

CLIMATE CHANGE is a reality. The Intergovernmental Panel on Climate Change concludes in its September report that global warming is “unequivocal” and that human activities have a “clear” influence. The last three decades have been the warmest since 1850, and global surface temperatures will likely rise by more than 2°C by 2100. Of course, we have already seen the adverse effects of climate change on Africa's development prospects – it is costing the continent's economies an estimated 3% in GDP annually. As Africa's premier development finance institution, the AfDB is mobilizing the funds necessary to promote a more sustainable growth model to strengthen the adaptive capacity of Africa's economies and people. The Energy, Environment and Climate Change Department (ONEC) of the AfDB recently undertook [an exercise to track climate finance flows together with other multilateral development banks](#). We found that the Bank has mobilized US\$ 2.2 billion in climate finance in 2012, 50% more than in 2011.

THE CLIMATE FUNDS managed by the Bank such as the [Climate Investment Funds \(CIF\)](#), the [Global Environment Facility \(GEF\)](#) and the [Sustainable Energy Fund for Africa, SEFA](#), recently converted into a multi-donor facility), are necessary to support innovative operations such as the [Moroccan Integrated Solar and Wind Energy Program](#) or the [Menengai geothermal project in Kenya](#) – projects that would otherwise be too costly and risky to develop in the short term. However, if we want to continue promoting green and climate resilient growth in Africa, we must mobilize more climate financing, some of which will need to be on concessional terms.

Alex Rugamba
 Director of the Energy, Environment
 and Climate Change Department (ONEC)



[AfDB launches inaugural green bonds transaction](#)

On 10 October, the African Development Bank launched its first ever Green Bond transaction that aims to support Africa's transition towards low carbon and climate smart growth. These bonds were issued thanks to the joint technical work of the Treasury and the Energy, Environment and Climate Change Departments, with ONEC leading the development of the AfDB's Green Bonds Framework.

The bonds will increase the funding available for low-carbon emissions and climate resilience projects. The initial 3-year, USD 500 million bond transaction has already attracted many international investors.

[African consultation meeting on Green Climate Fund](#)

The September meeting in Tunis aimed to establish a platform for dialogue between African members of the Board of the Green Climate Fund (GCF) and other relevant African stakeholders. This platform is designed to ensure that those members benefit from a broader range of views and technical insights that could benefit their representation of Africa at the GCF Board.

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Two steps forward on the road to green growth in Sierra Leone

This September, the African Development Bank (AfDB) published an analytical report on the main challenges and opportunities Sierra Leone has for integrating green and inclusive growth into its Agenda for Prosperity (A4P). The study, *Sierra Leone: Transitioning Towards Green Growth; Stocktaking and the Way Forward*, was conducted at the request of the Sierra Leonean authorities and in consultation with various stakeholders. It is part of the work undertaken by the AfDB to promote green growth in Africa, as outlined in its 2013-2022 strategy.

To support the implementation of the A4P, the Board of Directors of the AfDB also approved *Sierra Leone's Country Strategy Paper 2013-2017*. The paper focuses both on strengthening economic governance and the transparent management of natural resources as well as on the sustainable development of infrastructure for the country's economic transformation.

Green Morocco Plan receives implementation support

Covering the 12-year period from 2008-2020, the Green Morocco Plan is benefitting from an African Development Bank loan of EUR 105 million for its implementation. The plan aims to set up a series of structural and sector reforms in agriculture to make it a pillar of the Moroccan economy and a real catalyst for socio-economic development.



Sustainable Energy Fund for Africa converted into multi-donor trust fund

The Board of the African Development Bank approved the conversion of the Sustainable Energy Fund for Africa (SEFA) into a multi-donor trust fund with a wider remit. With this conversion, the United States Agency for International Development (USAID) will become the second anchor donor. The conversion will open the fund to any donor interested in promoting private sector led investments in renewable energy projects.

Additionally, the Board endorsed a new financing window to support related enabling environment activities. SEFA has also issued a grant of USD 1.8 million for a geothermal exploration project in Djibouti's Lake Assal besides the USD 5.7 million loan and grant from the African Development Fund. SEFA also participated in the October 2013 West Africa Forum For Financing Clean Energy (WAFCEF), which took place in Accra, Ghana. SEFA representatives participated in the selection of the best business plans for renewable energy and energy efficiency.

Africa's largest wind power project receives ADF's first ever partial risk guarantee

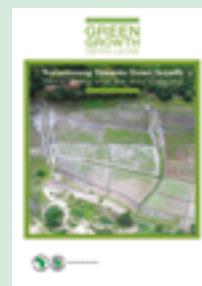
The Board of Directors of the African Development Bank approved the African Development Fund's inaugural partial risk guarantee (PRG) for EUR 20 million. This first PRG – a new financial instrument for low-income countries – will be used to cover the risk associated

By the numbers



More about AfDB financing for renewable energy projects on the AfDB website (<http://bit.ly/19g5uYJ>); and about the full portfolio of GEF projects, in the brochure on the AfDB-GEF partnership (<http://bit.ly/1j1dxhA>).

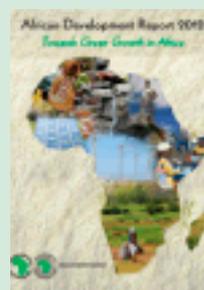
Our publications



Sierra Leone - Transitioning towards Green Growth: stocktaking and the way forward

Analytical report on the main challenges and opportunities for the country to integrate green and inclusive

growth in its development pathway.



2012 African Development Report: Towards greener growth

The report was presented at the Annual Meetings of the AfDB Group.



AfDB and GEF: A successful partnership to achieve transformational change in Africa

Looks at this dynamic partnership and how it can contribute to the AfDB's objective of

leading the continent towards greener growth.

with the delayed completion of an electricity transmission line, which forms part of the Lake Turkana Wind Farm project in Kenya.

The African Development Bank Group has played a major role in the development of this project – which will play a key role in opening up the Great Rift region – including a loan of EUR 115 million.

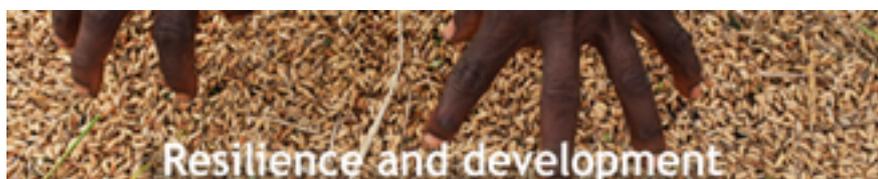
[The Comoros turn to clean energy](#)

The African Development Bank awarded a USD 20.1 million grant to the Comoros to help restructure its energy sector with an emphasis on clean energy production. As cited in the country's 2011-2015 Country Strategy Paper, such activities serve to promote a more cost efficient form of economic development.

[The SREP Tanzania Investment Plan is approved](#)

Tanzania is one of the pilot countries of the Scaling-Up Renewable Energy Program in Low-Income Countries (SREP) initiative. The country's investment plan seeks to transform the energy mix by giving a greater role to its abundant renewable energy resources.

The plan will receive a contribution of USD 50 million from the SREP, including USD 25 million for a geothermal component to which the African Development Bank is contributing USD 45 million.



[Sierra Leone : Improving climate resilience through better access to water and sanitation](#)

The African Development Bank Group, with support from the Global Environment Facility (GEF), will provide USD 43.27 million for a new project to improve Sierra Leone's rural water supply and sanitation.

Part of the country's green growth strategy, the project aims to improve the rural population's resilience to climate change, including in the country's coastal areas, through access to safe drinking water and sanitation.

Activities under the project include the identification of water reserves in Sierra Leone, the promotion of rainwater harvesting, and the development of water pumping systems that run on renewable energy.

[AfDB and Burundi launch river basin improvement project](#)

On August 9, a project was officially launched in Burundi to develop the country's river basins and to improve climate resilience. The EUR 10.26 million budget is co-funded by the African Development Bank's Fragile States Facility and the Global Environment Facility (GEF).

[AfDB and Forest Investment Program team up to improve forest management in DRC](#)

In September, the Democratic Republic of Congo was approved for USD 21.5 million grant under the Forest Investment Program of the Climate Investment Funds.

The program, whose implementation is supported by African Development Bank, will improve the governance of the country's forests while reducing greenhouse gas emissions associated with



[Growing green: the AfDB and CIF for a climate-smart Africa](#)
Outlining the successful AfDB-CIF partnership, in brief.

External publications

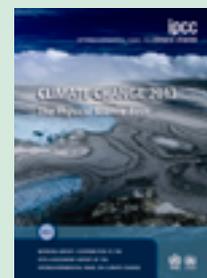


[Renewable energy in West Africa: Status, experiences and trends](#)

From the Regional Centre for Renewable Energy and Energy Efficiency of ECOWAS.

AfDB authored the chapter "Funding opportunities for

renewable energy in Africa".



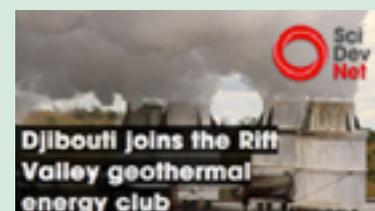
[5th report of the IPCC: Climate Change 2013; The Physical Science Basis](#)

Alarming findings from international experts on global warning.

Our Projects in the Media



[The Menengai geothermal power plant in Kenya](#) was one of 25 projects featured by the NGO Africa Express (<http://bit.ly/1hCft4A>)



An article about [the geothermal exploration project in Djibouti's Lake Assal](#) on the SciDev.net website (<http://bit.ly/1d37zvd>)

forest degradation and deforestation. 400,000 people are expected to benefit directly from this program and 1.5 million people indirectly.

Strengthening climate resilience in Zambia

The African Development Bank supported Zambia in obtaining USD 38 million in funding from the Pilot Programme for Climate Resilience (PPCR) of the Climate Investment Funds.

The financing will be dedicated to a project that the Bank will implement to strengthen climate change resilience in 800,000 rural communities that are heavily dependent on rain-fed agriculture and natural resources for their livelihoods.

Ghana to increase community engagement in management of forestry sector

With critical support from the African Development Bank, the Forest Investment Program approved USD 9.75 million of funding for a project in Ghana that will strengthen the involvement of local communities in the fight to roll back deforestation and forest degradation as well as increase carbon stocks.

Togo receives backing to reinforce infrastructure in coastal areas against effects of climate change

On September 20, the Council of the Least Developed Countries Fund (LDCF) hosted by the Global Environment Facility, approved USD 8.93 million in climate change adaptation financing for Togo, with support from the African Development Bank.

The funds will cover the costs of constructing infrastructure to protect the Togolese coast from rising sea levels, and support communities in the project area to diversify their economic activity away from sand extraction, an industry that promotes coastal erosion.



The AfDB joins forces with Africa Express

The African Development Bank (AfDB) recently supported the implementation of Africa Express' study on renewable energy in Africa. Africa Express, a partner of the Bank is a NGO dedicated to the study of sustainable energy projects on the continent. The study resulted in the launch of a White Paper on Renewable Energy in Africa at the 6th Convergences World Forum.

A workshop organised at the forum entitled "Access to energy in Africa: key success factors for the development of sustainable projects", included a presentation of the work of the AfDB in the sector. The AfDB-financed Menengai geothermal power plant in Kenya was one of 25 projects featured by the NGO (see "Our Projects in the Media"), as well as the Bujagali hydroelectric dam in Uganda.

Calendar of Events

November 11-22, Warsaw, Poland:
[Warsaw Climate Change Conference](#)

November 26-27, New York, USA:
Second Board Meeting of the Sustainable Energy for All (SE4All) Initiative

December 3, Tunis, Tunisia:
Stakeholders Meeting of the SE4All Africa Hub

December 5-6, Nairobi, Kenya:
[World Geothermal Energy Summit](#)

December 10-12:
6th GEF Replenishment

December 15, Washington, USA:
45th meeting of the GEF Board

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