



ASSOCIATION OF AFRICAN DEVELOPMENT FINANCE INSTITUTIONS

# 2025 ANNUAL WORKSHOP

"Joining Forces for A More Sustainable  
and Greener Future for African DFIs."

May 25 - 28, 2025  
Sofitel Hôtel Ivoire,  
Abidjan, Cote d'Ivoire

## SUMMARY REPORT

Support



Co-Hosts





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# Executive Summary

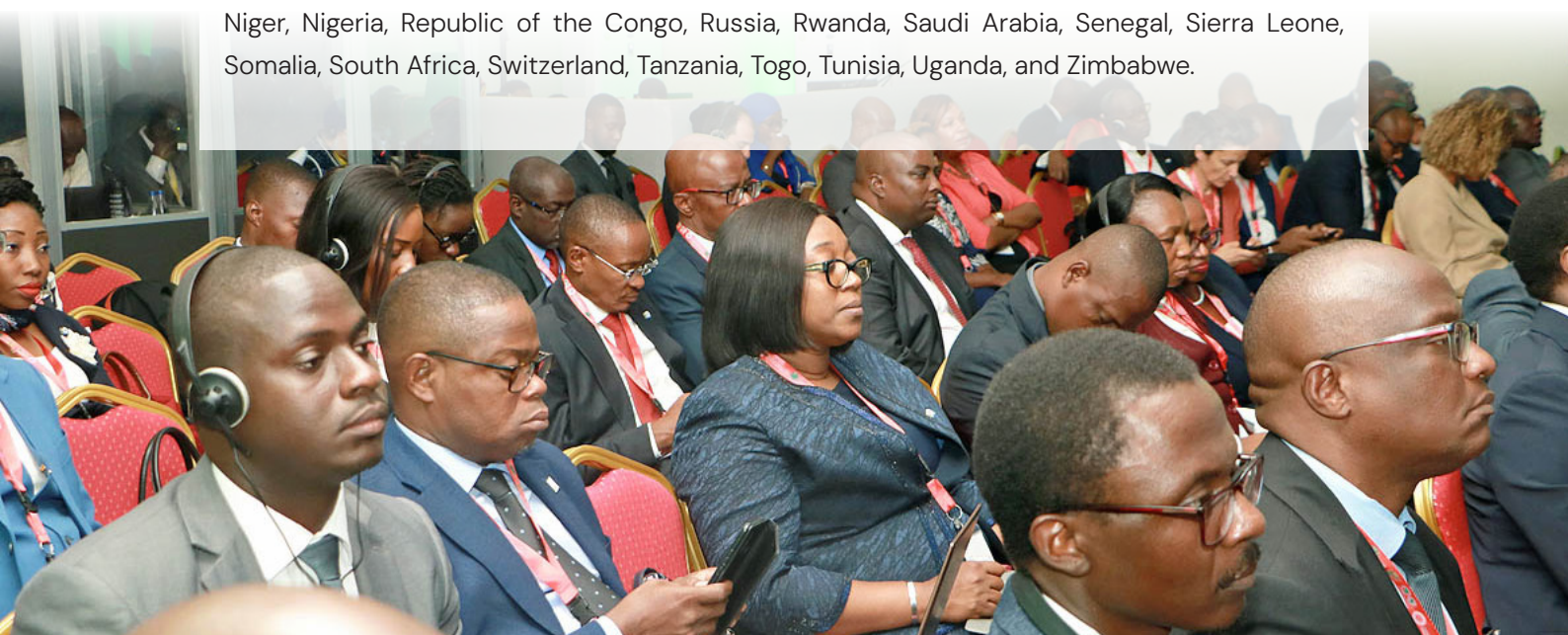
The 2025 Annual Workshop of the Association of African Development Finance Institutions (AADFI) marked the 50th Anniversary of the Association. The event was held on the theme “AADFI @ 50: Joining Forces for a More Sustainable and Greener Future for African DFIs” on May 26, 2025, at the Sofitel Hotel Ivoire, in Abidjan, Côte d’Ivoire. The workshop was hosted by AADFI members in Côte d’Ivoire – Banque Nationale d’Investissement (BNI), Caisse des Dépôts et Consignations de Côte d’Ivoire (CDC-CI), and Société de Garantie des Crédits aux PME (SGPME) – and supported by the African Development Bank (AfDB).

The workshop’s main objectives were to: (1) Celebrate AADFI’s 50th anniversary, reflect on the challenges and achievements of the Association and African DFIs over the past 50 years, draw lessons from the experiences, and discuss the outlook for a greener future; (2) Discuss how African DFIs can scale up investments that support sustainable development in Africa; (3) Explore innovative funding opportunities, the issue of capital allocation, and the cost of capital for African DFIs in funding sustainable projects; (4) Identify new opportunities for collaboration and partnership in promoting the sustainability agenda; and (5) Share information on current initiatives and facilities related to climate change that DFIs could readily embrace.

High level personalities graced the opening ceremony, including Mr. Adama Coulibaly, Minister of Economy and Finance of the Republic of Côte d’Ivoire, represented by Mr. Vassogbo Bamba, General Administrator of Financial Services; Dr. Akinwumi Adesina, President of the African Development Bank (AfDB), represented by Mr. Solomon Quaynor, Vice-President for Private Sector, Infrastructure and Industrialization. Dr. Patricia Ojangole, 1st Vice-Chairperson of AADFI and Managing Director of Uganda Development Bank (UDB) Ltd, and Mr. Youssouf Fadiga, Chief Executive Officer of the Banque Nationale d’Investissement (BNI), Côte d’Ivoire.

More than 250 delegates attended the event, comprising chief executive officers and senior executives of Development Finance Institutions (DFIs), Multilateral Development Banks (MDBs), representatives from DFIs supervisory agencies, partners, key stakeholders, experts, academia, central banks, and representatives from private sector organizations.

Thirty-six (36) countries worldwide were represented at the event, namely Algeria, Angola, Benin, Burundi, Côte d’Ivoire, Democratic Republic of the Congo, Djibouti, Egypt, Eswatini, Ethiopia, France, Germany, Ghana, Kenya, Lesotho, Malawi, Mali, Morocco, Mauritius, Namibia, Niger, Nigeria, Republic of the Congo, Russia, Rwanda, Saudi Arabia, Senegal, Sierra Leone, Somalia, South Africa, Switzerland, Tanzania, Togo, Tunisia, Uganda, and Zimbabwe.



The conclusions and recommendations from the Workshop were as follows:

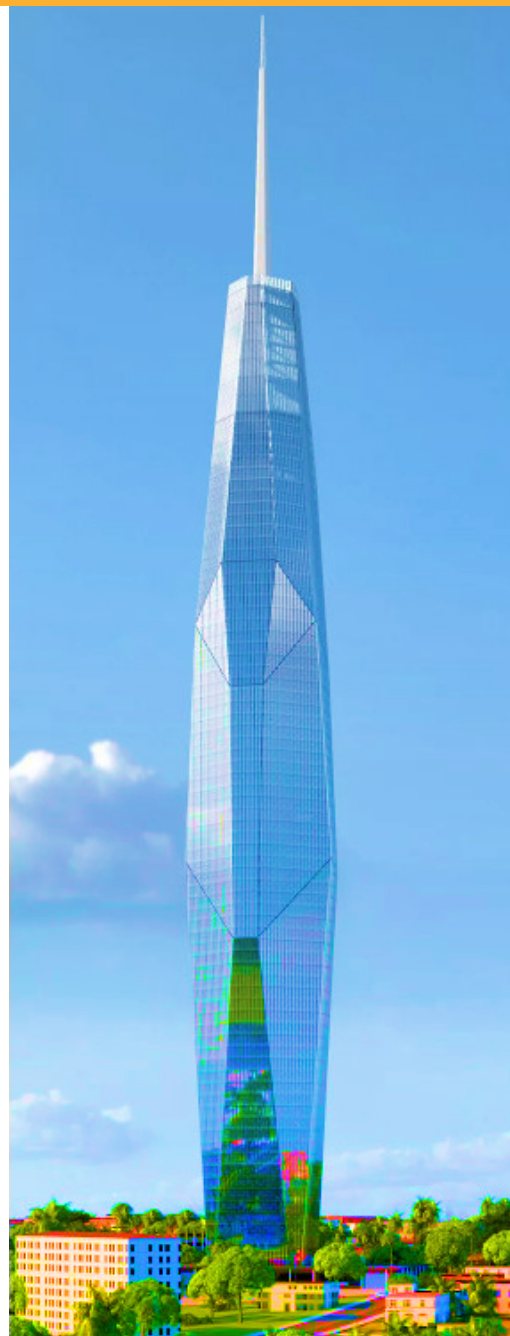
- i. AADFI was commended for its pivotal role in shaping the African DFIs ecosystem as it celebrated its 50th anniversary. AADFI and its member DFIs remain vital to Africa's sustainable development and should strengthen collaboration with stakeholders and partners.
- ii. African DFIs must adapt to a rapidly evolving development finance landscape shaped by climate change, technological shifts, and macroeconomic pressures. They should uphold good governance, enhance transparency and efficiency, and align with global standards
- iii. Limited access to climate finance remains a key obstacle to achieving Africa's climate and development goals. High capital costs are unaffordable for most African DFIs. To overcome this challenge, African DFIs must proactively shape risk perceptions, attract private investment, develop innovative financing tools, and build confidence in local markets
- iv. A unified DFI database and capital allocation framework are essential to scale sustainable investment. Establishing a comprehensive African DFI database and a standardized framework for capital allocation and cost assessment is crucial to mobilizing private capital and scaling sustainable investments
- v. African DFIs should establish dedicated units for project development, climate finance, and impact measurement. They should strengthen internal capacity to improve project preparation, develop bankable pipelines, manage climate-related investments, and meet growing demands for impact reporting.
- vi. Digital innovation and fintech partnerships should be leveraged to expand financial inclusion and efficiency. African DFIs should leverage digital innovation and fintech partnerships to enhance operations by investing in platforms such as mobile banking, digital credit scoring, and blockchain systems to expand financial inclusion and boost efficiency.
- vii. Regional collaboration and knowledge exchange are key to scaling development across Africa. Fostering regional collaboration through initiatives such as the African Continental Free Trade Area (AfCFTA) and the African Green Banks Initiative (AGBI), while promoting knowledge exchange, co-financing, and policy harmonization, is crucial to scaling development across the continent.



Growing evidence shows that Development Finance Institutions (DFIs) in Africa play a key role in achieving the SDGs, addressing the climate change challenge, and supporting the transformation of African economies for inclusive development. DFIs have existed in Africa since the precolonial era. In the 1960s and 1970s, the governments of independent African countries, working with multilateral development banks and bilateral donors, established National Development Finance Institutions (NDFIs) as specialized institutions with specific mandates to fund the priority sectors of the economy, including granting access to finance for African MSME entrepreneurs. In the first two decades of their existence, African NDFIs posted a record of good performance in carrying out their mandates. As time went by, regional and multilateral African DFIs were also set up to support development on the continent.

Over the years, African DFIs have faced challenges and transformed. In the current period, DFIs have continued to be relevant despite their obvious difficulties. National and regional DFIs are shifting their mandates, strategies, funding sources, and operations to better respond to new development challenges and opportunities, including addressing the consequences of climate change.

In the 1970s, as DFIs continued to grow and advance, it was necessary to strengthen cooperation among these institutions and between them and the regional and multilateral development banks. Hence, the Association of African Development Finance Institutions (AADFI) was formed in May 1975. The establishment of the Association met the need for continent-wide coordination and economic solidarity. AADFI exists to promote and strengthen cooperation among DFIs and development partners for sustainable development on the continent. As the AADFI marks 50 years of sustained services to development financing, it provides an opportunity to reflect on the Association's achievements and challenges, and chart a course for the future. Thus, the theme of the AADFI's 50th anniversary, "AADFI @ 50: Joining Forces for a More Sustainable and Greener Future for African DFIs", resonates with DFIs' role in achieving the future development agenda, which focuses on inclusive and sustainable development and addressing climate change.





# Objectives

The objectives of the workshop were to:

**CELEBRATE** AADFI's 50th anniversary, reflect on the challenges and achievements of the Association and African DFIs over the past 50 years, draw lessons from the experiences, and discuss the outlook for a greener future.

**DISCUSS** how African DFIs can scale up investments that support sustainable development on the continent.

**EXPLORE** innovative funding opportunities, the issue of capital allocation, and the cost of capital for African DFIs in funding sustainable projects.

**IDENTIFY** new opportunities for collaboration and partnership in promoting the sustainability agenda and,

**SHARE** information on current initiatives and facilities related to climate change that DFIs could readily embrace.

The event was declared open by Mr. Adama Coulibaly, Minister of Economy and Finance of the Republic of Côte d'Ivoire, represented by Mr. Vassogbo Bamba, General Administrator of Financial Services; while the keynote address was presented by Dr. Akinwumi Adesina, President of the African Development Bank (AfDB), represented by Mr. Solomon Quaynor, Vice-President for Private Sector, Infrastructure and Industrialization. Dr. Patricia Ojangole, 1st Vice-Chairperson of AADFI and Managing Director of Uganda Development Bank (UDB) Ltd, delivered opening remarks, and Mr. Youssouf Fadiga, Chief Executive Officer of the Banque Nationale d'Investissement (BNI), Côte d'Ivoire, presented a welcome address.

More than 250 delegates attended the event, comprising chief executive officers and senior executives of Development Finance Institutions (DFIs), Multilateral Development Banks (MDBs), representatives from DFIs supervisory authorities, key stakeholders, academia, central banks, and representatives from private sector organizations.

Thirty-six (36) countries were represented at the event, namely Algeria, Angola, Benin, Burundi, Côte d'Ivoire, Democratic Republic of the Congo, Djibouti, Egypt, Eswatini, Ethiopia, France, Germany, Ghana, Kenya, Lesotho, Malawi, Mali, Morocco, Mauritius, Namibia, Niger, Nigeria, Republic of the Congo, Russia, Rwanda, Saudi Arabia, Senegal, Sierra Leone, Somalia, South Africa, Switzerland, Tanzania, Togo, Tunisia, Uganda, and Zimbabwe.





# Reflections and Highlights

The programme started with

**Session 1** the Opening Ceremony

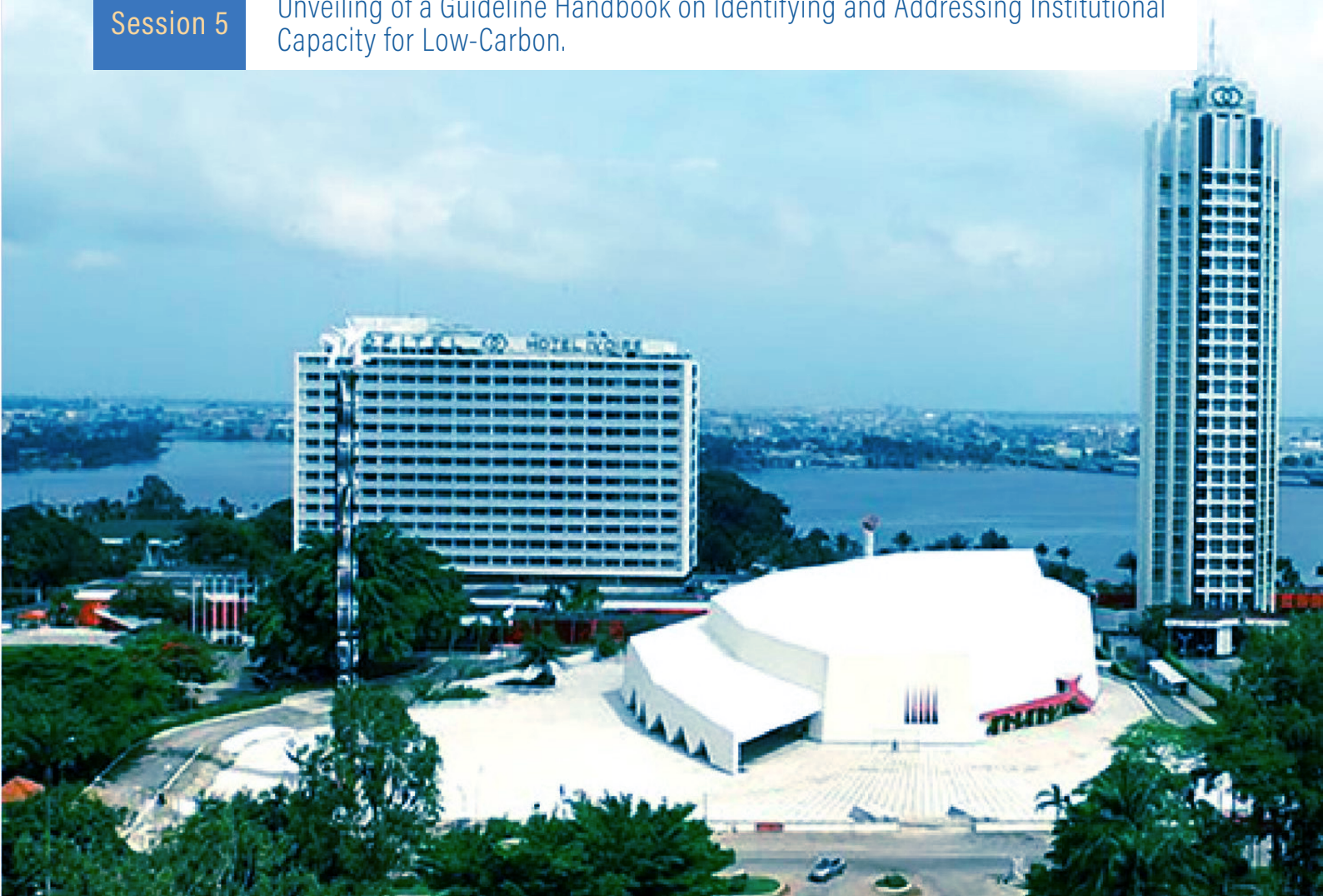
followed by four panel discussion sessions:

**Session 2** 50th Anniversary Study Presentation: AADFI @50 – Reflecting on the Past, the Present, and Perspectives into the Future.

**Session 3** Addressing Capital Allocation and Cost of Capital for DFIs' Contribution in Funding Sustainable Projects

**Session 4** The Role of Green Banks and Development Finance Institutions in Catalyzing Low-Carbon and Private Investments.

**Session 5** Unveiling of a Guideline Handbook on Identifying and Addressing Institutional Capacity for Low-Carbon.







**Mr. Vassogbo Bamba,**  
General Administrator of Financial Services,  
Ministry of Economy and Finance of the  
Republic of Côte d'Ivoire

Mr. Adama Coulibaly, Minister of Economy and Finance of the Republic of Côte d'Ivoire, represented by Mr. Vassogbo Bamba, General Administrator of Financial Services, declared the workshop open and warmly welcomed delegates to Abidjan. He acknowledged the significance of AADFI's 50th anniversary and the continued relevance of DFIs for Africa's development. As the host country of AADFI's headquarters since 1975, Côte d'Ivoire values its longstanding partnership with the Association and commends the active role of the Ivorian national member institutions Banque Nationale d'Investissement (BNI), Caisse des Dépôts et Consignations de Côte d'Ivoire (CDC-CI), and Société de Garantie des Crédits aux PME (SGPME) in advancing development finance. Mr. Coulibaly called on AADFI and its members to deepen collaboration with governments, multilateral institutions, and the private sector to unlock new opportunities and reduce inequalities on the continent.



**Mr. Solomon Quaynor,**  
Vice-President for Private Sector,  
Infrastructure, and Industrialization of the  
African Development Bank (AfDB)

Dr. Akinwumi Adesina, President of the African Development Bank (AfDB), in his keynote address delivered by Mr. Solomon Quaynor, Vice-President for Private Sector, Infrastructure, and Industrialization, congratulated AADFI on its 50th anniversary, recognizing the Association as a cornerstone of Africa's development finance architecture. Dr. Adesina emphasized the critical role of DFIs in bridging financing gaps and supporting high-impact sectors, even when financial returns are limited. Looking ahead, he called for African nations to reduce their reliance on external aid and instead leverage their resources to strengthen regional integration initiatives, such as the African Continental Free Trade Area (AfCFTA). He reaffirmed the AfDB's commitment to working closely with AADFI to build a greener, more resilient, and prosperous Africa.



**Dr. Patricia Ojangole,**  
1st Vice-Chairperson of AADFI & Managing  
Director of Uganda Development Bank Ltd  
(UDB), Uganda

Dr. Patricia Ojangole, 1st Vice-Chairperson of AADFI and Managing Director of Uganda Development Bank (UDB) Ltd., in her opening remarks, acknowledged the enduring partnership of AADFI with the AfDB and the significance of the 50th Anniversary as a reflection of commitment to sustainable development and regional integration in Africa. She highlighted the need for African DFIs to adapt to a rapidly evolving development finance landscape shaped by climate change, technological shifts, and macroeconomic pressures. Dr. Ojangole called for greater transparency, efficiency, and alignment with global standards, reaffirming AADFI's commitment to institutional excellence through initiatives like the Prudential Standards, Guidelines, and Rating System (PSGRS) and the Sustainability Standards and Certification Initiative (SSCI).



**Mr. Yousseuf Fadiga,**  
Chief Executive Officer of the *Banque  
Nationale d'Investissement (BNI)*, Côte  
d'Ivoire

Mr. Yousseuf Fadiga, Chief Executive Officer of the Banque Nationale d'Investissement (BNI) Côte d'Ivoire, in his welcome address, welcomed participants to the 2025 AADFI Annual Workshop, marking the Association's 50th Anniversary of shared progress, transformation, and a collective commitment to innovation in Africa's development finance landscape. He highlighted the importance of collaboration in achieving sustainable development, noting that no institution can thrive in isolation. Mr. Fadiga commended AADFI's role as a platform for dialogue, particularly in addressing emerging challenges such as climate finance. He encouraged delegates to use the occasion to reflect on the future of DFIs, urging them to adopt an ambitious, innovative, and human-centered approach in redefining their roles.









# Session

## Anniversary Study Presentation

*"AADFI @ 50: Reflecting on the Past, the Present and Perspectives into the Future"*

### Moderator:

Dr. Steve Ogidan, mni, *Managing Director of the Global Knowledge Group, and Successory Nigeria Ltd*

### Lead Presenter:

Dr. Micheal Mah'moud, *Financial and Development Economist*

### Discussants:

Mr. Ubadigbo Okonkwo, *Founder/Executive Director, Link Africa Diaspora Initiative (LADI)*

Mr. Mohamadou Ba, *Manager, Financial Inclusion and Intermediation, AfDB*

Dr. Christiane Abou Leahf, *Head of International Corporation, Afreximbank*

Honorable Dr. Sakwa Bunyasi, *Chairman, Kenya Development Corporation (KDC)*

The "AADFI @ 50: Reflecting on the Past, the Present, and Perspectives into the Future" is a study that captures the journey of AADFI and its work over its 50 years of existence. The study highlighted key findings, including the fact that no institution was immune to crisis, and emphasised the need for constant reforms in DFIs. Another key lesson from the study was that strong governance is critical to institutional resilience. Therefore, the usefulness of the AADFI Prudential Standards, Guidelines, and Rating System (PSGRS) in improving governance, sustainability, and development impact in many African national DFIs was acknowledged.

Discussing the study-specific survey and the future expectations, it was noted that while most

DFIs remained government-owned, institutions such as the Development Bank of Southern Africa (DBSA) and the Industrial Development Corporation (IDC) of South Africa exemplified strong governance practices. A growing number of DFIs are transitioning from reliance on budgetary support to accessing capital markets, with the Banque Nationale d'Investissement (BNI) of Côte d'Ivoire standing out for its universal banking model. To enhance access to capital, there was a need for greater integration of DFIs into domestic capital markets, thereby enhancing financial autonomy and operational discipline, as over-reliance on international funding was unsustainable. While it was acknowledged that profitability was necessary for



DFIs' financial sustainability, it was not a sufficient condition for achieving their mandate, as DFIs must also demonstrate measurable development impact.

Maintaining the balance between government expectations and efficiency requires clear boundaries to avoid political interference and a strong internal analytical capacity to anticipate sectoral trends and stakeholder needs, enabling DFIs to design relevant financial instruments and

manage portfolios effectively. Moving into the future, African DFIs must adapt to global shifts, sustain strong governance, cooperation, and partnership, and the AADFI must continue to lead sector-wide transformation. Also, there was a call for the urgency of accelerating the implementation of the African Continental Free Trade Area (AfCFTA) and adopting innovative financing mechanisms to empower DFIs in advancing inclusive, low-carbon growth across the continent.

“ In enhancing financial inclusion and development in Africa, the case of the AfDB has shown a long-standing partnership with African DFIs, indicating that over \$3.6 billion in support has been provided since 1969 through concessional and commercial financing, technical assistance, and institutional development. The Bank committed to strengthening DFIs' capacity to finance strategic sectors and deliver on their development mandates. As DFIs increasingly shift toward thematic and sector-focused financing, it is important to improve governance, performance measurement, and impact assessment to ensure effectiveness and accountability. DFIs should leverage blended finance to fulfill their dual public and commercial roles, particularly when financing high-risk, high-impact sectors. Focusing on local currency lending is essential in mitigating foreign exchange risk while recognising the high cost of raising local currency in many African markets. Collaborative efforts are also needed to deepen local capital markets, enabling DFIs to access affordable local currency financing and enhance their operational sustainability. ”

**Mr. Mohamadou BA**, Manager, Financial Inclusion and Intermediation

“ The African Export-Import Bank (Afreximbank), Egypt, has a strong commitment to supporting national DFIs as key partners in advancing Africa's trade and development agenda. The Bank's strategic framework was built around four pillars: intra-African trade and the implementation of the African Continental Free Trade Area (AfCFTA), industrialization and export development, leadership in global trade banking, and financial sustainability. Through initiatives such as trade fairs, industrial parks, the Pan-African Payment and Settlement System (PAPSS), and the MANSA platform, Afreximbank aims to strengthen Africa's trade ecosystem and empower DFIs beyond transactional support, offering capacity building and institutional development. The initiatives, such as the Fund for Export Development in Africa (FEDA) and structured trade finance training, are examples of Afreximbank's broader engagement with DFIs. Afreximbank is committed to working alongside DFIs to unlock their full potential and accelerate Africa's trade-led, sustainable development. ”

**Dr. Christiane Abou Lehaf**, Senior Manager, International Cooperation, Research & International Cooperation Department



# Session

## Panel Discussion

"Addressing Capital Allocation and Cost of Capital for DFIs' Contribution in Funding Sustainable projects"

– anchored by the AADFI Economist Forum (AADFI-EF)

### Moderator:

Ms. Marina Bizabani, General Manager –Lesotho National Development Corporation (LNDC)

### Lead Presenter:

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

### Panelists:

Prof. Joseph Nnanna, Chief Economist, Development Bank of Nigeria (DBN)

Dr. Rita Babihuga-Nsanzem, Chief Economist, Africa Finance Corporation (AFC)

Mr. Abdelouahab Boushaba, 2nd Vice Chairman, AADFI & Deputy Chief Executive Officer of Tamwil El Fellah/Groupe Crédit Agricole du Maroc

The structural inefficiencies within Africa's development finance system showed replication of historical imbalances. Therefore, the "elasticity spaces" within the interlocking balance sheets of financial sectors are areas where capital can be reallocated to stimulate growth. This opportunity can be identified through a "flow of funds" approach

that maps financial transactions across sectors, enabling DFIs to better understand their financial interactions and optimize capital allocation. For example, in South Africa, the DFI ecosystem has expanded significantly over the past four decades, although the instruments and counterparties have remained essentially unchanged. Thus, segmenting



balance sheets by function – operational, crisis-response, and strategic investment – can improve capital management. The cost of capital has been largely influenced by access to concessional finance, regulatory regimes, ownership structures, and the use of guarantees and credit ratings. As a way forward, the creation of a comprehensive African DFI database and a standardized framework for capital allocation and cost assessment are essential for mobilizing private capital, scaling sustainable investments, and enhancing system-wide coherence among DFIs.

Furthermore, there is a need to reassess Africa's capital requirements in the light of declining external financing and deteriorating sovereign credit ratings.

According to the Africa Finance Corporation (AFC)'s State of Africa's Infrastructure report, up to \$105 billion annually is required for rail infrastructure alone; therefore, strategic capital allocation would help maximize development impact. DFIs must be proactive and capable of shaping risk perceptions, crowding in private capital, and building confidence in local markets. Local currency financing and macroeconomic reforms will help enhance domestic capital markets. Furthermore, blended finance, credit guarantee instruments, and greater collaboration and knowledge-sharing among DFIs to replicate successful models would strengthen resource mobilization and encourage lending to high-risk, high-impact sectors.

“Morocco leverages a public-private partnership model that uses a prudential stabilization fund to share agricultural lending risks with the government, covering up to 60% of potential losses. This approach has expanded credit access in a high-risk sector and serves as a replicable model for other DFIs.”

**Mr. Abdelouahab Boushaba**, 2nd Vice Chairman, AADFI & Deputy Chief Executive Officer of Tamwil El Fellah/Groupe Crédit Agricole du Maroc







“AFC estimates \$4.5 trillion in underutilized long-term capital across Africa, including \$1.1 trillion in institutional capital. DFIs and policymakers should develop mechanisms such as guarantees and first-loss structures to redirect this capital toward development. Africa is not capital-poor, but it must urgently mobilize and strategically deploy its existing resources to drive sustainable, inclusive growth.”

**Dr. Rita Babihuga-Nsanzem**, Chief Economist, Africa Finance Corporation (AFC)







## Session IV

## Panel Discussion

*"The Role of Green Banks and Development Finance Institutions in Catalysing Low-Carbon and Private Investments"*

– anchored by the AADFI Working Group on Climate Change (WGCC)

### **Moderator:**

Mr. Olympus Manthata, *Head of Climate & Environmental Finance, DBSA*

### **Panelists:**

Ms. Audrey-Cynthia Yamadjako, *Climate & Environment Trust Funds Management, African Development Bank (AfDB)*

Mr. Harold Mogale, *Climate Finance Specialist, Development Bank of Southern Africa (DBSA)*

Ms. Patricia Richter, *Senior Technical Officer, International Labour Organisation (ILO)*

Ms. Sidonie Kouam, *Regional Green Investment Services Lead for Africa, Global Green Growth Institute (GGGI)*

Ms. Priscilla Jezi, *Head of Funding and Acting Treasurer, Agricultural and Land Development Bank of South Africa (Land Bank)*

Green Bank, as a financing model, focuses on financing clean energy projects and accelerating the transition to a low-carbon economy, prioritizing environmental impact and climate action over pure profit maximization. Green banking has the potential to accelerate low-carbon investments and mobilize private capital to support countries' climate goals and the implementation of Nationally Determined

Contributions (NDCs), as well as build resilient, climate-aligned financial ecosystems. However, limited access to climate finance remains a major barrier to achieving Africa's climate and development goals, with an estimated \$2.8 trillion needed by 2030. DFIs play a critical role in translating climate action into investible projects.

“AfDB is committed to allocating over 40% of its funding to climate finance. The African Green Bank Initiative, launched in 2022 by the Bank, supports existing financial institutions in becoming national climate finance hubs through technical assistance, blended finance, and knowledge sharing.”

**Ms. Audrey-Cynthia Yamadjako**, Climate & Environment Trust Funds Management,  
African Development Bank (AfDB)

DFIs must adopt innovative instruments, promote financial inclusion, offer insurance, and invest in sustainable development as key tools for facilitating a just transition to a low-carbon, climate-resilient society. To achieve the mission of the Green Bank, DFIs must strengthen their capacity to be more efficient and impactful. Some of the key challenges in advancing green finance among DFIs are unclear market demand, limited internal capacity to manage climate-related investments, and increasing demands for impact reporting.

DFIs should align climate finance initiatives with their strategic goals, leverage existing governance frameworks, and pursue partnerships with private sector actors. Exploring grant opportunities, such as those offered by Convergence and other climate support entities, to support the design of climate finance facilities, particularly for DFIs without direct access to concessional funding, was recommended. There was a need for tailored financial solutions to address the agricultural sector's vulnerability to climate change, particularly in support of climate-resilient crops, sustainable irrigation, and early warning systems.

“Training on environmental and social management systems, the Just Transition Finance Tool, and the Just Transition Finance Lab are among the initiatives of the ILO aimed at addressing the challenges facing DFIs in green finance. DFIs must act as enablers within their financial ecosystems, partnering with commercial banks and insurers to scale climate finance without duplicating institutional efforts.”

**Ms. Patricia Richter**,  
Senior Technical Officer, International Labour Organisation (ILO)

Other entities that provide support for DFIs in promoting green finance include the Global Green Growth Institute (GGGI), which provides technical assistance and strategic support for climate finance

initiatives. Key support mechanisms offered by GGGI include the Green Transition Mechanism, the Agricultural Adaptation Facility, and the Green Trust Funds.



“DFIs should demonstrate ownership and commitment to the green finance agenda, as meaningful results require active engagement and long-term dedication.”

**Ms. Sidonie Kouam,** Regional Green Investment Services Lead for Africa, Global Green Growth Institute (GGGI)

“DBSA developed a Climate Finance Facility (CFF), a pioneering blended finance model co-funded by the Green Climate Fund (GCF) and DBSA, each contributing \$55 million. The facility supports low-emission, climate-resilient infrastructure projects across Southern Africa, aiming to catalyze private sector investment through long-term debt, first-loss guarantees, and risk-sharing instruments. By offering financing terms that reduce risk and improve project bankability, the CFF plays a critical role in mobilizing capital for green infrastructure. Key success factors of the scheme include local currency lending to mitigate exchange rate risk, technical assistance for SMEs, and early engagement with financial institutions to tailor risk-sharing structures.”

**Mr. Harold Mogale,** Climate Finance Specialist, Development Bank of Southern Africa (DBSA)

### Session Chair:

Mr. Olympus Manthata, *Head of Climate & Environmental Finance, DBSA*

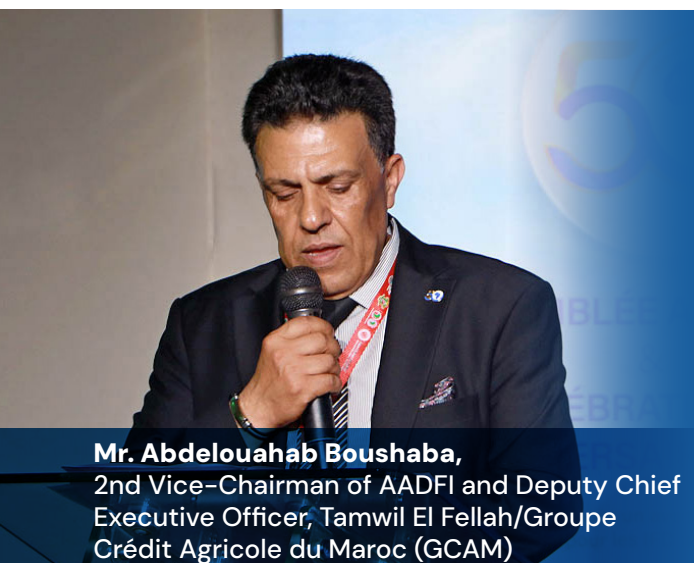
### Speaker:

Dr. Ric Amansure, *Senior Researcher, Centre for Sustainability Transition, Stellenbosch University*

The Guideline Handbook on Identifying and Addressing Institutional Capacity on Low-Carbon Development and Transformation was unveiled. The handbook was the result of a collaborative study by the Centre for Sustainability Transitions (CST) at Stellenbosch University and AADFI. It was developed to enhance the institutional capacity of African DFIs for low-carbon development. The four key functions of the handbook are to: (1) analyze the climate finance landscape, (2) identify barriers and opportunities for blended finance, (3) showcase practical DFI experiences, and (4) offer a comprehensive directory of capacity-building tools. A standout feature is the

institutional readiness scorecard, which evaluates DFIs across five critical pillars: governance, financial readiness, technical capacity, project preparation, and integration of ESG and climate risk.

The second phase of the initiative will support DFIs in strengthening capacity, accessing early-stage finance, and co-developing bankable project pipelines, ultimately contributing to a second volume focused on project preparation. This next phase also aims to standardize practices among funders and promote peer learning through a proposed DFI support hub.



Mr. Abdelouahab Boushaba, 2nd Vice-Chairman of AADFI and Deputy Chief Executive Officer, Tamwil El Fellah/ Groupe Crédit Agricole du Maroc (GCAM), closed the session and expressed heartfelt appreciation to all participants for their active engagement and the high quality of the discussions, encouraging members to carry forward the insights and partnerships forged during the week to advance Africa's sustainable development agenda.



The following forward-looking recommendations were reached:

**1 AADFI was commended for its pivotal role in shaping the African DFIs ecosystem as it celebrated its 50th anniversary.** AADFI and its member DFIs remain vital to Africa’s sustainable development and should strengthen collaboration with stakeholders and partners, including governments, multilateral institutions, and the private sector to unlock new opportunities to advance SDGs and Climate Change agenda. AADFI must sustain lead of sector-wide transformation.

.....

**2 African DFIs must adapt to a rapidly evolving development finance landscape shaped by climate change, technological shifts, and macroeconomic pressures.** They should uphold good governance, enhance transparency and efficiency, and align with global standards. AADFI reaffirms its commitment to institutional excellence through initiatives like the Prudential Standards, Guidelines, and Rating System (PSGRS) and the Sustainability Standards and Certification Initiative (SSCI). As DFIs increasingly shift toward sector-focused financing, it is important to improve governance, performance measurement, and impact assessment to ensure effectiveness and accountability.

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**3 Limited access to climate finance remains a key obstacle to achieving Africa’s climate and development goals.** High capital costs are unaffordable for most African DFIs due to risk perception, declining external financing, deteriorating sovereign credit ratings, among others. To overcome this challenge, DFIs must proactively shape risk perceptions, attract private investment, develop innovative financing tools, and build confidence in local markets. Local currency financing and macroeconomic reforms will help enhance domestic capital markets.

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**4 A unified DFI database and capital allocation framework are essential to scale sustainable investment.** Establishing a comprehensive African DFI database and a standardized framework for capital allocation and cost assessment is crucial to mobilizing private capital and scaling sustainable investments.

.....

**5 African DFIs should establish dedicated units for project development, climate finance, and impact measurement.** African DFIs should strengthen internal capacity to improve project preparation, develop bankable pipelines, manage climate-related investments, and meet growing demands for impact reporting. DFIs should also provide technical assistance to their intermediaries and beneficiaries.

.....

**6 Digital innovation and fintech partnerships should be leveraged to expand financial inclusion and efficiency.** African DFIs should leverage digital innovation and fintech partnerships to enhance operations by investing in platforms such as mobile banking, digital credit scoring, and blockchain systems to expand financial inclusion and boost efficiency. These technologies help reach underserved populations, lower costs, improve transparency, and support real-time data collection for monitoring and evaluation.

.....

**7 Regional collaboration and knowledge exchange are key to scaling development across Africa.** InveFostering regional collaboration through initiatives such as the African Continental Free Trade Area (AfCFTA) and the African Green Banks Initiative (AGBI), while promoting knowledge exchange, co-financing, and policy harmonization, is crucial to scaling development across the continent







## CO-HOSTS



## SPONSORS





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