Despite Challenges, Africa's Debt is still under control

The African Development Bank remains strong with growing operating revenues and allocable income generated since 2010 reaching $2.5 billion, the Bank Group’s Treasurer, Hassatou Diop N’sele, stated on Thursday.

In 2018, the Bank earned $214 million in allocable income, 48% of which has been reinvested in the institution to reinforce reserves and its business growth capacity. The bullish numbers were revealed during the Bank’s Financial presentation Thursday, a highlight of the 2019 Annual Meetings of the Bank currently underway in Malabo, Equatorial Guinea.

The panel was led by N’sele and Simon Mizrahi, Director of Service Delivery, Performance Management and Results at the Bank.

During the presentation attended by delegates, Governors, Executive Directors and Bank staff, N’sele noted that the Bank could chart a new path on account of its ability to raise funds on the capital markets. “The amount of infrastructure financing covered by private sector could double if African countries harness the full potential of their capital markets.”

According to N’sele, a number of African countries could save as much $1 billion on a 20-year loan, if they borrow from the African Development Bank, instead of from the Eurobond market, due to preferable lending rates.

Delegates were informed of the Bank’s successful issuance of the first-ever NOK social bond sold in Norway and sealed in 2018.

Despite challenges, Africa’s debt is still under control

On debt sustainability, Africa’s debt has increased in recent years “but not to unsustainable levels,” Mizrahi indicated but he pleaded for caution. “We need to continue to generate financing and spur growth without increasing debt.”

Sharing insights on Africa’s path forward, Mizrahi underscored the need to harness the continent’s incredible potential in renewable energy.

Africa is the most vulnerable continent and suffers the most from climate change but “with the right vision, investments and political commitments, Africa can lead a global energy revolution and...”

Equatorial Guinea President voices strong support for African Development Bank General Capital Increase.

“First of all, I would like to express my appreciation for the wonderful display of African solidarity, because if we managed to organize these African Development Bank Annual Meetings, it is thanks to the massive support we received from African countries.

I believe that we need to increase the capital of the African Development Bank. All African countries must increase their contributions so that the Bank can be stronger, and can help accelerate the development of the African continent.”
Managing Climate Risks in the Context of Africa’s Regional Integration

In March and April 2019, two tropical cyclones, IDAI and Kenneth, affected more than 2.8 million people and destroyed key infrastructure in Mozambique, Malawi and Zimbabwe. With the loss of roughly 400,000 hectares of crops in the 3 countries, the cyclones are a stark reminder of the extent to which climate shocks drive food insecurity in Africa. In 2018 only, nearly 23 million people in 20 African countries were acutely food insecure due to climate shocks.

While the humanitarian community is always mobilized to support the affected populations, the severity and increasing frequency of extreme weather events demand for a more proactive approach to disaster preparedness and response on the continent.

To address this issue, the African Union, in 2012, created the African Risk Capacity (ARC), which has recently joined hands with the African Development Bank (AfDB) to support African countries in disaster risk management and financing.

The ARC Group consists of an Agency and an Insurance affiliate. Together, the Group assists countries to better prepare, manage and respond to the effects of extreme weather events and natural disasters.

The ARC mechanism is the world’s first and best development insurer. By offering insurance and complementary technical assistance tied to explicit development objectives, ARC pools disaster risks across the continent thereby greatly reducing the funding requirement for emergency response. Importantly, payouts are disbursed in an objective and timely manner within the framework of pre-approved contingency plan with every 1 USD spent on early intervention saving 4.4 USD spent after the crisis.

As Africa’s premier Development Finance Institution, the AfDB is committed to climate risk management for the successful implementation of the first pillar of its strategic High 5 Agenda to ‘Feed Africa’ under the visionary leadership of President Akinwunmi Adesina.

The AfDB has taken a lead role in building resilience to climate shocks in its Regional Member Countries by launching its flagship initiative on disaster risk management and financing: the Africa Disaster Risks Financing (ADRiFi) Programme.

With ADRiFi, AfDB is shaping the culture of disaster risk management on the continent, supporting the African countries with the requisite financing to access climate risk coverage through ARC Ltd risk pool.

Projections show that in the medium-term, ADRiFi could help extend financial protection against natural disasters close to 200 million USD per year.
African leaders share their vision for an integrated continent

Leaders from four African countries on Wednesday shared their vision for an integrated and borderless Africa that would foster economic growth and development.

The leaders spoke during a high-level presidential dialogue on day two of the African Development Bank's 2019 Annual Meetings.

The panelists – President Teodoro Obiang Nguema Mbasogo of Equatorial Guinea, President Felix Tshisekedi of the Democratic Republic of Congo, the Prime Minister of eSwatini Ambrose Mandvulo Dlamini and his majesty King Letsie II of Lesotho – were joined by African Development Bank President Akinwumi Adesina for the panel titled: Boosting Africa's Economic Integration.

The theme of the Annual Meetings this year is “Regional Integration for Africa’s Economic Prosperity” and the panelists were to share their views on progress in regional integration initiatives and ideas to move the process forward.

President Obiang Nguema Mbasogo said the country had managed to successfully integrate with its neighbours, despite the linguistic barriers that come with being the sole Spanish-speaking country in Africa. Weighing in as the most senior of the statesmen, President he said his nation’s journey to integration had begun in the 1980s, leading it to join the central African franc zone.

Opening borders could not be done on a massive scale without training the police and other security and law-enforcement bodies, President Mbagaao said.

The meeting comes after the African Continental Free Trade Area (AfCFTA) agreement received the key 22nd ratification in April. The ambition of the AfCFTA is to create the world’s largest free trade zone.

The leaders said integration required greater security, connectivity, political will and fostering linguistic and cultural ties.

“We strongly believe that the future is in Africa when it comes to trade but intra-African trade is very low,” Dlamin said. His comments were echoed by Tshisekedi, who underlines the place of energy and industrialization in boosting the continent’s capacity and in building the much-needed infrastructure to connect Africa.

“We need to do away with barriers but, to promote integration to African countries, we need to get organised. I don’t believe it can be done at a continental level all at once, we must begin at the regional level,” Tshisekedi said.

The African Development Bank last year launched a Lusophone compact to leverage about $5 billion as part of its plan to ensure that African capital markets are being integrated, Adesina said in response to a question from the moderator.

“We have to build the capacity of our institutions,” he said, adding that 70% of Africa’s population engaged in informal business activities and needed free access to movement, most particularly women.

Research shows that the most open African countries attract the greatest investment and economic growth, Adesina said, citing Togo, Benin, Seychelles and Rwanda as examples.

Lesotho leader King Letsie acknowledged the importance of greater integration, particularly for small landlocked countries. He said “grey matter” infrastructure was equally important. “If we do not pay enough attention to developing and building the human being – mentally and physically– we cannot develop,” he said.
The African Development Bank and the Fund for African Private Sector Assistance (FAPA), a multi-donor trust fund financed by the Governments of Japan and Austria, today launched the African Agri-Business Engine (AABE) in Malabo. FAPA provides grants for technical assistance activities in Africa, and is one of the components of the Enhanced Private Sector Assistance (EPSA) initiative hosted at the African Development Bank.

The African Agri-Business Engine will identify investment and finance opportunities in agriculture and agribusiness, and focus its activities in Mozambique, Zambia, Ethiopia, Rwanda, and Kenya. The project will be implemented by Grow Africa and hosted in the African Union Development Agency – New Partnership for Africa’s Development (AU-DA-NEPAD). One of the proposed outcomes of the African Agri-Business Engine is the submission of business-ready deals with leading continental partners at the African Investment Forum in Johannesburg at the end of this year (11-13 November 2019).

Jennifer Blanke, Vice President of Agriculture, Human, and Social Development of the African Development Bank said “the launch of the African Agri-Business Engine is significant because private financing is critical for the agriculture sector to move up the value chain, so that Africa can start to feed itself and ultimately the world.”

The African Development Bank is building an integrated business pipeline that generates and activates investments for agribusinesses and agricultural SMEs to be financed in priority value chains on the continent. It is critical to enable inclusive financing within the agribusiness sector and develop market access for SMEs and smallholder farmers. Mr. Symerre Grey-Johnson, Head of the Regional Integration, Infrastructure and Trade Programme of AUDA-NEPAD said that hosting the African Agri-Business Engine in NEPAD was appropriate and that this was “a clear demonstration of the excellent cooperation between NEPAD and FAPA”.

He also looked forward to the Bank’s second annual Africa Investment Forum in Johannesburg. Mr. Shinichi Isa, Parliamentary Vice-Minister for Finance, Governor to the African Development Bank, Government of Japan, expressed the appreciation and approval of the Japanese government and said he was convinced of the particular importance and influence of technical assistance in building capacity from his previous experiences in development finance and projects.

The specific objectives of the African Agri-Business Engine are to create market insights and business intelligence at country level for priority value chains, and develop business engine value chain platforms for a flow of bankable and innovative agricultural SME proposals. Through these objectives, the project will identify commercial investment opportunities in strategic commodity value chains and provide a reliable pipeline of bankable projects that will quickly find investment funding. Also in attendance at the launch were Governors and government representatives from Africa and foreign governments and senior Bank staff, including Vice President Finance Bajabulile Swazi Tshabalala.
2019 AFRICA INVESTMENT FORUM

Don’t miss the biggest gathering of global and pan-African investors on the continent.

AFRICA'S INVESTMENT MARKET PLACE

11 -13 November 2019
Johannesburg, South Africa
Save the Date.
I have travelled across many land borders in Africa and am amazed at the difficulties that informal women traders experience at these borders. They often endure long hours in the unforgiving sun; suffer indignities as border officials rifle through their personal belongings; and encounter one kind of harassment or the other. A friend recently shared one of his interesting African cross-border experiences with me. He had come to the aid of a dozen or so itinerant traders crossing a busy land border in West Africa. The traders were all women and he had watched in near disbelief as immigration officers fleeced them all for money before they could proceed on their journey.

Reacting almost without thinking, my friend called all the women back to the immigration window and insisted that the uniformed officer behind the counter promptly return all the money taken from them. He gave them a one-minute lecture about free movement of people, goods and services across borders of the Economic Community of West African States (ECOWAS). The bewildered officials stared at him for a few long seconds but eventually complied, clearly believing the steely faced no-nonsense individual instructing them to be a person of influence, to be so bold. Their recovered currency bills tucked back into the inner folds of their Ankara clothing, the women shot indignant glances at the officials, then gathered around my friend to sing praises to their good Samaritan. Such harassment of informal traders by border officials is a common occurrence across Africa. While African countries have made considerable headway in trade reforms, accounts like these show just how much remains to be done to ensure that true regional integration takes hold in the quest for inclusive economic growth.

In 2018 the International Centre for Trade and Sustainable Development listed a swathe of problems that informal cross-border traders encounter on a regular basis. The challenges include border infrastructure that forces informal traders to share clearance areas with large 18-wheeler lorries and other vehicles. This, of course, poses a safety risk to the traders themselves and slows down cross-border procedures. Other problems include dilapidated border offices and market stalls, usually with no toilets, lighting or enclosures. In addition, there are extraordinarily high customs duties, complex clearance procedures and numerous documentary requirements.

In Southern Africa, informal cross border trade accounts for 30 to 40% of total trade within the Southern African Development Community (SADC). Traded items mainly include food items like maize, rice and beans, although other products like artisanal arts and crafts and minerals are also commonly traded in the region. Some studies estimate that the average value of informal SADC cross-border trade stands at USD 17.6 billion per year. The recent ratification of the African Continental Free Trade Area adds impetus to the need to understand this sector.

The African Development Bank has taken concrete steps to ensure that informal traders are brought into the fold. Its Africa Trade Fund promotes trade by helping African countries strengthen processes, policies and regulations, including processes at border posts. It has also spent approximately USD 5 million to fund trade facilitation projects throughout Africa. And in West Africa, a project led by the Mano River Union Secretariat is changing the reality for women cross-border traders in the...
It is important that African governments pay urgent attention to the plight of women, who have always accounted for as much as 70% of informal cross-border trading. It would help if special measures were to be established, such as simplified trading regimes without documentary requirements for small consignments below a defined value. Removing red tape with one-stop border posts, for example, would greatly reduce the risk of mistreatment of female traders.

I come from the vibrant village of Mukuni in Livingstone, near the Zambia-Zimbabwe border. I vividly recall conversations at home between my parents and other relatives about how people would travel freely across the border to Victoria Falls Town and beyond to work or trade. The distance was a mere stone’s throw away. Intermarriage between members of communities on both sides of the border was common. After all, many years ago, our geographic demarcations of today did not exist in Africa. Neither did import duties, customs checks and visa applications. My ancestors traversed this vast land as one free, borderless and open region. It entails setting up Women Information Desks close to the borders, complete with sanitation facilities and solar lighting, with a small office and large storage area. Workshops have been run to develop traders’ business skills in financial management and market development. The project is also helping promote gender awareness for customs officials.

The overall objective of the Fund is specifically to support African cities and municipalities to better plan and manage urban growth and climate-resilient development by improving governance and the quality of basic services.

Switzerland has a keen interest in poverty reduction and entrepreneurship development in Africa. How does the signing of this new agreement further this ambition in partnership with the African Development Bank?

This partnership is important for the State Secretariat for Economic Affairs (SECO), for the following reasons:

1) Creating the right enabling environment and strengthening entrepreneurial skills in order to have dynamic entrepreneurship in our partner countries is a priority for SECO.

2) It is the first time SECO is co-financing a project with the African Development Bank as an implementing partner. This opens new opportunities for SECO and strengthens the institutional relations with the Bank.

We look forward to a fruitful collaboration between SECO and the African Development Bank and to the successful implementation of the project.

Switzerland follows the 2030 Agenda for Sustainable Development as its framework for international cooperation. It has been a full member of the Bank for over three decades, contributing to all its capital increases as well as to the African Development Fund. Currently Switzerland is putting special emphasis on supporting programmes for improving prospects for the future of developing countries, in particular job and income creation, the development of the local private sector, fragility, governance, and climate change including renewable energy.

Through these two new financing agreements, it aims to support the Bank Group in general and further efforts to reduce poverty and promote sustainable development and resilience of African countries. By addressing urgent institutional capacity needs, the UMDF will contribute to make the development of rapidly growing African cities more sustainable and more effective in fostering economic growth in an inclusive way.”

The Entrepreneurship Lab will help to strengthen the entrepreneurial ecosystems and thus is an important contribution to the broader Boost Africa’s objective to support innovative start-ups in growing and building the African venture capital industry. This contributes to the creation of more and better jobs in Africa.

Switzerland made a second allocation of CHF 200,000 to the Urban & Municipal Development Fund for Africa (UMDF). The purpose of the fund is to strengthen the implementation of the Bank’s Sustainable Urban Development Action Plan. The UMDF is a grant technical assistance facility that will help cities in urban governance and project preparation as to enable larger investments in urban infrastructure development, and enhance private sector participation.

The project is also helping promote gender awareness for customs officials.

Raymond Furrer

Switzerland Governor Raymond Furrer and the Bank during the Bank’s Annual Meetings in Malabo

Switzerland just signed two bilateral agreements for grants with the African Development Bank. Can you tell us about them?

Indeed, we signed a CHF 3,000,000 grant to support the Boost Africa/E-lab initiative. Boost Africa is a joint initiative between the African Development Bank and the European Investment Bank (EIB), and one of the flagship initiatives of the Bank’s Jobs for Youth in Africa strategy. It aims to harness the continent’s potential and create opportunities on the ground.

Creating the right enabling environment and strengthening entrepreneurial skills is crucial in order to have dynamic entrepreneurship and a competitive private sector. Experience to date has shown that the success and failure of entrepreneurs critically depends on their local entrepreneurial ecosystem. Entrepreneurs that are part of a functioning ecosystem are more likely to succeed than those who are not.

The Entrepreneurship Lab will help to strengthen the entrepreneurial ecosystems and thus is an important contribution to the broader Boost Africa’s objective to support innovative start-ups in growing and building the African venture capital industry. This contributes to the creation of more and better jobs in Africa.

Switzerland made a second allocation of CHF 200,000 to the Urban & Municipal Development Fund for Africa (UMDF). The purpose of the fund is to strengthen the implementation of the Bank’s Sustainable Urban Development Action Plan. The UMDF is a grant technical assistance facility that will help cities in urban governance and project preparation as to enable larger investments in urban infrastructure development, and enhance private sector participation.
The National Day, on 12 October, is the biggest event of the year in Equatorial Guinea. It is held in a different town each year. The whole country is called upon to organise the event.
While the United Nations Sustainable Development Goals are universal, the benefits of development are still not equally shared across countries and across population groups. The people living in isolated regions where access to cities and ports involves a gruelling journey are often the poorest and most marginalised. As cities develop and provide opportunities for urban dwellers to improve their quality of life, there is a risk that the vulnerability of these people will be exacerbated.

Road corridors are important multinational investments to reinforce regional integration. These investments enable the safe and efficient movement of people and goods across borders, and link landlocked countries to sea ports. They open up opportunities for rural populations to sell locally produced food and wares and to purchase manufactured goods. The economic gains include lower vehicle operating costs, shorter travel time and fuel savings – reducing travel and freight costs and stimulating trade. These are the most tangible benefits of road corridors. Perhaps just as importantly, people gain opportunities to travel more easily to meet their daily needs, send their children to school and pursue their ambitions. These all have a positive impact on poverty reduction and are instrumental to achieving sustainable regional peace and unity.

In 2018 the Board of Directors of the Bank approved the Liberia – Côte d’Ivoire border section of the Mano River Union Transport Program to support regional integration between Côte d’Ivoire, Liberia and Guinea. Over the past 24 years, successive crises within the Mano River Union have aggravated the poverty rate, which is 21% higher than in other regions of the continent. In Liberia, over half of the population in the road corridor area live below the poverty line. On a portion of the road, between Sanniquellie and Loquatu in Northern Liberia, inhabitants struggle most of the year to travel with their children to the village where the nearest school is located, due to the mud and makeshift bridges that they have to negotiate to cross the waterlogged valley. The project area has over time become a hotbed of tension due to its economic isolation, inequalities and the marginalisation of social groups. Only 8% of the population, aged 10 years and above, can read and write (2017). The overall objective of the road corridor is to boost the post-conflict economic recovery in the region through directly and indirectly induced benefits for the 800,000 inhabitants in the program area. The road corridor is rich in mineral and agricultural resources such as rubber, coffee and cocoa, which could enhance socio-economic development and promote regional integration with Côte d’Ivoire.

Two new road sections of the Central Corridor, which link Burundi and Tanzania, were approved by the Bank in 2018. Burundi is landlocked and has very high transport costs and longer transit times. Therefore opening a new corridor will strengthen regional integration and trade in the EAC Region, through improved cross-border transport. The corridor will contribute to poverty reduction and improved living conditions of the people through improved access to socio-economic and health infrastructure located along the corridor. The Bank also provides financing for 117 km of rural and feeder roads to link villages to the highway in Burundi, and ancillary projects in favour of women and youth. These include a fruit-processing plant and a tree nursery unit for reforestation, the rehabilitation of markets along the project route and the construction of schools and a hospital.

Beyond regional economic integration, road transport connectivity contributes to peace-keeping and poverty alleviation. There is hope, and ample evidence, that road corridors in Africa can change the fortunes of the continent’s poorest and most excluded people.

One of the most ambitious corridor projects, the 9,022 km Trans-Saharan Highway (TSH), serves six countries: Algeria, Chad, Mali, Niger, Nigeria and Tunisia. Five years after financing sections on the Niger-Chad border and the Algeria-Niger border, the Bank approved financing in 2018 of a section of the road corridor in one of the most fragile areas in Northern Mali. This 285km-long section is currently a dirt road and in a very poor state, thereby depriving people in the region access to basic services and creating a feeling of exclusion among its population. In line with the Malian Government’s Special Integrated Development Strategy for Mali’s northern regions, the road corridor section will open up the Kidal region and increase trade with other regions of Mali and with neighbouring Algeria.

The people living in the most isolated regions on our continent have a chance of seeing a significant improvement in their condition, thanks to the growing network of road corridors across Africa. The strong financial commitments by the Bank in trans-national corridor networks confirm that road infrastructure is an important means of responding to the high economic, social, political and security stakes associated with sustainable regional integration.
The fact that this year’s Annual Meetings are being held in Malabo, is of particular historical significance for African agribusiness. The 2014 Malabo Declaration on Accelerated Agricultural Growth and Transformation for Shared Prosperity and Improved Livelihoods laid out a set of goals for a targeted approach to achieve the agricultural vision for the continent. Equatorial Guinea was also one of the early signatories to the preliminary endorsement of the African Continental Free Trade Agreement, or AfCFTA, expected to improve the economic prosperity of African nations by removing trade barriers, like tariffs. Now ratified and once in effect, AfCFTA is set to enable African nations to more easily trade beyond borders by creating an African Continental Free Trade Area – a single market – between African Union member states.

AfCFTA is an exciting development in line with the African Development Bank’s commitment to accelerating Africa’s agricultural transformation and toward greater integration of agricultural value chains. Further integration of African economies will provide farmers, transporters, suppliers, distributors, end-market sellers and others wider access to larger markets and lead to greater economic prosperity.

African Development Bank agricultural initiatives are already laying the groundwork to complement and harness these potential continental trade developments. Take, for example, the Bank’s Special Agro-Industrial Processing Zones (SAPZ). SAPZs are government-facilitated public-private initiatives designed to concentrate private agro-processing activities in targeted areas. Necessary infrastructure that comes with SAPZs will enhance the likelihood of agribusinesses investing in more rural parts of Africa. SAPZs aim to boost productivity through the integration of the production, processing and marketing of selected high-priority commodities.

Maize, rice, cocoa and other commodities are part of an African food market worth $330 billion, but $64.5 billion of that amount is spent importing food. Given the continent’s projected population growth, urbanization and a rising middle class, there are huge business opportunities in the growing food market. The challenge is that African food imports are set to increase significantly if we do not develop our agriculture sector to process more of our raw goods into the food we eat. And to grow the potential market, intraregional trade is key.

Special Agro-Industrial Processing Zones are a tool to enable countries to address that high food import bill by focusing on products that can be produced and processed in Africa, for sale on the continent and beyond. This will ensure that more value added and more jobs remain on the continent rather than going to other regions.

African Development Bank assessments across the continent found low processing capacity and weak rural infrastructure for agricultural products are major limiting factors for intra-African trade. Furthermore, Sub-Saharan African countries suffer from huge post-harvest losses of up to 35-50% of total production for perishable agricultural products, such as fruits and vegetables. By concentrating the processing value chain in SAPZs, these products have a better chance to be harvested from the farm, processed, transported, sold and consumed faster – and exported further.

Last year, the Bank approved financing for the establishment of agro-processing zones in Ethiopia and Togo in the amount of $15.3 million and $29.2 million, respectively. The
Bank aims to set up similar SAPZs in 15 countries over the next few years that could positively impact the lives of some 1.5 million Africans.

Togo’s agro-processing zone project looks to massively increase domestic production of rice, maize, soybean and poultry. It will boost agricultural productivity, improve market access and foster trade beyond borders, including linking Togo to the northern corridors of Ghana and Nigeria. It also aims to boost exports, particularly of cashew nut and sesame.

The Togo project is one example of SAPZ objectives to promote local, regional and international trade, as well as attract agribusiness investment. The ultimate aim of SAPZs is to turn the African rural landscape into economic zones of prosperity.

The positive buzz about this transformational initiative is growing in countries like Nigeria. At a recent investment forum in Abuja, senior Nigerian government officials and business leaders described SAPZs as a pathway to Africa’s agricultural revolution. Nigeria’s Minister of Agriculture and Rural Development, Audu Ogbeh, said initiatives like this “can truly create wealth and employment for our teeming youth population.”

Africa is home to more than 65% of the world’s arable land. Agriculture across the continent provides employment to approximately 60% of the population, but only accounts for 25% of Africa’s GDP. Implementing solutions to Africa’s agricultural challenges, the African Development Bank collaborates with government, private and public sector actors to help lift millions of farmers out of poverty and steer Africa toward achieving its agriculture and agribusiness potential - which is expected to reach one trillion US dollars in value by 2030. In 2018 for instance, the Bank’s agriculture projects were valued at UA 1.13 billion, benefitting more than 19 million people in 24 African countries. Working together and trading across borders, we envision an Africa that will not only amplify efforts to feed its own people, but also do its part in helping to feed the world.

Korea imported 900,000 tons of rice every year in the 1970s and became self-sufficient in five years. What made this happen?

First, it was thanks to technology development. Korean scientists concentrated their efforts on developing new varieties of rice and succeeded in making their own high-yielding varieties. Second, rapid technology dissemination. Over 7,000 extension agents across the country had been dedicated to achieving the national goal of rice self-sufficiency. As a result, the new varieties could grow on 70 percent of the total rice paddy area in five years.

Third, the government’s active support. Korean government quickly assisted in constructing fertilizer factories, consolidating arable lands, and securing irrigation water at the national level.

This integrated approach combining technology development, dissemination and government support has made the rice self-sufficiency possible.

What should be the first priority for Africa to feed itself and develop agriculture?

There are many factors in agricultural development, but technology development is the key. Technology accumulation requires a long time and a lot of investment, but this should be done.

To accumulate technology, investment in research and development needs to be strengthened. Also, public education needs to be strengthened. According to analysis, one of the main drivers of Korea’s economic miracle was the people’s passion and investment in education.

What kinds of approaches can be taken to develop African agriculture?

Looking ahead, we can see the answer.

By 2050, the world’s population will reach nine billion. Africa’s will increase from 1.3 billion to two billion. But the outlook for food security is still uncertain.

The urban population of Africa will gradually increase, and by 2050, 60% of the population will live in cities. In particular, the inflow of young people into urban areas will be accelerated. It will be difficult to find young people to work in rural areas in the future.

Why?

First, it is because farmers find it difficult to earn profits from farming. Doing a business or getting a factory job in the city looks better for making money. In this regard, the government’s roles are critical to boosting farmers’ incomes. The government needs to subsidize farmers to reduce production costs and increase profits.

Second, farming is hard and low productive. We need to make sure that farmers can work more easily and conveniently. Therefore, agricultural mechanization is essential. If it is not promoted, people, especially young people, will not want to farm any more.

What kind of technical cooperation with Korea would be possible?

Korea’s agricultural technology is highly developed. There are many areas where technical cooperation is possible, but the following areas are particularly strong in Korea: Improvement of crop varieties, especially of rice, vegetables and fruits; cultivation techniques; production technology for cows, pigs and poultry; soil study; pest management; agricultural mechanization; biotechnology; and agricultural application of ICT.
Seven new indicators, including regional dimension and climate change, will help measure States’ resilience and fragility.

A significant advance and remarkable step forward! The development community has welcomed a new tool developed by the African Development Bank that takes into account the various pressures on countries and their abilities to address them.

Approved by the Bank’s Board of Governors in September 2018, the Country Resilience and Fragility Assessment tool, or CRFA, gauges the resilience and fragility of individual countries using seven cumulative components: political inclusiveness; security; justice; economic and social inclusion; social cohesion; regional contagion; and climate change.

Drawing from experiences in Libya, the Sahel and the Horn of Africa, the new tool makes the regional dimension a fully-fledged factor in the assessment.

“On analysis, it became clear that it is not possible to properly analyse resilience and fragility if the country is considered in isolation. By adding regional contagion to the factors that are already being used, the CRFA brings greater rigour and efficiency to the exercise,” said Riadh Ben Messaoud, head analyst in the Transition States Co-ordination Office.

A powerful lever for dialogue with Regional Member Countries

For the African Development Bank, the CRFA is not just a resilience and fragility assessment tool. It is also a powerful lever for dialogue with regional member countries (RMCs). Applying CRFA to key Bank documents such as country strategies, and regional integration strategies, provides an excellent opportunity for constructive discussions between the Bank and African countries.

Bank staff, including country managers and country economists who are key actors in the dialogues between the Bank and RMCs, were trained to use the new tool in Lomé in May 2018, Banjul in July 2018, Bamako in October 2018, and Maputo in March 2019.

The integrated and cross cutting approach of the CRFA also brings added value to the Bank’s operations by enabling it to gain a better understanding of fragility, even at its most challenging.

“We have demonstrated the relevance of this new tool by examining how to use it to produce the Bank’s main documents and by testing it on the fictional republic of Wakanda. The results were edifying and attest to the CRFA’s reliability and effectiveness. As Hervé Lohouès, Chief Economist for Central Africa and CRFA trainer pointed out, “That is why we invited all our colleagues to take ownership of it, at the various training sessions.”

Since 2008, the African Development Bank has worked to support its RMCs in transition, by creating a special unit now called the Transition States Co-ordination Office.

Thanks to this new approach for countries in transition, the Bank has been able to provide an immediate response to emergencies such as the 2015 Ebola outbreak in West Africa, the 2017 famine in the Horn of Africa and to the Sahel through the Sahel Alliance, of which it is a founder member.
With the rapid development of the Ivorian economy, electricity demand soared to 6% per year from 2003 to 2012, while power generation increased by only 2% per year. Now, the energy sector in Côte d'Ivoire has been transformed as a result of the Ciprel (Ivorian Company of Electricity Production) power station extension project, which received €50 million in financing from the Africa Development Bank.

The project entailed the design, construction and operation of a combined cycle turbine plant which traps steam to boost efficiency without additional fuel supply. It has helped to increase generation output, resulting in stable power for industries, social institutions and households. It has contributed to job creation, while the private sector’s involvement in power generation has also increased.

In terms of installed capacity, the Ivorian Power Generation Company is currently the most powerful plant in Côte d'Ivoire. In addition, its workforce has doubled thanks to this project. Generally, it has helped to improve living conditions of Iovrians.
Transformative Partnerships: Solving Africa’s Power Deficit through Regional Initiatives

The Africa Road Builders, Trophee Babacar Ndiaye 2019: The winners

Financial Presentation—Dr Akinwumi Adesina, President of the African Development Bank and Nyale Kaba, Governor of Côte d’Ivoire

Financial Presentation—From left to right: Ms Hassatou N’Sélé, Director of Treasury, Victor Oladokun, Director of Communication, Simon Mizrahi, Director of the Bank’s Service Delivery, Performance Management and Results, African Development Bank

Financial Presentation—Ms Milagrosa Obono Angue, Equatorial Guinea Secretary of State in charge of the General Treasury of the State
SPOUSE PROGRAMM: THE EVENT IN PICTURE
PROGRAMME DES CONJOINTS : L’ÉVÉNEMENT EN IMAGE