ACBA-CSABC Webinar Report

Title: Challenges, Opportunities and Recommendations for Sustainable Infrastructure Investment in Africa

Contents

Background

Africa's infrastructure investment gap is estimated at more than USD 100 billion per year, and as one of Africa's main partners in financing infrastructure projects, China's policies on infrastructure and business practices abroad are essential. In 2013, China launched the Belt and Road Initiative (BRI), an ambitious project to connect Asia, Europe and Africa via land and sea. More than two thirds of the world, including 40 out of 55 African countries, have signed up to the initiative to address infrastructure gaps.

As African countries seek to avoid the pitfalls of unsustainable approaches to development, it will be important that they promote sustainable and green infrastructure and are supported by global partners in their shift towards sustainable development which promotes biodiversity. To this end, this webinar aimed to exchange and gain insights on challenges, opportunities and actions to be taken by African countries and China to promote sustainable infrastructure development throughout the continent.

Proceedings

The Africa CSOs Biodiversity Alliance (ACBA) in collaboration with China's Civil Society Alliance for Biodiversity Conservation (CSABC) hosted this virtual discussion on Zoom on June 28, 2022 from 09:30 to 11:30 EAT.

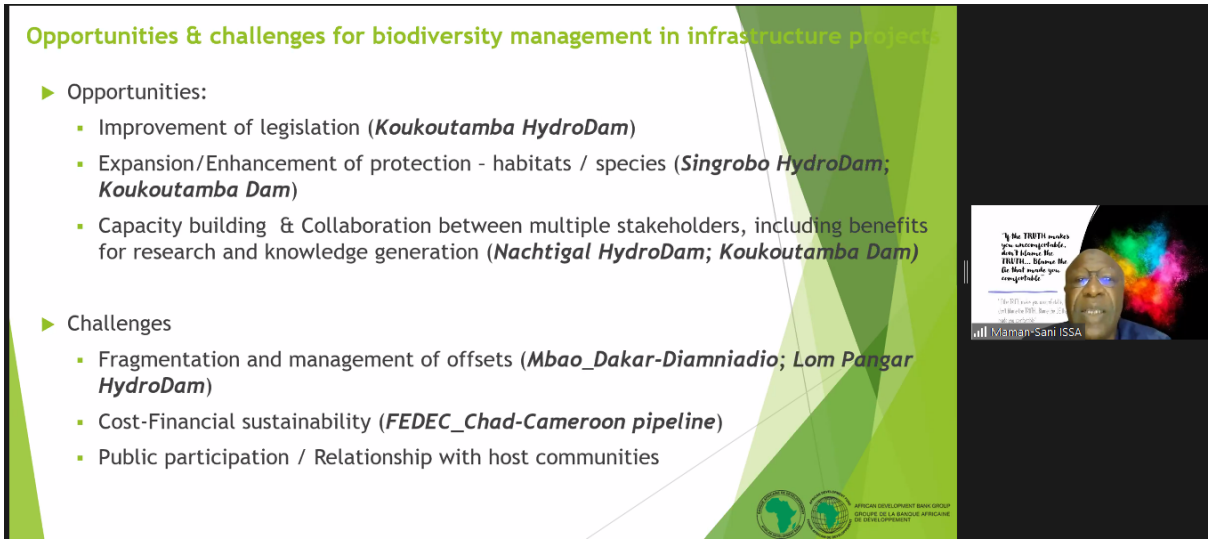
The webinar was led by:

Moderator	**Speakers**	
Dr. Tobias Nyumba	Mr. Issa Maman-Sani Mr. SHANG Shengping	Ms. Christine Mwangi Ms.CHEN Cheng

The expected outcomes of this webinar included:

1. Case studies of successful mitigation of biodiversity loss in infrastructure projects presented;
2. Innovative approaches to green infrastructure development encourage CSOs, private sector and other key stakeholders to promote sustainable infrastructure; and
3. Recommendations for mainstreaming biodiversity conservation into infrastructure development shared with a view to sharing at the Africa Protected Areas Congress workshop in the infrastructure stream.

The dialogue opened with a brief introduction to ACBA, CSABC, and their partnership towards Africa-China collaboration among biodiversity CSOs. This was followed by background highlighting the importance of ensuring that sustainable infrastructure underpins development processes in Africa.



Highlights

- Economic and Social Impact Assessments are fundamental to the African Development Bank Group (AfDB)'s pursuit of investments which contribute to sustainable and inclusive economic development, and support poverty reduction among member African countries. To this end, AfDB prioritizes environmentally and socially sustainable projects, particularly in its Public-Private Partnerships (PPPs). Where needed, the use of Biodiversity Management Plans holds implementing partners accountable to their impact on environment;
- Long-term engagement with partners is key to AfDB's ability to ensure that the whole project life cycle is likely to maintain environmental safeguards. With most projects having a 5-year horizon, with at least annual field visits, the bank has seen improvements in compliance across invested projects;
- As AfDB is a learning institution, its past investments provide important lessons from:
    - Successful cases:
        - Koukoutamba hydro-dam - Improvement of legislation and protection of species (chimpanzees) and their habitats in Guinea;
        - Nachtigal hydro-dam - Capacity building & Collaboration between multiple stakeholders, including benefits for research and knowledge generation.
- With over a quarter of the global market share of infrastructure projects, China's International Contractors' Association (CHINCA) is aware of its potential ecological footprint especially in its key regions of Asia and Africa (30% of contracts and 24% of sales revenue in 2021);
- Domestic and international policy and guidelines to Chinese operators abroad have improve biodiversity and environmental safeguards by the CHINCA membership. Additionally, project funders, including Multilateral Development Banks have prioritized environmental, social and governance (ESG) standards. Finally, Chinese

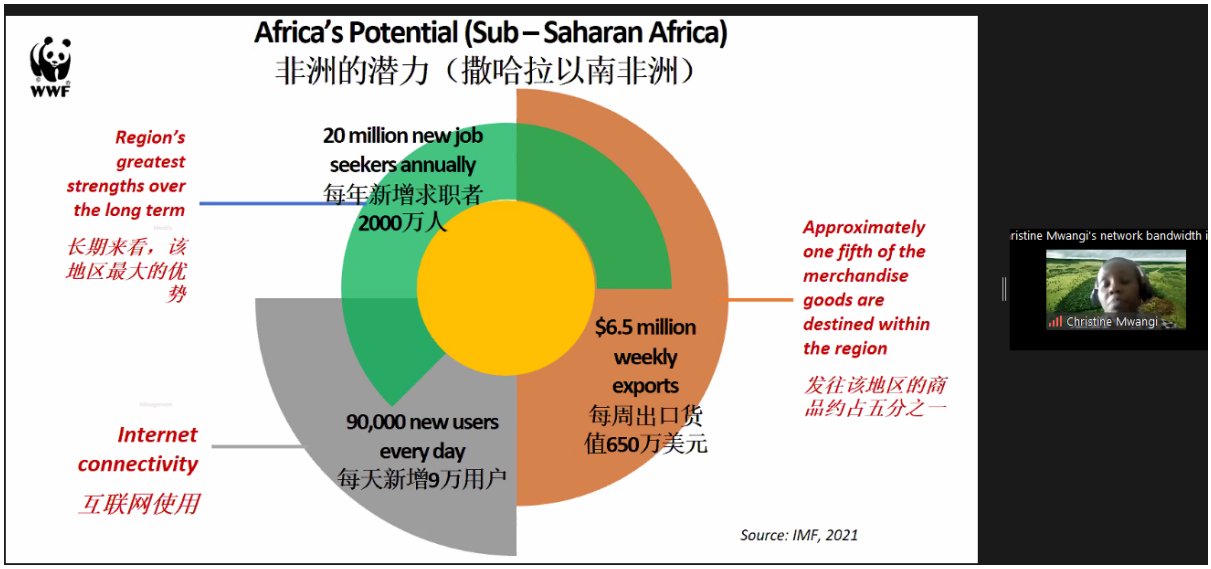
companies benchmark themselves against peers to remain competitive. Improvements fall across 3 themes – greater awareness, better management and enhanced implementation of biodiversity safeguards;

- Successful cases in Kenya (Standard Gauge Railway), Ghana (port expansion adjacent to turtle hatching area), and Republic of Congo (Highway No. 1) have been brought about by the co-development of solutions based on the host country's biodiversity objectives and the resources/capacity of implementing Chinese operators;
- Infrastructure is especially important throughout Africa where its lack drives higher costs of production and lower productivity, reliance on trade in primary goods, unemployment, and low rates of intra-regional trade. Consequently, it is potentially Africa's greatest barrier to economic prosperity. While digital infrastructure presents potential for African countries to develop through the data revolution, its ecological infrastructure can also contribute more to people and economy, where sustainable infrastructure is developed;
- As a region rich in resources, infrastructure is often developed to access minerals and get them to markets. As future physical infrastructure aims to enhance connectivity, it's clear that they will overlap with ecological infrastructure. Without sustainable infrastructure, these plans could result in significant biodiversity loss;
- Human activities - agriculture, industrial, and infrastructure development, including their contributions to land and sea use change- contribute to 80% of species loss. To date, there have been efforts to reduce impact and incentivize environmental safeguards, but is still insufficient to stem biodiversity loss and climate change impact;
- Looking at infrastructure design from the lens of species and conservation provides rich lessons for sustainability – in the best case, changes should be made during the planning stages of infrastructure development, including for renewable energy. The green peacock case along the Red River and the Dianshi Mountain areas in Yunnan Province in China typify the need to consider impact to species and habitat prior to beginning development. In both cases, habitat, species, and financial losses had already been incurred prior to stopping the projects, resulting in lose-lose outcomes for all actors.

Way forward

- AfDB's future projects aim to take stock from challenges experienced in past projects:
    - Mbao-Dakar-Diamniadio Highway and Lom Pangar HydroDam – Accounting for biodiversity objectives will help to avoid fragmentation of habitats and sub-optimal management of offsets;
    - FEDEC Chad-Cameroon pipeline – Estimating project costs with considerations of the financial sustainability of maintaining infrastructure in line with biodiversity safeguards is supportive to avoiding negative impacts to environment throughout the project lifecycle;
    - Effective public participation can be fostered with civic space and constructive dialogue between project funders, implementers and conservation and other environmental NGOs which amplify community needs and understanding of maintaining the biodiversity they depend on.
- As Chinese contractors will continue to play a significant role in Africa's infrastructure development, future efforts need to be focused on:

    - Reconciling biodiversity safeguards to ensure the highest are abided by, whether African or Chinese – this requires the efforts of Chinese operators and host governments respectively;
    - Awareness needs to be raised on which parties to hold accountable for prioritizing sustainable development – often construction firms are the most visible partners but not the ones capable of achieving long term change. Local actors, including government authorities have more influence in the long term and are key actors to engage;
    - Competitiveness of bidders will need to be defined by their biodiversity safeguards rather than low cost of project implementation. A singular focus on project costs is often detrimental to biodiversity and other environmental safeguards;
    - Improving communication and exchanges between Chinese contractors and local communities.
- African countries are in a period of major economic opportunities and changes. Three requirements will support the pursuit of sustainable development which ensures that infrastructure goals are achieved without the sacrifice of biodiversity and ecosystem services:
    - A move from environmental and social impact assessments as a box-ticking exercise to a deciding factor shaping planning decisions;
    - Stronger relationships among business, governments and civil society to ensure that empowered civil society can hold business and government accountable to biodiversity, environmental and social safeguards throughout the project life cycle;
    - An effective transition by investors from uptake of greenwashed projects to those with sound legally enforceable environmental safeguards, taking account the value of maintaining natural capital;
- China is investing in the data that will shape decision-making processes. Data supports identification of the dependencies between infrastructure and ecosystem services. Spatial analysis is a fundamental component to building this evidence, and requires partnerships among business, government and academia with strong feedback system.



Conclusion

- AfDB and other Multilateral Development Banks must reduce the externalization of the costs of maintaining biodiversity following infrastructure projects. Fundamental to internalizing these costs is holding the borrowers accountable to submitting environmental and social impact assessments, which are followed up with ongoing monitoring and evaluation of the implementation of biodiversity safeguards, with a requirement for public disclosure, ensuring transparency of both successful and unsuccessful outcomes;
- Civic space, and strong civil society are part and parcel of the monitoring of implementation of biodiversity safeguards. Nevertheless, this is only as successful as the responsiveness of lenders – lenders, including AfDB, no longer just seek to avoid violation of biodiversity safeguards through careful selection, but increasingly intervene during projects where such violation is established;
- There needs to be increased intergovernmental cooperation on environmental protection, including tri-lateral cooperation where a third partner experienced in sustainable infrastructure development provides technical expertise;
- MDBs and other major financiers can catalyze the transition to sustainable infrastructure by raising biodiversity safeguards and monitoring implementation;
- While well-developed policies are helpful to protecting biodiversity, it is more important that policies are shaped to enhance interactions among communities, business and financiers, and government. Harmonization of policy frameworks is key to sustainable infrastructure development and requires building trust and effective relationships. Civil society can play important role in mediating policy processes, and act as a sounding board for business and governments.
- Using scientific approaches to quantify dependencies on nature is critical as *what gets measured can be improved*. It is therefore essential that infrastructure development projects commit to locate their projects where there is minimal impact to biodiversity,

evaluate their dependencies on nature, assess how they can and should address these dependencies and prepare to report and respond to their impact on biodiversity.

The webinar attracted over 50 attendees. Many thanks to the ACBA membership for their participation and sharing with their networks. The recording of the full webinar can be accessed here.

Annex
Poster

Agenda

Agenda	Items
Introduction	Welcome Housekeeping Overview of ACBA-CSABC collaboration 2020 to date Collaboration in 2022
Opening Remarks	Context of webinar Introduction of Session I speakers
Session I: Speaker 1	Issa Maman-Sani – Director, Environmental & Social Safeguards and Compliance (SNSC), African Development Bank Group
Session I: Speaker 2	Shang Shengping - Director, Strategy and Consulting, China International Contractors Association
Moderator	Introduction of Session II speakers
Session II: Speaker 3	Christine Mwangi – Regional Coordinator, Africa Sustainable Investments and Infrastructure (ASI), WWF Kenya
Session II: Speaker 4	Cheng Chen – Program Director, Nature Watch Program, Shan Shui Conservation Center
Q&A	
Closing Remarks	Takeaways Lead-up to next webinar Vote of thanks