
Chairs' Conclusion

Africa Advisory Group Meeting

Bali, Indonesia, 10 October 2018

1. We will continue our determined commitment and maintain a strong momentum for the Compact with Africa (CwA) initiative.
2. We appreciate reform progress made in CwA countries, supported by IOs and bilateral partners, and welcome the update of policy matrices by Compact Teams. Policy matrices strengthen transparency about reform implementation and support measures, and help signal improving investment conditions to market participant. To this end, improvements in the business and financing frameworks need the same traction as in the macro framework.
3. We call on Compact Teams to press ahead with implementing the CwA on the ground. This includes regular meetings with brief summaries to IO headquarters and AAG co-chairs, encouraging relevant stakeholders to participate, and involving the local private sector. The Compact Country authorities, together with a representative from one of the IOs, act as co-leaders of the respective Compact Teams.
4. The AAG welcomes the Interim Monitoring Report – coordinated by IFC in collaboration with AfDB – as a strong signal that sound policies to improve investment conditions are paying off and market interest in Compact Countries is growing. At the same time, it underscores the long-term nature of implementing the CwA initiative as it requires time and steady efforts to build up a track record that strengthens investor confidence.
5. Revised policy matrices will form the basis for the next full monitoring report in April 2019. According to the agreed monitoring procedure, the World Bank will take the lead in producing a comprehensive as well as a concise overview report in close collaboration with AAG members.
7. We welcome the engagement of G20 members' DFIs in private sector development in Africa. We encourage DFIs to maximize their investment impact in CwA countries by collaborating in a more systematic way to reap synergies and enhance peer-learning. G20 DFIs are encouraged to get involved in Compact Teams' work on the ground.
8. We call on DFIs to sketch out priority projects in CwA countries over the next couple of years, including approaches for closer cooperation in project implementation and in line with respective comparative advantages. We welcome IFC private sector diagnostics as a useful input in this regards. We ask the AfDB to coordinate a synthesis of DFI action plans for our next AAG meeting in April 2019. In addition, we call on DFIs and MDBs to come up with a proposal on a common framework on project financing to ensure a level-playing field.



9. G20 members will contribute to set up a G20 toolbox covering the instruments of their DFIs for promoting private investment in Compact Countries. The IFC agreed to coordinate this exercise, to be expected for April 2019. The IFC toolbox of multilateral instruments for CwA investment can serve as a useful reference. To advertise available tools and to make the development impact in Compact Countries more visible, it could be useful to label projects supported by IOs and DFIs with a CwA logo.
10. Private sector outreach by individual CwA participants (G20, IOs, Compact Countries) is important – as are collective efforts to mobilize investors. The G20 CwA investor event will take place in the morning of 8 November in Johannesburg embedded into the AfDB's Africa Investment Forum. AAG co-chairs cordially invite up to two participants per AAG member country.
11. We welcome Burkina Faso as new member of the CwA initiative.
12. Japan confirms its continued support as upcoming G20 presidency for the CwA initiative and its further process.