Press release on behalf of AADFI and ADFIAP

14 November 2012
Johannesburg, South Africa

The Association of Development Financing Institutions in Asia and the Pacific (ADFIAP) is taking part in the first joint CEO Forum with the Association of African Development Finance Institutions (AADFI) this week.

This historic meeting takes place in Johannesburg, South Africa, from 14 to 16 November 2012, and will involve some 200 participants from development financing institutions, commercial banks, specialist agencies and government ministries.

At the heart of the Forum is the promotion of closer co-operation throughout Africa and the Asia-Pacific region to boost socio-economic development. Participants will tackle the theme “Promoting South-South Co-operation among DFIs through Value Chain Financing in Africa, Asia-Pacific and the Caribbean”.

Objectives include:

- Developing a closer working relationship among CEOs and senior executives of development finance institutions (DFIs) and their strategic stakeholders in Africa, Asia and the Pacific;
- Sharing best practices in development financing operations;
- Developing a network for cross-border financing and investment promotion; and,
- Supporting efforts to promote inclusive socio-economic development through South-South co-operation among DFIs.

ADFIAP brings to the Forum 36 years of experience in supporting all development banks and financial institutions engaged in the financing of development throughout the Asia-Pacific region. Its membership spans 131 institutions in 45 countries and territories.

Key to its sustainability agenda are four pillars: its economic support of micro, small and medium enterprises (MSMEs); its social platform through social banking and microfinance; the environment, supporting green banking programmes through training, dialogues and capacity-building programmes; and, good governance, promoting fair, transparent and accountable governance principles.

AADFI, launched 37 years ago, works to promote economic ties between African countries, aimed at accelerating regional integration and social development through its 80 member institutions in 40 countries. Its focus is on the provision of information and training in banking and finance, as well as advising on development policy.

Picking up on the importance of financing MSMEs, this first joint CEO Forum will investigate how value chain financing can be used to integrate these groups into the wider economy. MSMEs are important to the growth potential of developing economies and, in the Asian economies, have made a significant impact.

The growth of the sector in Asian economies indicates that they have been able to find solutions to financing challenges, with the value chain finance model emerging as a potential model.

For the African delegates, the Forum provides a platform to share experiences with their Asian counterparts.

Value chain finance addresses potential risks for MSMEs by providing innovative ways of delivering financial services. Important in this model is the common knowledge base shared by all parties.
involved in the value chain. The benefit of this is that all the role players in the value chain can mitigate risk factors associated with financial lending to MSMEs and facilitate links into broader market opportunities.

In most Asian countries, this type of financing has been very successful. In India, for example, the MSME sector accounts for 8% of gross domestic product, 45% of manufacturing output and 40% of export.

A key aspect of the Forum is the sharing of experiences and knowledge in the application of value chain finance.

Expected results of the Forum include the formation of a network of important stakeholders throughout Asia, the Pacific and Africa; enhanced awareness among all role players of the need for effective programmes and policies to help MSMEs enter the global value chain; and, identifying opportunities for further training and knowledge-sharing.


ADFIAP and AADFI share similar objectives of fostering co-operation among development finance institutions, and both are key members of the World Federation for Development Financing Institutions (WFDFI) www.wfdfi.org.

For more information about ADFIAP, visit: www.adfiap.org.
For more information about AADFI, visit: www.adfi-ci.org.

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