



Workshop
EIB and the OACPS Regional Development Banks:
Deepening our strategic partnership

H. E. Mr. Georges Rebelo Pinto CHIKOTI
Secretary-General of the
Organisation of the African, Caribbean and Pacific States

Thursday 20 January 2022
14:00 hrs

H.E. Mr. Samuel O. OUTLULE, Ambassador of the Republic of Botswana,
Chairperson of the OACPS Subcommittee on Investment and Private Sector,

Mr. Koen DOENS, Director-General, Directorate-General for International
Partnerships, European Commission,

Mr. Ambroise FAYOLLE, Vice-President, European Investment Bank,

Distinguished OACPS Ambassadors,

Ladies and Gentlemen,

The OACPS values its longstanding and productive collaboration with the European Union and European Investment Bank, and I believe that we should increase our joint efforts to further contribute to poverty reduction, attaining the effective integration of all Members of the OACPS into the world trading system, and promoting sustainable, inclusive economic development.

Today's workshop is a step in the right direction by facilitating a constructive dialogue between economic and financial operators and regulators from the European Union and the OACPS.

Ladies and Gentlemen,

The subjects that we will be discussing today are the following:

1. Economic recovery and job creation;
2. Climate mitigation and adaptation; and
3. Financing Global Gateways.

3.

These subjects are of the outmost importance in the quest by our countries to attain sustainable, inclusive development. More so, at a time in which our Members are confronted with an uphill battle to harness the necessary resources to fund their economic recovery in the midst of the COVID-19 pandemic, while simultaneously having to tackle underlying development challenges and the increasingly harmful impact of climate change.

COVID-19 has considerably hindered private investment in Africa, the Caribbean and the Pacific, putting sustainable and inclusive growth at risk.

The International Monetary Fund and the World Bank have estimated that an additional minimum yearly investment of 1 trillion US Dollars would be needed to revert the effects of the pandemic.

This figure does not include the 2.5 trillion US Dollar annual gap to finance the achievement of the Sustainable Development Goals, which predates the crisis.

In addition to tackling the effects of the Pandemic, Members and Regions of the OACPS urgently need to address the climate transition, and embrace the digital revolution, for which the International Monetary Fund (IMF) estimates that an additional 30 to 50 billion US Dollars of investments would be needed for sub-Saharan Africa alone.

The equity and quasi-equity capital sector, such as venture capital funds, provide a more profitable, but riskier path to support the development of smart and innovative Micro, Small and Medium Sized Enterprises. However, such instruments are still being under-utilised by the OACPS compared to other regions. Such systems are bound to play a leading role in funding public-private partnerships, especially in infrastructure, renewable energy and the digital economy.

In these uncertain and volatile times, we have seen and experienced considerable restraint by private investors. Therefore, I would like to call on Development Finance Institutions, and the EIB in particular, to increase contributions to OACPS MSMEs, both through direct investments and blending instruments. Therefore, DFIs are bound to play a leading role in ensuring that finance continues to flow to high-potential firms during the recovery.

In this framework, the OACPS would like to sincerely thank the European Commission, Team Europe, the EIB and the European Bank for Reconstruction and Development for the way they have stepped up to particularly support African States to respond to the COVID-19 health emergency and economic crises. We hope that this level of support can be extended to all regions of the OACPS in the near future.

Ladies and Gentlemen,

It is worth reminding the Workshop of the important partnerships covering all regions of the OACPS, which were created by the Joint ACP-EU Framework for Private Sector Development, especially via its fourth pillar, “Investment and loans for the private sector, including blending”. These partnerships, just to name a few, are with:

1. The African Development Bank;
2. The European Development Finance Institutions;
3. The French, German, Swedish, British, Dutch and Belgian Development Agencies;
4. The International Fund for Agricultural Development;
5. The United Nations Capital Development Fund;
6. The InterAmerican Development Bank; and
7. The Tony Elumelu Foundation.

Ladies and Gentlemen,

The OACPS would like to avail itself of this occasion to express our appreciation to the EIB for its ongoing decentralisation, which has seen the opening of various offices in Members of the OACPS. I encourage the EIB to continue this process of strengthening and increasing its cooperation with our national and regional development banks through the EIB regional offices.

Going forward, we hope for a continued and strong engagement by the EIB in favour of the sustainable development of Members of the OACPS in the framework of the new OACPS-EU Partnership Agreement.

Ladies and Gentlemen,

The OACPS is committed to continue to play a leading role in addressing the global challenges of our time by strengthening the economic and financial networks within our Organisation, and with other important development partners, such as the European Union and the EIB. Our objective is to transform our economies, and making them more sustainable and resilient to external shocks.

Our joint efforts will ensure the personal development and wellbeing of those targeted, while at the same time guaranteeing a more prosperous, equal and fair society.

Thank you for your attention.