


Progress Report on the Implementation of

SPECIAL PROGRAMME FOR THE DEVELOPMENT OF AFRICA

Dr. Mamoud Kamara
Country Programs Department
Islamic Development Bank

Format of Presentation

- **Part I: Review of SPDA**
- **Part II: Status of Implementation as at November 14, 2012**
- **Part III: Synergy with other programs**
- **Part IV: What is next for sub-Saharan Africa?**
- **Part V: Conclusion**

Part I: Review of SPDA

Review of SPDA

- Introduction
- Objectives
- Overview of SPDA Financing

Introduction

- SPDA was adopted by the Board of Executive Directors (BED) of the Bank during its 250th Meeting held in Tehran, Iran in Safar 1429H (February 2008G).
  - Following the directives of the OIC Extraordinary Summit held in Makkah in 2005
  - Demonstration of the Bank's commitment to the African member countries.
- Its aim continues to be to **support and complement the deepening of development efforts in African member countries for sustained growth and through that poverty reduction and attainment of the Millennium Development Goals.**
- It builds on the achievements of the Ouagadougou Declaration.

SPDA Objectives

Remains to:

- Increase IDB Group intervention and attract funding from other partners to ensure faster economic growth and reduce poverty in SPDA countries;
- Support the countries to attain the Millennium Development Goals (MDGs);
- Encourage regional integration among SPDA countries.

SPDA Objectives

Member Countries of SPDA:

Benin, Burkina Faso, Cameroon, Chad, Cote d'Ivoire, Djibouti, Gabon, The Gambia, Guinea, Guinea Bissau, Mali, Mauritania, Mozambique, Niger, Nigeria, Senegal, Sierra Leone, Somalia, Sudan, Togo and Uganda

Overview of SPDA financing

- SPDA is a **US$ 12 Billion** Programme
- IDB Group Planned allocation of **US$ 4 billion** and Actual allocation is distributed annually as follows: ***(US$ billion)***

2008	2009	2010	2011	2012
0.6	0.68	0.79	0.9	1.03
0.95	0.72	1.10	1.10	1.14

- Mobilization of **US$ 8 billion** from other development partners.
- Efforts continue to increase the share of concessional resources

Overview of SPDA financing

- Yet, concessional resources from the IDB **are limited so the following modes are common:**
  - **Co-financing** in particular with the Coordination Group of Arab donors, KFAED, BADEA, SFD, OPEC Fund
  - **Blending -** combination of concessional financing and non-concessional;

Part II:
Status of Implementation as at November 14, 2012

SPDA - Status of Implementation as at November 14, 2012

- 5 years of implementation: Disbursements and Approvals
- Approvals by Financing Mode and by Sector

5 Years of Implementation

- Total IDB Group Approvals (to date):

  US$ 5.01 billion

  - Project Financing Operations: US$ 3.7 billion
  - Trade Financing: US$ 1.1 billion, ITFC: US$1.04 b
  - Waqf Financing: US$ 5.3 million

Total IDB Group Disbursements:

US$ 2.02 billion

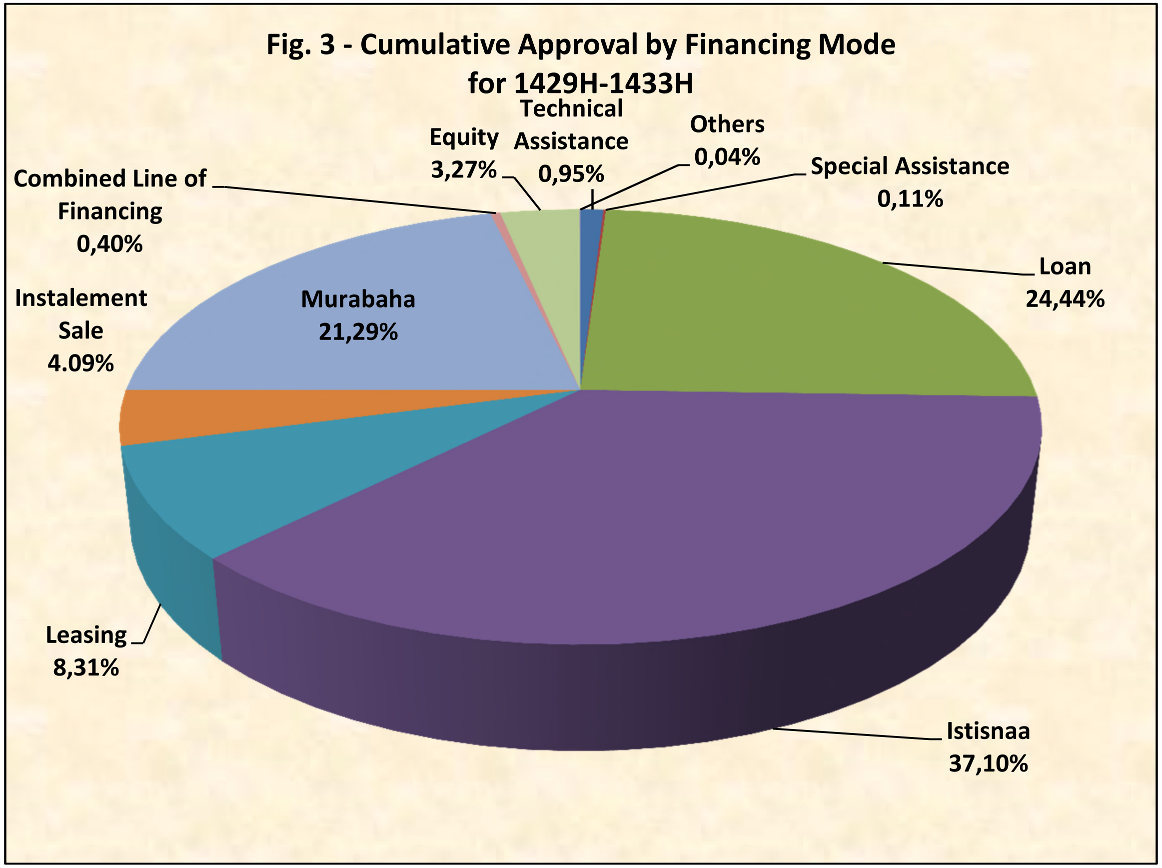
- Disbursement Rate:

  40.0%

  (within MDB norms)

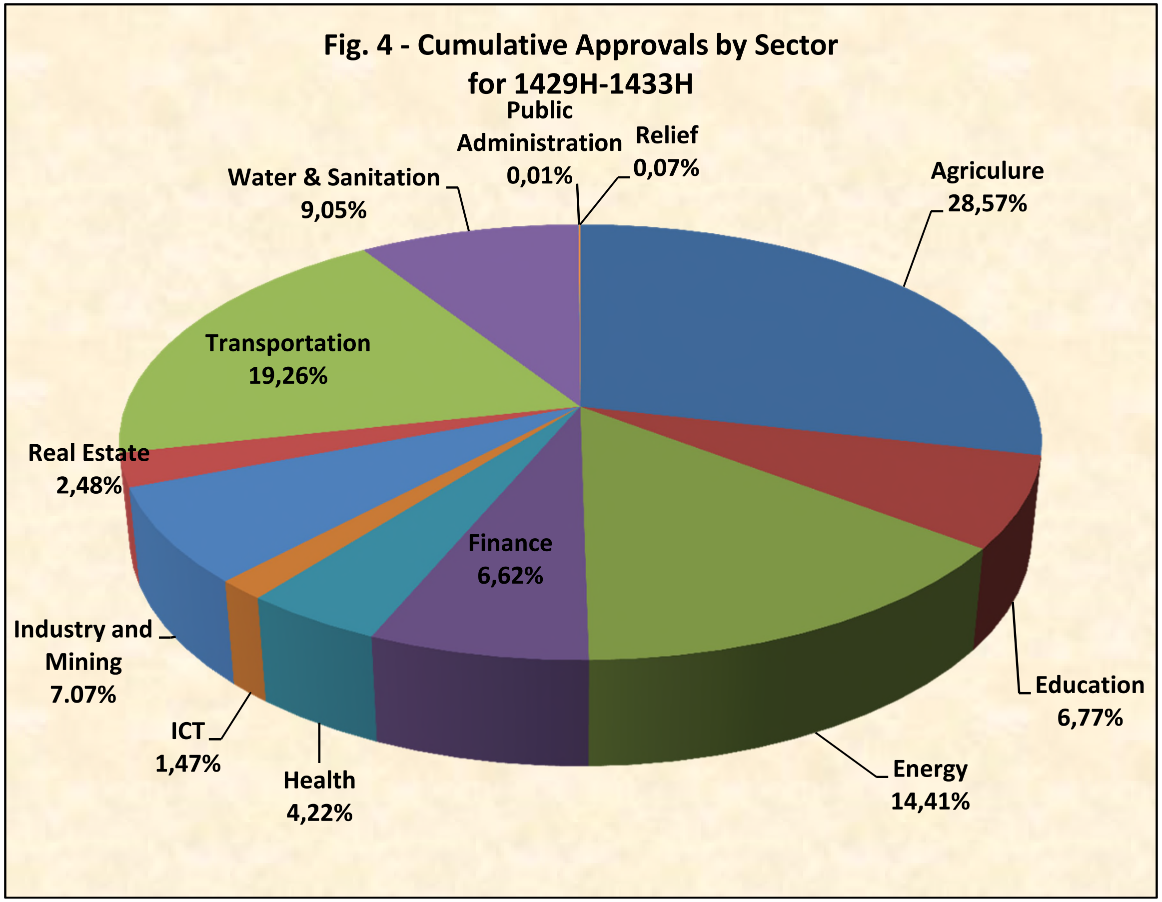
- Normal project life cycle: **5 years**

Approvals by Financing Mode



- **Most Preferred Modes:** *Istisnaa*, *Loans* and *Murabaha*
  - Together they form **83%** of all approvals
- *Leasing* follows with 8%
- *Installment Sale constitutes 4%*
- *Technical Assistance* represents 1%

Approvals by Sectors



- **Most Preferred Sectors:** *Transport* and *Agriculture*
  - Together they form 48% of all approvals
- *Energy* follows with 14%
- Water represents 9%
- *Education and Industry/Mining* represents 7% each

Part III: Synergy with Other Programs

Synergy with Other Programs

Alongside the SPDA, the IDB is implementing other initiatives that also benefit Africa:

- **The Bilingual Education program**
- **VOLIP**
- **The Malaria Control Program**
- **Capacity building program in OIC member countries in partnership with Malaysia**
- **The Jeddah Declaration**

Synergy with other programs

- ***Bilingual Education Program (BEP)***
  - **In implementing this program, the Bank has partnered with civil society organizations in order to expand the bilingual education from French/Arabic; to English/Arabic and Portuguese/Arabic.**
  - **The Bank has committed US$300 million to support the Bilingual Education Program and has so far benefited children in Chad, The Gambia, Mali, Niger, Nigeria and Senegal.**

- ***Alliance to Fight Avoidable Blindness***
  - **Over the course of implementation of the program, about 50,000 persons have recovered sight through cataract surgery**
  - **250,000 persons have benefitted from eye consultations**
  - **6 new ophthalmologists are now available**
  - **Training of 50 ophthalmologists and technicians was undertaken**

Synergy with other programs

- ***Roll-Back Malaria Program***
  - **Approvals for the program were US$ 48.57 million, 97 % allocation**
  - **About 2.75 million treated bed nets have been distributed to high risk population segments in Senegal and Mali**
  - **600,000 rapid *Diagnostic Testing Kits* for Malaria were procured and distributed to health facilities, and 750 health personnel were trained on Malaria Prevention and Case Management.**
- ***Islamic Financial Services***
  - **On going operations include capacity building in developing the regulatory framework in Mauritania & Takaful insurance in Djibouti.**
  - **Eleven Awqaf projects worth US$23.4 million were approved in the last two years for the construction of real estate projects on Waqf land. The countries covered by these projects included Libya, Mauritania, Uganda and South Africa.**
- ***Capacity Building Program for OIC Countries***
  - **Three programs have been approved, two for Sierra Leone and one for Mauritania (co-sponsored with Malaysia).**

Synergy with other programs

- ***Jeddah Declaration of Food Security***
  - At the end of SPDA 1, out of a total of US$ 1.3 billion approved by the IDB Group, **SSA member countries** have benefitted an approved amount of **US$ 728** million representing 56% of total approvals.
  - **US$ 598 million** in the form of medium to long term projects
  - **US$17.9 million** in the form of grants benefitting **18 SSA mc**
  - **US$ 108 million for trade activities in two countries and**
  - **US$ US$ 4 million for Private Sector project in The Gambia**

- ***NGO Projects on Obstetric Fistula in Nigeria and The Gambia***

  - In 2012 the Bank increased its efforts to provide support to women suffering from the devastating childbirth injury obstetric fistula in The Gambia and Nigeria.

Part IV: What is next for sub-Saharan Africa?

What is next for sub-Saharan Africa?

SPDA I came to an end on November 14th 2012

Africa is at an economic- takeoff threshold that IDB contributed to and now needs to support its consolidation.

The next Intervention program is an opportunity to contribute towards the achievement of Vision 1440H

What is next for sub-Saharan Africa?

- The Bank is currently assessing SPDA to inform its intervention program for Africa.

Today, many Development Practitioners agree that:

- Africa is on the threshold of an economic development take-off unparalleled in its history.
- Several underlying factors attest to this.

What is next for sub-Saharan Africa?

– About a dozen African countries have a higher per capita GNI than China.

– Overall, poverty in Africa is declining and at a much faster rate than in the last decade.

– **In 2012**, SSA countries are on **track** to get over the **global financial crisis** relatively quickly with strong forecasts for 2013 and 2014.

– With respect to private capital, there is the increasing attraction of SSA countries **as credible destinations**.

What is next for sub-Saharan Africa?

Development lens of SSA:

Growth Consolidation and Inclusiveness

❖ Attaining this may require broad-based foundations:

❑ Increasing Production and Productivity

❑ Facilitating Regional Integration

❑ Fostering Dynamic Competitiveness

Part V: Conclusion

Conclusion

- Overall Implementation of the SPDA is satisfactory;
- IDBG will continue to support the relaxation of binding constraints to economic growth in the Member Countries.
- Our partnership has been mutually beneficial. A snapshot on a number of on-going and completed projects is provided in the report.

Conclusion

Take Away Issues:

– Dwindling concessional resources
– Optimal use of ordinary resources
– Power of leveraging
– Domestic non-traditional sources of development financing may be lurking somewhere
– Forward looking – Graduation out of LDMC status


معاً نبني مستقبلاً أفضل
TOGETHER WE BUILD A BETTER FUTURE
ENSEMBLE NOUS CONSTRUISONS UN AVENIR MEILLEUR
Thank You for your kind attention
ISLAMIC DEVELOPMENT BANK • BANQUE ISLAMIQUE DE DEVELOPPEMENT
The Islamic Development Bank Group
Providing resources • Fighting poverty • Restoring dignity
http://www.isdb.org