

Asia

Japan	5.550%
China	1.190%
Korea	0.486%
India	0.259%

General Capital Increases

(in USD million)



The High 5s – A compelling opportunity to accelerate Africa's transformation

If the Sustainable Development Goals (SDGs) are not met in Africa, they will not be met globally

Priority areas

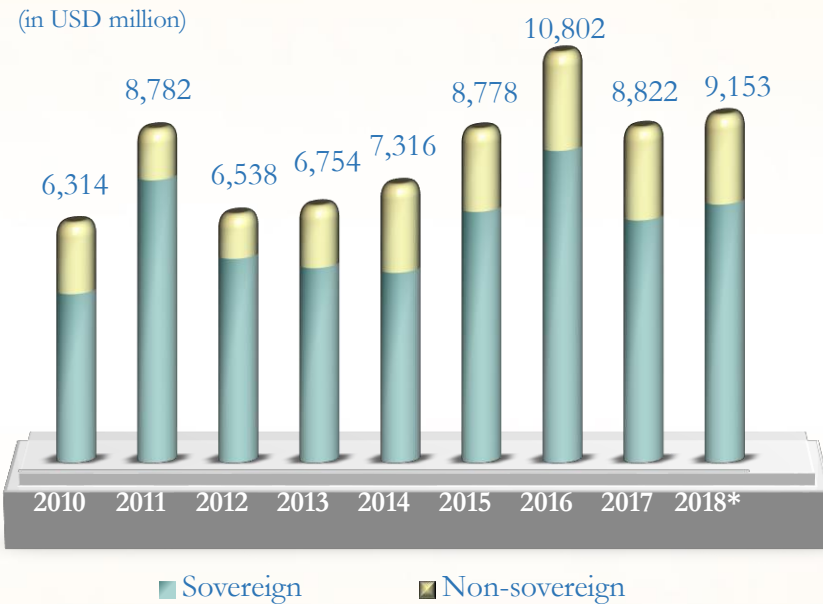


About 90% aligned to the United Nations' SDGs and intrinsically linked to the African Union's Agenda 2063



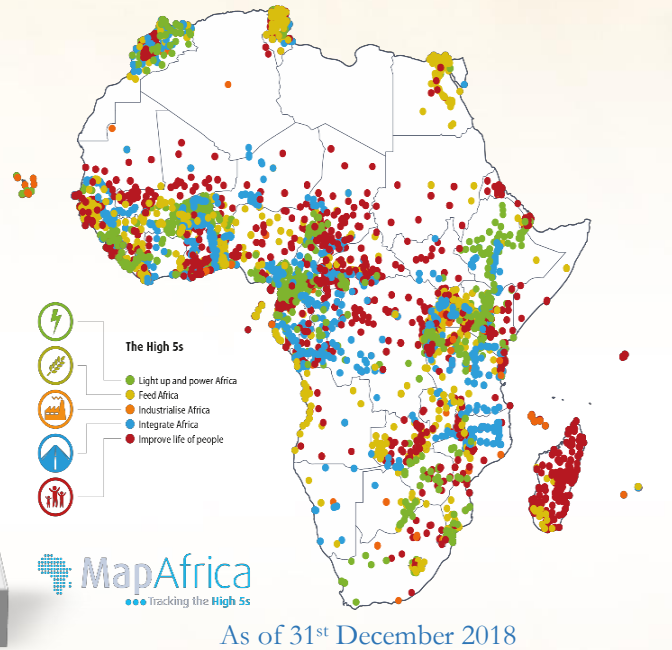
A clear and vital mission in Africa

Bank Group approvals



* As of 15 December 2018

Bank Group portfolio of USD 75 billion



Over 1,000 operations financed since 2010

2018 approvals aligned to the High 5s, across 179 operations

Impact delivery in 2017 from projects completed in the period 2015-2017

Helped **8.5 million people** with improvements in agriculture

Achieved **460 MW** of new power capacity installed with 33% renewable

Built or rehabilitated **2,500 km** of roads

Eased access to financial services for **210,000 owner-operators** and small businesses

Provided **8.3 million people** with improved access to water and sanitation

Created **1.5 million direct new jobs**

Reduced **157,000 tons of CO₂**

Provided **14 million people** with improved access to transport

Source: ADER report 2018

Crowding-in resources through co-financing and Partnerships

Japan



USD 3 billion

Drawing on successful development experience in Asia and around the globe, EPSA was conceived in partnership with the Government of Japan (GOJ), which has provided generous financial support to its implementation since 2005

AFIF



EUR 2.2 billion

Africa Investment Facility: a co-financing partnership with the European Union that combines loans, grants, technical assistance and equity investments to support transformational projects

AGTF



USD 2 billion

Africa Growing Together Fund: a co-financing facility with China to support sovereign and non-sovereign projects in infrastructure, transport, energy and water

AFD



EUR 1.5 billion

A co-financing agreement with Agence Française de Développement to support projects focusing on renewable energy and climate finance, transport and agriculture

South Korea



USD 620 million

A co-financing agreement with Korea Exim Bank to provide loans for sovereign operations, targeting energy, infrastructure, water, ICT, green growth, agriculture and human development

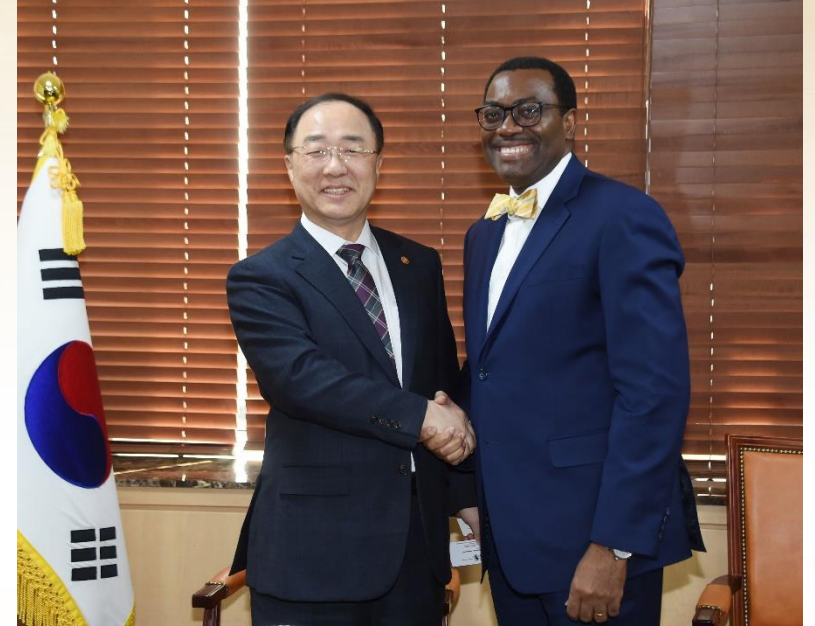
AfDB and Korea

AfDB and Korea

The Republic of Korea is among the African Development Bank Group's most active and generous partners.

- The Korea has transformed itself from being a recipient to a significant provider of Official Development Assistance (ODA).
- Korea has actively shared direct knowledge and expertise gained throughout its own phenomenal development journey with other countries going through similar experiences.

In line with the Sustainable Development Goals, Korea is keen to support sharing development experiences and scaling-up its investments in Africa.



**Busan Exhibition and Convention Center (BEXCO)
Grand Ballroom, Convention Hall 3F**



BUSAN, KOREA 2018

MAY 25 MAI

11:30-13:30

Annual Meetings
Assemblées Annuelles



AFRICAN DEVELOPMENT BANK GROUP
GROUPE DE LA BANQUE AFRICAINE
DE DEVELOPPEMENT



Ministry of Strategy
and Finance



Korea Eximbank
THE EXPORT-IMPORT BANK OF KOREA



*Beyond Partnerships,
Towards Co-prosperity*

2018 KOAFEC

한·아프리카 경제협력회의

May 22(Tue) & 24(Thu), 2018 | BEXCO, Busan, Korea

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New Way of Resource Mobilization

High 5s for Africa's Transformation

Light up and power Africa	\$65–90 billion
Feed Africa	\$32–40 billion
Industrialize Africa	\$40 billion
Integrate Africa	\$10 billion
Improve the quality of life	\$5.5 billion
TOTAL	\$153–186 billion

Approx.
\$170 billion
per annum

A Need for Collaborative Effort

Africa's infrastructure financing gap is estimated at USD 170 billion annually and continues to expand

The MDB's/DFIs are maximizing their current resources; however, constraints imposed by prudential ratios will limit lending capacity

Addressing the financing gap requires broad based partnerships and collective effort with the private sector to leverage capital at scale

Africa Investment Forum 2018



Africa Investment Forum



1,943
participants



277 DFI delegates
present



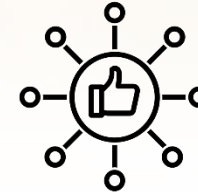
19 Press conferences
and announcements



87 countries
represented



63 deals discussed in
boardrooms



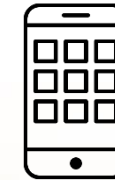
Over 33,000 social
media mentions



400 investors from 53
countries



\$ 46.9 billion - Value of
boardroom deals discussed



1122 active users on the
Africa Investment Forum
App



8 Heads of
State/Government (Ethiopia,
South Africa, Ghana, Guinea, Rwanda,
Senegal, Cameroun, Nigeria)



**Investment interest secured
across 49 deals worth US\$
38.7 billion**



1383 connection requests
that were sent through the
App (1102 accepted)



169 official bilateral
meetings in addition to open
marketplace B2B conversations



| AFRICA'S INVESTMENT MARKET PLACE

2019

N O V E M B E R

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