



NGF-FORAF DESK REPORT
ON
THE BRAZIL AFRICA FORUM 2022

SAO PAULO, BRAZIL

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Background

The FORAF Desk participated in the 10th edition of the Brazil Africa Forum (BAF) which took place from 29th -30th November 2022 at the Sheraton Hotel, São Paulo. The BAF 2022 was organised by the Brazil Africa Institute, This event is organized by the Brazil Africa Institute (IBRAF), a non-profit organization that aims to promote international cooperation and engagement between Brazil and the African continent, providing space for an open debate between government agents, private sector representatives, entrepreneurs, academics and other entities on issues of interest to Brazil and Africa all aimed at stimulating international cooperation and strengthening the bilateral relationship between Brazil and Africa; bearing in mind their shared similarities, potential as well as their common challenges. The overarching theme of the 2022 BAF was ‘Sustainable Cities: Global Challenges, Local Solutions’.

Below is the report of the event’s proceedings:

PLENARY

The plenary sessions were divided in 6 thematic axis covering key themes for the cities agenda: **Infrastructure, Waste Management, Sports, Public-Private Partnerships, Urban Agriculture, Renewable Energy and the Creative Industry**. The conference plenary sessions involved exchange of ideas, experiences, and opinions between government officials from both sides, financial institutions, and the private sector on how they are tackling the challenges of increasing urbanization.

Key points/takeaways espoused in the plenary sessions include:

1. Plenary 1: Providing infrastructure Solutions in densely Populated Spaces

- Urbanization is a global trend and cities/governments must improve their capacity to prioritize and provide quality infrastructures that will absorb the need of this growing population as well as improve the legal frameworks that will empower the private sector to invest in infrastructural projects.
- There is Climate Financing on the table and can be channeled towards social projects. However, this must be public sector driven.
- Financial institutions must ensure a sound project development strategy with a healthy combination of financial and technical expertise in de-risking and management of projects.
- Leverage technological advancements and digital transformation in deploying infrastructure especially in the health and education and other social sectors. In other words, social and development problems will take time to solve but can be expedited by sound digital policies.
- Financiers should considers working with decentralized units within a minimum package that does not threaten the security of their investment. Africa has the potential t be the leading continent in Agric, vocational training etc.

- Some projects that can link Africa to Brazil include: hydropower projects, agriculture especially the cultivation of vast arable lands in Africa, crop production and animal husbandry, logistics and transportation.

2. Plenary 2: Waste Management – Impact on Urban Planning

- Cities produce a huge amount of waste, and its consequence has become a big issue. Thus, the image and attractiveness of a city is reflected in how it manages its waste. Improperly managed wastes can result in adverse health and environmental issues.
- It is essential to implement a waste management hierarchy policy: prevention, reduction, reuse, recycling, energy recovery and treatment or disposal. Sustainable waste management helps address the broader concerns of a linear consumer society, but it also presents more direct solutions to the problems caused by waste.
- Waste affects the image of the city. And most cities collect only 40% of waste while the remaining 60% is not being managed by the authorities. These end up in rivers or burnt and affect infrastructural development.
- 80% of waste in Africa is organic and the opportunity here, is to focus on reusable, renewable and recycled waste, the circular economy.
- Waste management is not just about waste collection, disposal and recycling. City planning and value re-orientation should form key considerations in waste management.
- Lessons from Pobe, Benin Republic reflect the importance of not just putting laws in place but ensuring the enforcement of those laws.
- The Brazil experience portrays the importance of funding and coordination amongst levels of government in implementing waste management policies. The Brazil Mint also presented a shining example of how old currency notes can be recycled and transformed into usable materials (the team will do a separate paper on this, as discussions around replicating such innovation in Nigeria with the current CBN operation on currency redesign and withdrawal of old currency).
- Waste production and management involves costs. Therefore, government must take measures to encourage community participation and less household waste production, maximization of the waste value chain and connecting the dots between waste and agriculture, health etc.

3. Plenary 3 – The Role of Sports to Accelerate Sustainable Development in Cities

- Sports are an important element of social inclusion and offers innovative solutions to some of Africa’s and Brazil’s social challenges
- Sports are connected to sustainable cities as they prepare the younger generation and empower them with the relevant life skills to survive in these sustainable cities.
- Partnership in the sports ecosystem should be all encompassing and relevant
- Sports could be used to address social problems and impart skills that help people to cope with life.

4. Plenary 4: Public-Private Partnership (PPP) in Sustainable Urban Development

- Government expenditures are high and unsustainable. PPP provides an opportunity for private sector investment and expertise.
- PPP projects that are well-designed and implemented in a balanced regulatory environment, can bring greater efficiency and sustainability to the provision of public services.
- The PPP terrain especially in Africa is still evolving. Adequate knowledge of the risks elements, viabilities, challenges and agenda of development financing institutions will help to cushion investment shocks.
- It is important to integrate the local authorities in PPP projects to ensure ownership and maintenance. However, this is still a missing link in most African countries where local governments are not embedded in PPP arrangements. The infrastructure deficit in most countries can be addressed by ceding infrastructure planning and implementation to local governments.
- The Brazil example of decentralization of PPP financing instruments stood out. Here, local development banks are owned by the States and are used to finance municipalities project through on-lending. These banks also provide technical assistance to municipalities in project preparations and equity guarantee.

5. Plenary 5: Urban Agriculture: Growing Greener Cities

- National, regional and local governments are encouraged to stimulate and support urban agriculture as a tool to guarantee food security, contribute to GDP growth and shorten or reduce post-harvest losses
- Urban agriculture requires planning due to the fierce competition with infrastructure projects. The government must ensure the adoption of public policies that support this initiative. These policies will help to incentivize young people to take on careers in agriculture. Urban agric. can also be introduced in schools to teach good agricultural practices.
- Consistent public policies, political will, availability of credit and technical assistance can transform urban agric.
- Both Brazil and Africa could leverage technology to improve urban agric.

6. Plenary 6: Rise of Renewables in Cities for the Urban Future

- Energy systems are the backbone of the core activities of cities and the production and efficient use of energy has a direct impact on the economic development of urban areas and the lives of their residents.
- Renewable energies can play a key role for sustainability in an interconnected system by favoring job creation, greater energy confidence and security, improved health through reduced air pollution and increased access to electricity.
- Renewable energy can be used in leap-frogging development because it is modular, renewable and can be transited structurally

7. Plenary 7: The Social Impact of the Creative Industry in the Cities

- Creative and cultural industries can bring sustainable development in its several capacities.
- The African market for this industry is still fledging and has to grapple with challenges of piracy and theft of intellectual property
- However, the development of the sector in some countries can be attributed to intentional planning and collaboration with the Private sector through PPPS
- Banks and financiers should believe more in the social wellbeing of the communities and in the concept of art and creativity
- The biggest risk in financing this industry is tied to the difficulty in evaluating the creative economy in terms of numbers.
- There is need to protect the intellectual property of artists and provide social support system for veteran actors.

FORAF Breakfast meeting

The FORAF desk also used the opportunity to have a breakfast meeting with the Secretary General, UCLGA, Mr Elong Mbassi and the FORAF President, Dr Fayemi, to share updates and discuss the action items and next steps that emanated from the Tangier meeting as shown below.

	Task	Status	Responsibility	Due Date
1	NGF to share copies of the MoUs signed in Saiida with the Nigerian Ambassador to Morocco with the intent to aid facilitation	Completed	NGF	11/11
2	Finalizing and signing of the UCLGA MoU with Afrexim bank (M)	Completed*	UCLGA Afrexim	18/11
3	FORAF TWG to complete the Implementation plan design and development (M)	Completed	UCLGA Afrexim NGF	18/11
4	Explore the possibility of expanding Afrexim bank's role to support remaining FORAF pillars	Ongoing	UCLGA Afrexim	18/11
5	ATTIA, Executive Director (Mr Yatta) to share the ATTIA Strategic document	Completed	UCLGA	11/11
6	Schedule a meeting with UCLGA SG, the NGF Chairman, FORAF President and NGF DG to: <ol style="list-style-type: none"> discuss ATTIA hosting in Nigeria and creation of FORAF Desk in NGF leverage the good leadership to work out the relationship with ALGON to strengthen decentralization. 	Completed Ongoing	UCLGA FORAF NGF	TBD
7	Draft an NGF-UCLGA MoU to govern the funding and operations of the NGF focal person liaising with UCLGA to support the FORAF Desk (M)	Ongoing	NGF UCLGA	09/12

8	Develop a Terms of reference for the FORAF Desk to guide the discussions on the financial agreement with Afrexim bank to fund FORAF Desk in NGF as implied in the UCLGA-Afrexim bank MoU.	Ongoing	UCLGA NGF	09/12
9	Schedule a follow-up meeting with UCLGA SG, FORAF President and Afrexim bank President after the MoU signing to discuss financing of the Implementation plan	Pending	UCLGA Afrexim NGF	TBD

Feedback and Comments

For item 2, the FORAF Desk provided update that the Afrexim bank-UCLGA MoU is now finalized and has been transmitted to Afrexim bank to schedule the signing. The Desk further emphasized the risk and implications involved with the delayed signing of the MoU, as the appendix to the MoU details the workplan, which has tasks, activities and milestones that were mapped to Q4, 2022, the implication being these would be moved forward into 2023 and subsequent milestones will be adjusted. More importantly, the activities require funding by Afrexim bank and can only be activated after the MoU is signed. In response, both the UCLGA SG and FORAF President said they would follow-up with Afrexim bank President to ensure the MoU is signed.

For item 4, the discussion with Afrexim bank to expand the scope and TOR of their consultant (Dr. Ogechi) to provide support on the remaining 2 FORAF pillars did not gain traction, as Afrexim reverted that the scope should be limited to the Economic and Financial pillar, for now. And can reviewed after/during implementation of the workplan. As this was discussed, it was noted that AfDB is already taking up the other pillars that relate to capacity development (given the recent engagements with the commissioners of Finance in Abidjan in September 2022, and the follow-up series in South Africa in January 2023) and that this should be explored further.

Lastly, the UCLGA calendar of events was requested for, to enable adequate planning and preparation (as the recent FIMA event held in December in Rabat was short notice and conflicted the calendar for the FORAF President). Also, the prioritization of these events, as they align with the FORAF mandate. The UCLGA promised to share the 2023 event calendar.

For 6a, the UCLGA SG noted that a diplomatic status should be requested and applied to ATTIA to insulate the agency from political interference. The FORAF President agreed and requested the guiding templates from UCLGA (which was used for their diplomatic status) and committed to schedule a meeting with the Federal Ministry of Foreign Affairs, requesting a supra-national status for ATTIA.

With regards to operating ATTIA, the UCLGA SG stated that the current risk assessment for sub nationals is ongoing, this is being funded by the \$250,000 provided by the UNCDF. However, he also stated that an additional \$1bn capitalization is being offered by the Arab Bank for Economic Development in Africa (BADEA). This was committed by the President of BADEA at his meeting with UCLGA SG during COP27 in Egypt. The timeline for this capitalization to be effective is by the end of 2023 (as they intend to jointly announce it at

COP28). The President of BADEA has requested business cases and documentation to facilitate the transaction. In response, the UCLGA SG said he has committed to setup a Project Management Office (PMO) by January to attend and deliver these requirements.

Next Steps

1. UCLGA to share the 2023 Events Calendar
2. UCLGA to share the draft UCLGA-NGF MoU to mobilize the FORAF Desk
3. UCLGA SG and FORAF President to follow-up with Afrexim bank President to sign the MoU
4. UCLGA to share template to guide application for diplomatic status for ATTIA
5. UCLGA to share with NGF FORAF Desk the UCLGA subnational peer review reports