AfDB Support to Acceding Countries

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Trade has a potential to drive growth and lift millions out of poverty.

Yet many developing countries face barriers preventing them from tapping on the benefits.

Africa’s markets too small and poorly connected.

Supply-side capacity challenges, etc.
The Bank’s Response

**Strategic Priorities**

- **Bank TYS**
  - Inclusive Growth
  - Transition to green growth

- **Bank’s High-5:**
  - Light-up & Power Africa
  - Feed Africa
  - Industrialize Africa
  - Integrate Africa
  - Improve the living conditions of people of Africa

**Programming Tools**

- Support is provided through two programming instruments: *Regional Integration Strategy Papers (RISPs) and Country Strategy Papers (CSPs)*

- Strong alignment with national priorities (NDPs) and regional priorities (REC strategic plans, regional flagship projects, etc.)

- Demand-driven & commitment to implementation
Integrate Africa

Creating larger and more attractive markets

Linking landlocked and island countries to regional and global markets and supporting intra-African trade

- Invest in regional infrastructure
- Industrialization and Trade Development
- Building capacity: RECs, RMCs, other regional organizations
<table>
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<tr>
<th>Role of the Bank</th>
<th>Trade Finance</th>
<th>Knowledge products</th>
<th>Trade-related Capacity Building</th>
<th>Private sector loans</th>
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<tr>
<td>Infrastructure</td>
<td>Trade Finance</td>
<td>Knowledge products</td>
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<tr>
<td>• Investment;</td>
<td>• Trade Finance Line of credit</td>
<td>• Flagship Reports</td>
<td>• Training &amp; Workshops</td>
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<td>Project Prep in: • Transportation</td>
<td>• Risk participation agreement</td>
<td>• Tools</td>
<td>• Equipment (e.g. ICT)</td>
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<td>• Reliable energy</td>
<td>• Soft commodity finance</td>
<td>• Diagnostic studies</td>
<td>• Enhanced capacity to meet standards</td>
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<td>• ICT</td>
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<td>• Water</td>
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<td>Results</td>
<td>• Reduction in trade costs and time</td>
<td>• Facilitate evidence-based reforms</td>
<td>• Enhanced capacity to meet standards</td>
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<td>• Enhanced</td>
<td>• Addressing the liquidity challenge</td>
<td>• Share good practices</td>
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<td>competitiveness</td>
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<td>• Disseminate information</td>
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<td>• Trade growth</td>
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How Can Partners tap on Bank’s Support

**Financing instruments**

**ADF Window: Concessional Resources**
- RO Envelop
- Performance based allocation
- TSF - $1bn

**ADB Window: Non-concessional Resources**
- Sovereign loans: MICs
- Private sector: (LIC, MIC)

**NTF & Thematic Funds, e.g. [https://www.africatradefund.org/ALSF](https://www.africatradefund.org/ALSF)**

**Support Areas**
- Capacity building
- Knowledge products
- Advocacy
- Policy Dialogue
- Infrastructure (hard & soft)
- Project preparation
- Private sector operations
Examples of On-going Projects

- **Capacity Building:** *Tripartite Capacity Building Project (UA5m)*
  - TA
  - Participation in negotiations: MA, RoO, SPS, NTMs
  - Studies
  - T-RECs, RMCs, Business organizations

- **Infrastructure:** *Mombasa - Nairobi – Addis-Ababa road corridor phase III (UA105 m)*
  - 200km of new road
  - Improved road asset management system
  - Construction of road side amenities between Hawassa and Agaremariam.

- **IGAD Regional Infrastructure Master Plan & Financing Strategy (UA2.5m)**

- **Ethiopia/kenya power interconnection (UA 225 million)**
Examples of On-going Projects

• Trade Finance: Regional financial institutions (TDB & ATI) - country membership programme (UA 13.38M, South Sudan)
Examples of Knowledge Products

- Africa Visa Openness Index
- https://www.integrate-africa.org/
- Assessing Regional Integration in Africa
- OSBP Source Book
Lessons Learnt

• Combining hard and soft infrastructure interventions
  – Physical facilities
  – ICT (Border Operations Management & Single Window)
  – Furniture, out-fitting
  – Bilateral agreements, legislative reform, reduced forms, streamlined procedures
  – Training for officials

• Partnerships; cooperation and collaboration are vital

• Demand-driven interventions

• Challenge of *ad hoc* requests

• Important role monitoring
Conclusion

• AfDB plays an active role in supporting its RMCs and RECs to better engage at the regional and multilateral trade

• Focus is on building capacities and enhancing competitiveness to enable African countries participate more effectively

• A number of options are available to countries to access Bank support
THANK YOU!

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