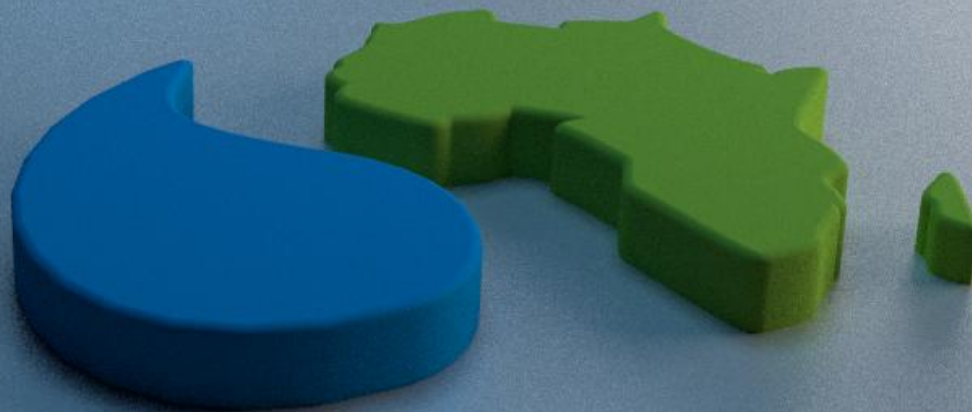




African Water Facility
Facilité africaine de l'eau

Mobilising Resources for Water in Africa
Mobiliser des ressources pour l'eau en Afrique

AWF 2017 – 2025 STRATEGY



By Jean Michel OSSETE, Ag Coordinator

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www.africanwaterfacility.org

AWF - One of the responses to Africa's water challenges

Creation

An Initiative of African Ministers' Council on Water (AMCOW).

- Created in 2004 by AfDB
- Operational since 2006



Administration

- Hosted and administered by the African Development Bank (AfDB).

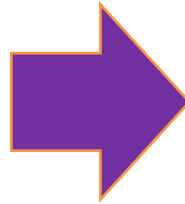


Mission

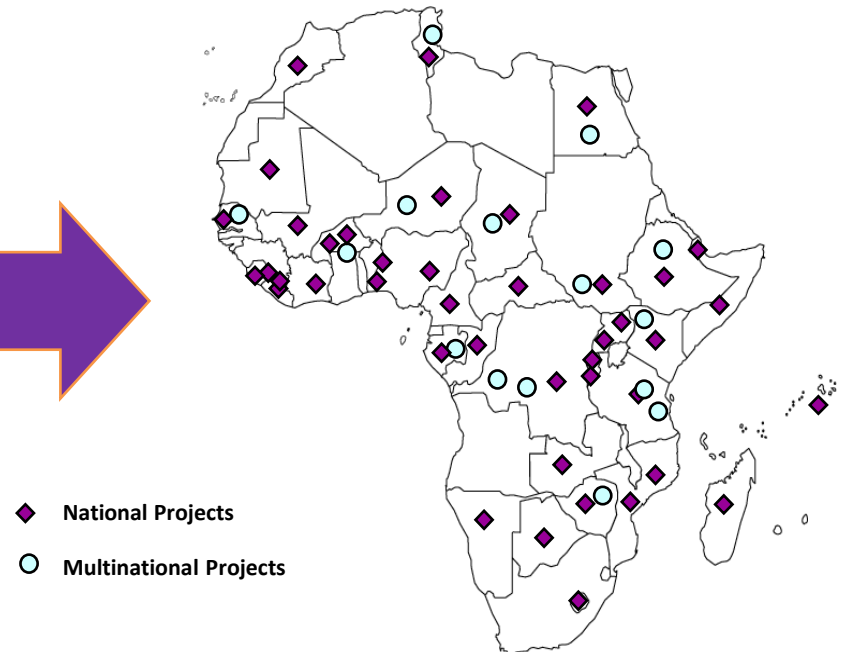
- To assist African countries to mobilise and apply resources to the Water and Sanitation sector for the implementation of the Africa Water Vision (2025) and meet the SDGs (2030).

AWF Main results 2016-2018

117 projects approved
52 beneficiary countries
€155 million committed



AWF Active Portfolio



AWF Leverage Effect as at 31st December 2017

On average,
each **€1**
contributed by
the AWF has
attracted **€32** in
additional
follow-up
investments



€ 44 m
AWF Invested
in Bankable
projects



**€ 1,4
billion**

Committed for
follow-on
investments



€ 2,1 billion
P l e d g e d



**The amounts pledged and committed will increase
after the ongoing survey on the follow-on investments leveraged**

AWF Strategy 2017-2025

Vision

A water secure Africa where the continent's water resources are developed and managed equitably and sustainably for poverty alleviation, socio-economic development, regional cooperation, environment protection and climate change resilience

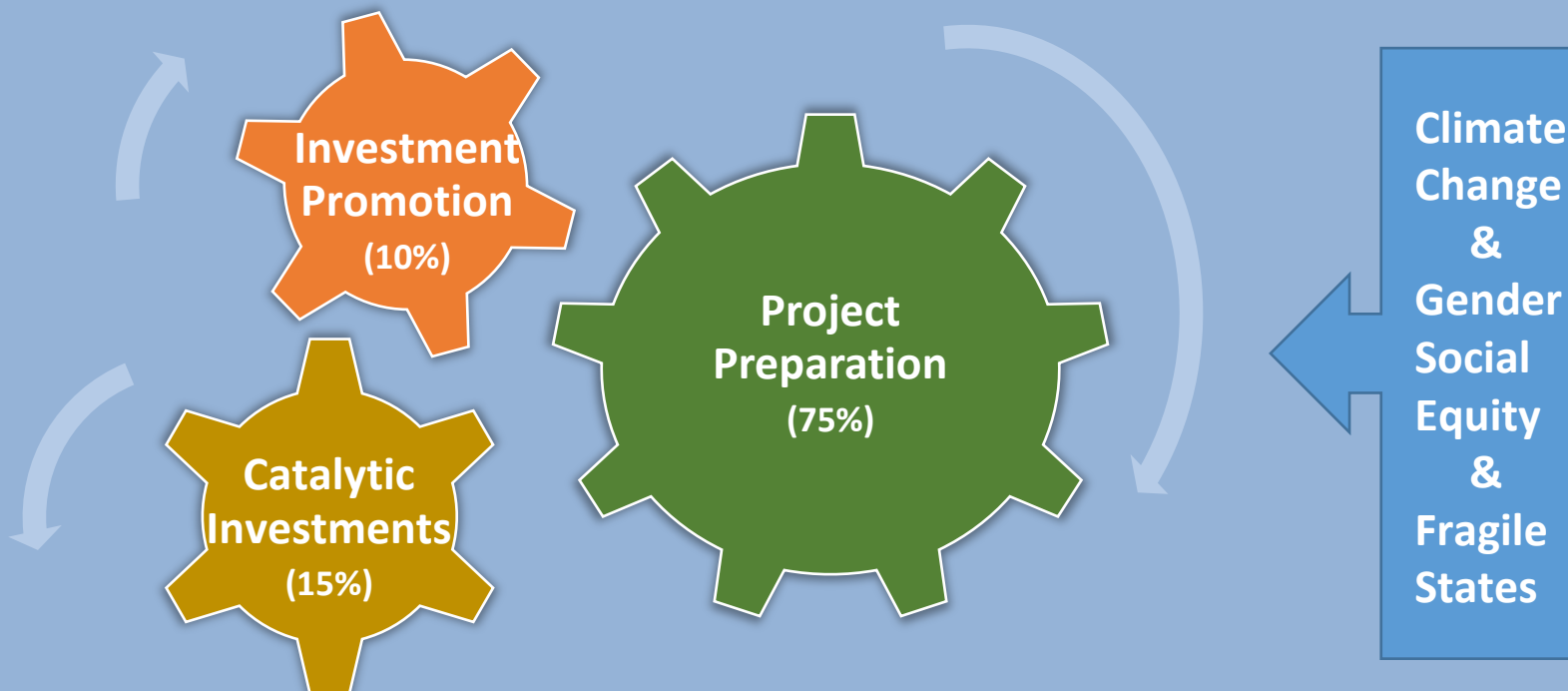
Mission

The primary water instrument in Africa
that supports & facilitates resources mobilization to meet the huge investment gap for water infrastructure development

Goal 2025

To mobilise resources to ensure water security in Africa
contributing to meeting the goals and targets established by the Africa Water Vision and the SDGs

Pillars



Strategic Priority 1 : Project Preparation



Objective

To finance the preparation of projects and programmes for water resources development, and secure follow-on investment for their implementation.

Activities

Covering all aspects of the project preparation cycle

PROJECT PREPARATION

- Feasibility studies
- Project Design
- Project Structuring
- Scaling up innovative solutions
- Bankable projects for blended/commercial finance

WRD PLANS

- Assessment of WR potential & management needs
- National & Transboundary IWRM planning

ENABLING ENVIRONMENT FOR INVESTMENTS

embedded in project prep

- Governance frameworks & tools
- Regulation
- WR data & information
- TWRM cooperation arrangements



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Strategic Priority 2: Catalytic Investments



Objective

To make investments that leverage additional resources for water projects; diffuse innovation; and provide evidence that encourages private stakeholders to invest

Activities

Deploying small but **catalytic investments**, that enable projects to be implemented

Public & private recipients

Max. 33% of project investment

REPLICATING & PILOTING INNOVATIVE SOLUTIONS

Investments to **trigger implementation of innovative projects**

- Business models, technologies & financing mechanisms
- Priority to projects that address gender, pro-poor, social inclusion

PROVIDING VIABILITY GAP FUNDING

Investments to **leverage commercial finance**

- Generally strengthen the project company's balance sheet
- Targeted subsidies such as financing guarantees or interest rate subsidies



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Strategic Priority 3: Investment Promotion



Objective

To facilitate an increase in the number of public and private investment opportunities beyond the reach of specific AWF-funded projects

Activities

Undertaken directly by AWF

INVESTMENT OPPORTUNITY DIAGNOSTICS

- Assessments of infrastructure investment needs & preparedness
- Inventory of potential projects to build a pipeline
- Credit assessments of service providers

NETWORKING PLATFORM

- Market project opportunities to potential investors
- Develop a water investment networking platform
- Share experiences and innovation

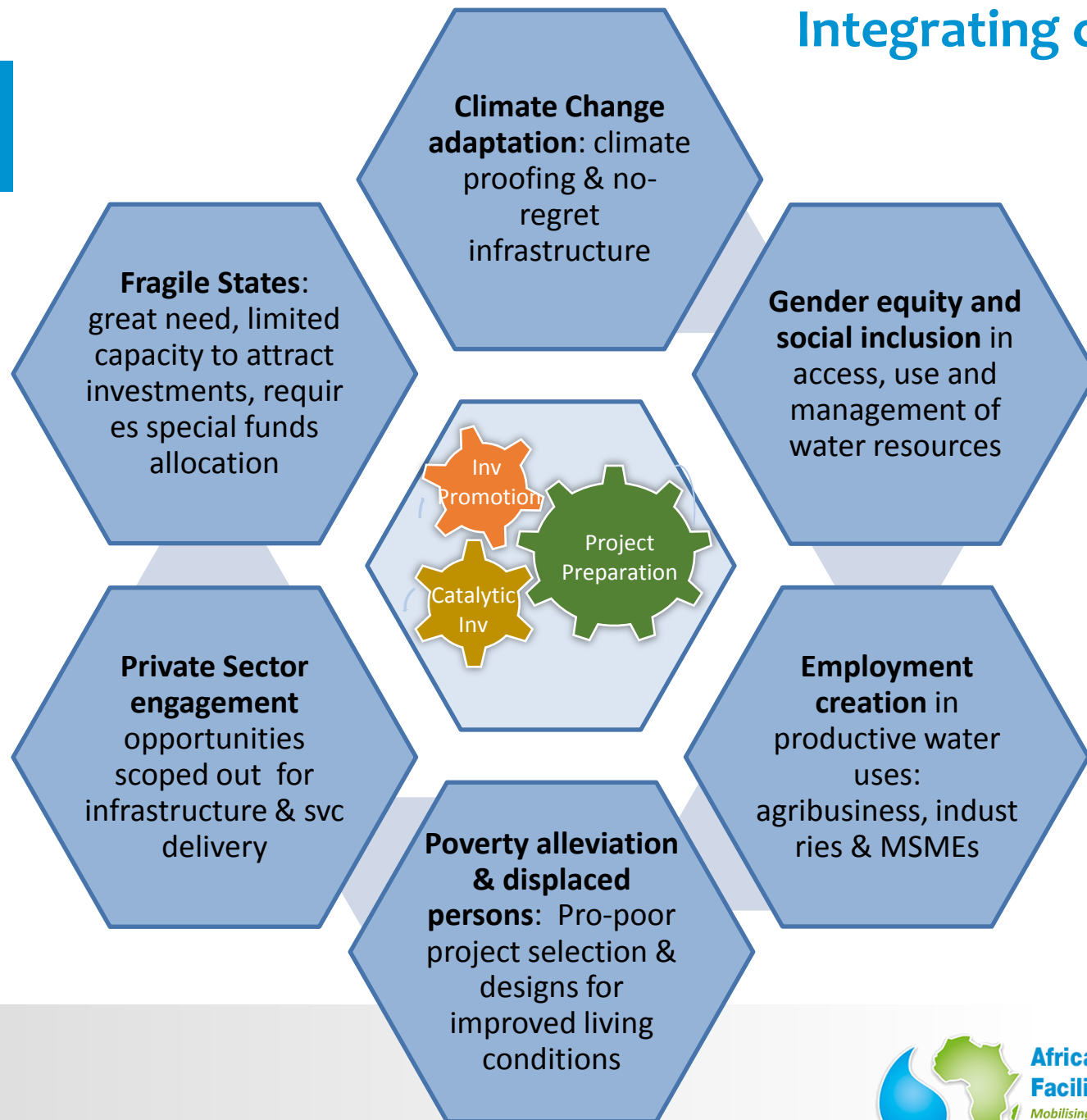
GUARANTEE BROKERAGE

- Awareness raising for risk mitigation instruments
- Establish an guarantee broker function: liaison with guarantors to help project sponsors obtain the necessary guarantees/insurances



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Integrating cross-cutting priorities



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Results: Mobilising € 15 billion in water investments

Leverage of AWF Special Fund 1:60



Water Supply

€3.4 billion

👍 Providing 25 million people with safely managed water

Sanitation

€3 billion

👍 Providing 20 million with safely managed sanitation



Irrigation

€3 billion

👍 Increasing the irrigable land by 680,000 Ha

Multipurpose water storage

€2.6 billion

👍 Increasing storage volume by 14 billion m³



Hydropower

€3 billion

👍 Increasing electricity capacity by 2,100 MW

Leverage factor
Hydropower
Watersupply
Sanitation
Irrigation
Multipurposewaterstorage



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AWF BUSINESS MODEL

Funding partners

Bilaterals

Multilaterals

Philanthropic

African Govs

Regional Orgs

Private Orgs

AWF Funds

AWF Basket Fund

WRM Plans & Enabling Env

Transaction Support

Networking opportunities

Structuring & Feasibility Studies

Catalytic Investment

Guarantee Brokerage

AWF Products

Funds

Funds

Networking

Cost recovery (50%)

Beneficiaries

African Govs

Regional Orgs

Utilities & Svc Providers

NGOs/ CBOs

Project Owners

Project Financiers



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Thank You



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