Accelerating Climate Action in Africa

2-13 December 2019
Madrid, Spain
African Development Bank at COP25:

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Early this year the economies of Mozambique, Zimbabwe, and Malawi had to absorb losses caused by cyclones Idai and Kenneth estimated at $2 billion in a space of two months. A few weeks to this COP, Kenya suffered major landslides and the entire East Africa region is on alert for more flooding due to the warming of the Indian Ocean. Despite the gloomy forecasts, Africa remains steadfast in the fight against climate change. Investments in renewable energy, energy efficiency, climate smart agriculture and water use efficiency continue to grow.

The African Development Bank Group joins global partners at COP25 to advocate for enhanced action, demonstrate results and foster partnerships for the Africa we want.

Objectives:

Fostering Partnership: Build and strengthen partnerships with key actors to promote climate resilient and low-carbon development in Africa in line with the Bank’s priority programme, the High 5s and its Climate Change Action Plan (2016-2020). The African Development Bank recognizes that scale and urgency are essential for Africa to meet its climate commitments and that no institution or nation can do it alone. The Bank will work with all stakeholders including Multilateral Development Banks (MDBs) and Development Finance Institutions to drive this agenda.

Knowledge: Acquiring and sharing knowledge and experience that will promote learning and ensure the Bank stays at the cutting edge of the latest developments on climate change and climate finance to inform its work.

Resource mobilisation: Despite its extremely high vulnerability to climate change, Africa only receives 4% of global climate finance. The Bank will actively engage public and private investors through a suite of financial solutions to de-risk climate smart innovations.

Advocacy and support: Support regional member countries to engage in an informed and effective manner in the negotiations through support to the African Group of Negotiators (AGN) and through advocacy of positions that advance the interests of Africa.

Promotion: Showcase Africa’s opportunities to deliver climate action as well as leverage the Bank’s track record in promoting sustainability. The African Development has put in place mechanisms to fast-track Africa’s green growth plans.

To help achieve these objectives, Bank staff will host and take part in a number of side events at the Joint MDB Pavilion and elsewhere. Details of our events are presented overleaf.
African Development Bank's Events

MDB Pavilion, Hall 8

WEEK 1

Tuesday
December 3, 2019 - 14:00-15:00
Nature-based solutions for climate resilience
Organizers: African Development Bank’s African Natural Resources Centre with World Wildlife Fund (WWF) and Africa Ecological Futures (AEF II) Consortium

Wednesday
15:00-16:30 at the Francophonie Pavilion
The role of African Parliamentarians in the implementation of the Paris Agreement: challenges and prospects
Organizers: African Development Bank, Francophone Parliamentary Assembly and Institut de la Francophonie pour le développement durable (IFDD)

December 4, 2019 - 16:00-17:00
Report on the work of the Adaptation Benefits Mechanism executive committee
Organizers: African Development Bank’s Adaptation Benefits Mechanism’s secretariat

Thursday
December 5, 2019 - 11:30-13:00
Engaging the private sector in financing adaptation
Organizers: African Development Bank

Friday
December 6, 2019 - 10:00-11:30
Climate resilience solutions in Africa
Organizers: African Development Bank with Ministry of Environment and Sustainable Development of Benin
WEEK 2

Monday
December 9, 2019 - 17:00-18:00
Gender and climate change in Africa. From sensitivity to responsiveness
Organizers: African Development Bank with Climate Investment Funds
Cocktail reception for participants

Tuesday
December 10, 2019 - 09:00-10:00
Boosting the development of water and climate projects
Organizers: African Development Bank with INBO, ANBO, UNECE – Water Convention Secretariat

11:00-12:00
Building resilience to climate and extreme weather events for African Small Island Developing States
Organizers: African Development Bank with Green Climate Fund

Thursday
December 12, 2019 - 14:00-15:00
New climate narrative in Africa
Organizers: African Development Bank with Sahel Climate Change Commission and Climate Tracker

AFRICA DAY

Tuesday Room 3
10 December 2019 | 18.30-20.00
Concerted global action on climate change to attain the Africa We Want

Organisers: the African Union Commission (AUC) and its New Partnership for Africa’s Development (AUDA-NEPAD), the UN Economic Commission for Africa (ECA) and the African Development Bank, in collaboration with AU member States and RECs.
Climate change presents a major impediment to Africa achieving the Sustainable Development Goals. The Intergovernmental Panel on Climate Change (IPCC) report 2018 highlighted the grave consequences of temperature rise above 1.5°C, especially for Africa. UNEP commissioned research estimates that the cost of adapting to climate change across Africa could reach $50 billion a year by 2050, if global temperature rise is kept within 2°C above preindustrial levels.

Under the Paris Agreement reached at COP21, all countries agreed to take collective action on climate change to keep global temperature increases to no more than 2°C above pre-industrial levels. African countries have outlined bold aspirations to build climate resilient and low-carbon economies in their Nationally Determined Contributions (NDCs) to the Paris Agreement.
However, many of their commitments are conditional upon receiving adequate financial, technical and capacity building support.

Nevertheless, climate change also provides opportunities for Africa to harness its huge resource potentials to achieve the targets of the Sustainable Development Goals. Addressing climate change in Africa will create significant market opportunities on the continent, especially for the private sector and institutional investors.

Having signed and ratified the Paris Agreement, nearly all African countries have committed to enhance climate action through reducing their Greenhouse gas emissions and building resilience. For the continent, adaptation to the adverse impacts of climate change is urgent.

Africa will need investments of over $3 trillion in mitigation and adaptation by 2030 in order to implement its NDCs.
The African Development Bank continues to prioritize mainstreaming climate change and green growth in its portfolio and has committed to reach 100% of all its investments based on climate-informed design. The Climate Change and Green Growth Department continues to make progress in driving Africa’s transition towards a climate resilient and low-carbon development path guided by the Climate Change Action Plan 2016-2020.

The Bank is on the course to meet its commitments made under our second Climate Change Action Plan for the period 2016-2020 including:

1. Allocating 40 percent of Bank’s project approvals as climate finance by 2020, with equal proportions for adaptation and mitigation;
2. Mainstreaming climate change and green growth into all Bank investments by 2020; and
3. Significant increase in climate finance access for low income African countries by 2025 annually and enabling Africa’s financial sector to be at the forefront of financing innovation.

2018 CLIMATE FINANCE

$3.27 Billion = 32% of all Bank approvals

On track to achieving 40% by 2020
“Africa’s financial actors need to work together creatively to mobilize global financial resources at a scale that can support local innovation, and that drives climate-resilient and low-carbon development on the continent. Having been short-changed by climate change, Africa must not be short-changed by climate finance.”

Akinwumi Adesina,
President of the African Development Bank Group

“We can no longer afford to separate climate change from investment decision-making; it is a factor in capital displacement.”

Wale Shonibare,
Acting Vice-President for Power, Energy, Climate and Green Growth, African Development Bank

“Everyone has a part to play in the race against climate change. I truly believe that, if we all play our part, we can and will win the race.”

Anthony Nyong,
Director for Climate Change and Green Growth, African Development Bank
Africa Climate Change Fund (ACCF)
ACCF is a $15.3 million trust fund with contributions from Germany, Italy, and Flanders, which provides grants to African governments and non-governmental organizations to scale up access to climate finance and pilot adaptation initiatives in line with African NDCs. The ACCF has a portfolio of 8 projects for a total of $3.3 million of which six countries and two regional/multinational. In September 2019, the Oversight Committee of the Fund approved seven new projects from the latest call for proposals amounting to approximately $4.69 million.

African Water Facility (AWF)
An initiative of the African Ministers’ Council on Water, AWF assists African countries to mobilise resources for sustainable development in the water and sanitation sector. Since 2006 it has mobilised EUR 1.4 billion from 15 partners and supported 115 projects in 52 countries.

ClimDev Special Fund (CDSF)

Rural Water Supply and Sanitation Fund (RWSSI)
RWSSI Fund supports activities to strengthen the enabling environment and sustainably address water, sanitation and hygiene challenges across Africa. Since the inception of RWSSI in 2003, the Bank has invested EUR 1.7 billion in financing 67 RWSSI programs in 35 countries.

Sustainable Energy Fund for Africa (SEFA)
With $121 million from Denmark, Italy, Norway, Spain, UK and USA, SEFA is a multi-donor trust fund designed to catalyse private sector investments into early stage renewable energy and energy efficiency markets in order to contribute to universal access to sustainable, reliable, and affordable energy in Africa. SEFA portfolio counts 56 projects in 30 countries.

Urban and Municipal Development Fund (UMDF)
Funded by the Nordic Development Fund, the UMDF supports planning and project development for climate-resilient urban infrastructure in cities across Africa.
Climate Investment Funds (CIF)
The African Development Bank has a portfolio of 26 approved projects with CIF, totaling $875 million, covering clean technology, forestry investment, climate-resilience pilots and renewable energy scaling in low-income countries.

Global Environment Facility (GEF)
As an implementing agency of the GEF, the Bank is assisting African nations to integrate sustainability and climate change solutions into their national development plans. The Bank’s GEF portfolio includes 41 projects in 33 countries, with a total of $356 million in grant co-financing from GEF to implement Bank operations valued at $3.5 billion mobilized from its own resources and other external partners.

Green Climate Fund (GCF)
Since 2018, the GCF approved five projects submitted by the Bank with a total value of $189 million of which, the Bank’s co-financing amounted to $161 million. Two of these projects are now being implemented.

Adaptation Fund (AF)
The AF supports activities to strengthen resilience and adapt to climate change. The African Development Bank has several projects in the pipeline and also supports readiness for direct access to the fund by African countries.
Special Initiatives

Africa NDC Hub
The Africa NDC Hub serves as a collaborative platform and resource pool to support African countries implement their NDCs with two focus areas: adaptation and private sector support.
The Hub particularly focuses on three key support areas:

1. Fostering long-term climate action – this entails analytical work to align country-NDCs with national development agenda, its voluntary contributions, and to explore options to raise ambition necessary for low carbon and climate resilience growth on a long-term trajectory.

2. Mobilizing means for implementation – finance, capacity building, technology development and transfer. These are critical enablers to achieve the objectives of the Paris Agreement within the context of African sustainable development. The Hub engages global climate funds and the private sector to cater for both conditional and unconditional pledges of African NDCs; and

3. Coordination, Advocacy and Partnerships – the Hub provides a platform for coordination of NDC support activities on the continent for the efficient use of limited resources.

African Financial Alliance on Climate Change (AFAC)
The AFAC aims to put the financial sector at the centre of climate action in Africa. The pan-African alliance brings together Africa’s key financial institutions, including central banks, insurance companies, sovereign wealth and pension funds, stock exchanges, as well as commercial and development banks, to mobilise private capital flows towards continent-wide low-carbon and climate resilient development.
Adaptation Benefits Mechanism (ABM)
The ABM is an innovative mechanism for mobilizing new and additional public and private sector finance for enhanced climate change adaptation action. It has the potential to speed up transformation to low-carbon, resilient and sustainable development of the host countries by giving value to resilience. The Bank launched the pilot phase of ABM in March 2019 and is now starting the first pilot project to promote Climate-resilient cocoa production in Cote-d’Ivoire.

Africa Renewable Energy Initiative (AREI)
The AREI is an Africa-owned and Africa-led initiative of the African Union that aims at harnessing Africa’s abundant renewable energy resources to help achieve the Sustainable Development Goals, enhanced well-being, and sound economic development by ensuring universal access to sufficient amounts of clean, appropriate and affordable energy; as well as help African countries leapfrog towards renewable energy systems that support their low-carbon development strategies while enhancing economic and energy security. In so doing the Initiative will ensure access to energy while addressing climate change. The Bank’s Management serves as Trustee to administer and manages the resources of AREI.

Facility for Energy Inclusion (FEI)
FEI is a $500 million debt financing platform for small-scale renewable energy projects, operating through two financing windows: FEI On-Grid, designed to offer flexible project and corporate finance solutions to renewable energy projects of less than 25MW and mini-grids; and OGEF, aimed at providing consumer and corporate financing solutions to solar off-grid companies and the related ecosystem. FEI is the Banks’ first blended finance facility in the energy sector dedicated to increasing access through renewable energy technologies.

Commercial Forestry Fund
With funding support from CIF and in partnership with WWF Kenya, the Bank commissioned a study on Alternative Commercial Investment Models for African Forestry. As a result, the Bank is now working with partners to design a fund to provide concessional support for commercial forestry activities in Sub-Saharan Africa excluding South Africa. Well managed landscapes including exotic and fast-growing trees can play a major role in helping communities adapt to climate change and in mitigating GHG emissions.
Main Climate-related Knowledge Products

The African Development Bank 2nd Climate Change Action Plan

Climate Finance Matters 2019

African Development Bank’s Climate Change and Green Growth 2018 Annual Report

Climate Finance Newsletter

Blog: Climate Change in Africa. A race against time

Towards Large-Scale Commercial Investment in African Forestry
Mainstreaming gender in our climate action for sustainable impact

Climate information services

Paving the way for climate-resilient infrastructure: Building sustainable cities and low-carbon mobility in Africa

Clean energy to power Africa’s future

Ensuring Africa’s Resilience to Climate Change

Feed and prosper Africa today and tomorrow