

“Africa is at an auspicious moment in history”

Donald Kaberuka
President, AfDB

ACRONYMS AND ABBREVIATIONS

ADB	Asian Development Bank
AfDB	African Development Bank
CIF	Climate Investment Funds
CO₂	Carbon Dioxide
CSP	Concentrated Solar Power
CTF	Clean Technology Fund
DPSP	Dedicated private sector programs
EBRD	European Bank for Reconstruction and Development
FIP	Forest Investment Program
GDC	Geothermal Development Company, Kenya
GHG	Greenhouse gas
GW	Gigawatt
GWh	Gigawatt hour
Ha	Hectare
IDB	Inter-American Development Bank
IFC	International Finance Corporation (part of World Bank Group)
IP	Investment Plan
IPP	Independent Power Producer
kWh	Kilowatt hour
M&E	Monitoring and Evaluation
MDB	Multilateral Development Bank
MENA	Middle East and North Africa
MT	Megaton
MW	Megawatt
ONEC	Energy, Environment and Climate Change Department, AfDB
PES	Payment for Environmental Services
PPCR	Pilot Program for Climate Resilience
PPP	Public-private partnership
PV	Photovoltaic
REDD+	Reducing emissions from deforestation and forest degradation combined with sustainable forest management and protection of carbon stocks
SCF	Strategic Climate Fund
SREP	Program for Scaling Up Renewable Energy in Low Income Countries
USD	United States dollar
WB	World Bank
WBG	World Bank Group including International Finance Corporation

FOREWORD

AFRICA IS ON THE FAST TRACK toward a remarkable regional upswing in economic development.

AS PART OF A NEW ECONOMIC VISION, many African nations are in search of growth which is two-edged: more inclusive, offering equality of treatment and opportunity combined with deep reductions in poverty; and more sustainable, improving water, energy and food security, promoting sustainable use of natural resources and supporting actions which are low-carbon and climate-resilient.

IN ITS RECENT 10-YEAR STRATEGY, the African Development Bank (AfDB) has sought to bring its institutional vision in clear alignment with this transformational approach. As a keystone element of this new vision, in the past several years the AfDB has exponentially increased its leadership in support of African nations' efforts to achieve climate-smart growth. It mobilized \$1.7 billion of climate mitigation finance in 2012 — more than any other development institution in Africa — to sustainably address infrastructure and energy needs; and has led adaptation finance in Africa by contributing more than six dollars for every mobilized dollar of external financing. In total, the AfDB has dedicated \$4.3 billion to clean energy since 2007 and has become the largest financier of energy on the continent.

THE AfDB HAS WORKED HARD to make its partnership with the Climate Investment Funds (CIF) an integral

element of this support. In 2013 the Bank fast-tracked its partnership with the CIF as a principal investment source. By the close of 2013, with endorsement of Tanzania's and Liberia's investment plans (IPs), the Bank had completed programming of the full set of country IPs in the AfDB CIF portfolio. Today, the Bank is supporting 16 national IPs and one regional IP in renewables, forests, resilience, and transport endorsed in 16 countries, and more than half of the projects under those plans — including all projects addressing forests and climate resilience — have been approved by the Bank's Board and are driving toward implementation.

This annual report details **THE CLIMATE-SMART JOURNEY AfDB HAS UNDERTAKEN WITH ITS PARTNER COUNTRIES**, bolstered by the CIF, through a strategy based on five main approaches: fast-tracking toward results; implementing clean energy, resilience, and forest sustainability; strengthening private sector engagement; scaling up outreach; and scaling up knowledge for transformation.

WE HOPE THAT THIS REPORT PROVIDES you with valuable information and adds to the growing information base on how to finance climate-smart change, with AfDB support.



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