

# Support from private sector is needed for sustainable development

Sustainable development in Africa depends on innovative sources of finance and resources from the private sector, African leaders and world experts said at the United Nations Conference on Sustainable Development, or Rio+20, currently being held in Rio de Janeiro, Brazil.

Speaking at a high level panel on Financing Sustainable Development in Africa, African states and their partners discussed resource mobilisation for sustainable development - both domestically and internationally.

The panel, representing a number of partners such as the African Development Bank (AfDB), the UN Environment Programme (UNEP), the UN Economic Commission for Africa, the Ivoirian ministry of Economy and Finance and the Pan African Chamber of Commerce and Industry also addressed the divide between the managers of money and facilitators of development.

Institutions that have access to global financial resources are sometimes constrained by their inability to effectively operate at a level where sustainable development initiatives are undertaken in a meaningful manner. Those who are able to do so are often either unable to raise the resources they need or are denied access to institutions who have such resources.

## All green development is not expensive

While green growth is often perceived as an expensive pathway to development, Aly Abou-Sabaa, chair of the AfDB's Climate Change Coordination Committee said that not all green development options are expensive as many could derive benefits, making it a realistic investment for all types of actors. Through its various activities supporting the transition towards a green economy in Africa, the AfDB has identified huge opportunities for the continent.

Ibrahim Thiaw, director of environmental policy implementation at UNEP, gave concrete examples of such opportunities. "Two of the main issues plaguing the continent, namely desertification and waste management, represent some of the main opportunities," he noted. "Desertification has the potential for land restoration, reforestation and creation of green jobs, conservation of biodiversity, recharging of underground water sources and agricultural activities."

## Private sector's confidence is increasing

The perception of sustainable development requirements, from a burden or a risk, to a new set of opportunities, is novel. Many developing countries may even soon begin to mobilise finance for development from domestic sources as their GDP continues to grow, said Kebour Ghenna, chairman of the Pan African Chamber of Commerce and Industry. "The private sector is increasing its confidence to do business in Africa, which represents an important opportunity," he added.

Existing challenges such as the risk of not prioritising aspects of a green economy and demands of sustainable development are especially pertinent in situations of national instability, said Gustave Aboua, director general for sustainable development in Cote d'Ivoire. "Fragile national social development strategies and a lack of defined frameworks do challenge the implementation of a green economy," he said, calling on institutions such as the AfDB to provide the necessary support, including technical assistance and maximisation of funding.

Country representatives and development partners agreed that sustainable development commitments need to be made within the continent. It is also essential that these commitments are coupled with a reassurance that their implementation is feasible within a broader context.

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