



AFRICAN DEVELOPMENT BANK GROUP
GROUPE DE LA BANQUE AFRICAINE
DE DÉVELOPPEMENT

2023 ANNUAL REPORT



African Development Bank Group

MEMBER COUNTRIES

REGIONAL

Algeria, Angola, Benin, Botswana, Burkina Faso, Burundi, Cabo Verde, Cameroon, Central African Republic, Chad, Comoros, Congo, Côte d'Ivoire, Democratic Republic of Congo, Djibouti, Egypt, Equatorial Guinea, Eritrea, Eswatini, Ethiopia, Gabon, Gambia, Ghana, Guinea, Guinea-Bissau, Kenya, Lesotho, Liberia, Libya, Madagascar, Malawi, Mali, Mauritania, Mauritius, Morocco, Mozambique, Namibia, Niger, Nigeria, Rwanda, São Tomé E Príncipe, Senegal, Seychelles, Sierra Leone, Somalia, South Africa, South Sudan, Sudan, Tanzania, Togo, Tunisia, Uganda, Zambia, Zimbabwe.

NON-REGIONAL

Argentina, Austria, Belgium, Brazil, Canada, China, Denmark, Finland, France, Germany, India, Italy, Ireland, Japan, Korea, Kuwait, Luxembourg, Netherlands (The), Norway, Portugal, Saudi Arabia, Spain, Sweden, Switzerland, Türkiye, United Arab Emirates (member of the African Development Fund only), United Kingdom, United States of America.

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The Bank's interventions supported the evolving needs of our clients through transformative operations and innovative financing solutions. In particular, guarantees for sovereign operations rose to the highest level since the Bank started offering these instruments in 2000.

Message from the President



In 2023, despite the global challenges that tested the resilience of economies worldwide, the African continent stood strong. Our nations, our economies, and our people continue to show remarkable fortitude since the outbreak of the COVID-19 pandemic, rising inflationary pressures, the increasing impacts of climate change, escalating regional conflicts, and geopolitical tensions. These adversities have not deterred us but instead, have strengthened our resolve.

As a result of these shocks, Africa's real gross domestic product (GDP) growth slowed from an average of 4.1 percent in 2022 to an estimated 3.1 percent in 2023. This represents a percentage point decline in real output, with obvious implications on the continent's quest to reduce poverty and meet the Sustainable Development Goals by 2030 as well as the African Union's Agenda 2063—*the Africa We Want*.

With inflation stubbornly high and public debt and associated financial vulnerabilities still elevated, African countries were faced with an enormous policy dilemma of balancing efforts to spur growth and measures to contain the impact of rising cost of living on their citizens. Yet, despite the overall economic slowdown, 15 countries posted output expansion of more than 5 percent and Africa retained its position as the fastest growing economy after Asia with real GDP growth close to the global average of 3.2 percent.

Bank Group approvals for 2023 (UA 8.03 billion) were 30 percent higher than those for 2022 (UA 6.16 billion), and close to the highest approvals in the history of the Bank Group (approvals for 2009 reached UA 8.06 billion, in response to the global financial crisis). Approvals for sovereign operations in 2023 increased by 43 percent, reaching UA 6.76 billion, as the Bank scaled up sustainable financing to several Regional Member Countries (RMCs) to aid the post-pandemic recovery. Nearly 60 percent of all projects in 2023 contributed directly to women's access to social

services or skills enhancement across the High 5 priorities, in line with the Bank's commitment to gender equality and the empowerment of women and girls.

The Bank's interventions supported the evolving needs of our clients through transformative operations and innovative financing solutions. In particular, guarantees for sovereign operations rose to UA 1.71 billion in 2023, the highest level since the Bank started offering these instruments in 2000. Also in 2023, approvals for climate finance have registered substantial increase over 2022, reaching UA 4.3 billion (USD 5.8 billion, representing 55 percent of total approvals).

To strengthen our timely policy advice, we launched a new flagship report—*Africa's Macroeconomic Performance and Outlook*. This report, which complements the Bank's foremost flagship *African Economic Outlook*, provides rigorous analysis and forward-looking forecasts to inform policymakers and investors with evidence on emerging macroeconomic developments in Africa.

We have strengthened our partnerships with financial development partners like the World Bank Group and the United Nations system, to support Regional Member Countries with innovative financing instruments. The volume of active co-financing resources rose to UA 2.85 billion, 112 percent higher than in 2022. In addition, UA 172.7 million in trust fund resources was mobilized to strengthen our interventions.

All these achievements were underpinned by strong financial performance and sound financial and risk management, which enabled the Bank to maintain its triple-A rating with a stable outlook as assessed by the four major global rating agencies.

The Annual Report 2023 highlights the contributions to the Bank's performance by the Bank Group's Boards of Governors, Boards of Directors, management team, and staff. I would like to acknowledge and thank our shareholders for their sustained, extra-ordinary strong support. As we celebrate our achievements of 2023 and the Bank's 60th anniversary, we must remain mindful

of the domestic and global challenges that continue to beset the continent and that require us to continue scaling up our support to RMCs.

The Bank's new Ten-Year Strategy (TYS) 2.0 will maintain the High 5s as the key priority areas for the next decade. The High 5s have proved to be central to achieving the African Union's Agenda 2063, the Sustainable Development Goals, and the Climate Change Agenda. The Strategy will take into account the G20 Leaders' call and the Heads of Multilateral Development Bank's agreement to strengthen their collaboration in critical areas, including scaling up financial capacity and boosting joint action on climate.

As we navigate these challenging times, let us remember that our collective efforts and resilience

are the keys to building the Africa we want: Prosperous, inclusive, resilient, and integrated. Let's continue to work together, innovate, and strive for excellence as we shape the future of our continent. Let's partner, scale and achieve greater impacts for Africa.



Dr. Akinwumi A. Adesina

President of the African Development Bank Group

Executive Summary

The full recovery of the global economy stalled in 2023 as the world continues to struggle with the combined effects of successive shocks since the COVID-19 pandemic, and Africa has not been immune to the global downturn. The continent's average real gross domestic product (GDP) is estimated to have declined from 4.1 percent in the previous year to 3.1 percent in 2023. Real GDP growth fell in 23 of the continent's 54 countries in 2023 relative to 2022, largely due to multiple shocks and elevated inflationary pressures, with leading economies on the continent significantly affected.

Public debt is declining but still higher than before the pandemic, and underlying vulnerabilities remain elevated. Fiscal consolidation helped stabilize public debt, with the debt-to-GDP ratio at around 63.5 percent on average during 2021–2023—halting an almost decade-long upward trend. Despite the stabilization of the debt-to-GDP ratio, debt vulnerabilities increased, with 21 African countries already in debt distress, or at high risk of debt distress at the end of 2023. Notwithstanding these challenges, Africa's growth momentum remains resilient thanks to well-designed structural reforms implemented by African policymakers, multilateral development banks, and other development partners.

Bank Group approvals for 2023 (UA 8.03 billion) were 30 percent higher than those for 2022 (UA 6.16 billion), and close to the highest approvals in the history of the Bank Group (approvals for 2009 reached UA 8.06 billion, in response to the global financial crisis). Approvals for Sovereign Operations in 2023 increased sharply (43 percent) to reach UA 6.76 billion as the Bank provided large volumes of sustainable finance to help several Regional Member Countries (RMCs) in their post-COVID-19 recovery. Approvals for Non-Sovereign Operations, at UA 1.27 billion, were 9 percent lower than in 2022.

Approvals increased for all High 5 priorities in 2023 except Feed Africa, which showed a decrease from the exceptionally high level in 2022.

Approvals for Light Up and Power Africa amounted to UA 923.2 million (12 percent of total approvals), 76 percent higher than the UA 524.1 million in 2022. Since the 2016 approval of the New Deal on Energy for Africa, the Bank has increased the share of renewable energy in its generation investments for the whole portfolio from 56 to 87 percent.

Approvals for Feed Africa, at UA 586.6 million (7 percent of the total), showed a substantial decrease (56 percent) from the exceptionally high 2022 approvals of UA 1.34 billion, boosted by UA 1.21 billion approvals through the African Emergency Food Production Facility. In January 2023, the Bank convened the Dakar 2 Summit on African Food Sovereignty that attracted more than 34 heads of state and governments who recommitted to deliver the Maputo and Malabo targets of allocating 10 percent of national budgets to agriculture. As a result of Dakar 2, the Bank anticipates an increased demand and lending pipeline in 2024 and beyond.

Approvals for Industrialize Africa totaled UA 2.18 billion, 27 percent of total approvals, and a 37 percent increase over UA 1.59 billion in 2022. In 2023, the Bank increased its support to RMCs to enable them access financing to fuel their industrialization; about 70 percent of total Bank approvals for Industrialize Africa High 5 priority were in finance.

Approvals for Integrate Africa totaled UA 2.2 billion (27 percent of total approvals), almost double (94 percent increase) the UA 1.13 billion in 2022. Partial credit guarantees totaling UA 745.7 million (USD 994.3 million) for a multi-regional railway operation in Tanzania and Burundi contributed to the sharp increase.

Approvals for Improve the Quality of Life for the People of Africa amounted to UA 2.14 billion (27 percent of total approvals), a 37 percent increase over the UA 1.56 billion in 2022 (25 percent of total approvals). Economic governance accounted for the largest share of approvals (41 percent), followed by water and sanitation (23 percent) and human and social development (10 percent).

The Bank Group disbursed UA 4.43 billion in 2023, a substantial increase of 26 percent from the UA 3.52 billion in 2022 and 88 percent of the

Bank Group approvals for 2023 were **30 percent higher** than those for 2022, and close to the highest approvals in the history of the Bank Group

UA 5.02 billion target. The Bank Group portfolio of active projects amounted to UA 44.71 billion at the end of 2023, up from UA 44.33 billion at the end of 2022. Of these projects, 30 percent were flagged for Management attention, the same proportion as in 2022.

Projects that closed in 2023 delivered substantial results: 2.4 million people had access to new electricity connections; 11 million farmers used improved inputs, including micro-irrigation, fertilizer, and climate-resilient seeds; over 440,000 enterprises (close to 233,000 of them women-owned) had access to finance; 3.5 million people gained access to better transport services; and 9 million people had new or improved access to water and sanitation.

In 2023, the volume of active co-financing surged to UA 2.85 billion, representing 158 percent of the target of UA 1.8 billion. Of this amount, UA 2.14 billion was mobilized for Sovereign Operations and UA 710 million for Non-Sovereign Operations. In addition, the Bank continued to strengthen partnerships and mobilized UA 172.7 million in trust fund resources.

During 2023, the Bank continued developing a new Results Management Framework to evaluate progress on delivering results and enhance the Bank's accountability to shareholders, partners, and RMCs for the results achieved through its operations. The thirteenth edition of the Annual Development Effectiveness Review (2023) demonstrated that the Bank has continued to achieve significant results in its High 5 priority areas, despite a challenging operating environment characterized by slow growth resulting from the lingering impacts of the COVID-19 pandemic, global financial volatility, and rising food and energy costs. The Bank's staff complement remained relatively stable, ranging between 2,038 and 2,123 over 2019–23 and standing at 2,084 at the end of 2023. In early 2023, the Bank obtained Economic Dividend for Gender Equality (EDGE) certification, which demonstrates the institution's commitment to an inclusive approach to people and talent management in its policies and actions.

The Bank stepped up the provision of evidence-based knowledge services as well as its capacity development activities. In addition to the flagship *African Economic Outlook*, it launched *Macroeconomic Performance and Outlook*. The African Development Institute graduated the first cohort of the Public Finance Management Academy trainees—51 public financial and debt



management practitioners from 26 countries. The African Natural Resource Management and Investment Centre was responsible for many reports, provided policy advice to RMCs and Regional Economic Communities (RECs) on various themes in natural resource management, and completed Financial Modeling for the Extractive Sector.

The 58th Annual Meeting of the Board of Governors of the African Development Bank and the 49th Annual Meeting of the Board of Governors of the African Development Fund were held jointly in Sharm El Sheikh, Egypt, in a hybrid format from 22 to 26 May 2023, under the theme, *Mobilizing Private Sector Financing for Climate and Green Growth in Africa*. The Governors' dialogue focused on the nexus of three interlocking priorities for the continent: climate change, food security, and energy security.

The overall financial performance of the Bank Group improved in 2023. The African Development Bank experienced a significant increase in income, which reached UA 1,729.89 million up from UA 774.79 million in December 2022, driven by heightened loan activities and favorable returns on treasury and other investments. Although, this was largely offset by higher borrowing expenses, the Bank achieved very strong net income of UA 406.05 million significantly surpassing the UA 239.39 million in 2022. Additionally, the African Development Fund saw a substantial increase in income, totaling UA 332.82 million, up from UA 151.74 million in December 2022, marking its largest surplus (UA 115.27 million) in the past 20 years. Similarly, the Nigeria Trust Fund demonstrated improved financial performance, with income reaching UA 6.21 million, a notable increase from the UA 2.54 million recorded in December 2022.

During 2023, the Bank continued developing a new **Results Management Framework** to evaluate progress on delivering results and enhance the Bank's accountability

Letter of Transmittal

In conformity with Article 32 of the Agreement Establishing the African Development Bank, and Articles 8, 11, and 12 of the General Regulations adopted thereunder, and pursuant to Article 26 of the Agreement Establishing the African Development Fund, and Articles 8, 11, and 12 of the General Regulations adopted thereunder, the Boards of Directors of the Bank and of the Fund hereby submit to the Boards of Governors the Annual Report and the Financial Report of the African Development Bank and the African Development Fund for the financial year ended 31 December 2023. This Annual Report includes a review of developments in the operational activities of the Bank Group during 2023. The Financial Report contains the full set of audited financial statements of the Bank and the special purpose financial statements of the Fund, together with the approved administrative budget for 2024. Electronic versions of the two Reports are available on the Bank Group website at www.afdb.org/annualreport.



Boards of Directors



AFRICAN DEVELOPMENT BANK GROUP
 GROUPE DE LA BANQUE AFRICAINE
 DE DEVELOPPEMENT



Brahim BOUZEBOUDJEN



Gerard BUSSIER



Malika DHIF



Rufus N. DARKORTEY



Abdulkhkim Mohamed
ELMISURATI



Domenico G. FANIZZA



Désiré GUEDON



Martin KIPPING



Mette KNUDSEN



Adama KONÉ



Akinwumi Ayodeji ADESINA,
President and Chairman, Boards of Directors,
African Development Bank Group



Ahmed Mahmoud ZAYED,
Dean



Stéphane MOUSSET



João Luis NGIMBI



Nomfundo Xenia NGWENYA



Takaaki NOMOTO



Chantal Modeste NONAULT



Jonathan NZAYIKORERA



Samson Oyebo
OYETUNDE



Alex SEVERENS



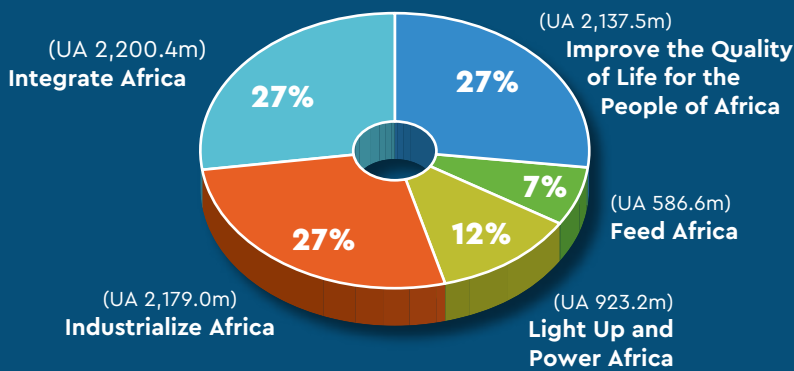
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2023 Quick Facts

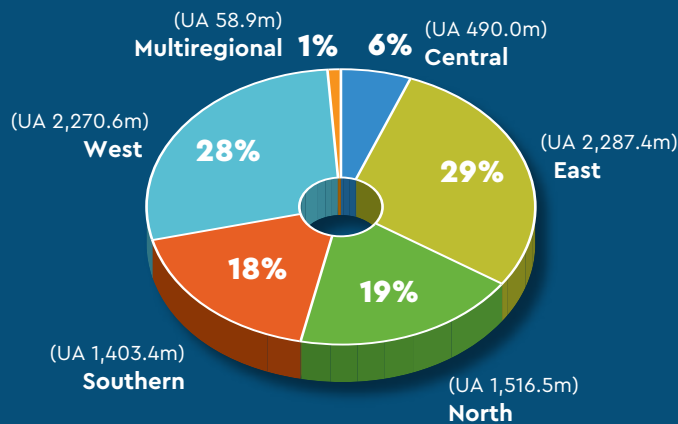
FINANCIAL HIGHLIGHTS

The ratings of the Bank's senior debt (AAA/Aaa) were reaffirmed with a stable outlook by all four leading international rating agencies.

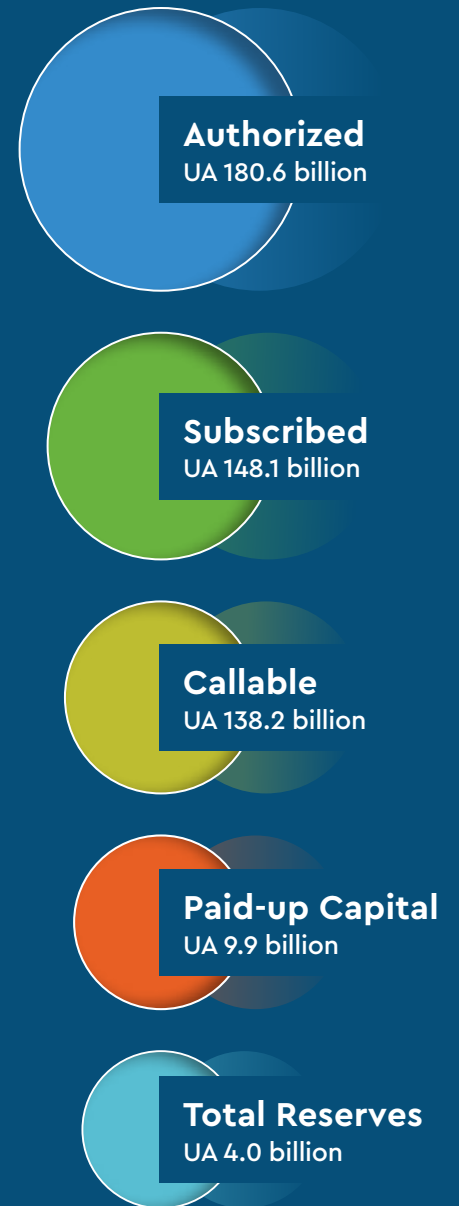
Bank approvals of UA 8,027 million, by High 5



Bank approvals of UA 8,027 million, by region



Capital as of 31 December 2023

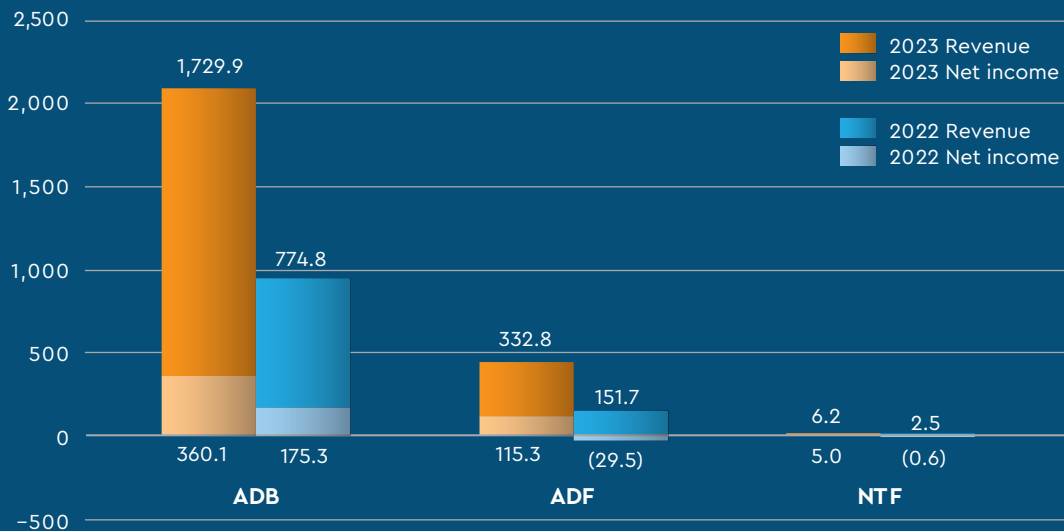


Note: As a result of rounding, the numbers in the charts may not add up precisely to the total.

FINANCIAL HIGHLIGHTS

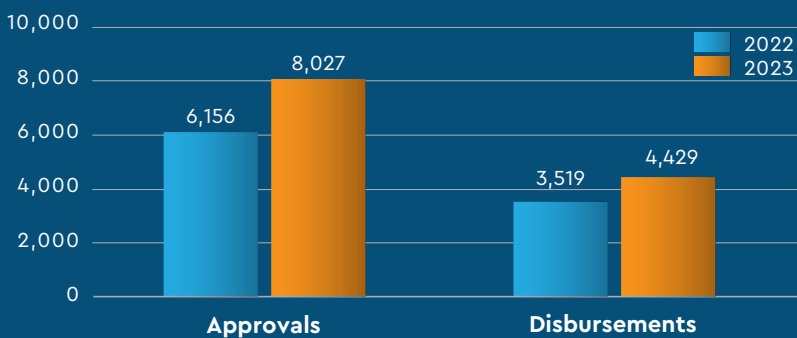
Bank Group revenue and net income, 2022–2023

(UA millions)



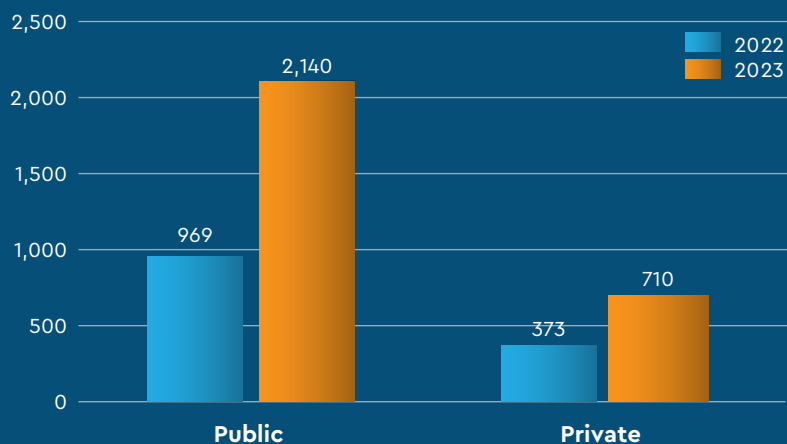
Bank Group approvals and disbursements, 2022–2023

(UA millions)

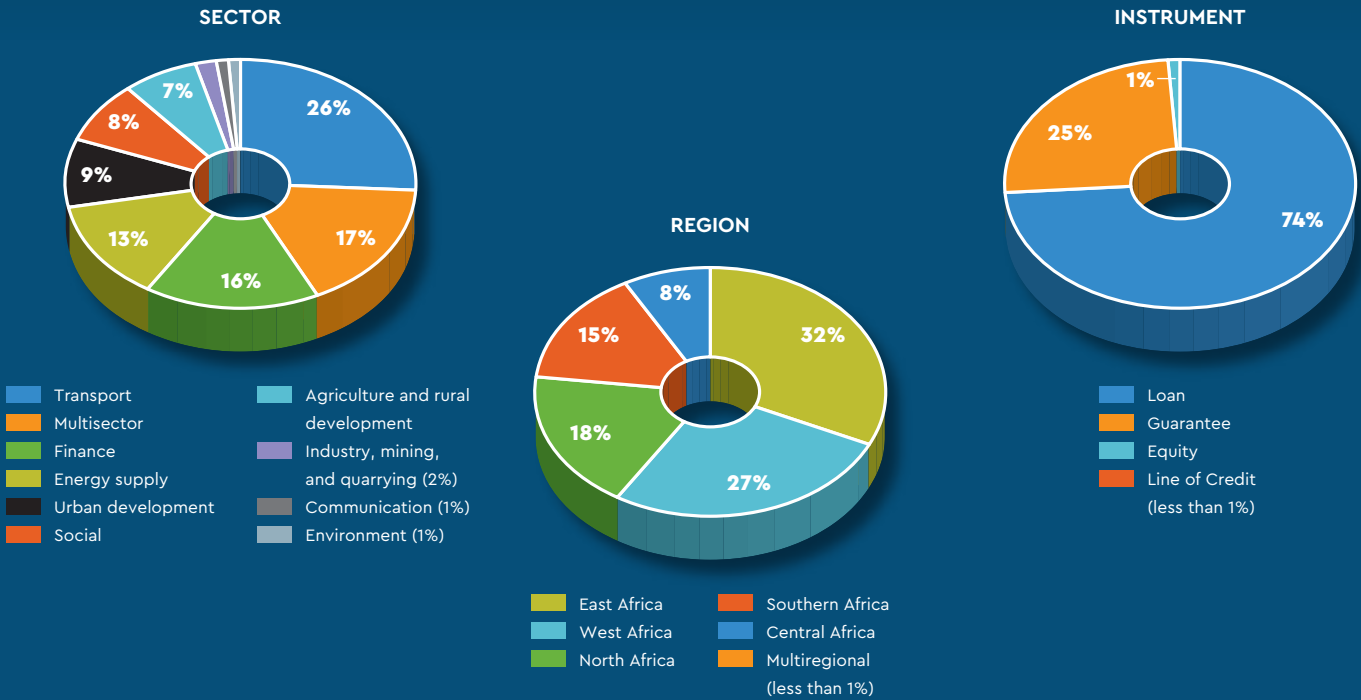


Co-financing mobilization by the Bank, 2022–2023

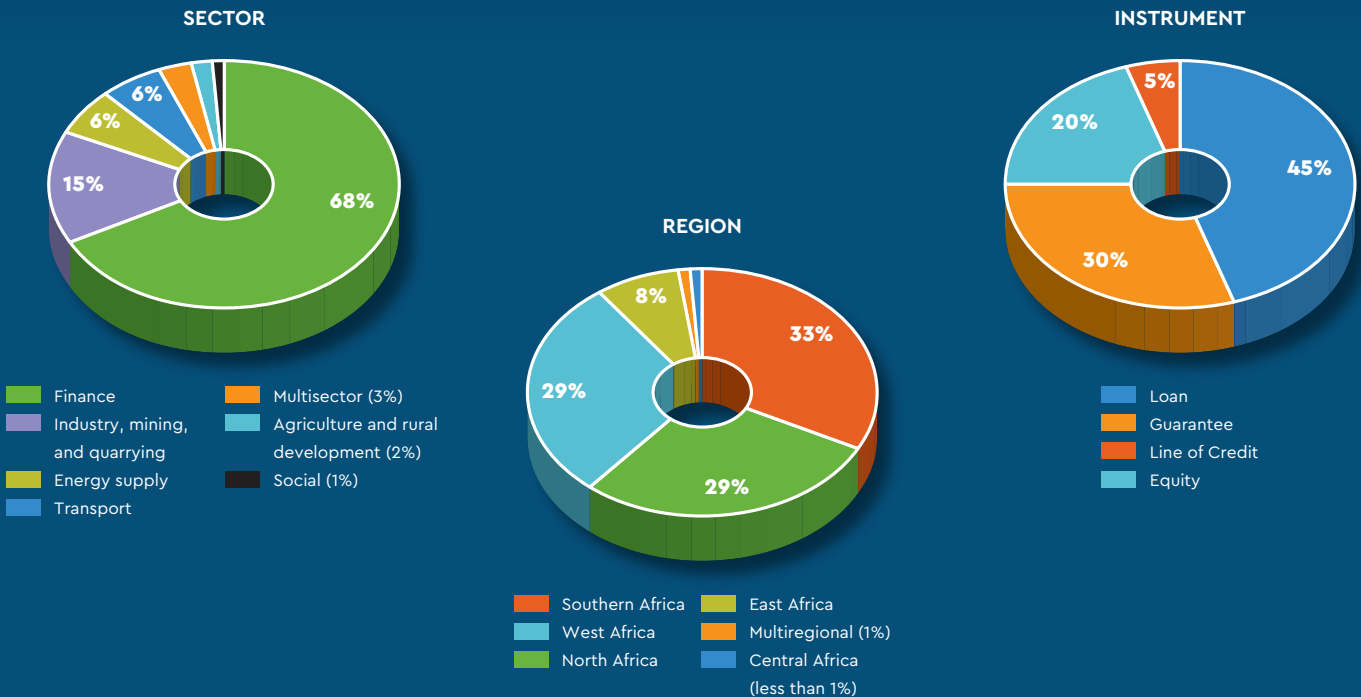
(UA millions)



Sovereign Operation approvals by sector, region, and instrument
(share of total of UA 6.76 billion)



Non-Sovereign Operation approvals by sector, region, and instrument
(share of total of UA 1.27 billion)



HIGHLIGHTS on the HIGH 5s

Results of some of the High 5 projects completed in 2023



Light Up and Power Africa

- 2.4 million people with new electricity connections
- 39,821 km of new or improved power distribution lines
- 1,393 km of new or improved power transmission lines
- 322 MW of new total power capacity installed



Feed Africa

- 33,820 agri-businesses supported
- 971 km of feeder roads built or rehabilitated
- 52,625 ha of land with improved water management
- 11 million farmers using improved inputs, including micro-irrigation, fertilizer, and climate-resilient seeds



Industrialize Africa

- 352 km of roads constructed, rehabilitated, or maintained
- 443,510 enterprises supported with access to finance, 232,955 of them women-owned



Integrate Africa

- 1,303 km of cross-border transmission lines constructed or rehabilitated
- 163 km of cross-border roads constructed or rehabilitated
- 3.5 million people gained access to better transport services



Improve the Quality of Life for the People of Africa

- 9 million people with new or improved access to water and sanitation
- 2.8 million people with access to better health services, 1.3 million of them women
- 1 million people trained through Bank operations, 461,671 of them women

HIGHLIGHTS of CROSS-CUTTING AREAS



Governance and Accountability

- 20 governance operations approved for a total of **UA 1.33 billion**



Gender Equality

- **100%** of Sovereign Operations were categorized using the Gender Marker System, of which:
- **58%** contributed directly to women's access to social services and/or skills enhancement



Fragility and Building Resilience

- **41 projects** supported by Transition Support Facility
- **UA 282.1 million** total



Climate Change

- Climate finance amounted to **UA 4.3 billion** (USD 5.8 billion) and **55%** of total approvals
 - 47% mitigation
 - 53% adaptation

AFRICA'S DEVELOPMENT CONTEXT

The full recovery of the global economy stalled in 2023 as the world continued to grapple with the combined effect of successive shocks since the COVID-19 pandemic, and Africa was not immune to the global slowdown.

1



Upon completion, the Thwake multipurpose dam on the Athi River in Kenya will supply 150,000 cubic meters of clean and safe drinking water.

The full recovery of the global economy stalled in 2023 as the world continued to grapple with the combined effect of successive shocks since the COVID-19 pandemic, and Africa was not immune to the global slowdown.

These shocks include rising inflation and living costs, weakening economic growth, increasing effects of climate change, health pandemics, and geopolitical tensions. They constrained Africa's progress in recovering from the effects of the pandemic and undermined its efforts towards accelerating inclusive and sustainable socioeconomic development with important repercussions for the lives and livelihoods of Africans.

Amid this confluence of domestic and external shocks, Africa's growth momentum slowed in 2023. Its average real gross domestic product (GDP) is estimated to have declined to 3.1 percent in 2023 from 4.1 percent the previous year. Real GDP growth fell in 23 of the continent's 54 countries in 2023 relative to 2022, largely due to multiple shocks and elevated inflationary pressures, with leading economies on the continent significantly affected. Despite this slowdown, Africa's growth momentum remains resilient, aided by a strong rebound in infrastructure investment spending, sustained growth in tourism after the debilitating impact of COVID-19, and progress in economic diversification. Economic growth in 15 countries exceeded 5 percent, average growth is close to the global average of 3.2 percent.

The slowdown in average growth in 2023 masks significant cross-regional variations, reflecting differences in domestic policy, including decoupling economies from commodity dependence, renewing strategic investment in key growth sectors, and promoting private consumption—as well as external factors such as a potential recovery in key export markets.

- ▶ In Central Africa, growth slowed from 5.1 percent in 2022 to 4.3 percent in 2023, reflecting persistent security and political stability challenges in Chad and the Central African Republic and a more pronounced recession in Equatorial Guinea due to further contractions in oil production.
- ▶ Growth in East Africa fell from 4.5 percent in 2022 to 1.5 percent in 2023 due to the lingering effects of internal conflict, debt distress, foreign

currency shortages in Ethiopia, and the constrained fiscal space due to servicing high debt in Kenya.

- ▶ North Africa's growth declined from 4.6 percent in 2022 to 4.1 percent in 2023, mainly due to successive adverse weather conditions such as droughts in Morocco and Tunisia and flooding in Libya in recent years, coupled with the devastating earthquake in Morocco and macroeconomic challenges in Egypt—all preventing the region from sustaining gains since the COVID-19 pandemic.
- ▶ In Southern Africa, growth declined from 2.8 percent in 2022 to 1.6 percent in 2023 mainly due to subdued growth in the subregion's largest economy, South Africa, where severe electricity deficits, deteriorating infrastructure and weak performance in the vital rail logistics sector impaired activity and productivity in the key manufacturing and mining sectors, and disrupted shipments of mineral exports leading to substantial losses in export revenue.
- ▶ Growth in West Africa slowed from 3.9 percent in 2022 to 3.6 percent in 2023, mainly due to the growth slowdown in Nigeria, reflecting the impact of the removal of fuel subsidies and exchange rate pressures, as the pass-through of rising input costs to energy, food, transportation, and import prices slowed non-oil growth by dampening household consumption spending and private investment.

The dynamics of Africa's macroeconomic fundamentals remained mixed. Inflation in Africa, which has been increasing since COVID-19, remains stubbornly high and threatens macroeconomic stability. Average inflation for the continent was estimated at 17 percent in 2023, 3 percentage points higher than in 2022 and nearly twice the pre-pandemic five-year (2015-19) average of 10 percent. The average fiscal deficit is estimated to have increased slightly to 5 percent of GDP in 2023, from 4.9 percent in the previous year, mainly due to fiscal consolidation measures across the continent, especially in countries with

The dynamics of Africa's macroeconomic fundamentals remained mixed. Inflation in Africa, which has been increasing since COVID-19, remains stubbornly high and threatens macroeconomic stability

Africa's economic growth is expected to rebound if the global economy remains resilient



Food production and marketing: African countries have shown resilience, even in fragile situations.

elevated risks of debt distress. Public debt is declining but still higher than before the pandemic, and underlying vulnerabilities remain elevated. Fiscal consolidation across the continent helped stabilize public debt, with the debt-to-GDP ratio at around 63.5 percent on average during 2021–2023—halting an almost decade-long upward trend. Despite the stabilization of the debt-to-GDP ratio, debt vulnerabilities increased, with 21 African countries already in debt distress or at high risk of debt distress at the end of 2023. The current account deficit widened slightly, from 1.6 percent of GDP in 2022 to an estimated 1.7 percent in 2023, driven mainly by persistent trade deficits and higher net factor payments.

Africa's economic growth is expected to rebound if the global economy remains resilient, the implementation of infrastructure projects on the continent begins to yield dividends, and the progress on debt restructuring and fiscal consolidation in countries facing heightened debt challenges is sustained. However, this prognosis could be affected by persistent inflation on the continent and downside risks related to geopolitical tensions and conflicts. Although prices of soft commodities—fertilizer and cereals—have receded from their peak at the height of Russia's invasion of Ukraine,¹ an escalation in that conflict and the Middle East war could reverse rebounds. Combined with continuing exchange

rate depreciation in many African countries, the pass-through of higher global commodity prices to domestic prices could keep inflation elevated and undermine the resilience of the projected economic recovery.

As Africa's premier development finance institution, the Bank Group has been at the forefront of development financing for Africa to cope with all these challenges. Bank Group 2023 approvals (UA 8.03 billion) were 30 percent higher than the 2022 approvals (UA 6.16 billion) and close to the peak of UA 8.06 billion in 2009. Through its recently launched Debt Action Plan and Public Finance Management Academy, the Bank Group has supported many Regional Member Countries (RMCs) with policy advice and capacity and institutional building for debt management and transparency. The capacity building has attracted more than 120 participants across 44 countries, with the first cohort graduating in December 2023.

The Bank Group has also been at the forefront of the debate on reshaping the global financial architecture and has strongly supported the global call for reform of multilateral development banks to address the immense global challenges of today's world. It played a lead role in supporting ongoing discussions towards Zimbabwe's arrears clearance and debt resolution process. Further, the forthcoming Ten-Year Strategy (TYS 2.0) makes clear reference to these aspects, detailing how the

¹ The Board of Governors agreed on this text during their meeting in 2022. However, Algeria, China, Egypt, Eswatini, Namibia, Nigeria and South Africa entered a reservation and proposed "Russia-Ukraine Conflict."



Bank Group's Public Finance Management Academy (PFMA): Graduation ceremony in Abuja, Nigeria

Bank Group will position itself to expand its development finance to RMCs over the next decade in the context of growing global challenges and how it will align its operations and activities behind a single and overarching goal: rapid, inclusive, resilient, and green growth for Africa.

On the climate and sustainable development front, the Bank Group collaborated with the COP28 Presidency team throughout the year to outline priorities and a roadmap to scale up climate action. Its participation in COP28 amplified Africa's voice and priorities on climate change, as articulated in the African common position while emphasizing

Africa's potential to drive global emissions down and grow sustainably. It supported the G20 initiative to establish mechanisms for the timely and adequate mobilization of climate finance, to enable financing for sustainable development, and to strengthen the capacity building of the sustainable development finance ecosystem.

Overall, Africa's economic resilience in 2023 resulted from well-coordinated fiscal and monetary policies and well-designed structural reforms implemented by African policy makers thanks to multilateral development banks, including the Bank Group, and other development partners.

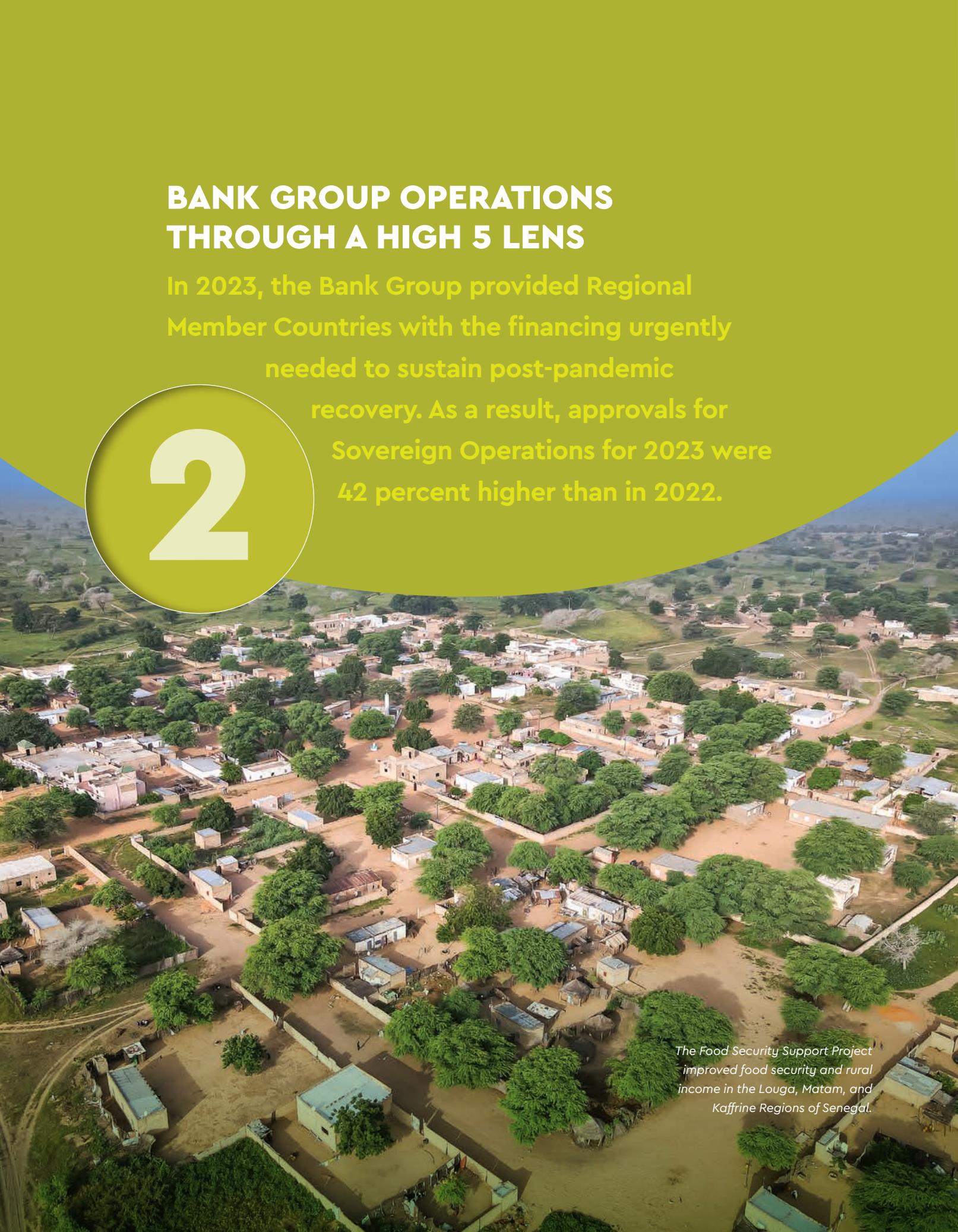
BANK GROUP OPERATIONS THROUGH A HIGH 5 LENS

In 2023, the Bank Group provided Regional Member Countries with the financing urgently needed to sustain post-pandemic

recovery. As a result, approvals for Sovereign Operations for 2023 were 42 percent higher than in 2022.

2

The Food Security Support Project improved food security and rural income in the Louga, Matam, and Kaffrine Regions of Senegal.



Approvals

Total Bank Group approvals for 2023 amounted to UA 8.03 billion, 30 percent higher than the figure approved in 2022 (UA 6.16 billion) (Figure 2.1). The amount approved in 2023 was close to that of 2009, the highest in the history of the Bank Group. Approvals for 2009 reached UA 8.06 billion, largely reflecting the response to the global financial crisis. African Development Bank approvals were the highest, at UA 5.8 billion while financing through the African Development Fund amounted to UA 1.28 billion, and Nigeria Trust Fund approvals stood at UA 2.4 million. Other approvals included UA 590.5 million under Special Funds,² UA 282.1 million under the Transition Support Facility, and UA 72.8 million under the Private Sector Credit Enhancement Facility (Table 2.1).

Approvals for Sovereign Operations in 2023 increased by 43 percent to UA 6.76 billion, reflecting the scaling up of the Bank's support to Regional Member Countries (RMCs) with the post-COVID-19 economic recovery. Conversely, approvals for Non-Sovereign Operations amounted to UA 1.27 billion, 9 percent lower than the approvals in 2022. The lower approval rate in 2023 can be explained in part by political changes which delayed projects, as well as the persistent global inflation which led to higher

2023 APPROVALS BY THE NUMBERS

UA 8.03 billion approved

30 percent increase over 2022

For 47 countries

38 multinational operations

15 multiregional operations

Multinational or multicountry refers to projects in more than one country in the same region. Multiregional refers to projects in countries in different regions.

financing costs and delays in the completion of NSO transactions.

The breakdown of Sovereign (SOs) and Non-Sovereign Operations (NSOs) by sector and region is in Figures 2.2 and 2.3. Bank Group approvals for SOs and NSOs by instrument are in Figure 2.4.

Project implementation and disbursements

Disbursements rose to UA 4.43 billion in 2023, representing a 26 percent increase over the UA 3.52 billion recorded in 2022 (Figure 2.5). At UA 2.39 billion,

TABLE 2.1 Bank Group approvals, by source and financing instrument, 2023 (UA millions)

	ORDINARY RESOURCES			SPECIAL RESOURCES					BANK GROUP
	African Development Bank	African Development Fund	Subtotal	Nigeria Trust Fund	Private Sector Credit Enhancement Facility	Transition Support Facility	Special Funds	Subtotal	
Total loans and grants	3,853.08	1,189.24	5,042.32	2.40	—	282.12	—	284.52	5,326.84
Other approvals	1,945.17	91.50	2,036.67	—	72.80	—	590.46	663.26	2,699.93
<i>of which</i>									
Equity participation	57.05	—	57.05	—	—	—	—	—	57.05
Guarantee	1,888.12	91.50	1,979.62	—	72.80	—	—	72.80	2,052.42
Other	—	—	—	—	—	—	590.46	590.46	590.46
Total approvals	5,798.25	1,280.74	7,078.99	2.40	72.80	282.12	590.46	947.78	8,026.77

² Special funds are resources channeled through donor contributions housed within the Bank Group. Such resources supplement that which the Bank can provide through its own financial products for the benefit of both public and private sector borrowers. Special funds include: the African Water Fund and Rural Water Supply and Sanitation Initiative, Global Environment Facility, Global Agriculture and Food Security Program, Climate Investment Fund, Congo Basin Forest Fund, Fund for African Private Sector Assistance, Zimbabwe Multi-Donor Trust Fund, Migration and Development Trust Fund, Sustainable Energy Fund for Africa, Africa Climate Change Fund, Migration and Development Initiative Fund, Microfinance Capacity Building Fund, Mena Trust Fund, Nigeria Technical Cooperation Fund, and OPEC.

FIGURE 2.1 Bank Group approvals, 2020–23 (UA millions)

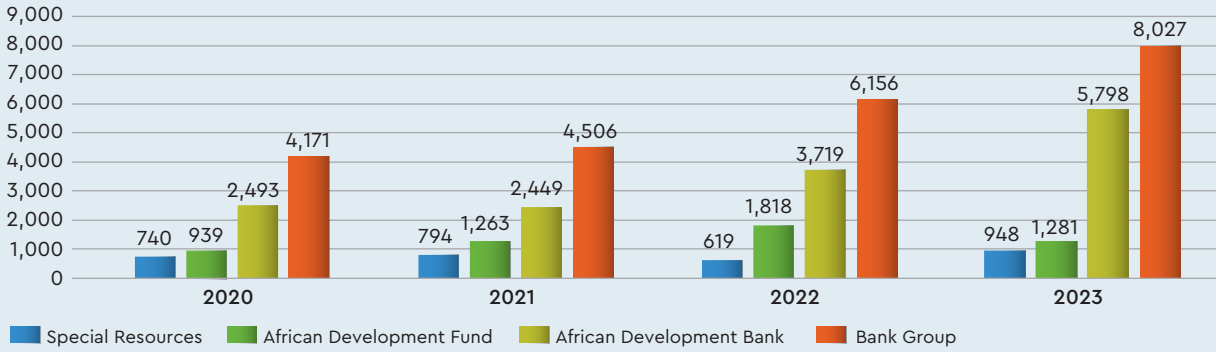


FIGURE 2.2 Sovereign Operation approvals by sector, region, and instrument (share of total of UA 6.76 billion)

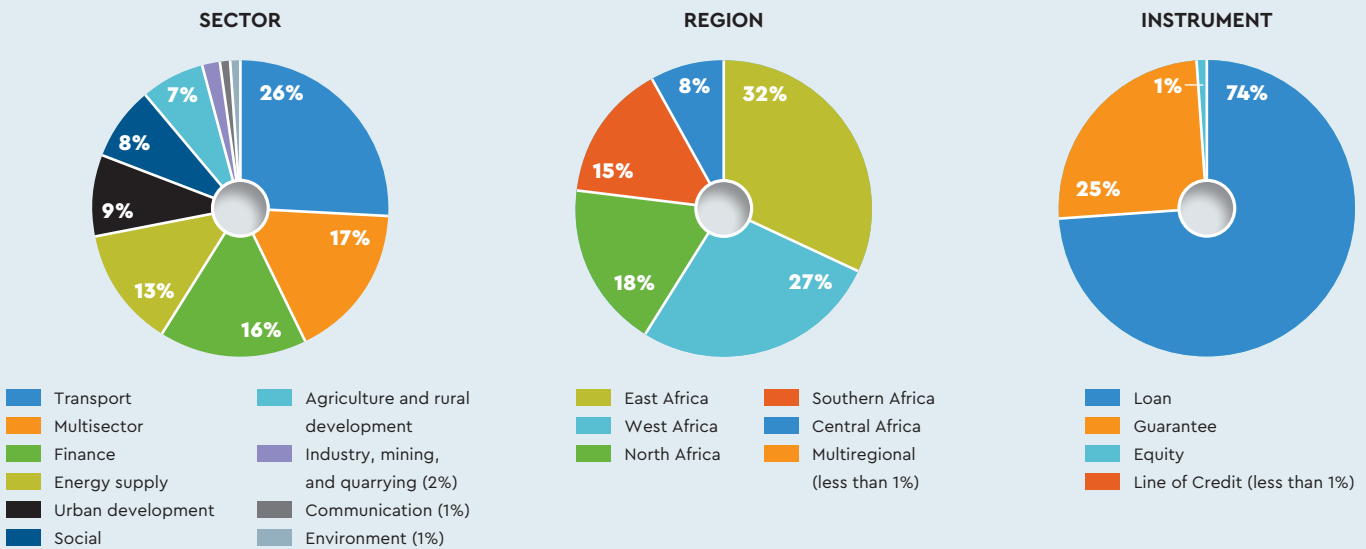
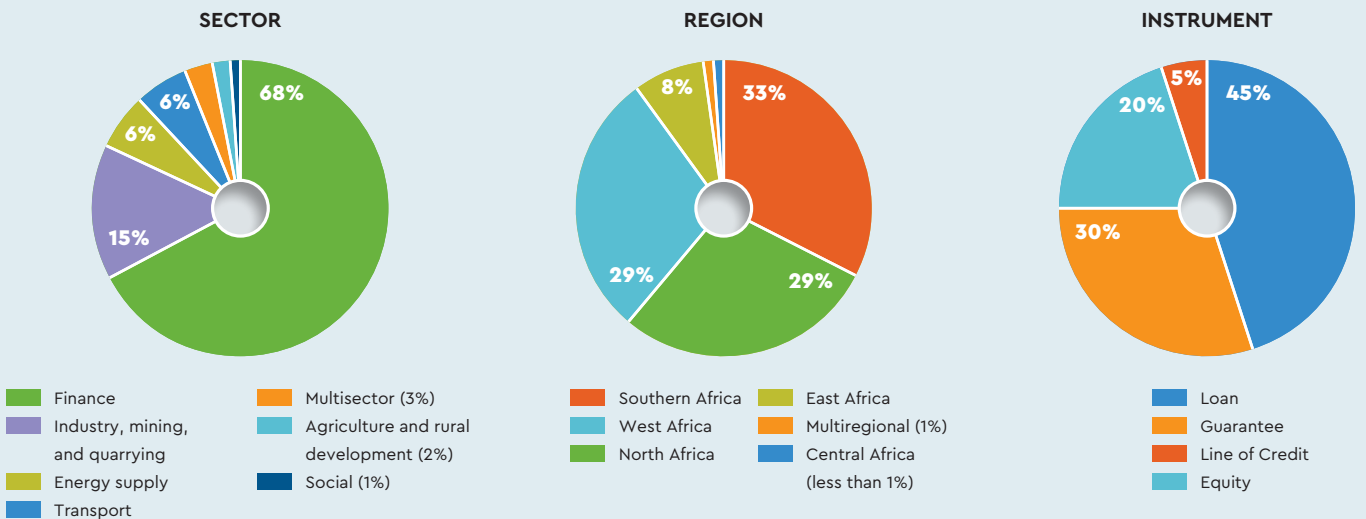


FIGURE 2.3 Non-Sovereign Operation approvals by sector, region, and instrument (share of total of UA 1.27 billion)



disbursements of ADB SOs achieved 86 percent of the UA 2.79 billion target and ADB NSOs, at UA 718 million, achieved 97 percent of the UA 737 million target. The ADB window, at UA 3.11 billion, achieved 88 percent of its UA 3.52 billion target, and the ADF window (including TSF), at UA 1.31 billion, reached 88 percent of its UA 1.49 billion target. Compared with the levels reached in 2022, ADB SOs, ADB NSOs, and ADF/TSF disbursements improved by 18 percent, 44 percent, and 33 percent respectively. This increase is largely explained by an increase in disbursements on Program-Based Operations (PBOs), the disbursements on 19 NSOs, including a large disbursement to the Africa Finance Corporation project (UA 226 million). The significant increase (54 percent) in the volume of disbursements on

PBOs (UA 1.71 billion in 2023, compared with UA 1.11 billion in 2022) is largely due to disbursements for the Energy Governance Programme in South Africa (UA 224.4 million) and the Egypt Food Security and Economic Resilience Support Programme (UA 201 million), which together accounted for 25 percent of total PBO disbursements.

Despite the improvement in disbursement volume, analysis of undisbursed balances highlights a few challenges, slow disbursements, particularly in the transport, power, finance, and environment sectors. Disbursements in these sectors continued to be affected by capacity constraints of project implementation units, particularly in fragile situations. The challenges experienced include the poor quality of procurement documents, delays in

FIGURE 2.4 Bank Group approvals for Sovereign and Non-Sovereign Operations, by instrument, 2020–23 (UA millions)

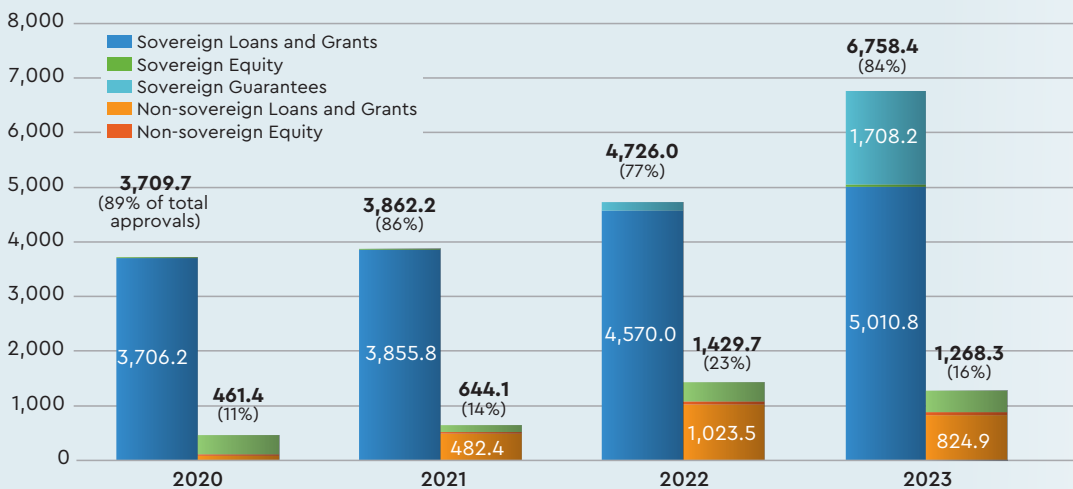
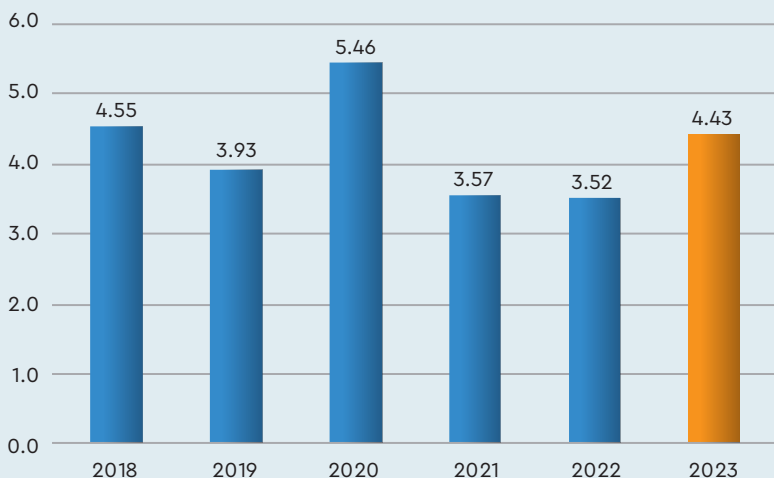


FIGURE 2.5 Bank Group disbursements, 2018–23 (UA billions)



The Bank has signed three mandates in 2023 to mobilize over **USD 3 billion** for both public and private sectors in the transport and sustainable finance sectors

procurement, delays in first disbursement, and weak oversight, bureaucracy, and coordination. Major factors emanating from the operating environment—such as wars, de facto governments, national elections in certain RMCs, gridlocks in supply chains, inflation, inadequate counterpart funding by governments, and shareholder changes for NSOs—also impacted the volume and pace of disbursements.

Management remains committed to further improving disbursement volumes. The challenges are being addressed through regular capacity-building workshops to accelerate procurement procedures; country dialogue to improve coordination between the project implementation units and the Bank; regular portfolio review meetings to discuss implementation of disbursement action plans; and systematic cancellation of problem projects on a case-by-case basis. The Integrated Quality Assurance Plan is also helping to address project quality issues, and efforts are under way to digitize procurement processes to improve efficiency.³

In 2023, the Bank took several measures to address the recurring challenges faced by many projects. The challenges and the corresponding measures include:

- ▶ **Project Start-Up Delays:** Recognizing the criticality of timely project commencements, the Bank streamlined grant conditions and worked diligently with authorities to ensure conditions were met prior to Board approval.
- ▶ **Procurement and Implementation Delays:** By enhancing the capacity of members of project implementation entities and adopting Performance-Based Contracts, the Bank aimed to expedite project delivery.
- ▶ **Capacity Building:** The Bank emphasized training project staff in its rules and procedures, particularly focusing on contract management and PPPs, to address the need for enhanced project implementation capacity.
- ▶ **Financial Management and Disbursements:** To improve the submission rates of project reports, the Bank mandated quarterly technical and financial report submissions to monitor for timely compliance.

- ▶ **Fostering Collaboration and Communication:** Reinforcing cooperation between the Bank and governments and development partners to address issues and improve portfolio quality.
- ▶ **Environmental and Social Safeguards:** Challenges related to E&S were addressed by building the capacity of project staff and promoting close collaboration between project procurement staff and the Bank's procurement officers.
- ▶ **Quality at entry:** In some sectors, and particularly in transport, the inadequate quality of technical and environmental studies results in implementation delays and cost overruns. To mitigate this challenge, the Bank often resorts to improving such studies before the start of projects. The Bank will encourage RMCs to use the Project Preparation Facility to finance quality studies.
- ▶ **Implementation performance:** the inadequate performance of companies and consulting firms responsible for project implementation results in delays and cost overruns. The Bank has carried out sector studies to improve the implementation performance of private sector entities.

Bank Group portfolio

At the end of 2023, the Bank Group portfolio of active projects totaled UA 44.71 billion, compared to UA 44.33 billion at the end of 2022. The portfolio included 1,747 loans and grants, of which 30 percent were flagged for Management attention. Figure 2.6 shows the distribution of the portfolio by sector.

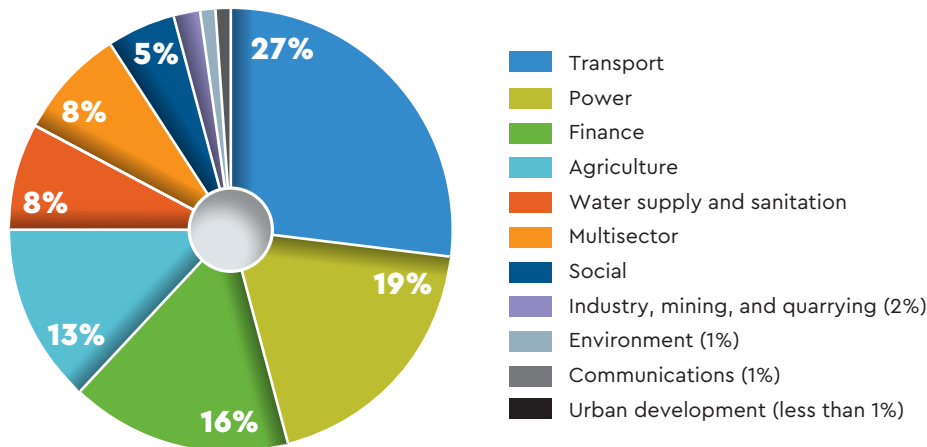
Improvements were recorded in:

- ▶ The non-sovereign non-performing loans (NPLs) ratio, which went from 16.9 percent in 2022 to 15.1 percent in 2023, largely driven by the clearing of arrears/paying off on 3 projects, and a lower outstanding balance of NSO NPLs.
- ▶ The timely preparation of Project Completion Reports which increased from 75 percent in 2022 to 83 percent in 2023.
- ▶ The lapse of time from Concept Note to Approval which was cut down from 13.1 months in 2022 to 10.5 months in 2023.

Factors affecting disbursements, such as procurement and implementation delays and capacity

³ ADB/BD/IF/2018/277/Rev.3/Final or ADF/BD/IF/2018/203/Rev.3/Final.

FIGURE 2.6 Bank Group portfolio distribution by sector, as of 31 December 2023



constraints of project implementation units, also have an impact on the quality of the portfolio. This culminated in the relatively high volume of flagged operations (30 percent) and the volume of loans and grants eligible for cancellation (30 percent). Management efforts continue to focus on addressing these challenges. For example: (i) recognizing the criticality of timely project commencements, the Bank streamlined grant conditions and worked diligently with authorities to ensure conditions were met prior to Board approval; (ii) by enhancing the capacity of members of project implementation entities and adopting Performance-Based Contracts, the Bank aimed to expedite project delivery; and (iii) challenges related to Environmental and Social Safeguards were addressed by building the capacity of project staff and promoting close collaboration between project procurement staff and the Bank’s procurement officers.

The Bank as an assembler of development finance

Overall mobilization and co-financing

In 2023, the volume of active co-financing increased to UA 2.85 billion, 158 percent of the target of UA 1.8 billion and an increase of 112 percent over 2022’s UA 1.34 billion. Of this total, UA 2.14 billion were mobilized for Sovereign Operations and UA 710 million for Non-Sovereign Operations. This above-target performance of co-financing was due to strong engagement with

partners such as Japan’s Accelerated Co-Financing Facility for Africa, Islamic Development Bank, China’s Africa Growing Together Fund, OPEC⁴ Fund for International Development, Korea–Africa Energy Facility, and Agence Française de Développement. Together, these institutions/facilities contributed 45 percent (UA 1.27 billion) of the current volume of active co-financing. Table 2.2 shows the breakdown of resources mobilized in-house by source.⁵

Mobilization through risk sharing and mitigation

Mobilization of insurers for the Egypt Sustainable Panda Bond Partial Credit Guarantee, Côte d’Ivoire ESG Partial Credit Guarantee, and Nigeria’s corporate loan to BUA Cement totaled UA 236 million. The mobilization of commercial financing for Regional Member Countries through the Bank

TABLE 2.2 In-house co-financing resources mobilized

INSTITUTION/FACILITY	DONOR	RESOURCES IN UA (MILLIONS)
Accelerated Co-Financing Facility	Japan	483.30
Islamic Development Bank	IsDB	245.36
Africa Growing Together Fund	China	203.38
Korea–Africa Energy Investment Facility	Korea	123.96
Agence Française de Développement	France	114.93
OPEC Fund for International Development	OFID	101.35
Total		1,272.28

⁴ Organization of the Petroleum Exporting Countries.

⁵ These are Bank-managed trust funds.

Group's guarantees—namely the Benin ESG loan, Côte d'Ivoire ESG loan, and investor uptake of the Egypt Sustainable Panda Bond—cumulated to UA 1.08 billion. The Bank is seeking to close additional credit insurance policies for at least USD 225.5 million for Non-Sovereign Operations and close to USD 1 billion for Sovereign Operations.

Syndications

The Bank has signed three mandates in 2023 to mobilize over USD 3 billion for both public and private sectors in the transport and sustainable finance sectors. As part of its mobilization efforts and to diversify the investor base, the Bank regularly seeks to crowd in institutional investors including insurers.

Blended finance

The Bank and the European Commission (EC) worked together on a Financial Framework Partnership Agreement (FFPA) which would unlock additional mobilization in 2024. A management action plan for blended finance has been drafted and distributed for feedback across the

complexes. The action plan will be revised taking into consideration comments from the blended finance ecosystem and finalized in 2024.

Portfolio balance sheet optimization

In 2023, the Bank achieved 200 percent of its USD 1 billion target for portfolio-based balance sheet optimization. The Bank finalized its third Confirmation Schedule under the EEA framework, this time with the Asian Development Bank on a reference portfolio of USD 1 billion maturing in July 2038 to further enhance the Bank's lending headroom for near and high-risk countries. This facilitated a critical loan to the Congo, which had been unable to borrow from the Bank for many years. Additionally, the Board of Directors approved a new USD 1 billion risk-sharing programme with the UK's Foreign, Commonwealth, and Development Office (FCDO)—the Just Energy Transition Guarantee Programme for South Africa—to accelerate the transition of the country towards a sustainable and green growth trajectory.

Guarantees for Sovereign Operations reached an all-time high in 2023

Guarantees for Sovereign Operations climbed to UA 1.71 billion in 2023, an 11-fold increase from 2022's UA 156 million. This is by far the highest level since the Bank started offering guarantees in 2000. Partial credit guarantees for four operations will allow recipient countries to mobilize funds on international financial markets for strategic environmental, social, and governance operations.

African economies have had to navigate an uncertain global environment characterized by the tightening of global financial conditions and the spillover effects of Russia's invasion of Ukraine, which have heightened risk and uncertainty. Regional Member Countries, the Bank, and other development partners are exploring means of using public capital to crowd-in private sector financing—for example, by increasing the use of credit guarantees to reduce investment risk.

Innovative transactions and initiatives

Egypt. A partial credit guarantee of RMB 2.476 trillion (UA 265.5 million) to support Egypt in issuing its first Sustainability-Linked Bond on Chinese onshore capital markets. The guarantee will allow Egypt to raise the equivalent of UA 374.9 million in the Panda bond market.⁶ The proceeds will be used to develop

Guarantees for Sovereign Operations climbed to UA 1.71 billion in 2023, by far the highest level since the Bank started offering guarantees in 2000. African economies have had to navigate an uncertain global environment and heightened risk and uncertainty. Development partners are exploring means of using public capital to crowd-in private sector financing—for example, by increasing the use of credit guarantees to reduce investment risk.



Solar energy is key in the fight to end extreme poverty. The Bank supports efforts in Zambia's agriculture sector to support economic growth and poverty reduction.

⁶ Bonds denominated in Chinese yuan issued by foreign borrowers.

clean transportation, renewable energy, energy efficiency, and sustainable water and wastewater management—and to finance micro, small, and medium enterprises and essential health services. The Bank collaborated with the Asian Infrastructure Investment Bank on this groundbreaking transaction, which marked the first time an African issuer had accessed the Chinese Panda Bond market. Given the focus on clean technologies in transport, energy, and water and wastewater management, the transaction will promote sustainable finance.

Senegal. A partial credit guarantee of EUR 400 million (UA 327.9 million) to facilitate the mobilization of the country's inaugural sustainable financing to be exclusively allocated to green and social investments. It protects financial establishments

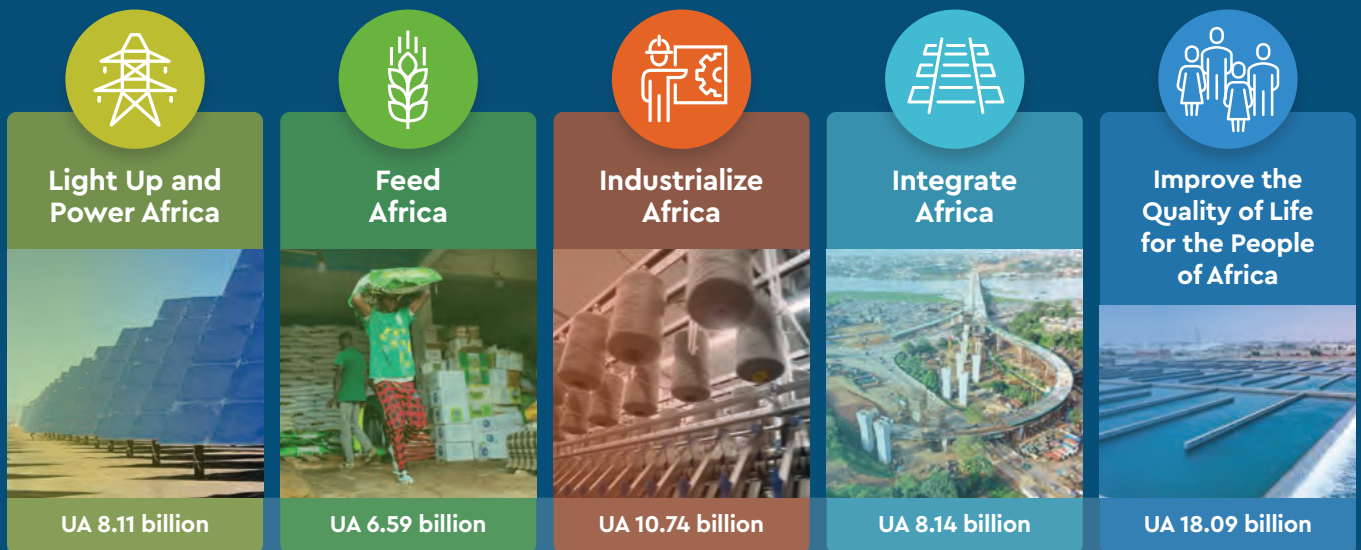
considering financing the operation against losses from Senegal's failure to pay principal and interest. It will enable Senegal to contract part of the financing in CFA francs, thus improving the sustainability profile of its debt and obtaining financing at a more favorable cost.

Hybrid capital

The Bank has been pioneering the adoption of hybrid capital within the MDB community in order to boost lending capacity. The instrument was approved by the Board of Directors in 2022. In July 2023, S&P Global Ratings announced that the hybrid capital notes would be rated AA-. The Bank undertook investor roadshows for its plan to issue a maiden transaction, but issuance was postponed to early in 2024 due to market conditions.

HIGHLIGHTS of Bank Group operations approved in 2023

HIGH 5 priorities—UA 51.67 billion approved 2016–2023



Approvals in 2023 increased over 2022 for all High 5 priorities except Feed Africa, which decreased by 56 percent (Figures 2.7 and 2.8). Light Up and Power Africa was up 76 percent, Industrialize Africa 37 percent, Integrate Africa 94 percent, and Improve the Quality of Life for the People of Africa 37 percent.

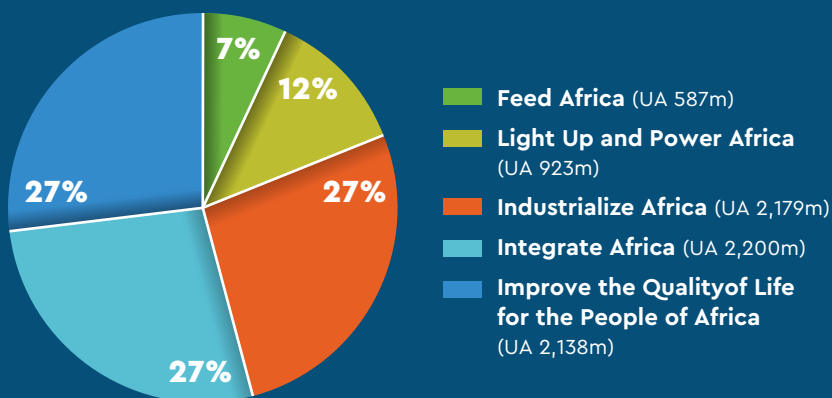
HIGHLIGHTS of Bank Group operations, *continued*

MapAfrica, the Bank's interactive online platform to learn more about High 5 investments

The geocoding tool was launched in 2014 to provide stakeholders with transparent access to the Bank's work, as part of the Bank's commitment to enhancing transparency and better demonstrating results. It maps the locations of the Bank's investments in Africa. Users can sort by approval year, country, or sector, and zoom down to the project level.

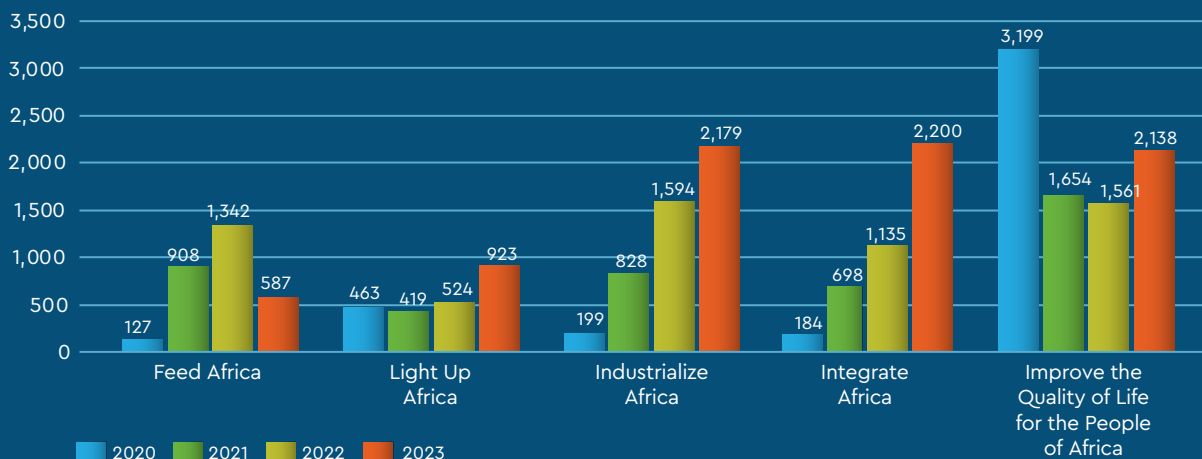
<https://mapafrica.afdb.org>

FIGURE 2.7 Distribution of 2023 approvals by High 5 priority



Micro-irrigation tubes can be made from recycled plastic.

FIGURE 2.8 Bank Group approvals by High 5 priority, 2020–23 (UA millions)



Since the 2016 approval of the New Deal on Energy in Africa, the Bank has increased the share of renewable energy in its generation investments for the whole portfolio from 56 percent to 87 percent. The Bank has approved **100 percent** renewable projects every year since 2021.



Light Up and Power Africa

The Bank is well positioned to foster climate-resilient development in RMCs through its Light Up and Power Africa priority. To accelerate its impact, the Bank has entered new partnerships. An example is the Alliance for Green Infrastructure in Africa, an African execution-led solution that seeks to generate, finance, and execute projects with the private sector, to accelerate the continent's transition to Net Zero through a cohesive and inclusive approach to climate finance.

The goal of the Alliance—led by the Bank, the African Union Commission, and Africa50—is to raise USD 500 million of early-stage blended finance capital to catalyze up to USD 10 billion in green infrastructure opportunities for private investment. During COP28, African and global institutions together with the governments of France, Germany, and Japan and philanthropies pledged more than USD 175 million to the Alliance. This initial pledge will scale up financing for transformative climate-aligned infrastructure projects across the continent.

Approvals for Light Up and Power Africa totaled 923.2 million (12 percent of total approvals), which is 76 percent higher than 2022's UA 524.1 million.

Examples of approvals under Light Up and Power Africa are:

- ▶ **Eritrea's Dekemhare 30-megawatt Photovoltaic Solar Project**—UA 38.4 million, of which UA 15 million was through an ADF grant and a UA 23.4 million TSF grant. The Bank's first energy operation in the country will develop a grid-connected solar photovoltaic (PV) power

plant, increasing the availability of clean and affordable electricity. Increasing the share of renewable energy in the grid's energy mix from 3 percent to 23 percent, the project will increase job opportunities, improve the reliability of energy supply, and facilitate access to renewable sources of electricity. It will also support the country's efforts to reduce the cost of generating electricity through a

LIGHT UP AND POWER AFRICA BY THE NUMBERS

UA 923.2 million approved

76 percent higher than 2022

In 12 countries

4 multinational projects
and **6** multiregional projects



The Renewable Energy Programme helped Angola quadruple its renewable energy production.

grid-connected solar PV power plant, boosting productivity and value chain development (particularly in agriculture) and incentivizing private investment.

- ▶ **Gambia's Electricity System Rehabilitation and Expansion Project**—UA 15 million, of which UA 10 million from ADF and UA 5 million from TSF. To improve access to reliable electricity supply, the project will provide last-mile connection equipment, including prepaid meters, and allow poor households to connect and manage their own consumption without the risk of physical disconnection due to unpaid monthly bills. It includes

the construction of two new 33/11 kV substations, the upgrading, rehabilitation, and reinforcement of two 33/11 kV substations, the rehabilitation and upgrading of low voltage distribution lines (140 km), and the installation of 10 compact 11/0.4 kV substations and 100 distribution transformers in the Banjul metropolitan area. The project is expected to benefit around 100,000 people, 65 percent of them women and children, as well as small and medium enterprises and public institutions (local governments, primary and secondary schools, and health centers) in the Greater Banjul Area.

- ▶ **Multiregional Desert to Power Initiative—225 KV Mauritania-Mali Power Interconnection and Related Solar Power Plants Development Project**—UA 227.7 million ADF loan and USD 1.5 million (UA 1.1 million) Green Climate Fund grant to Mauritania; USD 1.5 million (UA 1.1 million) Green Climate Fund grant and USD 10 million (UA 7.5 million) Climate Investment Fund grant to Mali (Box 2.1).
- ▶ **Cameroon's Support Programme for the Recovery of the Electricity Sector Phase I**—EUR 74.3 million (UA 60.9 million) ADB loan. The programme supports the government's plan designed to increase power supply and improve power sector governance to create



Engineers at the Lake Turkana Wind Power Plant, Kenya

BOX 2.1

100,000 new households to gain access to electricity

The objective of the Multiregional Desert to Power Initiative-225 KV Mauritania-Mali Power Interconnection and Related Solar Power Plants Development Project is to increase solar energy generation and evacuation capacity and electricity access in Mauritania and Mali by building a transmission interconnection between the two countries. It is the first section of the trans-Sahel spine aimed at linking Mauritania to Chad via Mali, Burkina Faso, and Niger. The project will establish a high-voltage electrical interconnection over 1,373 kilometers, with a 600 megawatt (MW) transfer capacity between the two countries; build a 50 MW solar power plant in Kiffa, Mauritania, linked to the interconnection, and connect 100,000 new households (80,000 in Mauritania and 20,000 in Mali) to the power grid in the areas crossed by the cable. The project will also create opportunities for young people and women to establish agricultural and service businesses.



The Mauritania-Mali Power Interconnection and Related Solar Power Plants Development Project will connect 100,000 households across the two countries to the power grid.

“No more torchlights on our foreheads to assist women delivering babies at night,” said Rachele Etonam Ayegbe, a midwife in Sewoyé, Togo. “We now have electricity in health center.” This health center is one of several centers and local communities equipped with renewable power and amenities such as solar water heaters and irrigation pumps.

The Project aims to Support the Social Component of the Rural Electrification Programme, popularly called ‘CIZO,’ which means “light up.”

A solar electrification device for the Adjoguidi health center in southern Togo



adequate conditions for robust, inclusive, and sustainable economic growth. It aims to increase electricity production from the current 1,652 MW to 5,000 MW by 2030 to enable the country fully cover domestic household and industrial demand, with sufficient reserves to export to neighboring countries, notably Chad, which has already signed a supply contract. It also aims to support the financial recovery of the power sector.

An example of a project completed in 2023 is the Delta for Renewable Energy Project in Egypt, which added 50 MW of installed capacity from renewable solar energy, producing about 150 GWh per year (exceeding the projected 133 million kWh per year), serving more than 45,000 household units. The project increased Egypt’s power generation capacity and diversified its energy mix. The country now generates more than 1,665 MW from solar resources, up from 140 MW in 2014. Delta’s CO₂ savings

Results of some LIGHT UP AND POWER AFRICA projects completed in 2023

- ▶ **2.4 million** people with new **ELECTRICITY CONNECTIONS**
- ▶ **39,821 km** of new or improved **POWER DISTRIBUTION LINES**
- ▶ **1,393 km** of new or improved **POWER TRANSMISSION LINES**
- ▶ **322 MW** of new **TOTAL POWER CAPACITY** installed

are about 65,000 tonnes per year, well above the anticipated 61,000 tonnes per year. As the project generates only renewable energy from solar resources, its positive impact on climate change is high and is rated as likely sustainable in this respect.



The Bank’s support to the Light up and Power Africa High 5 priority was complemented with a suite of sector studies and other knowledge products. For instance, in collaboration with the International Hydropower Association, the Bank launched a flagship report, *Africa Hydropower Modernisation Programme: Continent-wide Mapping of Hydropower Rehabilitation Candidates*, at the Africa Energy Forum. The report, produced under the Africa Hydropower Modernization Programme, found that of 87 hydropower stations screened, 21 were in high need and 36 were in medium need of refurbishment, respectively representing an installed capacity of 4.6 GW and 10 GW for modernization.



Feed Africa

Africa accounts for one-third of the world's hungry people, but it has the potential to feed itself and contribute to feeding the world. For example, only 10 percent of its vast savanna is cultivated. Achieving zero hunger in Africa is possible with investments to raise agricultural productivity, supporting climate-smart agricultural systems, and private sector investments along the entire food value chain. At the Dakar 2 Africa Food Summit, the Bank announced an investment of USD 10 billion over five years to increase Africa's ability to end hunger on the continent and become the leading provider of food for the rest of the world. The Dakar 2 Summit refocused and reenergized the Bank's investment in agriculture, both public and private, in RMCs. For example, the lending pipeline to support Dakar 2 Agricultural Delivery Compacts is UA 2.9 billion in 2024, of which the direct lending to agriculture

is UA 1.8 billion. The Bank—in addition to continuing the implementation of its Strategy for Agricultural Transformation in Africa (2016–25)—is supporting RMCs in expanding Special Agro-Industrial Processing Zones to deliver on their commitment at Dakar 2 to develop Food and Agriculture Delivery Compacts and to implement measures included in the Africa Emergency Food Production Facility.

FEED AFRICA BY THE NUMBERS

UA 586.6 million approved

56 percent lower than 2022

In 12 countries

4 multinational projects
and **2** multiregional projects

The Africa Emergency Food Production Facility—Where are we now?

The Bank created the Facility in mid-2022 to cushion the adverse effects of the Three Cs—climate change, COVID-19, and conflict—and to avert a looming agricultural and food crisis on the continent.

Some of the results include:

- ▶ **92 percent** of target volume of certified seeds have been distributed.
- ▶ **36 percent** of target volume of fertilizers have been distributed.
- ▶ **6.6 million farmers** (33 percent of target) have benefited.
- ▶ **22 percent** of the food production target has been produced.
- ▶ **18 countries** have operational ICT platforms. Other countries are in process.
- ▶ The Technologies for African Agricultural Transformation is introducing climate-smart agricultural technologies in **24 countries**, conducting seed assessments, and supporting policy reform for seed systems in **33 countries**.



Precision agriculture and innovation are pillars of Morocco's agricultural development strategy.



Thanks to the dam built as part of the Food Security Support Program within its surface water component, women cultivate rice.

The Bank is supporting RMCs to deliver on their agreement at the **Dakar 2 Food Summit** to produce food and agriculture compacts. The Bank jointly convened Dakar 2 in January 2023 with the African Union and the government of Senegal.

Approvals for the Feed Africa High 5 priority, at UA 586.6 million (7 percent of the total), substantially declined (by 56 percent) from the 2022 approvals of UA 1.34 billion, which were exceptionally high due to the UA 1.21 billion in approvals through the newly created African Emergency Food Production Facility.

Examples of approved projects under Feed Africa are:

- ▶ **Guinea's Project to Support Agropastoral Development, Digitalization and Market Access**—UA 21 million ADF loan. To improve the contribution of agriculture to Guinea's economic development while ensuring food and nutritional security and higher income for rural households, the project promotes the production of maize and soya bean for processing into poultry and livestock feed. It also supports the development of processing and marketing infrastructure for the two target sectors, including grazing facilities. It will help strengthen resilience to climate change among agricultural producers and livestock farmers, support women's empowerment, and reduce vulnerabilities and inequalities between men and women in agriculture.
- ▶ **Tunisia's Project for the Inclusive and Sustainable Development of the Cereal Sector**—USD 87.1 million (UA 65.5 million) ADB loan. The project will improve food security and self-sufficiency through interventions in all segments of the cereal supply chain (upstream and downstream) in an emergency context.



The Meknes agropolis is the first structure created under the Green Morocco Plan supported by the Bank.

To reduce post-harvest and storage losses, it aims to secure wheat supplies, increase cereal production and productivity, rehabilitate and modernize storage capacities. It also supports cereal rail transport, enhancing inclusion and resilience of the cereal chain to external shocks and climate change, primarily targeting the most vulnerable households, particularly small-scale producers, herders, and agro-pastoralists.

- ▶ **São Tomé E Príncipe's Co-Management of Climate Extremes for Agriculture and Fisheries**

Resilience—UA 7.5 million ADF grant. The project promotes agriculture and fishery value chain development and the adoption of climate resilient technologies, ultimately contributing to increased resilience to droughts, floods, and water depletion. It will also support the government to implement and promote strategic investments and regional integration initiatives to make the blue economy sector more vibrant and efficient. It adopts an integrated approach for the agricultural and fisheries sectors, promoting value chains focusing on innovative technology and practices and strengthening local capacities and governance structures. The project will benefit close to 7,000 farmers and 1,000 fishermen and wholesale fish vendors (including 40 percent women) who will benefit from suitable infrastructure, capacity building, and increased income.

► **Angola's Agriculture Sector Reform Programme**—USD 105.2 million (UA 78.9 million) ADB loan (Box 2.2).

To strengthen the resilience of Feed Africa interventions with knowledge support, the Bank also hosted a high-level event of the Africa Climate Risk Insurance Facility for Adaptation. The initiative aims to mobilize USD 1 billion in concessionary and high-risk capital, along with grants. These funds would be dedicated to de-risking private sector investments, focusing on the development and adoption of climate insurance solutions to amplify the resilience of African farmers to climate change. The initiative will leverage the extensive network of primary insurers across Africa, thereby enhancing their capacity to deliver effective and innovative insurance solutions at scale.

Projects completed in 2023 include Madagascar's South-West Region Agricultural Infrastructure

BOX 2.2

Setting the stage for future agriculture operations in Angola

An ADB loan of USD 105.2 million (UA 78.9 million) is a single-year, self-standing agriculture sector budget support operation with one disbursement, designed as precursor sector reform that will enable the Government and the Bank to invest in planned agriculture interventions. The programme will deepen reforms towards more efficient agricultural markets, while strengthening the governance and capacity of agriculture public institutions, encouraging the private sector to participate in agricultural markets and thus contributing to raise cereal and oil seed production in the country.

It aims to:

- Enhance food production, productivity and building resilience of smallholder farmers.
- Strengthen national input supply and delivery system for smallholder farmers.
- Enhance agriculture sector capacity for effective management and accountability to foster sustainability for sector growth, including building capacity to undertake agricultural research to enable adoption of climate smart technologies that are aimed at bringing more rural land into production.

The Bank is providing significant financial support to Angola to strengthen agricultural policy and improve food production.



"I dream of supplanting the leading players in food supplements in Côte d'Ivoire," says 32-year-old GninInagnon Koné,

holding a bag of Chérubins baby formula.

Koné realized that agricultural producers worked hard but their products were undervalued. He decided to process these products to add value and allow farmers to live a better life from the fruits of their labor.



*Mr. Koné in his factory
Picture courtesy of the Enable Youth Côte d'Ivoire Project*



In Madagascar, a project co-funded by the African Development Fund has given new impetus to agricultural activity in the South-West region.

Rehabilitation Project, which has given a new boost to agriculture and farmer income. A 40 km protective dike was rehabilitated in the project area to prevent floods and provide protective grassing for several hectares of land against floods and erosion. The project also helped develop climate-resilient seeds and assisted farmers in adopting resilient agricultural practices—and increase production, rehabilitated lowlands, and strengthened value chains.

Rice yields in the project area increased from 3.1 tonnes to 5.3 tonnes per hectare. Lima bean yields reached 1.2 tons per hectare, double the yield of 0.6 tonnes produced 10 years ago. The higher yields helped raise the average yearly income of farmers from USD 416 to USD 478.

Results of some FEED AFRICA projects completed in 2023

- ▶ **33,820** **AGRI-BUSINESSES** supported
- ▶ **971 km** of **FEEDER ROADS** built or rehabilitated
- ▶ **52,625 ha** of land with **IMPROVED WATER MANAGEMENT**
- ▶ **11 million** farmers using improved inputs, including micro-irrigation, fertilizer, and **CLIMATE-RESILIENT SEEDS**



Industrialize Africa

In the inaugural edition of its *Africa Industrialization Index 2022*, the Bank analyzed different components of industrialization for 52 of the 54 RMCs. One of the direct determinants of a thriving industrial sector is how well an economy directs its endowments (capital and labor) towards industrial development. In 2023, the Bank increased its support to RMCs to enable them access financing to fuel their industrialization; about 70 percent of total Bank approvals for Industrialize Africa High 5 priority were in finance.

Approvals for Industrialize Africa totaled UA 2.18 billion, 27 percent of total approvals, and a 37 percent increase over 2022's UA 1.59 billion.

Approvals under Industrialize Africa include:

- ▶ **Côte d'Ivoire's Diversification, Accelerated Industrialization, Competitiveness and Employment Programme**—EUR 165 million (UA 135.3 million): EUR 120 million (UA 98.4 million) ADB loan and EUR 45 million (UA 36.9 million) Africa Growing Together Fund. The programme seeks to strengthen the government's efforts to promote economic diversification, green transition, and industrial development. It supports reforms and investments in public goods required to create jobs, develop the private sector, de-risk the financing of small and medium enterprises and innovative start-ups, develop new sectors, promote a green transition in the industrial sector, and support the competitiveness and exports of enterprises.
- ▶ **Kenya's Family Bank LTD Trade and SME Finance Facility**—USD 20 million (UA 15.1 million) ADB line of credit and USD 10 million (UA 7.5 million) ADB guarantee. The facility will support Family Bank Limited (FBL)'s short-term trade finance activities and will allow the Bank to provide up to 100 percent guarantee



The Nigeria Indorama Fertilizer Plant Project supports the country's agricultural sector, which accounts for 25 percent of its GDP.

INDUSTRIALIZE AFRICA BY THE NUMBERS

UA 2.18 billion approved

37 percent higher than 2022

In 18 countries

5 multinational projects
and **3** multiregional projects

to confirming banks for the non-payment risk arising from the confirmation of letters of credit and similar trade finance instruments. It will support small and medium enterprises in the health, renewable energy, and agriculture sectors as well as women-owned businesses and other indigenous firms in health, agriculture, manufacturing, and renewable energy. It will facilitate the deepening of value chains, diversify the productive capacity, and ultimately stimulate economic growth.

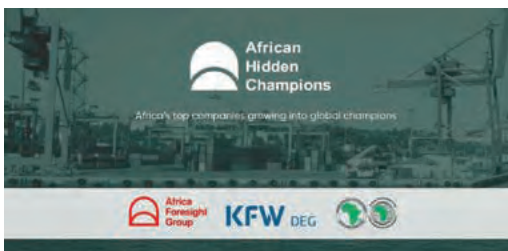
- ▶ **Multiregional Bluepeak Private Capital Fund**—USD 11 million (UA 8.3 million) ADB Equity Participation. The Fund is targeting USD 155 million (UA 116.2 million) in total capitalization at final closing and expecting to make at least eight investments, ranging from USD 8 to 25 million (UA 6 to 18.7 million). It will strengthen African industrial fabric, promote job creation among youth and women, and develop regional value chains. It will provide growth capital to mid-size companies with the potential to become pan-African market leaders, enabling their expansion, recapitalization, and deleveraging. Its current pipeline comprises investments in agribusiness, manufacturing and packaging, pharmaceuticals, fintech and financial services, information technology and telecommunication, logistics, and commercial real estate.
- ▶ **Multinational Dhamana Guarantee Company Ltd**—USD 10 million (UA 7.6 million) ADB equity investment (Box 2.3).

Some key initiatives under Industrialize Africa include:

- ▶ **African Hidden Champions (AHC)**—Bank commitment of USD 780,000 (UA 600,000).



In 2023, the Bank intensified implementation of its **Private Sector Development Strategy 2021-25** to support private sector investment by improving the business environment, strengthening financial institutions, promoting regional integration, and attracting additional investments from other DFIs and private investors.



AHC hosted a regional reception for 2023 in Nairobi, Kenya, marking the Bank's first official engagement with AHC. Co-founded in 2020 by Africa Foresight Group and DEG, Germany's Investment and Development Corporation, AHC promotes dynamic African companies on their path to global leadership. It has selected more than 20 high-performing

hidden champions across Africa, operating in sectors from services, manufacturing, energy, and retail to pharmaceuticals, automobiles, and education. It intends to hold regional receptions in other African cities as it continues selecting and sharing new hidden champions. AHC is well aligned with the Industrialize Africa priority and in particular

BOX 2.3

Mobilizing domestic institutional capital in East Africa's real economy

The Bank's USD 10 million (UA 7.6 million) equity investment in Dhamana—a limited liability company to be based in Kenya with a regional mandate to provide credit guarantees on debt capital market instruments—will support investment requirements for industrializing Africa and reduce the continent infrastructure financing gap.

This innovative capital market de-risking and credit enhancement structure is viewed as a solution to catalyze financing into Africa from both domestic and international funding pools, the Bank, and its strategic partners. The operation is transformative, as the model can easily be replicated across the continent after the initial rollout in East Africa.

The Bank intends to further support its replication with a comprehensive technical assistance programme, engagement with project development equity providers, and dialogue with African pension funds, life insurance companies, pension and insurance regulators, and other collective savings pools.





Mr. Salek Sidi in his plant. The Bank provided a trade finance line of credit to the Bank for Trade and Industry.

Salek Sidi, Technical Director of the Société Biscuiterie de Mauritanie (Biscuit Company of Mauritania) watches over his "little protégés," as thousands of round shortbread biscuits go by on a conveyor belt. The company was financed by the Bank for Trade and Industry, one of Mauritania's main import and export banks.

"Thanks to this finance, our production plant has been able to acquire high-performance equipment to increase its production levels, improve its competitiveness and add more staff," said Salek Sidi.

The plant has about 60 employees, including many young people with few qualifications. With a firm eye on social inclusion, the company gives them an opportunity to learn a trade with good prospects in the agrifood sector.

the Bank's objective of promoting African champions and supporting African small and medium enterprises.

- ▶ During the Global Africa Business Initiative at the United Nations General Assembly in New York in September 2023, the Bank signed a Letter of Intent with Google to collaborate on digital transformation in Africa. The agreement underscores a shared commitment to harness emerging technologies, extend and improve infrastructure, and refine talent and skills. Both parties have a history of fostering digital evolution. Over the past decade, the Bank has invested USD 1.9 billion (UA 1.46 billion) in projects emphasizing the development of broadband infrastructure, conducive policy and regulatory environments, digital skills, and innovative technology start-ups. Working with the Bank, Google will offer technical assistance to bolster entrepreneurs and small and medium enterprises in digitalizing their businesses, securing financing, and mastering digital marketing, thus advancing private sector development.

Results of some INDUSTRIALIZE AFRICA projects completed in 2023

- ▶ **352 km** of **ROADS** constructed, rehabilitated, or maintained
- ▶ **443,510** enterprises supported with access to finance, **232,955** of them **WOMEN OWNED**
- ▶ Morocco's Novacim Cement Plant Project involved the construction and operation of a new cement unit in the region of El Jadida, starting commercial production in May 2023. It created 127 new direct and about 280 indirect jobs for contractors at the end of 2023. Regarding business linkages through SMEs involved in project construction, the amount generated represented EUR 110 million. The project is expected to generate more than EUR 13 million in tax revenue annually.



Integrate Africa

In 2023, fragility, regional conflicts, geopolitical tensions, economic shocks, climate change, and the after-effects of the pandemic posed challenges to regional integration efforts. Despite these challenges, approvals for this High 5 priority totaled UA 2.2 billion (27 percent of total approvals), almost twice (94 percent increase) the UA 1.13 billion approved in 2022 and by far the largest approval ever experienced for this High 5 priority (2016–2022 approvals ranged from UA 184 million to UA 1.54 billion). Major contributors to the sharp increase were partial credit guarantees totaling UA 745.7 million (USD 994.3 million) for a multiregional railway operation.

Key projects under Integrate Africa include:

- ▶ **Multiregional Tanzania/Burundi/Democratic Republic of Congo (DRC) Joint Standard Gauge Railway Project Phase II (Tanzania-Burundi Section)**—USD 872.3 million (UA 654.2 million) ADB PCGs, UA 69 million ADF loan, and USD 122 million (UA 91.5 million) ADF PCG for Tanzania; and UA 63 million ADF grant and UA 12 million TSF grant for Burundi. The project will improve transport connectivity along the Central Corridor to enhance regional integration and trade and incentivize large-scale mining and farming through greater access to high-capacity railway transport service. Tanzania, Burundi, and DRC are developing a phased standard gauge railway around the Port of Dar-es-Salaam and the Central Corridor to carry mining, agricultural, and general cargo. Mine operators, farmers, and the general population will benefit from access to efficient transport services, and the governments of Burundi and Tanzania will benefit from the commercial exploitation of previously untapped mineral wealth.
- ▶ **Namibia's Transport Infrastructure Improvement Project Phase I**—ZAR 3.67 billion (UA 148.6 million) ADB loan. The project will enhance the trade competitiveness of Namibia and the Southern African Development Community subregion through improvements in the logistics value chain by addressing bottlenecks in railway transport infrastructure. It will promote linkages of the ports (specifically Port of Walvis Bay) to the hinterland and to neighbouring countries—and support Namibia's Vision 2030 of becoming a regional logistics

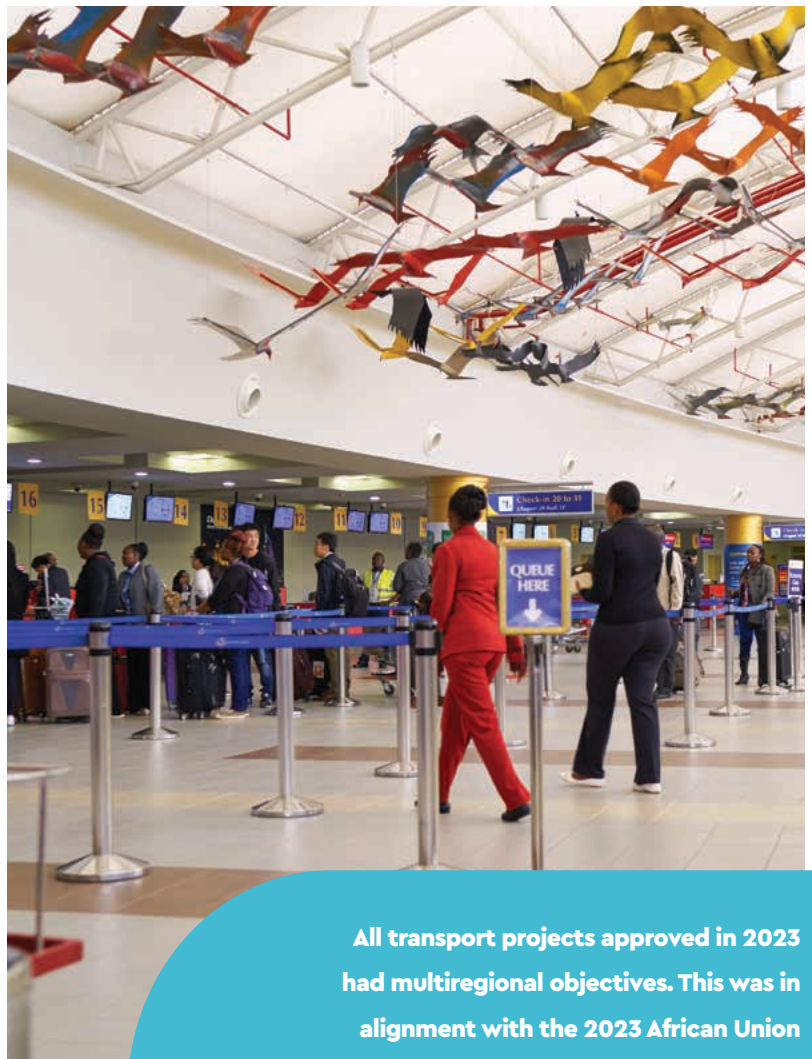
INTEGRATE AFRICA BY THE NUMBERS

UA 2.2 billion approved

94 percent higher than 2022

In 6 countries

19 multinational projects
and **2** multiregional projects



All transport projects approved in 2023 had multiregional objectives. This was in alignment with the 2023 African Union goal to secure the commitment of all stakeholders to speed up the implementation of the **Africa Continental Free Trade Area** and fast-track the overall economic integration agenda.

BOX 2.4

Expanding maritime access points for landlocked countries in West Africa

The objectives of the Benin Rehabilitation and Expansion of the Port Autonome de Cotonou Project are to:

- ▶ Develop the port sector of Benin and reduce waiting times for vessels and transit times for trucks.
- ▶ Augment the port's capacity from 12.5 to over 20 million tons and increase handling efficiency.
- ▶ Maintain the port's position as a key transit port for landlocked countries in West Africa.

The funding will enable the construction of a new container terminal and expand the port area to 20 hectares for bulk and miscellaneous cargo. The project also entails the creation of a central access point with automated gantries, a 14-hectare parking area for heavy-duty vehicles equipped with an integrated, digitized management system linked to the port's database, and an integrated center for faster foreign trade and freight processing. This

will cut transit times in the port area and relieve congestion along nearby roads. It will also improve working conditions for haulage truckers and the business environment for customs personnel and their technical partners.

Support from the African Development Bank for the Port of Cotonou will enable the construction of a new container terminal.



hub. Motorists, industries, and farming communities along the corridor will benefit from shorter travel and transport times, increased economic opportunities, and reduced costs for road maintenance.

- ▶ **Uganda's Muko-Katuna-Kamuganguzi/Laropi-Moyo-Afoji Road Project**—USD 179.7 million (UA 134.8 million) ADB loan and UA 55 million ADF loan.

The project will improve rural transport connectivity and facilitate integration in the Kigezi and Moyo districts of Uganda by increasing transport access, thereby expanding internal and cross-border trading opportunities. It is expected to boost income, deepen regional integration, and facilitate trade while opening an alternative transport corridor

linking Uganda, South Sudan, and the Central African Republic. The 100-kilometres of roads to be rehabilitated service rich agricultural hinterland and spectacular potential tourism sites. The roads will also improve access to several refugee settlements.

- ▶ **Benin's Rehabilitation and Expansion of Port Autonome de Cotonou Project**—EUR 55 million (UA 44.9 million) ADB loan, EUR 25 million (UA 20.4 million) Africa Growing Together Fund loan, and USD 18.3 million (UA 13.9 million) Canada-ADB Climate Fund loan (Box 2.4).

- ▶ **Regional integration projects** were complemented with knowledge work in 2023. A Climate Risk Assessment was undertaken with the Global Centre for Adaptation through the African Adaptation Acceleration Programme of different transport projects including the Port of Cotonou Rehabilitation and Expansion Project and the Tanzania-Burundi Standard Gauge Railway Project. Addressing climate change is of great relevance to transport projects, and both projects incorporate sustainable practices.

Bank-financed operations help to create more robust regional integration mechanisms that allow Regional Member Countries to benefit from large markets and capitalize on economies of scale

Matthew Antwi, a hauler for a Nigerian business that exports coconuts, regularly drives the Lomé-Cotonou Road from his home in Ghana to Nigeria.

"A few years ago, it took around two hours to complete all the formalities at the border and up to three hours to get to Aflao (on the border between Togo and Ghana) from the Benin-Togo border-control post, or as much as five hours. That was because of the poor state of the section of road between Lomé and Cotonou," he recounted. **"But now that it's been renovated, it takes between one to two hours. That's better for me because I waste less time, and night lighting makes me feel calmer when driving in the dark."**



Matthew Antwi in his truck
Lomé-Cotonou Road Rehabilitation and Coastal Protection Project Phase II

Results of some INTEGRATE AFRICA projects completed in 2023

- ▶ **1,303 km** of cross-border **TRANSMISSION LINES** constructed or rehabilitated
- ▶ **163 km** of **CROSS-BORDER ROADS** constructed or rehabilitated
- ▶ **3.5 million** people gained access to better **TRANSPORT SERVICES**



Abidjan's 24-booth fourth bridge is a preferred transit route between Abidjan's port and international corridors serving the landlocked nations of Burkina Faso, Mali, and Niger.



One Stop Border Post on the Nacala Road Corridor between Malawi and Zambia

- ▶ **Multinational Nacala Corridor Project Phase IV (Liwonde-Mangochi)** included rehabilitating a 75-kilometer road between Liwonde and Mangochi in Malawi along the Nacala Road Corridor and establishing One-Stop-Border-Posts between Malawi and Mozambique and between Malawi and Zambia. Landlocked countries can now access ports and maritime services through the Nacala corridor. This has reduced travel time, improved road safety, and lowered transport costs. The Nacala corridor has made it easier for communities around the project area, with more than 2 million people, to access social services and markets for their agricultural produce.



Improve the Quality of Life for the People of Africa

Approvals for this High 5 priority totaled UA 2.14 billion (27 percent of all approvals), reflecting a 37 percent increase over the UA 1.56 billion approved in 2022 (25 percent of all approvals). Approvals for budget support (economic governance) stood at UA 885.8 million, representing 41 percent of the total for this High 5. Approvals for water and sanitation, at UA 494.8 million, accounted for 23 percent, human and social development (UA 203 million) 10 percent; other social development (11 percent), national infrastructure (7 percent), and urban development (6 percent).

IMPROVE THE QUALITY OF LIFE FOR THE PEOPLE OF AFRICA BY THE NUMBERS

UA 2.14 billion approved

37 percent higher than 2022

In 40 countries

6 multinational projects
and **2** multiregional projects

This High 5 includes the **most diverse set of priorities** of all High 5s and covers hard and soft sectors: water and sanitation, urban development, ICT, human and social development, health, education, gender, youth, employment, climate change, and economic governance. Financing in this High 5 focuses on some of the continent's pressing issues.



The remaining approvals, totaling UA 45.9 million and accounting for 3 percent, covered climate change and green growth operations, education and health, and natural disaster management (Figure 2.9).

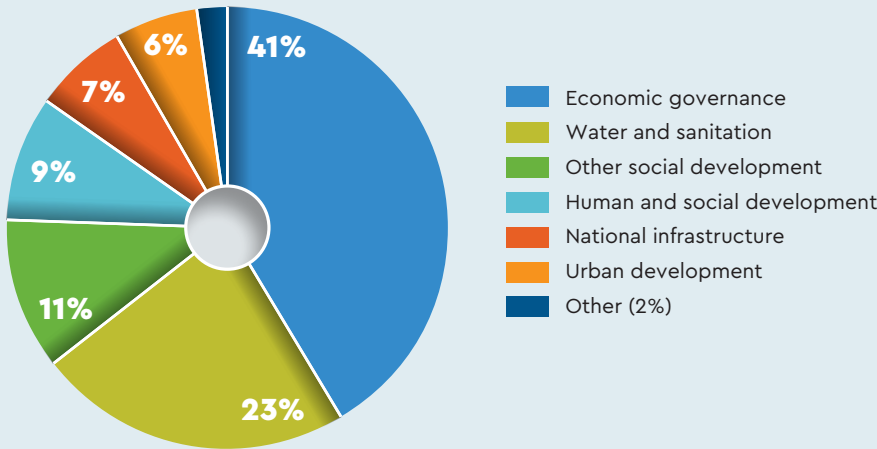
Water and sanitation

Approvals for water and sanitation operations amounted to UA 494.8 million in 2023, a 28 percent increase over UA 388.1 million in 2022.

Examples of approvals were:

- ▶ *Rwanda's Transformative and Sustainable Water and Sanitation Program, Phase I*—JPY 28.9 billion (UA 147.5 million) ADB loan and USD 50 million (UA 37.5 million) AGTF loan. The programme is aimed at improving access to water supply for an additional 2.3 million people and access to basic sanitation services for 380,000 people in the targeted districts of Rwanda. It will strengthen water resources management and improve the operational performance of water and sanitation service providers and strengthen the resilience of the populations against climate change and variability.
- ▶ *Angola's Coastal Towns Inclusive Sanitation Project Phase 1*—USD 75 million (UA 55.7 million) ADB loan and USD 49.4 million (UA 36.7 million) Africa Growing Together Fund (AGTF) loan. The project will improve access to climate-resilient and sustainable sanitation services in several coastal towns. In addition to addressing critical sanitation challenges, it will include the construction of sewage reticulations, wastewater, and fecal sludge treatment plants, improve the sanitation value chain (citywide inclusive sanitation approach), and strengthen implementation capacity. Schools and health facilities in the project area will

FIGURE 2.9 Approvals in 2023 for Improve the Quality of Life for the People of Africa, by subcategory



receive assistance to install improved sanitation facilities. The project will benefit 1.4 million people.

Water and Sanitation Program, Sector Budget Support in Rwanda.

A key knowledge activity in 2023 was Strengthening the Urban Water and Sanitation Sector Utilities Regulation in Eastern and Southern Africa. Studies covered 13 countries—Botswana, Burundi, Kenya, Lesotho, Malawi, Mauritius, Mozambique, Rwanda, South Africa, South Sudan, Tanzania, Uganda, and Zambia. They inform regulatory reforms to improve operational efficiency and increase financing and sustainability. Shared with other countries on the continent outside the Eastern and Southern African regions, the studies influenced the design of the Sustainable and Resilient

Urban development

- ▶ *Tanzania's Green Solutions for Sustainable Urban Development in Dodoma City*—USD 5.1 million (UA 3.8 million) Global Environment Facility grant. The project aims to improve climate-informed urban planning and sustainable land management in Dodoma. Coupled with the government's effort for greening Dodoma, the interventions will contribute to reducing greenhouse gas (GHG) emissions and addressing the threat of climate change for Dodoma and Tanzania. They will support

Khadra and a water vendor's cart at her home in Arabsiyu

Khadra Mohamed, 62, used to spend about a third of her daily income to purchase potable water from a private operator. **“Still, this was not enough for my sanitation and hygiene needs,”** says the mother of seven, a resident of Arabsiyu, Somaliland.

Khadra's family is among several households that benefited from the new water supply system financed by a Bank project. Her daughter, who previously had to abandon school to enable her to walk several kilometers to draw water for the household, now attends classes regularly.

Before the project, families like Khadra's paid USD 7.5 per cubic metre to private water vendors; now, they pay as little as USD 1.5 per cubic metre through a water connection.



Dodoma in improving urban governance, provide resilient infrastructure and essential services, and identify and incorporate better urban planning and building conditions by controlling development and enforcing zoning regulations.

- ▶ **Benin's Secondary Towns Stormwater Drainage Programme**—EUR 118.8 million (UA 97 million) ADB loan and EUR 45.5 million (UA 37.2 million) AGTF loan. To clean up the living environment in the targeted towns and strengthen their resilience, the programme aims to reduce the vulnerability of towns and populations to floods and climate change, substantially improve the urban environment, hygiene, and sanitation, and foster urban mobility. The programme area covers four secondary towns, with a total estimated population of approximately one million people, the direct beneficiaries.

Human and social development

Examples of key approvals in the human and social development areas include:

- ▶ **Kenya's Integrated Mechanisms for Poverty Reduction and Sustainable Education Project**—UA 12.8 million ADF loan. The project will increase access to quality and inclusive education for more than 30,000 children out of school, improve skill development and employment for 3,000 youth in Arid and Semi-Arid Lands, and promote sustainable and resilient livelihoods. Project activities include facilitating community-led back to school campaigns, providing uniforms, school supplies,

and dignity kits, rehabilitating classrooms, establishing climate-smart water and sanitation infrastructure in schools, and sponsoring youth to take demand-driven technical vocational education and training courses.

- ▶ **Benin's Project to Develop Skills for Employment in Priority Sectors, Phase 1**—EUR 81.7 million (UA 67 million): EUR 64.8 million (UA 53.3 million) ADB loan and EUR 16.9 million (UA 13.9 million) AGTF (Africa Growing Together Fund) loan. The project will strengthen the skills and qualifications of young women and men to create a more innovative, enterprising, and competitive workforce in the agricultural and energy (particularly renewable) sectors. It includes renovating and extending technical and vocational training infrastructure and improving the employability and professional integration of men and women. The final beneficiaries are the young men and women who will receive relevant technical and vocational training, enabling them to enter the labour market as employees or entrepreneurs.
- ▶ **Rwanda's Centre of Excellence for Aviation Skills Project**—UA 18 million ADF loan. The project will include the construction and equipment of a new aviation training facility in the capital, Kigali. Partnering with higher learning institutions to produce a skilled workforce to meet global aviation training standards and industry demands, the Centre will boost Rwanda's ambition to become a regional aviation hub and draw international investment from the aviation industry. It is expected to enroll up to 500 students starting in 2025 when it becomes

With two friends, Béchir Afifi, a computer engineer and formerly a professional in a Tunisian ministry and a part-time university lecturer, created Fabskill, a digital recruitment platform, using artificial intelligence. In 2022, the company reached its first million Tunisian dinars in sales and broke even. With 25 employees, it currently has more than 600 clients, including banks and telecom companies.

Béchir notes: "Fabskill provides innovative solutions to issues associated with job interviews through a matching system between employers and candidates. The platform provides candidates with suitable options that match their skills with the job market. Our platform treats all users fairly since all candidates answer the same interview questions under similar conditions and are allotted the same amount of response time."

Fabskill received substantial support from Souk At-tanmia, created in 2012 by a coalition of public and private development institutions, civil society, and academia. Souk At-tanmia is hosted by the African Development Bank, one of its primary donors.



Béchir Afifi is the CEO and co-founder of Fabskill.



These young people in Senegal have turned their backs on illegal immigration thanks to the Project to Support and Enhance the Entrepreneurial Initiatives of Women and Young People.

partly operational, offering training for pilots, maintenance, and cabin crew. There will also be dispatch and ancillary courses, including airport emergency operations. The facility will also provide drone piloting training, recurrent flight simulator training, and other advanced pilot training for specialized missions.



and the General Authority for Investment and Free Zones, an affiliate of the Ministry of Investment, the objective was to look at the current state of the Egyptian law and policy framework for start-up investing. The study assessed the nature of the gap between Egypt's entrepreneurship law and policy framework and established international best practices. It revealed that many Egyptian startups, especially those that have raised funding, are legally incorporated abroad, despite the advantages of Egypt's Investment Act. It will also form the basis for establishing the Youth and Entrepreneurship Investment Bank.

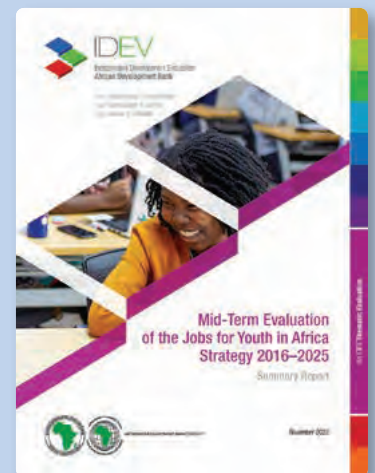
Health

- ▶ **Liberia's Program for Advancing Youth Entrepreneurship Investment**—UA 12 million ADF loan. The programme will establish the first Youth Entrepreneurship Investment Bank (YEIB) across Africa, a pioneering effort aimed at resolving consistent market failures and fragmentation by providing both financial and non-financial services in an ecosystem approach to young entrepreneurs starting at an earlier stage. The programme will develop youth-dedicated institutions that will provide sustainable access to finance for micro, small and medium enterprises and deploy comprehensive business support services to enable youth entrepreneurs to start and grow their businesses. This programme is crucial due to Liberia's challenges in employment, access to capital, and entrepreneurship support, particularly among youth and women.
- ▶ **Morocco's Inclusive Access to Health Infrastructure Support Programme**—EUR 120 million (UA 96.6 million) ADB loan. This is the Bank's third health sector operation in Morocco to use a results-based financing instrument. Increasing access to quality health services will improve

An essential knowledge activity was the study, Policy Recommendations to Reverse Establishment of Start-Ups and Investment Vehicles outside Egypt. Jointly undertaken by the Bank's Entrepreneurship Lab (ELab), the Country Office in Egypt,

Mid-term evaluation of the Jobs for Youth in Africa Strategy, 2016–2025

The Strategy was created to support the RMCs in scaling up responses to youth unemployment and underemployment. The evaluation, published in November 2023, noted that the Bank had invested UA 5.16 billion, with an additional UA 2.8 billion leveraged from other development partners, and that the interventions had created 12 million jobs (3 million direct and 9 million indirect).





Nhtombi Pukwana, clinical psychologist, Transnet Phelophepa train

The Phelophepa Healthcare train, one of two owned and run by Transnet in South Africa, travels about 36 weeks each year, visiting a different rural community every fortnight in four provinces. More than 40 permanent staff members, numerous final year students, and community volunteers work on the trains. Nhtombi Pukwana, clinical psychologist on the Transnet Phelophepa train, and her colleagues mostly target preventive interventions for teenagers dealing with such issues as substance abuse, sexuality, anxiety, trauma, and bereavement. Career guidance and family counseling are other important areas.

“Teenagers are starting to examine the world around them. They can’t talk to their parents about substance abuse or their curiosity about drugs or sex. **We want to be the adults who children can speak to without horror or judgement and be the safe space for them, but also, we are teaching adults how to speak to their children,”** said Pukwana.

Ahead of the train’s arrival in a community, social mobilisers are deployed to spread the word, do the groundwork and make a needs-assessment. Working with local communities and government departments of health, social services, and other partners, the train makes a two-week stop in the districts it serves.

Since 2010, the African Development Bank has invested a total of USD 500 million in Transnet towards its capital expenditure programme.

Moroccan living conditions, especially of vulnerable groups, women and the inhabitants of rural and hard-to-reach areas. It will reduce disparities in access to health care infrastructure (primary and secondary), improve connectivity with innovative solutions for better health service delivery, and strengthen governance through better human and financial resource allocation. It will also reduce direct health-related expenditure in the beneficiary areas. The new health infrastructure will strengthen the economic dynamics of the beneficiary areas and increase their attractiveness, with direct and indirect job opportunities for young people and women. And the use of digital health devices will bolster the health system’s resilience.

Among the operations completed in 2023 is Tanzania’s East African Heart Institute (EAHI)/East African Centre of Excellence for Cardiovascular Sciences Phase I. To address labor market shortages for skilled professionals in cardiovascular sciences in the EAC, the project supported the construction of the Centre of Excellence, which is expected to enrol more than 120 students per year in various demand-driven programmes in

cardiovascular sciences. A total of 33 academic staff, trained in various specialized Master’s and PhD programmes, are now working in collaborating health institutions. Four super-specialty Master of Science programmes were established, with students already enrolled. And Memoranda of Understanding were signed with six world-class institutions of cardiovascular sciences for skill and technology transfers.⁷

Results of some projects to IMPROVE THE QUALITY OF LIFE FOR THE PEOPLE OF AFRICA completed in 2023

- ▶ **9 million** people with new or improved access to **WATER AND SANITATION**
- ▶ **2.8 million** people with access to better **HEALTH SERVICES**, **1.3 million** of them women
- ▶ **1 million PEOPLE TRAINED** through Bank operations, **461,671** of them women

⁷ Jakaya Kikwete Cardiac Institute, Dar es Salaam, Tanzania; Muhimbili National Hospital, Dar es Salaam, Tanzania; Apollo – Health City Hyderabad, India; University of Cape Town, South Africa; Aga Khan University, Kenya; and Utrecht Medical Centre, Netherlands.

Africa Investment Forum

The Africa Investment Forum 2023 (AIF2023) Market Days Event took place in November in Marrakech, Morocco, under the High Patronage of the King of Morocco, Mohamed VI. The theme was "Unlocking Africa's Value Chains," covering projects with significant value addition in agriculture, renewable energy, manufacturing, extractive industries, infrastructure, and healthcare. The event attracted about 1,400 participants, including African and Caribbean Heads of State and top government officials.

The Market Days Event was also marked by several public sessions covering topics as varied as Waste to Wealth and an investment showcase on the use of scrap metal to produce works of art. A fireside chat on Sports as Business Catalyst, one of AIF's flagship initiatives, was one of

the highlights, exploring opportunities for investment in sports infrastructure, including stadiums, training facilities, and sports academies. Of the various side events held were the High-level Mayoral Event "Leveraging Cities and Municipalities for National Development" and the Japan Special Room on "Boosting Africa's Growth with Japan: From Start-ups to Major Companies."

Following a thorough screening between June and October 2023, the 2023 origination process resulted in retaining 88 deals from 28 countries: 37 Boardroom deals with a value of USD 58 billion; 38 Business-to-business deals valued at USD 14.8 billion; and 13 Gallery deals valued at USD 3.6 billion. Since inception in 2018, the AIF has achieved deal-ask closure for a total of USD 11 billion. Included in this amount are projects reaching deal ask closure in 2023 for a total value of USD 620 million, which are listed in Appendix 10.



Africa Investment Forum 2023



The Bank supports income-generating activities in the Sahel, with the aim of breaking long-term cycles of crisis and vulnerability.

Cross-cutting priorities

Addressing fragility and building resilience

Several innovations marked the Bank's fragility and resilience agenda in 2023. After discussions during ADF-16, the Bank led the implementation of a new prevention envelope in the Transition Support Facility (TSF). The process identified a robust pipeline of 17 results-driven operations that aim to scale up impact and lasting resilience in transition states and hotspot regions. The pipeline targets emerging fragility issues such as climate change, youth unemployment, gender equality, and private sector development.

In 2023, the TSF also approved 41 projects totaling UA 282.1 million to address the drivers of fragility and build resilience in transition states. Of these projects, 21 received UA 252.1 million from TSF Pillar I regular country allocations, focusing on various sectors. Water supply and sanitation received the largest share (21 percent), followed by agriculture (18 percent), social (18 percent), and transport (10 percent). The other 20 projects received UA 30.1 million from TSF Pillar III, providing targeted capacity building and technical assistance to strengthen debt management, crisis prevention, emergency preparedness and catalyzing private investments.

The Bank also completed five fragility and resilience assessments, complemented by annual



Mrs. Françoise Niangne, head of AfricaRice Côte d'Ivoire

Innovations of the Bank's fragility and resilience agenda in 2023 include:

- ▶ A new prevention envelope.
- ▶ The Sahel initiative.
- ▶ An MoU with Interpeace.
- ▶ New partnerships with the Solutions Support Platform, the International Organization for Migration, the Peace Dividend Initiative, and the International Committee of the Red Cross.

Country Resilience and Fragility Assessment (CRFA) national and regional profiles, aimed to enhance the Bank's lending and non-lending engagement at the country and regional levels. The findings of the Bank's analytical endeavors steered the development of 16 strategy papers and shaped the design and implementation of 249 operations across transition states and beyond in 2023. As a result, Bank programming and investments have become more sensitive to fragility, conflict, and insecurity dynamics, with a proactive stance on crisis anticipation.

In addition to integrating the fragility lens in strategies and operations, the Bank forged ahead with targeted initiatives to advance its fragility agenda. For example, the Sahel Initiative marks a strategic shift in engagement in the Sahel region. Key innovations include a guidance note on peace-positive engagement, a comprehensive fragility assessment conducted with UNDP, IFAD, and IsDB focusing on Central Sahel, and an institutional capacity assessment of the Liptako-Gourma Authority co-financed with UNDP. These measures will lay the groundwork for tailored approaches to expedite transformative peace programmes throughout the region.

The Bank's momentum in fragility and resilience initiatives remained strong, with its leadership in fragility policy dialogue through the fifth Africa Resilience Forum in October 2023. Themed "Financing Security, Peace, and Development for a Resilient Africa," the forum provided a platform for exploring innovative solutions in financing and partnership building. It resulted in the signing of a Memorandum of Understanding (MoU) with Interpeace, an international organization for peacebuilding based in Switzerland,

underscoring the commitment to leveraging transformative approaches. The Bank also forged four other significant partnerships in 2023 with key stakeholders:

- ▶ The Solutions Support Platform for refugees and displaced people in the Central African Republic, in collaboration with the UNHCR.
- ▶ A joint publication with the International Organization for Migration on Diaspora Engagement, Climate-Induced Migration, and Skills Mobility.
- ▶ A technical partnership agreement with the Peace Dividend Initiative.
- ▶ A Memorandum of Understanding with the International Committee of the Red Cross (ICRC).

Four dedicated capacity-building events focused on fragility and resilience for the benefit of RMCs, Regional Economic Communities (RECs), and Bank staff:

- ▶ A fiduciary clinic workshop for Eritrean government representatives.
- ▶ A capacity-building session during the country managers exchange programme tailored for Country Managers, Director Generals, Deputy Director Generals, Regional and Country Program Officers, and Regional Implementation Support Managers.
- ▶ Conflict sensitivity training for Fragility Specialists and Country Program Officers, facilitated by the United Nations Systems Staff College.
- ▶ Training sessions for RECs on preventative approaches and early warning systems.

These initiatives aimed to enhance the knowledge and skills of participants, empowering them to address fragility and build resilience in their respective roles and regions.

Promoting gender equality

Several knowledge activities took place in 2023:

- ▶ The Bank completed five country gender profiles⁸ in Burundi, Côte d'Ivoire, Ghana, Mauritania, and Nigeria and, for the first time, one for the Sahel region.

- ▶ The Bank undertook policy dialogue at the country level through country gender profile validation workshops, at the regional level through the multistakeholder high-level meeting on Financing for Gender Equality in Africa, the Africa Resilience Forum 2023, and at the international level through COP 28 and a 16-day campaign to promote activism.
- ▶ Affirmative Action for Women in Africa held four finance series in 2023 in partnership with the African Guarantee Fund in Angola, Ghana, Kenya, and Nigeria. The events focused on advocating with country central banks for crucial actions and reforms, training more than 500 bankers and financial ecosystem practitioners, emphasizing smart gender investing and building strong value propositions for women-owned SMEs.

Civil society engagement

Some key knowledge activities were:

- ▶ Five hybrid civil society forums in 2023, one in each region, under the theme "Engaging civil society in mobilizing private sector financing for climate and green growth in Africa." Collectively, the events attracted more than 300,000 people. Civil society input during the forums paved the way for the successful high-level event organized at COP28, where a joint declaration was issued on Africa's five key priorities: adaptation, loss and damage, food systems, land use, and the protection and restoration of forests.
- ▶ Two Memoranda of Understanding were also signed with the Pan-African Farmer's Organization and the West African Civil Society Institute to launch a joint path to strengthen civil society and unlock its transformative potential to achieve the Bank's High 5s.

Supporting governance and accountability

In line with its Strategy for Economic Governance in Africa (SEGA) 2021-2025, the Bank's governance operations are enhancing public sector effectiveness, improving transparency and

Countries benefiting from support to strengthen their public financial management systems have noted improvements in their Country Policy and Institutional Assessment (CPIA) scores for governance.

⁸ Country gender profiles are diagnostic tools that highlight a country's challenges with respect to gender equality, opportunities and potential areas of intervention for the Bank.

accountability of government, and creating a favorable business enabling environment, while enhancing infrastructure governance. As reported in the *Annual Development Effectiveness Report 2023*, countries that have benefited from support to strengthen their public financial management systems have noted improvements in their Country Policy and Institutional Assessment scores for governance, including the subscores on quality of budgetary and financial management, and transparency and accountability in the public sector.

Twenty new governance operations, including programme-based operations and institutional support projects were approved for a total of UA 1.33 billion. Eight of these operations, three of them programme-based ones, were in transition states. Most of the PBOs delivered in 2023 included measures geared towards addressing critical reforms in infrastructure sectors, while also addressing climate change and supporting green growth.

Projects approved in 2023 include:

- ▶ **South Africa's Energy Governance and Climate Resilience Programme**—USD 300 million (UA 228.1 million) ADB loan. The objective is to improve energy sector governance, enhance private sector participation, and encourage a just energy transition to a lower-carbon and greener

future. It addresses vital structural reforms within the energy sector to ensure broader access to electricity for low-income people and reduce the negative impact of the transition on affected communities. The programme also supports key fiscal reforms to reduce the fiscal deficit and improve the debt-asset ratio, including financial sustainability in the electricity sector, particularly in the state-owned utility, Eskom.

- ▶ **Congo's Governance and Economic Diversification Support Programme Phase I**—EUR 92 million (UA 74.3 million) ADB loan. The programme aims to build the resilience of Congo's economy to climate shocks by creating conditions conducive to economic diversification. The objectives of the programme are to: (i) Improve the efficiency and transparency of public investments; (ii) Enhance the governance of public enterprises, reduce the budget cost of subsidies to public enterprises and curb budget risks; (iii) Improve the business environment (new investment charter) and transparency (anti-corruption strategy) to increase the proportion of foreign direct investment in the economy; (iv) Reform the electricity sector to make it viable and more efficient and encourage private sector involvement; and (v) Promote new sectors such as gas (adoption of a gas code) to generate new sources of revenue for the country.
- ▶ **Seychelles' Governance and Economic Reforms Support Programme Phase III**—USD 33 million (UA 25.1 million) ADB loan. This final phase of the three-year programmatic operation aims to strengthen the economic governance reforms that will sustain inclusive green growth and support post-COVID-19 recovery while reinforcing environmental and climate resilience. The Bank will continue supporting Seychelles' Medium-Term Fiscal Framework by advancing fiscal sustainability, improving the business environment, and improving climate responses and environmental resilience.

97 percent of 2023 approvals were based on climate-informed designs, up from 77 percent in 2016, aiming to reach 100 percent by end 2025.



Climate change

The Bank is actively implementing its 2030 Strategic Framework on Climate Change and Green Growth to ensure that 40 percent of its annual investments are allocated to climate finance and that USD 25 billion in climate finance is mobilized by 2025. The vision is to increase Africa's share of global climate finance from the current 3 percent to 10 percent by 2030. In line with the

Bank’s mandates to mainstream climate change and green growth into all its development interventions in Africa, 97 percent of its investments in 2023 were based on climate-informed designs, up from 77 percent in 2016 (when the New Deal on Energy for Africa was approved), with the ambition to reach 100 percent by the end of 2025.

In 2023, approvals of UA 4.3 billion were allocated as climate finance, accounting for 55 percent of annual approvals, exceeding the target of 40 percent. Mitigation finance accounted for 47 percent of the Bank’s 2023 climate finance, and adaptation finance, 53 percent. In addition to allocating its internal funds as climate finance, the Bank mobilized external climate finance resources, with more than USD 300 million from global climate funds against the 2023 annual target of USD 205 million, including USD 160 million from the Green Climate Fund, USD 127 million from the Climate Investment Funds, and USD 16 million from the Global Environment Facility. The Bank also approved climate co-financing grants and loans totaling around USD 150 millions of previously mobilized funds.

Some operations approved in 2023 are:

- ▶ **Ethiopia’s Climate Resilient Wheat Value Chain Development Project**—UA 40 million ADF grant and UA 14.8 million TSF grant. The project objective is to improve wheat productivity and production to increase the incomes of small-scale wheat farmers through infrastructure, market linkages, and agrifinance. Climate-smart wheat production will facilitate access to seeds for small-scale farmers; soil fertility management; rehabilitation, development, and management of irrigation schemes;



sustainable farm mechanization; and extension and climate advisory services. The project will benefit 500,000 smallholder households with 2,300,000 people.

- ▶ **Multinational Programme to Strengthen Resilience to Food and Nutritional Insecurity in the Sahel, Project 2**—UA 62.5 million ADF grant and USD 5.4 million (UA 4.1 million) Canada-ADB loan. The programme aims to sustainably increase productivity and agricultural, silvicultural, and pastoral production, increase income from agricultural, silvicultural, pastoral, and fisheries value chains, and build the adaptive capacity of populations through better control of climate risks and contribute to climate change mitigation. It will target the most vulnerable households, particularly small producers, herders, fishermen, and agro-pastoralists, considering gender, age, and vulnerabilities (displaced persons). It will also contribute to the sustainable management of natural resources and the environment, through low-carbon infrastructure and development.



The Bank is also working on several flagship initiatives to create further multilateral funds, including

AAAP at a Glance



PILLAR 1	Digi-Agriculture: Climate smart digital technologies for agriculture and food security
PILLAR 2	AIRA: African Infrastructure Resilience Accelerator
PILLAR 3	Youth ADAPT: Empowering youth for entrepreneurship and job creating in climate adaptation and resilience
PILLAR 4	IFI: Transforming adaptation finance via the Innovative Financial Initiatives Flagship

NOOR solar complex project in Ouarzazate, Morocco



the USD 25 billion Africa Adaptation Acceleration Program (AAP). The Africa Green Banks Initiative will create and capitalize the African Green Financing Facility Fund as part of the African Financial Alliance on Climate Change Strategy, 2023–2027. The Adaptation Benefits Mechanism will create and capitalize the African Adaptation Benefits Fund. Under the AAP, the Bank secured nearly USD 4 billion in adaptation finance through its investment operations and the AAP upstream financing facility.

In a significant stride towards gender-inclusive development, the Bank and the Global Center on Adaptation organized the 2023 Youth Adapt challenge, spotlighting female-owned enterprises spearheading Fourth Industrial Revolution technologies. These groundbreaking innovators harness the transformative potential of artificial intelligence, big data analytics, internet of things, quantum computing, additive manufacturing, blockchain, and fifth-generation wireless technologies to drive climate adaptation.

In 2023, the Bank operationalized the Climate Action Window, established in 2022 as a dedicated ADF instrument, focused on mobilizing additional climate finance for adaptation and mitigation in 37 fragile and climate vulnerable ADF countries. With initial seed capital of USD 429 million from four ADF donors (Germany, Netherlands, Switzerland, the United Kingdom), the Bank

Dr Akinwumi Adesina and other participants at COP28



has embarked on a long-term goal to mobilize between USD 4 and 13 billion to scale up climate action in Africa.

In a strong show of support during the 28th Conference of the Parties to the United Nations Framework Convention on Climate Change (COP28), African and global institutions together with the governments of France, Germany, and Japan and philanthropies pledged more than USD 175 million to the Alliance for Green Infrastructure in Africa.

African Development Bank Group President Dr Akinwumi Adesina said: “We need private sector financing at scale to tackle climate change and fill Africa’s huge infrastructure gap in a sustainable and climate-resilient manner. By working together and pooling our resources together through AGIA, we are committed to accelerating these efforts. After approval from its Board of Directors, the Bank Group plans to contribute up to USD 40 million.”

Regional portfolio and approvals

The Bank’s 2023 approvals of UA 8.03 billion across regions showed significant increases over 2022 for all regions (Figure 2.10) except West Africa, which experienced a minimal increase of 1 percent. Central Africa was up 43 percent, East Africa 37 percent, North Africa 72 percent, and Southern Africa 47 percent. Approvals for East Africa represented the largest share of approvals (29 percent), slightly higher than the 27 percent share of 2022 approvals (Figure 2.11). West Africa, at 28 percent of approvals had a lower share than the 37 percent in 2022. The share of approvals to North Africa, 19 percent, was noticeably higher than the 14 percent share in 2022. Southern Africa saw its share of approvals go from 16 percent in 2022 to 17 percent in 2023. The share of approvals to Central Africa in 2023 remained the same as in 2022, 6 percent. Approvals for multiregional operations remained below 1 percent of total approvals, as in 2022.

Table 2.3 shows the distribution of the Bank’s portfolio at the end of 2023 by region.

Central Africa

In 2023, the Bank was selective in its operations in Central Africa, giving priority to innovative operations that also offered synergies among various sectors. Central Africa had the second highest (after Southern Africa) proportion of multisectoral operations, at 18 percent of the total. Its approvals

FIGURE 2.10 Bank Group approvals, by region, 2020–2023 (UA millions)

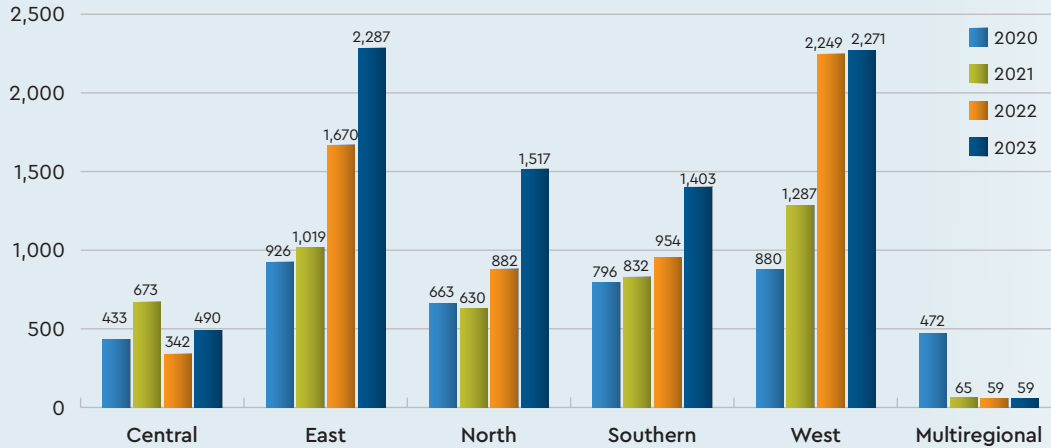


TABLE 2.3 Bank Group portfolio distribution by region, 31 December 2023

	AMOUNT	
	(UA MILLION)	PERCENT
Central Africa	4,131	9.2
East Africa	11,605	26.0
North Africa	5,856	13.1
Southern Africa	8,766	19.6
West Africa	13,108	29.3
Multiregional	1,243	2.8
Total	44,709	100.0

ran to UA 490 million, or 6 percent of total approvals, a substantial increase (43 percent) over the UA 341.6 million in 2022. The approvals were concentrated in Cameroon and in transport, with a single approval of UA 163.6 million (EUR 203.1 million) ADB loan made for the Territorial Development and Private Sector Promotion Project in the FAR North Region (Figure 2.12). Figure 2.13 shows the distribution of approvals by High 5.

Examples of operations approved in 2023 are:

- ▶ *Central African Republic's Support Programme for Reconstruction of Basic Communities,*

FIGURE 2.11 Bank Group approvals by region, 2023

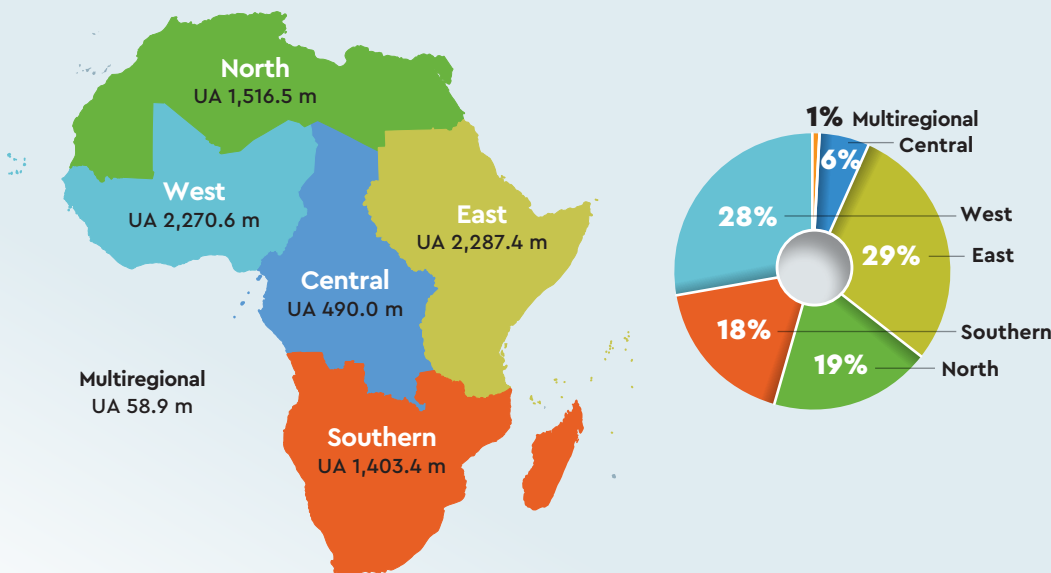


FIGURE 2.12 Central Africa Highlights, 2023 – Shares of total approvals of UA 490 million

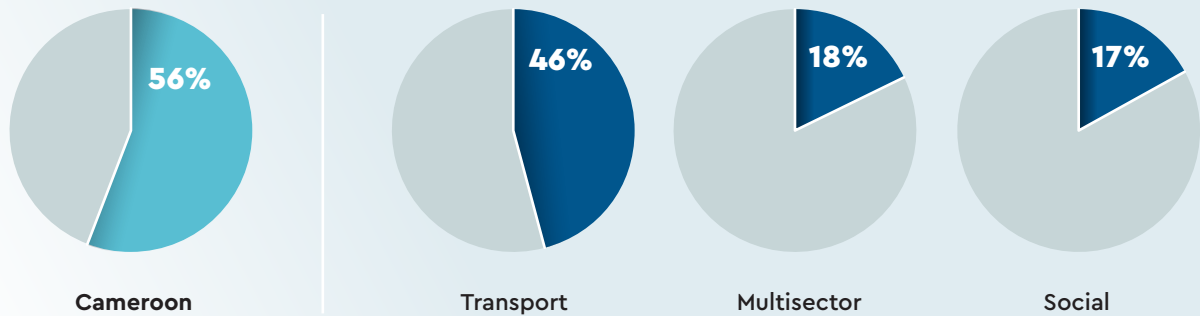
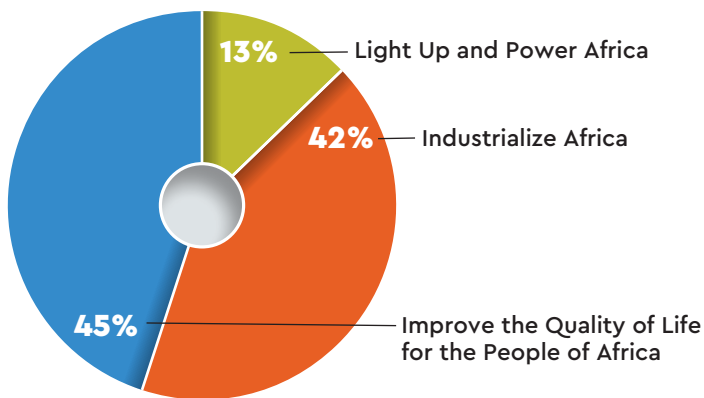


FIGURE 2.13 Distribution of 2023 approvals by High 5—Central Africa



Phase 2—UA 10.1 million TSF grant. To facilitate reintegration and increase access to basic socioeconomic services for communities affected by the political and military crisis, the programme will help sustain achievements in areas covered by phase 1 and extend them to the country's interior. It will also create jobs and develop entrepreneurship through rapid-impact agro-pastoral activities (such as poultry farming, fish farming, beekeeping, and



Nyumba Ya Akiba Cement Plant Project, Democratic Republic of the Congo

dairy production), small-scale mining, and a strengthened community reintegration process. It will facilitate the socioeconomic reintegration of at least 3,500 former combatants, unemployed young people, and vulnerable women, the redeployment of 800 civil servants and state officials in the public services, and the training of around 5,000 unemployed young people aged 15 to 25 years.

- *Multinational Regional Transport and Trade Facilitation Project on the Cameroon-Equatorial Guinea-Gabon Economic Corridor Construction of a Bridge over the Ntem River*—EUR 49 million (UA 39.6 million) ADB loan to Cameroon and UA 20 million ADF loan to Cameroon. The project aims to increase trade volume between Cameroon and Equatorial Guinea and reduce travel time, transit, and transportation costs along the Yaoundé-Bata-Libreville multinational corridor. It will also create conditions conducive to promoting an industrial and port complex. And it will improve the living conditions of women, youth, and vulnerable groups in the project impact area; and construct the regional bridge over the Ntem River between Campo (Cameroon) and Rio Campo (Equatorial Guinea) and facilitate transport on the Yaoundé-Bata-Libreville Corridor. The beneficiaries are the populations of the two main urban centers. Women will benefit greatly, as the bridge and the new arrangements for managing border flows will make it easier for them to supply inputs and sell their products.

East Africa

Approvals for East Africa amounted to UA 2.29 billion, or 29 percent of total approvals, a substantial

FIGURE 2.14 East Africa Highlights, 2023—Shares of total approvals of UA 2.29 billion

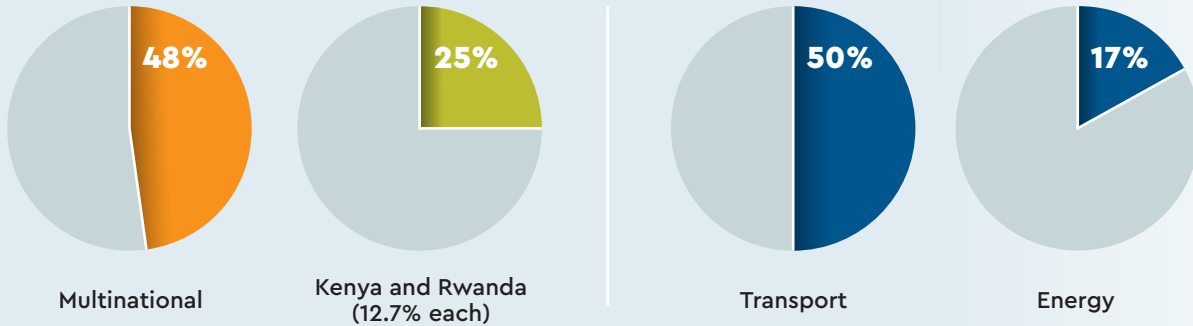
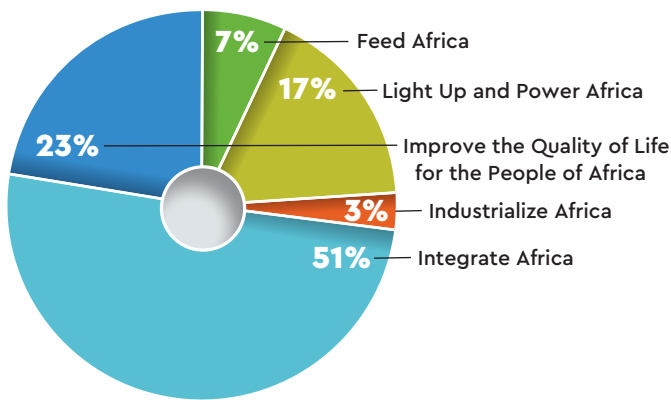


FIGURE 2.15 Distribution of 2023 approvals by High 5—East Africa



Note: As a result of rounding, the numbers in the charts may not add up precisely to the total.



The Carnegie-Mellon University Project in Kigali, financed by the Bank, aims to become an educational leader in information and computer technology in Africa.

increase (37 percent) over the UA 1.67 billion in 2022. Almost half of these approvals were for multinational operations, the highest level and proportion of all regions (Figure 2.14). Transport operations accounted for 86 percent of all multinational operations. One operation, the multinational Tanzania/Burundi Joint Standard Gauge Railway Project II (highlighted in Integrate Africa), accounted for UA 889.7 million (39 percent) of

total approvals for East Africa. Figure 2.15 shows the breakdown of approvals by High 5.

Approvals include:

- **Somalia's Institutional Support for Economic Governance Project**—UA 10 million: UA 7 million ADF grant and UA 3 million TSF grant. To improve domestic revenue mobilization and public expenditure management, the project



Downtown Hargeisa, Somalia

FIGURE 2.16 North Africa Highlights, 2023—Shares of total approvals of UA 1.52 billion

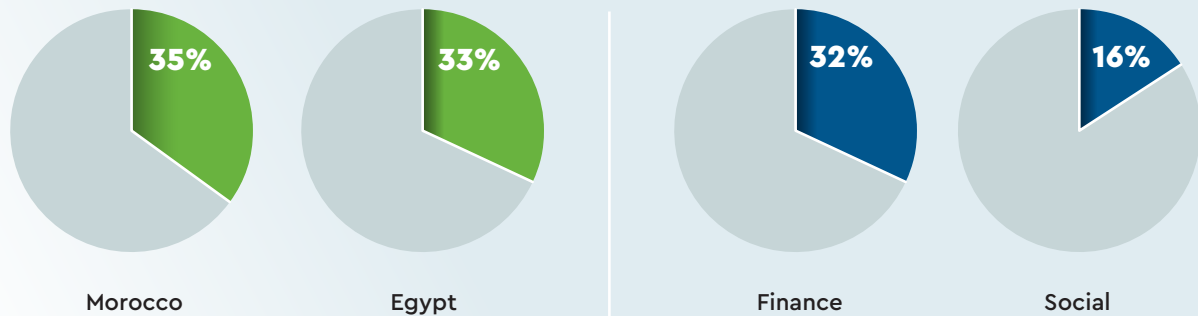
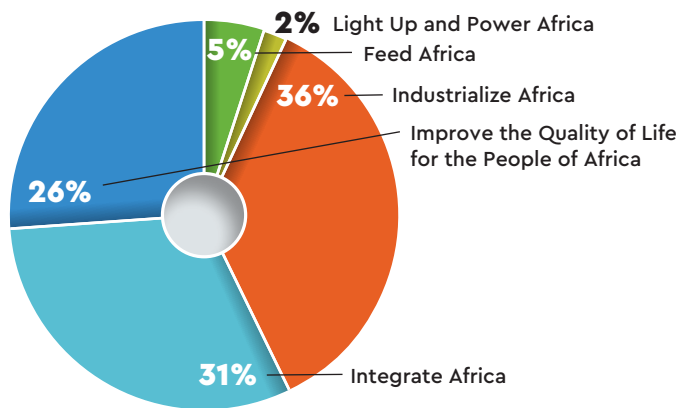


FIGURE 2.17 Distribution of 2023 approvals by High 5—North Africa



Note: As a result of rounding, the numbers in the charts may not add up precisely to the total.

provides technical assistance, training, and tools to build institutional capacity at all levels of the federal government and Member States. It will promote inclusive governance and accountability for greater economic resilience. The institutional capacity-building component of the project will focus on improving the efficiency of tax collection and strengthening Somalia’s ability to fund development investments and maintain its viability in budgetary terms.

- ▶ **Comoros’ Road Network Rehabilitation Programme Phase IV**—UA 20 million ADF grant. The overall objective is to improve mobility and transport for people and goods in the project area served by a 17-kilometre section of RN3 and a 20-kilometre section of RN4 on Grande Comore Island, home to 52 percent of the country’s population. The project aims to improve the flow of traffic and the level of service on the

two sections, reduce transport costs, and facilitate trade, improve access to basic services and the living conditions of residents, promote employment, improve road safety and user comfort, and ensure transport infrastructure connectivity throughout the country.

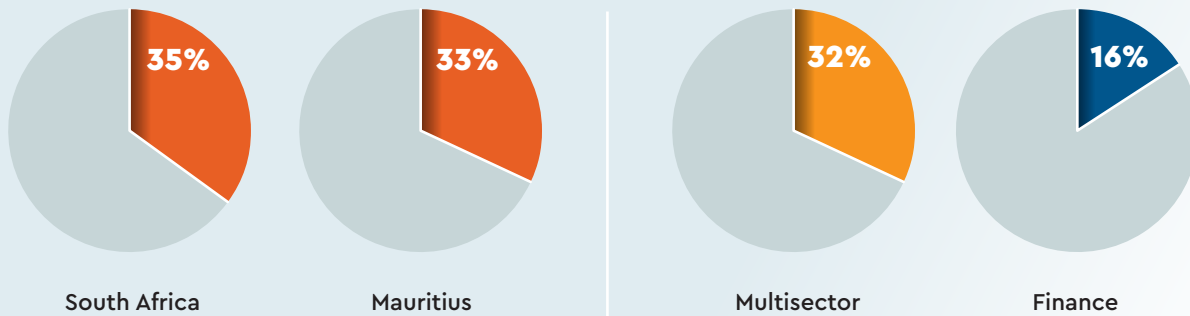
North Africa

Approvals for North Africa totaled UA 1.52 billion, or 19 percent of total approvals, a substantial increase (72 percent) over the UA 882.4 million achieved in 2022. Approvals for Morocco and Egypt accounted for over two-thirds of all approvals (Figure 2.16). Egypt’s approvals were boosted by a partial credit guarantee of UA 265.5 million (RMB 2.48 billion) to support a debut sustainability Panda Bond issuance, which accounted for 55 percent of approvals for the country; this supports the Bank’s approach to sustain economic recovery and support the private sector. Figure 2.17 shows the breakdown of approvals by High 5.

Operations approved in 2023 include:

- ▶ **Mauritania’s Desert to Power Green Mini-Grid Electrification Project**—EUR 14.4 million (UA 11.7 million) Sustainable Energy Fund for Africa grant. The project is a first attempt to mobilize private capital in the energy sector with potential for replication across the country. The project objective is to increase access to clean energy in rural areas and contribute to reducing CO₂ emissions by catalyzing sustainable rural electrification. The pilot consists of the rural electrification of 40 localities by green MV/LV mini-grids connected to hybrid solar PV/diesel generation with storage, using a Public-Private Partnership (PPP) model and stimulating energy demand by supporting income-generating activities.

FIGURE 2.18 Southern Africa Highlights, 2023—Shares of total approvals of UA 1.4 billion



► *Egypt's Private Sector Development and Economic Diversification Support Programme Phase I*—USD 131 million (UA 99.7 million) ADB loan. The multisector two-year programme aims to improve the investment climate, strengthen the framework for competition and commercial justice, promote key productive sectors, and support the green transition. The first year of the programme will directly develop the private sector by improving the enabling environment and strengthening the framework for competition and commercial justice. The second year will help boost productive sectors, including manufacturing and agribusiness, and support a green transition by promoting renewable energy and reducing carbon emissions.

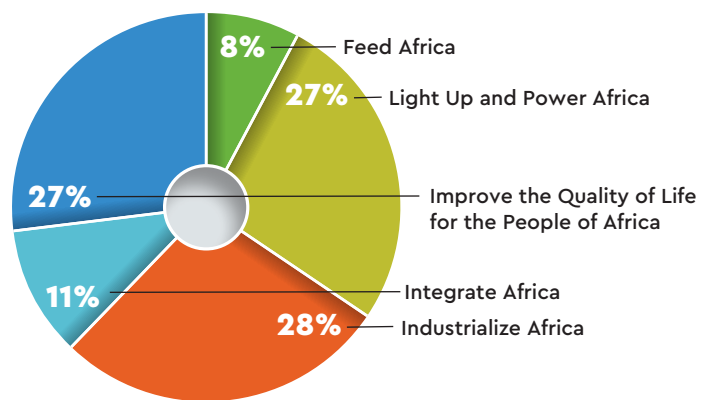
Southern Africa

In 2023, the Bank's strategy in Southern Africa was anchored on three areas:

- Deepening engagement with the region's middle-income countries, by increasing its budget support lending in Angola, Mauritius, and South Africa.
- Continuing to focus on NSO business development to do more private sector in ADF countries and transition states to encourage private sector led growth and create jobs for youth in the region.
- Increasing support for climate resilience with operations in Madagascar, Malawi, Mauritius, and Mozambique, countries most affected by the impact of cyclones.

Approvals for Southern Africa, at UA 1.4 billion, accounted for 18 percent of all 2023 approvals, a 47 percent increase over the UA 954.4 million

FIGURE 2.19 Distribution of 2023 approvals by High 5—Southern Africa



Note: As a result of rounding, the numbers in the charts may not add up precisely to the total.

in 2022. Approvals for South Africa and Mauritius accounted for more than half (59 percent) of all approvals for the region (Figure 2.18). At UA 451.5 million, approvals for South Africa were the highest ever for that country, propelled by a USD 300 million (UA 228.1 million) ADB loan for the Energy Governance and Climate Resilience Program. Figure 2.19 shows the breakdown of approvals by High 5.

Examples of approved operations are:

- *Mauritius' Commercial Bank*—USD 147 million (UA 110.6 million) subordinated debt. To enhance MCB's capital base and mobilize funding in renewables, manufacturing, healthcare, and other sectors, the debt will take the form of a Basel III Tier 2 compliant bond to be issued by MCB, a leading African financial institution and one of the five banks classified by MCB as a domestic systemically important bank. The MCB has been expanding

FIGURE 2.20 West Africa Highlights, 2023—Shares of total approvals of UA 2.27 billion

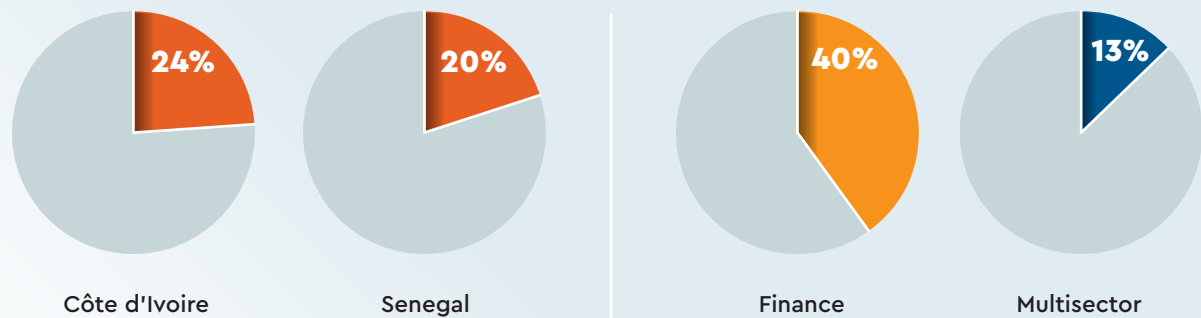
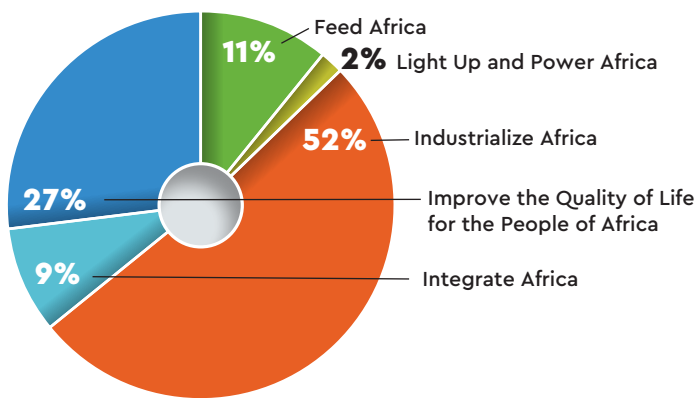


FIGURE 2.21 Distribution of 2023 approvals by High 5—West Africa



Note: As a result of rounding, the numbers in the charts may not add up precisely to the total.

its footprint into several African countries and is deepening its intra-African trade financing activities. The financing is expected to catalyze additional deposits to expand MCB's loan book, benefiting several large Mauritian and African corporates, and SMEs. Over the next five years, the funding is expected to help create thousands of jobs in Africa, improving livelihoods.



Mauritius Commercial Bank, Mauritius

► *South Africa's ABSA Group Limited*—financial package comprising a ZAR 1.7 billion (UA 68.8 million) sustainability-linked subordinated ADB loan, a ZAR 1 billion (UA 40.5 million) ADB investment into ABSA's inaugural social bond issuance to be listed on the Johannesburg Stock Exchange, and a USD 150 million (UA 114.1 million) ADB trade finance Risk Participation Agreement. The funding will boost ABSA's programme to scale up and grow its loan book in sustainable lending to the SME segment, including women and youth led enterprises. It will also support increased provision of long-term affordable housing mortgage financing for female borrowers in South Africa. A strategic partner of the African Development Bank, ABSA is one of Africa's largest diversified banking groups with operations in 12 African countries.

West Africa

Approvals for West Africa, at UA 2.27 billion, represented 28 percent of total 2023 approvals, close to the UA 2.25 billion approved in 2022. Figure 2.20 shows a high concentration of approvals in finance (41 percent). The ADB partial credit guarantees for two sovereign operations—the Senegal Mobilization of Sustainable Financing and the Côte d'Ivoire Mobilization of Environmental, Social, and Governance Financing—amounted to UA 654.7 million (EUR 800 million) and accounted for 29 percent of total approvals for West Africa. Figure 2.21 shows the breakdown of approvals by High 5.

Operations approved in 2023 include:

► *Côte d'Ivoire's Mobilization of Environmental, Social and Governance (ESG) Financing*—EUR 400 million (UA 326.8 million) ADB partial credit guarantee. The guarantee will enable Côte d'Ivoire to raise long-term financing from



Youths in Information and Communications Technology

commercial banks exclusively dedicated to ESG expenditures. The funds will support projects across various sectors, including sustainable agriculture and agro-industry, water and sanitation, renewable energy, health, affordable housing, education and vocational training, financial inclusion, and entrepreneurship. Financing will also drive job creation for youth and women in rural areas.

- ▶ **Burkina Faso's Integrated Livestock Value Chain Development Project**—UA 29.6 million TSF loan. The project aims to help add value to livestock production by developing and integrating meat product value chains. Its specific objectives are to sustainably improve the productivity and production of the targeted livestock (pigs, cattle, poultry, and small ruminants), build the resilience of agro-pastoralists and agro-pastoral systems to climate change, and promote standardized processing of animal products and improve their access to national and regional markets. The project will support ecological transition and emission reduction in meat value chains by promoting low-carbon technologies such as the use of renewable energy, fostering circular economy principles and energy efficiency measures in industrial meat product production unit. Project beneficiaries include 30,000 value chain actors and 7,500 internally displaced persons.
- ▶ **Nigeria's Ekiti Knowledge Zone Project**—USD 80 million (UA 60.9 million) ADB loan. The Zone is conceived as a world-class 20-hectare knowledge park to leverage Ekiti's comparative advantage as a gateway to the North, given its good topography, proximity to Lagos



The Desert to Power Initiative will provide clean energy to 250 million people in the Sahel.

and Abuja, and renown for quality education and distinguished scholars. It seeks to attract tech start-ups, business process outsourcing firms, fabrication and production companies, research institutes, and corporate back-office operations. To create a vibrant ecosystem of innovative businesses and a conducive environment for collaboration, innovation, and technology transfer, the operation is structured as a PPP, with the Ekiti State Government providing land and the required infrastructure to make the site conducive for investors and other stakeholders. The expected direct beneficiaries are 6,025 workers (30 percent female) in the ICT sector and 8,000 university graduates (40 percent female) in Ekiti State, 19,800 graduates from two publicly funded tertiary institutions in Kwara State and Osun State, and 1,000 (40 percent female) school dropouts expected to benefit from ICT training and incubation, and 50 high potential start-ups. The project will contribute about USD 14 million annually in net economic benefits during its life cycle.

FIGURE 2.22 Multiregional Highlights, 2023—Shares of total approvals of UA 58.9 million

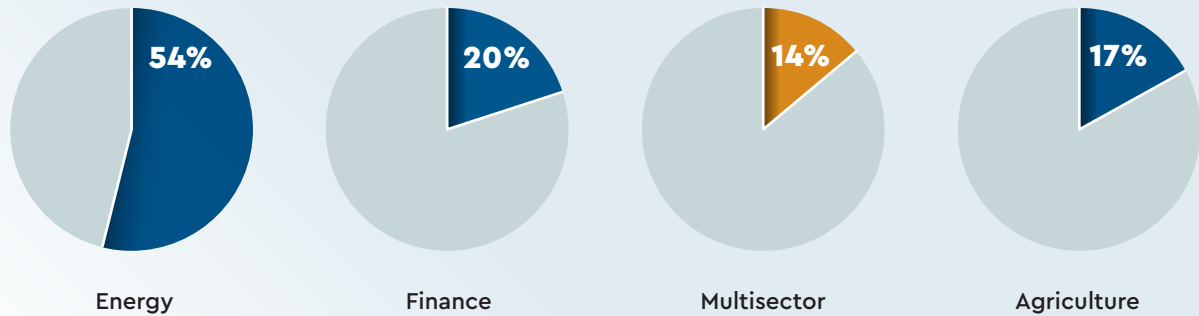
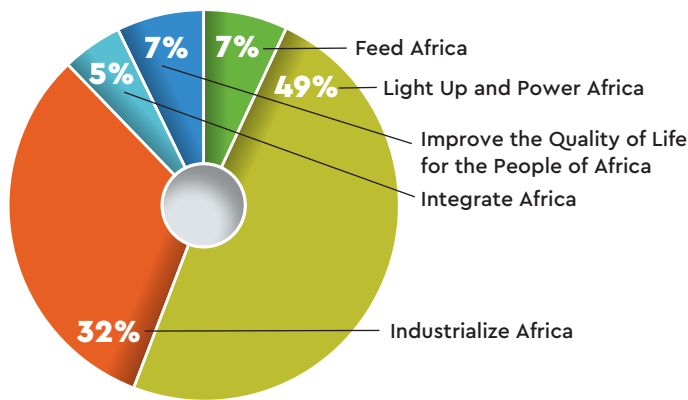


FIGURE 2.23 Distribution of 2023 approvals by High 5—Multiregional



Note: As a result of rounding, the numbers in the charts may not add up precisely to the total.

Multiregional

Approvals for multiregional operations, at UA 58.9 million, reflect an 84 percent are much the same as 2022's approvals of UA 59.1 million and represent less than 1 percent of total approvals. The very low proportion of multiregional operations does not accurately reflect Bank achievements in regional integration since approvals for multinational operations should also be considered. In addition to increasing integration within a region, most multinational operations also set the stage for further multiregional integration. Approvals for multinational operations totaled UA 1.82 billion in 2023 (23 percent of all approvals), a decline of 4 percent from 2022. Figure 2.22 shows that close to half the approvals for multiregional operations (46 percent) were in the

environment. Figure 2.23 shows the breakdown of approvals by High 5.

Approvals in 2023 include:

- ▶ **Pembani Remgro Infrastructure Fund II**—USD 20 million (UA 15 million) equity investment. The fund will raise up to USD 400 million from private, commercial, or institutional investors for industrial and infrastructure projects in Africa. Based in Côte d'Ivoire, it will invest in companies based in some of Africa's leading economies. Funds raised will be invested in projects such as digital infrastructure, renewable energy, logistics and transport, waste recovery, heating, ventilation, and air conditioning—all with a focus on promoting energy efficiency.
- ▶ **Africa50 Infrastructure Acceleration Fund I**—USD 20 million (UA 14.8 million) ADB equity participation. The USD 500 million fund, the first private vehicle infrastructure platform launched by Africa50, is a 12-year closed-end infrastructure private equity fund to mobilize large and long-term institutional capital from African and international institutions. It will make equity and quasi-equity investments—primarily taking majority stakes—in infrastructure projects across Africa. The collaboration comprises 17 African stakeholders—including sovereign wealth funds, development finance institutions, banks, pension funds, asset managers, and retirement agencies—and two international institutional investors. The fund will catalyze further investment flows to develop critical infrastructure across the African continent.



ENHANCING THE BANK GROUP'S DELIVERY CAPACITY

The Bank Group scaled up resource flows to Regional Member Countries and leveraged its unique position to play a catalytic role in mobilizing additional resources, generating knowledge products, and providing expertise in key areas.

3



Left to right: Bank Group offices in Tunis, Tunisia; Pretoria, South Africa; Yaoundé, Cameroon; Abuja, Nigeria; and Abidjan, Côte d'Ivoire.

In 2023, the Bank Group continued to sharpen its focus on results and reached 95 percent completion of the implementation of the Integrated Quality Assurance Plan aimed at enhancing the quality of its operations to increase its development impact. It also stepped up its knowledge and capacity development operations.

Sharpening the focus on results

The Bank Group continued the development of a new Results Management Framework (RMF) to evaluate progress in delivering results. The Framework is expected to be launched in 2024, coinciding with the launch of the new Ten-Year Strategy (TYS 2.0) 2024–2033 to support implementation of the Strategy. It aims to enhance the Bank's accountability to shareholders, partners, and Regional Member Countries (RMCs) for the results achieved through its operations.

The *Annual Development Effectiveness Review 2023* reported that the Bank Group has continued to achieve significant results in its High 5 priority areas. This, despite a challenging operating environment characterized by slow economic growth resulting from the lingering impacts of the COVID-19 pandemic, global financial volatility, and rising food and energy costs.

To enhance accountability, compliance, and oversight, Management has been providing regular updates to the Boards of Directors on the progress in implementing the recommendations from Independent Development Evaluation. The percentage of Management actions completed or being implemented on time increased from 64 percent in 2017 to 90 percent in December 2023.

Enhancing the quality of operations

The Bank Group made progress in implementing institutional commitments and reforms aimed at improving the operational quality and performance of its portfolio, thus maximizing the development impact for the people of Africa. The Special Operations Unit of the Bank continued to proactively engage distressed borrowers, as two borrowers cleared all their arrears leading to an improvement in the risk rating of the projects as well as in the Non-Sovereign Operation (NSO)

nonperforming loan ratio from 16.9 percent in 2022 to 15.1 percent in 2023.

The Bank Group further embedded quality assurance reforms, including those to enhance project reviews ex ante, strengthen the indicative operational program, launch an online system for NSO results reporting, and revise project supervision guidance to introduce a more risk-based approach. The Integrated Quality Assurance Plan reached a 95 percent completion rate by the end of the year and lessons drawn from its implementation were discussed with the Board. The Enhanced Readiness Review shows marked improvements in several quality-at-entry criteria across different stages of the project cycle, based on Sovereign Operations reviewed between September 2021 and December 2023 (Figure 3.1). The next steps are under way, including work to strengthen medium-term planning, results measurement, and support to Project Management Units and Executing Agencies in Regional Member Countries with capacity constraints.

The Bank Group led the assessment of procurement systems in a number of African countries. It also issued Presidential Directive 03/2023 establishing the Procurement Accreditation Programme, with the objective of creating a critical mass of Bank staff fully qualified to

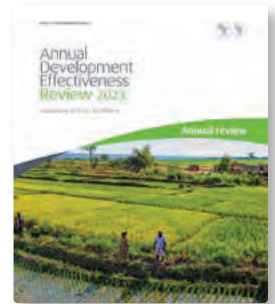
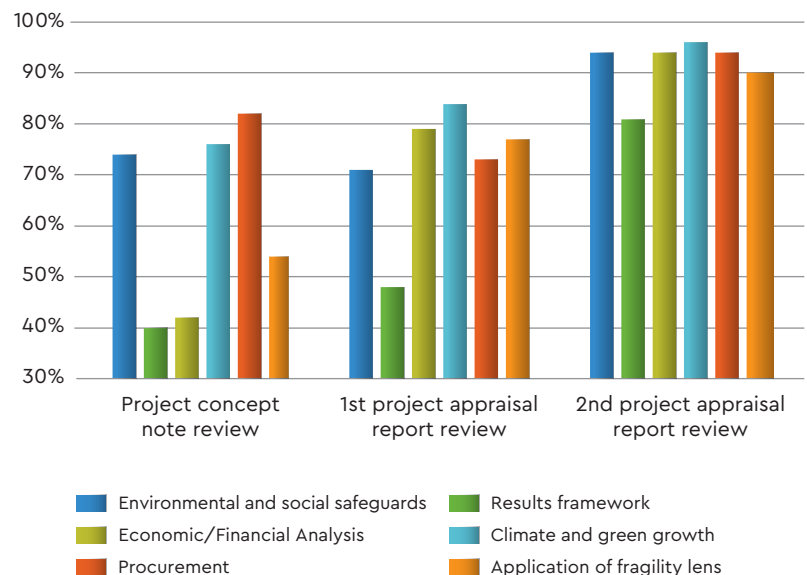


FIGURE 3.1 Improvement in selected readiness review criteria (share of projects meeting requirements)



execute procurement oversight in Bank-funded operations.

Two new pathways were launched in 2023 to complete the Operations Academy: one for Country Program Officers, and another for Country Managers. The Academy now has more than 50 courses, each available in two languages. New courses include combatting sexual exploitation abuse and harassment and working with civil society, the media, and the business continuity. The Academy surpassed 1,000 graduation certificates in 2023 and rollout continues with new staff. It is now one of the more structured and comprehensive online training programs among peers. Learner feedback continues to be overwhelmingly positive, underlining the relevance of the training to staff across the Bank Group.

Policies and strategies

Throughout 2023, the Bank Group worked towards finalizing its new Ten-Year Strategy (TYS 2.0), which will maintain the High 5s as the key priority areas for the next decade, since they are central to achieving the African Union Agenda 2063, the Sustainable Development Goals, and the Climate Change Agenda. It will take on board the G20 Leaders' call for an international development finance system that is fit for purpose, with Multilateral Development Banks (MDBs) at the center of solutions to global challenges. The new strategy will also respond to the recent call for MDBs to scale up their investments in global and regional public goods. It will reflect the

Heads of MDBs agreement to strengthen their collaboration in five critical areas: scaling up financing capacity, boosting joint action on climate, enhancing country-level collaboration, strengthening co-financing, and catalysing private sector engagement.

To operationalize the Strategy for Addressing Fragility and Building Resilience in Africa, the Bank committed to scaling up its engagement to address this challenge, focusing on preventive actions.

To address these new areas, updated operational guidelines for the Transition Support Facility (TSF) were approved by the Board in June 2023. One of the key revisions was to create a Preventative Envelope (targeting preventative

interventions) and a Response Envelope (targeting crisis response). The preventative approach would pursue thematic priorities agreed upon for each ADF cycle. Gender equality and women's empowerment, climate change adaptation and mitigation, and private sector development have been identified for ADF-16. Management endorsed the new Action Plan for Combatting Illicit Financial Flows.

The Board of Directors approved an update of the Integrated Safeguards System (ISS), which clarifies the roles, responsibilities, and accountabilities to borrowers and clients. The updated ISS aligns more closely with peers on community health and safety, gender-based violence, and stakeholder engagement in high-risk operations. The Bank boosted environmental and social capacity building and training across the continent, including through a grant of USD 2.45 million from the Multilateral Cooperation Center for Development Finance. Further, update on the ISS was disseminated to Bank staff through regional capacity building sessions and through the Bank-wide Policy week sessions.

Institutional reforms

Management remained committed to maintaining annual budget growth within the trajectory approved as part of the cost containment framework while continuing to improve processes to ensure efficient allocation of resources. Enhancements to the budgeting systems and tools included streamlining the definition of and budgeting of special initiatives, improving the coefficient-based approach to budgeting supported by improved reporting and engagement with operations departments, extending the activity time recording system to enable consultants to record their time, and automating the process underlying the sharing of costs among the Bank Group's three lending windows.

The Bank Group launched the preparation of several frameworks to enhance organizational effectiveness and efficiency. Progress was made in developing frameworks to continuously monitor the fitness for purpose of structures, processes, and associated systems for the Bank to remain agile, competitive, and relevant. The Delegation of Authority Matrix (DAM) was reviewed and updated in March 2023 (Updated One Bank DAM).

To operationalize the Strategy for Addressing Fragility and Building Resilience in Africa, the Bank committed to **scaling up** its engagement to address this challenge, focusing on preventive actions

Following the approval of the Real Estate Management Framework and the finalization of the related Action Plan, Management presented a Headquarters Options Paper. The Paper provides an in-depth analysis of the various options available for the Headquarters building and recommends the options in the best long-term interest of the Bank Group. The Bank Group embarked on a three-year cycle to implement the ISO 22301 International Standard for Business Continuity Management Systems (BCMSs), designed to provide a structured approach to addressing organizational resilience. The Bank Group contracted with a global travel management company to have a one-stop solution for all travel needs, to improve response times, travel experience, and client satisfaction while reducing costs.

Management recruited a renowned firm for the design of the new Information Technology and Information Security Strategy 2024–2028. Several projects were delivered; including the second phase of the WAKANDA initiative; upgrades to support the reengineered business processes; automation of lending rate management; the continuing deployment of remote appraisal, supervision, monitoring, and evaluation in 11 additional countries; deployment of the SAP modules for travel (Concur); and improving the home internet connectivity to better support remote work arrangements.

The Bank Group implemented a new collaboration and records management application in all regional hubs, enhancing records management in line with the 2018 Board-approved records management policy. In recognition of the Bank Group's commitment to transparency, Publish What You Fund—the Global Campaign for Aid and Development Transparency institution—ranked it as the second most transparent development finance institution, for both its Sovereign and Non-Sovereign Operations.

Human resource reforms and new programmes

The extension of the retirement age was completed in 2023, with 1,215 members of the pure Defined Benefit Scheme opting to extend their retirement age to 65 years. Implementation of the Total Compensation Framework is under way with important changes to education benefits in 2023. The 2023 Comprehensive Employee Engagement Survey (78 percent participation rate) shows improvement

in various drivers of employee engagement since 2019. Corporate and Vice Presidency complex action plans will be developed for implementation, monitoring, and periodic evaluation.

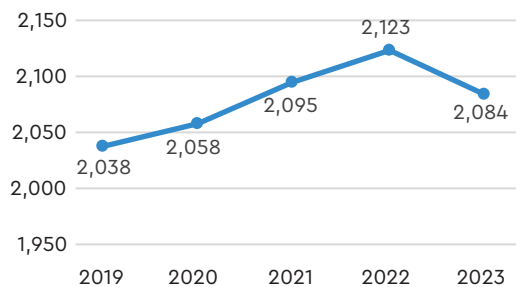
The third session of the Performance Management Week, in February 2023, further strengthens staff and manager knowledge and accountability in the performance management process and other related processes. Performance management was also supported through clinics, briefings, and trainings throughout the year. The Bank Group organized leadership training through leading international education institutions. The Learning Management System was improved by integrating the Percipio platform, which tailors learning to individuals and allows staff to benefit from training recommendations through artificial intelligence based on their professional and career objectives, training needs, and learning habits. In August 2023, the Bank Group also launched its mentoring program to build a strong foundation to support its People Strategy.

The Bank Group continued to address vacancy rates, which stood at 12.1 percent at the end of 2023. The staff complement has remained relatively stable, ranging between 2,038 and 2,123 over 2019–2023 and stood at 2,084 at the end of 2023 (Figure 3.2). The Bank Group took part in seven career fairs with the aim of increasing representation of underrepresented countries and improving brand awareness.

Female staff representation has essentially remained the same since 2022: female staff accounted for 39.2 percent of the workforce

The Bank Group embarked on a three-year cycle to implement the ISO 22301 International Standard for Business Continuity Management Systems (BCMSs), designed to provide a structured approach to addressing organizational resilience.

FIGURE 3.2 Bank Group staff headcount, 2019–2023



(compared with 39.4 percent in 2022), 32.8 percent of staff in professional roles (compared with 33 percent in 2022), and 26.9 percent in managerial positions (compared with 27 percent in 2022) (Table 3.1). In early 2023, the Bank Group obtained EDGE certification (Economic Dividend for Gender Equality) demonstrating its commitment to an inclusive approach to people and talent management in its policies and actions.

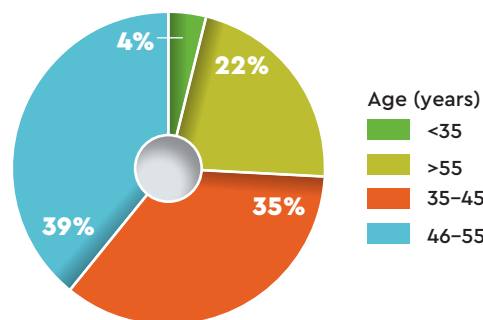
The breakdown of Bank Group staff by age group (Figure 3.3) shows a high proportion (74 percent of total staff) between the age of 35 and 55.

Staff from Regional Member Countries accounted for 86.3 percent of total staff. In management, the RMC complement accounted for 68.7 percent of the total, compared with 69.5 percent at the end of 2022.

ADF-16 and implementation of 7th General Capital Increase commitments

Further to the commitment of USD 8.93 billion, including USD 429 million for the Climate Action Window, for ADF-16 in 2022, Japan, Finland, and China provided Concessional Donor Loans to the Fund. ADF-16 rests on two pillars: sustainable, climate-resilient, and quality infrastructure, and governance, capacity building, and sustainable debt management. Fragility and climate adaptation will be the lens for all ADF-16 operations, and a mid-term review is scheduled for end-2024. The guidelines to operationalize the Climate Action Window were approved in November 2023, and the first call for proposals was launched in December 2023, during COP28.

FIGURE 3.3 Breakdown of Bank Group staff by age group, 2023



At the end of 2023, 29 of the 30 commitments associated with GCI-VII due by the end of the year were delivered. Delivery of the remaining commitment—the Ten-Year Strategy—was extended to allow time for consultations and Board discussions. Four additional commitments with delivery dates beyond December 2023 are due in 2025 and 2032.

Mobilization of new trust fund resources⁹

In 2023, the Bank Group raised additional trust fund resources amounting to UA 172.7 million (127.9 percent of the 2023 target) from traditional and emerging donors, including foundations. These were in the form of contributions to multi-donor thematic trust funds and bilateral trust funds (Table 3.2). Germany was the largest contributor (UA 41 million), followed by Denmark (UA 24.2 million), Korea (UA 21.7 million), the United States (UA 19.8 million) and the United Kingdom (UA 18.2 million). The Africa Disaster Risk Financing Programme (ADRFi) attracted funds

TABLE 3.1 Bank Group staffing, 31 December 2023

	HQ						REGIONAL AND COUNTRY OFFICES					GRAND TOTAL
	Vice-Presidents	Directors and Managers	Other PL*	Local PL	GS	Total	Directors and Managers	Other PL*	Local PL	GS	Total	
Total Staff	9	133	739	3	358	1,242	59	419	170	194	842	2,084
Male	5	98	466	2	133	704	44	301	126	92	563	1,267
Female	4	35	273	1	225	538	15	118	44	102	279	817
Percent female	44.4	26.3	36.9	33.3	62.8	43.3	25.4	28.2	25.9	52.6	33.1	39.2

* Includes professional staff with EL5 positions.

⁹ New commitment by donors to contribute to existing or new funds managed by the bank. The disbursement of these resources are based on pre-established schedule in the official commitment document

TABLE 3.2 Trust fund resources mobilized in 2023

FINANCING VEHICLE		DONOR		RESOURCES IN		
FUND	ACRONYM	COUNTRY/ INSTITUTION	PARTNER	DONOR CURRENCY MILLION	UA MILLION	
Africa Climate Change Fund	ACCF	USA	STATE DEPT	USD	4.96	3.68
		Ireland	Irish Aid	EUR	2.00	1.64
Africa Digital Financial Inclusion Facility	ADFI	India	MFDEA	USD	2.00	1.49
		France	MOF	USD	1.99	1.49
		Luxembourg	MOF	EUR	1.50	1.12
Africa Disaster Risk Finance	ADRFi	USA	USAID	USD	1.00	0.74
		Canada	Global Affairs	CAD	14.00	7.69
		UK	FCDO	GBP	3.75	3.57
		Norway	NORAD	NOK	70.00	4.90
		UK	FCDO	GBP	7.40	7.02
Agri-SMEs Catalytic Financing Mechanism	ACFM	USA	USAID	USD	5.11	3.79
Africa Water Facility	AWF	USA	USAID	USD	3.00	2.23
		BMGF	BMGF	USD	6.00	4.50
		Spain	METE	EUR	4.00	3.29
Korea Africa Cooperation Trust Fund	KOAFEC	Korea	MOEF/KEXIM	USD	4.60	3.50
		Korea	MOEF/KEXIM	USD	24.00	18.25
Multilateral Cooperation Center for Development Finance	MCDF	AIIB	MCDF	USD	2.42	1.80
		AIIB	MCDF	USD	4.20	3.19
		AIIB	MCDF	USD	2.10	1.57
		AIIB	MCDF	USD	2.15	1.60
		AIIB	MCDF	USD	1.64	1.22
NEPAD—Infrastructure Project Preparation Facility	NEPAD-IPPF	Germany	KfW	EUR	10.00	8.21
Policy and Human Resource Development Grant	PHRDG	Japan	MOF	JPY	685	3.69
Sustainable Energy Fund for Africa Special Fund	SEFA	USA	USAID	USD	6.27	4.76
		Italy	MOFAIC	EUR	5.00	4.04
		UK	FCDO	GBP	8.00	7.58
		Germany	BMZ	EUR	40.00	32.83
		USA	USAID	USD	6.27	4.67
Urban and Municipal Development Fund	UMDF	Denmark	MOFA	DKK	220.00	24.24
Youth Entrepreneurship and Innovation	YEITF	Italy	MOFAIC	EUR	5.50	4.43
New resources mobilized						172.73

from Canada, Norway, the United Kingdom, and the United States of America. Donors to other programs included Italy, Japan, Spain, the Asian Infrastructure Investment Bank, and the Bill and Melinda Gates Foundation.

Partnerships and external representation

The Bank Group continued to strengthen existing partnerships and develop new ones. The

President and other Senior Managers participated at the 36th Ordinary Session of the African Union Assembly of Heads of State and Government and the Executive Council of Ministers of Foreign Affairs on the theme "Acceleration of African Continental Free Trade Area (AfCFTA) Implementation," in Addis Ababa, Ethiopia, during 15–19 February 2023. The meetings provided the opportunity for the Senior Leadership Team to engage in high-level consultative and bilateral meetings and technical dialogue and advocacy with the

African Union Commission (AUC) and delegates to the Summit from other organizations to mainstream the Bank Group's various initiatives in the AU agenda and to reinforce their visibility. The Bank Group also participated in the 5th Mid-Year Coordination Meeting between the African Union, the Regional Economic Communities, and the Regional Mechanisms convened under the same theme held in Nairobi, Kenya from 13–17 July 2023 and in the African Union Executive Council (Ministerial) Retreat on the theme "Accelerating the Implementation of Agenda 2063," in Kigali, Rwanda, during 1–3 October 2023.

The Board of Directors approved the Bank Group's proposed Financial Framework Partnership Agreement with the European Commission on 31 October 2023. The European Union's contribution to co-finance operations with the African Development Bank, which now amounts to EUR 972 million in blending operations and guarantees, is expected to increase further after the signing of the new Agreement.

The Bank engaged in numerous activities to strengthen partnerships and facilitate communication with Asian stakeholders. The Bank and the Japan International Cooperation Agency signed the Loan Agreement for the 8th non-sovereign loan of up to USD 350 million, under the joint initiative Enhanced Private Sector Assistance for Africa, on the occasion of the Bank President's visit to Japan in April. In September, the President also joined the Korea—Africa Economic Cooperation Ministerial Conference, leading to financial support of USD 28.6 million and two MoUs—one with Statistics Korea to identify areas of cooperation including the Bank's Africa Information

Highway for evidence-based decision-making, and one with Korea Environmental Industry and Technology Institute for investment in low-carbon

and climate-resilient technologies in African countries. In November, the Bank organized the "Japan Special Room—Boosting Africa's growth with Japan: From start-ups to major companies," as the side event of the 2023 Africa Investment Forum in Marrakech, Morocco, with the participation of 80 Japanese business leaders from 40 companies.

The Bank as a knowledge service provider and broker

In addition to the knowledge activities described under each High 5 and cross-cutting priority, the Bank produced several flagship and other publications. These include the *2023 African Economic Outlook*, under the theme "Mobilizing Private Sector Financing for Climate and Green Growth in Africa", together with five *Regional Economic Outlooks*. Country economic work included *country focus reports*, country policy and institutional assessments, and country risk rating reports for all 54 RMCs as well as country strategy documents for a large number of RMCs. The Bank also launched the inaugural edition of the *Africa's Macroeconomic Performance and Outlook* in January (Box 3.1).

Other knowledge outputs include the report titled *Outlook and Dynamics of Public Debt in ADF Countries with Moderately Concessional Loans*, prepared as part of Management's engagement with the ADF-17 Working Group. The report highlights the implications of access to such loans by seven eligible ADF countries for debt sustainability and economic growth. The Bank produced the *2022 Bank Group Annual Report*, the *Additionality and Development Outcomes Assessment* annual report, and several issues of the *African Development Review*. The Bank also conducted research projects, published several papers and journal articles, and organized policy and research seminars, training, and knowledge outreach activities. And it continued its efforts to establish the African Financial Stability Mechanism.



Signing ceremony with Dr. Tanaka, JICA President; Mr. Ogata, Deputy Vice Minister of Finance for International Affairs; Dr. Adesina, AfDB President, Tokyo, Japan, April 2023



BOX 3.1

Mobilizing private sector financing for climate and green growth in Africa

The *2023 African Economic Outlook* discusses the option of tapping private sector resources and harnessing the continent's enormous natural capital as a promising avenue to contribute to the fight against climate change and the transition to green growth. It was launched on 24 May 2023 during a high-level plenary knowledge event as part of the Bank's Annual Meetings in Sharm El-Sheik, Egypt. Following the official launch, dissemination was undertaken throughout the year across Africa and globally, engaging with the Bank's partners and stakeholders and with policy makers, academics, investors, the media, and development and finance professionals.

Africa's Macroeconomic Performance and Outlook, the latest addition to the Bank's suite of flagship knowledge publications, responds to a critical need for information to help decision making in a context of heightened uncertainty. Global macroeconomic conditions have recently become increasingly uncertain, characterized by the persistence of multiple shocks that make policy making and investment decisions challenging. The MEO thus responds to a critical need for real time information and evidence. The inaugural edition was launched at a hybrid event at the Bank's Headquarters in Abidjan on 19 January 2023.



The Bank organized the 2023 African Economic Conference in Addis Ababa, Ethiopia, jointly with the UN Economic Commission for Africa and the United Nations Development Programme on the theme, "Imperatives for Sustainable Industrial Development in Africa."

Capacity development

The African Development Institute delivered 15 institutional capacity and fiduciary clinics, reaching close to 900 officials across 11 RMCs, and produced four capacity-mapping reports at the request of governments in preparation for national country capacity development strategies. Fifty-one public financial and debt management practitioners from 26 countries completed the 18-month structured training by the Public Finance Management Academy. The graduates, certified as PFM experts in Africa, will contribute to filling the capacity gaps in public finance and debt management in their countries and the continent. Funds from the Transition Support Facility (TSF) Pillar III financing window supported management capacity development in transition states.

The Institute coordinated the 2023 edition of the Kofi Annan Eminent Speakers Lecture Series featuring Dr. Jim Kim, former World Bank Group President, themed "The Changing Global Development Finance Architecture: Implications for Multilateral Development Banks post COVID." It also coordinated the delivery of four high-level dialogues as part of the 2023 Annual Meeting and contributed to high-level policy dialogues on policies and roles of governments, diaspora, the Bank Group, and other MDBs and international institutions on institutional capacity for building resilient African economies.

Statistics-related support

The Bank provided technical assistance and support to RMCs for a wide range of statistical and statistical capacity building activities in 2023. These included support to: improve infrastructure statistics in support of the Light Up and Power Africa priority; produce the minimum set of core agricultural data needed to inform agricultural policies in RMCs and the Bank's Feed Africa agenda; facilitate regular dissemination



First cohort of the Institute's Public Finance Management Academy for Africa, December 2023, Abuja, Nigeria

of socioeconomic statistics through the Africa Information Highway to inform policy on Improving the Quality of Life for the People of Africa; implement the 2008 System of National Accounts GDP rebasing and compilation of quarterly GDP; participate in the International Comparison Programme 2021 cycle (in collaboration with the World Bank); and develop and review national strategies for the development of statistics.

The Bank published the Africa Statistics Yearbook 2022 in collaboration with other Pan-African Institutions, finalized the Power Statistics Pocketbook 2022 for selected African countries, and disseminated the 2023 Africa Infrastructure Development Index. As part of establishing the data innovation labs in RMCs, the Bank organized the first edition of the Innovate Africa Symposium to promote data-driven innovations in the region.

Natural resource management and investment facilitation

The African Natural Resource Management and Investment Centre was responsible for many reports as well as policy dialogue and knowledge dissemination events on various themes in natural resource management. Key reports published in 2023 can be accessed at <https://www.afdb.org/en/news-keywords/african-natural-resources-centre>.

The Centre provided technical assistance and policy advice to the Regional Economic Communities (RECs) and RMCs on various themes on natural resources management and investment and completed the TSF-funded Financial Modelling for the Extractive Sector in December 2023, which involved training 200 senior policy officials in Guinea, Liberia, Niger, Mali, Madagascar, Sierra Leone, South Sudan, and Zimbabwe. It also organized a large number of regional and global events, including dedicated main and side events at the Annual African Mining Indaba. And it collaborated with the United Nations Economic Commission for Africa and the African Union Commission to organize the 2023 Annual Land Conference.



Students developing their skills in the laboratory at Malawi's Polytechnic University, built under the program Support to Higher Education, Science and Technology, Malawi.

BOARD OVERSIGHT

In 2023, the Boards reverted mostly to in-person meetings following the abatement of the COVID-19 pandemic. The Boards of Governors convened in one hybrid session for their Annual Meetings, and the Boards of Directors held 159 formal and informal meetings, seminars, and technical sessions.

4



Executive Directors visit the construction site for the Luanda Science and Technology Park in Luanda, Angola.

Highlights of the Boards' oversight activities

Boards of Governors

The Boards of Governors executed their mandate with the support of five subsidiary organs (Figure 4.1): the Bureau, the Joint Steering Committee, the Steering Committee on the Election of the President of the Bank, the Standing Committee on the Conditions of Service of Elected Officers, and the Governors' Consultative Committee.

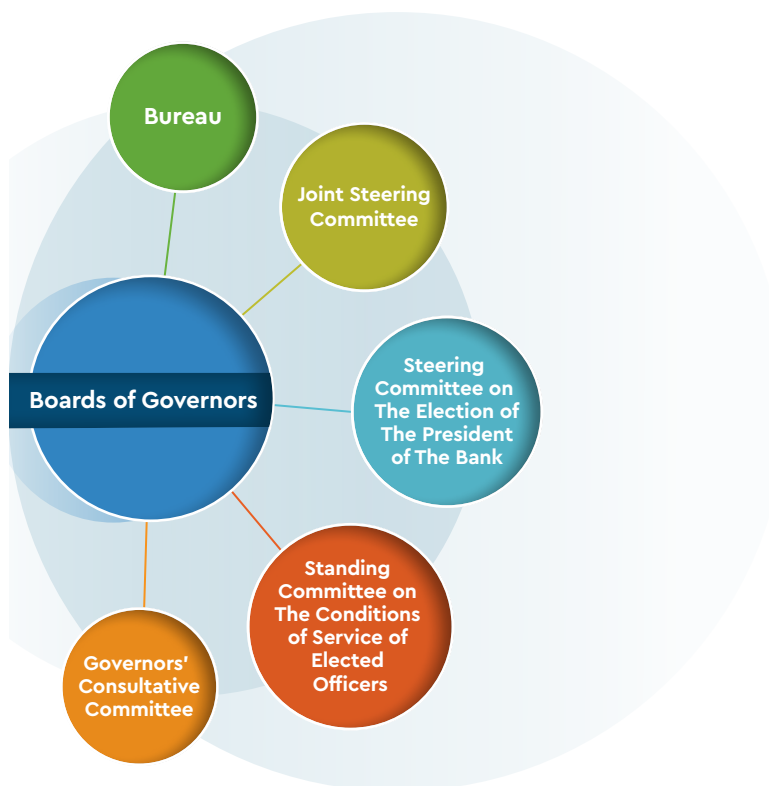
The 2023 Annual Meetings

The 58th Annual Meeting of the Board of Governors of the African Development Bank (ADB) and the 49th Annual Meeting of the Board of Governors of the African Development Fund (ADF) were held jointly in Sharm El Sheikh, Egypt, in a hybrid format from 22 to 26 May 2023, under the theme "Mobilizing Private Sector Financing for Climate and Green Growth in Africa."

The Boards of Governors adopted the Annual Report and Audited Financial Statements for the financial year ended 31 December 2022. In addition, they adopted Resolutions on the following:

- ▶ By-election of the Executive Directors of the African Development Bank.
- ▶ Selection of the Executive Directors of the African Development Fund.
- ▶ Distributions of Allocable Income of the African Development Bank for the financial year ended 31 December 2022.
- ▶ Annual Report and Audited Special Purpose Financial Statements for the financial year ended 31 December 2022.
- ▶ Amendments to the Agreement establishing the African Development Fund to enable leveraging ADF equity through the market borrowing option.
- ▶ Amendments to the rules of procedure governing the election of the President of the African Development Bank to include the use of electronic voting technology.
- ▶ Amendments to the rules of procedure of the Board of Governors of the African Development Bank to provide for virtual meetings.

FIGURE 4.1 Boards of Governors institutional governance structure



- ▶ Amendments to the rules of procedure of the Board of Governors of the African Development Fund to provide for virtual meetings.
- ▶ Conditions of service of Elected Officers: 2022 annual and comprehensive review of the remuneration of the President and Executive Directors.
- ▶ Conditions of service of Elected Officers: 2023 annual review of the remuneration of the President and Executive Directors.
- ▶ Monetization of the transportation benefits received by Executive Directors.

The Governors had earlier in April approved, by postal ballot, the Sixteenth General Replenishment of the resources of the African Development Fund.

Governors' dialogue

At the 2023 Annual Meetings, the President discussed with Governors the continent's most

pressing challenges and opportunities with a focus on the nexus of three interlocking priorities: climate change, food security, and energy security. The President underlined these areas as key components of the Bank Group's High 5s, particularly Light Up and Power Africa, Feed Africa, and the cross-cutting areas of climate resilience and green growth. He stressed the importance of renewable energy combined with natural gas in achieving universal access to electricity in Africa, and enhancing local job opportunities. He underscored the need to reduce emissions from heavily polluting sources and improve agricultural productivity. He also highlighted

At the 2023 Annual Meetings, the President discussed with Governors the continent's challenges and opportunities with a focus on the nexus of three interlocking priorities: climate change, food security, and energy security.

the Bank's efforts in mobilizing climate finance, while noting that tackling these issues, at scale, will require optimizing the global financial architecture, including rechanneling Special Drawing Rights (SDRs) through the Bank and other innovative financing instruments to provide larger amounts of financing to African economies.

In line with the theme of the Annual Meetings, "Mobilizing Private Sector Financing for Climate and Green Growth in Africa," the Governors called on the Bank Group to deepen its collaboration with the African Union Commission (AUC), Regional Member Countries (RMCs), Multilateral Development Banks (MDBs), International Financial Institutions, and other development partners to mobilize more public and private climate financing for green investments, including more concessional resources to ensure a just energy transition. The Governors also:

- ▶ Encouraged the Bank Group to focus on investing in renewable energy generation that is efficient, sustainable, and resilient to enhance energy access while supporting access to low-emission transition fuels to ensure energy security, achieve a just energy transition, and stimulate low-carbon and climate-resilient development.
- ▶ Called on international partners to support efforts to close the continent's annual climate financing gap while sustaining efforts to address the challenges of climate change through mitigation and adaptation—and to

adopt approaches that ensure a just transition to clean, renewable, affordable, reliable, and sustainable energy services while ensuring energy security and sustainability.

- ▶ Urged the Bank Group to strengthen its effectiveness and strictly execute its selectivity strategy to respond to the unique needs of low-income RMCs—particularly those in fragile and conflict situations, and island states—by creating better access to concessional financing, including reviewing the current global financing allocation rules.
- ▶ Encouraged the Bank Group to continue to develop innovative approaches to mobilize significantly more resources for Africa in line with the recommendations of the G-20 Working Group on the Capital Adequacy Framework, especially through leveraging more investments and financing from the private sector, working to increase domestic resource mobilization in RMCs, optimizing its balance sheet, deepening its work and existing leadership on synthetic securitization, and using guarantees and other market risk transfer instruments to leverage institutional investors.
- ▶ Called on the Bank Group to position itself more effectively within the global financial architecture, including considering relevant reforms in the context of MDB evolution in the four priority areas of vision/mission, incentives, business model, and financial capacity.
- ▶ Emphasized the need for sustained efforts towards inclusive development through interventions that promote gender equality and inclusiveness for women, girls, and youth.

Mandate and composition of the Resident Boards of Directors

The Resident ADB and ADF Boards of Directors guide the strategic direction and general operations of the Bank Group pursuant to the powers delegated by the Boards of Governors. The Bank's Board of Directors has 20 members, with 13 representing the 54 RMCs, and 7, the 27 Non-Regional Member Countries. The Fund's Board of Directors has 14 members, with the Bank and the ADF state participants each designating 7 members. Executive Directors serve as shareholder representatives to the Bank Group and work to advance its development mission in their constituent countries.

Strategic direction to the organization: Institutional reforms, effectiveness, and results

In 2023, the Boards of Directors provided strategic direction to address the continent's development challenges, including the Bank's implementation of the reform commitments undertaken as part of the 7th General Capital Increase (GCI-VII) and the African Development Fund's 15th Replenishment (ADF-15). They approved or endorsed the following items:

- ▶ Communication and External Relations Strategy 2023–2027.
- ▶ Updated Integrated Safeguards System.
- ▶ Medium-term Financial Outlook for the period ended 31 December 2022 and recommendations to raise the programme-based operation limit for 2023 from 15 percent to 20 percent of the total approved amount.
- ▶ Financial Framework Partnership Agreement and Pillar Assessment between the European Commission and the African Development Bank.
- ▶ Performance-related Remuneration for 2022.
- ▶ Bank's Real Estate Management Framework.
- ▶ Proposals to increase Callable Capital for the African Development Bank.

The Boards reviewed and cleared several documents for consideration by the Boards of Governors, including the Resolutions adopted at the Annual Meetings or by postal ballot, and documents for information such as the Fourth Progress Report on the Implementation of the GCI-VII Commitments; the Independent Review Mechanism's 2022 Annual Report; the Bank's Water Sector Activities and Initiatives in 2022; and the 2022 Annual Report of the African Union New Partnership for Africa's Development Infrastructure Programme.

The Boards also provided strategic and institutional direction to ensure delivery of the High 5 priorities, with an emphasis on sustainable development, inclusive growth, and concrete impact on the lives of beneficiaries in RMCs. The Boards approved strategies, policies, loans, grants, equity investments, guarantees, the 2024–2026 work programme and budget document, and the 2024 borrowing programme of the ADB. In all, the Boards approved 159 projects, totaling approximately UA 7,985.8 million. Some 51 percent of these projects (9 percent of the amount) were

approved through the lapse-of-time procedure, and 49 percent (91 percent of the amount) were approved in plenary sessions. In addition, Senior Management approved technical assistance and other activities amounting to UA 41.0 million. (Highlights of these approvals are in Chapter 2).

Consultative missions and study tours

The Executive Directors undertook consultative missions to Angola, Cabo Verde, Liberia, and South Africa to engage with governments, development partners, the business community, and civil society on the quality and relevance of the Bank's country strategies; the socioeconomic and political challenges facing the countries and the efforts of the respective governments to tackle them; the benefits of the Bank's presence as well as the condition and status of Bank Group operations in the countries; and the Bank Group's contribution to donor coordination and implementation of the Paris Declaration on Aid Effectiveness. In the same vein, Senior Advisers and Advisers to Executive Directors undertook study tours to Malawi and Ethiopia to assess the implementation of Bank Group-financed projects.

Boards Retreat

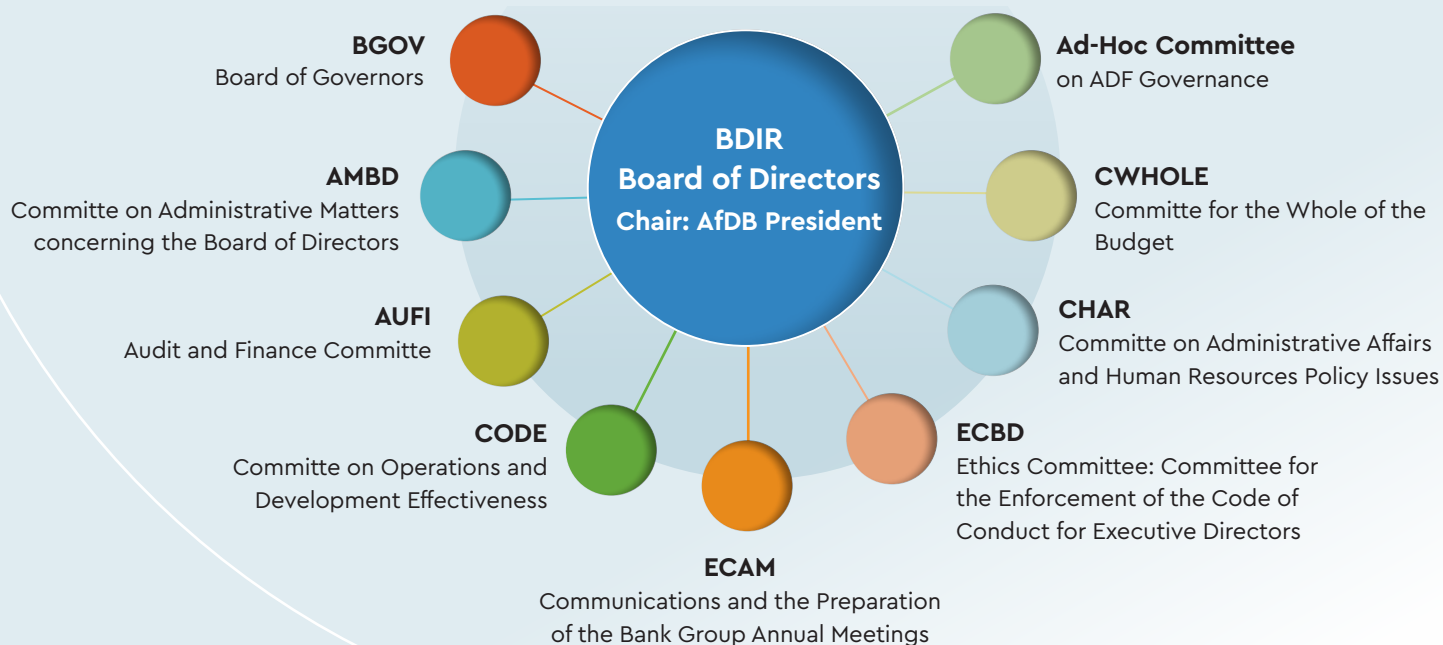
The 2023 Boards Retreat was convened under the overall theme "Reimagining AfDB in the context of evolving MDBs" and the two subthemes of "Board Effectiveness and Efficiency" and the "Role of the AfDB in the New International Financial Architecture."

Three guest speakers made presentations on the following key topical issues: (i) Mr. Masood Ahmed, President of the Center for Global Development (CGD), on *Reimagining New Business Models for MDBs*; (ii) Mr. Jay Collins, Vice Chairman, Banking Capital Markets and Advisory Service at Citi, on *Reimagining the Role of the Private Sector in the New International Financial Architecture*; and (iii) Ms. Amina Mohammed, Deputy Secretary-General of the United Nations (UN) and Chairperson of the UN Sustainable Development



Executive Directors
consultative mission
to Cabo Verde

FIGURE 4.2 Committees of the Boards of Directors



Group, on “Climate Change/Just Energy Transition and MDB Reforms.”

The perspectives shared at the retreat by Board members, members of Senior Management, and the guest speakers were expected to feed into the development of the new Bank Group Ten-Year Strategy (2024–2033) and improve the effectiveness of the Boards of Directors.

Committees of the Boards of Directors

The Boards worked through seven standing committees and one ad hoc committee to which they delegated specific responsibilities (Figure 4.2 and Appendix 9). These committees conduct close reviews of matters in their areas of competence and make recommendations to the Boards as appropriate. Each of the standing committees also oversees the performance of the organizational units related to its responsibility.

Independent evaluation of Bank Group interventions

Independent Development Evaluation (IDEV) delivered 14 evaluation products in 2023 (Figure 4.3). Among them, an evaluation of the Bank’s Support for Renewable Energy looked at 156 interventions by the Bank in the sector. It produced valuable evidence of successes and areas for

improvement for Africa’s inclusive and sustainable development. In addition, it drew lessons and recommendations for the future. Also delivered in 2023 was a project cluster evaluation of the Bank’s Technologies for African Agricultural Transformation (TAAT) Programme, Phase I, which recommended, among other action points for Phase II, strengthening the linkage with funding mechanisms for Non-Sovereign Operations in order to better empower the private sector. IDEV examined the Bank’s work in five Regional Member Countries, and delivered a thematic mid-term evaluation of the AfDB’s Jobs for Youth in Africa

RECOMMENDATIONS FOR THE BANK’S RENEWABLE ENERGY STRATEGY

- 1 Better articulate the Bank’s renewable energy approach at the corporate, regional and country level to align goals and objectives.
- 2 Enhance the quality at entry of renewable energy interventions.
- 3 Expand the use of blended finance instruments to scale up investments in renewable energy in RMCs.

FIGURE 4.3 IDEV evaluation products in 2023



Strategy and an evaluation of the Bank's Economic and Sector Work. In addition, IDEV delivered an impact evaluation and two evaluation syntheses.

Throughout the year, IDEV ensured that the knowledge from its independent evaluations was widely shared with the intended audiences, and used by them internally with the aim of continually improving the Bank's performance and results. During the Bank's Annual Meetings, IDEV showcased an online package of resources related to the Private Sector in Africa's Development.

IDEV evaluators actively promoted their reports by participating in numerous knowledge-sharing events, including a Climate Investment Funds Learning Event and two gLocal

events. The Bank hosted two evaluation events open to external audiences: a physical roundtable in Kenya on "Improving Last-mile Electricity Services," and an online learning event on "Improving the Sustainability of Development Interventions."

In 2023, evaluation capacity-building continued to be high on the Bank Group's independent evaluation agenda. In addition to organizing the Annual General Meeting of the African Parliamentarians Network on Development Evaluation, IDEV led and actively supported partnerships to build capacity and promote a culture of evaluation, including with EvalPartners, the Centers for Learning on Evaluation and Results (CLEAR) Anglophone and Francophone Africa, the Global Evaluation

IDEV's learning event on the sustainability of development interventions in November 2023 attracted more than 160 people to learn what can be done differently by the Bank, governments, and other development partners for development results to last.



Initiative, the International Labor Organization, and the International Program for Development Evaluation Training. Finally, IDEV fulfilled the rotating chairmanship of the Evaluation Cooperation Group of independent evaluation offices of international financial institutions.

Compliance, accountability, and intermediate recourse mechanisms

Compliance

Independent Recourse Mechanism

In 2023, the Independent Recourse Mechanism (IRM) handled 19 active complaints. The active complaints covered 10 complaints handled under compliance review, 5 through problem-solving/mediation, and 4 temporarily suspended to allow their resolution at the project level. In addition, the Mechanism established the Stakeholder Advisory Council to enhance its strategic direction and operations and launched the Accountability Action Award to honor individuals and organizations that have made a notable contribution to the Bank's accountability. It supported institutional learning with the publication of IRM's Anti-Retaliation Toolkit and the completion of compliance handling guidance for Bank Management. It also strengthened its partnerships with institutions like the Network of African National Human Rights Institutions and the International Finance Corporation's Office of the Compliance Advisor/Ombudsman. Furthermore, it launched a new website for the unit and organized some outreach events to foster its engagement with its stakeholders and the accessibility of its services.

Ethics

In 2023, the Ethics Office offered guidance in 206 requests and ethical dilemmas brought to it. It also collaborated with other departments

in the Bank to deliver targeted training on ethical issues that may arise as they carry out their activities at the Bank. It conducted outreach missions to Regional and Country Offices, reminding Bank employees of the need to maintain good ethical behaviour in the Bank and on Bank-financed activities. During 2023, the Office conducted 40 training sessions, 10 of them on the use of EthicsPoint, a new case management system.

The Office continued to collaborate and benchmark with other multilateral organizations within the framework of the Ethics Network of Multinational Organizations. It also continued to use the Ethics 101 Series to raise awareness and sensitize Bank employees on the key provisions of the Bank's Code of Ethics in a simplified manner. The Office published the maiden edition of its newsletter, which focused on promoting a conducive work environment and enhancing the image and reputation of the Bank. It also held an inaugural Ethics Day in the Bank under the theme "Live with Integrity Lead with Courage" as part of worldwide activities to mark Global Ethics Day.

Accountability and control

Audit

In 2023, the Office of the Auditor General implemented some changes to its operating model, from streamlining processes and enhancing



reporting, to building stronger collaboration with our clients. It also delivered 28 internal audit reports on a wide range of topics across the development activities of the Bank and its corporate and financial operations. Internal Audit tapped subject matter expertise with external partners to add credibility and insight to the work. Systematic effort was devoted to working with the various Complexes to help them prioritize their efforts to reduce the number of open internal audit actions.

Integrity and anticorruption

In 2023, the Integrity and Anti-Corruption Department finalized and launched the pilot phase of the Screening Tool, a due diligence screening solution for sanctions lists, adverse media, and politically exposed persons. The Tool’s full deployment will strengthen the mainstreaming of Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT) Due Diligence measures in Bank operations and activities. The Board of Directors approved the new Whistleblowing Policy, which applies to Bank elected officers, staff, short term staff, Bank-employed consultants, external parties, and development partners. The Department conducted a large sensitization campaign across the Bank’s five regional offices and externally, as well as project integrity reviews in Gambia, Ghana, Uganda, and Zambia to assess compliance of ongoing projects with the Bank’s policies, guidelines, and financing agreements.

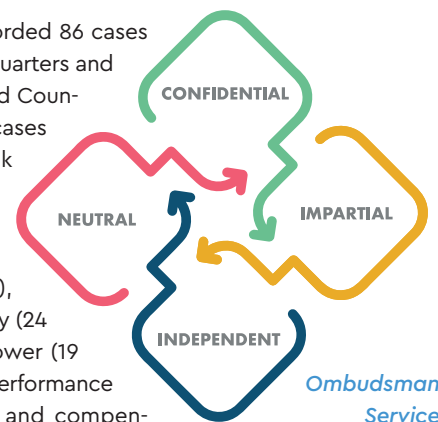
A total of 130 Integrity Risk Opinions (covering 71 integrity due diligence for proposed Non-Sovereign Operations and 59 AML/CFT on other Bank activities and operations) and 34 Integrity Risk Advisories were issued. The Department continued to track recommendations for implementing due diligence opinions quarterly to increase the Bank’s monitoring of integrity opinions. It also completed 44 cases of sanctionable practices of the case pipeline at the end of 2023, filed four findings of sanctionable practices, and two negotiated settlement agreements—and was successful in six appeals. Twenty-one cases of staff misconduct in the pipeline were completed and closed.



Recourse mechanisms

Office of the Ombudsman

The Office of the Ombudsman recorded 86 cases in 2023, half originating from Headquarters and the other half from the Regional and Country Offices. Eighty-four percent of cases were closed within the four-week period in line with the related key performance indicator. The cases fell into the following categories: policy and practices (29 percent), career development and job security (24 percent), conduct and abuse of power (19 percent), separation (13 percent), performance management (6 percent), benefit and compensation (3 percent), work programme–operations related cases (3 percent), and cases classified as other (3 percent). The Office held the first Value Promotion Champions Symposium in Abidjan, Côte d’Ivoire, to plan and develop a strategy for the management of informal resolution and mediation for 2023–2026.



Administrative Tribunal

In 2023, the Administrative Tribunal registered two new applications, heard eight cases, and issued eight judgments and two orders. It held two judicial sessions and one plenary session in 2023, during which eight applications were decided. It also developed new digital tools intended to enhance efficacy and efficiency by allowing for more fluid exchanges between the parties, the judges, the Secretariat, and Bank staff.

Administrative Tribunal



Staff Grievance Committee

As part of the reform of the Bank’s conflict and dispute resolution mechanism, the Staff Grievance Committee received six applications under the peer review system. Two of these applications were heard on the merits and the recommendations considered by the President of the Bank. Four applications were dismissed for reasons of noncompliance with the prescribed time limits, for noncompliance with the prior conditions of recourse, and for procedural omissions.

Sanctions Commissioner’s Office

In 2023, the Sanctions Commissioner reviewed two formal sanctions cases and one negotiated settlement agreement. These cases involved sanctionable practices concerning the procurement of works and services involving Bank-funded projects in three RMCs—one each for fraud,

collusion, and corruption. The negotiated settlement agreement was cleared, concluding a conditional non-debarment for 12 months for the respondent. One formal sanctions case was also concluded, resulting in a sanctions decision for a two-year debarment with conditional release for the respondent. The last case was still ongoing as of 31 December 2023.

Sanctions Appeals Board

The Sanctions Appeals Board Secretariat is the final decision maker in contested cases of sanctionable practices in the Bank Group-financed

projects. In that capacity, it issued four final decisions in 2023. The Sanctions Appeals Board Secretariat and the Sanctions Commissioner celebrated the 10th anniversary of the Bank sanctions system, highlighted by a roundtable discussion including all past and present key actors on strategies to enhance the efficiency of the Sanctions System. In addition, the Executive Secretary to the Board participated in virtual conferences with peers from other multilateral development banks that are signatories of the agreement for mutual enforcement of debarment decisions to harmonize processes and procedures.



The Abidjan Urban Transport Project was implemented to improve traffic flow, reduce road accidents, improve air quality, reduce greenhouse gases, and improve the quality of life of the population.

FINANCIAL HIGHLIGHTS AND ABRIDGED FINANCIAL STATEMENTS

The overall financial performance of the Bank Group improved in 2023 with an increase in income across its three entities.

5



In 2023, the African Development Bank experienced a substantial increase in income, which reached UA 1,729.89 million (UA 774.79 million 2022), as a result of higher loan activities and favorable returns on treasury and other investments. While this was largely offset by higher borrowing expenses, the Bank recorded a very strong net income of UA 406.05 million (UA 239.39 million in 2022). Additionally, the African Development Fund saw a significant increase in income, totaling UA 332.82 million, up from UA 151.74 million in December 2022, and recorded its largest surplus (UA 115.27 million) over the past 20 years. Similarly, the Nigeria Trust Fund reported a stronger financial performance, with income reaching UA 6.21 million, a marked improvement from the UA 2.54 million recorded in December 2022.

Bank Group financial results

The overall financial performance of the Bank Group improved in 2023, with an increase in gross income across its three entities as shown in Table 5.1. Both income before distributions and net income of the African Development Bank (ADB), the African Development Fund (ADF), and the Nigeria Trust Fund (NTF) were higher than in 2022.

Apart from transfers to reserves, the Bank distributes part of its net income and surplus to support development financing initiatives in low-income countries. In 2023, a total of UA 46 million was approved for distribution. Detailed information and analysis of each Bank Group entity's audited financial results are presented in a separate Financial Report.

Selected financial metrics

Selected financial metrics of Bank Group entities (ADB, ADF, and NTF) for the past five years ended 31 December are summarized in Table 5.2. The full audited financial statements are available separately and can be accessed at <https://www.afdb.org/en/documents/financial-report-2023>.

African Development Bank

The Bank recorded a net income (that is, income before allocations and distributions approved by the Board of Governors) of UA 406.05 million as of 31 December 2023, compared to a net income of UA 239.28 million recorded in December 2022. The income is principally attributable to the impact of: (i) the increase in realized

TABLE 5.1 Abridged financial results of Bank Group entities, 2022–2023 (UA millions)

	ADB		ADF		NTF	
	2023	2022	2023	2022	2023	2022
Income from loans, investments, and other income	1,729.89	774.79	332.82	151.74	6.21	2.54
Borrowing expenses and gains/losses on borrowings at FVTPL and related derivatives	(1,132.23)	(265.09)	(22.09)	95.68	—	—
Impairment charges on loans, treasury investments, and equity accounted investments	(19.07)	(94.59)	—	—	0.02	(2.53)
Translation gains/(losses)	(10.98)	66.46	4.77	(4.89)	—	—
Net operational income	567.61	481.57	315.50	242.53	6.23	0.01
Administrative expenses	(133.12)	(207.16)	(172.33)	(246.21)	(1.24)	(0.51)
Other expenses	(28.44)	(35.13)	(27.90)	(25.79)	(0.03)	(0.01)
Income before distributions approved by the Board of Governors	406.05	239.28	115.27	(29.47)	4.96	(0.51)
Distributions approved by the Board of Governors	(46.00)	(64.00)	—	—	—	(0.09)
Net income/(loss) for the year	360.05	175.28	115.27	(29.47)	4.96	(0.60)
Allocable income ^a	357.55	83.92	—	—	—	—

a Allocable income excludes from income before distributions the impact of volatile elements such as fair value changes on borrowings and related derivatives, as well as currency translation gains and losses.

TABLE 5.2 Selected financial metrics of the Bank Group, 2019–2023 (UA millions)

	2023	2022	2021	2020	2019
<i>African Development Bank</i>					
Assets	39,469.68	38,221.22	36,325.22	35,348.69	35,244.06
Net income	360.05	175.28	41.55	139.40	52.17
Allocable income	357.55	83.92	209.35	158.56	125.35
Total comprehensive income/(loss)	343.68	519.48	226.19	60.37	(9.41)
Cash and cash equivalents	1,959.09	3,298.39	3,623.54	2,456.29	2,317.89
Total equity	10,814.39	9,882.74	8,705.92	7,790.61	7,373.96
<i>African Development Fund</i>					
Net development resources	6,163.51	5,403.46	4,844.76	4,719.76	4,883.11
Surplus/(deficit)	115.27	(29.47)	(67.87)	(49.59)	(86.88)
Income after adjustment for the impact of MDRI & grants	219.31	72.82	33.19	48.31	5.91
Cash and cash equivalents	1,662.51	2,015.95	1,899.42	1,170.86	1,505.50
Commitment capacity	4,245.34	2,368.73	2,995.07	2,892.30	1,836.60
<i>Nigeria Trust Fund</i>					
Assets	192.51	190.32	181.01	174.46	179.47
Net income/(loss)	4.96	(0.60)	0.62	2.63	2.64
Total comprehensive income/(loss)	3.40	8.70	5.73	(4.56)	3.65
Cash and cash equivalents	34.27	19.95	33.00	17.55	11.11

and unrealized gains on treasury investments, (ii) reduction in administrative expenses mainly due to the write back of provisions for actuarial valuation of the Medical Benefits Plan & Staff Retirement Plans and (iii) the decrease in provisions for impairment, which were partially offset by a decrease in currency translation gains and the decrease in fair value gains in the borrowing portfolio and related derivatives.

The rise in market interest rates across all currencies impacted both interest income and interest expenses. Interest income from loans and treasury investments increased by UA 842 million as of end-December 2023, while the interest expenses on borrowings increased by UA 838 million during the same period.

The income from the Bank's treasury investments increased by UA 241 million (111%) to UA 460 million in 2023, due to the higher market interest rates and fair valuation of assets, and a 5.7 percent increase in the size of the treasury investments portfolio. Despite higher borrowing expenses that substantially offset this income, a gain (realized and unrealized) of UA 95 million was recorded on the treasury trading portfolio.

Impairment charges on loans, treasury investments, and equity accounted investments stood

at UA 19.07 million compared to UA 94.59 million recorded in December 2022. The level of provisions reflects the rating downgrades and loan stage migrations that took place during the year.

The Bank's operating expenses remained within the approved budget envelope in 2023, with a budget utilization rate of 96.5 percent. The total administrative expenses of the Bank Group decreased by UA 147.19 million (32.43 percent) to UA 306.69 million in December 2023, compared to the UA 453.88 million recorded in December 2022. This reduction was mainly due to a decrease in the Provision for Actuarial Valuation as a result of the extension of the retirement age from 62 years to 65 years.

The higher net income recorded by the Bank in 2023 contributed to an UA 343.68 million increase in reserves, which grew to UA 4.01 billion in 2023 from UA 3.67 billion in 2022.

Net income and allocable income

For the year ended 31 December 2023, net income amounted to UA 360.05 million, compared with UA 175.28 million for the year ended 31 December 2022. Allocable income was UA 357.55 million as of 31 December 2023, compared with UA 83.92 million as of 31 December 2022.

Outstanding loans

Net outstanding loans increased to UA 22.02 billion as of 31 December 2023, from UA 20.69 billion as of 31 December 2022, driven by higher disbursements.

Borrowings

The borrowing portfolio increased to UA 24.78 billion as of 31 December 2023, compared with UA 24.25 billion as of 31 December 2022.

Investment portfolio

The treasury investment portfolio comprises high-quality liquid assets, of which 52.1 percent are rated AAA, 33.6 percent between AA- and AA+ and 14.3 percent between A- and A+ as of 31 December 2023. The portfolio increased by 5.7 percent from UA 11.71 billion as of 31 December 2022 to UA 12.38 billion as of 31 December 2023. Treasury investment income for 2023 amounted to UA 459.60 million, for a return of 3.25 percent on an average liquidity of UA 14.16 billion, compared with an income of UA 218.16 million, for a return of 1.58 percent on an average liquidity of UA 13.82 billion, in 2022. The significant increase in income from treasury investments is mainly a result of higher interest rates in the markets. Note, however, that this positive impact is offset by higher interest expenses from borrowings in line with the Bank's Asset and Liability Management Framework and increased market volatility led to a widening of credit spreads, which weighed on the performance of treasury portfolios.

In 2023, central banks raised policy rates to combat high inflation driving up interest rates in the markets. The European Central Bank and the Bank of England increased their key policy rate by 200 and 175 basis points respectively, while the Federal Reserve hiked rates by 100 basis points. Inflation concerns are progressively receding, with inflation declining from 6.5 percent to 3.4 percent in the United States and from 9.2 percent to 2.9 percent in the Eurozone over the year. Nevertheless, the path back to the 2 percent inflation target continues to be challenging considering the strong labor market and consumer spending. Meanwhile, growth in the United States remained strong at a 2.5 percent pace, after 1.9 percent in 2022, and above market expectations. In contrast, the Eurozone grew at 0.1 percent in 2023, avoiding recession but signaling a period of prolonged weakness.

Distributions approved by the Board of Governors

In 2023, the Board of Governors approved distributions of UA 46 million from the 2022 income and the surplus account to various development initiatives, compared with UA 64 million distributed in 2022. The beneficiaries of these distributions are listed in note L to the financial statements in the 2023 Financial Report. Similarly, the Board of Governors is expected to approve the recommendation of the Board of Directors to distribute UA 107.55 million from the 2023 net income and surplus account to various development initiatives in 2024.¹⁰

Risk management policies and processes

The Bank's balance sheet risks are actively monitored on a risk dashboard that is regularly updated to reflect the evolving risk profile of the Bank's operations. The policies, processes, and practices the Bank deploys to manage these risks are described in more detail in Note C to the financial statements in the 2023 Financial Report. Other activities undertaken by the Bank as part of its risk management are summarized below.

The Bank's Long-Term Financial Sustainability Framework integrates decision-making factors and underlying financial and risk management policies that have a bearing on the sustainability of the Bank's capital resources and operating efficiency. The medium-term financial outlook is used to monitor the strategic control measures defined in that Framework and ensure that the Bank's financial position and its prudential and financial ratios are sustained over the agreed general capital increase (GCI) implementation horizon. The risks facing the Bank are also monitored periodically in the Capital Adequacy Report, which is focused on tracking key capital adequacy metrics, including those assessed by credit rating agencies. The risk limits for the Bank's prudential ratios are defined in the Bank's Risk Appetite Statement. At end December 2023, the Bank's prudential and capital adequacy ratios were all within their limits, except for the sovereign high-risk exposure which exceeded its limit by 0.3 percent.

In 2023, ADB experienced a notable surge in income, up substantially over 2022, after value gains on borrowings and lower credit losses made up for increased interest expenses and currency translation losses

¹⁰ This figure is provisional and subject to approval by the Board of Governors of the 2023 net income allocation proposals.

The Bank continued to execute transactions under the Balance Sheet Optimization Framework approved by the Board of Directors in 2020. An exposure exchange agreement (EEA 2.0) executed with the Asian Development Bank in 2023 for an initial exchange of exposure transactions of a notional amount of USD 1.0 billion is expected to result in an improvement in the risk capital utilization ratio and in the S&P risk adjusted capital ratio.

These improvements in the Bank's capital adequacy ratios increase the lending capacity and reinforce the Bank's capital buffer to withstand stress events and external shocks.

During 2023, the Bank launched other innovative initiatives to safeguard its ability to bear risk in supporting its strategic development objectives while maintaining its

AAA/aaa rating. The implementation

of an Enhanced Capital Adequacy Framework resulted in a substantial improvement in the Bank's risk capital utilization ratio, providing significant headroom to support the Bank's lending trajectory while maintaining adequate buffers to absorb losses related to potentially adverse events. The Bank manages credit risk by regularly carrying out in-depth reviews of Sovereign and Non-Sovereign Operations—and balance sheet optimization initiatives, described above—to manage portfolio risks. Market risks (interest rate, currency, liquidity, and counterparty risks), the second source of risk for the Bank arising from asset and liability management across the balance sheet, are managed through an in-depth review of the Bank's market risk profile and the implementation of recommendations for future adjustments to the Bank Group's asset and liability management policies and strategies.

A review of the Bank's Enterprise Risk Management Framework and Risk Appetite Statement has also been initiated to allow the Bank to pursue strategic objectives and targets and provide a necessary level of flexibility and agility. The review will apply lessons and strengthen processes to cope with the changes in the operating environment and to continue building a robust risk management function.

The Operational Risk Management Committee, created in 2019, continues to exercise oversight over the operational risk management process to ensure that the Bank's risk exposure, including

that emanating from new financial products, is well managed. During the year, the Bank's operating units were commissioned to carry out self-assessments of their operational risks and the effectiveness of their controls. Monitoring the implementation of action plans to report operational risk incidents was also stepped-up.

Bank ratings

In 2023, the ratings of the Bank's senior debt (AAA/Aaa) were reaffirmed with a stable outlook by the four leading international rating agencies: Fitch, Moody's, Standard & Poor's, and the Japan Credit Rating Agency. These high credit ratings reflect the Bank's solid capital adequacy, robust risk management, prudent financial management, very high liquidity coverage, excellent funding record, preferred creditor status, and very strong shareholder support. These strengths position the Bank to navigate the challenging operating environment and withstand the downward pressure on the quality of its development assets following the downgrade of some of its sovereign borrowers.

Capital market activities

Throughout the year, the Bank continued to deepen and diversify its investor base and cost-effectively raise resources in a broad range of markets, currencies, and instruments. The Bank executed two USD global benchmarks of USD 2 billion each, in both the three-year and five-year parts of the curve. USD global benchmark issuances continue to be the backbone of the Bank's borrowing programme and consistently attract high-quality institutional investor interest. The commitment to launch regular benchmarks allows the Bank to reinforce its visibility and presence in capital markets.

Other public domestic issuances have been and remain an important part of the Bank's funding diversification. The Bank regularly monitors these markets for opportunities, based on favorable feedback for demand from investors and relatively attractive issuance levels. As of 31 December 2023, several transactions including new issuances and re-openings of existing lines were executed in AUD, CHF, GBP, NOK, and SEK. Of note is the Bank's return to the Swiss market with its first primary public issuance in over 14 years. In the environment, social, and governance space, the Bank also continued to consolidate its footprint with several ESG-labeled transactions, including an inaugural social bond in the Sterling market of GBP 300 million.

During 2023, the Bank launched innovative initiatives to safeguard its ability to bear risk in supporting its strategic development objectives while maintaining its AAA/aaa rating

In 2023, the Bank launched a new sustainable bond programme, which combines and updates the existing green and social bond frameworks and is aligned with best practices, including alignment of project categories with the UN SDGs, details on project subcategories, expanded impact reporting metrics and detailed exclusionary data. The new programme is also aligned with the 2021 International Capital Market Association's latest green bond principles, the sustainable bond guidelines for same year and the social bond principles released in June 2023. The Bank received a second party opinion from Moody's, which awarded a sustainable quality score of 2, which is very good. Going forward, the Bank will procure external assurance annually on the sustainable bond allocation to eligible green and/or social projects. The framework provides more flexibility as the Bank will still be able to issue green bonds and social bonds in addition to sustainable bonds.

The Bank continued to meet demand from Japanese investors for theme bonds linked to the High 5s. Investor preferences remain focused on bonds that finance socially responsible projects while also meeting their investment risk/return objectives. In 2023, the Bank issued 12 theme bonds aligned with the Bank's High 5 operational priorities, including seven Improve the Quality of Life for the People of Africa bonds, four Light Up and Power Africa bonds and one Feed Africa bond—for a combined total of UA 164 million.

African Development Fund

ADF-16 replenishment

As of 31 December 2023, the total resource envelope for the ADF-16 2023–2025 period amounted to UA 6,230 million. This comprised donor contributions of UA 3,785 million,¹¹ concessional donor loans of UA 427 million, and an advanced commitment capacity of UA 2,018 million. Total subscriptions received by December 2023 amounted to UA 3,409 million.¹² By 31 December 2023, the Fund had received UA 45 million¹³ as payment to the UA 313 million Climate Action Window, which was part of ADF-16.

Financial results and performance

For the year ended 31 December 2023, the Fund reported a surplus of UA 115.27 million, representing



A stack of coins

an increase of UA 144.74 million over the deficit of UA 29.47 million reported in December 2022. This surplus, the largest reported by the Fund in the last 20 years, is due to an increase in interest income and fair value gains on treasury investments and a decrease in administrative expenses in 2023.

Structural changes in the Fund—including the cancellation of loans to several beneficiaries under the Multilateral Debt Relief Initiative (MDRI) and the increased share of grants in country allocations due to the deterioration of some countries' Debt Sustainability Analysis (DSA)—have not adversely affected the financial sustainability or commitment capacity of the Fund, which stood at UA 4.25 billion in 2023, up from UA 2.37 billion in 2022 due to compensation received from donors. The effects of the MDRI and the higher share of grants on the Fund's operating results is presented below. As shown in Table 5.3, the higher income realized in 2023 enhances the impact of MDRI and Grant compensation on the reported adjusted ADF surplus for the year compared to the previous years.

Loan and treasury investment income

Loan income for the year ended 31 December 2023 increased by UA 5.74 million (4.47 percent) to UA 134.20 million, compared with UA 128.46 million reported in December 2022. The loan income

Throughout the year, the Bank continued to **deepen and diversify** its investor base and cost-effectively raise resources in a broad range of markets, currencies, and instruments

¹¹ This amount includes additional subscriptions through acceleration from Canada, Belgium, and Spain and the subscription of Brazil.

¹² This amount includes the buydown grant from Japan. Total subscriptions received excluding the buydown grant are UA 3,327.86 million.

¹³ Payments from Germany, the Netherlands, and Switzerland.

TABLE 5.3 Effects of the MDRI and higher share of grants on ADF's operating results (UA million)

YEAR ENDED 31 DECEMBER	2023	2022	2021	2020	2019
Surplus/(deficit) for the year	115.27	(29.47)	(67.87)	(49.51)	(86.88)
Grant income forgone	60.92	59.17	57.94	54.78	49.67
MDRI income forgone	43.12	43.12	43.12	43.12	43.12
Surplus after adjustment for the impact of MDRI and grants	219.31	72.82	33.19	48.31	5.91

recorded in 2023 was in line with operational expectations.

Treasury investment income for the year ended 2023 increased by UA 175.34 million to UA 198.62 million, compared with UA 23.28 million in 2022. The increase is attributable to the increase in the treasury portfolio and the rise in interest rates during the year. Interest income increased to UA 136.69 million, and fair value gains on the treasury trading increased to UA 61.94 million.

Administrative expenses

Bank Group administrative expenses attributable to the Fund for the year ended 31 December 2023 decreased by UA 73.88 million (30.01 percent) to UA 172.33 million due to decreased provision for actuarial valuation of the benefit plan, compared with UA 246.21 million for the period ended 31 December 2022. In percentage terms, the Fund's proportionate share of total Bank Group administrative expenses increased marginally from 50.98 percent in 2022 to 51.48 percent in 2023.

Revenue

In 2023, the Fund's revenue increased from UA 151.74 million in 2022 to reach UA 332.82 million. The increase is mainly attributable to higher treasury interest income, fair value gains recorded on treasury trading portfolio and related derivatives and lower administrative expenses, for the year ended December 2023 compared with 2022.

Nigeria Trust Fund

Financial results and performance

The Nigeria Trust Fund (NTF) reported net income before distributions approved by the Board of Governors at UA 4.96 million for the year ended 31 December 2023 compared with the net loss of UA 0.51 million for December 2022. The higher net income before distributions approved by the Board was primarily attributable to the combined effect of a UA 3.76 million increase in income from treasury investments and a UA 2.55 million

decrease in provisions for expected credit losses on loan principal and charges, resulting in a write-back attributable to improvements in the quality of credit risk of borrowing countries in Stage 1. These factors combined to more than offset the UA 0.73 million increase in administrative expenses.

Loan and investment income

Loan income in 2023 amounted to UA 1.06 million, representing a 7.02 percent decrease over UA 1.14 million earned for 2022, while investment income increased sharply to UA 5.16 million compared with UA 1.40 million in 2022. The increase in investment income is attributable to the combined effect of an increase in USD market interest rates, a 4.07 percent increase in treasury investment portfolio balances, and reduced volatility in the prices of trading assets.

Administrative expenses

The NTF's share of Bank Group administrative expenses increased from UA 0.51 million in 2022 to UA 1.24 million in 2023. In accordance with the agreement establishing the NTF, the Fund compensates the Bank for expenses incurred in managing the Fund. But the annual payment to the Bank for expenses incurred is capped at 20 percent of the Fund's total annual income.

Reserves

Reserves totaled UA 62.97 million on 31 December 2023 compared with UA 59.57 million as of 31 December 2022. The reserves increased mainly due to the net income reported for the year partially offset by the decrease in the cumulative currency translation adjustment arising from the translation losses reported during the year.

Retained earnings

Retained earnings as of 31 December 2023 increased by UA 4.96 million (3.28 percent) to UA 156.01 million from UA 151.05 million as of 31 December 2022, reflecting the net income reported during the year.



APPENDICES

The recently launched Remote Appraisal, Supervision, Monitoring and Evaluation tool in Uganda will improve the collection of project-related data in Bank projects.

APPENDIX 1

Abbreviations

AAAP	Africa Adaptation Acceleration Program	COMESA	Common Market for Eastern and Southern Africa
ACCF	Africa Climate Change Fund	COP28	2023 Conference of the Parties of the UNFCCC
ACFM	Agri-SMEs Catalytic Financing Mechanism	COVID-19	Coronavirus pandemic
ADB	African Development Bank	CPIA	Country Policy and Institutional Assessment
ADF	African Development Fund	CRFA	Country Resilience and Fragility Assessment
ADF-15	African Development Fund 15th Replenishment	CSP	Country Strategy Paper
ADF-16	African Development Fund 16th Replenishment	CSPE	Country Strategy and Programme Evaluation
ADFI	Africa Digital Financial Inclusion Facility	CWHOLE	Committee of the Whole on the Budget
ADOA	Additionality and Development Outcomes Assessment	DAM	Delegation of Authority Matrix
ADRFi	Africa Disaster Risk Financing Programme	DFIs	Development Finance Institutions
AEFPF	African Emergency Food Production Facility	DRC	Democratic Republic of Congo
AFAWA	Affirmative Finance Action for Women in Africa	DSA	Debt Sustainability Analysis
AfCFTA	African Continental Free Trade Area	EAHI	East African Heart Institute
AfDB	African Development Bank Group	EC	European Commission
AGTF	Africa Growing Together Fund	ECAM	External Communications and Preparation of the Bank Group Annual Meetings
AHC	African Hidden Champions	ECBD	Committee for the Enforcement of the Code of Conduct for Executive Directors
AIF	Africa Investment Forum	EDGE	Economic Dividend for Gender Equality
AFFM	Africa Fertilizer Financing Mechanism	EEA	Exposure Exchange Agreement
ALM	Asset Liability Management	ESG	Environmental, Social, and Governance
AMBD	Committee on Administrative Matters Concerning the Board	EU	European Union
AML/CFT	Anti-Money Laundering and Combating the Financing of Terrorism	EUR	Euro
AU	African Union	FBL	Family Bank Limited
AUC	African Union Commission	FCDO	Foreign, Commonwealth, and Development Office
AUD	Australian Dollar	FFPA	Financial Framework Partnership Agreement
AUFI	Audit and Finance Committee	FVTPL	Fair value through profit or loss
AWF	Africa Water Facility	G20	Group of 20
B2B	Business to business	GBP	UK Pound
BCI	Bank for Trade and Industry	GCI-VII	7th General Capital Increase
BCMSs	Business Continuity Management Systems	GDP	Gross Domestic Product
CAHR	Committee on Administrative and Human Resource Policy Issues	GHG	Greenhouse gas
CFA	Franc of the Financial Community of Africa	GS	General Services
CHF	Swiss Franc	HIPC	Heavily Indebted Poor Country
CGD	Center for Global Development	ICRC	International Committee of the Red Cross
CLEAR	Centers for Learning on Evaluation and Results	ICT	Information and Communication Technologies
CODE	Committee on Operations and Development Effectiveness	IDEV	Independent Development Evaluation
COECVS	East African Center of Excellence for Cardiovascular Sciences	IFAD	International Fund for Agricultural Development
		IMF	International Monetary Fund
		IRM	Independent Recourse Mechanism

APPENDIX 1 *(continued)*

IsDB	Islamic Development Bank	PV	Photovoltaic
ISO	International Organization for Standardization	RECs	Regional Economic Communities
JICA	Japan International Cooperation Agency	RMCs	Regional Member Countries
KOAFEC	Korea Africa Cooperation Trust Fund	RMF	Results Management Framework
LMS	Learning Management System	RPA	Risk Participation Agreement
MCB	Mauritius Commercial Bank	SAP	Systems Applications and Products in Data Processing.
MCDF	Multilateral Cooperation Center for Development Finance	SDGs	Sustainable Development Goals
MDBs	Multilateral Development Banks	SDRs	Special Drawing Rights
MDRI	Multilateral Debt Relief Initiative	SEFA	Sustainable Energy Fund for Africa
MEO	Macroeconomic Performance and Outlook Report	SEGA	Strategy for Economic Governance in Africa
MOF	Ministry of Finance	SEK	Swedish Krona
MoU	Memorandum of Understanding	SF	Special Funds
NEPAD-IPPF	NEPAD—Infrastructure Project Preparation Facility	SME	Small and Medium Enterprise
NOK	Norwegian Krone	SOs	Sovereign Operations
NPLs	Non-Performing Loans	TAAT	Technologies for African Agricultural Transformation
NSO	Non-Sovereign Operation	TSF	Transition Support Facility
NTF	Nigeria Trust Fund	TYS	Ten-Year Strategy
OPEC	Organization of the Petroleum Exporting Countries	UA	Unit of Account
PBOs	Program-Based Operations	UMDF	Urban and Municipal Development Fund
PCGs	Partial Credit Guarantees	UN	United Nations
PD	Presidential Directive	UNDP	United Nations Development Programme
PFM	Public Finance Management	UNHCR	United Nations High Commissioner for Refugees
PHRDG	Policy and Human Resource Development Grant	US	United States
PL	Professional	USD	US Dollar
PPP	Public-Private Partnership	YEITF	Youth Entrepreneurship and Innovation
PSF	Private Sector Credit Enhancement Facility	ZAR	South African Rand

APPENDIX 2

Summary of Bank Group operations, resources, and finance, 2014–2023

(UA millions)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	CUMULATIVE 2023 TOTAL ³
Bank Group approvals^b											
Number	232	241	305	249	341	293	217	196	284	258	7,117
Amount	5,049.92	6,334.69	8,035.34	6,195.95	7,278.81	7,300.11	4,171.12	4,506.29	6,155.75	8,026.77	139,644
of which HIPC	—	—	—	—	—	—	—	—	—	—	6,158
Disbursements	3,309.39	3,221.49	4,796.10	5,529.86	4,548.58	3,925.35	5,461.15	3,569.98	3,518.75	4,428.83	87,957
ADB approvals^b											
Number	79	99	114	87	103	91	48	66	76	92	2,286
Amount	3,201.30	4,518.23	6,335.32	4,502.18	5,125.14	5,092.45	2,492.70	2,449.14	3,718.81	5,798.25	86,843
of which HIPC	—	—	—	—	—	—	—	—	—	—	3,158
Disbursements	1,983.89	1,678.17	3,262.52	3,715.42	2,995.98	2,507.00	3,385.82	1,728.04	2,526.91	3,108.23	53,000
ADF approvals^b											
Number	77	70	94	76	87	82	71	66	107	54	3,391
Amount	1,338.23	1,307.36	1,267.91	959.48	1,088.20	1,230.46	938.76	1,263.25	1,817.81	1,280.74	43,175
of which HIPC	—	46.96	—	—	—	—	—	—	—	—	2,937
Disbursements	1,215.30	1,398.36	1,447.41	1,703.00	1,358.32	1,266.03	1,731.56	1,358.19	830.70	1,119.54	32,399
NTF approvals											
Number	2	2	3	—	3	1	—	1	—	1	106
Amount	11.49	12.50	18.46	—	13.30	4.00	—	3.60	—	2.4	493
of which HIPC	—	—	—	—	—	—	—	—	—	—	63
Disbursements	3.13	7.47	10.98	7.41	10.96	12.34	10.65	14.57	6.0	7.3	329
PSF approvals											
Number	—	—	8	10	9	2	3	3	—	3.0	38
Amount	—	—	90.78	150.70	119.45	19.61	27.24	43.67	—	72.8	524
TSF approvals											
Number	35	28	31	35	33	59	57	29	64	45	537
Amount	254.68	207.75	162.55	302.78	224.51	319.26	471.90	483.09	344.03	282.12	4,070
Disbursements	107.07	137.49	75.19	104.03	183.33	139.98	333.12	469.18	155.2	193.8	2,227.8
Special Funds approvals^c											
Number	39	42	55	41	106	58	38	31	37	63	759
Amount	244.22	288.85	160.32	280.81	708.21	634.33	240.51	263.55	275.10	590.46	4,538
RESOURCES AND FINANCE (AT END OF YEAR)											
ADB											
Authorized capital	66,975.05	66,975.05	66,975.05	66,975.05	66,975.05	153,191.36	153,191.36	180,638.83	180,638.83	180,638.83	
Subscribed capital	65,133.22	65,482.51	65,486.17	65,497.96	65,107.91	66,146.32	100,846.68	148,473.62	148,768.18	148,113.00	
Paid-up portion	4,864.52	4,884.41	4,897.39	4,980.43	4,956.92	4,950.44	7,053.87	9,958.90	9,974.54	9,935.00	
Callable portion	60,268.70	60,598.10	60,588.78	60,517.53	60,150.99	61,195.88	93,792.81	138,514.72	138,793.64	138,178.00	
Outstanding debt	14,375.95	16,449.27	20,644.15	23,175.69	23,989.86	25,466.87	25,090.10	25,115.71	24,254.21	24,776.41	
Cumulative exchange											
Adjustment on											
Subscriptions	(174)	(169)	(161)	(158)	(156)	(148)	(148)	(156)	(154)	(152)	
Reserves	2,815.32	2,921.25	2,746.84	2,982.05	2,806.65	2,797.24	2,857.61	3,151.19	3,670.66	4,014.34	
Gross income ^d	484.73	455.77	536.02	665.76	847.57	920.50	660.21	506.97	760.80	1,711.57	
Net income ^e	151.69	93.16	120.07	258.43	124.68	126.17	198.40	96.55	239.28	406.05	
ADF											
Subscriptions	24,921.04	26,122.31	27,226.94	28,601.22	29,785.35	30,924.91	32,261.33	33,560.25	34,960.95	36,465.86	
Other resources	551.96	602.96	645.96	680.96	715.96	750.96	785.96	820.96	855.96	890.96	
NTF											
Resources (gross)	168.28	169.88	176.79	169.05	174.63	178.28	173.72	179.46	188.16	191.55	

Note: Percentages in the charts and tables of the Report may not add up to 100 due to rounding.

a The cumulative figures go back to the initial operations of the three institutions (1967 for ADB, 1974 for ADF, and 1976 for NTF).

b Approvals include loans and grants, private and public equity investments, emergency operations, HIPC debt relief, loan reallocations, guarantees, and post-conflict country facility and exclude PSF and TSF.

c These are approvals on the operations of the African Water Fund and Rural Water Supply and Sanitation Initiative, the Global Environment Facility, the Global Agriculture and Food Security Program, the Climate Investment Fund, the Congo Basin Forest Fund, the Fund for African Private Sector Assistance, the Zimbabwe Multi-Donor Trust Fund, Migration and Development Trust Fund, Sustainable Energy Fund for Africa, Africa Climate Change Fund, Migration and Development Initiative Fund, Micro Finance Capacity Building Fund, MENA Trust Fund, Nigeria Technical Cooperation Fund, and OPEC.

d Starting from 2013, dividends from equity participations were reclassified and included in gross income. Starting from 2015, gross income is net of interest on loan swaps.

e Net income is before distributions approved by the Board of Governors.

The conversion rates are those for 31 December of each year.

The conversion rates of the ADB, ADF, and NTF Unit of Account (UA) to the US Dollar for various years are as follows:

2014 1 UA = 1.44881 US dollars	2019 1 UA = 1.38283 US dollars
2015 1 UA = 1.38573 US dollars	2020 1 UA = 1.444027 US dollars
2016 1 UA = 1.34433 US dollars	2021 1 UA = 1.39959 US dollars
2017 1 UA = 1.42413 US dollars	2022 1 UA = 1.33084 US dollars
2018 1 UA = 1.39079 US dollars	2023 1 UA = 1.34167 US dollars

APPENDIX 3A**Bank Group approvals by High 5 priority, 2023**

(UA millions)

HIGH 5 PRIORITY	ORDINARY RESOURCES		SPECIAL RESOURCES				BANK GROUP
	ADB	ADF ^a	NTF	PSF	TSF	SF	
Light Up and Power Africa	542.73	65.00	—	39.96	53.40	222.12	923.21
Power Generation, Transmission, and Distribution—Conventional	207.83	49.90	—	—	29.95	91.98	379.65
Power Generation—Renewable	6.71	15.00	—	—	23.40	10.57	55.68
Off-grid Solutions	—	—	—	—	—	33.10	33.10
Energy Sector Strengthening and Reform	—	—	—	—	—	—	—
Infrastructure for Energy Sector Development	—	—	—	—	—	—	—
Multisector Operations (budget support)	289.02	—	—	—	—	—	289.02
Others ^b	39.17	0.10	—	39.96	0.05	86.48	165.76
Feed Africa	309.03	150.92	—	24.08	51.78	50.79	586.61
National and Regional Operations in Production and Value Addition	40.90	78.15	—	—	35.23	18.57	172.86
Investment in Infrastructure	71.50	49.79	—	—	8.11	5.55	134.94
Agriculture Finance and Agribusiness Environment	106.17	—	—	24.08	4.15	15.26	149.66
Inclusivity and Sustainable Development	3.51	22.98	—	—	4.30	11.41	42.20
Multisector Operations (budget support)	86.95	—	—	—	—	—	86.95
Industrialize Africa	2,009.14	18.46	2.40	8.76	7.98	132.26	2,179.00
Industrial Business Environment	187.98	1.73	2.40	—	3.93	28.73	224.76
Financial Sector, Capital Markets Development, and Trade Finance	1,592.58	12.27	—	—	—	30.04	1,634.89
Enterprises Development	18.43	4.46	—	—	4.06	2.25	29.20
Infrastructure for Industry	111.77	—	—	8.76	—	34.34	154.87
Multisector Operations (budget support)	98.38	—	—	—	—	36.89	135.28
Regional Environment Improvement	—	—	—	—	—	—	—
Integrate Africa	1,432.05	705.67	—	—	31.89	30.80	2,200.41
Regional Infrastructure Connectivity	1,267.11	272.98	—	—	26.85	5.64	1,572.58
Trade Facilitation, Financial Integration, and Investment	164.94	4.50	—	—	1.24	25.16	195.84
Support to RECs	—	—	—	—	3.80	—	3.80
Regional Operations	—	428.18	—	—	—	—	428.18
Improve the Quality of Life for the People of Africa	1,505.29	340.69	—	—	137.07	154.49	2,137.55
Water Supply and Sanitation	258.81	98.00	—	—	51.77	86.18	494.76
Human and Social Development	116.49	24.43	—	—	45.11	16.99	203.02
Multisector Operations (budget support)	696.02	157.82	—	—	24.48	7.43	885.75
Others ^c	433.97	60.44	—	—	15.72	43.89	554.01
Total approvals	5,798.25	1,280.74	2.40	72.80	282.12	590.46	8,026.77

a Excludes PSF and TSF.

b "Others" includes the following subthemes: clean/efficient cooking, energy efficiency demand side management, oil and gas and utility transformation services, and energy finance).

c "Others" include the following subthemes: other social development, national infrastructure, urban development, natural disaster management, environment and natural resources management, transboundary water resources management, regional education, and health initiatives.

APPENDIX 3B

Bank Group approvals by sector, 2023

(UA millions)

SECTOR	ORDINARY RESOURCES				SPECIAL RESOURCES								BANK GROUP	
	ADB		ADF ^a		NTF		PSF		TSF		SF			
	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT
Agriculture and rural development	11	226.20	8	138.43	—	—	1	24.08	4	50.71	13	40.41	37	479.84
Social	9	405.04	7	68.15	—	—	—	—	13	50.72	2	16.99	31	540.89
Education	1	53.16	3	38.50	—	—	—	—	—	—	1	13.86	5	105.52
Health	1	96.57	—	—	—	—	—	—	—	—	—	—	1	96.57
Other	7	255.31	4	29.65	—	—	—	—	13	50.72	1	3.13	25	338.80
Infrastructure	20	2,104.03	20	818.21	—	—	2	48.72	11	138.90	35	382.03	88	3,491.89
Water supply and sanitation	5	368.09	2	98.00	—	—	—	—	4	58.00	10	119.93	21	644.02
Energy supply	5	307.87	8	303.96	—	—	1	39.96	3	53.40	22	224.93	39	930.12
Communication	1	61.27	—	—	—	—	—	—	—	—	—	—	1	61.27
Transport	9	1,366.79	10	416.25	—	—	1	8.76	4	27.50	3	37.17	27	1,856.48
Finance	29	1,812.75	3	20.97	1	2.40	—	—	7	8.98	6	63.83	46	1,908.92
Multisector	18	954.83	12	172.32	—	—	—	—	8	29.82	2	13.71	40	1,170.68
Industry, mining, and quarrying	4	294.65	—	—	—	—	—	—	1	1.00	3	65.62	8	361.27
Urban development	—	—	1	0.16	—	—	—	—	—	—	1	3.80	2	3.96
Environment	1	0.75	3	62.50	—	—	—	—	1	2.00	1	4.07	6	69.32
Total approvals	92	5,798.25	54	1,280.74	1	2.40	3	72.80	45	282.12	63	590.46	258	8,026.77

a Excludes PSF and TSF.

APPENDIX 3C

Bank Group approvals by financing instrument, 2023

(UA millions)

FINANCING INSTRUMENT	ORDINARY RESOURCES				SPECIAL RESOURCES							
	ADB		ADP ^a		NTF		PSF		TSF		BANK GROUP	
	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT
Project lending	41	2,732.87	13	500.99	1	2.40	—	—	5	54.93	60	3,291.19
Public and publicly guaranteed:												
Project loans	22	1,908.00	13	500.99	1	2.40	—	—	5	54.93	41	2,466.32
Sector investment and rehabilitation	—	—	—	—	—	—	—	—	—	—	—	—
Lines of credit	—	—	—	—	—	—	—	—	—	—	—	—
Private non-publicly guaranteed:												
Project loans	8	418.01	—	—	—	—	—	—	—	—	8	418.01
Lines of credit	9	255.74	—	—	—	—	—	—	—	—	9	255.74
Soft commodity finance facility	2	151.11	—	—	—	—	—	—	—	—	2	151.11
Policy-based lending	13	1,112.21	2	106.30	—	—	—	—	—	—	15	1,218.51
Sector adjustment	—	—	—	—	—	—	—	—	—	—	—	—
Structural adjustment	—	—	—	—	—	—	—	—	—	—	—	—
Budget support	13	1,112.21	2	106.30	—	—	—	—	—	—	15	1,218.51
Result-based financing	—	—	—	—	—	—	—	—	—	—	—	—
Grants	17	8.00	37	575.95	—	—	—	—	40	227.19	94	811.14
Technical assistance	9	2.34	6	27.22	—	—	—	—	22	38.05	37	67.61
Project cycle activities	—	—	—	—	—	—	—	—	—	—	—	—
Institutional support	—	—	6	27.22	—	—	—	—	22	38.05	28	65.27
of which private sector	—	—	—	—	—	—	—	—	—	—	—	—
Middle-income countries grant	6	1.43	—	—	—	—	—	—	—	—	6	1.43
Middle-income countries institutional support	3	0.92	—	—	—	—	—	—	—	—	3	0.92
Project grants	—	—	27	444.21	—	—	—	—	17	184.14	44	628.35
Structural adjustment grant	—	—	—	—	—	—	—	—	—	—	—	—
Budget support grant	—	—	4	104.52	—	—	—	—	1	5.00	5	109.52
African food crisis response grant	—	—	—	—	—	—	—	—	—	—	—	—
Special relief fund	8	5.66	—	—	—	—	—	—	—	—	8	5.66
Emergency assistance	8	5.66	—	—	—	—	—	—	—	—	8	5.66
Emergency post-conflict	—	—	—	—	—	—	—	—	—	—	—	—
Special debt relief grant	—	—	—	—	—	—	—	—	—	—	—	—
Institutional capacity building loans	—	—	1.00	6.00	—	—	—	—	—	—	1.00	6.00
Project preparation facility	—	—	—	—	—	—	—	—	—	—	—	—
Debt and debt service reduction	—	—	—	—	—	—	—	—	—	—	—	—
SFM debt alleviation	—	—	—	—	—	—	—	—	—	—	—	—
HIPC debt relief	—	—	—	—	—	—	—	—	—	—	—	—
Post-conflict country framework	—	—	—	—	—	—	—	—	—	—	—	—
Equity participation	6	57.05	—	—	—	—	—	—	—	—	6	57.05
Public equity	—	—	—	—	—	—	—	—	—	—	—	—
Private equity	6	57.05	—	—	—	—	—	—	—	—	6	57.05
Guarantee	15	1,888.12	1	91.50	—	—	3.00	72.80	—	—	19	2,052.42
Public guarantees	5	1,574.51	1	91.50	—	—	—	—	—	—	6	1,666.02
Private guarantees	10	313.60	—	—	—	—	3.00	72.80	—	—	13	386.40
Loan reallocations	—	—	—	—	—	—	—	—	—	—	—	—
Special funds	—	—	—	—	—	—	—	—	—	—	63	590.46
Total approvals	92	5,798.25	54	1,280.74	1	2.40	3	72.80	45	282.12	258	8,026.77

a Excludes PSF and TSF.

APPENDIX 3D

Bank Group total approvals by region

(UA millions)

REGION/COUNTRY	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
CENTRAL AFRICA										
Cameroon	143.8	447.9	323.0	274.1	242.5	242.3	71.4	127.7	157.4	276.1
Central African Republic	15.6	27.6	3.9	26.2	39.0	2.1	22.0	18.7	4.0	23.1
Chad	14.9	60.9	32.1	47.4	29.9	31.3	53.0	36.9	33.0	34.0
Congo	7.5	15.1	41.9	—	—	209.1	0.8	5.6	—	75.0
Congo, Democratic Republic of	187.1	40.7	138.3	7.1	106.1	174.7	100.0	190.0	19.4	0.8
Equatorial Guinea	0.8	—	—	—	—	66.9	—	—	0.5	—
Gabon	1.6	—	68.5	490.7	229.1	144.9	81.6	75.3	—	—
Multinational				277.6	40.5	70.9	104.7	219.1	127.2	81.1
Central Africa approvals	371.3	592.2	607.7	1,123.1	687.1	942.4	433.5	673.3	341.6	490.0
EAST AFRICA										
Burundi	41.8	—	0.5	25.8	1.0	8.7	16.0	20.0	19.4	13.8
Comoros	4.0	8.0	—	15.2	—	30.0	30.0	—	19.8	21.0
Djibouti	—	8.2	6.3	—	11.5	—	2.4	0.3	7.5	1.0
Eritrea	—	13.5	5.5	5.3	—	33.1	—	—	—	38.4
Ethiopia	66.6	182.3	314.4	140.4	99.7	8.9	121.6	55.3	21.5	133.9
Kenya	208.4	201.3	612.4	253.0	349.3	355.0	153.3	101.6	246.9	290.4
Rwanda	99.4	20.2	43.8	198.6	312.6	26.5	172.8	59.7	130.9	290.0
Seychelles	2.2	23.8	—	—	—	5.8	7.5	14.0	19.5	25.1
Somalia	2.9	1.9	22.7	6.2	0.7	55.7	89.0	9.5	19.1	10.0
South Sudan	0.7	2.0	5.0	35.4	—	31.5	14.0	6.9	13.0	12.3
Sudan	—	58.9	24.5	15.0	131.0	81.2	51.7	321.9	59.8	1.6
Tanzania	98.7	549.2	219.1	20.3	151.0	369.5	135.2	122.7	302.2	143.9
Uganda	127.5	89.4	138.0	152.4	231.5	200.7	73.0	—	61.7	205.4
Multinational				236.6	271.2	404.2	59.1	307.4	748.2	1,100.6
East Africa approvals	652.1	1,158.7	1,392.0	1,104.3	1,559.5	1,610.8	925.6	1,019.2	1,669.6	2,287.4
NORTH AFRICA										
Algeria	0.8	2.9	717.5	—	1.1	—	0.7	—	0.2	—
Egypt	4.6	512.8	370.7	144.9	355.2	87.4	198.9	211.2	413.8	504.9
Libya	—	—	—	—	—	—	0.3	0.3	—	1.2
Mauritania	4.5	—	26.5	43.2	13.0	0.7	9.4	17.9	0.8	17.7
Morocco	313.5	267.7	426.6	372.8	631.6	805.2	307.8	265.8	292.8	524.6
Tunisia	67.8	337.9	509.5	362.9	69.1	355.9	146.1	134.4	90.9	133.1
Multinational	—	—	—	4.7	95.6	14.4	—	—	83.9	335.0
North Africa approvals	391.4	1,121.2	2,050.8	928.5	1,165.6	1,263.5	663.2	629.7	882.4	1,516.5

(continued)

APPENDIX 3D (continued)

REGION/COUNTRY	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
SOUTHERN AFRICA										
Angola	662.1	385.7	—	71.4	69.3	511.0	29.4	0.1	7.7	171.3
Botswana	—	—	55.9	—	0.7	57.6	—	97.2	140.1	—
Eswatini	45.8	0.9	43.3	19.6	56.7	—	1.2	144.9	123.8	0.1
Lesotho	—	—	15.7	6.2	0.4	13.4	—	3.0	12.0	—
Madagascar	65.9	34.4	57.9	32.8	109.5	114.5	96.8	1.0	42.5	1.4
Malawi	23.1	35.1	38.4	1.5	42.0	11.5	33.6	10.5	25.2	49.0
Mauritius	76.8	1.2	—	70.7	—	—	152.4	0.1	11.6	380.8
Mozambique	28.7	18.6	60.0	1.4	35.9	322.4	30.0	85.9	103.5	116.9
Namibia	—	263.1	0.4	372.8	155.8	1.5	185.3	69.7	126.1	149.6
São Tomé E Príncipe	—	14.0	2.0	1.5	0.7	—	22.5	7.5	—	18.9
South Africa	264.8	274.5	30.3	123.1	382.5	—	210.5	102.5	98.6	451.5
Zambia	53.5	264.5	170.6	25.4	1.1	15.5	2.6	8.1	11.1	—
Zimbabwe	—	40.4	34.7	14.3	1.7	10.1	16.5	8.7	27.4	34.2
Multinational	—	—	—	171.7	—	180.4	15.8	292.8	224.0	29.7
Southern Africa approvals	1,220.7	1,332.3	509.3	912.2	856.3	1,237.8	796.5	832.1	953.4	1,403.4
WEST AFRICA										
BENIN	26.4	34.6	—	39.1	141.0	117.1	14.3	27.8	156.0	331.8
Burkina Faso	32.2	41.0	58.9	4.6	54.2	81.6	40.4	56.8	96.1	43.6
Cabo Verde	12.7	13.2	3.2	17.4	31.3	16.0	23.9	17.1	34.3	8.0
Côte d'Ivoire	30.6	169.8	305.6	270.3	339.9	524.9	121.2	199.7	136.0	549.3
Gambia	6.3	2.0	6.7	4.8	17.2	28.3	10.0	12.4	29.3	25.0
Ghana	58.6	172.1	112.2	93.0	163.6	83.6	73.0	81.0	61.4	145.3
Guinea	13.1	—	16.5	73.1	8.9	16.2	34.1	0.3	67.7	21.0
Guinea-Bissau	0.6	24.0	0.7	5.5	20.7	9.6	6.9	6.0	12.1	6.0
Liberia	13.7	0.3	31.2	6.3	27.4	23.8	10.2	17.1	13.7	15.9
Mali	64.6	15.0	39.8	80.1	168.0	74.4	36.0	6.1	51.9	—
Niger	—	20.0	63.1	—	51.0	130.7	114.8	1.0	212.1	1.2
Nigeria	1,009.9	4.1	1,310.4	22.0	398.2	330.5	210.3	435.8	291.3	365.1
Senegal	52.7	145.8	99.1	237.8	637.6	234.9	88.6	275.1	393.9	459.7
Sierra Leone	7.0	29.5	11.2	5.2	35.7	25.0	18.2	11.9	10.8	1.0
Togo	8.6	15.1	18.1	10.2	21.0	14.5	21.0	11.5	11.6	19.7
Multinational	—	—	—	373.2	373.1	47.4	57.6	127.7	670.6	277.9
West Africa approvals	1,337.0	686.6	2,076.8	1,242.7	2,488.6	1,758.4	880.4	1,287.3	2,248.6	2,270.6
MULTINATIONAL	1,077.4	1,443.6	1,398.8	—	—	—	—	—	—	—
MULTIREGIONAL	—	—	—	885.2	521.8	487.2	471.9	64.8	59.1	58.9
TOTAL APPROVALS	5,049.9	6,334.7	8,035.3	6,195.9	7,278.8	7,300.1	4,171.1	4,506.3	6,155.8	8,026.8

APPENDIX 4A

Board of Governors of the African Development Bank and voting powers of member countries

(as of 31 December 2023)

	COUNTRY	GOVERNOR	ALTERNATE	TOTAL VOTES	VOTING POWERS (%)
1	Algeria	Laaziz Faid	Ali Bouharaoua	734,010	5.063
2	Angola	Vera Daves de Sousa	Victor Hugo Gullherme	154,566	1.066
3	Benin	Romuald Wadagni	Vacant	30,405	0.210
4	Botswana	Peggy O. Serame	Boniface G. Mphetlhe	113,148	0.780
5	Burkina Faso	Aboubakar Nacanabo	Inoussa Ouiminga	58,918	0.406
6	Burundi	Audace Niyonzima	Ibrahim Uwizeye	32,368	0.223
7	Cabo Verde	Olavo Correia	Adalgisa Barbosa Evora	8,563	0.059
8	Cameroon	Alamine Ousmane Mey	Charles Assamba Ongodo	144,092	0.994
9	Central African Republic	Felix Moloua	Herve Ndoba	5,613	0.039
10	Chad	Moussa Batraki	Tahir Hamid Ngulin	8,962	0.062
11	Comoros	Mze Abdou Mohamed Chanfiou	Fouady Goulame	1,740	0.012
12	Congo	Ingrid O. G. Ebouka-Babackas	Jean-Baptiste Ondaye	52,672	0.363
13	Côte d'Ivoire	Niale Kaba	Adama Coulibaly	541,835	3.737
14	Democratic Republic of Congo	Kazadi Kadima-Nzuji Nicolas	Malangu Kabedi	236,519	1.631
15	Djibouti	Ilyas Moussa Dawaleh	Ahmed Osman Ali	1,838	0.013
16	Egypt	Hassan Abdallah	Rania A. Al-Mashat	898,633	6.198
17	Equatorial Guinea	Fortunato Ofa Mbo Nchama	Pedro Abeso Obiang Eyang	10,213	0.070
18	Eritrea	Giorgis Teklemikael	Martha Woldegiorghis	4,947	0.034
19	Eswatini	Neal Rijkenberg	Tambo Gina	16,927	0.117
20	Ethiopia	Ahmed Shide	Semereta Sewasew	221,237	1.526
21	Gabon	Mays Mouissi	Charles Mba	66,010	0.455
22	Gambia	Seedy K.M Keita	Abdoulie Jallow	19,057	0.131
23	Ghana	Kenneth Ofori-Atta	Ernest Kwamina Yedu Addison	325,119	2.243
24	Guinea	Moussa Cissé	Rosa Pola Pricemou	57,419	0.396
25	Guinea-Bissau	Suleimane Seidi	Mussuba Kante	1,609	0.011
26	Kenya	Njuguna Ndung'u	Chris Kiptoo	187,227	1.291
27	Lesotho	Adelaide Retšelisitsoe Matlanyane	Nthoateng Lebona	13,682	0.094
28	Liberia	Samuel D. Tweah Jr.	Augustus J. Flomo	28,311	0.195
29	Libya	Khalid Al Mabrouk Abdalla	Mustafa Ali Keshada	328,537	2.266
30	Madagascar	Rindra Hasimbelo Rabarinirinarison	Rajaofetra Andry Nirina	92,524	0.638
31	Malawi	Simplex Chithyola-Banda	Macdonald Mafuta Mwale	48,807	0.337
32	Mali	Alousseni Sanou	Vacant	26,069	0.180
33	Mauritania	Abdessalam Ould Mohamed Saleh	Mohamed Salem Nany	8,332	0.057
34	Mauritius	Renganaden Padayachy	Dharam Dev Manraj	94,395	0.651
35	Morocco	Nadia Fettah	Faouzia Zaaboul	676,109	4.664
36	Mozambique	Ernesto Max Elias Tonela	Rogério Lucas Zandamela	82,056	0.566
37	Namibia	lipumbu Shiimi	Titus Ndove	50,182	0.346
38	Niger	Lamine Zeine Ali Mahaman	Boubacar Moumouni Saidou	30,438	0.210
39	Nigeria	Adebayo Olawale Edun	Vacant	1,260,510	8.695
40	Rwanda	Uzziel Ndagijimana	Jeanine Munyeshuli	19,769	0.136
41	São Tomé E Príncipe	Ginésio Valentim Afonso Da Mata	Americo D'oliveira Dos Ramos	9,717	0.067

(continued)

APPENDIX 4A (continued)

	COUNTRY	GOVERNOR	ALTERNATE	TOTAL VOTES	VOTING POWERS (%)
42	Senegal	Doudou Ka	Amadou Moustapha Ba	144,954	1.000
43	Seychelles	Naadir Hassan	Caroline Abel	2,462	0.017
44	Sierra Leone	Sheku Ahmed Fantamadi Bangura	Matthew Dingie	16,518	0.114
45	Somalia	Bihi Iman Egeh	Abdi Mohamed Abdullahi	4,688	0.032
46	South Africa	Enoch Godongwana	Duncan Pieterse	730,443	5.038
47	South Sudan	Baak Barnaba Chol	Johhny Ohisa Damian	46,775	0.323
48	Sudan	Gibril Ibrahim Mohamed	Mohamed Bashar Mohamed	14,659	0.101
49	Tanzania	Mwigulu Lameck Nchemba	Natu El-Maamry Mwamba	124,719	0.860
50	Togo	Sani Yaya	Demba Tignokpa	24,429	0.169
51	Tunisia	Sihem Boughdiri	Tarek Bouhlel	209,752	1.447
52	Uganda	Matia Kasajja	Ramathan Ggoobi	57,065	0.394
53	Zambia	Situmbeko Musokotwane	Felix Nkulukusa	170,452	1.176
54	Zimbabwe	Mthuli Ncube	George Tongesayi Guvamatanga	249,383	1.720
TOTAL REGIONAL				8,499,383	58.626
1	Argentina	Sergio T. Massa	Leandro Gorgal	12,495	0.086
2	Austria	Magnus Brunner	Edith Frauwallner	64,608	0.446
3	Belgium	Caroline Gennez	Vincent Van Peteghem	94,173	0.650
4	Brazil	Simone Nassar Tebet	Fernando Haddad	22,416	0.155
5	Canada	Harjit S. Sajjan	Vacant	561,061	3.870
6	China	Vacant	Vacant	185,547	1.280
7	Denmark	Dan Jørgensen	Lotte Machon	168,596	1.163
8	Finland	Pasi Hellman	Titta Maja	70,377	0.485
9	France	Emmanuel Moulin	William Roos	536,534	3.701
10	Germany	Bärbel Kofler	Rüdiger von Kleist	598,086	4.125
11	India	Nirmala Sitharaman	Ajay Seth	41,828	0.289
12	Ireland	Michael Mcgrath	John Hogan	116,299	0.802
13	Italy	Giancarlo Giorgetti	Francesca Utili	348,393	2.403
14	Japan	Shunichi Suzuki	Kazuo Ueda	789,802	5.448
15	Korea	Sang Mok Choi	Chang Yong Rhee	69,303	0.478
16	Kuwait	Fahad A. Al-Jarallah	Waleed Sh. A. Al Bahar	64,339	0.444
17	Luxembourg	Gilles Roth	Miguel Marques	30,209	0.208
18	Netherlands	Liesje Schreinemacher	Kitty Van Der Heijden	127,154	0.877
19	Norway	Bjørn Sandkjær	Bjørn Brede Hansen	169,512	1.169
20	Portugal	Fernando Medina	Francisco André	34,951	0.241
21	Saudi Arabia	Ryadh M. Alkhareif	Sultan Al-Marshad	26,454	0.182
22	Spain	Nadia Calvino	Gonzalo Garcia Andres	154,438	1.065
23	Sweden	Diana Janse	Sigrun Rawet	225,837	1.558
24	Switzerland	Dominique Paravicini	Nicolas Randin	210,271	1.450
25	Türkiye	Osman Çelik	Kerem Dönmez	57,225	0.395
26	United Kingdom	Andrew Mitchell	Nick Dyer	272,214	1.878
27	United States of America	Janet Yellen	Jose Fernandez	946,141	6.526
TOTAL NON-REGIONAL				5,998,263	41.374
GRAND TOTAL				14,497,646	100.000

APPENDIX 4B

Board of Governors of the African Development Fund: Voting powers of state participants and the African Development Bank

(as of 31 December 2023)

COUNTRY	GOVERNOR	ALTERNATE	TOTAL VOTES	VOTING POWERS %
African Development Bank			1,000.000	50.000
Angola	Vera Daves de Sousa	Victor Hugo Gullherme	0.511	0.026
Argentina	Sergio T. Massa	Leandro Gorgal	0.051	0.003
Austria	Magnus Brunner	Edith Frauwallner	20.532	1.027
Belgium	Caroline Gennez	Vincent Van Peteghem	19.676	0.984
Brazil	Simone Nassar Tebet	Fernando Haddad	4.190	0.210
Canada	Harjit S. Sajjan	Vacant	65.847	3.292
China	Vacant	Vacant	23.193	1.160
Denmark	Dan Jørgensen	Lotte Machon	22.966	1.148
Finland	Pasi Hellman	Titta Maja	19.661	0.983
France	Emmanuel Moulin	William Roos	105.566	5.278
Germany	Bärbel Kofler	Rüdiger von Kleist	108.593	5.430
India	Nirmala Sitharaman	Ajay Seth	3.607	0.180
Ireland	Michael Mcgrath	John Hogan	2.229	0.111
Italy	Giancarlo Giorgetti	Francesca Utili	56.332	2.817
Japan	Shunichi Suzuki	Kazuo Ueda	101.924	5.096
Korea	Sang Mok Choi	Chang Yong Rhee	12.300	0.615
Kuwait	Fahad A. Al-Jarallah	Waleed Sh. A. Al Bahar	5.848	0.292
Luxembourg	Gilles Roth	Miguel Marques	1.150	0.058
Netherlands	Liesje Schreinemacher	Kitty Van Der Heijden	39.400	1.970
Norway	Björg Sandkjær	Bjørn Brede Hansen	46.526	2.326
Portugal	Fernando Medina	Francisco André	5.967	0.298
Saudi Arabia	Ryadh M. Alkhareif	Sultan Al-Marshad	9.171	0.459
Spain	Nadia Calvino	Gonzalo Garcia Andres	21.093	1.055
Sweden	Diana Janse	Sigrun Rawet	49.635	2.482
Switzerland	Dominique Paravicini	Nicolas Randin	38.983	1.949
Türkiye	Osman Çelik	Kerem Dönmez	1.176	0.059
United Arab Emirates	Vacant	Vacant	0.230	0.012
United Kingdom	Andrew Mitchell	Nick Dyer	110.501	5.525
United States of America	Janet Yellen	Jose Fernandez	103.141	5.157
TOTAL			2,000.000	100.000

APPENDIX 5**Directors of the African Development Bank and the African Development Fund***(as of 31 December 2023)***BOARD OF DIRECTORS OF THE AFRICAN DEVELOPMENT BANK****Chairperson: Akinwumi Ayodeji ADESINA**

EXECUTIVE DIRECTORS		ALTERNATE EXECUTIVE DIRECTORS	
NAME	COUNTRY	NAME	COUNTRY
Brahim BOUZEBOUDJEN	Algeria	Alfredo Paulo MENDES	Guinea-Bissau
Gerard Pascal BUSSIER	Mauritius	Shebo NALISHEBO	Zambia
Rufus N. DARKORTEY	Liberia	Elsiddig Mohamed Elobaid RAHMA	Sudan
Malika DHIF	Morocco	Yandja YENTCHABRE	Togo
Abdulkhikim Mohamed ELMISURATI	Libya	Mohamed M. HAMMA KHATTAR	Mauritania
Domenico Giuseppe FANIZZA	Italy	Robert Jan SIEBEN	Netherlands (The)
Desiré GUEDON	Gabon	Mouigni Daho SAANDI	Comoros
Martin KIPPING	Germany	<i>Vacant</i>	
Mette KNUDSEN	Denmark	<i>Vacant</i>	
Adama KONÉ	Côte d'Ivoire	Pascual NVO MANGUE	Equatorial Guinea
Stéphane MOUSSET	France	Tim CAP	Belgium
João Luis NGIMBI	Angola	Eugenio Maria PAULO	Mozambique
Nomfundo Xenia NGWENYA	South Africa	Ephraem Vusie DLAMINI	Eswatini
Takaaki NOMOTO	Japan	Shaima Tariq H. RAQABAN	Saudi Arabia
Chantal Modeste NONAULT	Congo	Dorothy TATAW AWUJONG Epse BEKOLO	Cameroon
Jonathan NZAYIKORERA	Rwanda	Maris WANYERA	Uganda
Samson Oyebode OYETUNDE	Nigeria	Maria Das Neves CEITA BATISTA DE SOUSA	São Tomé E Príncipe
Edmond Dejon WEGA	Canada	Ayad ALGHARABALLI	Kuwait
<i>Vacant</i>	United States of America	Alex SEVERENS	United States of America
Ahmed Mahmoud ZAYED	Egypt	Ali MOHAMED ALI	Djibouti

APPENDIX 5 (continued)

BOARD OF DIRECTORS OF THE AFRICAN DEVELOPMENT FUND

Chairperson: Akinwumi Ayodeji ADESINA

EXECUTIVE DIRECTORS		ALTERNATE EXECUTIVE DIRECTORS	
NAME	COUNTRY	NAME	COUNTRY
Brahim BOUZEBOUDJEN*	Algeria	Alfredo Paulo MENDES	Guinea-Bissau
Rufus N. DARKORTEY*	Liberia	Elsiddig Mohamed Elobaid RAHMA	Sudan
Abdulahkim Mohamed ELMISURATI*	Libya	Mohamed M. HAMMA KHATTAR	Mauritania
Domenico Giuseppe FANIZZA	Italy	Robert Jan SIEBEN	Netherlands (The)
Desiré GUEDON*	Gabon	Mouigni Daho SAANDI	Comoros
Martin KIPPING	Germany	Vacant	
Mette KNUDSEN	Denmark	Vacant	
Stéphane MOUSSET	France	Tim CAP	Belgium
Takaaki NOMOTO	Japan	Shaima Tariq H. RAQABAN	Saudi Arabia
Jonathan NZAYIKORERA*	Rwanda	Maris WANYERA	Uganda
Samson Oyebode OYETUNDE*	Nigeria	Maria Das Neves CEITA BATISTA DE SOUSA	São Tomé E Príncipe
Edmond Dejon WEGA	Canada	Ayad ALGHARABALLI	Kuwait
Vacant	United States of America	Alex SEVERENS	United States of America
Ahmed Mahmoud ZAYED*	Egypt	Ali MOHAMED ALI	Djibouti

* Representing the African Development Bank.

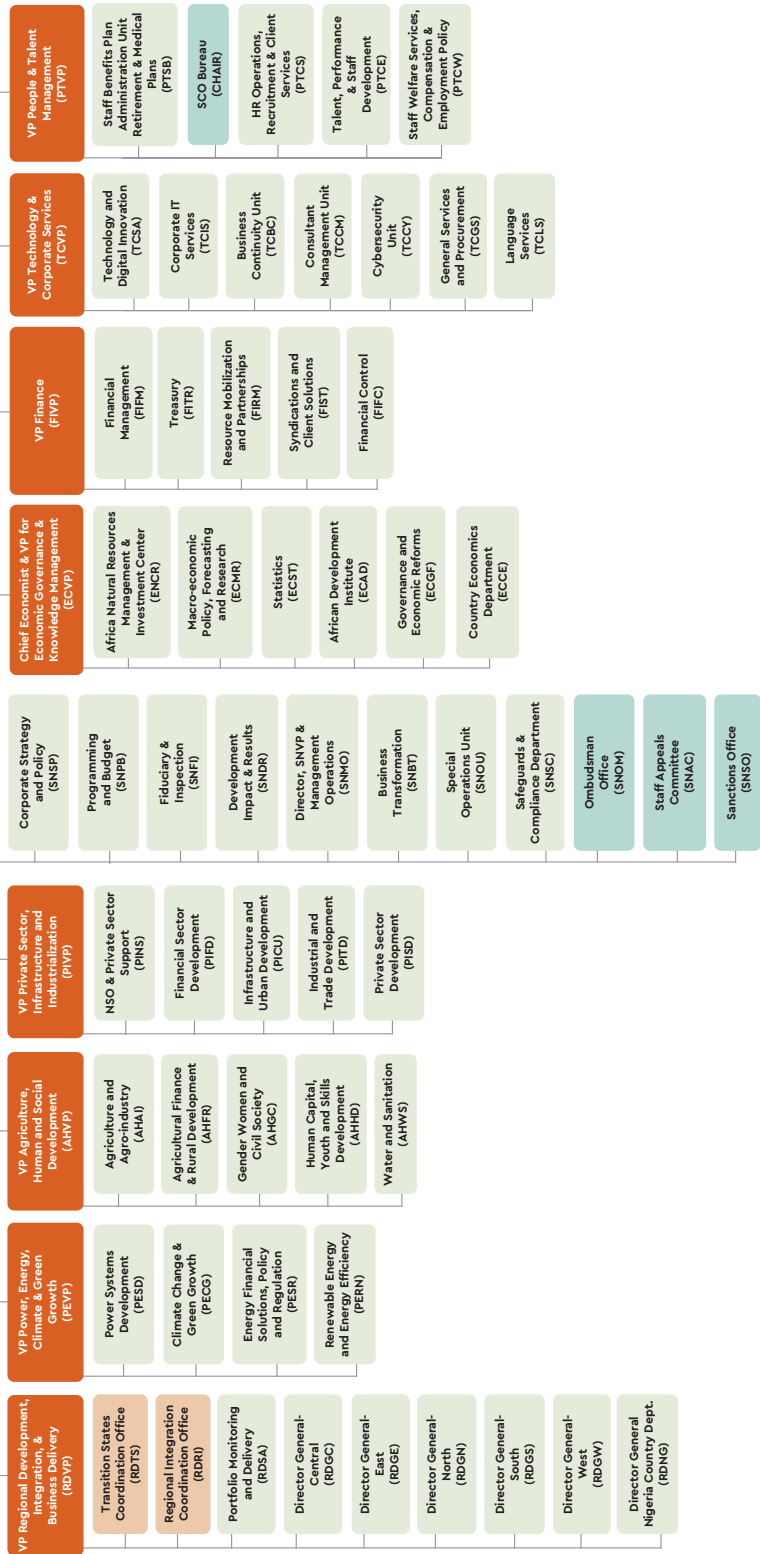
APPENDIX 6**Principal Officers of the Bank Group**

(as of 31 December 2023)

POSITION	SURNAME	OTHER NAME
Presidency, Units Reporting to the President and the Boards		
President	ADESINA	Akinwumi Ayodeji
Director General, Cabinet Office of the President	MUBIRU	Alex
Secretary General, PSEG	NMEHIELLE	Vincent Obisienunwo Orlu
Group Chief Risk Officer, PGRF	ORIMOLOYE	Ifedayo
General Counsel and Director, PGCL	AMADOU	Souley
Auditor General, PAGL	GODDARD	Maurice James
Director, Integrity and Anti-Corruption	DA COSTA	Paula Santos
Director, Compliance Review and Mediation	SIMPSON	David James
Evaluator General	ROT-MUNSTERMANN	Karen
Senior Presidency		
Senior Vice President	TSHABALALA	Bajabulile Swazi
Chief Economist and Vice President, Economic Governance and Knowledge Management		
Chief Economist and Vice President, Economic Governance and Knowledge Management	URAMA	Kevin Chika
People and Talent Management Complex		
Vice President	EDJANGUE	Jacques
Technology and Corporate Services Complex		
Vice President	MIZRAHI	Simon
Finance		
Chief Financial Officer and Vice President	DIOP N'SELE	Hassatou
Regional Development, Integration, and Business Delivery		
Vice President	AKIN-OLUGBADE Née NDONGO-SEH	Marie-Laure
Director General, Central Africa	N'GUESSAN	Serge
Director General, East Africa	NWABUFO	Nnenna
Director General, North Africa	EL AZIZI	Mohamed
Director General, Southern Africa	MOKKADEM	Leila
Director General, West Africa (OIC)	RIBEIRO	Joseph
Director General, Nigeria Country	BARROW	Lamin Gorgui
Power, Energy, Climate, and Green Growth		
Vice President	KARIUKI	Kevin Kanina
Agriculture, Human and Social Development		
Vice President	DUNFORD	Beth
Private Sector, Infrastructure, and Industrialization		
Vice President	QUAYNOR	Solomon

APPENDIX 7

African Development Bank Group organizational structure



APPENDIX 8 Classification of Regional Member Countries



APPENDIX 9

Oversight activities of the Boards' committees in 2023

Board effectiveness and welfare: The Committee on Administrative Matters Concerning the Board (AMBD)

In 2023, AMBD provided strategic guidance on finalizing proposals for a return to the Boardroom following the end of the COVID-19 pandemic, to adapt to new norms and take advantage of the Bank's recent investments in information technology tools. Upon AMBD's recommendation, the Boards approved that all formal Board meetings be held in person, committee meetings in a hybrid format, and informal meetings, technical sessions, and seminars in virtual mode.

AMBD also oversaw the organization of the 2023 Boards retreat, whose key recommendations were expected to feed into the development of the new Bank Group Ten-Year Strategy (2024–2033) and improve the effectiveness of the Boards of Directors.

Further, AMBD considered reports from various Executive Director consultation missions and Senior Adviser and Adviser study tours, whose outcomes were expected to be considered in joint sessions of AMBD and the Committee on Operations and Development Effectiveness (CODE), to provide strategic input into Country Strategy Papers. The AMBD also oversaw the preparation of a progress report to the Boards of Governors on the work of the Governance Workstreams established to implement Resolution B/BG/2022/08–F/BG/2022/05 Concerning the Reforms of Certain Governance Instruments of the AfDB. Finally, the committee provided guidance to Management on several initiatives designed to facilitate the work of the Boards, including the creation of Bank email addresses for Governors and the Board Capacity Development programme.

Accountability and risk management: The Audit and Finance Committee (AUF)

In 2023, AUF reviewed several internal audit reports and the draft 2024 Annual Internal Audit Plan and continued to provide oversight and monitoring of the implementation of audit recommendations, the 2023 Audit Plan, and the work progress of the external auditor, the integrity and anti-corruption annual activity report, the 2023 administrative budget, the 2023 lending programme, the Special Operations Unit Portfolio, and Group risk management reports on capital adequacy and exposure and market risks. AUF also reviewed the Action Plan to Implement Recommendations from the G-20 Report on Capital Adequacy of MDBs.

AUF endorsed several documents, notably the Proposals to Increase the Callable Capital for the African Development Bank; Proposal for the Closure of the Africa Integrity Fund and Recruitment of a Third-Party Agency/Grant Administrator; Allocation of ADB Net Income for the Year Ended 31 December 2022; the Bank's Medium-Term Financial Outlook for the Period Ended 31 December 2022 and the recommendations to raise the Program-Based Operation (PBO) limit for 2023 from 15 percent

to 20 percent; the Bank's Exposure Exchange Agreement with the Asian Development Bank; and a proposal to amend the Bank's general authority on Asset Liability Management (ALM) to include the existing approval for the execution of gold swap transactions by the Bank and to delegate the management of gold swaps and associated risk limits to the authority of the President.

In addition, AUF provided critical input into Management's initial proposals for the future governance of the Africa Investment Forum: Creation of a Sustainable Corporate Vehicle Suitable to Operate and Deliver an Independent Deal-Making Platform." Further, AUF (jointly with CAHR) provided guidance on carrying out Management's action plan to implement the recommendations contained in reports on the Forensic Audit of the Bank's Real Estate Cost and Revenue Accounting and internal audits of SAP S4 Hana Security and Cyber Security Management.

AUF also endorsed the financial statements of Bank Group entities for the period ending 31 December 2022, as well as the 2024 work programmes and budgets of the accountability and compliance functions of the Bank Group, including the Office of the Auditor General (PAGL), the Portfolio Risk Management Function (PGRF), the Office of Integrity and Anti-Corruption (PIAC) activities, and the Secretariat to the Sanctions Appeals Board (BSAB) and recommended their transmission to the Boards for consideration and approval. AUF also considered and endorsed the 2023 Mid-Term Activity Report of PIAC.

AUF-CODE joint activities are covered under CODE below.

Staff welfare and corporate efficiency: The Committee on Administrative and Human Resource Policy Issues (CAHR)

In 2023, CAHR provided strategic guidance on the internal administration of justice to enhance the rule of law and accountability and the implementation of a roadmap and action plan for human resource-related initiatives for 2023 and beyond. These initiatives included the Performance-Based Remuneration for the 2022 Cycle, the Strategic Staffing Framework and Action Plan, the Bank Group Real Estate Management Framework, the Digital Action Plan (2022–2023), and options for the Bank's future Headquarters in Abidjan. Also, CAHR (jointly with AUF) discussed and provided guidance on carrying out Management's action plan to implement the recommendations in the reports on the Forensic Audit of the Bank's Real Estate Cost and Revenue Accounting and internal audits of SAP S4 Hana Security and Cyber Security Management.

A focus on results and impact: The Committee on Operations and Development Effectiveness (CODE)

In 2023, CODE reviewed and endorsed reports of the evaluations of several Bank Group country strategies and programmes,

APPENDIX 9 (continued)

Mid-term evaluation of the Jobs for Youth in Africa Strategy (2016–2025), Evaluation of the Bank Group's Support for Renewable Energy (2012–2021), Project Cluster Evaluation of the TAAT Programme–Phase I, and Independent Recourse Mechanism (IRM) compliance reviews.

CODE also reviewed and provided significant guidance on the Draft Bank Group Ten-Year Strategy (2024–2033), the Annual Development Effectiveness Review 2023, and a variety of operational documents, including Country Strategy Papers, a Regional Integration Strategy Paper, country briefs, and dialogue notes. CODE endorsed the Revised Operational Guidelines of the Transition Support Facility (TSF) and 11 CSPs and 1 RISP, which it recommended to the Boards for approval on a lapse-of-time basis. It approved 18 CSP Completion Reports, 4 CSP Updates and Extensions, and 6 CSP Mid-Term Reviews.

In addition, CODE endorsed the 2024 budget allocation for the Environmental and Social Safeguards and Compliance Department (SNSC), updated the 2022–2024 work programme and budget of the Independent Development Evaluation Office (IDEV), and the 2024 work programme and budget of the Independent Recourse Mechanism (IRM), and recommended their transmission to the Boards of Directors for consideration and approval.

Further, CODE (jointly with AUF) endorsed the terms of reference for the Recruitment of Independent External Experts/Firm to Conduct a Comprehensive and Holistic Review of the Independence of Key Oversight, Compliance, and Accountability Functions of the AfDB and recommended their approval by the Boards on a lapse-of-time basis. It also endorsed the Progress Report on the Implementation of the Boards of Governors' Resolution B/BG/2022/08–F/BG/2022/05 and recommended that the Boards of Directors endorse and recommend the report to the Boards of Governors.

Client orientation and stakeholder management: External Communications and Preparation of the Bank Group Annual Meetings (ECAM)

In 2023, ECAM provided guidance for preparing the Bank Group's 2022 Annual Report, which it recommended for endorsement by the Boards of Directors. ECAM also oversaw the convening of the Annual Meetings of the AfDB and an evaluation of the report to draw lessons for improving future meetings. ECAM provided guidance for the preparation of the Concept Note for the 2023 Governors' Dialogue, the 2023 *African Economic Outlook*, and *Africa's Macroeconomic Performance and Outlook 2023*. In addition, it endorsed the final draft of the Communications and External Relations Strategy and recommended it to the Boards of Directors for approval. ECAM also reviewed and provided guidance to Management

on the Concept Note and Outline for the Bank Group's 2023 Annual Report, Concept Note for the 2024 African Economic Outlook, and preparations of the 2024 Annual Meetings of the Bank Group.

Fostering an ethical culture: The Committee for the Enforcement of the Code of Conduct for Executive Directors (ECBD)

In 2023, ECBD enforced the Code of Conduct for Board Officials, which includes Executive Directors, the President of the Bank Group, and the Senior Advisers and Advisers of Executive Directors. In 2023, ECBD did not consider any cases pertaining to the violation of Code of Conduct for Board Officials. Nevertheless, in accordance with Article 9 of its Revised Terms of Reference, ECBD oversaw the selection of a panel of external ethics advisers to assist it in the discharge of its mandate.

Cost Effectiveness and Efficiency: The Committee of the Whole on the Budget (CWHOLE)

In 2023, CWHOLE discussed the 2022 retrospective review report and the 2023 mid-year report on implementing the budget and the work programme. The CWHOLE also reviewed and shaped the strategic orientations for the three-year work programme and budget framework paper (2024–2026) for consideration by the Boards of Directors.

Ad Hoc Committee on the ADF Governance Framework towards Increasing Regional Member Countries' Voice and Contribution (the "Ad Hoc Committee")

The Ad Hoc Committee was established in July 2022 by the ADF Board of Directors to examine and assess several proposals to reform the ADF with a view to increasing the voice and contributions of Regional Member Countries (RMCs). In April 2023, the Ad Hoc Committee considered and cleared a progress report on its activities for endorsement and transmittal by the Board of Directors to the Board of Governors. The Ad Hoc Committee also approved a Roadmap/Methodology for Engagement with RMCs, including a survey questionnaire, and oversaw the collation of RMCs' views on how their representation in the ADF's governance affects its development effectiveness. In addition, the Ad Hoc Committee made recommendations for further engagements with RMCs, including developing a technical package comprising responses to questions received from RMCs and clarification of the practical issues that impede the efficiency and effectiveness of ADF governance. The Ad Hoc Committee requested that Management organize a meeting to engage with RMC Governors on the margins of the 2024 Annual Meetings and an in-person workshop with RMC focal persons, working closely with the offices of RMC Executive Directors.

APPENDIX 10

AIF deal closure for 2023

PROJECTS CLOSED IN 2023					
	BOARDROOM YEAR	DEAL NAME	VALUE (USD MILLION)	COUNTRY	SOURCE ^a
1	2021	Chingola Mutanda Toll Road	250	Zambia	AIF
2	2022	Dakar Integrated Special Economic Zone	265	Senegal	AIF
3	2022	Abidjan Lagos Highway Corridor	Policy Support	Regional	AfDB
4	2022	Steelmakers Integrated Steel Plant	105	Zimbabwe	AfDB
Total			620		

a AIF sourced deals are deals that were brought directly to the AIF platform from the market. AfDB sourced deals highlights the deals that were introduced to the AIF by AfDB through its sectors, complexes or regions.

ANNEXES

The Carnegie Mellon University Africa—based in Kigali, Rwanda—provides degree programs that are graduating Africa's next generation of engineers.

ANNEX 1**Boards of Directors and senior management remuneration**

(In UA)

	NUMBER IN GROUP	MINIMUM	MEDIAN	MAXIMUM
President and Vice Presidents	10			
President ^a	1	366,882.36	366,882.36	366,882.36
Senior Vice President	1	211,214.00	250,289.00	289,364.00
Vice President	8	189,513.00	224,573.00	259,633.00
Board of Directors^a	59			
Executive Director	19	183,507.18	183,507.18	183,507.18
Senior Advisor	20	137,630.39	137,630.39	137,630.39
Advisor	20	110,104.31	110,104.31	110,104.31
Management	192			
Senior Director	15	167,586.00	198,590.00	229,593.00
Directors	29	151,622.00	179,672.00	207,722.00
Division Managers, Country Managers and Unit Heads ^b	148	119,173.00	141,220.00	163,267.00

a There is no minimum, median and maximum salary for the President and Board of Directors.

b Division Managers, Country Managers and Unit Heads fall under PL2 and PL1 salary scale. The above salary range is the average of the two grades.

ANNEX 2**List of staff retired in 2023**

The Bank Group pays tribute to its retirees.

LAST NAME	FIRST NAME	GENDER
AMMAR	Tarek Saleh Mostafa	Male
BA-OKOTIE	Aïssatou	Female
DJOCGOUE NJIETCHEU	Cyprien	Male
EBOULE	Kroha Denis Desire	Male
ELIASY	Paul Emmanuel Innocent	Male
ELLINGTON	Mark Reid	Male
HAMZA	Amel Abdel Rahman	Female
HOLLIST	Omobola Idowu	Female
KEITA	Awa	Female
KGOSIDINTSI	Nana Beth Gokwadilwe	Female
MAKASA	Davies Bwalya	Male
MENNELLA	Luigi	Male
NALUBEGA	Maimuna	Female
OUATTARA	Oumar	Male
RABE	Harrison Lucien Rene	Male
RAKOTONIRINA ANDRIAKAJAMANANA	Jean Bernard	Male
SY	El Hadji Omar Saip	Male

ANNEX 3

Staffing and employment data by country (Management, Professional, and General Services Staff)

(as of 31 December 2023)

AT POST AS AT 31 DECEMBER 2023															
REGIONAL MEMBER COUNTRIES	PROFESSIONAL										GS STAFF		GRAND TOTAL		
	HEADQUARTERS					REGION					TOTAL	% OF TOTAL PL		HQ REG GS	FO LOCAL GS
	VICE PRESIDENT	DIRECTORS AND MANAGERS	OTHER PL	LOCAL PL	TOTAL	DIRECTORS AND MANAGERS	OTHER PL	LOCAL PL	TOTAL	TOTAL				TOTAL	GS
Algeria			1	1	2		3	2	5	7	0.5	1	1	9	
Angola			2		2		2	2	4	6	0.4		4	10	
Benin		4	22		26		17	1	18	44	2.9	11	2	57	
Botswana		1	5		6		3		3	9	0.6	1		10	
Burkina Faso		4	35		39	1	15	4	20	59	3.9	14	5	78	
Burundi		1	4		5	1	3	4	8	13	0.8	2	3	18	
Cameroon	2	3	35		40		19	6	25	65	4.2	11	8	84	
Cabo Verde			2		2	1		1	2	4	0.3	1		5	
Central African Republic			1		1	1	1	3	5	6	0.4		4	10	
Chad		1	3		4		3	4	7	11	0.7	2	5	18	
Comoros			3		3					3	0.2			3	
Congo			4		4		1	1	2	6	0.4	2		8	
Cote d'Ivoire		5	94		99	4	11		15	114	7.4	185	2	301	
Democratic Republic of Congo			6		6	1	2	6	9	15	1.0	3	7	25	
Djibouti		1	2		3		2		2	5	0.3			5	
Egypt		1	3		4		4	5	9	13	0.8		6	19	
Equatorial Guinea			1		1	1			1	2	0.1			2	
Eritrea		1			1					1	0.1			1	
Eswatini			3		3					3	0.2			3	
Ethiopia		2	9		11	3	11	8	22	33	2.2	2	6	41	
Gabon			6		6		2	5	7	13	0.8	1	5	19	
Gambia		4	4		8	1	5		6	14	0.9	1		15	
Ghana		3	42		45	1	8	6	15	60	3.9	20	4	84	
Guinea		1	5		6		1	1	2	8	0.5	2	2	12	
Guinea-Bissau		1	2		3		1		1	4	0.3		2	6	
Kenya	1	5	36		42	3	38	14	55	97	6.3	8	9	114	
Lesotho			2		2	1	1		2	4	0.3			4	
Liberia			2		2	1	2	3	6	8	0.5	2	3	13	
Madagascar			5		5	1	2	3	6	11	0.7	1	4	16	
Malawi		2	11		13	1	9	7	17	30	2.0		3	33	
Mali		3	10		13	1	11	5	17	30	2.0	1	6	37	
Mauritania			2		2	1	3		4	6	0.4			6	
Mauritius		2	1		3		2		2	5	0.3			5	

(continued)

ANNEX 3 (continued)

AT POST AS AT 31 DECEMBER 2023															
REGIONAL MEMBER COUNTRIES	PROFESSIONAL										GS STAFF		GRAND TOTAL		
	HEADQUARTERS					REGION					TOTAL	% OF TOTAL PL		HQ_REG GS	FO LOCAL GS
	VICE PRESIDENT	DIRECTORS AND MANAGERS	OTHER PL	LOCAL PL	TOTAL	DIRECTORS AND MANAGERS	OTHER PL	LOCAL PL	TOTAL						
Morocco		1	4		5	1	5	7	13	18	1.2	2	7	27	
Mozambique			2		2		8	4	12	14	0.9		6	20	
Namibia		1	2		3					3	0.2			3	
Niger		3	10		13	1	4	1	6	19	1.2	2	2	23	
Nigeria		10	54		64	3	13	10	26	90	5.9	16	9	115	
Rwanda		2	11		13	1	17	3	21	34	2.2	4	7	45	
São Tomé E Príncipe			1		1					1	0.1		1	2	
Senegal	1	7	32		40	5	19	7	31	71	4.6	4	8	83	
Seychelles			1		1					1	0.1			1	
Sierra Leone		1	7		8	2	5	6	13	21	1.4		5	26	
Somalia			4		4					4	0.3			4	
South Africa	1	1	6		8		6	5	11	19	1.2		5	24	
South Sudan			1		1			2	2	3	0.2		3	6	
Sudan							5	3	8	8	0.5		3	11	
Tanzania			8		8	2	9	7	18	26	1.7	2	5	33	
Togo		2	7		9		5	2	7	16	1.0	3	4	23	
Tunisia		2	35	2	39	3	22	4	29	68	4.4	46	18	132	
Uganda		5	24		29	1	30	6	37	66	4.3	2	5	73	
Zambia		5	9		14	2	11	5	18	32	2.1		5	37	
Zimbabwe			13		13	3	14	3	20	33	2.2		6	39	
Total Regional Member Countries	5	85	594	3	687	48	355	166	569	1,256	82.0	352	190	1,798	

AT POST AS AT 31 DECEMBER 2023															
NON-REGIONAL MEMBER COUNTRIES	PROFESSIONAL										GS STAFF		GRAND TOTAL		
	HEADQUARTERS					REGION					TOTAL	% OF TOTAL PL		HQ_REG GS	FO LOCAL GS
	VICE PRESIDENT	DIRECTORS AND MANAGERS	OTHER PL	LOCAL PL	TOTAL	DIRECTORS AND MANAGERS	OTHER PL	LOCAL PL	TOTAL						
Argentina			1		1					1	0.1			1	
Austria			1		1		1		1	2	0.1			2	
Belgium		2	2		4	2	1		3	7	0.5			7	
Brazil							2		2	2	0.1			2	
Canada		7	20		27	2	9	1	12	39	2.5	1		40	
China			3		3					3	0.2			3	
Denmark		1	2		3		2		2	5	0.3			5	
France		8	59		67	2	16	2	20	87	5.7	3	1	91	
Germany		1	5		6		3		3	9	0.6			9	
India		3	4		7	1	4		5	12	0.8			12	
Italy		1	1		2	1	1		2	4	0.3			4	
Japan		2	5		7		2	1	3	10	0.7		1	11	

AT POST AS AT 31 DECEMBER 2023															
NON-REGIONAL MEMBER COUNTRIES	PROFESSIONAL										GS STAFF		GRAND TOTAL		
	HEADQUARTERS					REGION					TOTAL	% OF TOTAL PL		HQ REG GS	FO LOCAL GS
	VICE PRESIDENT	DIRECTORS AND MANAGERS	OTHER PL	LOCAL PL	TOTAL	DIRECTORS AND MANAGERS	OTHER PL	LOCAL PL	TOTAL	TOTAL				HQ REG GS	FO LOCAL GS
Luxembourg			1		1					1	0.1			1	
Netherlands		1	3		4					4	0.3			4	
Norway			1		1					1	0.1			1	
Portugal		2			2		2		2	4	0.3	1		5	
Saudi Arabia		1			1					1	0.1			1	
South Korea			1		1		2		2	3	0.2			3	
Spain			2		2		2		2	4	0.3			4	
Sweden			1		1	1			1	2	0.1			2	
Switzerland			2		2		2		2	4	0.3			4	
United Kingdom	2	8	12		22		5		5	27	1.8	1	2	30	
United States of America	2	11	19		32	2	10		12	44	2.9			44	
Total Non-Regional Member Countries	4	48	145		197	11	64	4	79	276	18.0	6	4	286	

Grand Total	9	133	739	3	884	59	419	170	648	1,532	100.0	358	194	2,084
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Number of female staff per category	4	35	273	1	313	15	118	44	177	490		225	102	817
Percentage of female staff per category	44.4	26.3	36.9	33.3	35.4	25.4	28.2	25.9	27.3	32.0		62.8	52.6	39.2

ANNEX 4

Thematic trust funds as of 31 December 2023

THEMATIC TRUST FUNDS	DONORS	FUNDS RECEIVED (JA MILLIONS)	AVAILABLE RESOURCES AS OF 31 DECEMBER 2023 (JA MILLIONS)	SECTORS	ACTIVITIES
Africa Circular Economy Facility (ACEF)	Finland, Nordic Development Fund	2.46	1.26	<ul style="list-style-type: none"> Climate Change Circular Economy 	<ul style="list-style-type: none"> The creation of conducive regulatory environments for the economy-wide adoption of circularity; Capacity enhancement for private and public sectors in the field of the circular economy; The creation of a pool of circular economy trailblazers that demonstrate new circular business models, encourage innovative partnerships and knowledge-sharing.
Africa Climate Change Fund (ACCF)	Austria, Flanders, Germany (through GIZ), Government of Flanders (Belgium) Government of Quebec, Global Affairs Canada; Global Center on Adaptation, Ireland, Italy	26.35	10.76	<ul style="list-style-type: none"> Climate finance readiness Climate change Green growth mainstreaming 	<ul style="list-style-type: none"> Capacity building Technical assistance Co-financing climate-resilient and low-carbon projects and programmes Knowledge management and information sharing Analytical work related to green growth and advocacy Recruitment of national and international consultants Training, consultations, workshops, and regional and international meetings Communication, advocacy, translation services
Africa Digital Financial Inclusion Facility (ADFI)	Agence Française de Développement, Alliance for a Green Revolution in Africa, Bill & Melinda Gates Foundation, French Ministry of Economy and Finance (MEF), Luxembourg	25.54	15.02	<ul style="list-style-type: none"> Finance Information and communications technology 	<ul style="list-style-type: none"> Consultancy services Training, capacity building, and institutional support Technical assistance for preparing policy and sector studies and reports High-level events
Africa Disaster Risk Financing (ADRFi)	United Kingdom, Switzerland, United States of America	41.13	25.68	<ul style="list-style-type: none"> Agriculture Climate change 	<ul style="list-style-type: none"> African Risk Capacity (ARC) premium risk support Capacity building for design and implementation of climate and disaster risk financing strategies
Africa Fertilizer Mechanism (AfFM)	Nigeria, Tanzania	21.56	2.72	<ul style="list-style-type: none"> Agriculture 	<ul style="list-style-type: none"> Supporting the provision of credit guarantees and other financial solutions along the fertilizer supply chain, and, as appropriate, at growth leverage points in the agricultural output value chains Supporting policy advocacy and targeted technical assistance to governments committed to addressing key obstacles in the fertilizer value chain growth and efficiency Improving the economies of scale of fertilizer production, procurement, and distribution—for example, by creating “platforms” to help the private sector be more cost-effective in delivering key agricultural inputs to even the smallest, most remote farm gates Boosting fertilizer demand at the wholesale and retail levels by disseminating information about the impact of fertilizer on return on investment Helping the African public and private sectors conduct feasibility assessments and secure financing for promising fertilizer production ventures
Africa Trade Fund (AFTRA)	Canada	8.43	1.86	<ul style="list-style-type: none"> Trade Economic growth Regional integration Infrastructure (water and energy) 	<ul style="list-style-type: none"> Technical assistance Training Capacity building Preparation of policy and sector studies

THEMATIC TRUST FUNDS	DONORS	FUNDS RECEIVED (UA MILLIONS)	AVAILABLE RESOURCES AS OF 31 DECEMBER 2023 (UA MILLIONS)	SECTORS	ACTIVITIES
African Water Facility Fund (AWF)	African Development Bank, Algeria, Australia, Austria, Bill & Melinda Gates Foundation, Burkina Faso, Canada, Chad, Denmark, DFID UK, Egypt, European Union, France, Nigeria, Nordic Development Fund, Norway, Senegal, Spain, Sweden	177.14	16.74	<ul style="list-style-type: none"> Water sector 	<ul style="list-style-type: none"> Technical assistance Studies Operational support
Agri Food-SMEs Catalytic Financing Mechanism (ACFM)	Canada, USA	62.79	47.75	<ul style="list-style-type: none"> Agriculture SME 	The ACFM is structured as a Blended Finance facility and will work towards de-risking private sector investment into targeted commercial intermediaries to scale access to finance for Agri-SMEs aligned with ACFM's impact criteria. The TA will focus on building the capacity of ACFM's portfolio of intermediaries as well as qualifying Agri-SMEs to integrate systems and tools that enhance their financial inclusion and compliance with ACFM eligibility requirements
Canada/AfDB Climate Fund (CACF) ^a	Canada	79.20	20.29	<ul style="list-style-type: none"> Renewable energy Clean energy Green infrastructure and sustainable cities Climate-smart agriculture Gender 	<ul style="list-style-type: none"> Investments Policy articulation Technical assistance Capacity building
Capital Markets Development Fund (CMDTF)	Luxembourg Ministry of Finance, The Netherlands Ministry for Foreign Trade and Development Cooperation	7.15	2.55	<ul style="list-style-type: none"> Finance Capital markets development 	<ul style="list-style-type: none"> Technical assistance Capacity building and training Knowledge products (events and studies)
Clim-Dev Special Fund (CDSF)	European Commission, Nordic Development Fund, Sweden	28.78	0.23	<ul style="list-style-type: none"> Climate change 	<ul style="list-style-type: none"> Generating, widely disseminating, and using reliable and high-quality climate information for development in Africa Enhancing the capacity of policymakers and policy support institutions by generating quality analyses and evidence on climate change and its implications for Africa Implementing pilot adaptation practices that demonstrate the value of mainstreaming climate information in development planning and practices for subsequent awareness raising and advocacy to inform decisionmaking
Gender Equality Trust Fund (GETF)	France, Italy, the Netherlands and the United Kingdom.	29.15	6.18	<ul style="list-style-type: none"> Gender 	<ul style="list-style-type: none"> Access to finance for women entrepreneurs Technical Assistance for Financial Institutions and Women Entrepreneurs Improving the Enabling Environment for WSMEs better access to finance and markets
Fund for African Private Sector Assistance (FAPA)	ADB, Japan	90.06	30.26	<ul style="list-style-type: none"> Private sector development 	<ul style="list-style-type: none"> Technical assistance Capacity building
Microfinance Capacity Building Trust Fund (MFCBF)	Spain, United Nations Capital Development Fund	4.20	1.14	<ul style="list-style-type: none"> Microfinance 	<ul style="list-style-type: none"> Consultancy services Training Capacity building Preparation of policy and sector studies
New Partnership for Africa's Development (NEPAD) Infrastructure Project Preparation Facility (IPPF)	ADB; Canada; Danish Fund for Technical Assistance; Denmark; Germany; Norway; Spain; UK Foreign, Commonwealth & Development Office; UK Foreign, Commonwealth & Development Office Cofinancing Project; US Agency for International Development	94.18	12.14	<ul style="list-style-type: none"> Information and communications technology Transport Energy Water and sanitation 	<ul style="list-style-type: none"> Regional project identification Preparation, workshops, seminars in line with the NEPAD agenda Regional economic community capacity building

(continued)

ANNEX 4 (continued)

THEMATIC TRUST FUNDS	DONORS	FUNDS RECEIVED (UA MILLIONS)	AVAILABLE RESOURCES AS OF 31 DECEMBER 2023 (UA MILLIONS)	SECTORS	ACTIVITIES
South-South Cooperation Trust Fund (SSCTF)	Brazil	4.47	0.04	<ul style="list-style-type: none"> • Agriculture and agribusiness • Private sector development • Clean energy • Governance • Health • Social development 	<ul style="list-style-type: none"> • Technical assistance • Capacity building • Human resources development • Seminars • Workshops
Sustainable Energy for Africa (SEFA)	Denmark; Germany; Italy; UK Foreign, Commonwealth & Development Office; US Agency for International Development	307.23	133.48	<ul style="list-style-type: none"> • Renewable energy • Energy efficiency 	<ul style="list-style-type: none"> • Providing project preparation for projects with total investment needs of USD 30–200 million (for projects with an independent power producer or within a public-private partnership structure but not with sovereign entities) • Contributing equity to a private equity fund • Creating an enabling environment for private investment in sustainable energy
Trust Fund for Countries Transition (TFCT)	Danish International Development Agency; UK Foreign, Commonwealth & Development Office	15.08	1.02	<ul style="list-style-type: none"> • Finance • Trade • Governance 	<ul style="list-style-type: none"> • Technical assistance • Fostering partnerships for technical cooperation projects
Urban Municipal and Development Fund (UMDF)	Nordic Development Fund, Spain, Swiss State Secretariat for Economic Affairs, Walloon Export and Foreign Investment Agency (Belgium)	20.88	13.56	<ul style="list-style-type: none"> • Urban planning 	<ul style="list-style-type: none"> • Strengthening the capacity of municipalities in the upstream areas of urban planning and urban management • Supporting the preparation of urban projects by municipalities • Contributing knowledge products on urban and municipal development in Africa for country programming and project financing • Reducing institutional and governance gaps in African cities and strengthening capacity to address shortfalls of urban infrastructure and urban services • Supporting urban sector reforms and promoting the provision of private sector solutions to urban challenges
Value for Money Sustainability & Accountability in Social Sectors (VfM)	Gavi, the Vaccine Alliance; Norwegian Agency for Development Cooperation	2.03	0.10	<ul style="list-style-type: none"> • Health • Education • Social protection 	<ul style="list-style-type: none"> • Evidence-based sector policies and strategies • Systems' results orientation and performance • Stakeholder cooperation • Value for money • Sustainability and accountability for health results • Planning and budgeting for results • Governance and accountability structures and tools
Youth Entrepreneurship Initiative	Denmark, Italy, Netherlands, Norway, Sweden	31.45	5.19	<ul style="list-style-type: none"> • Private sector • Agriculture • Information and communications technology 	<ul style="list-style-type: none"> • Capacity building • Technical assistance
OTHER FUNDS^b					
Africa Legal Support Facility (ALSF)	AfDB; Belgium; Canada; ECOWAS Bank for Investment and Development; France; Germany; Netherlands; Norway; UK Foreign, Commonwealth & Development Office; US Agency for International Development; West African Development Bank; World Bank	103.74	2.87	<ul style="list-style-type: none"> • Legal support 	<ul style="list-style-type: none"> • Commercial creditor litigation • Negotiations of complex commercial transactions • Enhancing the capacity of Regional Member Countries to carry out these services themselves

THEMATIC TRUST FUNDS	DONORS	FUNDS RECEIVED (UA MILLIONS)	AVAILABLE RESOURCES AS OF 31 DECEMBER 2023 (UA MILLIONS)	SECTORS	ACTIVITIES
Africa Renewable Energy Initiative (AREI)	France, Germany (through GIZ)	5.81	2.67	<ul style="list-style-type: none"> Renewable energy Energy efficiency 	<ul style="list-style-type: none"> Regulatory and legal frameworks Capacity building Partnerships Policy dialogue Knowledge management and information sharing
Infrastructure Consortium for Africa (ICA)	Canada; European Investment Bank; Italy; Germany (through KfW); Russia; South Africa; UK Foreign, Commonwealth & Development Office; US Agency for International Development	7.26	0.20	<ul style="list-style-type: none"> Infrastructure investment 	<ul style="list-style-type: none"> Help improve the lives and economic wellbeing of Africa's people by encouraging, supporting, and promoting increased investment in infrastructure in Africa from both public and private sources
Making Finance Work for Africa (MFW4A)	AfDB; Agence Française de Développement; Danish International Development Agency; Dutch Ministry of Foreign Affairs; European Investment Bank; Germany (through GIZ); The Netherlands, Swedish International Development Cooperation Agency; UK Foreign, Commonwealth & Development Office; US Agency for International Development	8.23	0.10	<ul style="list-style-type: none"> Financial sector development, ranging from access to finance to capital markets 	<ul style="list-style-type: none"> Financial inclusion Financial stability and governance Long term finance and capital market

a New trust fund.

b Other funds are either separate legal entities (for example, the ALSF) and are not considered trust funds and are not legally classified as such or are funds for which the ADB serves as an implementing entity. However, they receive some contributions from donors, which are disbursed and accounted for by the ADB.

ANNEX 5

Bilateral trust funds

(as of 31 December 2023)

TRUST FUND NAME	DONOR	FUNDS RECEIVED (UA MILLIONS)	AVAILABLE RESOURCES AS OF 31 DECEMBER 2023 (UA MILLIONS)	SECTORS	ACTIVITIES
Bill & Melinda Gates Foundation Fund	Bill & Melinda Gates Foundation	15.87	1.11	<ul style="list-style-type: none"> • Multisector 	<ul style="list-style-type: none"> • As agreed with the Foundation, activities vary by project
Canadian Grant for Technical Assistance	Canada	3.15	0.27	<ul style="list-style-type: none"> • Development effectiveness • Good governance • Natural resource management • Private sector development 	<ul style="list-style-type: none"> • Policy articulation • Studies • Capacity building
Chinese Trust Fund	China	1.50	0.26	<ul style="list-style-type: none"> • All sectors 	<ul style="list-style-type: none"> • Project identification • Preparation • Studies
Finnish Consultancy Trust Fund II	Finland	12.34	2.05	<ul style="list-style-type: none"> • Environment • Climate change adaptation and mitigation • Science and technology related to renewable and clean energy • Forestry management • Water and irrigation • Education 	<ul style="list-style-type: none"> • Technical assistance
Programme de Cooperation BAD/France Fonds d'assistance Technique	France	2.86	0.15	<ul style="list-style-type: none"> • All sectors • Resources are partially tied 	<ul style="list-style-type: none"> • Technical assistance
Indian Trust Fund	India	5.89	0.87	<ul style="list-style-type: none"> • Infrastructure • Private sector • Information and communication technology • Trade • Science and technology 	<ul style="list-style-type: none"> • Technical assistance • Capacity building • Training and seminars • Workshops • Consultation and knowledge sharing on policy issues
Cooperation Program AfDB/ Italy	Italy	6.35	1.63	<ul style="list-style-type: none"> • Resources earmarked for the final audit 	<ul style="list-style-type: none"> • Fully earmarked for the Initiative for Risk Mitigation in Africa
The Policy and Human Resources Development Grant of Japan	Japan	26.52	4.64	<ul style="list-style-type: none"> • Trade and customs • Social business • Higher education (work programme agreed on at the 5th Tokyo International Conference on African Development) 	<ul style="list-style-type: none"> • Analytical work • Capacity building and workshops
Korea-Africa Economic Technical Cooperation Trust Fund	Korea	81.11	15.91	<ul style="list-style-type: none"> • Infrastructure and natural resources • Information and communication technology • Knowledge sharing on Korea's economic development experience • Human resources development 	<ul style="list-style-type: none"> • Implementing the Korea-Africa Economic Cooperation Action Plan
Nigeria Technical Cooperation Fund	Nigeria	18.63	3.53	<ul style="list-style-type: none"> • Science and technology • Human development (health and education) • Agriculture • Public administration • Business and finance 	<ul style="list-style-type: none"> • Pre-feasibility and feasibility studies • Project identification, preparation, and appraisal • Post-evaluation • Mid-term review • Rehabilitation of existing projects experiencing difficulties • Training • Capacity building
Rockefeller Foundation Fund	Rockefeller Foundation	2.24	0.33	<ul style="list-style-type: none"> • Health • Agriculture • Energy • Employment • Climate 	<ul style="list-style-type: none"> • Consultancy services • Training and capacity building • Institutional support activities • Support of high-level meetings, workshops, and studies



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