

## Driving Africa's Sustainable Future: Key Insights from the ILLS on ESG & Infrastructure Investment

On February 7th, the second edition of the African Development Institute's Information and Library Learning Series (ILLS) delivered a powerhouse session on “Environmental, Social and Governance (ESG) and Infrastructure Investment Outlook in Africa.” Over 80 participants from the Bank's headquarters, regional, and country offices joined this virtual event, where data-driven insights illuminated the path toward a more resilient and inclusive future.

Moderated by Dr. Namawu A. Alolo, Division Manager of ECAD.3, and with inspiring opening and closing remarks from Prof. Eric Ogunleye, Director of the African Development Institute (ECAD), the session was a tour de force led by BMI's expert team. Ms. Jo Koker, along with Mr. Matt Sechovsky and Matteo Addonizio from BMI's ESG department, delivered two dynamic presentations that cut straight to the heart of Africa's challenges and opportunities.

### Key Highlights:

- **Climate Change and Adaptation:** Africa's climate risks vary significantly by region. While infrastructure investment and urban planning reforms are boosting resilience in some areas, West and East Africa still face considerable challenges. The discussion spotlighted the G20 initiative for multilateral bank lending reform as a potential catalyst for enhanced climate financing.
- **Infrastructure Growth Outlook:** Projections show Africa's infrastructure sector growing at an average of 4.7% per year over the next decade. Rapid urbanization, easing monetary policies, and robust investment are key drivers, with nations like Rwanda, Ethiopia, and Côte d'Ivoire leading the charge—contrasted by structural hurdles in Algeria and South Africa.
- **Climate Finance and Debt Sustainability:** High-interest rates and the struggle to secure private sector involvement in public infrastructure financing remain significant concerns, underscoring the need for innovative financial solutions.
- **Public-Private Partnerships (PPPs):** Despite early-stage development due to financing gaps, the session emphasized that well-structured incentives are essential to attract private investment in a context where government fiscal capacity is limited.
- **Data Access and Analytics:** BMI showcased its ESG country service, demonstrating how robust data analytics can empower investment analysis, support policy planning, and enhance risk assessment.

This session reinforced the power of data-driven insights in shaping policy and investment decisions critical for Africa's sustainable development. The Bank remains steadfast in its commitment to integrating such cutting-edge analysis into its strategies—empowering our staff and partners to drive economic resilience and transformative change across the continent.

Stay tuned for our follow-up session, where we'll dive deeper into data accessibility and strategic applications. Together, through collaborative efforts in climate finance, infrastructure investment, and governance reform, we are unlocking Africa's full potential.