Press release on behalf of AADFI and ADFIAP

Conclusion of the 1st joint CEO Forum
Johannesburg, South Africa
16 November 2012

Delegates at the 1st joint CEO Forum, organised by the Association of African Development Finance Institutions (AADFI) and the Association of Development Financing Institutions in Asia and the Pacific (ADFIAP), this week discussed how value chain financing could be a solution to bringing emerging entrepreneurs into the broader economy.

This was the key message coming out of the historic Forum that was attended by about 200 executives from Africa, Asia and the Caribbean.

“Africa and developing countries need innovative finance development solutions,” said CEO of the Development Bank of Southern Africa (DBSA), Patrick Dlamini. The DBSA and the Industrial Development Corporation (IDC) co-hosted the event.

The Forum, which was held at the Indaba Hotel and Conference Centre in Johannesburg, South Africa, from 13 to 16 November, 2012 discussed “Promoting South-South Co-operation among Development Financing Institutions through Value Chain Financing in Africa, Asia-Pacific and the Caribbean”.

Value chain finance has been recognised as one of the solutions to the funding challenges of micro, small and medium enterprises (MSMEs). In the Asia-Pacific and the Caribbean region, this model has been very successful.

Value chain finance could reposition entire industries, build business competitiveness as well as facilitate and upgrade other role-players to generate greater returns, promote foreign direct investment programmes and spur economic growth. Emphasis is placed on export competitiveness, inclusiveness and regional integration – there is no one-size-fits-all solution in this model.

Presentations at the Forum covered opportunities, challenges and experiences on value chain finance. Knowledge and case studies were shared, focusing on:

- Agricultural finance for sustainable development, expanding agricultural market opportunities and promoting disadvantaged small farmers and micro, small and medium enterprises (MSMEs);
- The challenges of financing disadvantaged small farmers and MSMEs in Africa: how agricultural value chain finance can be rescued;
- African Development Bank experience of agricultural value chain finance in Africa;
- African Development Bank experience and initiatives in value chain financing of African MSMEs;
- Application of value chain finance to agribusiness: perspectives and experiences from Africa;
- Facilitating African MSMEs access regional and global markets;
• Sources of funding and support system for value chain finance: lessons from Africa-KfW experience – KfW is a German government-owned development bank;
• Sources of funding and support system for value chain finance: lessons from Asia; and,
• African Agricultural and Trade Investment Fund (AATIF).

AADFI chairman Peter Noni reflected on the African experience. “Value chain finance has worked globally in many cases and could be a sustainable solution to the challenge of finance for SMEs and small scale farmers.

“The question is, is Africa ready to implement this model of financing SMEs and small scale farmers?

“The answer is we are working very hard to strengthen the capacity of DFIs. Given a bit of time, we will be able to meet these challenges and hit the ground running.”

Chairman of ADFIAP, Datuk Wan Azhar Wan Ahmad, described the contributions as “very enriching”.

Important to the Forum was the building of closer co-operation between developing countries in the southern hemisphere, which would help boost socio-economic development. It was agreed that closer co-operation would help CEOs and senior executives of DFIs build networks that would address the strategic importance of MSMEs.

Clearly, the 1st joint CEO Forum benefited the delegates; as managing director at IDB Capital Limited, James Karanja noted: “Our story has been very fruitful. All is not lost for us as DFIs in Africa. We believe that the lessons we have learned especially from India and other countries in Asia will go a long way in assisting us.”

The benefits of the Forum will be felt by all the delegates’ institutions, corporations, colleagues and communities, where the knowledge gained will be shared to potentially bring about change and improve efficiency among MSMEs and others.

The next joint CEO Forum will be held in 2014 in Asia and it is hoped that positive feedback will be received regarding programmes implemented between 2012 and 2014.


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.

For more information about the co-ordination of the Forum, contact:
• Ms Denise Reddy, manager stakeholder events marketing, on telephone: 011 269 3363 or email: deniseR@idc.co.za for Industrial Development Corporation and Development Bank of Southern Africa
• Mr Kokou AJ Attiogbe, communications and translation manager, on telephone: (225) 22 52 79 40, fax: (225) 22 52 25 84/22 52 79 41 or email: attiogbe@adfi-ci.org for AADFI
• Mr Enrique I Florencio, head, knowledge management, on telephone: (63 2) 816 1672, 843 0932 or 843 5892, fax: (632) 817 6498 or email: eflorencio@adfiap.org for ADFIAP
• Ms Sandy Lim, consultant, membership and events management, on telephone: (632) 816 1672, 843 0932 or 843 5892, fax: (632) 817 6498 or email: sandylim@adfiap.org for ADFIAP