



AFRICAN DEVELOPMENT BANK GROUP
GROUPE DE LA BANQUE AFRICAINE
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Circular economy: Africa's perspectives

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AfDB's initiatives on Circular Economy

The Africa Circular Economy Facility (ACEF)

ACEF in a nutshell

- AfDB's **flagship program** to mainstream the circular economy as a development strategy in Africa
- The **goal is to build the case and create the necessary enabling environments** for the circular economy at country & regional levels
- The Facility is structured as a **multi-donor trust fund** for **grants** allocation
- Initial endowment is **€4 million** from the **Government of Finland** and the **Nordic Development Fund**
- The Facility will operate over a **5-year** timeline (**July 2022-June 2027**)

ACEF Support

Target Beneficiaries

Institutional capacity building & policy development

Governments, chambers of commerce, workers union

Technical Assistance to ACEA

African Circular Economy Alliance (ACEA)

Business development support

Start-ups

Growth-stage financing

SMEs

Business transition to circular practices

Industries & large companies

Priority of the initial seed funding

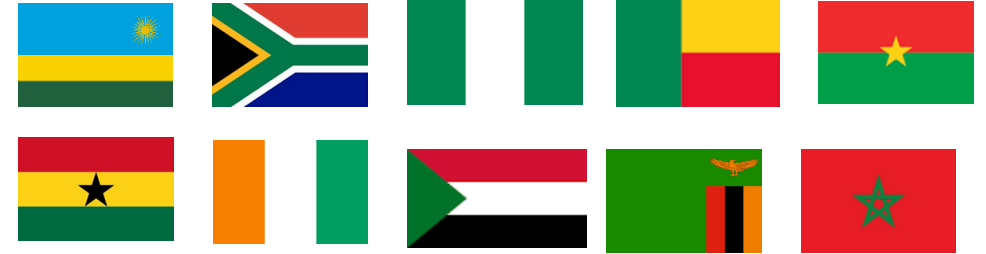


African Circular Economy Alliance ACEA - Government-led coalition of African nations



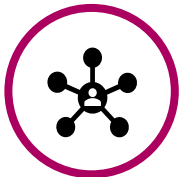
Members

In 2016, the ACEA was launched with three member countries: **Rwanda, Nigeria, and South Africa**. In 2020, **Ghana and Côte d'Ivoire** formally joined. In 2021, **Benin, Burkina Faso and Sudan**. In 2022 Zambia and Morocco have expressed interest in becoming members.



Strategic partners

ACEA is supported by strategic partners from the private sector and public institutions



The Secretariat

AfDB hosts the ACEA Secretariat. WEF provides technical assistance to the secretariat. Dalberg was recruited to run ACEA administrative affairs.



ACEA mission: to spur Africa's transition to circular economy

Scaling CE projects and businesses

- Design, implementation and financing of circular economy projects
- Collaborations of individual and multiple countries
- Public-private partnerships

Policy development

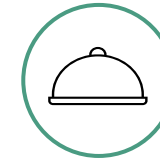
- Sharing of best practices
- Support for creation of legal and regulatory frameworks



Leadership and advocacy

- Advocacy & awareness raising of the circular economy
- National, regional and global levels

5 Big Bets for CE in Africa



Food Systems



Packaging



Fashion and Textiles



Electronics



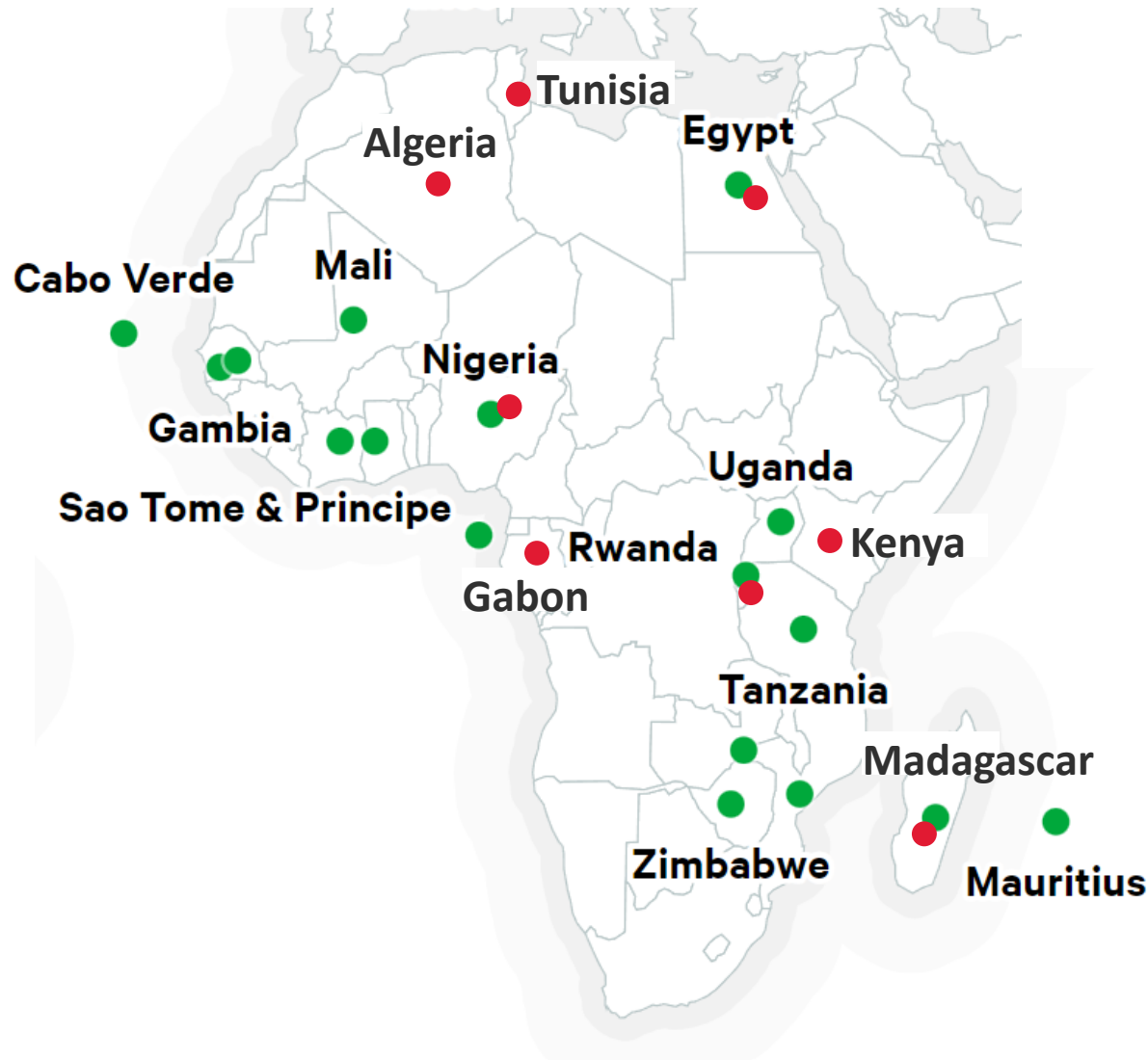
Built Environment



Policy development on Circular Economy in Africa

Findings from ACEA Baseline Survey on National CE Roadmaps

Many African governments have already factored CE into their national development planning tools



- Extended Producer Responsibility Policy ERP
- National Circular Economy Policy

Of all constraints identified, financing needs are the most prevalent for mainstreaming CE in policy development

	Knowledge gaps	Policy/Reg. gaps	Financing gaps	Stakeholder identification gaps	Cross-Ministerial coordination
Burkina Faso			×	×	×
Côte d'Ivoire			×		
Ghana	×	×	×	×	×
Rwanda	×		×		
South Africa	×	×	×		×
Sudan		×	×		×

Source: ACEA Baseline Survey on National CE Roadmaps

Scaling circular businesses in Africa

ACEA SME scoping study: Entrepreneurs need financing, technical assistance and networks to scale

- **Financing:** Matching with the right investors who understand the CE ecosystem is needed for scaling.
- **Learning from others:** Showcases and demo days are popular formats for inspiring entrepreneurs with successful and innovative circular solutions and facilitate peer-to-peer learning and collaboration.
- **Technical assistance:** Experienced mentorship is key, by those who have been successful in the African continent or abroad. Technical and management expertise also needed.
- **Exposure:** Events are important for businesses to brand themselves to a wide audience and increase their reach through media.
- **Public sector connections:** Knowledge exchange between the private and the public sector is needed. Policymakers need to better understand the challenges, solutions and opportunities provided through circularity.



Trade for an inclusive circular economy – Implications to SSA

- Global South less prepared than the North to benefit from circular trade*:
 - Low digital trade capabilities and insufficient trade infrastructure
 - Low access to circular finance, insufficient industrial and innovation capabilities
 - Lack of standards, classifications and definitions
 - Lack of waste management capacity (often the final destination for internationally traded low-value or illegal waste)
- CE offers a promising strategy for development and job creation
- RECs have already adopted some environmental policies. AfCFTA could serve as a lever for sustainable growth given that it's expected to expand the size of Africa's economy to US\$29 trillion by 2050**:
 - Leapfrogging into green industries
 - Wider diffusion of environmental goods and services
 - Encouragement to comply with multilateral environmental agreements (e.g. CITES, Basel Convention)
- The AfCFTA does not currently feature a Protocol on the Environment and Sustainable Development; contains only minimal environmental references. There is certainly room to enhance these in the existing Protocols.

Circular trade:

- Circularity-enabling goods and equipment
- Services: design, leasing or rental services, repair services
- Intellectual property rights
- Second-hand goods
- Secondary raw materials and non-hazardous waste to use in primary production
- Food and biomass

*[Chatham House](#)

**<https://au-afcfta.org/>

World Circular Economy Forum 2022



- **6-8 December 2022** in Kigali, Rwanda, and online
- Hosted by the **African Circular Economy Alliance (ACEA)**, The **Government of Rwanda**, **African Circular Economy Network (ACEN)** and **The Finnish Innovation Fund Sitra** with international partners

Day 1

5 sessions on key CE themes

- Youth & Education
- Innovation & Entrepreneurship
- Climate & Natural resources
- Trade & Value chains
- Infrastructure & Built Environment

Day 2

5 sessions on circular economy enablers

- Technology
- Partnerships
- Finance and investments
- Policy design

Day 3

Accelerator sessions

across the globe (online) allowing a deep-dive into core themes



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