



**ANNEX TO THE G7 LEADERS STATEMENT  
PARTNERSHIP FOR INFRASTRUCTURE AND INVESTMENT**

At the Carbis Bay Summit in June 2021, G7 Leaders committed to an ambitious agenda to build back better for the world and urgently narrow the infrastructure investment gap in developing countries to address the impacts of climate change; health systems and security; developing digital solutions; and advancing gender equality and education. The G7 is already supporting a wide range of programmes and initiatives which have made a demonstrable impact in improving the quality and quantity of infrastructure in developing countries. The case studies in this annex illustrate the type of activity that G7 members, working with our allies and partners, are already undertaking in line with the principles of the G7 partnership. We will look to build on these programmes and initiatives to help us deliver the step change sought.

**Just Energy Transition Partnership**

<b>Partner countries:</b> EU, France, Germany, UK, US, South Africa	<b>Sector focus:</b> Climate
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**Description:** Launched at the COP26 World Leaders Summit by the governments of South Africa, France, Germany, the UK, the US and the EU, the Just Energy Transition Partnership (JETP) aims to support South Africa to decarbonise its economy, to move away from coal and towards a low emission, climate resilient economy based on clean, green energy and technology. Private financing and technical expertise are two key levers for delivering this Partnership. Up to US\$8.5 billion will be available over the next three to five years. Financial instruments such as multilateral and bilateral grants, concessional loans, guarantees, and private investments will be integral to support the JETP.

As the world’s 7<sup>th</sup> largest coal producer, South Africa has a large number of jobs in coal and is currently the world’s most carbon-intensive electricity producer. JETP recognises that essential actions towards decarbonisation must take into account the need for a just, equitable and inclusive transition for workers and vulnerable communities. The Partnership highlights the importance of sustainable financing from developed countries, multilateral institutions and investors to tackle the global challenge of climate change.

**G20 Compact with Africa**

<b>Partner countries:</b> Canada, EU, France, Germany, Italy, Japan, UK, US, Argentina, Australia, Benin, Brazil, Burkina Faso, China, Côte d’Ivoire, Egypt, Ethiopia, Ghana, Guinea, India, Indonesia, Mexico, Morocco, Netherlands, Norway, Rwanda, Russia, Saudi Arabia, Senegal, South Africa, South Korea, Spain, Togo, Tunisia, Turkey	<b>Sector focus:</b> Cross-sectoral initiative
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The G20 Compact with Africa (CwA) was launched under the German G20 Presidency in 2017 as a multilateral initiative to promote reforms and private investment in Africa, including in infrastructure. The CwA’s primary objective is to increase the attractiveness of private investment through substantial improvements of the macro, business and financing frameworks. CwA is implemented with support from the African Development Bank, International Monetary Fund and World Bank Group. Currently there are 12 African members: Benin, Burkina Faso, Côte d’Ivoire, Egypt, Ethiopia, Ghana, Guinea, Morocco, Rwanda, Senegal, Togo and Tunisia. In cooperation with international organisations and bilateral partners, Compact countries have developed tailor-made policy measures to make their business environments more attractive to private investors.

The “Financing African Economies” Summit on 18 May 2021 offered the opportunity to further

strengthen the existing partnership in the wake of the COVID-19 pandemic. The aim is to promote private sector development and investment, including green and digital investment, to achieve sustainable economic growth, regional integration and to generate decent jobs, especially for young people and women. The 4th CwA Conference hosted by the Federal Chancellor of Germany on 27 August 2021 focused on the development of vaccine manufacturing capacity in African countries.

## 2X Challenge

<b>Partner countries:</b> Canada, EU, France, Germany, Italy, Japan, UK, US, Austria, Belgium, Denmark, Finland, the Netherlands, Norway, Sweden, Switzerland	<b>Sector focus:</b> Gender equality, Climate
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**Description:** The 2X Challenge was launched at the G7 Charlevoix Summit in Canada in 2018, by development finance institutions (DFIs) from the G7 as a call to action to mobilise more capital towards investments that empower women in developing countries to access entrepreneurship and leadership opportunities, quality jobs, and products and services that enhance their economic participation. Since its launch, DFIs from Austria, Belgium, Denmark, Finland, the Netherlands, Norway, Sweden, Switzerland, as well as the European Investment Bank, International Finance Corporation, European Bank for Reconstruction and Development and the Asian Development Bank have joined the initiative.

In 2021, a new US\$15 billion fundraising goal was set by the initiative after it secured more than double its original US\$3 billion target. The 2X Collaborative, a new industry body for gender lens investing, aims to build on the 2X Challenge to mobilise further capital towards women's empowerment and is designed to serve investors making their first gender-focused investment as well as investors at the frontier of the field. 2X Collaborative initiatives like the 2X Climate Finance Taskforce, announced under the UK G7 Presidency, aim to drive gender-smart investing in thematic areas.

A core aspect of the 2X initiative is the establishment of the 2X Criteria, which has quickly become a global industry standard for gender-lens investing, defining what 'good' looks like.

## Great Green Wall Initiative and Accelerator

<b>Partner countries:</b> EU, France, Algeria, Burkina Faso, Benin, Chad, Cape Verde, Djibouti, Egypt, Ethiopia, Libya, Mali, Mauritania, Niger, Nigeria, Senegal, Somalia, Sudan, The Gambia, Tunisia	<b>Sector focus:</b> Climate
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**Description:** The Great Green Wall (GGW) is a flagship programme, bringing together African countries and international partners under the leadership of the African Union and coordinated by the Pan-African Agency of the Green Great Wall. Long-time considered only as a tree-planting program, the initiative has evolved into an integrated ecosystem management and rural development programme to combat land degradation and desertification, climate change, biodiversity loss, and poverty and food insecurity in the Sahelian countries.

The 2021 One Planet Summit in Paris launched a GGW Accelerator for more coordinated support to GGW Member States based on five pillars: (i) investment in small and medium-sized farms and strengthening of value chains, local markets, organisation of exports; (ii) land and ecosystem sustainable management and restoration; (iii) climate resilient infrastructures and access to renewable energy; (iv) favourable economic and institutional framework for effective governance, sustainability, stability, and security; and (v) capacity building. Financial commitments of about US\$19 billion have been pledged by several donors including the World

Bank Group, African Development Bank, European Commission, European Investment Bank, Green Climate Fund, International Fund for Agricultural Development, Global Environment Facility, Food and Agriculture Organisation of the United Nations and the French Development Agency.

### Local Vaccine Production including via Vaccine Manufacturing Working Group

**Partner countries:** Canada, EU, France, Germany, UK, US, Belgium, Brazil, China, India, Indonesia, Norway, Rwanda, Saudi Arabia, Senegal, South Korea

**Sector focus:** Health

**Description:** The Vaccine Manufacturing Working Group (VMWG), established this year and co-chaired by Germany and South Africa, has supported the COVAX Manufacturing and Supply Chain Taskforce, established within ACT-A. The VMWG's primary objective has been to support the work on ensuring equitable access to vaccines, particularly for low and middle income countries (LMICs) through increasing global vaccine manufacturing capacity. The VMWG's workplan covered three areas: (i) improving supply inputs to vaccine manufacturing and increasing supply of vaccines to COVAX; (ii) increasing manufacturing capacity; and (iii) fostering new and expanded sustainable capacity in LMICs. The initiative has raised vaccine manufacturing-related issues in international fora and in multilateral organisations and presented a report with concrete recommendations to the G20. This includes support for the flagship South Africa mRNA Technology Transfer Hub and recipient facilities, with early engagement and seed investments from the European Commission, Canada, France and Belgium, among others.

Additionally, the Institut Pasteur de Dakar (IPD), a private sector foundation in Senegal and a leading centre of expertise in life science, will be one of the first vaccine manufacturing hubs in Africa. The IPD has also been identified by the Africa Centres for Disease Control and Protection as a potential vaccine manufacturing hub. The UK provided catalytic support to develop the initial business case for investment. A group of development finance institutions including the European Investment Bank, International Finance Corporation, KfW, Proparco and the US International Development Finance Corporation are expected to contribute financing resources in the form of both mezzanine finance and senior loans. On 9 July 2021 the first agreement was signed, with the provision of grant support from the European Commission, the European Investment Bank, Germany and France. This will enable technical feasibility studies and project preparation for the new facility at the IPD. It will also enable the total investment cost and financial structures to be defined and agreed with Senegalese and international partners. Construction of the new plant is expected to start later this year, with 25 million vaccine doses being produced each month by the end of 2022.

### The Global Infrastructure Facility

**Partner countries:** Canada, Germany, Japan, Australia, China, Denmark, Singapore

**Sector focus:** Cross-sectoral initiative

**Description:** The Global Infrastructure Facility (GIF) was established in 2014 as a G20 initiative under the Australian Presidency with the overarching goal of increasing private participation and investment in developing countries' infrastructure and improving services contributing to poverty reduction and equitable growth. The GIF supports governments and Multilateral Development Banks to address the lack of quality and sustainable infrastructure projects in developing countries and emerging markets through the provision of end-to-end transaction advisory services. As a global collaboration platform, the GIF integrates efforts to build pipelines of bankable projects through strong partnership with the private sector including a 50+ member

network of Advisory Partners and active engagement across the infrastructure ecosystem.

Recognizing the need for sustainable infrastructure, the GIF will advance its climate agenda by promoting pipelines of low-carbon, climate-resilient infrastructure to support a net-zero future. The GIF's project portfolio has already generated positive climate adaptation and/or climate mitigation benefits — with 75% of approved activities classified as climate smart.

As of 31 October 2021, the GIF has supported 120 infrastructure programmes and projects across 58 developing countries. The GIF anticipates the mobilisation of investment on the order of US\$76 billion, including approximately US\$52 billion in private investment.