



## **Concept Note for the Coalition of African Development Bank Group and Philanthropies for a prosperous, inclusive and resilient Africa**

**Title:** Leveraging the African Development Bank Group and Philanthropies' strengths and capital to seize Africa's opportunities for a prosperous, inclusive and resilient continent

**Venue:** Intercontinental Barclay, NYC, USA

**Date:** Thursday 26<sup>th</sup> of September 9:00 – 11:00am

### **Hosts**

The event will be co-hosted by:

- The African Development Bank Group, represented by its President, Dr. Akinwumi A. Adesina.
- The Children Investment Fund Foundation, represented by its Founder, Chair of Board, Founder Member Sir Chris Hohn.
- The Rockefeller Foundation, represented by its Senior Vice President Roy Steiner.
- The Aliko Dangote Foundation, represented by its Founder, Alhaji Aliko Dangote.

### **Objectives**

The goal of the event is to explore ways to strengthen collaboration and coalitions between the African Development Bank Group (the Bank) and Foundations and Philanthropic Institutions (philanthropies) which will leverage each other's respective strengths and capital to build a prosperous, inclusive and resilient Africa. The specific objectives of the session are to:

- Present and discuss some of the respective approaches, strengths and comparative advantages of the Bank and philanthropies to drive sustainable development initiatives in Africa including climate change, jobs creation, youth and women empowerment, nutrition, hunger, health, and governance.
- Discuss how to amplify existing partnerships between the Bank and philanthropies, and identify new opportunities for collaboration, to leverage their respective strengths and capital more effectively in future.
- Discuss options to establish a platform for mobilizing catalytic capital from MDBs, philanthropies, domestic capital, pension funds, and private sector, to meet urgent needs facing people and planet with flexible capital that accepts disproportionate risk and/or concessionary returns.

- Agree on a way forward to collaborate and provide sustainable financing: identify action points, avenues and priorities for future partnership between the Bank and philanthropies.
- Showcase the partnership between CIFF and AfDB to support ending school age hunger.

## Background and Context

- i. **Africa is a continent rich in resources, culture, and potential. However, it faces significant challenges,** including poverty, malnutrition, limited access to quality education and jobs, inadequate healthcare, and climate change impacts. For instance, Africa's youthful population represents a large potential workforce that can drive economic growth if effectively harnessed. While, governments and international organizations are increasingly focusing on youth empowerment, education, and employment policies to unlock the potential demographic dividend, there is still more to be done.
- ii. **The United Nations Sustainable Development Goals (SDGs) provide a comprehensive framework to address these issues, yet the financing gap remains substantial.** Africa requires an additional USD 194 billion per annum, equivalent to 7% of the continent's GDP, to attain the Sustainable Development Goals by 2030. Yet, securing the capital required at affordable rates has become increasingly challenging for African countries. The global increase in interest rates has resulted in a period of over 24 months where African Eurobond rates have been regularly trading with double digit yields in US dollars. The demand for capital at concessional lending rates for countries to finance their development strategies has therefore never been greater.
- iii. **Bold ideas and innovative solutions are needed to mobilize significant additional financing to support African countries to overcome persistent challenges. As public funds are limited, it is necessary to renew efforts and focus on mobilizing private capital into underserved markets. Multilateral Development Banks (MDBs) play a pivotal role in these mobilization efforts** and are poised to increase their contribution and impact across Regional Member Countries, if properly supported. The G20's 2022 Independent Review of Multilateral Development Banks' Capital Adequacy Frameworks (G20 CAF Review) set out a wide range of recommendations to increase MDB lending capacity to better support countries in desperate need of additional financing. It ignited strong calls for MDBs reform, encouraged by both MDBs shareholders and the philanthropic community.
- iv. **Philanthropic organizations also play a critical role in bridging the funding gap and are significant contributors to global economic development.** According to data from the OECD, in 2022 private philanthropic foundations contributed USD 10.40 billion towards global development, up from USD 3.45 billion in 2013. Africa, specifically sub-Saharan Africa, is the top beneficiary region of private philanthropic funding for sustainable development, receiving on average USD 2.9 billion per year in 2018-2020.
- v. **The limited engagement between philanthropies and MDBs presents an opportunity to greatly expand the coalition of development partners** working to attain the Sustainable Development Goals alongside traditional sources of aid, particularly in Africa. Philanthropies have much to offer by providing essential funding, leveraging their influence and voice, and connecting potential partners. Philanthropy funding is more flexible and less risk-averse. Foundations can nimbly build relationships across stakeholder groups such as government, civil society, private sector, and development finance institutions. As Africa's premier development finance institution, the Bank appears to be the partner of choice for these philanthropies working on the Continent. Not only is it unparalleled in its potential to achieve impact at scale, but the billion it provides annually in funding to African countries (USD 10.7 billion approved in 2023) has helped it win unmatched access to and influence with government

officials. The Bank's core strengths include its role as a trusted partner to African governments, a mandate to mobilize sustainable development finance for Africa, and expertise to provide context-specific knowledge, capacity development and the support of transparent economic governance.

- vi. **Leveraging the Bank and Philanthropies' capital is key to work more effectively as a system, and increase the impact and scale of their work to tackle urgent development challenges.** As public and private finance flows remain limited, the use of catalytic capital and associated instruments has emerged as one of the main ways to unlock the resources needed to drive development. Development finance institutions, multilateral development banks, governments, philanthropies, and others have started to deploy catalytic capital with the aim of mobilizing private capital investment. By being patient, risk-tolerant, concessionary and flexible in ways that differ from conventional investment, catalytic capital can be transformative in supporting private investors to deploy capital at scale. The Bank and philanthropies can partner together, and with local actors, such as fund managers, investees, and governments, to leverage private sector and domestic resource mobilization.
- vii. Partnerships between the Bank and philanthropies crowd in funding and expertise, enhance the exchange of knowledge and data, share lessons and best practices, and multiply networks of support and advocacy to drive success around shared priorities. **By organizing this discussion with philanthropies at the margin of the 79<sup>th</sup> Session of the United Nations General Assembly (UNGA 79), the Bank paves the way for more joint programs to scale-up resources and achieve greater results on the continent.**

#### Expected outcomes of the event

- **Showcase achievements:** greater awareness of successful existing partnerships between the Bank and philanthropies including trust funds (e.g. Gates, Rockefeller and Children Investment Fund Foundation (CIFF), programmatic support like Aliko Dangote Foundation, and impact investment including the Global Energy Alliance for People and Planet (GEAPP) and Sustainable Energy Fund for Africa (SEFA)).
- **Foster collaboration:** areas of collaboration between the Bank and philanthropies are identified at various levels. Identification of next steps and action points to establish a coalition between the Bank and philanthropies.
- **Mobilize resources:** reach consensus on a strategy to deploy catalytic capital to help build resilience, promote sustainable development, and improve the livelihoods of young people and women across the continent.
- **Commitment to Resource Mobilization:** Highlighted a shared commitment to mobilize significant financial resources aimed at scaling up impactful climate change, jobs creation, youth and women empowerment, health, nutrition, and governance interventions across Africa.

## Event Details

- **Venue:** Intercontinental New York Barclay in NYC
- **Date:** September 26<sup>th</sup>, 2024
- **Time:** 9:00 – 11:00 am
- **Duration:** 2h
- **Expected number of participants:** 60 (about 15 high-level representatives + their team members)
- **Audience:** High-level representatives from the Bank and African and Global Philanthropies; His Majesty King Letsie III of Lesotho; the African Union Commission.
- **Language:** English
- **Registration link:** [Registration](#) (click on the link to register)

## Tentative agenda

Thursday 26 <sup>th</sup> of September , Intercontinental Barclay NYC	
08:30 – 09:00	<i>Registration, Arrival of participants, Coffee &amp; Pastries</i>
09:00 – 09:10	<b>Welcome address</b> by AfDB President Dr Akinwumi A. Adesina
09:10 – 09:15	<b>Remarks</b> by The Children Investment Fund Foundation (CIFF), Chair of Board, Founder Member Sir Chris Hohn
09:15 – 09:20	<b>Remarks</b> by Rockefeller Foundation Senior Vice President Roy Steiner
09:20 – 09:25	<b>Remarks</b> by The Aliko Dangote Foundation Founder Member, Alhaji Aliko Dangote
09:25 – 09:30	<b>Remarks</b> by The Commissioner for Health Humanitarian Affairs, and Social Development, AUC H.E Minata Samate-Cessouma
09:30 – 09:38	<b>Statement</b> by His Majesty King Letsie III, Kingdom of Lesotho
09:38 – 09:50	Signature of a LOI about the Ending School-Age Hunger (ESAH) partnership between CIFF and the Bank
09:50 – 10:50	<p><b>Roundtable discussion</b> moderated by Dr Oladokun Victor: With main speakers including AfDB Hassatou Diop N'Sele, Vice-President for Finance and Chief Financial Officer, and Dr. Beth Dunford, Vice President, Agriculture, Human and Social Development.</p> <p>Highlighting successful existing partnerships between the Bank and philanthropies, and identifying new opportunities for collaboration, to leverage their respective</p>

	<p>strengths and capital more effectively in future.</p> <p>How to develop an ecosystem conducive to catalytic capital, mobilizing resources from MDBs, philanthropies, domestic capital, foreign fund pensions, private sector, etc.</p> <p>Discuss the opportunity of creating a platform for mobilizing catalytic capital from MDBs, philanthropies, and other financiers, in order to achieving a large-scale impact. Participants: AfDB's representatives, co-hosting philanthropic organizations and event participants.</p>
10:50 – 10:55	Summary of <b>key takeaways</b> and next steps by AfDB Hassatou Diop N'Sele, Vice-President for Finance and Chief Financial Officer
10:55 – 11:00	<b>Closing remarks</b> by The Aliko Dangote Foundation, CEO, Zouera Youssoufou