CONCEPT NOTE

Knowledge Events

Transforming Agriculture for Wealth Creation in Africa

Economic Governance & Knowledge Management Vice Presidency
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Agriculture, contributing over 28% of Africa’s GDP, holds the key for accelerated growth, diversification, and job creation. No world region reached industrialized economy status without transforming its agricultural sector. Agriculture is key for Africa’s future. Yet, the continent, possessing more than 65% of the world’s uncultivated arable land, is caught in a viscous hunger and famine cycle, spending US$35 billion annually on food imports, possibly rising to US$110 billion by 2030, if nothing is done. Meanwhile, malnutrition affects nearly 58 million African children under five. While efforts are ongoing to fill the stomach, focus should also be on fueling the body with the right types of foods and nutrients for balanced and healthy living.

Agricultural transformation is also critical for Africa’s economic transformation and youth employment. With shifting demographic trends, the food and agribusiness industry in Africa is projected to grow to $1 trillion by 2030. Massive business opportunities can be harnessed in this highly labor-intensive agribusiness sector—through just one program aimed at building entrepreneurship, ENABLE (Empowering Novel Agri-Business-Led Initiative Youth Program), the African Development Bank expects to create at least 1.5 million jobs. The solution to industrialization and jobs lies squarely within the agriculture sector.

The knowledge events at AfDB’s 2017 Annual Meetings will bring together the best minds to find actionable solutions to many questions: How will we unlock agriculture’s potential to feed Africa, drive its economic transformation, and create jobs while changing damaging perceptions of agriculture as a way of managing poverty, rather than a business ripe for profitable investments? Africa needs solutions and support to develop its “gray matter infrastructure”—the brainpower of its children. Agricultural transformation should be inclusive, to avert the “disaster triangle,” fueled by extreme rural poverty, high youth unemployment, and climate and environmental degradation. Finally, will the media and entertainment industries continue to portray agriculture as a primitive way of life, or will it join with us to deliver a more aptly alluring image of this sector with so much promise?

Let’s turn this continent onto a path of enhanced prosperity.

Thank you.
Prosperity is generated by industrial development, the process that allows human societies to move resources from low- to high-productivity sectors. Traditional explanations of these dynamics have focused on the evolution of capital or institutions. In fact, knowledge and learning are the real determinants of positive social change.

There is good news for developing countries: in an increasingly globalized world economy where capital, labor, technology, and ideas are very mobile, it is still possible for countries at very low-income levels to borrow relevant knowledge from more advanced economies, customize and improve it, and use it at minimum costs to enrich their analytical and policy frameworks.

If the main determinant of prosperity is the ability of poor countries to integrate innovative ideas and knowledge into the way they design and implement their development strategies, then we should rethink the role of international financial institutions such as the African Development Bank. This is even more necessary in a world characterized by continuous technological development, rapid innovation, and large and mobile capital flows. In an era of a global excess of savings over investment intentions and resulting low interest rates, money is not the major problem for countries engaged in the process of economic development.

“Knowledge is of no value unless you put it into practice,” once said Anton Chekov. The knowledge events at this year’s Annual Meetings aim at encouraging learning on various aspects of agricultural and structural transformation. We have invited many great minds to debate difficult and exciting issues. We have also invited some of the most influential cultural pioneers and innovators from Africa (top fashion designers Alphadi and Pathé'O and legendary music artists Richard Bona and Lokua Kanza), not for entertaining the participants, but to give them a glimpse of the extraordinary depth, creativity, and beauty of the continent’s infinite wealth. Culture is indeed the real source of wealth. It is also the indispensable ingredient for creating decent jobs, changing consumption patterns, engraving good habits into societies, and setting in motion and sustaining the dynamic process of economic development.

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The 2017 knowledge events of the Bank Group’s Annual Meetings feature Eminent Speakers from around the world, articulating pathways towards agricultural transformation. The knowledge events are meant to harvest cutting-edge knowledge and further exchange of experience and good practices for the shaping of an African development model in the implementation of the Bank’s High 5 priorities, in particular, Feed Africa. Through 17 knowledge events, the theme is approached from different angles relevant to Africa’s economic emergence, and emphasising the catalytic power of agriculture in the transformation process.

The knowledge events are grouped into four clusters: High Level Presidential events; Conversation and Fora (debates); Knowledge Dissemination and Policy Debates; and Cultural events. The first two clusters explore gaps in agricultural strategies and missing enablers for the kind of transformation that galvanizes agriculture to sustain food security, spur industrial activity and create jobs. These clusters cover topics ranging from technology, financing and management, to gender mainstreaming.

The knowledge products on dissemination parade this year range from annual flagships that have shaped policy making on the African continent for years, such as the African Economic Outlook, to thought leadership pieces covering the pertinent policy issue of industrialization. The dissemination events will be an occasion for the development community to join the AfDB Group in publicising and ensuring widespread adoption of actionable solution coming out of extensive research supported by the Bank Group.

It is befitting that the event is taking place in India one of the nations responsible for forging ahead the Green Revolution. It is the vision of the Indian leadership, faced with the possibility of a severe famine that brought improved technology to Indian in 1961, and through investments in research and development, developed its rice output to one of the world’s largest. This pioneering spirit is evident not only in agriculture but in the arts as well. Through diverse cultural event involving African and Indian artists, we bring colour to the knowledge events, learn important universal ingredients for success, and draft the entertainment industry to join our cause and help us send the right messages for Africa’s agricultural transformation.

The 2017 Annual Meetings thus promise to be a memorable occasion for partnership, networking and knowledge sharing; as we seek to join hands in building today a better Africa tomorrow.

With great anticipation, we welcome you!
The 2017 Annual Meetings of the African Development Bank (AfDB) Group will be held from 22-25 May, 2017 in Ahmedabad, India. The Annual Meetings are the largest single annual event of the Bank Group and serve to raise the profile of the institution on global stage. In addition to the Annual Meeting of the Board of Governors, which is the core purpose of the gathering, the Annual Meetings provide a unique forum for representatives of government, business, civil society, think-thanks, academia and the media – from Africa and beyond – to debate key issues on Africa’s development and to discuss the Bank’s performance in delivering on its mandate. Governors of the Bank Group represent the 54 regional member countries and 26 non-regional member countries. The discussions take place during statutory meetings of the Governors as well as across several Knowledge and other side events.

Reflecting the significance of agriculture in Africa and in the Bank’s development work, the 2017 Annual Meetings will be held under the theme of: “Transforming Agriculture for Wealth Creation in Africa.” Agriculture has a central place in the United Nations’ Sustainable Development Goals (SDGs) and the African Union’s Agenda 2063, both of which focus on poverty reduction, overcoming hunger and food insecurity. Reflecting the global and continental agenda, the Bank has aptly prioritized agriculture transformation by designating it as one of its High 5s through the second High 5: Feed Africa.

Agriculture has far-reaching linkages to other sectors and is central to Africa’s efforts towards poverty alleviation, attaining food security and economic transformation. However, the potential of African agriculture has not been fully realized, resulting in persistent underperformance and chronic food shortages. As a result, many countries in Africa have become net food importers. Currently, Africa spends about US $35 billion per year on food imports alone and this figure is expected to increase to US $110 billion by 2025 if the current situation is not addressed. Moreover, climate change poses serious threats to traditional production methods, further compounding the situation. This provides a compelling business case for private sector investment and strong policy support to ensure agriculture play its rightful role in Africa’s development process. With over 65% of the world’s remaining arable land, a youthful population – with 420 million people between the ages of 15 and 35 years – and a favourable climate, Africa can become the world’s agriculture powerhouse and drive the next Green Revolution. Nigeria, Rwanda, Ethiopia, Senegal and Burkina Faso provide valuable examples of successful agriculture transformation.
Indian woman selling spices at market in Goa, India
2 | Objectives and Expectations

The Bank’s Feed Africa Strategy, approved in May 2016, articulates different areas of focus for the transformation of Africa’s agriculture. The Strategy has four ambitious targets to be met by 2025: (i) achieve net export status for agricultural commodities, representing the substitution of about US $110 billion worth of imports; (ii) eliminate ‘under-nourishment’ from about 240 million people in 2015; (iii) lift 130 million people out of poverty; and (iv) double Africa’s share of market value for select processed agricultural commodities. In the near term, resources will be focused on priority agricultural value chains and creating agro-ecological zones.

The Strategy depends heavily on successful implementation of the other High 5s. For instance, power is important for supporting agricultural transformation, agro-industry and reducing post-harvest losses. Equally, transforming raw agriculture materials into processed products is central to Africa’s agro-processing based industrialization, while deep regional integration and increased market access can accelerate regional agriculture value chains and facilitate economics of scale. By its labour-intensive nature, the agriculture sector has potential for job creation and income generation thereby improving the livelihood of the African people.

The 2017 Annual Meetings Knowledge Events will articulate pathways towards agricultural transformation for enhanced food security as well as increasing resilience to climate change. Participants in these knowledge events will explore and propose different policy options to unlock the continent’s potential for an agricultural-led economic transformation and private sector driven agro-industry. The seminars will also develop operational guidance and propose solutions to support the achievement of objectives outlined in the Feed Africa Strategy and other High 5 priority areas, as well as garner political support for accelerated implementation.

A total of 14 (plus 3 cultural night events) will be convened half those held at the 2016 Annual Meetings in Lusaka events aim to achieve the following outcomes:

- Broaden dissemination of the Bank’s Agriculture Strategy, projects, and programs to marshal support for African agricultural transformation beyond AfDB projects and programs; leveraging the success of the “Youth Agripreneurs” program to develop new channels for communicating the Bank’s message as a knowledge broker and as a champion of youth employment in Africa.

- Dissemination of new ideas and new partnerships on innovative financing channels and instruments to support agricultural transformation in Africa; and highlights of investment opportunities and win-win options for financiers and investors from Africa and around the world in areas such as infrastructure and energy.

- Highlight interesting country experiences of success and failures whose lessons are relevant to African countries—a major focus will be on India’s successes in achieving food self-sufficiency in many states through a successful Green Revolution.

- Peer-learning and shared understanding of various dimensions of transformations: the macroeconomic benefits (balance of payments, fiscal aspects, monetary and competitiveness value addition, and job creation dividends of agricultural transformation); cultural foundations for change and prosperity; etc.

- Demonstration of benefits of agricultural transformation that allows countries to move labour and other resources from low-productivity, subsistence agriculture into more productive industry and services; identification of untapped business opportunities in global value chains with strong potential for job creation—labour-intensive industries such as light manufacturing (garments, textiles) or services/music/film industry, and entertainment).
Aerial image of Mount Kilimanjaro, Africa's highest mountain, with snow and white puffy clouds from Kenya.
In line with the overall theme for the 2017 Annual Meetings, the Knowledge Events will explore topics within the broad policy and operational space, focusing on how and to what extent potential of the agriculture sector can be harnessed to foster Africa’s structural transformation.

The Knowledge Events will be organized under four categories:

- The High-Level Presidential Events involving African leaders to discuss and examine issues and share experiences on best practices on how to foster structural transformation in Africa. This includes discussions on financing infrastructure and energy investments - the two most critical impediments to agricultural transformation in Africa. Participants will include Heads of States, Prime Ministers, CEOs of major corporations and Multilateral Development Banks (MDBs), and the AfDB President;

- The Conversations and Investment Fora, which will bring together a wide array of movers and shakers and intellectual leaders to discuss specific agriculture-related issues. These will also serve as networking platforms for exchanging views and exploring opportunities for further and deeper partnerships;

- The Knowledge Dissemination and Policy Debates, which will consist of the release of flagship reports such as the African Economic Outlook and other important AfDB reports and book launch on practical development solutions;

- The Culture and Economic Transformation Events, which will take place in the evening, bring together African and Indian stakeholders to discuss ways of strengthening partnerships in new industries that absorb the surplus labour in low-productivity, subsistence agricultural sector as well as explore means through which African agriculture can best be portrayed as a viable business rather just a sector meant for survival.
HIGH-LEVEL PRESIDENTIAL EVENTS
The global commitment of ending poverty and overcoming hunger and food insecurity permanently is very high in the current African and international development agenda as can be seen from the Sustainable Development Goals (SDGs) and the African Union Agenda 2063. Africa has about 2/3 of all the arable land left in the world and is unable to feed herself. Consequently, the continent is spending around US$35 billion per year on food imports, putting additional strain on scarce foreign exchange reserves. Overcoming these challenges and pushing the new agenda for Africa’s development forward call for a structural transformation of African agriculture as highlighted by the Comprehensive Africa Agricultural Development Programme (CAADP), and the June 2014 Malabo declaration.
A comprehensive and sustainable transformation of the agriculture sector in Africa towards a green agro-allied industrialization should happen over the next decade, if one is concerned with ensuring Africa feed itself, and contributes substantially to the achievement of the SDGs. In so doing, Africa needs to increase food production away from subsistence production and weak productivity by investing in technology and innovation. In addition to increasing food supplies, Africa needs to better manage and integrate the entire food chain from the farm to storage, transport, processing and marketing. Therefore, contributions from all stakeholders are required. For instance, while governments will provide adequate institutional and regulatory framework and a conducive business environment; the private sector will invest in competitive trade services, the provision of infrastructure and financing which will support: large-scale farmers in their marketing and export activities, and small-scale farmers not only to raise productivity but also enhance their resilience to the growing risks related to climate, market and political shocks.

To respond to this development mandate, new financing models are required. Indeed, in 2015, the African Development Bank defined its High 5 priorities for supporting African development, building on its existing Ten Year Strategy 2013-2022. The High 5 Agenda requires the Bank and other multilateral development banks (MDBs) to significantly scale-up its activities by leveraging and crowding-in financial resources, moving from “billions” to “trillions” in profit and dividend-driven development investments. This Special Panel will therefore explore some of these financing modalities as they relate to achieving the continent’s agricultural transformation objective as articulated in the Feed Africa Strategy. Beyond financing, the panellists will discuss key ingredients of effective public-private partnership, how to engage key stakeholders such as the civil society, and the role of good economic and political governance in delivering development goals encapsulated in the High 5s. This event will be organized following a town hall (arena) setting style, starting with short videos from the two co-chairs of the Africa Progress Panel, Mr. Kofi A. Annan and Mr. Horst Kohler.
Leadership for Agricultural Transformation: Town Hall with the President

PRESIDENTIAL PANEL
- Dr. Akinwumi A. Adesina, President, AfDB
- H.E. Macky Sall, President of Senegal
- H.E Patrice Talon, President of Benin
- H.E. Daniel Kablan Duncan, Vice-President of Côte d’Ivoire
- Ambassador Kenneth Quinn, President of the World Food Prize Foundation

MODERATOR
Ms. Bronwyn Nielsen, Senior Anchor of CNBC Africa

In the current policy and research environment, there is significant momentum behind developing and promoting the agricultural sector as a catalyst to industrialization. Developing industrial agri-businesses would raise productivity in the sector and ultimately support economic growth and structural transformation by enabling the labor force to move from the agriculture sector into manufacturing and services. Moreover, developing an agro-allied industrialization in Africa requires to advance an inclusive growth agenda given that half of the labor force in the continent works in the agriculture sector in rural areas, of which 80 percent are smallholder farmers and a significant share are female workers. There remains significant research and policy gaps regarding the pathways that would lead to such transformations with the view to alleviate high poverty rates in rural spaces, smooth transitory income, and enable food insecure households to meet their food and nutritional needs as well as link smallholder farmers to larger agro-business firms. For instance, adequate policies are needed to overcome multiple market failures and imperfections and to improve an inclusive access to modern inputs, labor, land, finance, and other agricultural factors of production and markets in order to enable a dual structural transformation of agriculture.

The President of the AfDB will be joined by Heads of States from the regional member countries to reflect on policy options to accelerate agriculture transformation in Africa. Hon. Willy Bett, Cabinet Secretary-Ministry of Agriculture Livestock & Fisheries from Kenya, representing His Excellency President Uhuru Kenyatta, President of Republic of Kenya will make his contribution from the floor (1st row). During this event, African Leaders will highlight the state of African agriculture, the existing investment opportunities and policy tools to unlock the potential of the sector. This first plenary session will therefore provide a platform for high-level political discussions whereby leaders will share their visions and perspectives on opportunities and challenges of agricultural transformation, as well as possible new initiatives. This will be a live televised event.
Kathakali performer in the virtuous pachcha (green) role in Cochin in South India. Kathakali is the ancient classical dance form of Kerala.
Developing Africa’s Grey Matter Infrastructure: Addressing Africa’s Nutrition Challenges

OPENING REMARKS BY
• Ambassador Kenneth Quinn, President of the World Food Prize Foundation

PANEL
• Mr. Baffour Agyeman-Duah, CEO of the John Kufuor Foundation
• Mr. Muhammad Ali Pate, CEO of Big Win Philanthropy
• Mr. Shawn Baker, Director of Nutrition, Bill and Melinda Gates Foundation
• Ms. Lauren Landis, Director for Nutrition, United Nations World Food Programme
• Ms. Zouera Youssoufou, CEO, Dangote Foundation

MODERATOR
Ms. Rajul Pandya-Lorch, Chief of Staff and Head, 2020 Vision for Food, Agriculture and the Environment Initiative, International Food Policy Research Institute

D espite the overall macroeconomic growth and improved governance enjoyed broadly across the continent, Africa still has the highest rates of both poverty and hunger in the world. Out of about 795 million people suffering from chronic undernourishment globally, 230 million live in Africa; resulting in the highest prevalence of undernourishment worldwide, at around 20%. Even in abundant regions, food shortages can happen according to the period of the year, mostly due to poor conservation techniques or post-harvest losses. One of the greatest contributors to economic growth is brainpower, what we can refer to as “grey matter infrastructure”. While it is obvious that a road or port can add to improved trade and economic growth, it is often not recognized that stunting shrinks the size of the brain and therefore compromises current and future economic growth of nations. Simply put: stunted children today beget stunted economies tomorrow. Therefore, good nutrition is the cornerstone for human capital and economic development. In Africa, the levels of malnutrition are unacceptably high, with 58 million of children under the age of five chronically undernourished, and 13 million of children acutely undernourished. The economic impact of malnutrition is estimated to be as high as US$25 billion per year, with countries losing between 3% and 16% of their GDP annually. These costs are attributed to infant mortality rates, medical costs, impaired cognitive development and physical under-development caused by malnutrition.

The Bank envisages investing more in nutrition programs through partnerships and direct investments. The panel on developing Africa’s grey matter infrastructure will discuss innovative and cost-effective methods of improving nutrition in Africa. The discussion will include methods and efforts to fight hunger and food poverty as well as enhancing the nutritional value of food. The panel will also explore discussion of means to mobilize financing to address malnutrition in Africa.
Agriculture Is Cool: Engaging Africa’s Youth

Africa has the world’s youngest population. There are 420 million youth aged 15-35 in Africa. Most of these young people lack access to meaningful economic opportunities. Of those not in school, one-third are unemployed and discouraged, another third are in vulnerable employment, and only one in six is in wage employment. On the other hand, the average age of farmers in Africa is 60 years for a continent hoping to feed itself and to eradicate malnutrition by 2025. In the agriculture sector, lack of access to land, finance, markets, technologies and practical skills are barriers to youth participation. In addition, there is a perception among the youth that farming is an unattractive career path.

Yet the agriculture sector holds the potential to create gainful job and wealth creation for the continent’s young people. There are opportunities to empower the youth at each stage of the agricultural value chain as ‘agripreneurs.’ The ENABLE (Empowering Novel Agri-Business-Led Employment) Youth Program has shown evidence that with greater access to the agribusiness enterprise, the youth can be the driving force for the transformation of Africa’s agriculture.

This three-part interactive event will bring into the spotlight the innovative concept of “Youth Agripreneurs” developed by the International Institute of Tropical Agriculture (IITA) in Nigeria as well as similar original ideas, to showcase success stories in Africa’s agriculture sector. Following a short documentary highlighting the AfDB’s role in attracting more investment for youth in agribusiness, the audience will hear direct testimonies from some of the bright young African Agripreneurs. Finally, there will be a panel conversation on the topic of youth in agriculture, and the celebration of Agripreneur excellence through an award ceremony (the call for business ideas will be launched and a winner selected before the Annual Meetings. It is envisaged that the Bank through the African Development Institute will send the winner to Korea for a study visit).

• Short Documentary on Youth Agripreneurs
• Testimonies of selected Youth Agripreneurs

PANEL GUEST
Winner of the Youth Agripreneur Award

REMARKS BY
H.E. John Dramani Mahama, Former President of Ghana

PANEL
• Ms. Ada Osakwe, CEO, Agrolay Ventures
• Ms. Evelyn Ohanwusi, Head, Partnership Advocacy and Resource Mobilization, Youth Agripreneurs, Nigeria
• Mr. Noel Mulinganya, Coordinator, IITA Youth Kalambo Agripreneurs in East DRC
• Mr. Max Bankole Jarett, Deputy Director, African Progress Panel

MODERATOR
Ms. Lerato Mbele, Presenter of Africa Business Report, BBC World News

Ada Osakwe  John Dramani Mahama  Evelyn Ohanwusi

Dr. Temitope Aroge, Managing Director, Arog Bio Allied Agro Services Ltd
CONVERSATIONS AND INVESTMENT FORA
Agriculture and agribusiness together account for about 45 percent of the economy of Sub-Saharan Africa. The share of agribusiness (including logistics and retail) in GDP averages 20 percent, while the share of agricultural production is about 24 percent for low-income countries, much of which is subsistence production. Much of Africa is physically close to big markets in the Middle East and Europe and some countries already capitalize on this through horticultural exports. Agriculture and allied industries are now favoured sectors for foreign direct investments (FDI). In 2014, Africa was the world’s fastest-growing region for FDI - a 65 percent increase over 2013.

In this new market environment, agribusiness companies are starting to respond to investment opportunities Africa has to offer. By 2030, agriculture and agribusiness combined could be worth over US$1 trillion to Africa from the current US$313 billion, offering the prospect of bringing more jobs, greater prosperity, less hunger, and enabling farmers to compete globally. However, notable constraints to agribusiness development still remain and explain a substantial part of the underperformance in Africa’s agriculture and agribusinesses. These include dominance of subsistence agriculture and the difficulties in some countries to position agriculture as a profitable business and source of wealth and employment. The Bank believes that it is crucial to transform African agriculture into a globally competitive, inclusive and business-oriented sector that creates wealth, generates gainful employment, improves quality of life and secures the environment. This event will provide a platform for exchanging of views among key stakeholders on the subject matter.
The relationship between Africa and Asia has changed considerably since 1955, when the first Asia-Africa Summit took place in Bandung, Indonesia. Six decades later, there is no longer a Cold War and therefore no longer a Third World to which Asian and African non-aligned states belong – Indonesia, China, India and South Africa, are now members of the G20. Most importantly, the world has become multi-polar and Asian economies such as China or Japan have become increasingly as important as the US and Europe.

In April 2015, a new Bandung Africa-Asia summit led to the adoption of a Declaration on Reinvigorating the New Asian African Strategic Partnership. This partnership aims to nurture strong relations amidst increasing global challenges; to promote and protect human rights, and strengthen multilateral relationships between the two regions. Trade ties between Asia and Africa have been completely transformed since 1955, led by China’s economic ascendancy to become the world’s second largest economy. However, most investments flow in one direction – from Asia to Africa, a fact that highlights the nature of the current Asian-African ties.

The President of the AfDB will be joined by Heads of States from the regional member countries at this televised event which will consist in a conversation on topics of mutual interest between the two regions.
Poor infrastructure cost the continent a cumulative 25 percent in foregone growth in the last two decades alone, equivalent to the growth rate achieved in the past ten years. The growing productivity gap between Africa and the rest of the developing world is exacerbated by Africa’s poor road and railway network; underdeveloped air and marine transport, and unreliable power supply. A continent that accounts for 16% of the world’s population has 53% of all the total population without electricity in the world. Africa loses about 4% of its GDP to lack of electricity. Per capita electricity use in Africa averages 181 kWh compared to about 13,000 kWh in the United States of America and over 6,500 kWh in Europe. Africa’s poorest pay some of the highest energy costs in the world. Africa’s industrialization agenda could become a pipedream without a substantial overhaul and meaningful investment in the infrastructure sector.

Investments in infrastructure are often big ticket, long-term undertakings fixed by their structure and location, which require substantial financial resources. These imply substantial sunk costs with potential difficulties to cover the upfront investments. These together with the effect of global economic downturn pushing banks to deleverage and de-risk in developing markets, shallow capital markets, inadequate legal and regulatory frameworks, challenging business environment as well as inadequate instruments to crowd in long-term financing from the contractual savings industry, call for innovative solutions to finance infrastructure development in Africa. Given the size of the financing gap and the fact that Governments have limited fiscal space to finance infrastructure from taxation or borrowing, it is clear that the private sector should be part of the solution. While it may be challenging to crowd in enough private investments in the short term through infrastructure bonds and other capital market driven instruments, financing through Public Private Partnership in its various forms could be a viable option. Over the last few years, Development Financial Institutions such as the AfDB have been instrumental in providing innovative financing initiatives to bridge the infrastructure gap. These include the Africa 50 Fund, as well as the New Deal on Energy for Africa geared towards accelerating universal access to electricity in Africa by 2025.

This event will be a Davos-style plenary discussion which will feature the infrastructure gap holding back Africa’s economic transformation and the actions being taken by multilateral development banks and other financiers to close this gap. Stakeholders of infrastructure development from the continent such as the Africa 50 Fund may contribute from the floor. The main focus of the event will therefore be to outline how multilateral development banks and other financing institutions can leverage resources by creating a platform for participation of the private sector, including specialized investment banks and other agencies.
Innovative Financing for Agriculture

SETTING THE CONTEXT
Ms. Jennifer Blanke, Vice-President, Agriculture, Human & Social Development, AfDB

PANEL
• Mr. Mezuo O. Nwuneli, Managing Director, Fund for Agricultural Finance in Nigeria (FAFIN)
• Mr. Sean de Cleene, Vice President, Business Development & Strategic Partnerships, AGRA
• Mr. Mark Suzman, Chief Strategy Officer & President, Bill and Melinda Gates Foundation
• Lord Paul Boateng, Chairman, AECF
• Dr. Vera Songwe, Director, West Africa, IFC

CONTRIBUTIONS FROM AfDB GOVERNORS
• Hon. Henry Kiplagat Rotich, AfDB Governor for Kenya

MODERATOR
Ms. Julie Gichuru, News Anchor, KBC

There is a large financing gap for private sector-led development of agricultural value chains, with an estimated gap of US$50 billion for smallholder farmers. The IFC estimates that 84% of all SMEs on the continent, including those in agricultural sectors, have limited or no access to finance. The flow of private capital into the sector is constrained by low risk-adjusted returns, due to high transaction costs driven by small deal sizes, high delivery costs, and inadequate banking technology. These factors discourage banks from developing agriculture sector expertise, or investing in innovative delivery models. There is need to re-align incentives for commercial banks and other financial institutions to get into financing agri-
culture, by de-risking agriculture as an asset class and building banks’ capacity to serve smallholder farmers. In so doing more attention should be devoted to innovative financial services including technology-based financial services and insurance schemes which contributes to not only enhancing financial access to small-farmers but also enhance their resilience to the growing risks related to climate, market and political shocks.

Our analysis has shown that the recent growth of mobile money has allowed millions of people who are otherwise excluded from the formal financial system to perform financial transactions relatively cheaply, securely, and reliably. Mobile money has achieved the broadest success in Sub-Saharan Africa, where 16% of adults report having used a mobile phone in the past 12 months to pay bills or send or receive money (overall in Africa, 14% of adults used mobile money in the past 12 months). In Kenya, where the M-Pesa service was commercially launched in 2007, 68% of adults report using mobile money. Similarly, in Sudan, more than half of adults used mobile money. This re-alignment requires participation of the public sector to address the structural and capacity constraints in the sector. The Bank is proposing a new approach - the Risk Sharing Model - which aims to address some of these challenges. The Bank also intends to establish national/regional Agriculture Risk Sharing Facilities that will catalyse greater commercial banks’ lending to the agriculture sector by de-risking lending to agricultural SMEs.

This panel will provide the opportunity for the Bank to formally present the planned approach to deploy innovative financing models to stimulate increased agricultural financing on the continent. The panel will also offer an opportunity to engage key stakeholders in the elaboration of these models to ensure successful deployment and sustainability. This event will be organized following a town hall (arena) setting style.
As African countries pursue ambitious development programs, greater commitment for mobilization of domestic resources becomes imperative. It is neither sustainable nor desirable for African economies to fund their development needs predominantly from external sources. Thus, increasing the share of domestic resources committed to development programs assures ownership of home-grown solutions and accountability of governments to the citizens. Yet, domestic financing for development programs is constrained by persistently low rates of domestic savings. The experience of Asian countries demonstrates that domestic savings of up to 30% of GDP were necessary during the early stages of their development. Although Africa’s share of taxes in GDP has increased to around 17.2%, slightly higher than the world average (15%), this is still inadequate to meet the competing needs of delivering basic social services. In Africa, coupled with low savings and tax rates, public spending is also plagued by inefficiency.

The Senior Vice-President of the AfDB will be joined by AfDB Governors and Central Bank Governors from the regional member countries to reflect on how to enhance the size and efficiency of domestically mobilized resources, including the role of ICT. It will discuss methods of tackling the usual causes of low domestic resource mobilization including weak institutions for tax administration, a narrow tax base, informality, as well as various factors that lead to tax evasion. This panel will also discuss the financial and regulatory reforms necessary to tap the savings of African institutional investors (including pension funds and sovereign wealth funds) to fund development programs, particularly infrastructure. Discussions will also touch on how to curb illicit financial flows as well as issues related to transfer pricing and large contract negotiations of natural resource exploitation/beneficiation.
The centrality of women’s role in African agriculture, as well as the importance of agriculture to women’s lives, are widely recognized. About 80 percent of women in the least developed countries who are economically active cite agriculture as their primary economic activity. However, a gender gap persists in the agriculture value chain. Further, given gender disparities in overall access to formal financing, with fewer women meeting lenders’ criteria, less commercial credit goes to women-run enterprises. Moreover, depending on the country, the rural wage gap between men and women in Africa is estimated at between 15 and 60 percent. It is therefore clear that one critical area in which Africa’s agriculture innovation system must go beyond traditional approaches to achieve transformative change is in how it treats issues of gender.

This panel will provide an opportunity to delve into the problem of gender disparities while bringing together a range of stakeholders (African women farmers (organisations) and entrepreneurs, policy-makers, practitioners, researchers and other experts) to exchange views on how agricultural transformation can enhance decent employment opportunities for women in Africa. The session will discuss how to fully develop the capacity of women working in and around the agricultural sector for higher productivity, increased income and economic empowerment through sustained entrepreneurship. It is expected that the discussion will provide concrete and non-traditional approaches and solutions to the issue of gender in agriculture applicable to African circumstances, and also make suggestions on best practices from around the world.
A malagasy woman pollinate manually a vanilla flower
Creative Energy Solutions to Boost African Agriculture

Problems of energy and power deficits are at the heart of Africa’s low level of agricultural transformation, despite the continent’s endowment with abundant natural resources and favourable climatic conditions. The explanation for this paradox lies in the fact that agricultural transformation cannot be achieved without reliable power. The Bank’s New Deal for Energy in Africa aims at providing 205 million households with electricity by 2025, out of which 75 million could be offered off-grid solutions. Renewable energy generation potential is significant. Innovation is picking up and off-grid project costs are projected to decline faster, using more efficient appliances. The entry into force of the Paris Agreement in 2016 also sends a strong political signal to addressing problems of climate change. However, questions still remain: how to go from a few success stories to a systemic continent wide change? How to leverage opportunities and overcome barriers, including access to finance? What actions should policy makers, private operators and financial institutions take to achieve this ambition?

This panel will provide an opportunity to discuss one of the main enabler of Africa’s agricultural transformation. It will bring together experts and practitioners to address these issues and questions raised above by confronting stakeholders from different perspectives. It will also provide a platform of exchange of ideas whereby stakeholders can share their perspectives on how best the New Deal for Energy in Africa could be successfully implemented and scaled up.
KONCEPT NOTE KNOWLEDGE EVENTS
AHMEDABAD INDIA 22-25 MAY 2017

Economic Governance & Knowledge Management
Vice Presidency
This event is meant to showcase the strong partnership between the Bank and the OECD Development Centre and the United Nations Development Programme (UNDP) in producing an influential flagship publication that becomes a leading reference Report on Africa’s development and medium-term growth prospects covering all the 54 African countries. The 2017 AEO is the 16th edition under the theme: “Entrepreneurship and Industrialization in Africa”. Industrialisation is one of the Bank’s High 5 priorities. Therefore, the Report cannot be more timely and relevant. The Report highlights the resilience of African economies amidst regional and global heads; opportunities and challenges of entrepreneurship in Africa and the important of strong and committed leadership; role of the private sector in driving industrialisation in Africa. The release of the AEO 2017 report will provide an opportunity to Bank Governors to share their views on African economic performance and propose policy solutions to addressing constraints facing entrepreneurs, especially SMEs, in Africa.
"Beating the Odds: Jump-Starting Developing Countries"

This book, by Justin Yifu Lin and Célestin Monga (forthcoming, May-June 2017 by Princeton University Press) addresses key issues of Africa’s economic development. The book has been endorsed by several Nobel laureates in economics and is billed to be a key reference material for scholars on Africa’s development issues. Below a selection of reviews:

“This powerful book brings encouraging news to developing countries. A nation does not have to be developed to achieve economic growth: Witness Israel’s cultivation of the Negev Desert and Mali’s vibrant mango industry. History gives striking examples of take-off into sustained growth with little education and not much infrastructure either."  --Edmund Phelps, Columbia University, Nobel Laureate in Economics

“This is a game-changing book. In a world where so much advice about development sounds like more of the same, Lin and Monga show us the way forward. Rather than focus on austerity and painful ‘reform’ programs, Lin and Monga demonstrate that there is a role for government, industrial policy, and other measures that help business grow and create jobs. They forcefully show that another world is possible."  --Joseph E. Stiglitz, Columbia University, Nobel Laureate in Economics

“Justin Yifu Lin and Célestin Monga draw on long experience and insightful analysis to show how successful economic development depends, first and foremost, on a pragmatic assessment of each nation’s comparative advantages and a realistic understanding of how they can change over time"  --Roger Myerson, University of Chicago, Nobel Laureate in Economics

This book launch will consist in a short presentation, followed by a panel discussion featuring renowned experts/practitioners on the subject matter and interaction with the audience through a question and answer session.
Civil Society Panel

SETTING THE CONTEXT
Ms. Sipho Moyo, Director, Special Operations, AfDB

PANEL
• Dr. Sudarshan Suryawanshi, CEO, India Society of Agri-Business Professionals (ISAP)
• Dr. Khurana Kamal, CEO, Federation of Indian Farmer Producer Organizations and Aggregators (FIFA)
• Ms. Dorothy Mukhebi, Deputy Director, African Women in Agricultural Research

• Ms. Lucy Muchoki, CEO, Pan African Agribusiness and Agroindustry Consortium, Kenya
• Mr. David Wilcox, Social Change Leader and the Founder of ReachScale

MODERATOR
Ms. Julie Gichuru, News Anchor, KBC

Civil Society is a major constituency in African development process. Decades ago it was often viewed as an opposition to other development stakeholders—especially governments. Today civil society organisations have forged partnerships with governments and businesses, and are engaged in official consultation processes of multilateral organisations such as the G20 and the United Nations. Over the last few years, gains have been made in policy advocacy at the global level exemplified by the success in influencing the G8 agenda for Africa, the United Nations Framework Convention on Climate Change (UNFCC) Paris Agreement on Climate Change and the development of global voluntary standards for industry. The civil society plays a critical role in the fight against hunger. It also possesses knowledge and expertise on a wide range of issues related to food security and agricultural transformation. The AfDB is committed to enhancing partnership with Civil Society to deliver on its High 5s Agenda.

This panel will discuss strategies for enhanced partnership between state and non-state actors and multilateral development agencies such as the AfDB. Civil society organisations will have the opportunity to reflect on their role as partners with the AfDB, and agents for change in the implementation of the High 5s agenda. This will also offer an opportunity for the civil society to engage senior Bank management on the issues surrounding the agenda agriculture transformation in Africa. The panel will include representatives of the following groups:

• Watchdogs – those that hold institutions/governments accountable
• Advocates – those that raise awareness on social issues and work on policy change
• Service providers – those that deliver services to the vulnerable and enhance access for the vulnerable
• Experts – those bringing unique knowledge on communities and building collectives
• Capacity builders – those providing training and education
• Incubators – those developing solutions that have long gestation periods for communities and building collectives to access
• Representative – those that give power the voice of marginalized (fragile states)
• Solidarity supporters and citizen champions – those that promote fundamental and universal rights (environmental issues, land rights etc.).
CULTURAL INDUSTRIES TO SPUR ECONOMIC TRANSFORMATION
The textile/clothing market is already worth more than US$31 billion in Sub-Saharan Africa and accounts for the second largest number of jobs in developing countries after agriculture main of whom are women and young people. African fabrics are inspiring more and more famous designers. Many of the textile/clothing firms are SMEs. In Côte d’Ivoire, women own 80 percent of businesses in the industry and close to half of the entrepreneurs are under the age of 35. These are also mostly SMEs, since 65 percent have fewer than 10 employees. Only 33 percent work with local suppliers. In Ethiopia, a pioneer in the textile industry in the region with more than 40,000 employees, salaries are three times lower than in Côte d’Ivoire and the cost of electricity remains is due to availability of hydroelectricity, and inputs are affordably priced. This country, where 36 percent of the businesses in the industry have over 500 employees, exports its products primarily to the United States and the European Union. Overall, is estimated that the textile clothing industry could generate 400,000 jobs in Sub-Saharan Africa alone and exports could double in the next 10 years.

The Bank’s “Fashionomics” initiative is an avenue for supporting the development of creative industries that utilize agriculture products, especially cotton, in Africa. The panel will therefore discuss methods of strengthening these linkages, and address some critical questions including what it takes to promote textile manufacturing in Africa, what the involvement of African countries in that global industry could look like – from conception and design. This event will end with a small fashion show to give the audience a flavour of the work of these designers. By combining a fashion show and panel discussion, the event will use the global value chains in textiles to illustrate possibilities for African agriculture-related industrialization which are typically debated in the abstract.
Young beautiful Indian woman wearing traditional Indian clothes, dancing bollywood dance outdoors
Changing Perceptions on Agriculture: The Role of the Entertainment Industry ("Nollywood Meets Bollywood")

In Africa, the movie industry is emerging as an important contributor to gross domestic product and employment in countries like Nigeria. It is also the case in India. However, the entertainment industry—especially the film industry—too often offers unflattering narratives of agriculture and the rural life. Such miserabilist portraits perpetuate the perception that agriculture is simply a way of surviving for the poor. The entertainment industry has the power and influence to dynamically change these perceptions by projecting agriculture as a profitable economic sector with infinite profitable business opportunities, and a force for structural transformation.

This evening side event will gather some leading figures in the entertainment industry and provide a platform for discussing the significance of agriculture in their sphere of work and how the industry depends, in many ways, on rural transformation. The event will start with a panel discussion on the status of the film industry in Nigeria and India, the challenges and opportunities for the industry’s development and how the industry must itself transform in how it perceives and portrays agriculture and rural life. The evening will continue with a networking cocktail and the screening of an African movie. Participants will include captains of the film industry from Nigeria and India.

PANEL
- Ms. Oboli Omoni, Nigerian Actress, Director and Producer
- Mr. Rajendrakumar Mohan Raney, Film Director and Producer, India
- Mr. Letaief Brahim, Director of the Carthage Film Festival (Tunisia)
- Ms. Rekha Rana, Bollywood and International Award Winning Actress, Winner of Miss Delhi
- Ms. Omotola Jalade Ekeinde, Nigerian Actress, Philanthropist, TIME 100 Most Influential People of 2013

MODERATOR
Dr. Victor Oladokun, CEO, 3D Global Consult
The Sounds of Africa’s Transformation: Cultural Night

No important international event takes place in India without music and dance. This year’s cultural event will be organized to showcase cultures of two of the oldest civilizations in the world: African and Indian. It is customary for the AfDB Annual Meetings to include an evening during which a famous African artist is invited to perform—not just to entertain but also to shed light on some of the continent’s most valuable cultural treasures, and to allow participants to interact informally while reflecting in a relaxed atmosphere about the major development issues discussed during the day. This tradition will be even more important at the 2017 Annual Meeting that the Indian hosts will showcase many of their own local musicians, dancers, and artists. The event would be unbalanced if at least a prominent African artist is not invited to perform. It is intended to be inspirational and to feature one of the trend-setting artists whose work has come to the emerging, assertive, and dignified new Africa. The following artists will complement performances by the Indian artist already lined up by the Indian government.

Lokua Kanza’s music: “In the dusk of each note, a pernicious, insistent light. In the enigma of each interval, whether diminished, minor, major, perfect or augmented, subtle melodies and delicate harmonies. Complexity of things said and not said and equivocal sensations. Congo, that faraway and sometimes fantastical country, has never been so near.”—C. Monga, Nihilism and Negritude, Harvard University Press

Richard Bona: “Imagine an artist with Jaco Pastorius’s virtuosity, George Benson’s vocal fluidity, Joao Gilberto’s sense of song and harmony, all mixed up with African culture. Ladies and gentlemen, we bring you Richard Bona!”—Los Angeles Times