Dear Members of the Press,
Ladies and gentlemen

Good morning to you all.

I wish to welcome you to the Annual Meetings for 2022 of the African Development Bank Group.

I am so pleased that we all can meet physically, after the 2 years plus of Covid-19 that has prevented us from having physical annual meetings.

I am delighted that you, the press, are here in such large numbers from all over the world. We thank you for coming to hear of our work, the challenges facing Africa, and how the African Development Bank is responding to these challenges.

Thank you for being here to help tell stories of progress in Africa.

Covid-19 badly affected African economies. The GDP growth rate declined by -1.6% in 2020. Over 26 million people fell into extreme poverty and over 30 million jobs were lost.

The African Development Bank responded swiftly.

Our Board of Directors approved our Crisis Response Facility of up to $10 billion to support countries.

We were bold. Our $3 billion fight Covid-19 social bond on the global capital market was the largest ever US dollar denominated social bond in world history.

We delivered for Africa. According to this year’s Annual Development Effectiveness Report, our rapid Covid-19 Response Facility helped to train 130,000 health workers, provided social protection for nearly 30 million
vulnerable households, and expanded financing and advisory support for 300,000 small and medium sized enterprises.

Africa’s real GDP growth rebounded to 6.9% in 2022.

But just when we thought we could breathe, Russia attacked Ukraine.

The Russian war in Ukraine has led to new challenges for Africa, especially in terms of high energy prices, high fertilizer prices, and disruption of food imports. With 30 million tons of food imports, especially wheat and maize that will not be coming from Russia and Ukraine, Africa faces a looming food crisis.

The African Development Bank stepped up and is showing incredible leadership to tackle this new challenge and ensure that Africa does not experience the looming food crisis.

Africa does not need bowls in hand, Africa needs seeds in the ground. Africa should not be begging for food; Africa must produce its own food. There is no dignity in begging for food.

That is why the African Development Bank Group, and the African Union Commission, developed the Africa Emergency Food Production Plan. The plan will provide 20 million farmers with improved seeds and fertilizers, as well as other farm inputs, to produce 38 million metric tons of food, worth $12 billion. This will include 11 million metric tons of wheat, 18 million metric tons of maize, 6 million metric tons of rice, and 2.5 million metric tons of soybeans.

The African Development Bank launched a $1.5 billion African Emergency Food Production Plan to help Africa produce food to avert a looming food crisis. I am delighted that the Board of Directors of the Bank approved our $1.5 billion African Emergency Food Production Facility last week.

Again, the African Development Bank delivered for Africa.

You may ask, why am I so confident that we will be able to avoid a looming food crisis? It is because our plan is based on the incredibly successful work of the African Development Bank through its High 5 on Feed Africa.

Our Feed Africa High 5 work has already benefitted over 76 million farmers with access to improved agricultural technologies. The Bank has also been
implementing a very successful program: Technologies for African Agricultural Transformation (TAAT) which is getting agricultural technologies to farmers at scale.

Let me share some of the success stories.

TAAT has delivered climate-smart seeds to 12 million farmers in 27 countries in just two years. TAAT delivered water-efficient maize to 5.6 million households in East Africa, an area hit by severe droughts three years ago. The drought was severe, but farmers secured their food supply with the water-efficient maize varieties.

In Sudan, TAAT financed the provision of 65,000 metric tons of heat-tolerant wheat varieties. That is seeds enough to fill 665 Airbus 380 aircrafts, the largest passenger airplanes. Sudanese farmers grew on 317,000 hectares, and in just two years, Sudan reduced its wheat import by 50%.

We did the same in Ethiopia.

TAAT financed the provision of 61,000 metric tons of seeds of heat-tolerant wheat varieties to farmers in Ethiopia. The farmers cultivated 5,000 hectares of these heat-tolerant wheat varieties in 2018, expanded to 167,000 hectares, two years later, and by this year they had grown 400,000 hectares.

Prime Minister Abiy Ahmed of Ethiopia told me last week: “Ethiopia’s wheat production is now 650,000 hectares. We harvested 2.6 million metric tons of wheat. Ethiopia did not import wheat this year. Next year we will cultivate 2 million hectares under wheat. We expect to export at least 1.5 to 2 million metric tons of wheat to Kenya and Djibouti next year.”

Simply incredible!

At this Annual Meetings we will be focusing on the Theme: “Achieving Climate Resilience and a Just Energy Transition”.

As you all know climate change is an ever-present existential threat to Africa. From droughts, floods, and cyclones, extreme weather events are devastating African economies. Nine out of the 10 most vulnerable countries to climate change are in Africa. Indeed, Africa is the second-most vulnerable region to climate change in the world.
Climate change is killing African economies.

Annually, Africa loses $7 billion-$15 billion due to climate change. This is expected to rise to $50 billion a year by 2040.

Africa, which accounts for just 4% of the global greenhouse gas emissions, is short-changed by climate finance. Africa’s financing needs to address climate change ranges between $1.3 trillion to $1.6 trillion in 2020-2030.

However, Africa is not getting enough resources to tackle climate change. Africa gets only 3% of total global climate finance. Climate financing mobilized globally falls short of Africa’s needs by $100 billion-$127 billion per year between 2020-2030.

As per the Paris Agreement, African countries are committed to reducing their carbon emissions, through energy transitions. Africa has abundant renewable energy resources, including solar, hydro, wind, and geothermal resources.

The African Development Bank is spearheading investments in renewable energy. Over 86% of the energy generation investments by the Bank are in renewable energy.

The African Development Bank financed the Noor Ouarzazate in Morocco, the largest concentrated solar power plant in the world. The Bank financed the Lake Turkana in Kenya, the largest wind-power station in Sub-Saharan Africa. The Bank is currently investing in developing the $20 billion Desert-to-Power program in the Sahel, which will develop 10,000 megawatts of solar power systems, that will provide electricity for 250 million people, and turn the Sahel of Africa into the world’s largest solar zone.

Achieving Just Energy Transition for Africa is important, in the drive towards net zero emissions. The African Development Bank no longer finances coal and that has now been made a formal part of our official policy with our Board-approved Climate Change and Green Growth Strategy.

However, Africa cannot rely only on renewables, due to their intermittency. Africa needs to combine renewables with natural gas to assure stability and security of energy, and to improve access and affordability, as well as energy security.
Therefore, natural gas must be part of Africa’s Just Energy transition systems.

It should be noted that even if Africa triples the use of gas for gas-to-power it will contribute less than 0.67% to global carbon emissions. So, Just Energy Transition must not shortchange Africa’s growth and development, especially stable energy to power its industrialization.

Our estimates show that to achieve the goals of the Paris Agreement, with all the Nationally Determined Contributions of Africa, will require $3.5 trillion in energy investments every year between 2016 and 2050.

The challenge we face is how to mobilize more resources for climate change in Africa. Developed countries must fulfil their promise to provide $100 billion per year in climate finance to support developing countries.

During this Annual Meeting, we will explore how to raise more climate financing for Africa.

At the African Development Bank, we are playing our role. The Bank has doubled its climate finance to $25 billion by 2025. Because the main challenge facing Africa is climate adaptation, the African Development Bank is focusing the bulk of its climate financing on climate adaptation. The Bank currently devotes 67% of its climate finance to adaptation. Together with the Global Centre on Adaptation, we are mobilizing $25 billion for climate adaptation in Africa.

But a lot more resources will be needed for Africa.

The African Development Fund (ADF) will celebrate its 50th year, and we will celebrate this at these Annual Meetings. We have planned a very informative event for you to better understand the amazing work of the ADF, to be held on Thursday 26th May 2022 at 2.20 to 4.15 pm at the Main Conference Hall. Mark your calendars and be there. You will learn how in the past 50 years the Fund has provided $45 billion in support of Africa’s low-income countries, and you will hear of the impacts of the Fund. At these Annual Meetings we will be discussing with our Board of Governors how to raise more resources for the African Development Fund, to better support low-income and fragile states in Africa.
So, the 2022 Annual Meetings promises to be rich and engaging! You will hear a lot more about the work of the African Development Bank – “Africa’s solutions Bank”.

I am proud to be the President of the African Development Bank.

You can see why: the African Development Bank was ranked by Global Finance as the Best Multilateral Financial Institution in the world in 2021. The African Development Fund was ranked by the Washington D.C.-based Centre for Global Development as the second-best concessional financing institution in the world in terms of development effectiveness, ahead of IDA of the World Bank, and all 28 concessional financing institutions in developed countries.

We will continue to strive to make Africa proud!

So, welcome to the Annual Meetings of the African Development Bank Group!

Thank you.