



Stories that Matter | October

World

Climate Finance to Low- and Middle-Income Countries Hits USD 51 Billion in 2021

Climate finance committed by major multilateral development banks (MDBs) rose in 2021 with over USD 19 billion committed to climate change adaptation finance, according to the Joint Report on Multilateral Development Banks' Climate Finance, published recently. The report tracks the progress of MDBs in relation to their climate finance targets such as those announced at COP21 and the greater ambition pledged for the post-2020 period. The report finds that total financing commitment by MDBs to low-income and middle-income economies in 2021 of USD 51 billion, surpassed the annual expectations of USD 50 billion set in 2019 at the United Nations (UN) Secretary General's Climate Action Summit in New York. Of the USD 51 billion of climate finance committed to low-income and middle-income economies, USD 47 billion was from the MDBs' own account and USD 3 billion from external resources that were channelled through the banks. Mitigation finance committed to low- and middle-income economies totalled USD 33 billion, or 65 percent, while adaptation finance totalled USD 18 billion, or 35 percent.

Source: African Development Bank

Africa

Private Wealth in Africa Set for USD 798 Billion Jump to USD 3 Trillion

Africa's stock of private wealth is forecast to jump 38 percent to nearly USD 3 trillion over the next decade, with Mauritius and Rwanda witnessing the strongest growth. Smaller, better-organised economies in Africa are fast turning into wealth hubs, home to more and more of the continent's dollar millionaires. According to the latest Africa Wealth Report 2022 by Henley Global, the tide is swinging in the direction of smaller emerging economies thanks to their growing exchequer hygiene. "Key drivers of this trend are the recognition by these economies that they can attract substantial capital if they have the right regulatory framework," notes Vusi Thembekwayo, venture capitalist and MyGrowthFund Venture Partner. "This regulatory regime includes preferential terms for capital gains tax and inheritance tax and an environment that allows for ease of doing business." In the period under review, Africa's total private wealth – currently worth USD 2.1 trillion – will swell 38 percent by 2031, representing a USD 798 billion jump.

Source: The Independent

Africa

World Bank to include Africa in USD 127 Billion Solar Power Mini-Grid

The World Bank Group will be raising USD 127 billion for mini-grid power funding by 2030. The bank said it will be leveraging development partner funding and government investment to

“crowd in” private-sector finance for the project. It explained that solar mini-grids could provide high-quality uninterrupted electricity to nearly half a billion people in unpowered or under-served communities and be a least-cost solution to close the energy access gap by 2030. “But to realise the full potential of solar mini-grids, governments and industry must work together to systemically identify mini-grid opportunities, continue to drive costs down, and overcome barriers to financing. “Around 733 million people – mostly in Sub-Saharan Africa – still lack access to electricity. The pace of electrification has slowed down in recent years, due to the difficulties in reaching the remotest and most vulnerable populations, as well as the devastating effects of the COVID-19 pandemic. At the rate of progress, 670 million people will remain without electricity by 2030”, the bank said.

Source: The Nation Nigeria

East Africa

East African States Lead in Domestication of AfCFTA Trade Requirements

East African member states have dominated the list of countries that have domesticated the African Continental Free Trade Area (AfCFTA) adequately to facilitate the commencement of trade under the trading bloc’s framework. Speaking during the launch of the Guided Trading Initiative in Accra, Ghana, AfCFTA secretary general Wamkele Mene said that so far three out of the eight countries that have set the stage for trading under AfCFTA are from East Africa. The Guided Trade Initiative facilitates trade under the AfCFTA through matchmaking businesses and products for export and import between interested state parties. “I want to thank those countries that have expressed readiness to start trading under the AfCFTA. Those countries are Ghana, Kenya, Rwanda, Tanzania, Egypt, Mauritius, Cameroon and Tunisia. More and more state parties are expressing interest as they conclude the process of domesticating the AfCFTA in their law,” Mene said. Kenya and Uganda have already undertaken trade under the AfCFTA Guided Trade Initiative with Kenya having exported Exide batteries worth USD 77,000 to Ghana following importation by Yesudem Company. Kenya made its second export under the AfCFTA Guided Trade Initiative which consisted of tea exports to Ghana.

Source: The EastAfrican

Algeria

Algeria Expects its Foreign Trade Surplus to Exceed USD 17 Billion

Algeria expects its foreign trade surplus to exceed USD 17 billion by the end of the year and for exports of non-oil products to reach USD 7 billion. Prime Minister Ayman Ben Abdel Rahman said yesterday that “the trade balance obtained a surplus estimated at USD 14 billion at the end of August, and we expect it to exceed USD 17 billion by the end of 2022,” according to the official news agency. He explained that “the currently adopted foreign trade policy aims to control and streamline imports, not curb them, as some malicious parties are trying to claim.” He pointed out that the value of non-oil exports amounted to USD 4.4 billion at the end of

August, adding that he expects them to reach USD 7 billion by the end of the year. In 2021, Algeria's non-oil exports reached USD 5 billion, the highest rate in the country's history since its independence from France in 1962. Ben Abdel Rahman said foreign exchange reserves "recorded a significant increase in the recent period, exceeding the percentages that were predicted," without giving details of their current value.

Source: Middle East Monitor

Morocco

IFC Allocates USD 3.5 billion for Private Sector Development in Morocco

Morocco celebrated its 60-year partnership with the International Finance Corporation (IFC) which has so far mobilised more than USD 3.5 billion for local projects and businesses. Since 1962, the IFC has worked with over 100 Moroccan small businesses, manufacturers, agribusinesses, and financial institutions to support the country's development plans, including its New Development Model that aims to support public-private partnerships for inclusive socioeconomic growth. To commemorate the financial institute's long-standing relationship with Morocco, IFC Vice President for Africa Sergio Pimenta visited the country earlier this week. He held meetings with Minister of Economy and Finance Nadia Fettah Alaoui, Minister for Energy Transition Leila Banalia, and Governor of the Central Bank Abdellatif Jouahri. Speaking on the role of the IFC in advancing the development of Morocco's private sector, Pimenta said his institute is "proud to be a strong and trusted partner of the Kingdom of Morocco, helping build the private sector into a powerful engine of economic and social development." The official further noted the IFC's plans to "continue working with partners in Morocco to create more impact and opportunity."

Source: Morocco World News

Nigeria/ Morocco

Nigeria-Morocco Gas Pipeline to Receive USD 25 Billion in Investment in 2023

The Nigeria-Morocco Gas Pipeline is set to receive a total investment of USD 25 billion next year, according to the head of the West African nation's state oil company. Discussions for the financing of the energy megaproject are still ongoing, with the Nigerian National Petroleum Company (NNPC) Chief Executive Officer Mele Kyari saying that a final investment decision will be made next year, according to a report from the American business-focused magazine Bloomberg. The NNPC CEO did not disclose however the entity behind the investment in the 5,600-kilometer-long offshore pipeline that would travel across 11 African countries and ultimately reach Europe. The investment would cover the overall expenses related to the construction of the pipeline with a cost estimated at USD 20-25 billion, Kyari said in an interview quoted by Bloomberg. Construction would be broken down into phases, the first would take three years, while the other stages would take five years to reach completion. Earlier estimates indicate that that pipeline could take up to 25 years to become operational.

Source: Morocco World News

Tanzania

State Saves USD 52 Billion after Embarking on Natural Gas

The government has saved USD 52 billion (approximately 121tr/- in 18 years) since the country embarked on natural gas to boost its energy mix plan, Director General of Petroleum Upstream Regulatory Authority (PURA) Engineer Charles Sangweni has said. He made the revelation that before 2004 when the country started using natural gas for power generation, the government spent a lot of money on the importation of fuel for power generation. He also said that natural gas accounts for 70 percent of electricity produced in the country. Eng Sangweni was speaking during a tour by the PURA Board of Directors at Ntorya, a conventional gas development area located onshore of the Mtwara Region. He said the government would save more only if it invests in natural gas infrastructures which are critical in supplying gas services to large and enough markets in and outside the country. "For the gas services to reach a majority in and outside the country, infrastructure services are very critical," he said adding that generation of electricity using gas would help save much money usually spent on the importation of fuel which is costly. The country has 57.54 trillion cubic feet of commercially viable natural gas reserves which PURA believes could put the economy on the right trajectory if put to effective use.

Source: Daily News

Reports

Environmental Law Book

Environmental Law and Diplomacy is a collection of writings by Donald Kaniaru, which reflects on Africa's pivotal role in the development of international environmental law over the last half-century. Regarded as renowned as "an admired pillar of the international environmental law community", Mr Kaniaru reflects on the past and potential future of the "brilliantly vague" concept of sustainable development and the development and evolution of diverse tools of environmental governance to address urgent global priorities in the environmental arena. These writings cover a career spanning nearly five decades, and are the author's compilation and distillation of the wisdom that helped to make the United Nations Environmental Programme (UNEP) what it is today.

For more information about this book contact ALN Communications.

World Economic Forum | ESG Pulse Check: Getting the Basics Right for Start-ups and Venture Capital Firms

While venture capital firms are a critical force in shaping the future as they invest in the leading start-ups and disruptive technologies, the start-ups themselves have largely been left out of the conversation when it comes to ESG. Through this insight report, the World Economic Forum aims to highlight what start-up and scale-up companies are thinking and doing on the ESG front, and the assistance they are seeking to ensure that they can avoid greenwashing and implement

standards and strategies early on. Key findings from the report include: ESG should not be approached as a stand-alone topic but be embedded into key corporate strategies and decision-making, ideally from the beginning so that it scales with a company. Having a practical and start-up friendly ESG framework or toolkit would be highly useful for companies and investors alike. Support from the entire start-up ecosystem, especially investors, is helpful for start-ups as they plan, execute and measure their ESG strategies.

[Click here to download the report.](#)

World Economic Forum | Sustainable Development Investment Partnership Report

The COVID-19 pandemic has cast a long shadow over economic and social development and, as underscored in the Sustainable Development Investment Partnership (SDIP) Annual Report 2020/21, the reality is that although the challenges are global in their reach, they are not uniform in their impact on livelihoods. While the global socio-political and economic landscape has altered in many ways over the last 12 months, developing countries continue their struggle to adapt to ongoing global disruption and the lingering and far-reaching effects of the pandemic. From this context emerges a pressing question: what are the continuing hindrances to sustainable finance? The work of SDIP brings to light the fact that many of the solutions proposed to address the barriers restricting finance in developing countries often remain two-dimensional and do not address the root causes. To advance progress, SDIP emphasizes complex nuances and specificities in the national context, government contributions, innovative market mechanisms and target initiatives, among a host of other factors discussed in this report.

[Click here to download the report.](#)

World Bank | Africa's Pulse: Food System Opportunities in a Turbulent Time

African economies are facing a series of challenges to their post-pandemic recovery. Economic activity in the region is slowing to 3.3 percent amid global headwinds, including weak global growth and tightening global financial conditions. Elevated inflation rates and resulting policy tightening, as well as the rising risk of debt distress, are also impacting economic activity. While food insecurity in Sub-Saharan Africa was increasing before the onset of COVID-19, the pandemic and the food and energy crisis have contributed to the recent steep increase in food insecurity and malnutrition. Climate shocks, low productivity in agriculture, lack of infrastructure also contribute to rising food insecurity in the region. The economic fallout from the multiple crises affecting the region has lowered household incomes, increased poverty, widen inequality and heightened food insecurity. This report discusses short-term measures combined with medium- to long-term policy actions that can strengthen African countries' capacity to build

resilience and seize opportunities to unlock productivity-enhancing growth while protecting the poor and vulnerable.

[Click here to download the report.](#)