



Concept Note

Equity Financing in Africa A Vector of Recovery

The Tokyo International Conference on African Development (TICAD) is an international forum about development in Africa. The Government of Japan has been leading this conference since 1993, co-hosted by United Nations, United Nations Development Programme (UNDP), World Bank and African Union Commission (AUC).

The TICAD is an open forum involving not only African countries but also international organizations, the private sector and civil society working for Africa's development. TICAD promotes ownership and international partnership.

This year, TICAD 8 will take place in Tunisia on August 27 & 28, 2022. Africa will host TICAD for the second time, the first one was held in Kenya in 2016

I-TICAD 8 Tunisia

TICAD 8 will be organized for the first time in North Africa, under the exceptional circumstances of the Russian-Ukrainian war and two years after the global health crisis. The main thematic is theme of Equity Financing in Africa, a Recovery Vector. Equity financing has several advantages, including essentially the involvement of the funder who has committed his money and seeks the success of the investment involved. This results in more involvement of all parties, donors, and project leaders. Equity financing is committed financing but also responsible financing, the combined efforts of all stakeholders is a guarantee of success and development. In addition to debt financing, for the latter mode, certainly necessary, but the lessor tends to seek guarantees to be reimbursed, which could sometimes slow down the progress of the project, especially in times of crisis. As part of the players involved in capital, the funder becomes an element of success since everything must not increase the risk. In addition to this involvement, there is an element of major importance, the separation of risk; being a shareholder among others, this implies a sharing of the risk. The investor benefits from this collective contribution to the success of the project or action undertaken. Extending this philosophy to the circle of bilateral or even multilateral relations between international actors can only be a vector of stability and an expression of goodwill for common development. This mode of financing is valid for the private sector but also true for the public sector especially with the growing advent of the concept, more and more in expansion, namely the Public Private Partnership. If the private sector is the cornerstone of all economic development. The public sector is also essential and remains a major player in development. It is an economic player but also a facilitator and initiator of development policies and strategies.

About fifty heads of state and government are expected to attend the summit, as well as about a hundred Japanese, African, and Tunisian business leaders, and investors. This panel will help to convince of this mode of financing which reduces the indebtedness of States and deepens relations between the Japanese and African parties.

II- Role of financial actors

The CDC, in co-organization with Economy & Planification Ministry, as a long-term public investor seeking to undertake impact actions, wants to be an active player in this recovery by laying solid foundations that will allow the achievement of the expected objectives, especially since we are talking about new processes and models of development. The health crisis changes our life and the digitalization revolution has found the best support in this crisis by changing the way of dealing with problems.

Companies have been very affected, the solution to their problems should be global and not limited to the financial aspect, which certainly remains important, but the problem must be seen from other angles. The funding, the techniques offered, the solutions to think about, hence the diversity of stakeholders who come from different backgrounds with a single objective "Success".

III- Synopsis

The panel entitled "The of Equity Financing in Africa, a Recovery Vector " is an attempt by financial players or at least some of them to give their vision of the post-covid recovery. The way to go about it is no longer the same, the techniques and solutions to be proposed must follow. Admittedly, the pace of change has accelerated to the point that sometimes it surprises us, who would have imagined before the health crisis that the switch to online work would take place with this speed to become the mode adopted.

This panel is an attempt to present the financing of investment from different angles and through various mechanisms that adapt better to the evolution we know, like the digital option and other developments.

Through this meeting and discussions, we will try to find a common action plan to meet the new needs of funding applicants with quick, simple and effective solutions.