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GROUPE DE LA BANQUE AFRICAINE
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Circular Economy initiatives of the African Development Bank



November 2023

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African Development Bank

Circular economy solutions for Africa's development

Integrated Waste Management

- Plastic Waste collection and recycling
- Organic waste to compost & proteins
- E-waste recovery
- Biogas Generation

Regenerative agriculture & food systems

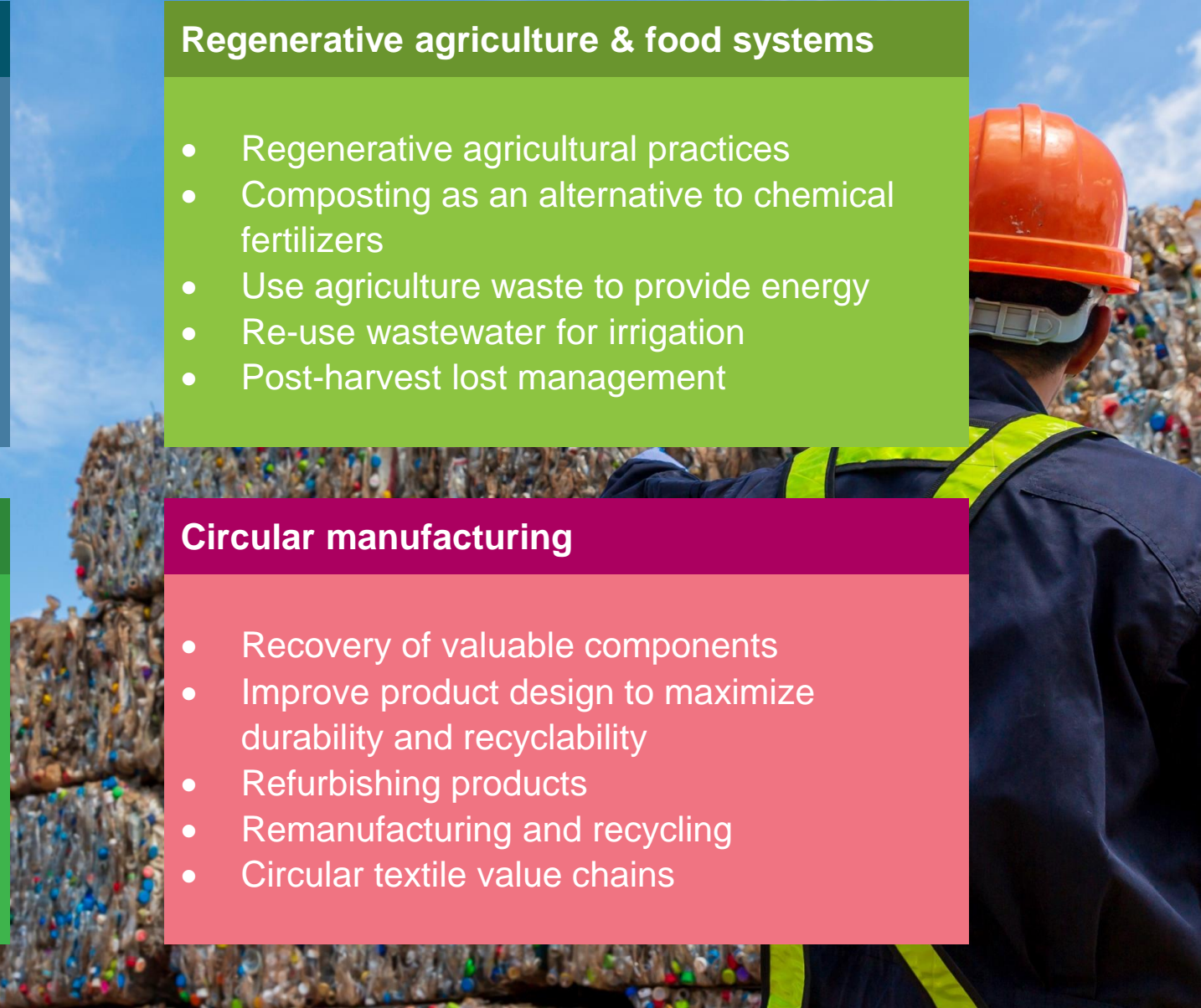
- Regenerative agricultural practices
- Composting as an alternative to chemical fertilizers
- Use agriculture waste to provide energy
- Re-use wastewater for irrigation
- Post-harvest lost management

Sustainable Built Environment

- Recovery and use of circular construction materials
- Wastewater recycling or re-use
- Energy recovery
- Integrated waste management
- Regular maintenance
- Sustainable mining of minerals

Circular manufacturing

- Recovery of valuable components
- Improve product design to maximize durability and recyclability
- Refurbishing products
- Remanufacturing and recycling
- Circular textile value chains



Circular economy solutions for Africa's development



Urban Waste Aggregation Center



E-Waste Scrapping Center



Textiles Downcycling Facility



Biodegradable Packaging Production Facility



Bamboo Processing and Production Facility



Circular Economy Innovation Incubator



Sanitary Landfill and Organic Composting Facility



Sustainable Animal Feed Production Facility



Septage Collection System and Treatment Facility



Sustainable Transport and Vehicle Scrapping Program



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Circular economy solutions for Africa's development

Six Lessons Learned from Innovative Circular Economy Business Models

Five Steps to Identifying Circular Economy Investments

Step One:
Evaluate
Country-
Specific
Challenges,
Opportunities,
and Priority
Areas

Step Two:
Determine
Investment
Financing
Options

Step Three:
Screen
Identified
Projects

Step Four:
Refine the
Investment
Concepts

Step Five:
Conduct
Transaction
Appraisal
and
Structuring

1) Design Investments that Transform Traditional Business Models

2) Leverage Innovative Financing Mechanisms

3) Develop and Promote Inclusive Partnerships

4) Foster Community Engagement to Build Sustainable Livelihoods and Raise Awareness

5) Leverage Technological Innovations to Solve Fundamental Constraints

6) Promote Policy Modernization

Financing Circular Economy

Examples from the Africa Circular Economy Facility (ACEF) and African Circular Economy Alliance (ACEA)



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The Africa Circular Economy Facility ACEF

The Africa Circular Economy Facility (ACEF) - Building the case for circular economy in Africa

SUPPORT AREAS OF THE TRUST FUND



Capacity building & policy development

Governments



CE business development support

Start-ups (through CE Hubs & Incubators)



Advocacy and knowledge sharing

African Circular Economy Alliance (ACEA)

ACEF IN NUMBERS



Operationalised **September 2022** with 5 years of operation with possibility to extension



2 initial donors:
The Government of Finland and the **Nordic Development Fund (NDF)**



EUR 4 million initial capitalization





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The African Circular Economy Alliance ACEA

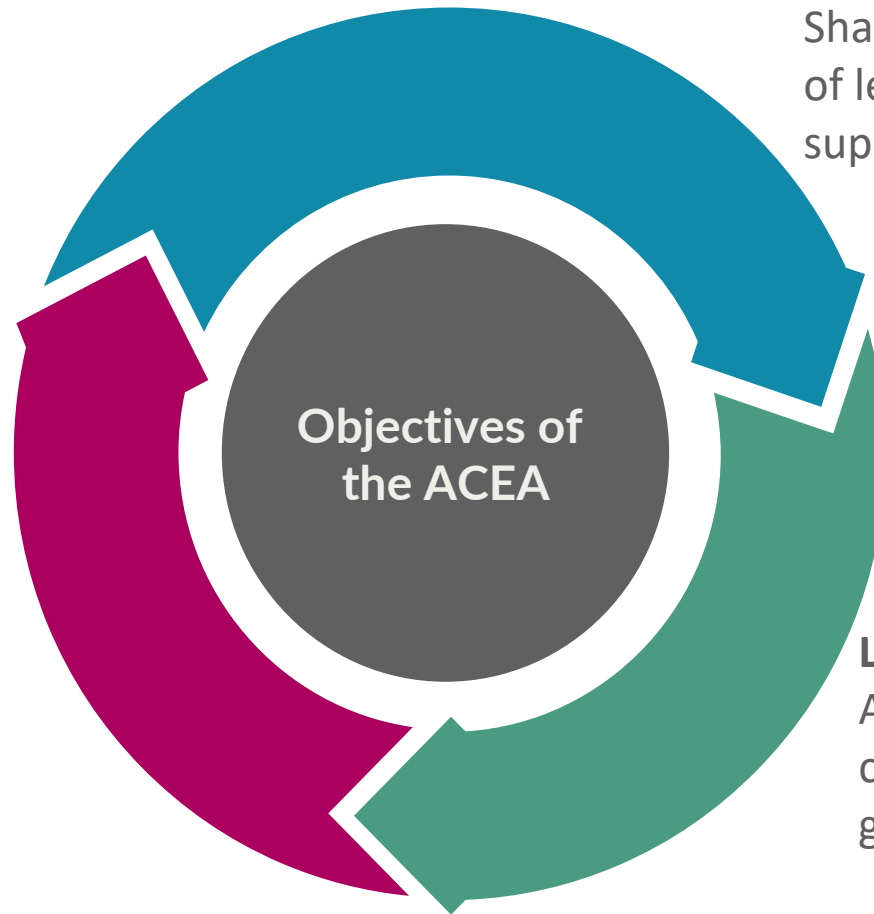
A transition to a Circular Economy within Africa offers an opportunity for the CE to support economic growth



- A development model for Africa based on circular economy principles offers an opportunity to tackle issues such as poverty, poor infrastructure, and unemployment prevalent within the continent, which have been further exacerbated by the impacts of climate change.
- Circular solutions can also be leveraged upon to attain various climate action obligations and the sustainable development goals

ACEA is a government-led coalition of African nations whose mission is to spur Africa's transition to a circular economy (CE)

Scaling CE businesses and projects
Bringing collaborations within individual or multiple countries for increased financing, designing of circular economy projects and public-private partnerships.



Policy development

Sharing best practices for the creation of legal and regulatory frameworks supporting the circular economy

Leadership and advocacy

Advocate for and raise awareness of the circular economy at a national, regional and global levels

African Circular Economy Alliance ACEA - Government-led coalition of African nations to spur Africa's transition to a circular economy



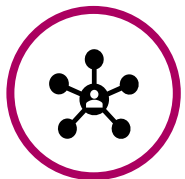
Members

Current country members are Rwanda, Nigeria, South Africa, Ghana, Côte d'Ivoire, Benin, Burkina Faso, Sudan, Morocco, Senegal, Cameroon, Mauritius and Chad



Strategic partners

ACEA is supported by strategic partners from the private sector and public institutions

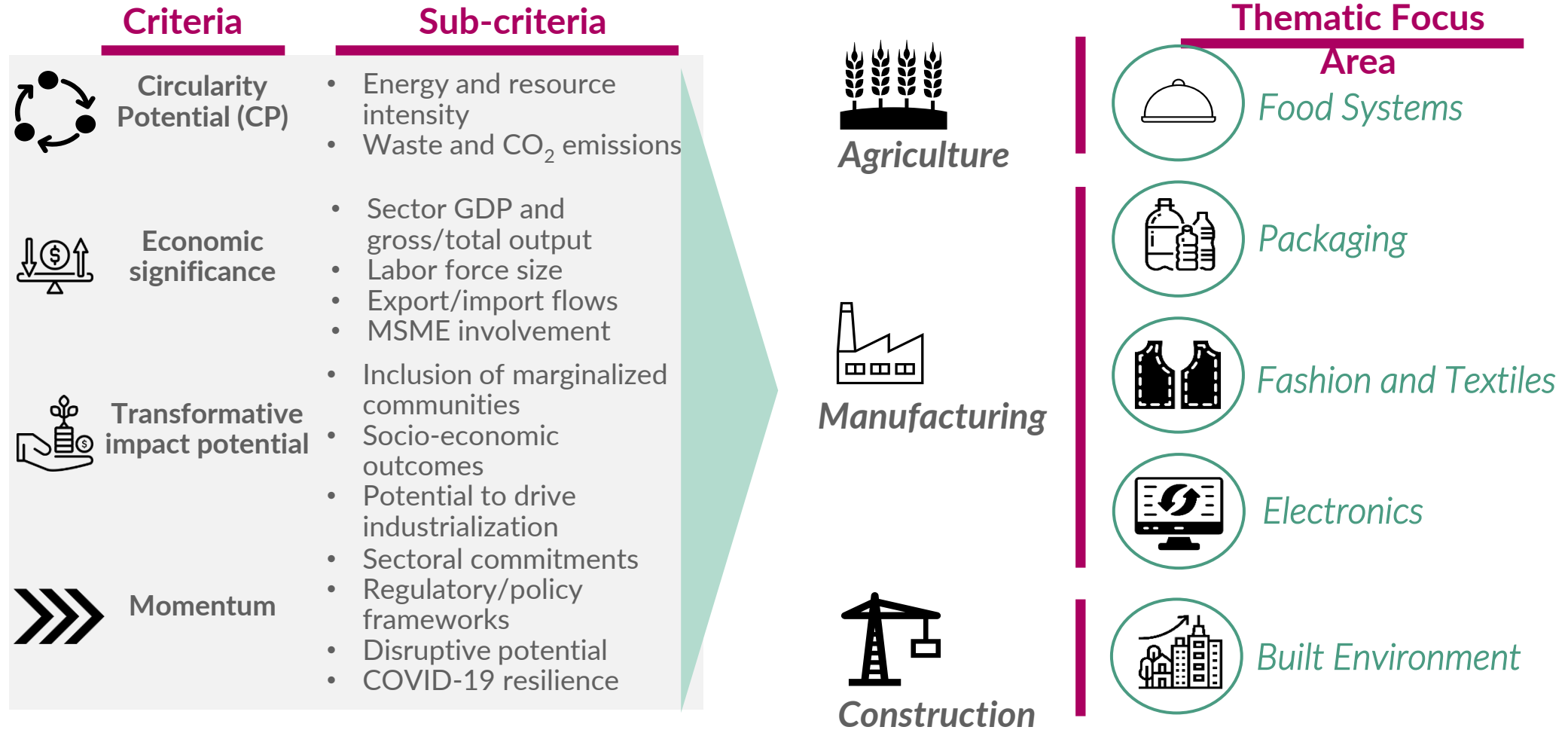


The Secretariat

AfDB hosts the ACEA Secretariat. WEF provides technical assistance to the secretariat. Dalberg was recruited to run ACEA administrative affairs.



The ACEA identified thematic focus areas based on highly performing sectors in selected criteria:



Member countries are to provide leadership for the activities of the working groups

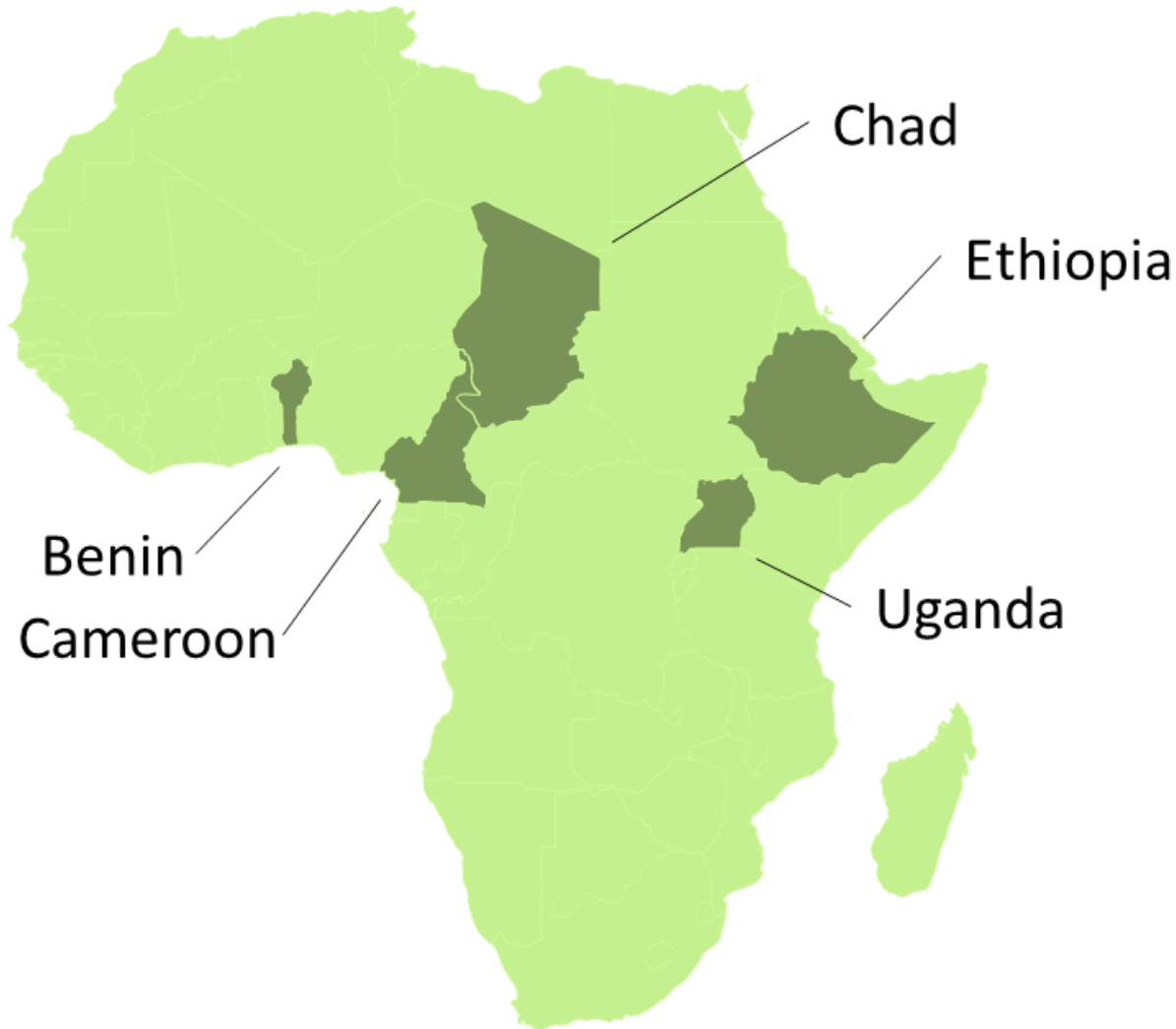
WG	Thematic Area	Anchor Member(s)
I	Food Systems	Rwanda
II	Plastics	Nigeria
III	Built Environment	South Africa
IV	Electronics	Ghana
V	Textiles	Côte d'Ivoire
VI	Cross Cutting: Research and Business Support	ACEA Secretariat

Each working group was formed with the aim to **collectively drive circular action** in specific areas and achieve ACEA's mission to spur Africa's transformation to a circular economy that delivers economic growth, jobs, and positive environmental outcomes

Theory of Change for the ACEA imagines an enabling ecosystem for CE in Africa



ACEF together with ACEA supports governments in the creation of enabling environments for the circular transition



Technical assistance for the development of National Circular Strategies and Policy Roadmaps

Capacity building to design and implement CE policy

Fora and trainings for peer exchange between government and sub-national entities

2023-24: NCER multi-country project

Chad, Ethiopia, Cameroon, Benin and Uganda have been selected to design national circular economy roadmaps

links to other Bank instruments and external opportunities to finance the implementation of the CE roadmaps



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Circular Economy Roadmap

Process

- **Creates a common vision and direction for the transition** to a circular economy
- **Brings together key stakeholders** from governments, private sector entities, and civil society organizations to drive the transition to a circular economy
- **Helps integrate circularity** into national development instruments, improve waste management infrastructure, foster stakeholder collaboration, and develop sector-specific policies
- **Helps prioritize actions, monitor progress,** and achieve sustainable economic growth, environmental preservation, and social development

Document

- **Strategic plan** that outlines the steps, policies, and actions needed to shift from a linear production model to a circular one
- **Guides the identification of investment opportunities** and **attracts funding** for circular economy initiatives
- **Serves as a comprehensive guide** for adopting circular economy principles and addressing the challenges faced by the participating countries

Business Support Programme for startups in circular economy

- Africa's private sector base is mainly **small and medium sized**.
- Financing is the main challenge of many circular start-ups and new businesses - **developing a bankable venture that attracts capital for early-stage financing**.
- MSMEs offer vast opportunities for entrepreneurship, which in turn **creates employment and green jobs**.
- This requires strong support ecosystems on **technical capacity building and financial support**, especially in the early stages of the entrepreneur journey.
- The programme will aim to offer:
 - i) business support services to startups with business models based on circular economy through **entrepreneurship hubs (incubators, accelerators, startup service providers)**; and
 - ii) **tools related to circular economy developed** for the startups and hubs through technical assistance and a coaching programme for selected startups and financing linkages to support their further scale-up.

Circular Economy team at the African Development Bank



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Joins 1 November 2023



A photograph of a dirt path winding through a forest of tall, thin trees. The sun is low on the horizon, creating a warm, golden glow and long shadows. A large, semi-transparent white circle is overlaid on the right side of the image, containing text.

Circular Economy promises the conservation of finite resources and preservation of the environment. It presents market opportunities for economic development, value and job creation, as well as skills development.

“The Circular Economy could generate \$4.5 trillion of additional economic output by 2030, according to a new Accenture report” Accenture (2015)



Thank you



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