The Arab Bank for Economic Development in Africa (BADEA) and the African Risk Capacity (ARC) sign a Memorandum of Understanding

Kampala, Uganda, October 10th – The Arab Bank for Economic Development in Africa and the African Risk Capacity have signed a Memorandum of Understanding to enhance joint efforts and cooperation in Disaster Risk management and Climate Action in Africa.

Under the MoU, signed by the Heads of the two institutions in Kampala, Uganda, on the margins of the 7th edition of Africa SMEs Champions Forum, the Parties will jointly engage in high-level advocacy to promote awareness building in Disaster Risk Management and Financing. The MoU establishes a framework for collaboration in developing joint projects, programs and provision of technical assistance in sub-Saharan Africa in capacity development initiatives, premium financing support, risk profiling and risk transfer with a special focus on gender-sensitive investment to mitigate and respond to disasters.

Both institutions will also leverage on their existing initiatives and programmes with Member States to increase the membership of ARC by promoting the signature and ratification of the ARC treaty.

“This partnership is about seizing the moment to build a resilient future for Africa. A future that is protected from disasters with improved capacities and innovative solutions to respond to disasters,” said Dr. Sidi Ould Tah, Director General of BADEA, commenting on the formalisation of the partnership between the two organisations.

“Ensuring a sustainable Disaster Risk Financing Framework in Africa demands smart partnerships and alignment among like-minded organisations”, said UN-ASG and Director General of the ARC Group, Ibrahima Cheikh Diong. “We are confident that the strategic partnership with BADEA will provide holistic solutions to ensure that our Member States are empowered to better anticipate and respond to natural disaster risks.”

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About BADEA

Founded in 1974 by eighteen Arab countries, the Arab Bank for Economic Development in Africa (BADEA) is rated ‘Aa2’/Positive outlook by Moody’s, and ‘AA’/Stable outlook by S&P Global, multilateral development financial institution. BADEA is recognized as a reputable partner in Arab–Africa cooperation. BADEA offers a wide array of products and services for financing development in Africa. BADEA products include loans to public and private entities that finance trade, infrastructure, agriculture, rural development, and social sectors, small and medium enterprises with special focus on women and youth, as well as grants for capacity development. BADEA 2030 strategy positions the bank as a flexible, effective, and reliable development partner in Africa’s transformation and progress towards 2030 Sustainable Development Goals (SDGs), for the African Union’s Agenda 2063. For more information please visit: www.badear.org
About the African Risk Capacity Group

The African Risk Capacity Group consists of ARC Agency and ARC Limited. ARC Agency was established in 2012 as a Specialized Agency of the African Union to help its Member States improve their capacities to better plan, prepare and respond to climate-related disasters. ARC Ltd is a mutual insurance facility providing risk transfer services to the Member States through risk pooling and access to reinsurance markets. ARC was established on the principle that investing in preparedness and early warning through an innovative financing approach is highly cost-effective and can save upward of four dollars for every dollar invested ex-ante approaches.

With the support of the United Kingdom, Germany, Sweden, Switzerland, Canada, France, the European Union, the Rockefeller Foundation, and the United States, ARC assists the AU Member States in reducing the risk of loss and damage caused by extreme weather events affecting Africa’s populations by providing, through sovereign disaster risk insurance, targeted responses to natural disasters in a more timely, cost-effective, objective, and transparent manner. ARC is now using its expertise to help tackle some of the other most significant threats faced by the continent, including floods and outbreaks & epidemics.

Since 2014, 90 policies have been signed by the Member States for cumulative insurance coverage of US$900 million for the protection of 90 million vulnerable populations in participating countries.

For more information, please visit: www.arc.int