

**Development in a Context of Global Challenges:
Experiences and Lessons from the African Development Bank**

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Your Excellencies (All Protocols duly observed).

I am delighted to be here today at the Annual Meetings of the Caribbean Development Bank during the 52nd meeting of the Boards of Governors of the Bank.

I wish to thank my dear brother and colleague, Dr. Hyginus ‘Gene’ Leon, President of the Caribbean Development Bank for inviting me to deliver this lecture. Gene and I go way back, as he was the Country Director of the International Monetary Fund in Nigeria when I was the Minister of Agriculture. And we worked so well together.

At the start of this 22nd William G. Demas Memorial Lecture, I wish to pay a special tribute to the late Dr. William Gilbert Demas, son of Trinidad and Tobago, and the first Secretary-General of the Caribbean Community, whose illustrious name this lecture bears.

Dr. Demas’ legacy is a true and shining example of the excellence for which the Caribbean is renowned. He was an exceptionally strong champion for development, integration, and regionalism. Today, almost 25 years after his passing, he continues to be an inspiration to us all.

It indeed is this inspiration that brought me here today. When I was given the invitation to address you today, I did not hesitate to accept, for three reasons.

First, the hopes and aspirations of the peoples of the Caribbean are the same as those of the peoples of Africa. Our history is linked by a common heritage. Separated we are by distance, but close are we in lineage, desire, hope and aspiration.

Second, I love to listen to and sing popular music from the Caribbean. In particular, I like Jimmy Cliff’s “I can see clearly now,” which I sang to participants at close of the recently concluded Annual Meetings of the African Development Bank, three weeks ago in Accra, Ghana.

Without any doubt, the people of the Caribbean have the grooves, the moves, and clarity of sight. After all, that is what visionary leadership is all about. The capacity to bring the future to the present long before others do.

And Third, because I see a great opportunity to deepen development ties between Africa and the Caribbean, through a new strategic partnership between the African Development Bank and the Caribbean Bank for Development.

The William G. Demas Memorial Lecture is a perfect platform to share our mutual experiences and to trace the pathways for a much closer partnership between Caribbean region and Africa.

The title of my lecture today is “**Development in a Context of Global Challenges: Experiences and Lessons from the African Development Bank**”. For this lecture, I will start with sharing with you our focus at the African Development Bank.

I will then go through seven global challenges facing Africa’s development, as much as the Caribbean, including:

- Covid-19 pandemic
- climate change
- renewable energy and energy transition
- food insecurity and the Russian war in Ukraine
- infrastructure
- debt and resource mobilization
- inclusive growth for youth and women

I will try to draw lessons from our experiences in tackling these challenges, for the Caribbean region.

Your Excellencies,

When I was first elected as President of the African Development Bank in 2015, I determined that we must accelerate the development of Africa. I come from a poor and humble background, so I know that poverty is not pretty. As far as I am concerned, the most important part of “African Development Bank” is not the “Bank” part, it is the “Development” part. I am impatient for the accelerated development of Africa.

Therefore, the impact of the African Development Bank must be felt in the lives and livelihoods of people. We may not see them, but we must feel them. Their voices may not be in our board rooms, but we must hear the echoes of their needs, in the day-to-day work and operations of the Bank. We do not work for ourselves, we work for them.

This is what led me to launch a sharply focused vision and strategy for the African Development Bank, which we call the High 5s: Light up and power Africa; Feed Africa; Industrialize Africa; Integrate Africa; and improve the quality of life of the people of Africa.

I wanted the work of the Bank to be easily measurable in terms of its impact on the lives of people. I had learnt from my experience as Minister of Agriculture in Nigeria, where I successfully transformed agriculture of the country, and ran reforms that impacted on 15 million farmers in just four years, that focus determines results. The more focused your approach, the better your results. You cannot measure what you have not achieved.

In just 6 years the High5’s has delivered impressive results for the African Development Bank in Africa, improving the lives of 335 million people. Close to 21 million people have gained access to electricity. Nearly 76 million people have benefitted from agricultural technologies for food security. More than 12 million people have gained access to finance through private sector investee companies. Over 69 million people have been provided with improved transport. And 50 million people have gained access to improved water and sanitation.

The High5s have since become the accelerators of the agenda 2063. Independent analysis of the High5s by United Nations Development Programme (UNDP) shows that achieving the High5s will lead to achieving 90% of the Sustainable Development Goals and 90% of Agenda 2063 of the African Union.

Your Excellencies,

The Africa we want is well within our reach.

Over the past decade, African economies were cruising. 6 of the 10 fastest-growing economies in the world were in Africa. Poverty declined gradually. Great progress was being made with rising foreign direct investment.

Then Covid-19 struck, upending growth and developmental gains.

Covid devastated economies around the world. Lockdowns, disrupted global manufacturing, restricted travel, constricted tourism, and resulted in declines in commodity prices. The end result was a downward global economic spiral.

Africa alone, witnessed a decline in real GDP growth by -1.6%, the lowest growth in more than 20 years.

Over 29 million people fell into extreme poverty and over 30 million jobs were lost. As economic growth and revenues declined for governments, the increased expenditure on health led to rapid growth in fiscal deficits.

To rapidly support countries, the African Development Bank approved a Crisis Response Facility of up to \$10 billion to provide positive net financial outflows to countries. The Bank also launched a \$3 billion Fight COVID-19 social bond on the global capital markets, the largest social bond ever launched in world history.

Growth in Africa recovered to 6.9% in 2021.

I am delighted to note that according to the Caribbean Development Bank, GDP growth in the Caribbean region is estimated to recover to 9.1% in 2022.

We learnt a number of lessons from COVID-19.

First, is the importance of global cooperation and solidarity in solving problems. It is great credit to the global scientific community that it took just 327 days to rapidly sequence SARS-COV-2 and develop the vaccines (Source: WHO, 2022. Covax calls for urgent action to close vaccine equity gap).

Second, the overconcentration of supplies or manufacturing of anything is bad for the global economy as it creates and perpetuates inequities. There is clear divergence between rich and poorer countries in access to vaccines and therefore the speed of recovery of normal economic activities, including removing travel restrictions and normalization of economic activities.

The global system of COVAX designed to provide vaccines for the developing countries failed developing countries. The vaccination rate in low-income developing countries is only 16% compared to over 80% for developed economies. While the developed economies were coasting to economic recovery on the back of booster shots, African countries, as well as countries in the Caribbean and other low-income developing countries, were struggling to get basic shots.

The Director of the Pan American Health Organization (PAHO) Carissa Etienne, stated that “Out of the 13 countries and territories in the Americas that have not yet reached WHO’s 2021 goal of 40% vaccination coverage, 10 are in the Caribbean” (Source: Pan American Health Organization, PAHO (2022). Low vaccination rates in the Caribbean must therefore be urgently addressed to stop the spread of Covid-19 says PAHO Director. February 23, 2022).

Third, vaccine nationalism has taught us that sovereignty is important. Europe went for vaccine sovereignty. US went for vaccine sovereignty. Japan put in place vaccine sovereignty. Africa should no longer outsource the health security of its 1.3 billion to the benevolence of others. And neither should the Caribbean.

Africa must secure the health of Africans, and prepare for the next health pandemic, by putting in place health care security systems, which includes:

1. Revamping Africa’s pharmaceutical capacity;
2. Building Africa’s local vaccines manufacturing capabilities; and
3. Strengthening Africa’s health care infrastructure.

The ability of developing countries to manufacture their own vaccines continues to face serious challenges, as developed economies block the waiver of intellectual property rights that will make it easier to manufacture vaccines, tests and treatments, as well as speed up technology transfer.

The impasse at the World Trade Organization on the Trade Related Intellectual Property Rights (IPRs) endangers lives at the expense of profits for pharmaceutical companies. A press release by OXFAM on June 8, 2022 beamed a headline that “Nearly 30,000 people have died everyday from Covid-19 since WTO talks on vaccine intellectual property began.” We must level the playing field and ensure access to IPR-related technologies, knowledge and processes for developing countries.

That is why the African Development Bank has developed an African Pharmaceutical Technology Foundation to provide intellectual property rights protection to pharmaceutical companies to deliver vaccines manufacturing technology, knowledge and processes to pharmaceutical companies in Africa.

The approval of our Board of Directors of our quality health care infrastructure was also timely, responsive, and pragmatic. Thus, quality health infrastructure will form part of our next 10-year strategy. The Bank will partner with all other players, bilateral and multilateral, and the World Health Organization and the African Centers for Disease Control.

Your Excellencies,

As we deal with the health pandemic, we must also confront the global challenge of climate change. Climate change poses the greatest threat to the growth and development of developing countries. You feel the effects right here in the Caribbean, where extreme weather patterns from floods, cyclones, hurricanes and droughts, have destroyed lives and decimated economies. We could see that from the period between 1970-2016,, especially, when Caribbean countries suffered losses totalling over \$22 billion from climate-related disasters.

Annual disaster losses in the Caribbean are estimated to be over \$3 Billion. These small islands states are especially highly vulnerable. Not only are lives lost, livelihoods are destroyed, while expensive infrastructure are destroyed, worsening economic growth and competitiveness of countries.

Africa is the least contributor to climate change in the world, accounting for only 4% of all global greenhouse gas emissions. Yet, the continent suffers disproportionately from the negative impacts of climate change, including increased frequency and intensity of droughts, cyclones, floods, compounded by desertification.

Climate change is shortchanging African economies. Africa suffers \$7-15 billion per year in losses to climate change, which are projected to rise to \$40 billion per year by 2030. Africa has no choice but to adapt to climate change. To support the continent in doing so, the African Development Bank has doubled its financing for climate to \$25 billion by 2025.

Without any doubt, the African Development Bank is the leader on climate adaptation in Africa, and globally. The share of our climate finance dedicated to adaptation is 67%, the highest among all multilateral development Banks. The African Development Bank and the Global Center on Adaptation are implementing the Africa Adaptation Acceleration Program (AAA-P), with the goal of mobilizing \$25 billion in climate adaptation financing for Africa.

The African Development Bank is also supporting countries to insure themselves against extreme weather events, through its Africa Disaster Risk Insurance Facility. Today, the facility is helping nine countries to pay for insurance premiums to protect themselves from effects of climate change. In Madagascar, our support of \$4 million to pay for full insurance for the country, allowed it to get \$12 million in payouts to compensate over 600,000 farmers, when the cyclone Bastrai hit the country.

We need more financing to insure many more low-income countries.

As we look towards COP 27 in Marrakesh, Egypt, the developed countries must translate promises into action, and climate exhortations into climate monetization. The promised \$110 billion annually from developed countries to developing countries must be met. As the late Kofi Annan, the former United Nations Secretary General, once told me “the only promises that matter are the promises kept.”

Your Excellencies,

Nowhere is the challenge from climate change more seriously felt than in the agricultural sector. Africa suffers from high frequencies of floods, drought and locust swarms that are devastating food production systems.

The African Development Bank is leading on securing Africa’s food supplies in the face of climate change. Six years ago, I launched the Feed Africa strategy of the Bank. Our goal was to deliver climate resilient agricultural technologies at scale to farmers, and feed Africa.

We are achieving incredible success.

Our Feed Africa work has already benefitted over 76 million farmers with access to improved agricultural technologies.

Our flagship program, Technologies for African Agricultural Transformation (TAAT) has delivered climate smart seeds to 12 million farmers in 27 countries in just two years.

We are helping farmers to beat climate change.

TAAT delivered water efficient maize to 5.6 million households (or 22.4 million people) in East Africa, an area hit by severe droughts three years ago. The drought was severe, but farmers secured their food supply with the water efficient maize varieties.

In Sudan, TAAT financed the provision of 65,000 metric tons of heat tolerant wheat varieties. That is seeds enough to fill 665 Airbus 380 aircrafts, the largest passenger airplanes. Sudanese farmers grew the varieties on 187,000 hectares, and in just two years, Sudan reduced its wheat import by 50%.

We did the same in Ethiopia.

TAAT financed the provision of 61,000 metric tons of seeds of heat tolerant wheat varieties to farmers in Ethiopia. The farmers cultivated 5,000 hectares of these heat tolerant wheat varieties in 2018, expanded to 167,000 hectares, two years later, and by this year they had grown 400,000 hectares.

Prime Minister Abiy Ahmed of Ethiopia told me three weeks ago: “Ethiopia’s wheat production is now on 650,000 hectares. We harvested 2.6 million metric tons of wheat. Ethiopia did not import wheat this year. Next year we will cultivate 2 million hectares under wheat. We expect to export at least 1.5 to 2 million metric tons of wheat to Kenya and Djibouti”.

Simply incredible.

To tackle the looming food crisis in Africa from the Russian war in Ukraine, the African Development Bank and the African Union Commission developed an Africa Emergency Food Production Plan. The \$1.5 billion plan will be used to support African countries to produce food rapidly. The plan will produce 38 million metric tons of food, including wheat, maize, rice, and soybeans. The total value of the additional food production is \$12 billion.

Our \$1.5 billion investment will deliver \$12 billion, a leverage factor of eight times. The Plan will deliver climate-resilient agricultural technologies to 20 million farmers.

The Board of Directors of the African Development Bank approved the \$1.5 billion African Emergency Food Production Facility on May 20th, 2022. This follows a global convening by the Bank, in partnership with the African Union Commission, of African Ministers of Finance, Ministers of Economy, Ministers of Agriculture, the African development finance institutions, UN agencies, developed countries around the world, and the Managing Director of the International Monetary Fund.

We all agreed it is time to support Africa to produce its food. It is time to have food sovereignty.

The same must apply to the Caribbean. A recent survey by the CARICOM and the World Food Program shows that food insecurity has increased by 72% among the population of the English speaking Caribbean countries. Across the Caribbean, close to 40% of the population are food insecure, about 2.8 million people.

Food aid cannot feed Africa.

Food aid cannot feed the Caribbean.

Africa and the Caribbean do not need bowls in hand.

Africa and the Caribbean need seeds in the ground and mechanical harvesters to harvest bountiful food produced locally.

There is no dignity in begging for food.

Your Excellencies,

Whether it is for agriculture, or for industry, no economy can develop without access to electricity. That is why we at the Bank focus heavily on “Light up and Power Africa”.

The African Development Bank is investing heavily in renewable energy. The Bank financed the world’s largest concentrated solar power system in Morocco and the Lake Turkana Energy Project, the largest wind farm in Africa. Together with infrastructure investment platform Africa50, we financed the 3,000-megawatt Ben Ban Solar Power project in Egypt. We are also implementing the \$20 billion Desert-to-Power initiative to develop 10,000 megawatts of solar power for Africa’s Sahelian zone. The Desert-to-Power project will provide electricity for 250 million people.

This will become the world’s largest solar zone.

Your Excellencies,

The Caribbean region also has significant potential in renewable energy and I applaud the efforts being made to unlock the potential. From the 50 MW El Soco Solar farm, worth \$90 million, to Barbados plan to construct this year a \$25 million, 10 MW solar plant located in Mangrove, St. Philip, to using wave energy to develop a 40 MW ocean commercial power park, to Jamaica’s plans to develop electric car charging stations, and the microgrid energy systems being developed by the British Virgin Islands (Source: CARIF Market News).

The Caribbean Infrastructure Forum is a good idea, as it brings together investors to finance infrastructure projects across the region. Other financiers such as the European Investment Bank have facilities to support infrastructure in the Caribbean, including the Caribbean Investment Facility of the European Investment Bank, which has so far mobilized 1.13 billion Euros since it was launched in 2010.

Your Excellencies,

As we look at global energy transition, we must ensure four imperatives. First, we must ensure access and affordability of electricity.

Second, there must be security of supply.

Third, gas must remain a critical part of the energy mix for Africa. Even if Sub-Saharan Africa triples its use of gas for energy, it will only contribute less than 0.67% to global carbon emissions.

Fourth, achieving net zero emission is important, but there cannot be net zero, with zero financing. The African Development Bank is currently working with the Government of South Africa in support of its efforts for Just Energy Transition. We are also working with the G7 countries to leverage their \$8.5 billion financing for South Africa. Our approach will allow South Africa to raise \$40 billion in support of its just energy transition plans.

The African Development Bank also plans to establish the African Just Energy Transition Facility, which will be used to support African countries to transition from heavy fuel oil and coal power plants to renewable energy baseload power systems.

Your Excellencies,

The accelerated development of Africa depends on economic integration. The African Continental Free Trade Area, links economies of countries with a total GDP of \$3.3 trillion, the largest free trade zone in the world. Unlocking the economic potential, however, requires massive investments in infrastructure.

The African Development Bank is the largest financier of infrastructure in Africa of all multilateral development banks. The Bank committed more than US\$ 44 billion to infrastructure in the last six years alone. Almost 50% of the financing was dedicated to transport, energy, and water sectors.

Some of our landmark infrastructure financing that are helping to integrate Africa include: The Nacala Rail and Road corridor that is linking Malawi, Zambia, and Mozambique, boosting trade, providing access to the sea for the landlocked countries and reducing transport costs by 15-25%.

The Kazungula Bridge project along the North-South corridor that is connecting Botswana, Zambia, Namibia, and the Democratic Republic of Congo, which has led to a reduction in waiting time from 14 days to just one hour.

The Senegal-Gambia bridge that connect the two countries that has reduced the cost of crossing between the two countries by 50%.

The Addis-Ababa-Nairobi corridor financed by the Bank to the tune of \$ 1.1 billion that will allow trade between Kenya and Ethiopia to increase by 400% and allow Ethiopia to trade at least 20% of its freight through the port of Mombasa in Kenya.

The Bank has financed the development of ports to expand trade logistics regional and enhance competitiveness. These include expanding the capacities of the ports in Togo, Morocco, and Namibia.

Despite our collective efforts, Africa has an infrastructure financing gap of \$93-\$108 annually.

Let me offer eight lessons on how to close this infrastructure financing gap in Africa, which can also help your efforts to do the same in the Caribbean.

First, there is need for more project preparation facilities, to develop bankable infrastructure projects. One of the major challenges in Africa's infrastructure development ambitions is in moving commercially viable projects from feasibility to financial close. That's why the Bank's hosted and managed NEPAD Infrastructure Project Preparation Facility (NEPAD-IPPF) Special Fund. It was

established to assist African countries in preparing bankable quality projects to attract investments from the public and private sectors. This Facility has catalyzed over \$ 25 billion in downstream investment into infrastructure. The Bank set up and is supporting Africa50 to finance private sector infrastructure investments in Africa.

Second, institutional investors such as pension funds, sovereign wealth funds and insurance companies hold enough resources to scale up infrastructure financing from billions of dollars to trillions of dollars. Collectively, these institutions, globally, together with commercial banks, hold about \$103 trillion of assets under management.

This pool of capital is so vast that only 0.03% to 0.04% will be needed to bridge the financing gap on infrastructure in Africa.

The African Development Bank, working with other multilateral development banks, should take early-stage investment risks in the project development phase. When cash-flow streams are stable these brown field projects can be rolled off to institutional investors.

Third, the largest share of infrastructure finance in Africa is done by governments, about \$37.5 billion annually. We must improve the efficiency of public financing for infrastructure through better and more efficient, and competitive procurement processes, quality design, timely execution, and better maintenance culture. Equally important is the need to focus on quality infrastructure, and move beyond the least cost projects, and focus more on life cycle costs for infrastructure.

Fourth, greater focus should also be put on ensuring that governments attract the private sector into infrastructure financing. More focus is also needed to improve the policy, legal and regulatory environment to support greater private sector investments in infrastructure.

Fifth, more financing must be mobilized for green infrastructure. For example, Africa's share of global green bonds is only 0.4%, with only 11 issuers. Of the \$522 billion of green bonds issued globally between 2007-2018, only \$ 2 billion were issued in Africa. That is why the African Development Bank Group in partnership with many institutions has launched the Alliance for Green Infrastructure in Africa.

Sixth, a critical constraint to investments in infrastructure is the high level of risks, ranging from project risks, financial risks, operational risks, and political risks. De-risking instruments such as partial risk and partial credit guarantees are quite effective in leveraging private sector investments.

Seventh, more can be done by sweating the balance sheets of multilateral development banks to finance infrastructure. The African Development Bank launched a \$1 billion synthetic securitization that it used to transfer risks on its private sector portfolio assets to the private sector, the first time this has been done by a multilateral development bank. The African Development Bank was able to free up \$600 million for its balance sheet, which it is using towards renewable energy investments.

The Bank has just secured a \$ 2 billion synthetic securitization for the sovereign portfolio of the African Development Bank with the support of the UK Government. This is a landmark and historic support by the UK, which should be scaled up by other countries.

Finally, because the bulk of infrastructure is financed through foreign loans, and the revenues streams are in local currency, it introduces high financial and forex risks to investors. Using swaps and hedging are effective, no doubt, but more can be achieved by focusing on local currency financing. This will also help with debt sustainability as the bulk of Africa's external debt is on infrastructure.

Your Excellencies,

As the world was confronted with the Covid-19 with its global effects on all parts of the world, posing the worst economic recession since the World War II, developing countries could not cope with the fiscal challenges posed by the pandemic. With a liquidity crisis and balance of payment difficulties, the global economy tanked. Debt increased, and in the case of Africa, debt-to-GDP ratio skyrocketed to over 70%.

Rising debt levels also pose challenges for development in the Caribbean countries. The Covid-19 pandemic increased the average debt to GDP ratio of Caribbean countries to 85%. The number of Caribbean countries with debt to GDP ratio of over 60% increased from 9 to 13 due to the pandemic (Source: FCDO, UK: FCDO and CARICOM: Regional Dialogue on SIDS's Access to Concessional Finance. August 15, 2021).

African countries and the Caribbean countries desperately need *debt relief, debt restructuring and debt sustainability*.

For Africa, the structure of debt has changed dramatically. Africa's total external debt stands at \$ 700 billion. While bilateral debt accounts for 27% of debt compared to 52% in 2000, commercial debt accounts for 40% of total debt, compared to 17% in 2000. Africa's debt servicing cost was \$221 billion in 2019 – a staggering 44% of the annual government revenues of \$501 billion.

The International Monetary Fund issued the largest Special Drawing Rights (SDRs) in its history, at \$650 billion. However, Africa received just \$33 Billion of SDRs.

The Caribbean region received just 1.75 billion SDRs or \$2.5 billion. A challenge of course in the Caribbean region is that with so many small countries, with a high degree of vulnerabilities to external shocks, and all with significant needs of financing, much more levels of SDRs are needed.

Equally important, given the nature of the economies, is how best to pool these SDRs for the region to be able to leverage this in terms of greater borrowing from the international capital markets, a proposal being pushed by the President of the Caribbean Development Bank, and one which I think makes a lot of sense.

The African Development Bank looks forward to working in strategic partnership with the International Monetary Fund on the Special Drawing Rights (SDRs). Our goal is simple: use the SDRs to accelerate Africa's development. Africa can accelerate its development and cope with other challenges such as climate change, debt, insecurity, and the effects of the Russian war in Ukraine on their economies, if we better leverage the Special Drawing Rights (SDRs) of the International Monetary Fund.

Africa needs to have a re-allocation of \$100 billion from developed economies, as agreed to by the African Heads of State, and at the Conference on Financing African Economies, hosted by President Emmanuel Macron. The African Union has called for a re-allocation of \$100 billion of SDRs to Africa, with a portion of it going through the African Development Bank, as a prescribed holder of SDRs.

We should use the SDRs in more pragmatic ways, to support countries. Providing the SDRs also through the multilateral development banks has several benefits.

First, the multilateral development banks can leverage the SDRs. At the African Development Bank, we can leverage the SDRs by a factor of 4 times.

Second, the SDRs can be absorbed by the Bank as equity, which will expand our lending capacity to countries.

Third, the SDRs that's leveraged will be used to provide additional capital and financing to the development banks in Africa, as part of the Financing in Common.

The SDRs can also be provided as concessional loans to the African Development Fund.

We at the African Development Bank believe that providing the SDRs to Multilateral Development Banks (MDBs), such as the African Development Bank, Inter-American Development Bank and the Caribbean Development Bank, will also strengthen the global financial architecture.

It will foster greater complementarity between the IMF and the multilateral development banks. The IMF will focus on macroeconomic and fiscal stabilization, its areas of comparative advantage, while the multilateral development banks will focus on sectoral programs, including sectoral policies that will ensure that the SDRs deliver impactful results on the ground. The MDBs will in addition, also work closely with the IMF on its Poverty Reduction and Growth Trust (PRGT) and the newly established Resilience and Sustainability Trust (RST).

Providing SDRs also to the multilateral development banks will be game changers for accelerated development of countries. We can get really creative and suggest that the acronym for SDRs could become “**Supporting Development Revitalization** (SDR). That way, people on the streets will feel the effects of the SDRs on their lives!

Your Excellencies,

The African Development Bank is investing heavily as well in the private sector, from loans, equity, syndications, we deploy blended finance to spur the growth of the private sector, especially small and medium sized enterprises. The Bank has invested in linking the stock exchanges across Africa to mobilize capital for investments across the region.

The Africa Investment Forum – organized annually by the Bank and its partners to attract private capital into Africa – continues to be a huge success.

In three years, the Africa Investment Forum has attracted \$110 billion in private investment commitment to Africa, ranging from energy, infrastructure, agribusiness, health, digital and creative industries.

The Africa Investment Forum presents an excellent opportunity for investors in the Caribbean that wish to invest in Africa, and also for African investors that wish to invest in the Caribbean. We should definitely have a joint-investors session for Africa and the Caribbean at the next Africa Investment Forum for 2023.

Your Excellencies,

In all we do, we must ensure that our work impacts the youth and women.

As a top priority, we must tackle the rising challenge of youth unemployment. In Africa, poverty is pervasive among the youth, with over 70% of the young people working in sub-Saharan Africa and 25% in North Africa living under extreme or moderate poverty, according to the International Labour Organization.

We are working to ensure that Africa grows back better in ways that create a lot more quality and decent jobs for its predominantly young population. Gainfully employed youth, supported with access to social protection, including quality health and social security, will stabilize and power African economies, today, and well into the future.

That is why the African Development Bank's Jobs for Youth Strategy set the goal of creating 25 million jobs and equipping at least 50 million youth with skills to realize their economic potential, by 2025. This will be achieved through promoting inclusive employment, entrepreneurship, strengthening human capital and creating durable labour market linkages.

The African Development Bank will invest \$700 million over the next four years to support skills development for Africa's youth. The Bank is also investing heavily in upskilling in digital education, as well as in Sciences, Technology, Engineering and Mathematics, which will power the jobs of the future.

Through the Bank's Coding for Employment Program we are developing a critical mass of digitally enabled youth that can help power Africa's 4th industrial revolution. We are establishing 133 digital coding centres to train 230,000 youth with skills needed for the digital jobs of today and tomorrow, in partnership with Microsoft, Linked-In and Facebook.

To further boost the access of the youth to finance, the Bank is currently exploring support to countries for the development of Youth Entrepreneurship Investment Banks, to create new financial ecosystems to massively build, support and unleash the talents and entrepreneurship of the youth across the continent.

Your Excellencies,

The Caribbean region's population is also dominated by young people. UNESCO estimates that over two-thirds of the population of the borrowing member countries of the Caribbean Development Bank is made up of young people, under the age of 30. Out of the 107 million youth in Latin America and the Caribbean aged between 15 and 24, only 48 million participate in the labor market.

The International Labor Organization estimate that regional youth unemployment in Latin America and the Caribbean reached 23.8 percent in 2021 – what the ILO calls “the lockdown generation” (Vinicius Pinheiro, 2021. The lockdown generation: Disarming the time bomb. International Labor Organization Office for Latin America and the Caribbean).

For the Caribbean region alone, UNESCO estimates that unemployment among the population aged between 15 and 24 is as high as 25 percent, higher than the regional average of Latin America and Caribbean.

As is the case in Africa, top priority in the Caribbean must be placed on inclusive growth, better access to quality education, expansion of technical and vocational training, reducing the skills mismatch in the labor market between educational qualifications and the skills and competency need of the labor market, supporting entrepreneurship, access to social protection and health security, and expanding access to finance for the youth.

We must do more than give hope for the youth. We must deliver on their hopes and aspirations. Let's invest in the youth today and build for them a much healthier, better and secure future. The youth are Africa and Caribbean regions' demographic advantage, now we must turn them into a well-skilled, well-trained workforce, for the world.

Your Excellencies,

We must ensure that development financing impacts women. At the African Development Bank, we have prioritized all our programs to impact on women. Today, 100% of all our sovereign projects have been gender-marked, the highest among all multilateral development banks.

To drive greater access by women to finance in Africa, the African Development Bank is implementing the Affirmative Finance Action for Women (AFAWA) program. AFAWA, set up with

a \$450 million guarantee facility with financing from the G7 countries, plans to leverage \$5 billion in financing for women-led businesses in Africa.

In the past two years alone, the African Development Bank has provided \$484 million to women businesses in 2021, and will pay out \$500 million for women businesses in 2022.

Our vision is clear: when women win, Africa wins.

They will win like Samia Suluhu, the first female President of Tanzania.
They will win like Sahle-Work Zewde, the first female President of Ethiopia.
They will win like Ellen Johnson Sirleaf, the first female President of Liberia.
They will win like Joyce Banda, the first female President of Malawi.
They will win like Ameenah Gurib-Fakim, the first female President of Mauritius.
They will win like Mia Amor Mottley, the first female Prime Minister of Barbados.

Your Excellencies,

The African Development Bank is scoring development goals for Africa.
The African Development Bank was ranked by Global Finance as the Best Multilateral Financial Institution in the world in 2021.

The African Development Fund was ranked by the Washington D.C based Centre for Global Development as the second-best concessional financing institution in the world in terms of development effectiveness, ahead of IDA of the World Bank, and all 28 concessional financing institutions in developed countries.

Your Excellencies,

We will continue to strive to make Africa proud and share our lessons!
We will work with our brothers and sisters in the Caribbean to build collective hope.
Yea, mon, I love the Caribbean!

The Caribbean has always energized our world.
From Reggae music legends, Bob Marley, Peter Tosh, to Jimmy Cliff.
To the legendary Jamaican Usain Bolt sprinter who broke all possible sprint records.
To the legendary economist, late Dr. Demas, who inspires us still.

So, let the Caribbean region arise, and break records in development.
Let it spur accelerated growth and development.
For poverty must not become our comparative advantage.
Accelerate we must. Win we must.

As Usain Bolt said: “Stop waiting for things to happen. Go out and make them happen”.
The African Development Bank stands ready to work closely with the Caribbean Development Bank.

Together, let's go out and make things happen for our peoples!
Thank you very much.