



# Resourcing the African Development Bank for effective delivery

A North Africa Regional Perspective



### POTENTIAL ENGINE OF GROWTH

- Strategic role in Africa's transformation
- 187 million inhabitants (14% of the continent)
  - 1/3 of the continent's GDP
- 1<sup>st</sup> average Human Development Index
  - 5/6 countries are MICs

### AFDB'S OVERALL STRATEGIC RESPONSE

- Social inclusion and employment creation (youth)
  - Moving out of the MIC development trap
    - Catalyst role in project finance
    - Mobilize Climate Finance
- Integration (Regional, with Africa, with the World)

### KEY DEVELOPMENT ISSUES

- Unemployment (youth & female): 31%
  - Poverty & inequality
- Economic transformation & integration
- Food vulnerability & water scarcity

### COUNTRY RESPONSES REQUIRE GROWING RESOURCES

Budget deficits to be filled  
Major investment plans across the region



SCAPP



PAI  
PMV



NMCE



PSD  
Tunisie  
2020



Economic  
Recovery  
Strategy

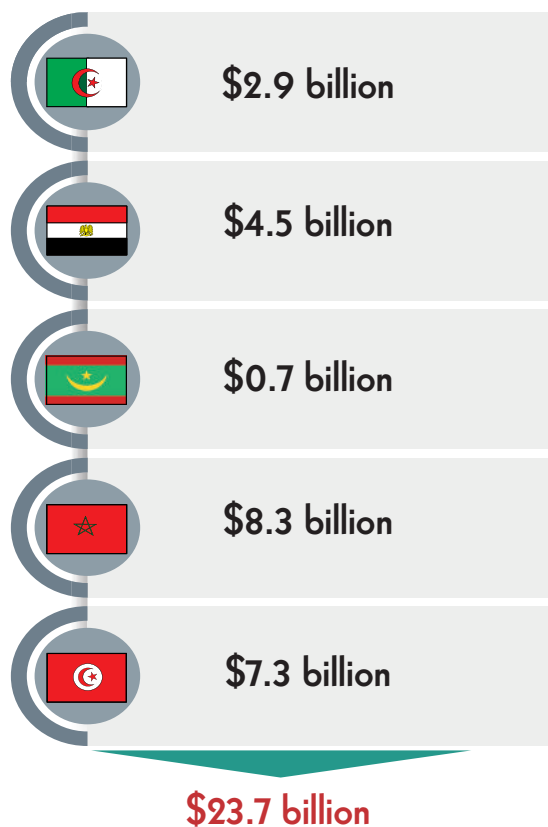


Vision  
2030

Growing Middle Class - Growing Opportunities for the Private Sector

# NORTH AFRICA STRONGLY BENEFITS FROM GCI -6 RESOURCES

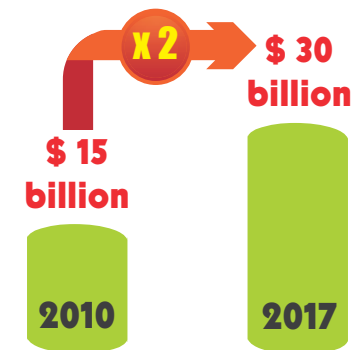
## Historical engagement



**Founding members of the Bank  
17.58% of the Bank capital**

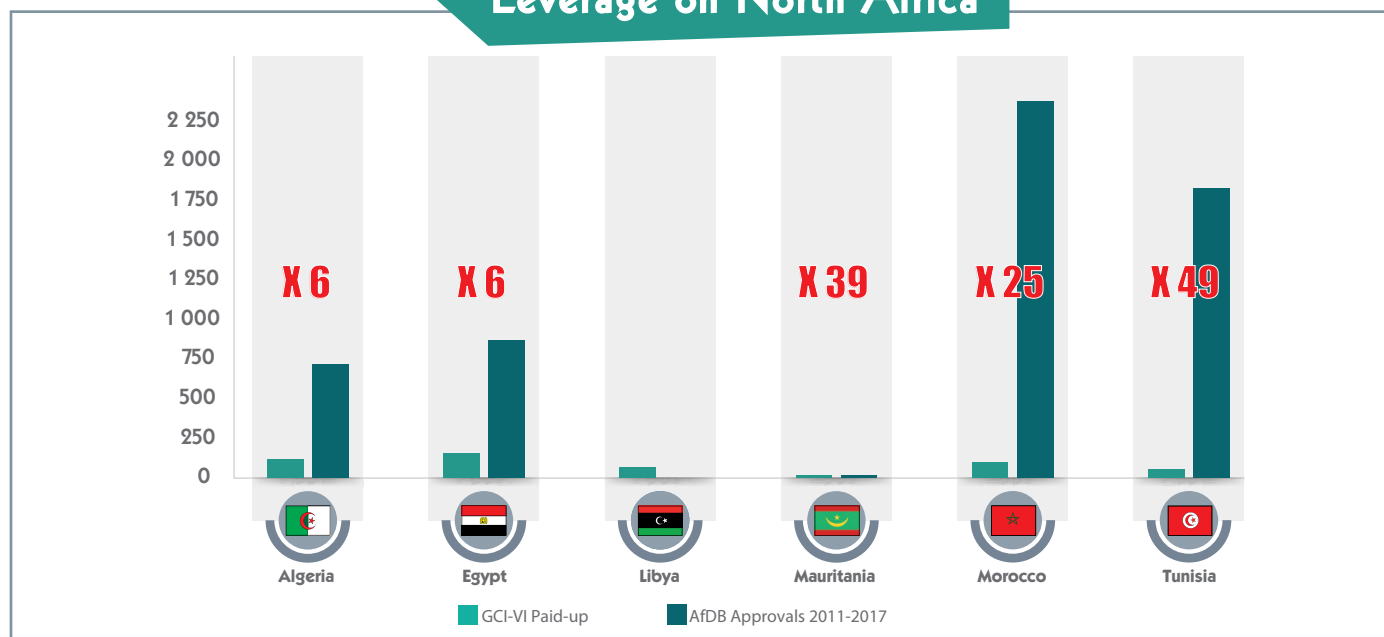
## African Development Bank Portfolio has doubled in size and value

60.6% of total 2016 disbursement



At competitive pricing

## Leverage on North Africa



# A NORTH AFRICA REGIONAL PERSPECTIVE

## WE HAVE IMPROVED OUR PROCESSES

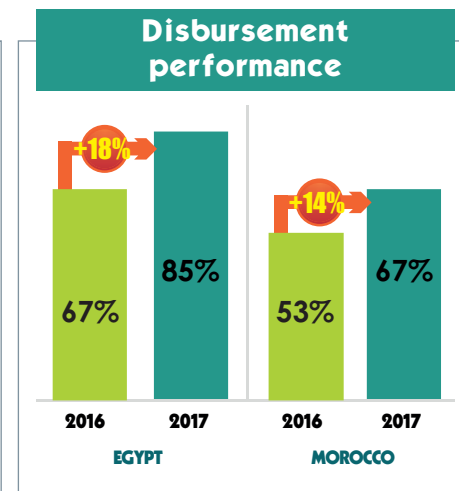
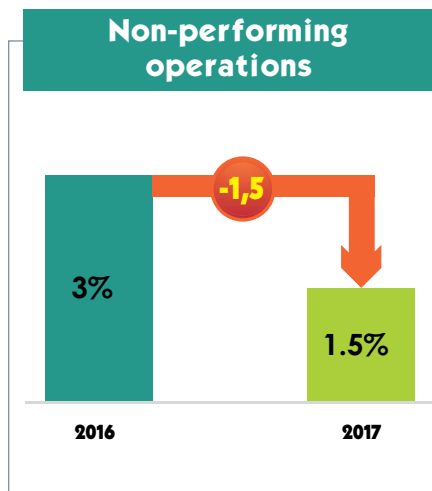
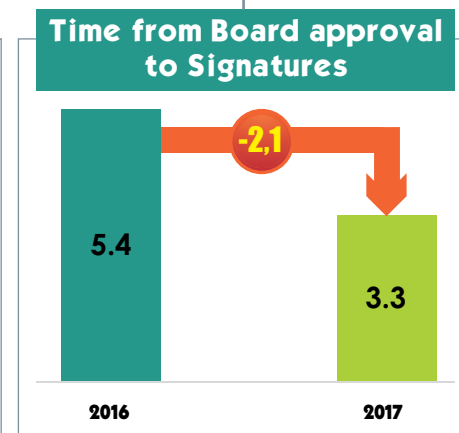
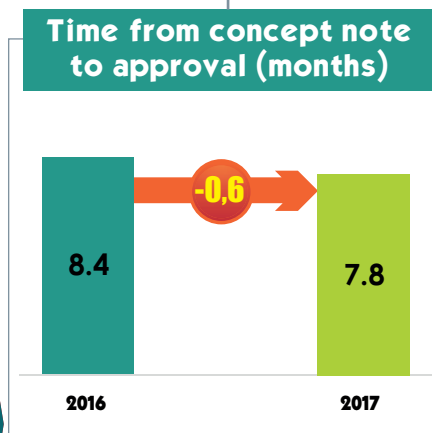
### Establishment of a regional resource center in Tunis

3 Country Offices – 1 Liaison Office  
120 staff  
Moving closer to clients and needs

### We help you to design the most impactful operations

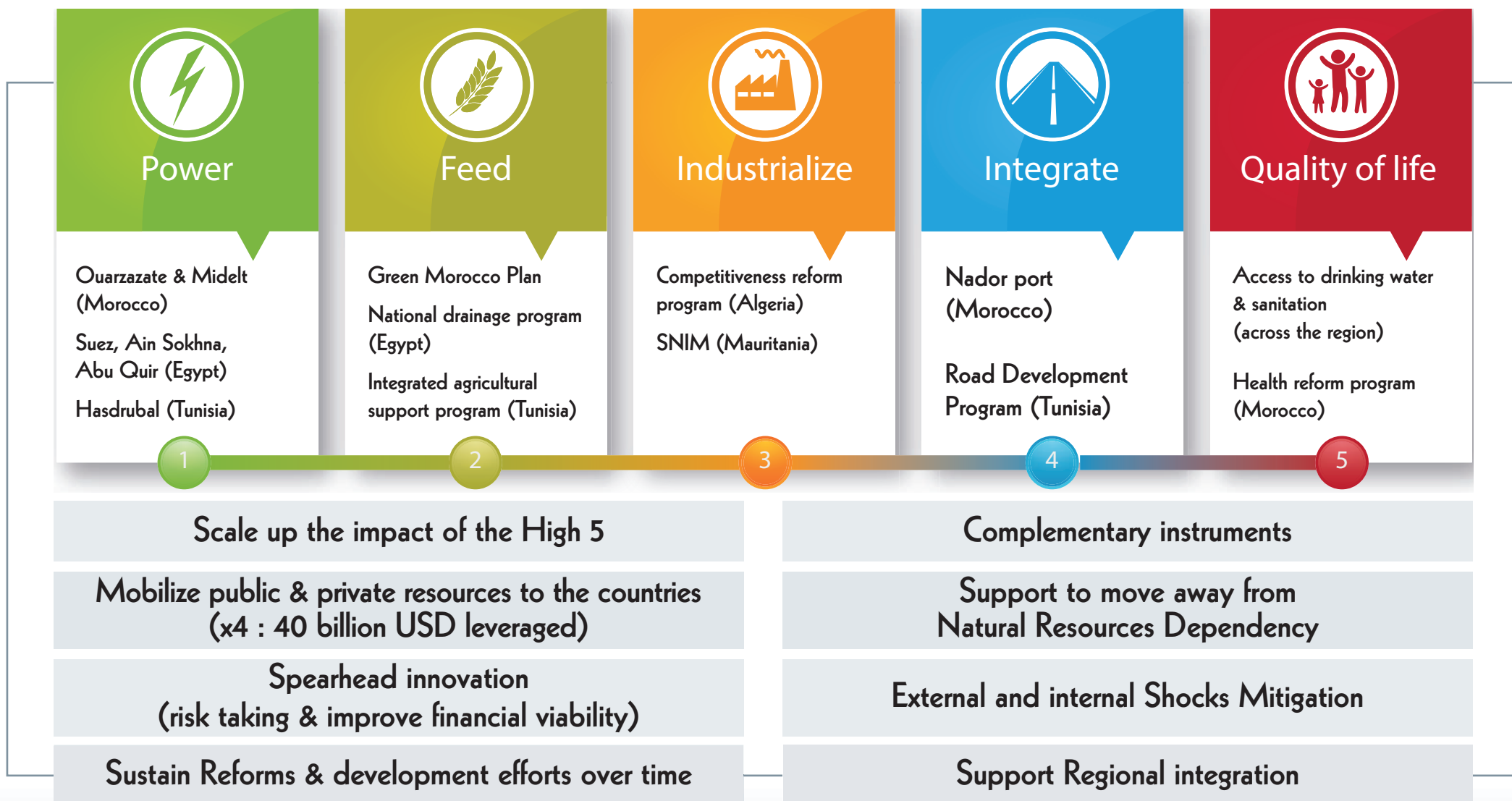


### Accelerated development



# A NORTH AFRICA REGIONAL PERSPECTIVE

## BEYOND THE FINANCIAL IMPACT: WE ARE A SOLUTION BANK AND A TRUSTED PARTNER



## WE IMPACT NORTH AFRICAN ECONOMIC AND SOCIAL EMERGENCE

### Mauritania



- Service water to 1 million inhabitants in Nouakchott

### Tunisia



- Modernization of 13,000 km of roads in 20 years
- Access to water for 350,000 citizens since 2014
- Impacted 700,000 inhabitants through improved agriculture since 2008

### Morocco



- 12.7 million rural inhabitants Connected to the grid
- Compulsory Medical coverage benefitting 22 million people since 2010
- Secured access to water & sanitation for 15 million people since 1990s

### Libya



- Support to the Libyan Investment Authority
- Capacity building for 2000 civil servants

### Algeria



- Enhanced business environment since 2016
- Improved Governance in the Energy Sector since 2016

### Egypt



- 7 million people connected to the Grid
- 81,600 sub-loans and creation of 83,000 jobs in rural area since 2012

# LEVERAGE BEYOND PUBLIC INVESTMENTS: PRIVATE SECTOR DEVELOPMENT

## Private sector development through Non sovereign operations



### Critical Industrial Project Finance Guarantees

LOC & Private Equity Fund to Support SME  
 Boost Africa — Souk Atanmia  
 Africa Investment Forum & Africa 50

## Impacts



**SNIM**

2<sup>nd</sup> largest exporter of iron ore  
 6,000 direct jobs  
 \$ 385 M. injected in the economy



**OCP**

20,000 direct jobs  
 Rock extraction x2 and fertilizer production x3 by 2025  
 Increased export to Sub-Saharan Africa



**Egyptian Refining Company**

8,000 direct jobs  
 USD 88 million/year of corporate taxes  
 import-substitution worth USD 272.2 million

### Private equity funds

\$ 207 million - Multiplier Effect: 5  
 Example: Icosnet (Algeria) turnover \$ 201 000 (2008) - \$ 8,5 million (2011)



### Stepping up the knowledge agenda



**To guide reforms & investment**  
**To mobilize resources**  
**To showcase knowhow & opportunities**

### Impacts



**Industrial Policies (2017)**  
**External finance mobilization (2016)**



**Innovative Youth Entrepreneurship (2016)**



**Guided the Africa Portfolio of the Libyan Investment Authority (2013)**



**Growth & Employment Study (2017)**  
**PPP (2016)**



**Growth Diagnostic : \$ 450 million Mobilized MCC (2016)**  
**Tariffs barriers with Africa (2017)**



**Poverty Levels with INS (2011)**  
**Social Transfers (2012-2017)**  
**Growth Diagnostic : \$ 1 billion US Guarantees**



## THE FINANCIAL CASE FOR A CAPITAL INCREASE IS STRONG



### New dynamics

- Regional engines of growth → Private sector increasingly exporting/ investing in SSA
- North African economies are joining larger regional communities (COMESA, ECOWAS,...)
- Morocco became first foreign investor in cote d'Ivoire in 2016
- Several technical assistance to support this agenda: Sonelgaz (Algeria), Maroc Export (Morocco), COMESA (Egypt)

#### North Africa development cooperation agenda

African Development Bank resources to finance ADF replenishment

552 million since 2011

Spillovers of African Development Bank projects on ADF countries

Morocco – Renewable Energy Agency Assisting Burkina Faso / ONEE  
Algeria – Powering Africa

#### More opportunities for North Africa SMEs

Increasing access of ADF countries to ADB window

1,64 billion allocated since 2011: More opportunities for North Africa SMEs through public procurement

Non Sovereign operations in ADF countries

Opportunity for the North African Private sector to develop its activities on the rest of the continent (ex: Afric Invest ; Citadel Capital)



**Thank you**