



**Update on the implementation of the
Special Program for the Development of Africa (SPDA)
Mid-1436H**



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OVERVIEW

Emanating from both the *Ten-Year Programme 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 Africa (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. In November 2012, the approval phase ended and the implementation phase continued at a deepened pace.

The IDB Group allocated 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

Approvals

1. The SPDA approval phase ended in November 2012 (end of 1433H) and since then, the focus has been on deepening the implementation phase as 175 (valued at US\$ 1.7 billion) of the 377 OCR projects (valued at US\$ 3.7 billion) were approved in the last two years of the Program. These and other projects approved earlier are still going through the various stages of implementation. This set represents just under half (46 percent) of all the projects approved for the 22 countries during the approval phase of the Program.
2. By the end of the program in 1433H (12 November, 2012), total approvals by the IDB Group amounted to US\$5.01 billion for 480 operations (project financing, trade and Waqf operations).
 - a. These approvals represented an "achievement rate" of 125 percent of the earmarked allocations.
 - b. Total disbursements, as of November 2012, amounted to US\$1.8 billion or 36 percent of the approvals.

Approvals since end of SPDA

The SPDA helped shed limelight on the African member countries. Despite the end of the Program, approvals for the 22 countries have continued to maintain an upwards trend. Actually from 13 November 2012 to mid-July 2015, IDB approvals from Ordinary Capital Resources (OCR) alone (US\$ 5.9 billion), was more than the total approvals made during the Program (US\$ 5.01 billion). Moreover, this does not include approvals made by the Entities to support trade financing (ITFC), private sector development (ICD) and Islamic insurance (ICIEC). SPDA has given the African member countries traction and approvals have continued as a faster rate.

DISBURSEMENTS

In 2014, total disbursements against total approvals, was US\$ 710.8 million, which brought the total disbursements to date to US\$ 2.3 billion and a disbursement rate of 46 percent.

By the end of first quarter of 2015, an additional amount of US\$ 397 million was disbursed bringing the total disbursement to date to US\$ 2.7 billion with a disbursement rate of 54 percent. The figures for end-September 2015 are currently being computed and will be reported on later.

Expected Outcomes from the US\$ 5 billion financing

With the financing provided by the Program, many life-changing outputs are expected to be delivered to contribute towards improving the living standards of the population in the region. These expected outputs include over 2,500 KM of roads constructed or upgraded in addition to two new national airports; more than 900MW of electricity produced in six countries; over 200,000 cubic meters of clean water made accessible to over 50,000 households every day; more than 420 new primary and secondary schools (including 120 new madrassas) built, resulting in over 1400 classrooms; over 10 new hospitals and over 120 clinics, health centers and primary health care centers built or upgraded; about 10 strategic grain reserves built; and over 800,000 hectares of land developed and cultivated including marginal lands. Detailed listing of the expected outputs is given in the Annex.

Meanwhile the IDB Group also acknowledges the daunting challenges that still confront the countries, and as the President, H.E. Ahmad Mohammad Ali said, IDBG will continue to support its African member countries to reach their aspired development goals.

WAY FORWARD

As mentioned above, IDB Group approvals for the SPDA continue to increase, adding even more projects for implementation in addition to the ones already under the Program. The priority now for the SPDA countries is to further deepen the implementation actions of the Bank, to ensure that the expected outputs are delivered and on time. Meanwhile, the conceptualization of a successor program (SPDA II) to further scale up the development of Africa is under way. The successor program will be guided by the lessons learned in the implementation of SPDA 1 in order to ensure further success and greater developmental impact for IDB African member countries.

Annex - Expected Outputs of SPDA

Energy

- Over 500 MW of power Transmitted over 1800 KM to households.
- About 700 Street lights in 2 countries.
- Rural Electrification to over 500,000 people in rural communities in 4 member countries.
- Supporting Solar Energy in addition to fossil fuels power generation.
- 9000 Cubic liters of Storage Tanks built in 2 countries.



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Urban Development

- 800 Housing units
- 548 Street lights
- 1492 Households
- Water Treatment plant



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Education

- Over 250 schools (including madrassas) and over 1400 classrooms built
- 4 universities built or Upgraded
- 114 laboratories/Workshops built and equipped
- 67 Libraries built



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Health

- **Hospital, Clinics and Health Centers built**
 - 11 Hospitals and 123 Clinics, Health Centers and Primary Health Care Units built
 - Increased bed capacity of over 1170.
 - Over 1,000,000 Long Lasting Insecticide Treat malaria Bed Nets provided to combat Malaria and 50,000 Rapid Diagnostic Kits provided.
- **Training – Capacity Building**
 - Over 20 Medical Doctors trained and over 500 Cardiology Students, Medical Technicians , Ophthalmologists trained.
 - Medical Equipment for Cardiology and Surgical Centers and Medical laboratories provided

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Agriculture

- **Land cultivation**
 - More than 800,000 hectares of land developed and cultivated with increased production in rice, millet, sorghum and vegetables.
 - 8-10 Strategic Grain Reserves built
 - 5-6 Seed/Soil Research Laboratories built and furnished.
- **Water Management and Strategic Food Reserves**
 - Almost 1 billion cubic meters of water reservoirs built for irrigation and human consumption.
 - 8-10 Strategic Reserves built
- **Agricultural Research**
 - 5-6 Soil/Seed Research Laboratories built and refurbished

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Private Sector Development

- Trade Financing of USD 1.03 Billion
- USD63 million Letters of credit (LC) business insured,
- More than USD350 million mid-term contracts for Export/Import.
- USD480 million Foreign Investment Insurance request in the pipeline across ICIEC member countries in Africa.
- PPP support to a 6 Million tons p.a iron ore plant
- Expanding fertilizer production capacity by over 9 million tons p.a

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