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NOVEMBER 8-10, 2023 | ABUJA NIGERIA  
TRANSCORP HILTON HOTEL

THEME

**"DFIs' STRATEGIC ROLE TOWARDS A  
CLIMATE-SMART FUTURE"**

# REPORT

Under the auspice of



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**AADFI-ADFIAP  
JOINT INTERNATIONAL CEO FORUM**



**ABUJA, NIGERIA**  
8-10 NOVEMBER  
2023

# Executive Summary

The 2023 Joint International CEO Forum of the Association of African Development Finance Institutions (AADFI) and the Association of Development Financing Institutions in Asia and the Pacific (ADFIAP) was held from November 8 to 10, 2023, at the Transcorp Hilton Hotel in Abuja, Nigeria. The Forum was hosted by the Bank of Industry (BOI), Nigeria, on the theme “DFIs’ Strategic Role Towards A Climate-Smart Future”.

The main objective of the event was to provide a platform for leaders of DFIs and partners to share best practices, exchange knowledge and experiences, and explore opportunities for collaboration in addressing the challenges posed by climate change. In addition, the Forum was aimed to strengthen south-south cooperation in addressing development challenges.

The Opening Ceremony recorded the presence of the Honourable Minister of Trade & Investment, Dr. Doris Uzoka Annite, represented by Dr. Mimi Abu, Director of Human Resources in the ministry; Dr. Olasupo Olusi, MD/CEO of the Bank of Industry (BOI) Nigeria; Mr. Thabo Thamane, Chairman of AADFI and CEO of CEDA; Mr. Mominul Islam, Chairman of ADFIAP, represented by Mr. Roland Tepora, Senior Vice President of the Development Bank of the Philippines (DBP); Dr. Olayemi Cardoso, Governor of the Central Bank of Nigeria, represented by Mr. Mustapha Haruna, Director of Banking Supervision; Mr. Emmanuel Tutuba, Governor of the Bank of Tanzania; and Dr. Kevin Kariuki, Vice-President of the African Development Bank (AfDB) in charge of the Power, Energy, Climate Change and Green Growth (PECG), represented by Prof. Anthony Nyong, Director for the Climate Change and Green Growth Department.

More than 300 delegates attended the event, comprising chief executive officers and senior management executives of DFIs in Africa, Asia, Latin America, and other regions; multilateral development finance institutions (MDFIs); officials of DFIs supervisory authorities and government agencies responsible for promoting climate change agenda in the regions; officials of central banks, ministries of finance, commercial banks, MNCs, MSMEs, MFIs, and other stakeholders.

Twenty-nine (29) countries worldwide were represented at the event, namely Botswana, Canada, Côte d’Ivoire, DR Congo, Eswatini, France, Gambia, Germany, Ghana, India, Iran, Kenya, Lesotho, Morocco, Namibia, Niger, Nigeria, North Cyprus, Oman, Philippines, Russia, Samoa, Seychelles, South Africa, Sudan, Tanzania, Togo, Uganda, Zimbabwe.

The conclusions and recommendations of the Forum were as follows: (1) Climate change is a major threat to socio-economic development and a clog in achieving the SDGs, particularly in the less developed regions of Africa and Asia. (2) The cost of financing the shift toward a climate-smart future is enormous. Meanwhile, access to the various Green Investment Funds (GIFs) is complex. (3) Development Finance Institutions have a strategic role to play in scaling up the achievement of the SDGs and attaining a climate-smart future. However, lack of access to funding and capacity gaps are common challenges in most national development finance institutions, which hinder progress. As a result, the financial architecture should be restructured to ease their accessibility. Moreover, development partners should support the efforts to bridge the capacity gap in DFIs through innovative technical assistance and capacity-building programs. (4) The Forum endorses the Nairobi Declaration Call to Action and highlights the need to scale up collaboration and partnership to achieve a climate-smart future. ■





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# 1 | Background

## “DFIs’ Strategic Role Towards a Climate-Smart Future”

The global aspiration for sustainable development, viz a climate-smart future, has been at the center of discussion among international development partners. The impact of climate change is threatening the environmental ecosystem. Human health and safety, food and water security, aquaculture, socio-economic development, rainfall patterns, and extreme events such as droughts, floods, and forest fires<sup>1</sup> are severe threats from climate change. The global economy is projected to lose more than 18% of its current GDP by 2048 unless action is taken to address climate change. The least developed nations, particularly in Africa, Asia-Pacific, and Latin America, face the most significant effects of climate change.<sup>2</sup>

Africa is estimated to lose 5% to 15% of its projected GDP by 2050, with a projected climate adaptation cost of \$10 to \$30 billion annually by 2030<sup>3</sup>. At the same time, Asia and ASEAN countries are projected to lose 26.5% and 37.4% of their GDP by 2048 if immediate action is not taken to mitigate the effects of climate change<sup>4</sup>. The story is similar in Latin America, where precipitation patterns are shifting, temperatures are rising, and some

areas are experiencing changes in the frequency and severity of weather extremes such as heavy rains. These scenarios suggest that no region is immune to the effects of climate change. Thus, sustaining action in building a climate-smart future is necessary, particularly among developing nations.

Fundamentally, development finance institutions are critical in building a smart future. Finance, collaboration and partnership, innovative technologies, capacity building, technical assistance, and monitoring and reporting are essential in shaping development finance institutions’ contribution to achieving a climate-smart future. Thus, the 2023 joint AADFI-ADFIAP CEO Forum was held on the theme “DFIs’ Strategic Role towards A Climate-Smart Future. The conversation reflected the urgent need for action on climate change and the critical role DFIs could play in addressing those challenges in developing countries. The Forum also strengthened south-south cooperation and conversed about leveraging global partnerships to harness strategies and actionable steps that DFIs in developing countries could take toward building a climate-smart future. ■

<sup>1</sup> [https://www.afdb.org/sites/default/files/documents/concept\\_note\\_for\\_training\\_of\\_dfis\\_afdb.pdf](https://www.afdb.org/sites/default/files/documents/concept_note_for_training_of_dfis_afdb.pdf)

<sup>2</sup> <https://www.swissre.com/risk-knowledge/mitigating-climate-risk/economics-of-climate-change-impacts-for-asia.html#:~:text=Estimated%20impacts%20to%20Asia,-China%20and%20India&text=In%20our%20most%20severe%20scenario,their%202019%20GDP%20by%202050>

<sup>3</sup> [https://www.afdb.org/sites/default/files/documents/concept\\_note\\_for\\_training\\_of\\_dfis\\_afdb.pdf](https://www.afdb.org/sites/default/files/documents/concept_note_for_training_of_dfis_afdb.pdf)

<sup>4</sup> <https://www.swissre.com/risk-knowledge/mitigating-climate-risk/economics-of-climate-change-impacts-for-asia.html#:~:text=Estimated%20impacts%20to%20Asia,-China%20and%20India&text=In%20our%20most%20severe%20scenario,their%202019%20GDP%20by%202050>

## 2|Objectives

The 2023 Joint AADFI-ADFIAP International CEO Forum aimed to provide a platform for leaders of DFIs to share best practices, exchange knowledge and experiences, and explore opportunities for collaboration in addressing the challenges posed by climate change. The other objectives of the Forum were as follows:



## 3 | Highlights

The program was declared open by the Honourable Minister of Trade & Investment, Dr. Doris Uzoka Annite, represented by Dr. Mimi Abu, Director of Human Resources of the ministry. The keynote address was presented by Professor Anthony Nyong, Director of the Climate Change and Green Growth Department, African Development Bank, representing Dr. Kevin Kariuki, Vice-President of the AfDB.

Goodwill messages were presented by Dr. Olayemi Cardoso, Governor of the Central Bank of Nigeria, represented by Mr. Mustapha Haruna, Director of Banking Supervision, and Mr. Emmanuel Tutuba, Governor of the Bank of Tanzania.

Mr. Thabo Thamane, Chairman of AADFI and CEO of Citizen Entrepreneurial Development Agency (CEDA) Botswana, and Mr. Mominul Islam, Chairman of ADFIAP, represented by Mr. Roland Tepora (Senior

Vice-President of Development Bank of the Philippines), delivered opening addresses.

Dr. Olasupo Olusi, Managing Director/Chief Executive Officer of the Bank of Industry (BOI) Nigeria, presented a welcome address.

The program plenary sessions included a Special Interest Session on the strategic repositioning of DFIs for relevance, while the other panel sessions discussed:

- Financing Climate-Smart Projects;
- Technical Assistance and Capacity Building;
- Collaboration and Partnerships; and
- Monitoring and Reporting.

There was also an update on the outcome of the 2023 Finance in Common Summit (FiCS) by Mr. Adama Mariko, Secretary General of the Finance in Common (FiCS) Initiative. ■



# Opening Session

## Opening speech, remarks, goodwill messages, keynote address



**Dr. Mimi Abu**, Director of Human Resources, representing Minister of Trade & Investment

**Dr. Doris Uzoka Annite**, Honourable Minister of Trade & Investment, represented by Dr. Mimi Abu, while declaring the conference open, advocated for global actions to promote a climate-smart future. She recognized the role of DFIs in mobilizing private investment to tackle climate challenges, while emphasizing that the challenges of climate change would worsen if DFIs fail to provide solutions for mitigation and adaptation, particularly in agriculture and infrastructure. Therefore, the decisions reached at the Forum were expected to impact the economies positively, lead to prosperity, and improve the people's livelihoods.

Finally, she advocated the expansion of actionable plans to incorporate climate-resilient products and measurable targets into African business models as part of solutions to address climate finance needs and de-risk sustainable investments in the regions.

**Professor Anthony Nyong**, Director of the Climate Change and Green Growth Department of the AfDB, representing Dr. Kevin Kariuki, AfDB Vice-President, in his keynote address, highlighted that despite Africa's small contribution to cumulative carbon emissions (roughly 3% since 1890), the continent suffers disproportionately from climate change. Noting that the climate change effect represented the single biggest threat to development in the continent. The continent remained the least climate-resilient region, with the lowest climate readiness.



**Prof. Anthony Nyong**, Director of the Climate Change and Green Growth Department, AfDB

Nonetheless, the gloomy picture of the situation provided many opportunities for Africa, but huge financial resources are required to harness these opportunities. He emphasized that the current global financial architecture was not serving the needs of Africa. Thus, there was need for a new financial framework to simplify and increase access to finance. Professor Nyong assured that the AfDB was committed to developing innovative financial instruments to meet Africa's climate investment needs. Consequently, he suggested that all the development partners should align their efforts on the climate finance agendas for a climate-smart future.

Speaking on investments toward a more resilient and climate future in Africa, he encouraged the development partners to get rid of the narrative that investing in Africa was challenging. On the contrary, investing in climate change mitigation and adaptation in Africa was a good step forward in the climate finance journey. Furthermore, he advised that the African DFIs should strengthen their commitment to meet the continent's financial needs by leveraging at scale the pool of

resources available worldwide, deepening the capacity of the financial sector with the creation of working groups such as the Working Group of AADFI on Climate Change, and expanding partnerships and collaboration among the development players, including the private sectors. Besides, he referred to the African Continental Free Trade Area (AfCFTA) as a pan-African collaboration that could also support climate change issues in Africa and encouraged the DFIs to collaborate to achieve the best for the continent.

Finally, he informed that the AfDB created the African Financial Alliance on Climate Change (AFAC) to support the implementation of urgent action against climate change in Africa and commended the AADFI for having joined the initiative to contribute to its work toward ensuring a climate-smart future for Africa.



Mr. Mustapha Haruna, Director of Banking Supervision, Central Bank of Nigeria

**Dr. Olayemi Cardoso**, Governor of the Central Bank of Nigeria, represented by Mr. Mustapha Haruna, Director of Banking Supervision, in his opening statement, informed that the Central Bank of Nigeria (CBN) was taking the issue of development financing seriously and providing support to all the financial institutions under its supervision to achieve the best for the Federal Republic of Nigeria. He hoped that the outcome of the Forum would be useful and support efforts in strengthening the development finance sector.

**Mr. Emmanuel Tutuba**, Governor of the Bank of Tanzania, in his goodwill message, commended the high-level gathering of delegates from Africa and other continents. He acknowledged the importance of the theme of the event and that sharing knowledge and best practices would have an immense transformational impact on the DFIs and the economies.

Mr. Tutuba emphasized the need for more collaboration among DFIs to address the challenges facing their countries' economies, including the impact of COVID-19, the supply chain disruption resulting from the Ukraine-Russia crisis, and particularly climate change. According to him, DFIs in Africa and Asia should join hands and lead efforts toward achieving the Sustainable Development Goals (SDGs).



Mr. Emmanuel Tutuba  
Governor of the Bank of Tanzania



**Mr. Thabo Thamane**  
Chairman of AADFI & CEO of CEDA Botswana

**Mr. Thabo Thamane**, Chairman of AADFI and CEO of Citizen Entrepreneurial Development Agency (CEDA) of Botswana, in his opening remarks, highlighted that the Joint International CEO Forum of AADFI and ADFIAP provided an opportunity for collaboration and partnership in addressing climate change and other development challenges. He emphasized that urgent actions were needed from all stakeholders to face the negative global impact of climate change. Mr. Thamane informed that AADFI set up a Working Group on Climate Change to deepen its involvement and work more strategically in pursuing the climate change agenda. He

encouraged the delegates to engage, share best practices, exchange knowledge and experiences, and explore opportunities to scale up their involvement in achieving the target of a climate-smart future.

**Mr. Roland Tepora**, Senior Vice-President of the Development Bank of the Philippines, speaking on behalf of Mr. Mominul Islam, Chairman of ADFIAP, noted that the theme and the agenda of the Forum were crafted to stimulate engaging interactions. Besides, he highlighted the significance of knowledge sharing and collective wisdom in addressing the planet's challenges. Thus, he was of the opinion that the Forum gathered great minds capable of providing transformative solutions to address the climate change challenges and drive innovation sustainably.



**Mr. Roland Tepora**, Senior Vice-President, Development Bank of the Philippines



**Dr. Olasupo Olusi**, MD/CEO of Bank of Industry Nigeria (BOI)

**Dr. Olasupo Olusi**, Managing Director/Chief Executive Officer of Bank of Industry Nigeria (BOI), the host institution of the 2023 AADFI-ADFIAP Joint International CEO Forum, in his welcome address, reiterated that DFIs had a strategic role to play in ensuring a climate-smart future by, among others, closing the financing gap, mobilizing and deploying innovative resources towards building resilient economies, and harnessing partnerships in fulfilling their mandates.

In that regard, he believed that the Joint CEO Forum was an opportunity to consolidate the

South-South engagement, share experience and knowledge, and strengthen the DFIs to play their role effectively. ■





# Special Interest Session

## Conversation on Strategic repositioning of DFIs for relevance

The conversation on the strategic repositioning of DFIs for relevance examined the challenges of DFIs. It explored the critical factors that would determine the relevance of development finance institutions (DFIs) in achieving the Sustainable Development Goals (SDGs) and the Paris Agreement. The issues around corporate governance, internal processes, risk management, credit delivery, capitalization, and access to resources ensure the effectiveness of the DFIs in fulfilling their mandates. Mr. Jide Akintunde, Managing Director of Financial Nigeria, moderated the session.

**Mr. Sergey Storchak** shared how the DFIs in Asia and the Pacific were impacting the realization of the climate change agenda. He said that the presence and relevance of the DFIs were strengthened during the COVID-19 pandemic because of their countercyclical role. Speaking on the strategic repositioning of DFIs, he explained that during the recent global health crisis, his institution changed its mission, including its mechanisms and financial model, to finance programs that increased its development impact during the health pandemic. Furthermore, he advised DFIs to work closely with their stakeholders and regulators, particularly the central banks, to benefit from support to finance their projects and achieve their mandate effectively.

**Mr. Frank Nyabundege**, Managing Director of the Tanzania Agriculture Development Bank (TADB), mentioned that the two DFIs in Tanzania, the TIB Development Bank and the Tanzania Agriculture Development Bank (TADB), both owned by the government, were regulated by the Central Bank of Tanzania. As a result, the two DFIs are regulated and, as such, free from governance issues related to political interference. Besides,

### Moderator

**Mr. Jide Akintunde**, Managing Director, Financial Nigeria

### Speakers

**Mr. Sergey Storchak**, Senior Banker, State Development Corporation  
VEB.RF/Russia

**Mr. Frank Nyabundege**, Managing Director, Tanzania Agriculture Development Bank (TADB)

**Queen Nozizwe Pearl Mulela-Zulu**, Chief Executive Officer, Eswatini Development and Savings Bank (ESWATINIBANK)

**Dr. Michael Ma'hמוד**, Economist & Development Management Expert/AADFI  
PSGRS Consultant

**Mr. Stephen Hamya**, Sustainability Champion, Uganda Development Bank Ltd (UDBL)

contrary to the situation in some countries, the Central Bank of Tanzania does not hold shares in any of the DFIs in Tanzania. Sharing the achievements of his institution over the past years, he stated that TADB increased its budget to finance the agricultural sectors and raised more funds for the production sectors while trying to reduce Tanzania's main import products and increase the country's exportation within the next three years. He believed that as key development actors, the DFIs in Tanzania could considerably improve the country's economy if they were further strengthened and continued to benefit from the political support of the Tanzanian government.

**Queen Nozizwe Pearl Mulela-Zulu**, Chief Executive Officer of Eswatini Development



and Savings Bank (ESWATINIBANK), shared her DFI's experience on funding and capitalization of DFIs. She highlighted that her institution was a universal bank with commercial and development banking operations. The Central Bank of Eswatini regulates the institution. Consequently, the institution was well-governed and transparent in its operation. However, it faced a disadvantage in funding due to its financing model: financing short-term and long-term projects.

Considering the difficulties in sourcing different funding – particularly external sources – for the two types of projects, the institution resolved to raise funding from the private sector to fund short-term projects while requesting the support of the government to fund long-term projects. Besides recognizing the importance of product transformation to her country, she stressed that her institution embraced appropriate technologies to serve its clients during the current time better and recruit data analysts to harness the available data. She believed that as leaders, the DFIs should ensure integrity in doing business and infuse technologies in their DNAs.

**Dr. Michael Ma'hמוד**, Economist & Development Management Expert/AADFI PSGRS Consultant, spoke on the relevance of the DFIs in addressing the current market failures. He recalled that the World Bank Group (WBG) and other important financial organizations discussed in the past the relevance of the DFIs and whether they should continue to exist. As a result, the AADFI carried out studies that revealed that despite their challenges, the African DFIs addressed the market failures and could reinforce their

impact if they were strengthened. Consequently, the Association developed the AADFI Prudential Standards, Guidelines, and Rating System (PSGRS)<sup>5</sup> – a self-assessment mechanism supporting the DFIs to identify their strengths to reinforce them and their weaknesses to take corrective measures to address them. Dr. Ma'hמוד explained that the AADFI PSGRS was unique in that it assessed the development impact of the DFIs to ensure that they were fulfilling their development mandate in the right direction.

**Mr. Stephen Hamya**, Sustainability Champion of the Uganda Development Bank Ltd (UDBL), spoke on the challenges his institution faced prior to integrating sustainability at the heart of its transformation. Before embarking on the Sustainable Standards and Certification Initiative (SSCI) journey, UDBL had a wrong orientation and was not aligned with the government priorities. However, after embarking on the SSCI journey in 2019, the bank redefined the expectations of its stakeholders, government, and clients. In addition, the institution repositioned itself for increased relevance and benefitted from increased commitment and support from its government.

He recalled the challenges faced by the DFIs – including inefficient cooperation, political interferences, and inappropriate regulation – and highlighted that the SSCI provided a framework through which those challenges could be addressed with the appropriate support. He pointed out that only institutions with strong governance and sustainable operations are well-positioned to make the right decisions and useful interventions in the economies. ■

<sup>5</sup> A copy of the AADFI PSGRS is available via this link <https://adfi-ci.org/psgrs/>.

# Panel Session 1

## Financing Climate-Smart Projects

### Moderator

**Eugene O. Itua**, Phd, Managing Director/CEO, Natural Eco Capital

### Speakers

**Mr. Zeph Nhleko**, Chief Economist, Development Bank of Southern Africa (DBSA)

**Mr. Abdelouahab Boushaba**, Deputy Managing Director, Group Credit Agricole du Maroc (GCAM)

**Ms. Mary Kamari**, Group Executive, Corporate Affairs & Investor Relations, Trade & Development Bank (TDB)

**Mr. Banji Fehintola**, Senior Director, Head of Treasury & Financial Institutions, African Finance Corporation (AFC)

The session discussed innovative financing models, collaborating with stakeholders, and optimizing natural resources for sustainable development. It also addressed the role of DFIs in finding solutions to the challenges of climate change in Africa.

**Mr. Zeph Nhleko**, Chief Economist, Development Bank of Southern Africa (DBSA), shared his thoughts on attracting more capital using innovative financial models. He pointed out that climate finance should be supported because climate crises were a major global challenge, and its consequences were far-reaching, compromising the current and future generations. He informed that over the past few years, DBSA undertook many initiatives to address the climate change issues, including investing billions of dollars in the energy sector and creating a platform to engage the private sector in addressing the climate change challenges. The sustained collaboration was

critical in mobilizing sufficient funds to finance the climate initiatives. He agreed that DFIs were uniquely positioned to gather the private sector and a range of other partners, mobilize considerable funds, and leverage global green funds for renewable energy, energy efficiency, sustainable agriculture, and climate-resilient infrastructure projects to create the needed effects on the continent.

**Mr. Abdelouahab Boushaba**, Deputy Managing Director of Group Credit Agricole du Maroc (GCAM), shared GCAM's sustainable commitments. He stated that his institution developed a 2025 Sustainable Finance White Paper, which integrated a unique approach to reducing the negative impacts of funded projects and designing positive impact financing in favor of rural populations and farmers. Regarding the environment and social risk management, he mentioned that the Central Bank of the Kingdom of Morocco developed a system for the financial institutions in the country to manage financial risks related to climate change and the environment.

Besides, to gain a better understanding of climate-related risks and opportunities, the institution launched a new project in partnership with the European Investment Bank (EIB). It also cooperated with the Agence Française de Développement (AFD) and the ISTIDAMA to fund climate-friendly projects. According to Mr. Boushaba, the GCAM was committed to Africa's development by sharing its five decades of experience in favor of inclusive agricultural financing across Africa and financing sustainable projects with its African partners.

**Ms. Mary Kamari**, Group Executive, Corporate Affairs & Investor Relations, Trade & Development Bank (TDB), spoke on the



Hosted by



instruments by her bank to support the private sector. She highlighted that DFIs should have an appetite for the private sector and de-risk the components of projects to attract the private sector through innovative instruments such as green bonds, concessional funds, and hybrid instruments. She also mentioned that TDB developed green shares, the first innovative instrument issued by a DFI in Africa. The bank had grown and was now owned by 22 investors, and was working with the AfDB to increase its impact on the continent. According to Ms. Kamari, DFIs should strengthen their capacity and address their skill gaps – in terms of people, processes and systems, among others – to mobilize the resources needed to achieve the sustainable development agenda in Africa.

**Mr. Banji Fehintola**, Senior Director and Head of Treasury & Financial Institutions of

the African Finance Corporation (AFC), spoke on the contribution of his institution to Africa's development, which focused on supporting infrastructure with value addition to the continent. The AFC established a joint platform, which was the largest owner of renewable assets in Africa. The Bank has also provided technical assistance and capacity building to change the narrative around fund mobilization.

The AFC was also investing time in policy advisory and working with the Nigerian government to attract and invest more capital in relevant projects. Furthermore, he was of the opinion that project aggregation was needed to achieve the desired development for Africa, and that DFIs should not wait for support but rather create it in fulfilling their mandate. ■

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## Panel Session 2

### Technical Assistance and Capacity Building

The session acknowledged that the role of DFIs extends beyond financial support, given that they play a vital role in providing the necessary technical expertise and building capacity for countries and businesses to transition toward a climate-smart future seamlessly. The speakers shared valuable experiences and recommendations highlighting the critical intersection of capacity building and sustainability for DFIs.

**Dr. Seyed Ali Heidari**, Deputy Managing Director of Financial and International Affairs, Bank for Industry & Mine (BIM) in Iran, said his institution was the only specialized development bank in Industry and Mine in Iran with 60 years of successful experience, 1,200 Human Capital and 52 branches. The bank prioritizes financing for projects compatible with the environment, with minor environmental damage, demonstrating effectiveness and high efficiency with the least energy and water consumption.

Dr. Heidari emphasized that development banks involved in capacity building and technical support should (1) have enough expertise in feasibility studies reports and implementation; (2) have a comprehensive approach to all stakeholders involved in development; (3) take risk in terms of staff, process, and relationships; and (4) demonstrate enough knowledge and use modern accepted instruments in international banking over their communications with other correspondents.

**Ms. Diana Smallridge**, CEO of Momentus Global/Canada, stated that her organization was committed to supporting institutions in

#### Moderator

**Ms. Divina Gracia “Joy” C. Santos**, VP for Operations, ASKI Management Group, Philippine

#### Speakers

**Dr. Seyed Ali Heidari**, Deputy Managing Director, Financial and International Affairs, Bank for Industry & Mine/Iran

**Ms. Diana Smallridge**, CEO, Momentus Global/Canada

**Ms. Yasmine Galloul**, Technical Lead-Support to Development Finance Institutions, Investment Climate Reform (ICR) Facility

**Mr. Cyril Okoye**, Secretary General, Association of African Development Finance Institutions (AADFI)

**Mr. Enrique Florencio**, Secretary General, Association of Development Financing Institutions in Asia & Pacific (ADFIAP)

their drive for better outcomes and helping them to reduce barriers to creating impact by accessing resources and implementing the solutions they needed. She highlighted that Momentus developed a policy instrument called Health Diagnostics Tools (HDT) to help financial institutions identify capacity gaps in seven dimensions – corporate governance, development impact, operational performance, financial performance, sustainability, and gender mainstreaming – and suggest solutions to address those gaps.

**Ms. Yasmine Galloul**, Technical Lead. Support to Development Finance Institutions at

Investment Climate Reform (ICR) Facility, informed that ICR was created four years ago and implemented by four European agencies. Since 2020, ICR has provided banks with tailor-made technical assistance, training, and advisory services. She believed that technical assistance was a very good tool for adapting to international standards and could even be transformative when customized and contextualized following the needs of the beneficiary banks. However, for technical assistance to be effective, the beneficiary banks must dedicate time and resources to assimilate the shared information and knowledge.

She highlighted the ICR Facility's major challenge in delivering its mandate was balancing international and local expertise when needed. However, this could be addressed through regional organizations such as AADFI, which has the capacity to bring together various stakeholders worldwide to share their expertise. Furthermore, she emphasized that technology and partnership were crucial to support technical assistance and increase their impact on the beneficiaries.

**Mr. Cyril Okoye**, Secretary General of the Association of African Development Finance Institutions (AADFI), highlighted the factors that have shaped the business environment, including the drive to the 4<sup>th</sup> Industrial Revolution, the Covid-19 pandemic, geo-political tensions and crises, and climate change. He underlined that the DFIs were not immune from those challenges. He agreed that there were gaps in professional skills and institutional operational deficiencies in most of the African DFIs. Consequently, the AADFI responded to these challenges confronting DFIs by providing them with innovative capacity-building solutions. Some of the solutions included the conceptualization of a Professional Certificate Program (PCP) in

Development Finance to provide holistic skill development in development finance. Furthermore, the Association deployed the AADFI Prudential Standards, Guidelines, and Rating System (PSGRS) to assess DFIs in the governance, operational, and financial sectors on an annual basis. The result helps to identify weaknesses and strengths in the institutions with a view to developing appropriate capacity building to strengthen member institutions and address the skill gaps in the institutions.

Besides, the AADFI upholds the strength of collaboration and partnership in addressing the capacity-building needs of member DFIs and encourages partners to work jointly with the Association for efficiency and to maximize resources.

**Mr. Enrique Florencio**, Secretary General of the Association of Development Financing Institutions in Asia & Pacific (ADFIAP), speaking on the work of ADFIAP in terms of technical assistance, shared that the ADFIAP developed an Institute & Consulting Group providing continuing education and technical assistance to bankers and executives engaged in financing development. The institute was backed by over 45 years of experience and expertise in organizing training programs, seminars, and conferences around Asia and the Pacific through its members and with international partners. Besides, he believed that DFIs should strengthen their capacity by integrating climate considerations into their development strategies, enhancing their ability to identify, assess, and finance climate-smart projects and programs, providing advisory services and technical support to project implementers, and promoting knowledge sharing and collaboration for scaling up climate-smart development initiatives. ■



## Panel Session 3

### Collaboration and Partnerships

#### Moderator

**Mr. Sergey Storchak**, Senior Banker,  
State Development Corporation  
VEB.RF/Russia

#### Speakers

**Mr. Ronaldo U. Tepora**, Senior Vice President,  
Development Bank of the  
Philippines

**Mr. Selva Kumar**, Resident Representative,  
Representative Office, Export-Import  
Bank India

**Dr. Tony Okpanachi**, Managing Director/CEO,  
Development Bank of  
Nigeria (DBN)

**Mr. Adama Mariko**, Deputy Director of  
Mobilization, Partnerships & Communication,  
France Development Agency (AFD) &  
Secretary-General, Finance in Common

**Mr. Ade Ayeyemi**, Chairman, Making Finance  
Work for Africa (MFW4A),  
represented by **Ms. Marina Finken**,  
**Partnership Coordinator**

**Mr. Joshua Mwesiga**, Director of Strategy  
and Corporate Affairs, Uganda Development  
Bank (UDBL)

The session highlighted the importance of collaboration and partnership for DFIs in promoting climate-friendly development. The conclusion was that DFIs could strengthen their impact by working together and building partnerships with other stakeholders, including governments, the private sector, and civil society.

**Mr. Ronaldo U. Tepora**, Senior Vice President of the Development Bank of the Philippines (DBP), indicated that the DBP was founded after World War II to finance

the country's restoration. The Bank was the first financial institution in Asia and the Philippines to be certified in the environmental space. DBP adopted an internal-external approach to effectively achieve its mandate based on collaboration and partnership. Mr. Tepora advocated that DFIs should align with their principles to create an enabling system for sustainable development.

**Mr. Selva Kumar**, Resident Representative of the Export-Import Bank India, stated that India's economy was mainly agriculture-based. However, climate change made it challenging for institutions in the country to achieve the targets they set in that sector. Coupled with climate challenges, Indian financial institutions struggled to access funding or grants to operate effectively and finance their climate-friendly projects. To face those challenges, he believed that collaboration and partnership were needed to raise funds and leverage climate-friendly solutions, such as renewable energy and electric vehicles and batteries.

**Dr. Tony Okpanachi**, Managing Director and Chief Executive Officer of the Development Bank of Nigeria (DBN), shared the example of his institution to support the relevance of partnership and collaboration. He indicated that his institution was a creation of a partnership between development partners and the government. He added that Nigeria had dispersed SMEs that his institution could not reach individually. Consequently, his institution partnered with other financial institutions to serve the SME sector. Dr. Okpanachi agreed that DFIs should collaborate while aligning with their mandates to contribute effectively to achieving sustainable development in their countries.

**Mr. Adama Mariko**, Deputy Director of Mobilization, Partnerships & Communication of the *Agence Française de Développement (AFD)* and Secretary-General of the Finance in Common Initiative (FiCS), emphasized that the AADFI-ADFIAP International Joint CEO Forum, as well as the Finance in Common Initiative, was about partnership and collaboration in finding solutions to the challenges facing the planet and sharing relevant information. He said that collaboration was necessary and mandatory to achieve common developmental goals. Consequently, DFIs/PDBs (Public Development Banks) worldwide should work with other financial institutions and governments to finance climate-smart projects in favor of future generations. Besides, he was of the view that technical assistance should be free and delivered through regional organizations such as the AADFI and ADFIAP to achieve the desired impacts.

**Ms. Marina Finken**, Partnership Coordinator, Making Finance Work for Africa (MFW4A), agreed that cooperation and partnership were paramount in achieving the mandate of her institution. She emphasized that MFW4A was launched to help the African financial sector face the worst effects of climate change and accelerate the achievement of the SDGs through collaboration and partnership with different

stakeholders, including financial institutions, local governments, and the private sector. Thus, it was essential for the development actors to collaborate in technical assistance, capacity building, and knowledge sharing, among others, to increase their impact. Moreover, given the interconnectedness of the development actors, it was expected that they should work as a system through relevant platforms such as the African Financial Alliance on Climate Change (AFAC) and MFW4A to operate efficiently and effectively in achieving Africa's sustainable development.

**Mr. Joshua Mwesiga**, Director of Strategy and Corporate Affairs, Uganda Development Bank (UDBL), was of the opinion that any voice counts in achieving holistic sustainable development. Therefore, local and international stakeholders should work together toward implementing climate-smart projects and meeting the climate finance agenda. He also stressed that engaging local and international stakeholders and partners would result in significant advantages, including ease in accessibility of funds and availability of technical assistance and knowledge. Finally, he advocated that all the development actors should be involved in achieving a climate-smart future since they share sustainable development as a common aspiration. ■

## Panel Session 4

### Monitoring and Reporting

The session focused on the importance of monitoring and reporting in understanding the impact of DFI investments on climate change. The panelists highlighted the data collection challenges, the need for common measurement standards, and the verification of the development impact of climate projects.

**Mr. Shri Goverdhan Singh RAWAT**, Chief General Manager, National Bank for Agriculture & Rural Development (NABARD), presented his institution as the leading player in addressing climate change issues in India. The bank has a development mandate and works with many local and international institutions and organizations to support and finance socio-economic projects related to sustainable development.

On the issue of monitoring and reporting, he highlighted that climate change was challenging to monitor as a continuous, complex, uncertain, and fast-changing phenomenon. Therefore, the DFIs should first agree on standard definitions, methodologies, data to collect, and climate change monitoring and reporting tools. Thereafter, they should align their actions and portfolio with the climate finance agendas – including the Paris Agreement, the Net-Zero Carbon Emission, and the SDG 13 on Climate Action – for synchronized impacts.

**Dr. Steve Ogidan, mni**, Chief Executive Officer, Global Knowledge Group, represented by Mr. Adegboyega Kolajo, Project Director, focused his intervention on data collection for climate change monitoring and reporting. He stated that dedicated people should be on the ground to collect valid qualitative and quantitative data on identified climate-related projects. He pointed out that

#### Moderator

**Mr. Sheikh Khalil Al Harthy**, Chief Executive, Credit Oman SAOC

#### Speakers

**Mr. Shri Goverdhan Singh RAWAT**, Chief General Manager, National Bank for Agriculture & Rural Development (NABARD)

**Dr. Steve Ogidan, mni**, Chief Executive Officer, Global Knowledge Group.

**Dr. Michael Mah'moud**, Economist & Development Management Expert/AADFI represented by Mr. Adegboyega Kolajo, Project Director

secondary data could be harnessed and appropriate technologies used to obtain the most helpful results. Finally, he advised collecting only valid data to minimize the costs associated with monitoring and reporting on climate change.

**Dr. Michael Ma'moud**, Economist & Development Management Expert/AADFI PSGRS Consultant, highlighted that many DFIs equated monitoring and reporting to achieving set objectives. Monitoring and reporting focused on results and a general impact on the business. Besides, he recalled that climate change was an uncertain, long-term issue beyond life span, making monitoring and reporting on its impact challenging. On data collection for climate change monitoring and reporting, he advised being specific about the data to be collected and looking at their relevance, as data gathering could be expensive. ■

# Finance in Common Summit (FiCS) 2023

## Road map emerging from the FiCS 2023 communique

**Mr. Adama Mariko**, Deputy Director of Mobilization, Partnerships & Communication of the Agence Française de Développement (AFD) and Secretary-General of the Finance in Common Initiative (FiCS) discussed the outcome of the 2023 Finance in Common Summit (FiCS) which was held from September 4 to 6, 2023, in Cartagena, Colombia, on the theme: “Building new alliances for the next generation of development financing.” The event focused on four cross-cutting issues: social

mainstreaming and developmental impact, private capital mobilization towards SDG goals, PDBs collaboration with civil society, and Latin American and Caribbean perspectives. The Cartagena Work Program focused on three pillars aiming at contributing to reshaping the international financial architecture: (1) the SDGs, the Paris Agreement, and the Biodiversity Framework Alignment; (2) Cooperation among BPDs with innovative tools; and (3) Stakeholders’ mobilization and joint forces. ■

## Closing of the event

### Remarks and Appreciation

**Mr. Abdelouahab Boushaba**, 2<sup>nd</sup> Vice-Chairman of AADFI and Deputy CEO of Tamwil El Fellah of the Group Crédit Agricole du Maroc (GCAM) in a concluding remark, thanked the government and people of the Federal Republic of Nigeria for the peaceful and secure atmosphere that made the event a success. He also expressed his gratitude to the Bank of Industry (BOI) Nigeria for successfully hosting the event. Finally, he acknowledged the members of the AADFI and ADFIAP Boards of Directors for their active participation in the event, as well as all participants for contributing to the success of the 2023 Joint AADFI-ADFIAP International CEO Forum. ■



**Mr. Abdelouahab Boushaba**  
2<sup>nd</sup> Vice-Chairman of AADFI and Deputy CEO of Tamwil El Fellah of the Group Crédit Agricole du Maroc (GCAM)

## 4 | Conclusion and Recommendations

### 1

**Climate change is a major threat to socio-economic development and a clog in achieving the SDGs.**

The impact of climate change is worse in developing countries, particularly Africa, which suffered disproportionately from climate change despite its small contribution to cumulative carbon emissions.

### 2

**The cost of financing the shift towards a climate-smart future is enormous.**

It is estimated that 2.7 trillion dollars would be required between 2020 and 2030 to meet the climate financing needs for Africa. Meanwhile, the continent receives only 3% of global climate finance<sup>1</sup>. Moreover, the accreditation process to GCF is tedious, and accreditation on its own does not guarantee accessibility of the fund. Thus, the Forum supports the call to restructure the current global financial architecture to make it easier to access funds and increase access to climate finance for developing countries.

### 3

**The Development Finance Institutions have a strategic role to play in scaling up the achievement of the SDGs and attaining a climate-smart future.**

Therefore, DFIs must be strategically repositioned to meet these expectations by strengthening their professionals' capacity and internal processes, adopting appropriate technologies, and embracing good governance, risk management, and capitalization.

### 4

**The Forum supports the Nairobi Declaration Call to Action.**

The Nairobi Declaration Call to Action invites Development Partners from the global south and north to align and coordinate their technical and financial resources toward Africa to promote sustainable utilization of Africa's natural assets for the continent's progression toward low carbon development

<sup>1</sup> Keynote address by Prof. Anthony Nyong, Director for Climate Change and Green Growth Department of AfDB, at AADFI-ADFIAP joint international CEO Forum, Abuja, Nigeria. November 8-10, 2023.

<sup>2</sup> Keynote address by Prof. Anthony Nyong, Director for Climate Change and Green Growth Department of AfDB, at AADFI-ADFIAP joint international CEO Forum, Abuja, Nigeria. November 8-10, 2023.

<sup>3</sup> The African Leaders Nairobi Declaration On Climate Change And Call To Action. [https://www.afdb.org/sites/default/files/2023/09/08/the\\_african\\_leaders\\_nairobi\\_declaration\\_on\\_climate\\_change-rev-eng.pdf](https://www.afdb.org/sites/default/files/2023/09/08/the_african_leaders_nairobi_declaration_on_climate_change-rev-eng.pdf).



## 5

### **Capacity gaps exist in most national development finance institutions, which hinder progress in achieving a climate-smart future.**

Technical Assistance and Capacity Building are critical enablers and transformative tools for DFIs to achieve a climate-smart future and adapt to international standards. Adopting technology is also crucial to supporting institutions in delivering smart solutions. Only strong, skilled, well-capacitated DFIs can leverage the available Green Investment Fund (GIF)<sup>4</sup> to finance climate change mitigation and adaptation projects.

## 6

### **Collaboration and partnership are vital to achieving a climate-smart future.**

Collaboration and partnership are needed to raise funds and leverage climate-friendly solutions. Blended finance is also advocated to encourage pulling resources from the private sector, philanthropy, the public sector, and MDBs to meet the climate investment financing needs.

Collaboration and partnership allow for knowledge and information sharing and learning from best practices. Therefore, through regional associations like the AADFI, ADFIAP and FiCS, the DFIs and development partners could leverage the power in working together to commit to implementing urgent actions against climate change. The step taken by the AADFI in setting up a Working Group on Climate Change which will connect its members with the African Financial Alliance on Climate Change (AFAC) and other stakeholders is strategic and commendable. ■

<sup>4</sup> <https://www.carboncollective.co/sustainable-investing/green-investment-fund>.

**AADFI-ADFIAP  
JOINT INTERNATIONAL CEO FORUM**



**ABUJA, NIGERIA**

**8-10 NOVEMBER**

**2023**