

Federal Republic of Germany

Positions for the African Development Bank

I. Decreasing Poverty Through Agriculture and Agro-Industries

Africa is expected to have the strongest population growth of any world region in the next 80 years. The continent's total population is estimated to grow to 4.3 billion by 2100. Sub-Saharan Africa, in particular, is expected to add more than one billion people over the next 30 years. When this growth is combined with continued low agricultural yields in the region compared to the rest of the world, massive variability in precipitation and other effects of climate change, and civil strife and unrest in various parts of the region, Africa will not have the ability to feed itself. The number of undernourished people in Sub-Saharan Africa rose from 181 million in 2010 to almost 222 million in 2016. To meet sub-Saharan Africa's food needs, food yields must considerably improve. Sub-Saharan Africa currently imports about 20 percent of its cereal needs, and this could rise to at least 50 percent by 2050. One way to meet growing demand is to expand the land area to grow crops, but this would mean cutting down forests or encroaching on protected nature reserves, leading to loss of biodiversity and increased greenhouse gas emissions. Instead, the focus should be on producing more food on the land already being planted. This would need investment to boost crop yields, an increase of the number of crops grown on the same plot of land, and an expansion of irrigation.

The Federal Republic of Germany has maintained a long-standing partnership with African Member States to meet the continent's food needs. Germany joined the African Development Fund in 1973 and the African Development Bank in 1983. In 2014 Germany supported the World Food Programme with €1.5 million for refugees in the Democratic Republic of Congo, and in 2016 Germany pledged a €61 million increase in funding for UN relief operations in Africa to encourage African citizens not to make the dangerous journey to Europe for assistance. In 2017 Germany pledged €4 million to farmers in northeastern Nigeria to assist with their harvest as well. Overall, Germany's contributions to the UN Food and Agricultural Organization support a wide range of programs making it vital in FAO's drive to achieve its strategic objectives. Germany advocates for key themes such as the right to food and responsible investments in agriculture. Germany prides itself in prioritizing food and nutrition security, natural resource protection, and innovation in the agricultural and food sectors of Africa.

To assist with agricultural efficiency in Africa, **Germany proposes** a three-part plan that can be implemented in stages based on yield rates in various regions of Africa. **Part one** involves the usage of both local and foreign farmers to come to different parts of the continent to train farmers in affordable, efficient methods to increase yields. Effective crop rotation methods would be one example of this. **Part two** involves replacing more conventional farming strategies with more advanced versions. Included in this would be the introduction of GMO crops that are designed to survive in the harsh and varied climates of the continent. **Part three** entails the creation of stop gap measures to cover the large areas of farms from pests that may harm yield. This might include environmentally safe deterrents against insects and fencing to keep out larger animals. **Germany also proposes** the development of safe and efficient expansion of drylands irrigation. This is a longer-term project that entails a number of important steps: (1) Elevating irrigation to a top policy priority; (2) developing "smart regulations" to avoid degradation and pollution from irrigation development; (3) Continual innovation with irrigation technologies; (4) investment in support infrastructure; and (5) exploring innovative partnership and financing models to support development and growth of the sector. If Sub-Saharan Africa is to feed its growing population over the coming decades, sustainable drylands irrigation will be essential. Funding for such projects is up for debate, but one possibility is that they come from deposits into a growth fund from Member States interested in investing. Germany looks forward to sharing best practices with the body in committee.

II. Foresting Anti-Corruption Initiatives within the African Continent

According to the United Nations African Development Bank, corruption is defined as the misuse, or misappropriation of public assets, office or trust. This could include fraud, money laundering, or embezzlement. This issue is not only an issue designated to the public sector, but with private sector groups which include investment banking companies, international corporations, and even some NGOs. The effect of bank-group financed crimes have also negatively influenced the economic and social structure on developing member states. For instance, in 2015, Palestinian civil servants were charged with the misuse of US \$800 million of public funds through tax evasion. Also, officials in Zimbabwe have been charged with buying private property and reselling it at exuberant

prices, sometimes 10 percent above market value to low-income residents. In many of these situations, funds that were meant to be used in poverty relief efforts were used to finance political campaigns, or the social lives of those of influence. This not only has a negative impact on the Member States' overall economy, but also hinders citizen trust for public officials. The United Nations along with the African Development bank have made various efforts to end corruption by government and private bodies on the international level. One of these efforts include the UN Convention Against Corruption (UNCAC), which was formed in 2003 as an effort to respond to global conflict dealing with the issue of bank group-financed corruption. Another effort includes the UN partnership with the International Chamber of Commerce (ICC), and the World Economic Forum Partnership against Corruption Initiative (WEF-PACI), which have provided a collaborative platform for dialogue between agencies in the public and private sectors in order to form initiatives on anticorruption action. The overall goal of these efforts is to end international corruption and its financing by implementing the process of information exchange between agencies and governing bodies, and the criminalization of those who participate in these illegal activities.

The Federal Republic of Germany views integrity as the strong building block of society, and that Member States or institutions who violate it expose themselves to corrupt practices that could render their institution as untrustworthy or less valuable. In Germany, most anti-corruption initiatives focus on bribery and corruption by large corporations and government officials. German laws including the German Criminal Code (STGB) were implemented to address and deal with bribery via domestic and international cooperation based out of Germany. The law states that some forms of bribery could be in form of gifts or credits towards innovative practices. Some other efforts that Germany has used to combat corruption include the founding of the U4 Anti-Corruption Center in Bergen, Norway. Its purpose is to provide training for agencies who wish to address corruption challenges and learn strategies to end it. Another one includes the Kenyan-German Project. This project was established in order to supervise the management of and end corruption in the water sector by providing a governing body to manage the trust funds for water sector projects and criminalize government officials who abuse these funds. The overall benefit of this program is that it has improved the overall water and sanitation conditions in Kenya, while providing employment for low income residents in the public sector.

Various Member States and international organizations have formulated plans to combat corruption in the public and private sector, and the financing of it. As a solution, **the Federal Republic of Germany proposes** the implementation of the International Project Financing Accountability System (IPFAS). This system creates a digital profile for Member States or organizations who wish to receive funding thru the AfDB for projects. The proposed process is as follows: **first**, the organization must provide a thorough plan for their project and an explanation on how they will utilize the funds; **second**, a branch of the AfDB based on the project type is assigned to review applications and make the final decision. For example, if someone is applying for a grant geared towards agroindustry, the application would be reviewed by the AfDB department of Agriculture, Human and Social Development, then, if approved, it is funded by the treasury. **Third**, once approved and the finances are distributed, the system will log the organization or Member State, then begin to track the progress of their project. Based on the time length of the project, the organization would be required to meet with an AfDB official to discuss progress and submit documentation of purchases in the system. In the situation that the project is paused or the funds are being misused, the system will give the organization five points per violation; once an organization has reached 20 points, all funding towards the project will be suspended, and whoever received the funding will have a suspension on their account until they pay back the loan in full, and they meet with officials from the department that awarded them the funds. The overall purpose of this program is to insure that public funds given thru the AfDB are property used to benefit economic development goals, and to hold Member States accountable for illegal use of public funds. Germany looks forward to working with its partners to further flesh out this initiative.