



NEPAD NEWS

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Africa-Japan relations strengthening

A Johannesburg, June 25, 2018 – Earlier this year, the value of intra-African trade was recognised by the historical African Continental Free Trade Area agreement that was signed in Kigali, Rwanda's capital. Once implemented, the agreement will see the continent having the world's largest trade zone where goods and services can be traded freely among countries.

Globally, Africa is being described more and more as the last frontier, owing to the fact that it has some of the world's biggest opportunities, with 2.2 % growth in 2016, growing to 3.4% in 2017 and anticipated acceleration to 4.1% in 2018 and 2019. Japanese ties with the continent have also been steadily growing and strengthening. It is reported that Japan's direct investment in Africa has almost quadrupled in the past 10 years. At the sixth Tokyo International Conference on African Development (TICAD VI) in 2016, it was announced by Japanese Prime Minister Shinzo Abe that his country would invest \$30 billion over three years into Africa. The amount includes public-private investment.

Partnership cooperation between JICA and NEPAD Agency is in fields of common interest such as infrastructure, agriculture and food security. Work is progressing well in initiatives such as the Kaizen management philosophy, one-stop border posts for unblocking bottlenecks in the regional movement of goods and people (through the MoveAfrica initiative), as well as nutrition through the Initiative for Food Security and Nutrition in Africa.

On June 25, 2018, Mr Shigeyuki Hiroki, Ambassador of Japan to South Africa, held deliberations with NEPAD Agency's CEO, Dr Ibrahim Mayaki, on strengthening relations between Africa and Japan towards the continent's development, together with the Japan International Cooperation Agency (JICA). Ambassador Hiroki observed that the year 2018 is an important year for preparations to be carried out for TICAD VII, which will be held in Yokohama, Japan, in 2019. The Ambassador stated that the Embassy of Japan needs to work closely with NEPAD Agency on the African position. It is in this regard that following TICAD VI, JICA worked with NEPAD Agency on a partnership matrix with requisite data that will be useful for TICAD VII, Dr Mayaki informed H.E Hiroki. - continues on the next page

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Visit to the NEPAD Agency by H.E Mr Shigeyuki Hiroki, Ambassador of Japan to South Africa

Dr Mayaki also congratulated the Ambassador on the success of the Japan-Africa Public-Private Economic Forum that took place in Johannesburg, South Africa, last month. The deliberations concluded with strong affirmation that NEPAD Agency and the Embassy of Japan can move towards TICAD VII with the confidence that commitments made in TICAD VI have been implemented.

Equipping rural youths with entrepreneurial skills

Buea, June 9, 2018 - Boosting employment opportunities for young women and men is a top priority in Africa. Youth under 24 years represent more than 60 per cent of the continent's population.

Despite strong economic growth in many African countries, wage employment is limited. Agriculture and agribusiness continue to provide income and employment for over 60 per cent of Africa's population. One of the collaborative efforts on the continent to create job opportunities for youth in agricultural value chains, is the Africa Solidarity Trust Fund (ASTF). The trust fund is a funding vehicle for African governments and partners to commit un-earmarked resources for the pursuit of relevant national and regional priorities in Africa.

Promoting Decent Rural Youth Employment and Entrepreneurship in Agriculture and Agribusiness is a project of the NEPAD Agency, funded by ASTF. The objective of the project is to create decent employment opportunities for young women and men through the development of sustainable agricultural and agribusiness enterprises along strategic value chains. The project also receives technical support from the Food and Agriculture Organization of the United Nations and is currently being implemented initially in four countries – Benin, Cameroon, Malawi and Niger.

On 9 June, Mrs Estherine Lisinge-Fotabong, NEPAD Agency's Director of Programmes was a special guest at the graduation ceremony of students at one of the Agriculture Technical Vocational Education and Training (ATVET) centres, in Buea, South West, Cameroon.



NEPAD Agency's Director of Programmes Mrs Estherine Lisinge-Fotabong awarding certificates to students in Buea

While handing students their certificates during the event, Mrs Fotabong encouraged them, "To be good ambassadors of the ASTF project, by seeking opportunities to practise the knowledge and skills gained from the training." Mrs Fotabong also called for more private sector investments towards empowering youths.

So far, the ASTF project has produced the following results from the four implementing countries. In this project, NEPAD Agency:

- Capacitated 19 personnel from Benin, Cameroon, Malawi and Niger on project execution, contract interpretation, technical reporting, finance reporting and procurement;
- 44 youths were equipped with skills to engage in agriculture value chain enterprises in Benin;
- 43 youths were capacitated with skills to engage in agriculture value chain enterprises in Malawi;
- 91 youths were equipped with skills to engage in agriculture value chain enterprises in Cameroon;
- Youths from Benin, Cameroon and Malawi have produced 20 business plans on agriculture value chains entrepreneurship for funding, and;
- Peer learning and knowledge exchange visits for 16 youths (from Benin, Cameroon, Malawi and Niger) on rural youth employment and entrepreneurship in the areas of agriculture and agribusiness was facilitated.



Left: The graduation ceremony in Buea, Cameroon. Right: Some of the products that the trained youths produce





Benin's smallholder farmers can also play a critical role in reaching the crop's growth potential with a government target of 600,000 tons by 2025

Benin's pineapple sector set to take off

Cotonou, June 21, 2018 - Following the launch of the first inclusive pineapple Multi-Stakeholder Platform (MSP) in Benin by Grow Africa in September 2017, Grow Africa and IDH held a validation workshop on the market opportunities for the commercial production of pineapple in Benin conducted by Dalberg Consulting.

The meeting brought together officials from the Ministry of Agriculture, research institutes, the Agency for Investments Promotion, various NGOs, technical and financial partners, as well as members of the pineapple Multi-Stakeholder Platform.

The business case study offers fresh insights into the commercialisation and investment opportunities that exist for the pineapple sector which, if adequately exploited would help the sector to expand its market both regionally and internationally in the medium term, with a target to generate a total of \$213 million and create 3500 new jobs by 2025.

On issues of inclusivity, Benin's smallholder farmers, can also play a critical role in reaching the crop's growth potential with a government target of 600,000 tons by 2025. The study therefore notes the inhibiting factors to growth within the smallholder farmers' space. More importantly, it identifies levers that could raise smallholder farmers' financially - which include access to homogenous sprouts and specific fertilisers to reach optimum yields as well as providing more capital to invest in good agricultural practices. The establishment of a pineapple sector funding facility is one of the innovative recommendations stemming from the study.

The overall purpose would be to target investments into the pineapple sector, provide working capital loans to smallholder farmers as well as the provision of technical assistance.

Ms Bertille Guedegbe Marcos, President of the pineapple MSP in Benin delivered the welcome address wherein she noted that the finalisation of the study marked an important milestone in the advancement of the pineapple sector in Benin.

For Mr Ibrahim Gourouza-Magagi, Grow Africa's Head of West and Central Africa, "The pineapple sector in Benin is a gold mine that is underexploited." He also welcomed this milestone which will lead to the establishment of an investment and innovation fund to develop the entire value chain.

Also present at the workshop was Ms Françoise Assogba Komlan, Secretary General of the Ministry of Agriculture, who in her address stated that the study will help improve the competitiveness of pineapple from Benin. She also reiterated the commitment of the Government to working together with Grow Africa and IDH in Benin.

The results and recommendations of the business case study were well received by all the participants who also made additional inputs centred on identifying the key working areas to further strengthen the pineapple sector such as: Access to quality inputs, certification, access to land, sustainability of farms, increasing local processing capacities of fresh pineapples, packaging and improvement of air cargo logistics. The workshop culminated in the validation of the study by all participants.

Moving forward, the validated report will be utilised to raise funds. The funds will be utilised to firstly set up a three year horticulture development and market led approach project geared to supporting SME's, farmers, traders and government institutions, particularly to improve technical ability, productivity, quality and food safety. Secondly, they will be used to set up a \$20 million fund for grants co-funding, i.e. for inputs, CAPEX, working capital and de-risking loans.



Mr Kebba Colley, IDH Director for inclusive business development presenting the results of the Business Case Study on the Commercialisation of the Pineapple Sector



The annual infrastructure deficit in Africa is currently estimated at \$108 billion

Africa's infrastructure deficit and risk mitigation

Victoria Falls, June, 27, 2018 - According to the AfDB's *African Economic Outlook 2018*, the annual infrastructure deficit in Africa is currently estimated at \$108 billion. With committed leadership, political will and private sector actively involved in infrastructure development, this gap can be closed.

It is with this approach at the core of its mandate, that the NEPAD Agency Regional Integration, Infrastructure and Trade Programme convened a two-day Strategic Dialogue on Advancing Infrastructure Development in Africa. Held in Zimbabwe's Victoria Falls from 26-27 June 2018, the meeting brought together representatives of development finance institutions, private sector experts, Regional Economic Communities, infrastructure project authorities, and project owners.

"We convened this dialogue mainly to define concrete policy recommendations for Africa's leadership which can advance infrastructure projects implementation under the umbrella of the Programme for Infrastructure Development in Africa – PIDA," said Symerre Grey-Johnson, Head of Regional Integration, Infrastructure and Trade Programme.

Mr Grey-Johnson who spoke on behalf of the NEPAD Agency's CEO, Dr Ibrahim Mayaki, reiterated that the Agency deems the dialogue as crucial in order set the scene for exploring innovative measures and instruments to close the \$108 billion infrastructure gap in Africa.

In order to address this challenge, the dialogue was structured on three key areas, namely: mobilising African institutional investment through the NEPAD 5% Agenda Campaign; addressing risk mitigation and operationalising an effective African Guarantee Scheme for African infrastructure projects and enhancing the bankability of transboundary projects through the PIDA Service Delivery Mechanism.

Through the NEPAD 5% Agenda campaign, there will be an increase in investment allocations by African institutional asset owners, like Pension and Sovereign Wealth Funds, into African infrastructure from its current 1,5% of assets to a more impactful 5%.

On risk mitigation, the infrastructure experts agreed that the support given to project owners at the early stage of project preparation will aid greatly in making the projects "appealing" to potential investors. This support, along with backing from a credible African Guarantee Scheme will go a long way in securing funding for major African infrastructure projects and thereby reducing the Annual Infrastructure deficit.

The African Development Bank which has over the years provided financial support for many Infrastructure projects, was also represented at the Dialogue. Mike Salawou, AfDB Head of Infrastructure Partnerships, indicated that the Bank remains aware of the increasing Infrastructure deficit and will continue to work jointly with the NEPAD Agency to address this threat to Africa's development.

The following proposals were made for the conceptualisation of an African Guarantee Scheme: To pool together all existing risk mitigation instruments, select only certain PIDA projects which were highly likely to be attractive to investors, through the G7 and G20, mobilise new resources into the African Guarantee Facility through the G7 and G20 process and to create a 'Blended scheme' which combines both sovereign guarantee and an aggregated guarantee or a combination of partial guarantees

"We [AfDB] have been at the forefront of supporting Africa and hence our strategy has been to support in the implementation of AfDB's High 5's Agenda, namely, "Light up and power Africa, Feed Africa, Industrialise Africa, Integrate Africa and Improve the quality of the life of the people of Africa," he said.

The dialogue featured a robust session on the NEPAD Agency PIDA Service Delivery Mechanism and its role in providing technical support to PIDA projects throughout the project preparation cycle.

"The NEPAD Service Delivery Mechanism has been especially beneficial to the Zambezi River Authority, specifically on the Batoka Gorge Hydropower Project which is at preparation stage now. We continue to work with the SDM for technical support which will help in attracting investors to fund the project," said Munyaradzi Munodawafa, ZRA CEO.

The Strategic Dialogue on Infrastructure has once again brought to the forefront, the premise that there is a need to make Infrastructure a tradable commodity.



“Arrival of the digital mobile X-rays give us hope that the TB prevalence survey will happen. Beyond that, the X-rays will be used to conduct community based case finding interventions in an effort to find all existing TB cases in Lesotho and eliminate TB as a public health threat,”

- Dr Maama, National TB Manager of Lesotho

Boosting TB service delivery in Lesotho

June 26, 2018, Maseru, Lesotho – Lesotho is among the 30 high-burden TB countries in the world, as classified by World Health Organization (WHO) and only 46% of TB cases were detected in 2017.

Addressing this challenge requires finding the missing TB cases. Hence, the Ministry of Health of Lesotho has received digital mobile X-ray systems under the Southern Africa Tuberculosis and Health Systems Support (SATBHSS) project to improve TB service delivery, especially in rural communities.

The digital mobile X-ray systems were delivered to the country on 21 June 2018. They will also be used in the national TB prevalence survey that will begin in July. There are three digital mobile X-ray systems consisting of two trucks and one van, all fully equipped with X-ray machines, solar panels and a generator.

During delivery and inspection of the equipment, the National TB Manager of Lesotho, Dr Llang Bridget Maama-Maime said that this is a comprehensive, innovative approach to finding the missing TB cases in Lesotho, while at the same time bring services to the communities, and empower them to respond to the call for early TB diagnosis, treatment, care and support.

“Arrival of the digital mobile X-rays give us hope that the TB prevalence survey will happen. Beyond that, the X-rays will be used to conduct community based case finding interventions in an effort to find all existing TB cases in Lesotho and eliminate TB as a public health threat,” Dr Maama said.

She further said that the digital mobile X-rays have additional systems which will assist in TB diagnosis called CAD4TB system. This is able to give colour coding that can ease the process of reading the X-rays by the clinicians.

The X-rays will also play a critical role in the community based TB project that will serve as a Centre of Excellence on Community based TB care under the SATBHSS project.

Mounting of the equipment on the digital mobile X-ray systems is said to be excellent and the equipment is of good quality. Additional safety measures will be implemented to stabilise the unit on the trucks and the van and to strengthen the wheels by doubling them at the rear. The drivers will soon be deployed to ensure that the journey starts in finding the missing TB cases and also conducting the national TB prevalence survey in Lesotho.



Making climate finance available to local actors

Climate change continues to be one of the greatest challenges for 21st century diplomacy, and is at the heart of current international governance discussions.

The 5th International Panel on Climate Change (IPCC) Report affirms that Africa is the continent most vulnerable to climate change, posing a serious threat to the region's geopolitics, livelihoods and national cohesion" (IPCC 2014). The report predicts that "by 2020, crop yields from rain-fed agriculture may fall by up to 50% and 75-250 million could be affected by increased water shortages"

The threat of climate change and associated disaster pose additional risks to sustainable development in Africa significantly the continents prospects of meeting the Millennium Development Goals, Africa's Agenda 2063 and the Paris Agreement on Climate Change. A number of constraining factors including lack of technological options, skills and information have further increased Africa's vulnerability to climate change. Within the context of global challenges of food insecurity, climate variability, urbanisation and population explosion, Africa continues to have its own peculiar challenges particularly within the rural space. Africa faces unique challenges for the next decades in securing decent livelihoods and employment for young people in both urban and rural areas.

Accessing climate financing

According to the International Institute on Environment and Development (IIED), a preliminary estimate of financial resources earmarked for local climate activities puts the figure below 10% from key sources including international, regional and national climate funds between 2003 and 2016.

The Paris Agreement identifies means of implementation for the agreement, including finance, technology development and transfer and capacity building. An assessment of the Nationally Determined Contributions (NDCs) which are at the heart of the Paris Agreement indicated that about 30% of the NDCs will be implemented unconditionally whilst the remaining 70% will be executed based on the availability of additional funding outside government's own resources. Access and effective utilisation of climate finance will therefore be critical in meeting both international climate change commitments and national priorities at all levels. Improving access to climate finance for local actors

Putting local people at the heart of climate finance projects

Indeed, the Paris Agreement recognised the decisive role, the responsibility and the contribution of local and non-state actors in attaining the objectives of the Nationally Determined Contributions and the Paris Agreement. Africa's informal sector contributes significantly to the economic output and hold the key to accelerated development. Therefore a sustained access to financial services for informal operators especially in the agriculture, construction and other climate related sectors is important in unleashing Africa's potential and growth. For instance, as agriculture is subject to high systemic risks, engaging with the sector has traditionally been challenging for financial institutions, which are often unable to adequately conceptualise and assess risk and therefore are unable, or reluctant, to develop sustainable financial products for actors in the agricultural value chain. Consequently, agricultural clients, notably smallholders, lack access to adequate financial services and therefore face severe growth constraints.

It is therefore imperative that an enabling environment be created to facilitate access to climate finance for non-state actors. The current process for accessing climate finance especially from international sources such as the Green Climate Fund (GCF), the Adaptation Fund (AF) and several others remain inherently complex therefore by default excluding a very important player, local actors from the climate finance pie. Specific allocation criteria needs to be built into the climate finance application processes to ensure that local communities and actors receive substantial resources to implement projects particularly those that are on a small scale to medium scale. Also the criteria for applications should be tailored to meet the needs and specific characteristics of local actors.

Access to information and networks

Access and effective utilisation of climate finance resources will be greatly enhanced through a system for identification, analysis and sharing of information on the various sources and characteristics climate funding. Sharing of information through networks and platforms will guarantee access to credible information and support processes for local actors to benefit from climate funding.

In the spirit of accountability and transparency local communities and actors should continually be involved in project appraisal, monitoring and evaluation processes. The situation whereby communities are only informed about the amount of funding deployed into local areas but without any means of verification have over the period become the norm rather than an exception. Therefore a participatory transparency and accountability framework for climate financing with clear guidelines and criteria for monitoring involving major stakeholder groups, especially local communities should be developed.

Conclusion

It is incumbent on policy makers both at the global and national level to ensure that local participation is genuinely included in the climate finance architecture. The ongoing climate negotiations whilst defining the rule book on the Paris Agreement should ensure that the needs of local communities are placed on top of the agenda and not treated as a minor constituent as has been the case over the years.

Article contributed by Kwame Ababio, NEPAD Agency



The African Union and NEPAD Agency High Speed Rail project aims to connect Africa's capital cities and megacities, including but not limited to, commercial hubs/economic zones, and tourist destinations, among others. The project is one of the 12 flagship projects of Agenda 2063.

NEPAD Agency's Advisor on the Continental High Speed Rail, Louis Napo Gnagbe

Africa's biggest rail conference and exhibition

Johannesburg, June 14, 2018 - NEPAD Agency participated in the Africa Rail 2018 Conference from 12-14 June. The event, dubbed Africa's largest Rail Conference and Exhibition, brought together Railway Operators, end-users, Governments and Transport Industry stakeholders

Speaking post the conference, NEPAD Agency's Advisor on the Continental High Speed Rail, Louis Napo Gnagbe highlighted that railway sector experts had during the conference, expressed interest in collaborating with the African Union and NEPAD Agency in the implementation of the High Speed Rail Project.

"Experts within the railway sector are excited about the work that the NEPAD Agency and AU is doing in integrating Africa through bridging the gap in spatial division between countries," he said.

Africa Rail is an annual event, providing a meeting point for Africa's railway sector and this year, over 28 African countries participated in the conference. The industry experts met to discuss issues on freight rail, best practices in the industry, financial engineering, regional integration, unlocking funding opportunities, infrastructure and development, as well as policy and regulation within the railway sector.

It was therefore both critical and beneficial for NEPAD Agency to participate in the event, particularly because the Regional Integration, Infrastructure and Trade Programme is responsible for the joint implementation with the African Union, of the High Speed Rail project.

The African Union and NEPAD Agency High Speed Rail project aims to connect Africa's capital cities and megacities, including but not limited to, commercial hubs/economic zones, and tourist destinations, among others. The project is one of the 12 flagship projects of Agenda 2063 that forms the backbone of the continental strategy. It will be a facilitator for infrastructure provision on the continent, which will drive regional integration. It is based on the vision of connecting from "Cape to Cairo".

Speaking during the conference, Dr Vera Songwe, Executive Secretary of the United Nations Economic Commission for Africa, remarked that the UNECA is committed to working jointly with the NEPAD Agency and AU towards efficient Rail transport connectivity in Africa.

Transport Ministers attended Africa Rail 2018 as well, adding to the positive and much needed political buy-in which encourages the accelerated implementation of projects aimed at developing Africa.

Upcoming Events

25 Jun - 2 Jul 2018: *31st Ordinary Session of the African Union Summit.*
Nouakchott, Mauritania

30-31 Jul 2018: *MoveAfrica Project Validation Meeting: Core Team on SAATM Infrastructure.* Johannesburg, South Africa.

For more events visit: www.nepad.org/events

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Announcements



Why focus on employment and skills for Africa's Youth?

As we look for hope towards a brighter future, through the lens of The Africa We Want as envisioned in Agenda 2063, we need to also reflect on the high unemployment levels and education challenges faced by young adults.

The video on the link below is a recording of Fati N'zi Hassane, NEPAD Agency's Head of Skills & Employment for Youth programme, and Simon Kisira, Head of Strategic Planning, KM and M&E, deliberating on this issue:

<http://www.nepad.org/resource/why-focus-employment-skills-africas-youth>

Proverb

Do not let the goat you might carry
on your shoulder play in the mud ~

Mende proverb



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