ISLAMIC DEVELOPMENT BANK GROUP

UPDATE ON THE SPECIAL PROGRAMME FOR THE DEVELOPMENT OF AFRICA (SPDA)

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Introduction

Emanating from both the *Ten-YearProgramme of Action for the Ummah* adopted at the 3rd Extraordinary Summit held in Makkah in December 2005 and IDB's own internal strategy and commitment to assist Africa, the Special Programme for the Development of African (SPDA) was launched in 2008 following its validation at a Ministerial Meeting held in Dakar, Senegal, in January of the same year. The SPDA succeeded a similar programme, *the IDB Cooperation Framework for Africa* (Ouagadougou Declaration) implemented by IDB for Sub Saharan African (SSA) countries from 2003 to 2007. The horizon was set for a period of 5 years (2008-2012) with quantified and consolidated financing targets. The SPDA is a reaffirmation of the IDB's resolve to be an effective partner in the development of Africa.

The IDB Group thus earmarked US$4.0 billion over the five-year period (1429H-1433H/2008-2012) to finance the Special Programme for the Development of Africa (SPDA), with an additional US$8.0 billion to be leveraged from other development partners. The program has been supported by all entities of the IDB Group namely: the IDB itself, the Islamic Solidarity Fund for Development (ISFD); the International Islamic Trade Finance Corporation (ITFC), the Islamic Corporation for the Development of the Private Sector (ICD) and the Islamic Corporation for the Insurance of Investment and Export Credit (ICIEC).

The main objectives of the SPDA are to contribute effectively to the fight against poverty, the emergence of sustainable economic growth and the reinforcement of regional integration. It has five priority sectors and cross-cutting activities and the priority sectors are: agriculture and food security, water and sanitation, energy, transport infrastructure, the education system and the integration of youth in the world of work, and health and the fight against communicable diseases.

Implementation of SPDA

The implementation of this initiative, which had a five-year time frame (2008-2012), deepened in 1434H (mainly 2013), as the program transitioned from the approval stage to the implementation stage. Out of the total approval of $5.01 billion approved under the Program, $472 million was disbursed by IDB Group to the 22 SPDA beneficiary member countries in 1434H bringing the cumulative disbursements to $1.6 billion or 31.6 percent of the total approvals. Of the total disbursements, project financing by IDB stood at $317 million (67 percent), followed by $17 million for private sector development by ICD, $133 million for trade financing by ITFC and US$ 5.22 million by APIF. In addition, ICIEC issued insurance coverage for $640 million.

The IDB Group disbursements for the 22 SPDA member countries in 1434H amounted to US$ 472 million. This brought the cumulative disbursements (1429H – 1433H) to US$ 1.6 billion representing a disbursement rate of 31.6 percent of total approvals of US$ 5.007 billion. This is an improvement over the 22 percent achieved during the 5 years of the program. The disbursement in 1434H is also higher that the five-year average of US$ 285 million, manifesting the increased focus on implementation and disbursement during the period. Of the total disbursements in 1434H:

- US$ 317 million (67 percent) was disbursed for project financing by IDB which is more than double the five-year average of US$ 115 million.
- ICD disbursed about US$ 17 million for three SPDA countries Mauritania, Nigeria and Sudan. bringing its total disbursement to US$ 152 million which is 65 percent of the US$ 233 million it approved under the Program.
- ITFC disbursed US$ 133 million for trade financing to four SPDA countries Gambia, Niger, Nigeria and Mauritania. which brought this cumulative disbursement to US$ 517 million.
- Meanwhile, ICIEC issued insurance coverage worth US$ 640 million for nine SPDA countries Cameroun, Cote d'Ivoire, Djibouti, Gabon, Gambia, Mali, Mauritania, Senegal and Sudan.
- Similarly, APIF disbursed US$ 5.22 million which brought its cumulative disbursement to US$ 18 million representing 24 percent of all its approvals of US$ 81 million.

With respect to the sectoral distribution, the disbursements are more or less, in sync with the binding constraints and priority development challenges of the SPDA countries – energy deficit and sub-optimal agricultural production and challenging human development. More than half of the disbursements (52 percent) were made for infrastructure development. Just under a third (30 percent) were made for agriculture development· Social sectors disbursements are (Education (5 percent) and Health (3 percent). In terms of country disbursements. The largest was for Mauritania (US$ 140 million) followed by Sudan (US$ 80 million). Senegal and Mali followed in a distant third with USD 40 million each. They were followed by Nigeria with about US$ 23 million.

In terms of sectoral distribution (excluding ICIEC), more than half of the disbursements (52 percent) went to infrastructure development with one-third (30 percent) to agriculture development, while 5 percent and 3 percent were respectively disbursed for education and health projects. Meanwhile, the SPDA assessment is being undertaken by a team of consultants who will prepare a detailed inventory of achievements versus expected outputs of SPDA projects, review the implementation of the program in the field, and document lessons for more effective implementation of future IDB programs in Africa.

Expected Outcomes of SPDA

It is hoped that when all the approved projects have been effectively and successfully implemented, the SPDA would have contributed to relaxing some of the binding constraints that African member countries faced including infrastructure deficits, sub-optimal agricultural production and inadequate social sector services. These expected outputs include the following. In infrastructure: over 2,500 KM of roads would have been either constructed or upgraded in 13 member countries in addition to two new airports approved for Senegal and Sudan; more than 900MW of electricity would have been produced in six countries with increased access to over 40,000 households (about a quarter million people – taking the average household size of six) and almost 700 KM of power lines would have been laid; through the ECOWAN project, Gambia and Sierra Leone would see their broadband subscriptions increase 13-fold, while the number of internet users would increase 6-fold, and about 1,500 KM of fiber optic cable laid; and support to water and sanitation will bring over 200,000 cubic meters of water a day to over 50,000 households.

Meanwhile in human development, more than 325 new primary and secondary schools and over 1000 classrooms would have been built and equipped. This will be in addition to three technical colleges and 8 university faculties also built or equipped; to help address youth unemployment and improve the quality of education, over 400 new classrooms in 120 new madrassas serving over 5000 students, mainly girls and students from poor backgrounds, will be built in Niger, Gambia, Senegal and Nigeria; over 10 new hospitals and over 120 clinics, health centers and primary healthcare centers would have been built resulting in an increase in bed-capacity of about 1200; almost a million LLINs would have been provided to combat malaria; and over 20 medical doctors and over 500 cardiology students, medical technicians and ophthalmologists would have been trained to strengthen the capacity for improved health care delivery. In addition, medical equipment for cardiology and surgical centers and medical laboratories would have been provided.

While in agriculture, over 800,000 hectares of land would have been developed and cultivated including marginal lands. This is in addition to 8-10 strategic grain reserves that would have been built to support the alleviation of food insecurity and about 5-6 soil and/or seed research laboratories built, refurbished or upgraded to encourage agricultural research.

Alongside the SPDA, the IDB Group has been implementing complementary initiatives for better and wider impact such as the Bilingual Education Program (BEP), the Roll Back Malaria Quick Win Program, Blindness Control and the Jeddah Declaration on Food Security. The outcome of these programs has been commendable; ranging from increasing the proportion of girls in total enrolments in Chad and Niger under the BEP to restoring the sight of nearly 9,000 patients through cataract operations in eight member countries (Benin, Burkina Faso, Cameroon, Chad, Djibouti, Guinea, Mali and Niger). The Jeddah Declaration has targeted agricultural development and food production to avert recurrent food shortages afflicting member countries in Africa. The Declaration addressed critical constraints in the agricultural sector, including deficiencies of public investments and services.

Assessment and Next Step

The assessment of SPDA is currently underway. Two consultants (a retired UNDP staff (Lead Consultant) and a retired IDB staff) have been hired and they are currently in the field for the next three weeks. They will be visiting Mali, Niger, Mauritania, Sierra Leone, Uganda and Sudan. Later on they may visit Chad, Guinea and Cote d'Ivoire. The final report of the assessment is expected by the end of May 2014. The results of the report will inform future IDB regional programs especially in Africa. Following the completion of the assessment and effective implementation of the SPDA, the IDB Group plans to launch a successor programme for the development of Africa.

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