



JANUARY 2022

## INVESTOR NEWSLETTER

We are pleased to share with you some of the highlights of our work and activities for the second half of 2021 until present.

### AFC Perspective

Africa charts a complex road to net zero  
An op-ed by AFC President & CEO, Samaila Zubairu

African countries need to take steps to arrest climate change, but the continent cannot take the same path to net zero as the richer world.

While the region has made a negligible contribution to the problem, the international community largely expects Africa to respond in much the same way as the rest of the world. Indeed, in order to limit the average global temperature increase to well short of 2°C above preindustrial levels by 2050, it is critical that Africa plays its part.

And yet, with most of the continent having had none of the benefits of carbon-intensive systems experienced elsewhere, African governments face the toughest challenge in prematurely curbing their nations' very low energy use of approximately 180 kWh per capita compared to 6,500 kWh in Europe and 13,000 kWh in the US.

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## PROJECT FOCUS

Red Sea Wind Power Project, Djibouti

The 60MW Red Sea Wind Power Project in Ghoubet, Djibouti, has reached an exciting milestone with the complete installation of 17 units of the SG 3.4-132 wind turbines by Siemens Gamesa. This is Djibouti's first privately financed independent power plant and the project is on course for completion over the next few months.

Once operational, the wind farm will double the country's current installed capacity, supporting Djibouti's energy independence in an environmentally friendly manner.

We invested US\$62.2 million to construct and operate the Red Sea Wind Power Project in partnership with the Djibouti Ports and Free Zones Authority (DPFZA). We made this investment as the lead developer together with Great Horn Investment Holdings, Climate Investor One and FMO, the Dutch entrepreneurial development bank. Multilateral Investment Guarantee Agency (MIGA) provided guarantee cover.



[Read More About The Red Sea Wind Power Project Here.](#)

## ANNOUNCEMENTS

**1** We raised USD\$400 million in a new syndicated loan to support the post-pandemic recovery through the critical development of infrastructure. The three-year facility – our first since 2018 – was increased from an initial target of 1 USD\$300 million as strong interest from investors led to the offering being 2.5 times oversubscribed. <https://Cutt.Ly/JIQ0Fa4>

**2** We announced the sale of a 44% stake in Cape Verde's largest IPP and renewable energy producer, Cabeólica, S.A., to A.P. Moller Capital. As the majority investor in Cabeolica, we continue to hold a 50% stake in the company alongside the Government of Cape Verde and the national power utility, Electra, who together own the remaining 6%. <https://Cutt.Ly/RT3hlcU>

**3** We began collaboration with MIGA to leverage each other's financial instruments and to structure comprehensive solutions to de-risk and support infrastructure projects in Africa's emerging economies. <https://Bit.Ly/3vVbrxG>

**4** The ARISE IIP's GSEZ - Gabon Special Economic Zone, a joint venture between AFC and Olam International (co-owners of ARISE IIP) and the Government of Gabon, was named as the first official Carbon Neutral Industrial Zone in Africa. ARISE IIP is an example of the AFC's tried and tested model for industrializing Africa, by building integrated ecosystems and industrial platforms that seek to develop the value chain around a country's natural resource in order to enhance manufacturing competitiveness. This is a model that we are expanding into other African countries. <https://Cutt.Ly/GETXV1O>

**5** We received a \$US100 million credit line from the India Exim Bank to invest in the critical infrastructure needed to rebuild Africa's economies in the post-Covid recovery stage. <https://Cutt.Ly/WWcTl6e>

**6** We established an independent asset management division, AFC Capital Partners, which launched the Infrastructure Climate Resilient Fund (ICRF). Taking the helm as AFC Capital Partners CEO is Ayaan Zeinab Adam, who plans to raise US\$500m in the next twelve months and US\$2 billion over the next three years to fund infrastructure projects across Africa that will make it more resilient to the impact of climate change. <https://Cutt.Ly/WRz1WbR>

**7** We welcomed Kirstine Damkjaer, former Chief Executive Officer of EKF Denmark's Export Credit Agency, as an independent non-executive director to our Board. <https://Cutt.Ly/FRzLMct>

## COUNTRY MEMBERSHIPS

During the second half of 2021, we welcomed 4 more countries as member states, bringing our membership to 33 countries, which makes up 60% of African nations.

• Commenting on Niger's accession to AFC membership, AFC President & CEO Samaila Zubairu said, "The membership of Niger is a significant milestone as it completes the membership of all countries in West Africa. This will be an important contributor to integrating AFC's activities in the region and making headway in the intra-Africa trade and logistics system." <https://Bit.Ly/3ESBcd0>

• We welcomed Egypt as a member state, expanding our footprint in North Africa, and opening up a potential US\$ 1billion worth of investments in the country. We have already invested over US\$100 million in infrastructure projects in Egypt and have identified a further US\$600 million worth of projects across the renewables, natural gas, and transport & logistics sectors. <https://Cutt.Ly/GW4CJe>

• We also welcomed Guinea and Togo as the latest member states to become shareholders in Africa Finance Corporation. <https://Lnkd.In/DrZCdQl>



## AWARDS

AFC President & CEO Samaila Zubairu received the Global African of the Year 2020-2021 award from AsiaOne Media Group. The awards are a recognition of leaders in Asia, the Middle East and Africa who have made an indelible mark for others to follow and generations to admire. The results were announced at the 14th edition of the Asia Africa Business & Social Forum Awards.

## AFC IN THE NEWS

**Bloomberg:**  
AFC Plans Debut \$2 Billion Africa Climate Resilience Funds

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**Enterprise Magazine:**  
Enterprise talks to Samaila Zubairu, President and CEO of the Africa Finance Corporation

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**Capital Monitor:**  
Africa Finance Corporation plots continent-wide clean energy pivot

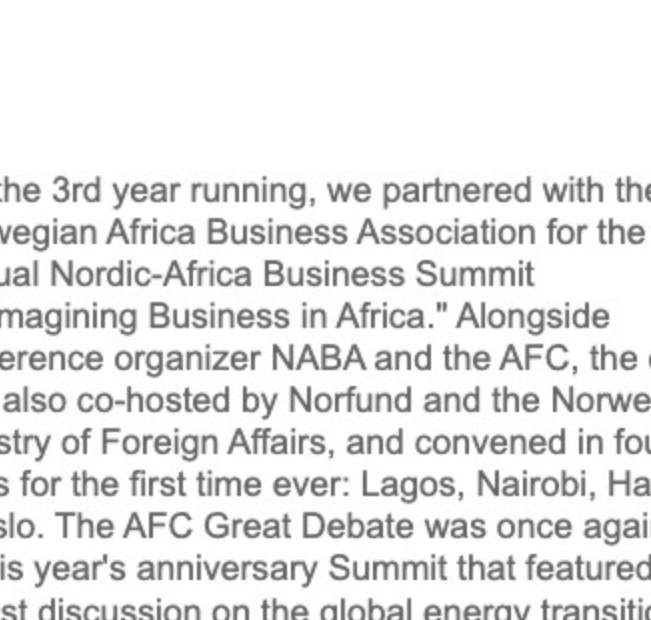
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**The Economic Times:**  
India extends \$100 million loan to spur post pandemic growth

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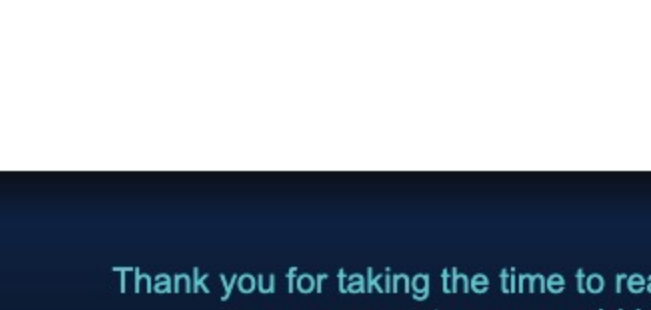
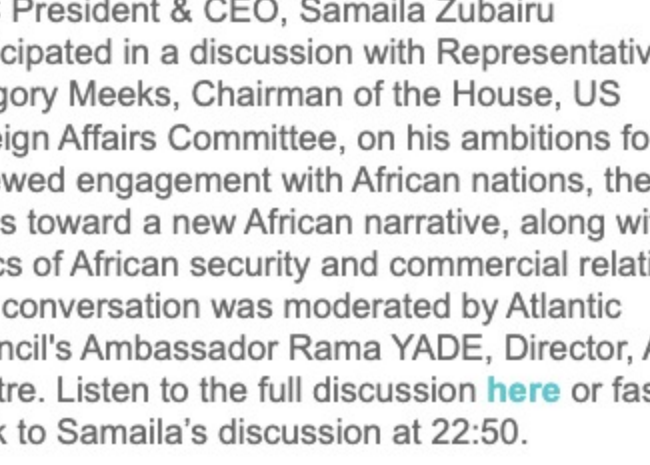
## EVENTS

Ayaan Zeinab Adam, Senior Director, Africa Finance Corporation, and CEO of AFC Capital Partners, represented us at the COP26 - UN Climate Change Conference. She participated in several panel discussions focused on climate change and resilience. <https://Cutt.Ly/GT3g4VM>



We partnered with the African Union at Expo 2020 Dubai for the Spotlight on Africa Infrastructure conference, which took place on October 31 – 1 November. Ini Urua, AFC Deputy Director and Head of Country Relations, spoke on the promotion of investment in infrastructure in Africa for PIDA priority projects, and AFC Executive Director and Head of Financial Services, Sanjeev Gupta, discussed how to leverage public and private financing to power Africa's green energy transition.

For the 3rd year running, we partnered with the Norwegian Africa Business Association for the 10th Annual Nordic-Africa Business Summit "Reimagining Business in Africa." Alongside conference organizer NABA and the AFC, the event was also co-hosted by Norfund and the Norwegian Ministry of Foreign Affairs, and convened in four cities for the first time ever: Lagos, Nairobi, Harare & Oslo. The AFC Great Debate was once again part of this year's anniversary Summit that featured a robust discussion on the global energy transition and what this means for Africa. <https://Cutt.Ly/WT3g1qN>



AFC President & CEO, Samaila Zubairu participated in a discussion with Representative Gregory Meeks, Chairman of the House, US Foreign Affairs Committee, on his ambitions for renewed engagement with African nations, the paths toward a new African narrative, along with topics of African security and commercial relations. The conversation was moderated by Atlantic Council's Ambassador Rama YADE, Director, Africa Centre. Listen to the full discussion [here](#) or fast track to Samaila's discussion at 22:50.

Thank you for taking the time to read our latest update. If you have any feedback or comments, we would love to hear from you – email us here:

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