Implementation of ADF-12 Operational Priorities

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AFRICAN DEVELOPMENT FUND

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Outline

1. Context and Strategic Choices
2. Operational Implementation under ADF-12
3. Work in Progress
Recap: The ADF-12 Framework

ADF-12 compact - outlined Fund’s role in **addressing Africa’s development challenges**

- MDGs
- Infrastructure deficit
- Climate change

remained **resilient** amidst difficult operational context marked by crises and fragility

demonstrated **responsiveness** to the diverse and changing needs of our clients

increased focus on **results**
ADF-12 Implementation
delivering on our mandate and operational commitments

- ADF-12 Priorities (linked to MTS/LTS)
  - Operational pillars – *infrastructure & governance*
  - Enhanced support for *regional integration and fragile states*
  - Cross-cutting themes – *PSD, climate change, gender & human capital dev.; agriculture and food security*

- ADF-12 pipeline – UA 5.4b
  - Investment projects – US 4b (75%) 
  - PBOs – UA 1.1b (20%)
  - Capacity building, studies – 0.230m (4%)
  - Advisory support

- Operational pillars – *infrastructure & governance*
- Enhanced support for *regional integration and fragile states*
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- Strategic selectivity
- Operational support
- Partnerships & convening role
- Knowledge, innovation & financing

- Strategic partnerships (at country/regional/global levels)
- Preferred partner
  - Demonstrated leadership
  - African voice & platform for special initiatives

- Analytical work
- Innovation
- Policies and Strategies
- Resource mobilization
Continued focus on strategic selectivity

49.5% (UA 2.68b) of planned operations for ADF-12 approved at mid-term

Approvals as at end-July 2012, UA Millions

- Infrastructure: 1,341 (50%)
- Governance: 163 (10%)
- Human Cap. Dev.: 140 (8%)
- Agri. & Food Sec.: 163 (10%)
- Other: 14 (1%)

49.5% (UA 2.68b) of planned operations for ADF-12 approved at mid-term.

ADF12 MTR

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Robust financial and programmatic support for regional integration

Approved Regional Operations UA Millions

- Infrastructure: 667 (88%)
- Social Sector: 23 (3%)
- Agriculture: 47 (6%)
- Multisector: 22 (3%)

Operational support informed by...
- Program for Infrastructure Development in Africa
- Regional Integration Strategy Papers
- RO Prioritization & Selection Framework
Enhanced engagement in fragile states

FSF approvals as at end-July 2012,

<table>
<thead>
<tr>
<th>Capacity Building</th>
<th>Investment</th>
<th>PBO</th>
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<tr>
<td>20.1</td>
<td>70.5</td>
<td>159</td>
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Pillar I (Sup. Support), UA 229m
- Public finance management and economic governance: Burundi, CAR, Liberia, Sierra Leone
- Competitiveness and business-enabling environment: Liberia, Togo
- Transparency and accountability: Liberia, Sierra Leone, Togo
- Infrastructure rehabilitation and construction: Burundi, Sierra Leone, Togo
- Basic services delivery post-crisis: Cote d’Ivoire

Pillar III (Targeted Support), UA 20m
- Capacity building and technical assistance: CAR, Chad, DRC, Congo Rep., Guinea, Guinea Bissau, Liberia, Sierra Leone, Togo, Sudan, Zimbabwe
- Pre-engagement dialogue and advisory support: Somalia, South Sudan, Sudan and Zimbabwe
Refining our approach of engagement and support to fragile states

Strengthening the quality and development impact of regional operations

“...in reconstructing basic infrastructure and public financial management reforms but limited in capacity-building, reconstruction and reconciliation process and state building.”

OPEV Report
... progress in mainstreaming cross-cutting themes, but more needs to be done

Core strategic priorities
- Infrastructure
- Governance
- Regional Operation
- Fragile States

- Climate change
- Gender and human capital development
- Private sector development
- Agriculture and food security

Country Strategy Papers; Regional Integration Strategy Papers
...promoting agricultural productivity and food security

Role of the Bank

- **Inputs/R&D**
- **Production**
- **Processing**
- **Logistics**
- **Marketing**

**Results**

- **Irrigation**
  - Improved access to seeds & fertilizer
  - Increased productivity
  - Reduced vulnerability to climate shock

- **Community units**
  - Value addition
  - Reduced post-harvest losses

- **Storage**
  - Reduced post-harvest losses
  - Increased market access

- **Rural Markets**
  - Enhanced food security
  - Increased farmer incomes

**Power Generation & Distribution**

- **Rural Roads**
- **ADF12 MTR**

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...supporting private sector development

Core Strategic Pillars

- Infrastructure (Regional & National levels)
- Governance (Country, Sector & Regional levels)

Operational and Advisory Support... informed by new policy and strategy

- Investments; Innovative Financing
- Policy & Reg.; Capacity Building
- Business Enabling Environment
- Goods & Services
- Skills & Jobs
- Inclusive Growth

Strong Private Sector participation underpinned by good economic & political governance creates the condition for the emergence of a vibrant economy...
Infrastructure: strengthening client’s capacity for project preparation and implementation;

- reducing processing delays

greater focus on knowledge and advisory support
Thank you.