



AfDB's FINANCIAL SECTOR DEVELOPMENT DEPARTMENT

Strengthening financial systems and
promoting access to finance



Financial Sector Development Department

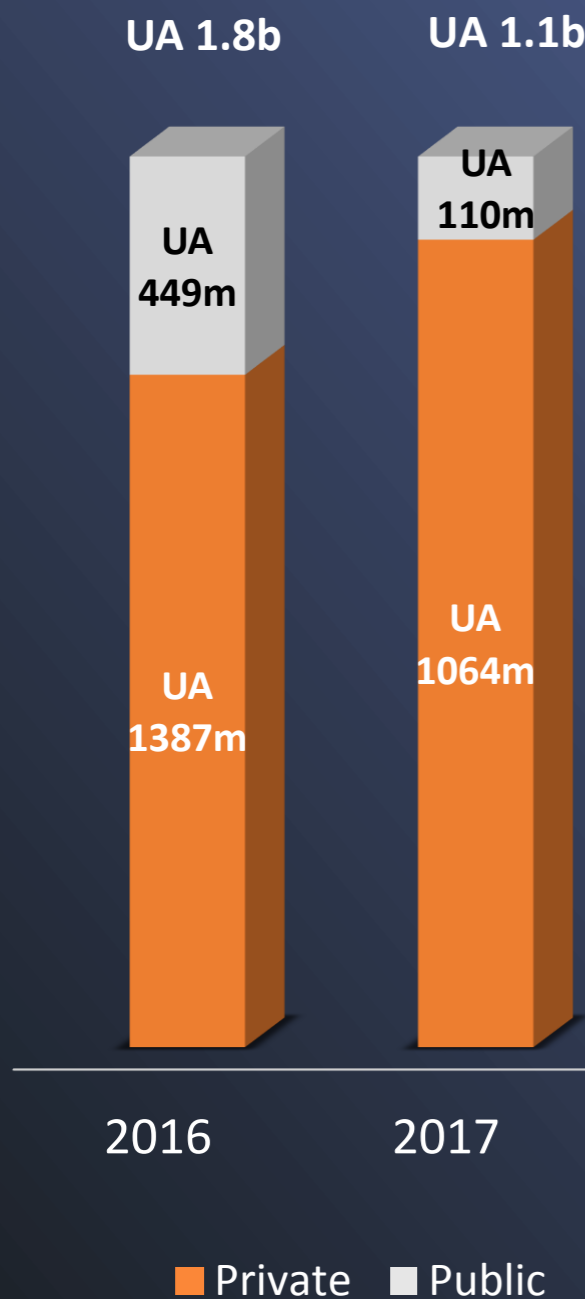
Our strategy



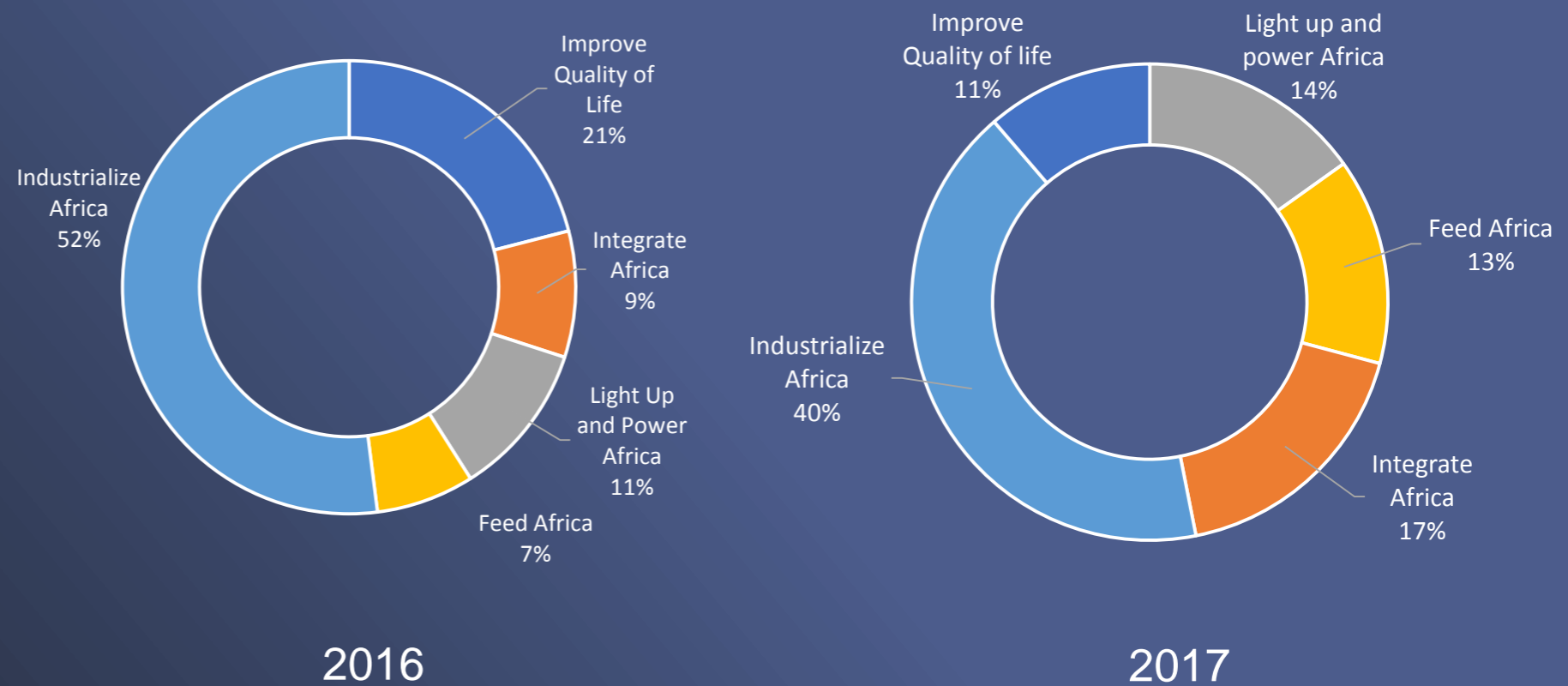
Financial Sector Development Department

Our achievements

PIFD Approvals



Financial Sector Operations by High 5



Accelerating Financial Inclusion in Africa

Africa Digital Financial Inclusion (ADFI)

- ▶ **Target size for the grant facility:**

EUR 86 Million

- ▶ **Anchor investors:**

AfDB, Bill & Melinda Gates Foundation, Luxembourg Ministry of Finance, AFD, KfW

- ▶ ADFI facility is a joint initiative between the AfDB and the Bill & Melinda Gates Foundation
- ▶ To contribute to scaling up financial inclusion through digital financial services (DFS)
- ▶ To make available grant and debt resources to address the systemic barriers to DFS growth
- ▶ Update: BCEAO grant disbursement, current negotiations on legal agreements with donors

Promoting regional market integration

Capital Markets Development Trust Fund (CMDTF)

- ▶ **Target size:**

EUR 10 million

- ▶ **Anchor donors:**

AfDB, Ministry of Finance of Luxembourg

- ▶ Dedicated Technical Assistance Fund to assist in developing more efficient Capital Markets on the continent
- ▶ Strengthening regional capital markets; improving the policy, legal, regulatory, and supervisory frameworks
- ▶ Leveraging AfDB long history of supporting Africa's financial intermediaries
- ▶ Update: revamping CMDTF → knowledge generation component to better support operations, better targeted resource mobilization strategy

Supporting Entrepreneurship Africa SME Programme

- ▶ **Technical Assistance facility:**

EUR 10 Million

- ▶ **Target size for lending:**

EUR 125 million

- ▶ **Anchor donors:**

AfDB, Japan, Austria

- ▶ The Africa SME Program is an initiative to support Tier 2 and Tier 3 financial institutions (FIs)
- ▶ Objective is to increase FIs on-lending capacity, on competitive terms, to SMEs to create more jobs
- ▶ In order to leverage the Bank's ongoing lending, AfDB is keen to develop close collaboration with Luxembourg to build a comprehensive framework

Scaling up Innovation

Boost Africa & Social Impact Fund for Africa

Boost Africa

- ▶ Innovative and comprehensive support to African youth through venture capital programming
- ▶ Fostering the creation of quality jobs

- ▶ **Technical Assistance Facility:**

EUR 10 Million

- ▶ **Entrepreneurship & Innovation Lab:**

EUR 10 Million

- ▶ **Investment Programme size:**

EUR 150 Million

- ▶ **Anchor investors:**

AfDB, EIB, European Commission

Social Impact Fund for Africa

- ▶ Supporting social impact funds on the continent through equity
- ▶ Addressing Africa's social needs through digital solutions

- ▶ **Target size for technical assistance facility:**

EUR 10 Million

- ▶ **Target size for investment:**

EUR 350 Million

- ▶ **Anchor investors:**

AfDB, European Commission

Conclusion

Way forward

- ▶ Luxembourg and the AfDB share a common interest for strengthening inclusive growth and regional integration in Africa
- ▶ We share strong synergies in our vision on the role of the private sector on the continent
- ▶ The AfDB remains a trusted partner finding innovative ways and solutions to tackle the current challenges facing Africa
- ▶ We are ready to continue working jointly on initiatives that will serve the future of the continent

Thank you!