

# Green & Social Bond Newsletter

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## Covid-19 leaves deep wounds

2020-2021 has been an extremely challenging period as the world has been battling the Covid-19 pandemic. The alarming speed at which the virus spread caused most African countries to impose tight restrictions to contain the contamination and, as a result, brought economies to a near-standstill.

While Africa has been spared the worst of the health consequences of Covid-19, the continent's GDP contracted by 2.1%<sup>1</sup> in 2020, its worst recession in half a century. According to the African Development Bank, up to 30 million jobs could be lost, setting back progress towards the achievement of the Sustainable Development Goals (SDGs) by years and driving up the number of people living in extreme poverty<sup>2</sup> to 463 million. For 2021, an economic recovery for the continent is expected with a GDP growth of 3.4%.

The negative impacts of the Covid-19 crisis have been intensified by climate change effects. In the first quarter of 2021, ten African countries experienced flash flooding and tropical cyclone Eloise hit Southern Africa causing death and damage in South Africa, Mozambique and Zimbabwe.

The twin challenges of the Covid-19 pandemic and climate change have exacerbated the fragility of the continent. Climate finance worldwide was significantly affected by a budget shift towards Covid-19 project prioritization in 2020. However, the Bank appropriately scaled up its efforts to mobilize global resources to support climate-resilient and low-carbon development in Africa while the continent continues to build back better and greener from the Covid-19 pandemic.

Moving forward, the Bank has committed to mobilize up to \$25 billion for climate finance between 2020 and 2025, of which 50% will be dedicated to adaptation; the African Development Bank is the first Multilateral Development Bank (MDB) to achieve such parity. This will be supported through the Africa Adaptation Acceleration Program (AAP), launched this year to enhance and speed up adaptation actions across the continent.

“ The Covid-19 pandemic has changed everything globally. It has thrown Africa's growth back. Now, we must help Africa build back boldly, but smartly, paying greater attention to quality growth: especially in the areas of health, climate and the environment. ”

Dr. Akinwumi A. Adesina, President of the African Development Bank Group



AFRICAN DEVELOPMENT BANK GROUP

1 Source: [African Economic Outlook 2021](#)  
2 Defined as less than \$1.9 a day

## 2020 & 2021 key highlights

### Combatting the pandemic

In March 2020, the African Development Bank raised USD 3 billion through a 3-year [“Fight Covid-19” social bond](#) to help alleviate the impact of the pandemic on livelihoods and Africa’s economies. It was the world’s largest social bond at the time of issuance, AfDB’s first social bond in the USD market and its largest benchmark to date. The Bank was awarded [Best issuer of Covid-19 bonds](#) by Global Capital for this landmark transaction. The bond is listed on the Luxembourg Stock Exchange and the London Stock Exchange (LSE), marking the Bank’s inaugural listing on the LSE. The bond was also admitted on the Nasdaq Sustainable Bond Platform.

### The Bank’s Covid-19 response

Building resilience in Africa’s post Covid-19 recovery is at the core of the Bank’s [Covid-19 Rapid Response Facility](#), launched in April 2020. The facility, which targets sovereign and non-sovereign operations, provides a flexible range of support to assist African countries in fighting the pandemic.

### Nordic investors support Africa

Following shortly after its landmark USD “Fight Covid-19” social bond, the Bank issued a 2.5 billion Swedish krona (SEK) 3-year “Fight Covid-19” social bond which attracted interest from major Nordic Environment, Social and Governance (ESG) investors. The transaction marked AfDB’s first social bond in the Swedish market and its largest SEK transaction to date. In 2021, the Bank issued a dual tranche SEK 1 billion 5-year green bond and Norwegian kroner (NOK) 1 billion 5-year social bond; and a SEK 2 billion 5-year social bond.

### Inaugural social Kangaroo

In June 2021, the Bank launched an inaugural AUD 600 million 5.5-year Kangaroo social bond, marking its return to the primary market in AUD since 2018. This transaction was the largest AUD trade ever issued in the primary market by the Bank and saw 38% participation from investors with a socially responsible investment approach.

### Name recognition in ESG markets

The Bank won the 2020 Environmental Finance award [Social Bond of the year](#) - supranational, sub-sovereign and agency (SSA) category, for its successful NOK 1 billion 3-year social bond issued in 2019, as part of a dual tranche transaction with a SEK 2 billion 5-year green bond. This transaction was the first green/social dual tranche in ESG markets, the first social bond issued in the Norwegian market and AfDB’s inaugural issuance in NOK.

### A solutions bank for Africa

The African Development Bank was awarded [The world’s best multilateral financial institution in 2021](#) by Global Finance. This is a worldwide recognition for the Bank’s groundbreaking efforts as it transforms itself into a solutions bank for Africa.

### Accelerating climate adaptation

In January 2021, the Global Center on Adaptation (GCA) and the AfDB launched [GCA Africa](#), hosted by the AfDB. The GCA will work closely with the Bank, through the Africa Adaptation Acceleration Program (AAP), to align initiatives with global programs, coordinate projects, and deliver accelerated action for communities across Africa. The partners have pledged \$25 billion to scale up and accelerate climate change adaptation actions across Africa, of which the Bank will provide \$12.5 billion (see page 4 for further details).

### Scaling-up renewable energy

In 2020, the International Renewable Energy Agency (IRENA) and the AfDB agreed to jointly support investments in low-carbon energy projects, a step towards the continent’s energy transition. They will co-organize renewable energy investment forums and collaborate on the Bank’s [Africa Investment Forum \(AIF\)](#). The partnership will also focus on enhancing the role of renewable energy in African countries’ Nationally Determined Contributions (NDCs) under the Paris Agreement.

### Unlocking the Sahel’s solar potential

In December 2020, the Bank approved a technical assistance project under the [Desert-to-Power \(DtP\) initiative](#), in the form of a \$5 million grant from the [Sustainable Energy Fund for Africa \(SEFA\)](#). In January 2021, the Noor Ouarzazate complex, the world’s largest concentrated solar power plant (partially funded by the Bank) extending over 3,000 hectares of desert in Morocco, rolled out a second giant electricity-generation project, this time in the Sahel. The DtP project, when complete, will turn the Sahel into one of the largest solar-power-generating areas in the world. The Bank won an award from [Africa Solar Industry Association \(AFSIA\)](#) for increasing its solar energy footprint across the continent.

### AfDB pledges \$6.5 billion for the Great Green Wall

In January 2021, multilateral development partners joined the AfDB in pledging funding for the African-led Great Green Wall initiative that aims to plant an 8,000 km long and 15 km wide mosaic of trees, grasslands, vegetation and plants across the Sahara and the Sahel. The objective of this initiative is to restore degraded land and help the region’s inhabitants produce adequate food, create jobs, and promote peace in the region (see page 5 for further details).

### COP26 Roundtable on clean power transition

Under the theme “Achieving a rapid shift to green, affordable and resilient power systems”, the COP26 Roundtable was held in January 2021. Reiterating that the Bank will no longer finance coal projects, the President Adesina emphasized the Bank’s prioritization of renewables as the mainstay of its “Light up and Power Africa” strategic High 5 priority. The share of renewable energy in the Bank’s power generation investments stood at 80%, as of December 2020.

## Covid-19 crisis response on the African continent

As the Covid-19 pandemic began to spread across Africa in early 2020, it became clear that it was set to cause significant economic damage on the continent. It is estimated that less than 5% of global Covid-19 deaths occurred on African soil, but the pandemic-related shocks continue to rattle the continent's health, social and economic structures. The Bank's efforts to mitigate those impacts and help further establish African countries on the path to recovery and future resilience are unwavering.

In April 2020, the Bank took action decisively and swiftly by setting up the [Covid-19 Rapid Response Facility](#) (CRF) aimed at providing a flexible range of support. The CRF has provided rapid, cost-effective, and targeted emergency budget support through a fast-track approval process to give immediate relief to Regional Member Countries (RMCs) to address the Covid-19 crisis and mitigate its social impact. These additional resources have been used for public health interventions and social protection programs while simultaneously contributing to macroeconomic stability and resilience in the wake of the pandemic.

### Crisis Response Budget Support (CRBS) operations



Enhancement of RMCs capacities to test for and treat Covid-19 patients

- | More than 92,000 additional tests supported at given periods
- | Over 100,000 health care workers trained
- | 264 new Intensive Care Units available for Covid-19 patients



Mitigation of the impact of social distancing and lockdown measures on the poorest and most vulnerable populations

- | Support provided to 17.4 million vulnerable households (for example through water and electricity subsidies for several months)



Safeguarding Micro, Small & Medium Enterprises (MSMEs) and the private sector, and mitigating job losses

- | 240,000 Small & Medium Enterprises (SMEs) benefited from business support schemes and policy measures such as tax deferral and reductions in public utility bills (energy and water supply)

### Fighting the Covid-19 pandemic

Despite unprecedented constraints associated with the new operating environment imposed by the Covid-19 pandemic, the Bank repurposed its 2020 lending program and approved 28 CRBS operations in 39 countries for an amount of \$3.7 billion during a 7-month period from May to December 2020.

In addition to CRBS operations, the Bank recognized the potential for additional adverse effects in the agricultural sector. In response, the Bank proactively designed a [Feed Africa Response to Covid-19](#), as part of the CRF, to address the specific issues faced by the agricultural sector. The Bank restructured 39 projects in 21 countries for a total amount of \$367 million which is being applied to support African countries response programs to ensure food security and nutrition during the pandemic.

Simultaneously as the Bank was preparing to establish its Covid-19 Rapid Response Facility, it worked quickly to issue two groundbreaking bond transactions: a USD 3 billion 3-year and a SEK 2.5 billion 3-year "Fight Covid-19" social bonds. These Covid-19 bonds provided important proceeds to the CRF and were also aligned with the overarching objective of the Bank's Ten-Year Strategy, which focuses on promoting inclusive growth, across age, gender and geography.



"Our assistance to African countries is focused on providing immediate support in response to the impact of the pandemic on lives, economies and livelihoods. At the same time, the Bank is advocating for medium and long-term investments in human capital – ensuring citizens have the skills and opportunities to contribute to resilience to future shocks."

Dr. Beth Dunford, Vice President for Agriculture, Human and Social Development



## Moving Africa to a more climate-resilient future

Climate change poses great challenges to Africa's development, but it also presents a unique opportunity for green growth investments on the continent. Even though many African countries are projected to suffer from the adverse effects of climate change, the continent has significant potential to pursue a climate-resilient and low-carbon development pathway. Several African countries are already demonstrating leadership in responding to climate change amidst challenges of limited capacity and technology and lack of finance.

The challenge is acute for a continent that produces less than 4% of greenhouse gas (GHG) emissions globally and yet receives only 3% of global climate finance, despite being the most vulnerable region. A combination of geographical and economic factors, along with its dependence on climate-sensitive sectors, including the agricultural sector, make the continent highly susceptible to climate change and to date, seven out of the top ten most at-risk countries in the world are in Africa. This vulnerability compromises the continent's development and threatens millions of Africans and their livelihoods.

After a challenging year in 2020, the African continent is on a mission to **build back not just better, but greener**. Addressing climate change is an ambitious challenge that has recently been compounded by the impact of the Covid-19 crisis and requires ever more urgency to accelerate action on 'adaptation' efforts. On the global stage, 'adaptation' and 'resilience' are yet to achieve parity compared to 'mitigation', which receives 93% of global climate finance<sup>3</sup>. To scale up innovative climate-change adaptation across the continent, the African Development Bank and the Global Center for Adaptation (GCA) launched the Africa Adaptation Acceleration Program (AAP) in January 2021. The Bank and its partners have committed to **mobilize \$25 billion for adaptation in Africa by 2025**, half of which will come from the Bank.

Adaptation benefits easily outweigh costs and without adaptation, climate damage will increase tremendously. The AAP aims to significantly increase the momentum and impact of adaptation projects in Africa through innovation in the design of large-scale proof of concept interventions, as shown in the graphic below. The interconnected initiatives under the AAP will contribute to closing Africa's adaptation gap and support African countries on their sustainable development paths by accentuating climate adaptation and resilience.

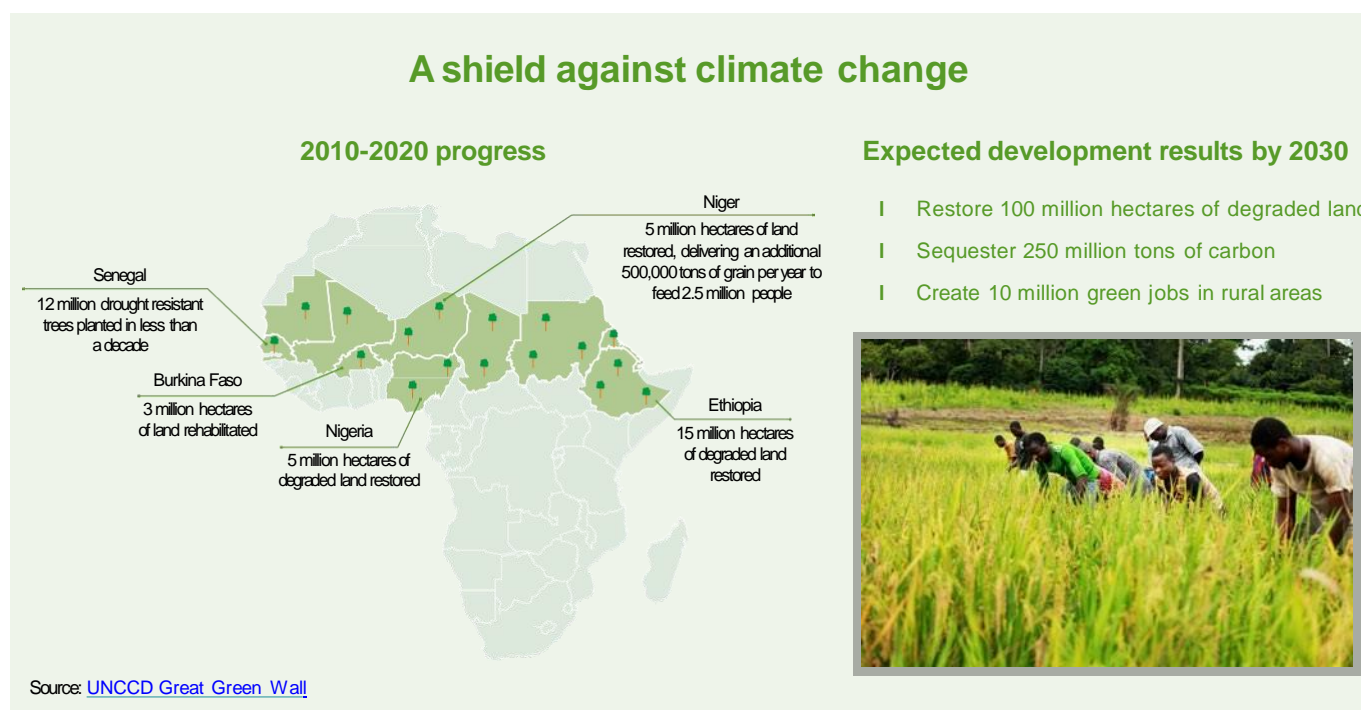
<sup>3</sup> [Climate Policy Initiative, Global Landscape of Climate Finance, 2019](#)



## The green growth corridor that will transform the Sahel

Climate change has meant more extreme weather conditions, including higher temperatures and fluctuating rainfall resulting in more frequent droughts in the Sahel, a region that is home to 250 million people living in eleven countries: Burkina Faso, Chad, Djibouti, Eritrea, Ethiopia, Mali, Mauritania, Niger, Nigeria, Senegal, and Sudan.

Started in 2007, the [Great Green Wall](#) is Africa's flagship initiative to combat climate change across the Sahara and the Sahel. The 8,000 km long and 15 km wide mosaic of trees, grasslands, vegetation, and plants from Senegal to Djibouti, will help boost food security, improve health, create millions of jobs and income opportunities for the communities, and [provide the foundation for a greater likelihood of peace in the region](#), which is the guarantor of continued sustainable development.



In January 2021, the Great Green Wall received \$14 billion in additional funding pledged over the next ten years – \$6.5 billion from the African Development Bank, \$5 billion from the World Bank and \$2.5 billion from the French government – to advance the landmark initiative. The Bank will extend resources through a range of mechanisms, partnerships, and operations, and draw on internal and external sources of funding, including the Sustainable Energy Fund for Africa (SEFA) and the Green Climate Fund (GCF), among others.

The Bank has made the Sahel region a top priority for investment and mobilizing new sources of financing to advance Africa's climate opportunities. Ongoing initiatives such as the Desert-to-Power, which aims to build the largest solar power zone in the world and provide electricity to 250 million people, and the [Technologies for African Agricultural Transformation \(TAAT\)](#), which aims to raise food output in Africa by 100 million tons and lift 40 million people out of poverty by 2025, will enhance and complement the Great Green Wall, [transforming the Sahel into a land of opportunities and inclusive green growth](#).

## Walking the talk on climate change and green growth

Long before the Paris Agreement, the African Development Bank had set up a clear action path on climate change. The Bank established its first Climate Change Action Plan (CCAP1) spanning the period 2011-2015. CCAP1 was built on the notion that addressing climate change and advancing development on the continent could be done simultaneously.

The Bank's Ten-Year Strategy for 2013-2022 focuses on two overarching objectives: support African countries' transition to green growth and promote inclusive growth. To accelerate the achievement of the strategy, the Bank decided to focus on five operational priorities, known as the "High 5s". The High 5s, if followed by all development partners, will help Africa achieve close to 90% of the SDGs<sup>4</sup> and are intrinsically linked to the African Union's Agenda 2063.

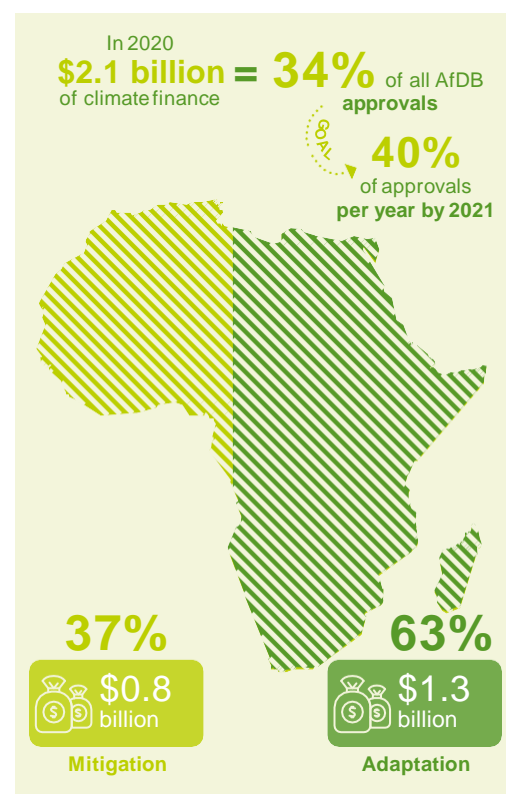


The second phase of the Climate Change Action Plan (CCAP2) for the period 2016-2020 focused on scaling up climate finance and supporting African countries with the implementation of their Nationally Determined Contributions (NDCs)<sup>5</sup>. As of December 2020:

- | 52 African countries out of 54 had ratified their NDCs
- | 34% of Bank approvals were related to climate finance
- | Climate change was mainstreamed into 88% of Bank projects
- | Renewable energy represented 80% of the Bank's power portfolio

The Bank intends to reach 40% of its approvals as climate finance by December 2021 and will continue to focus on developing energy access, renewable energy and energy efficiency operations, climate-smart agriculture, water-use efficiency, and the reduction of GHG emissions.

This year, the Bank will introduce a new Climate Change Policy, Strategy, and the third Climate Change Action Plan (CCAP3) for the period 2021-2025 that will be geared towards supporting African countries to implement their NDC commitments under the Paris Agreement. Going forward, the Bank intends to continue to play a leading role in guiding progress on climate change on the continent. For 2020-2025, the Bank has committed to mobilize \$25 billion of climate finance, of which 50% will be for climate adaptation (under the AAP) and 50% for climate mitigation, to assist RMCs with the design and implementation of climate-friendly investments, increasing its capacity to leverage additional financing from other development finance institutions and the private sector.



### Financing climate-smart development: 2020 results



“ The African Development Bank set the bar in 2019 by allocating half of its climate finance to adaptation. Some donor countries followed that lead: all must do so. ”

António Guterres, United Nations Secretary-General

<sup>4</sup> [United Nations Development Program -Strengthening Strategic Alignment for Africa's Development: Lessons from the UN 2030 Agenda for Sustainable Development, the African Union Agenda 2063 and the African Development Bank's High 5s](#)

<sup>5</sup> NDCs are Nationally Determined Contributions - initiatives to be done nationally by each country to reduce GHG emissions and adapt to climate change.



# A conversation with Kevin Kariuki, Vice President for Power, Energy, Climate and Green Growth

## 1. Could you tell us about the Power, Energy, Climate and Green Growth Complex that you head?

The Power, Energy, Climate and Green Growth Complex is the department with the mandate to oversee delivery on the Bank's High 5 priority "Light up and Power Africa" based on the New Deal on Energy for Africa 2016–2025, whose primary objective is to facilitate universal access to energy in Africa. Energy sector activities include project origination and implementation for sovereign operations (SO) and non-sovereign operations (NSOs), and associated policy dialogue; NSO debt portfolio management, resource mobilization efforts, and implementation of key initiatives like the Desert-to-Power (DtP) and the Bank's contribution to the Global Center on Adaptation (GCA). DtP aims to generate 10 GW of new solar PV capacity in the Sahel, creating the world's largest solar zone, and provide access to electricity to 250 million people through grid and off-grid solutions. Additionally, the department is responsible for leading the Bank's efforts towards inclusive, climate-resilient and low-carbon development trajectories in Africa. The mainstreaming of climate change in operations and ensuring all Bank investments are based on climate-informed designs, are central to these efforts.



## 2. What has been the impact of Covid-19 on the Bank's commitment towards climate change?

At the Bank, we are very much alive to the fact that the climate emergency has not diminished in the face of the Covid-19 pandemic – 70% of the top ten most climate-vulnerable countries in the world are in Africa. As such, the Bank's very ambitious climate change targets, including commitments to climate-proofing 100% of its operations and allocating 40% of its annual approvals as climate finance, still holds. In 2020, the Bank achieved 88% and 34% with respect to these targets respectively, despite repurposing in financing due to Covid-19. We are optimistic that we will meet both targets in 2021.

## 3. Will Africa be able to promote growth, reduce poverty and tackle climate risk at the same time?

Yes, I firmly believe so, with the basis for my optimism being as follows. Africa has currently the lowest energy usage globally, but significant growth in demand (at least double by 2040) is projected on account of rising incomes and rapid urbanization. On the other hand, the continent has vast and

unexploited clean energy sources, e.g. of 10 TW of solar potential from the 325 days of sunshine annually, only 1% is exploited while less than 10% of Africa's hydro (350 GW) and geothermal (15 GW) energy sources have been harnessed. Therefore, Africa has a tremendous opportunity to reset its energy transition to a predominantly cleaner and greener pathway, thereby tackling climate risk simultaneously. Being a key driver of inclusive growth, achieving universal energy access based on predominantly renewable energy, will invariably reduce poverty both in urban and rural areas.

## 4. How is the Bank tackling sustainability issues in its project implementation process?

The Bank has considerable experience in applying ESG safeguards in its project design and implementation process; having adopted ESG tools such as the [Integrated Safeguards System \(ISS\)](#). The ISS provides stage gates to ensure that only projects that meet the Bank's ESG standards are implemented, while also providing remedial and redress mechanisms to address sustainability exit strategies where these may be lacking. For climate risk management, the

Bank has introduced tools, such as the [Climate Safeguards System](#) to guide the design of Bank's operations in a climate-informed and sustainable way. The Bank also applies a GHG accounting and reporting tool<sup>6</sup> to screen its operations for contribution to GHG emission.

## 5. How would you describe the progress of the continent's transition to green growth so far? Are we on track to deliver the Ten-Year Strategy objectives?

First, the Bank has increased its proportion of renewable energy generation investments from 70% during 2011-2019, which intensified to 80% between 2016-2019. This correlates strongly with the 77% increase in Africa's installed renewable energy generation capacity between 2010 and 2019 – evidence that the Bank is at the heart of the transition and establishing that the continent's transition to green growth is truly underway, thereby decoupling economic growth from environmental harm.

Away from the energy sector, I am also aware of programs such as the Sahel and the Horn of Africa drought resilience and sustainable livelihood programs; the Technologies for Africa's Agricultural Transformation (TAAT) program, which aims to increase food output by 100 million tons and lift 40 million people out of poverty by 2025; the Affirmative Finance Action for Women in Africa (AFAWA) financing facility for women agri-entrepreneurs, which fosters inclusive growth and poverty reduction. The foregoing, as well as my response to question 4, confirm that the Bank is therefore on track to meeting its development objectives under the Ten-Year Strategy.

## 6. Working towards green growth, there is still a significant climate adaptation finance deficit globally. What are the strategies envisaged by the Bank to reduce this deficit on the continent?

Under the Paris Agreement, developed countries pledged to contribute \$100 billion per year by 2020 for mitigation and adaptation actions in developing countries. This commitment has not been fulfilled, thereby constraining mitigation and adaptation efforts from the onset. Meanwhile, global emissions already burden Africa with adaptation costs of \$7 to 15 billion per year as of 2020, rising to \$50 billion per year under the most optimistic scenario of holding global warming to below 2°C.

To reduce the deficit for adaptation finance in Africa, the African Development Bank has therefore invested \$6.5 billion as adaptation finance since 2015. In addition, the Bank has committed to a further \$12.5 billion for adaptation that will be mobilized through the AAP, being undertaken together with Global Center for Adaptation. This \$12.5 billion constitutes half of the Bank's overall pledge of \$25 billion for climate finance between 2020 and 2025.

## 7. With the Bank's theme "to build back better and greener", what are the strategies in place to rebuild post Covid-19?

As Africa's premier development finance institution, the Bank has a responsibility to spearhead the sustainable mitigation of the socio-economic impacts of Covid-19 to RMCs and ensure livelihood recovery. Accordingly, the Bank intends to leverage on the following climate-related initiatives "to build back better and greener", post Covid-19 future:

- The Africa Disaster Risks Financing (ADRFi) Program to build capacity to enable early-warning systems, payment of insurance premiums or sovereign insurance coverage against climate disasters, thereby fostering resilience and timely response to climate shocks instead of post-disaster relief measures.
- The Africa Financial Alliance on Climate Change (AFAC) to mobilize private capital flows towards continent-wide low-carbon and climate resilient development.
- A Green Stimulus Program for Africa. Currently being developed with the African Union and other partners, this initiative seeks to build a coordinated continental response to Covid-19 for transformation and a more sustainable development pathway for Africa, i.e. while helping Africa build back better and greener.
- The Climate Change and Green Growth Strategic Framework: the Bank is currently developing its new strategic framework on climate change and green growth, which will take stock of the ten years experience in the implementation of climate action of the preceding framework, but also include lessons learnt on climate and the Covid-19 nexus, to support Africa's low-carbon and climate-resilient economic development for the next decade.

## 8. During COP26, how will the AfDB play its role of presenting the continent's case?

COP26 will be the most important COP since the adoption of the Paris Climate Agreement in 2015 as it marks the 5-year point when countries are expected to increase their climate ambition through enhanced NDCs. At COP26, the Bank will showcase its Africa-led flagship programs that help improve Africa's access to climate funds for enhanced climate action. The Bank is also supporting the African climate negotiating bodies to amplify Africa's voice at COP26 under the African common position on climate change. We will co-host an African Pavilion together with African stakeholders led by the African Union Commission and also hold joint strategic events with our sister MDBs, as we work together in our commitment towards aligning our operations to the goals of the Paris Agreement.

<sup>6</sup> The Bank uses an internal GHG accounting and reporting tool to assess projects' GHG emission potential and recommend mitigation options. The excel-based tool allows the estimation of gross GHG emissions from the construction, operation and decommissioning of projects funded by the Bank.



## Empowering women to achieve the SDGs

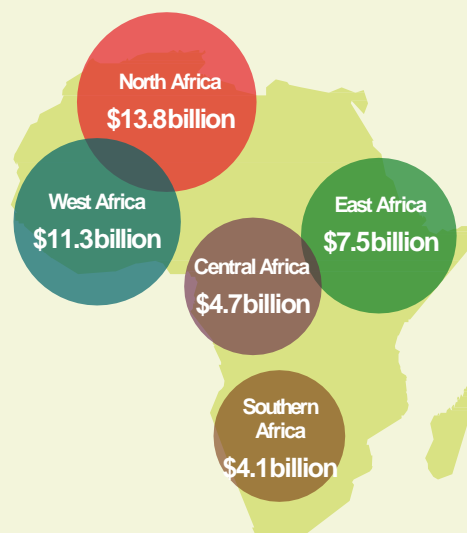
Women on the continent face multiple challenges to access finance, with an estimated \$42 billion financing gap across business value chains, including \$16 billion in agriculture alone. Empowering women to participate more fully in socio-economic growth is essential to reducing vulnerability to climate risks, combating poverty, and achieving the SDGs. The African Development Bank has reiterated its commitment to closing the gap with various initiatives.

With the [Gender Marker System \(GMS\)](#), an internal screening tool to systematize the Bank's approach to gender mainstreaming in its operational work, the proportion of Bank's sovereign operations categorized rose from 60% in 2019 to 98% in 2020. The GMS was introduced as a key performance indicator in 2020 and is reflected in the Bank's Result Measurement Framework.

In 2020, all operations approved under the Covid-19 Rapid Response Facility were categorized using the GMS, with interventions such as the development of financial instruments and innovative financing schemes to sustain women-owned businesses; disease prevention information and supplies for women caring for sick household members; and innovative technology-based solutions to ensure children's continuation of education and reduce dropping out, ensure women's access to water and boost compliance with social distancing at water collection points.

To accelerate the agenda of gender equality and women's empowerment across the continent, the Bank established the [Affirmative Finance Action for Women in Africa \(AFAWA\)](#), a flagship program that focuses on increasing access to inclusive finance. AFAWA's objective is to bridge the finance gap and unlock up to \$5 billion in financing by 2026 to unleash women's entrepreneurial capacity and full potential.

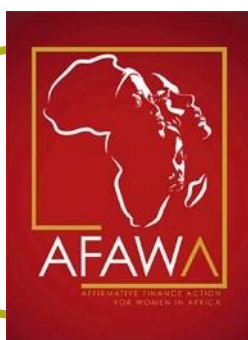
### Credit gap between women and men in Africa



The [Bank Group Gender Strategy 2021–2025](#) focuses on investing in women to promote inclusive growth, accelerate employability and job creation for women through skills enhancement, and increase women's access to social services through infrastructure.

#### Bank's financial instruments

The Bank is mainstreaming AFAWA in all its sovereign and non-sovereign operations. Senior loans, lines of credit, trade finance, and equity funds are expected to unlock up to \$2 billion.



#### AFAWA Guarantee for Growth

An innovative guarantee mechanism approved in 2020 to de-risk women entrepreneurs and incentivize financial institutions to lend up to \$2 billion to 18,000 women-owned businesses, in the first phase.

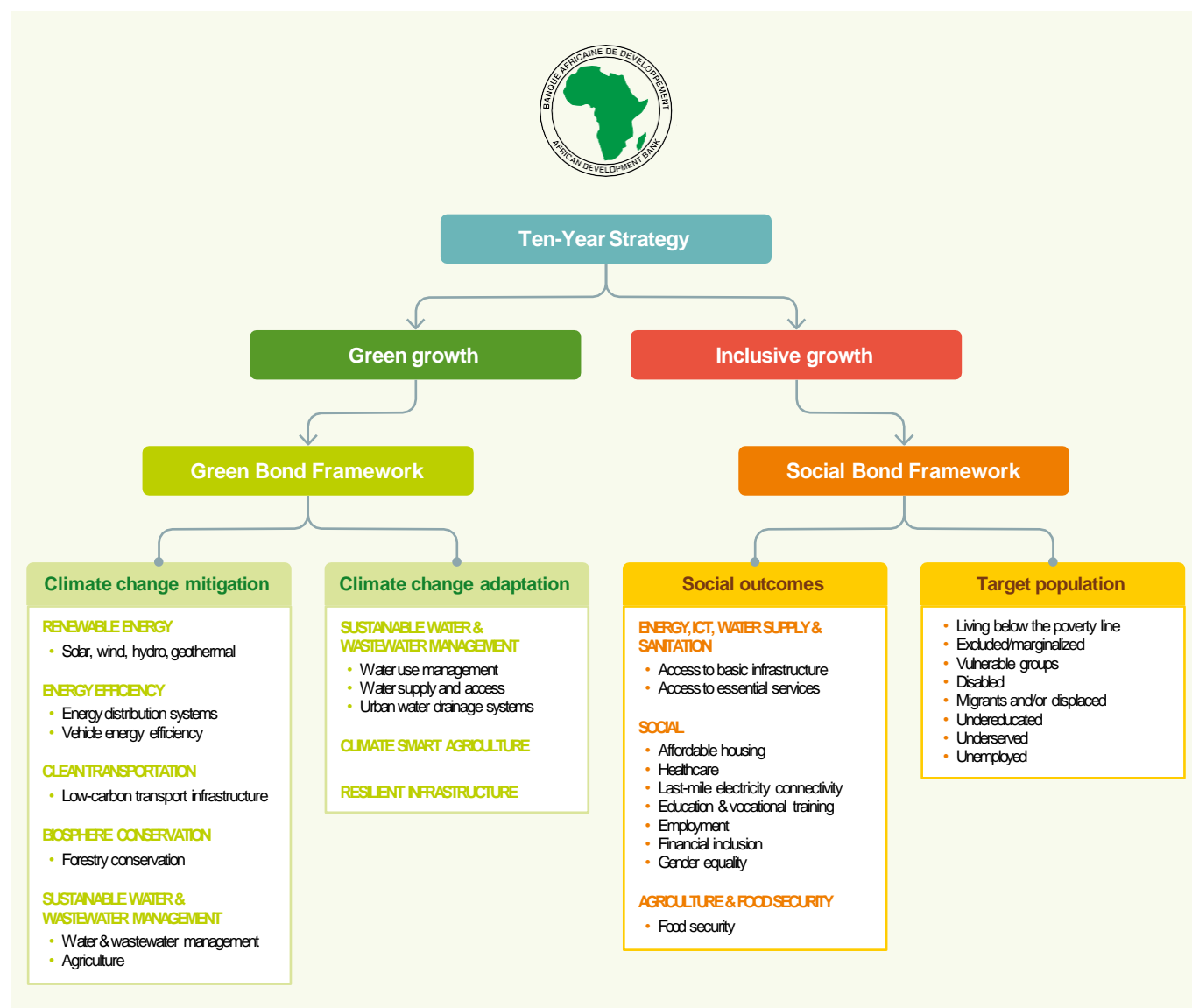


## Green and Social Bond programs, leading SDG delivery on the continent

The Green and Social Bond programs of the Bank, established in 2013 and 2017 respectively, fall within the Bank's Ten-Year Strategy objectives of supporting African countries' transition to green growth and promoting inclusive growth. These programs address a great number of SDGs on the continent and support Africa's drive towards sustainable development, especially within the context of climate change, which poses serious threats to the continent's economic and social progress.

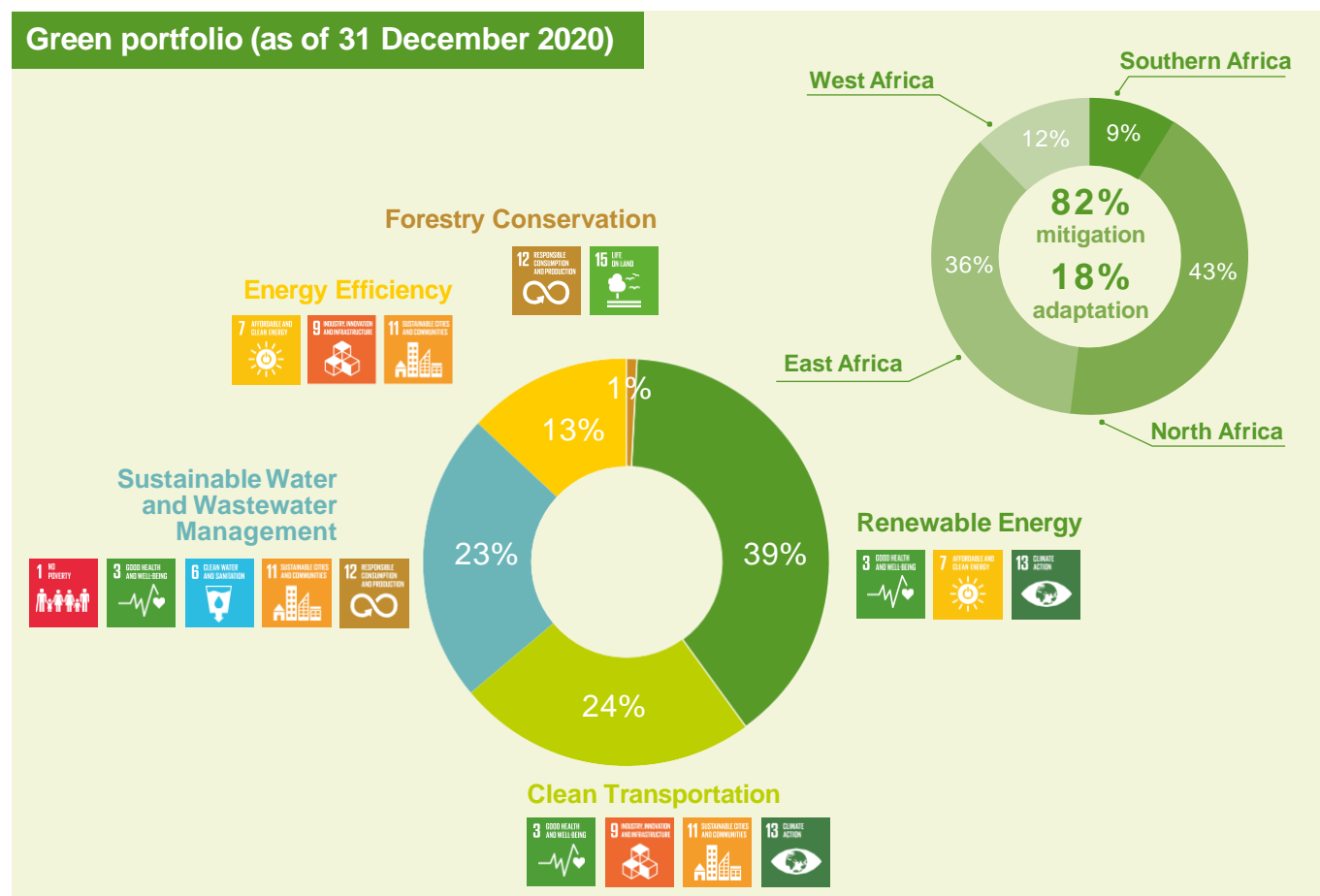
The Bank's Green and Social Bond frameworks are aligned to the International Capital Market Association (ICMA)'s Green Bond Principles (GBPs) and Social Bond Principles (SBPs). Within these frameworks, the proceeds of the Bank's green and social bonds are used to finance specific eligible green and social projects that have been carefully selected and evaluated by the Treasury Department in collaboration with the operations teams and the Climate Change and Green Growth Department.

The Bank regularly engages with major actors in the sustainable bond market to ensure its Green and Social Bond programs meet best market practices and respond to ESG investor needs. The Bank is a member of the GBP/SBP Executive Committee, taking part in discussions related to processes that fundamentally shape the development of green and social bond markets.



# The Bank's green, social and Covid-19 portfolios

\$2.8 billion of climate finance committed through 33 eligible green projects<sup>7</sup> in 14 countries



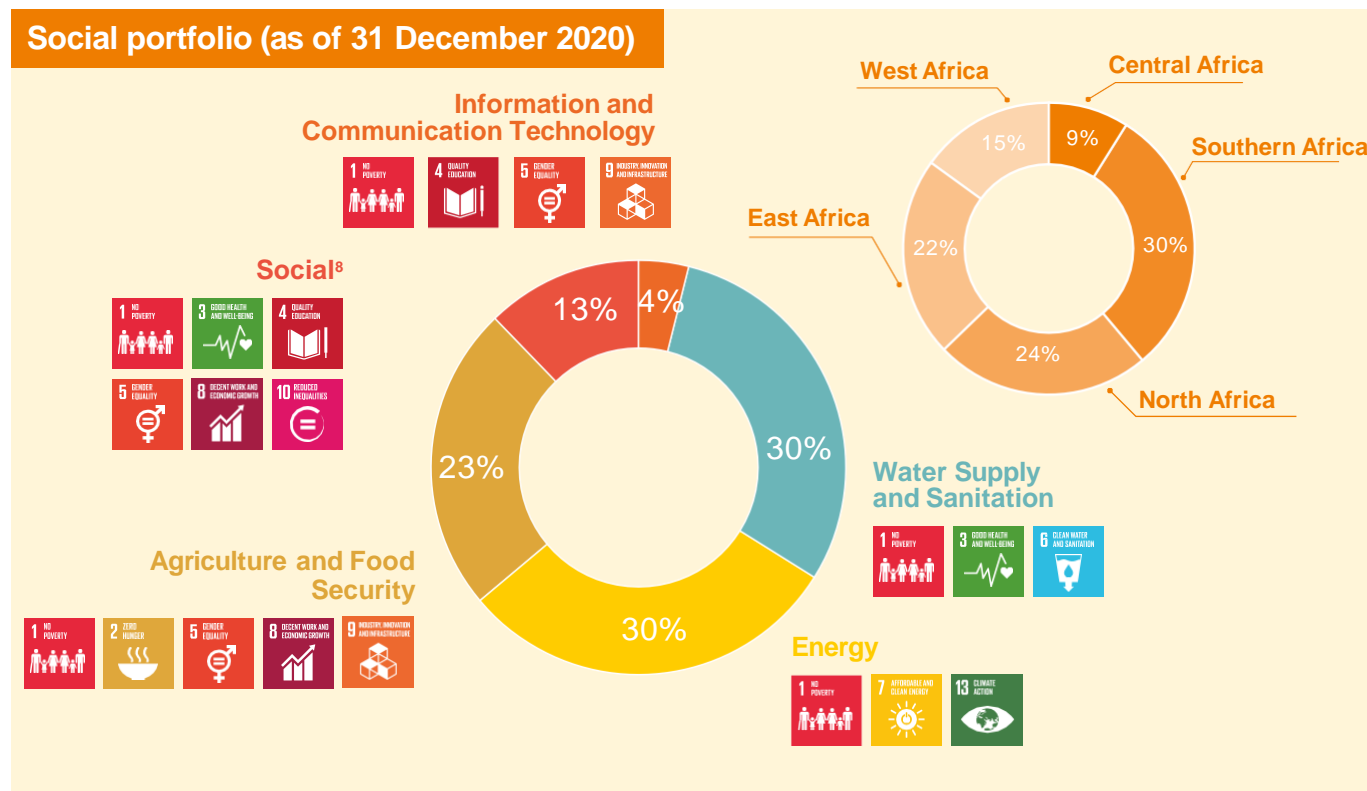
## Selection of green projects recently approved

<a href="#">Shapoorji Pallonji Solar Photovoltaic</a>	Egypt	Mitigation	Renewable Energy	The project entails the design, construction and operation of a 50 MW solar photovoltaic plant to be implemented under the Egyptian Solar Photovoltaic Feed-in Tariff Program Round 2, an initiative where the Government of Egypt seeks to implement 2,300 MW of solar photovoltaic projects. This program will increase Egypt's power generation capacity, diversify the energy mix, enable fuel savings and reduce carbon emissions.
<a href="#">Dakar-Diamniadio-AIBD Regional Express Train Project - Phase I</a>	Senegal	Mitigation	Clean Transportation	The project entails the construction of a 57 km train project from Dakar to Blaise Diagne International Airport, with a capacity of 113,000 passengers per day. This will improve the quality of life for Dakar citizens through reduced travel time while also providing sustainable transport that will contribute to the reduction of GHG emissions.
<a href="#">Thwake Multi-Purpose Water Development Program (Phase I) - Additional Financing</a>	Kenya	Adaptation	Sustainable Water and Wastewater Management	The project includes a multi-purpose dam that will help address flood control and drought management, while also increasing water storage to meet the needs of 1.3 million people, irrigating 40,000 hectares of land and generating 20 MW of hydropower.
<a href="#">Mekele-Dallol and Semera-Afdera Power Supply for Industrial Development and Access Scale-up Project</a>	Ethiopia	Mitigation	Energy Efficiency	The project involves the construction of two 230 kV transmission lines and two substations to transport electricity generated by hydropower plants to remote areas. At completion, 36 rural towns will have access to an affordable and sustainable modern grid-based electricity supply.
<a href="#">Fom Ghana Reforestation Project</a>	Ghana	Adaptation	Forestry Conservation	The project aims to restore degraded forest reserves by establishing 11,700 hectares of sustainable commercial forest plantation composed of local tree species and teak.

<sup>7</sup> The eligibility criteria for green projects is linked to the Bank's [climate finance tracking methodology](#).



**\$7.9 billion of social development committed through 72 eligible social projects in 23 countries**



## Selection of social projects recently approved

<a href="#">Manzini Region Water Supply and Sanitation project</a>	Eswatini	Water Supply and Sanitation	The objective of the project is to meet the potable water requirements of the Manzini region and surrounding areas and reduce the risk of environmental pollution of the groundwater through appropriate sanitation services.
<a href="#">Energy Sector Efficiency and Expansion Program - Phase I</a>	Angola	Energy	The project aims to strengthen Angola's power transmission and distribution system through an electricity network expansion while also enhancing revenue generation. Improved access to electricity will revitalize industries, spur economic development, and facilitate job creation.
<a href="#">Project to Develop and Promote Agricultural Subsectors in Zaghouan Governorate</a>	Tunisia	Agriculture and Food Security	The project seeks to promote agricultural subsectors whose development requires significant public and private investments to enhance production and productivity, increase opportunities in terms of product development (processing, packaging, certification, etc.) and reduce unemployment, poverty, and inequalities.
<a href="#">Technical and Technological Skill-Building Support Project</a>	Tunisia	Social	The purpose of the project is to improve the employability of new technical, technology and science graduates, thereby training a skilled workforce that satisfies private sector needs and the country's ambition to climb up international value chains.
<a href="#">Rwanda Innovation Fund</a>	Rwanda	Information and Communication Technology	The project aims to address the financing gap faced by tech-enabled companies in Rwanda and East Africa, by establishing affordable funding mechanisms for growth companies, equity financing for tech-enabled SMEs and training for tech entrepreneurs. The fund is expected to support 150 companies and invest in 20 early growth stage opportunities.

8 Social sector projects are defined as projects in the health, education, and vocational training sectors.

## Covid-19 portfolio (as of 31 December 2020)

The proceeds of the Bank's "Fight Covid-19" social bonds issued in 2020 were used to finance in part a portfolio of 12 projects approved by the African Development Bank<sup>9</sup> under the Covid-19 Rapid Response Facility (CRF). These projects were fully disbursed in 2020 for a total amount of \$2.1 billion. Additional post Covid-19 recovery projects, not specifically allocated under the facility, may be included in this portfolio.

### \$2.1 billion committed in 2020 through 12 Covid-19 related projects

Project	Country	Currency	Total cost of the project (in million)	AfDB share of financing (in million)
<a href="#">Covid-19 Crisis Response Support Program</a>	Cabo Verde	EUR	107	30
<a href="#">Covid-19 Crisis Response Budget Support Program</a>	Cameroon	EUR	449	88
<a href="#">Covid-19 Response Support Program</a>	Cote d'Ivoire	EUR	75	75
<a href="#">Budget Support Program in Response to the Covid-19</a>	Gabon	EUR	499	101
<a href="#">Covid-19 Emergency Response Support Program</a>	Kenya	EUR	1,470	188
<a href="#">Covid-19 Crisis Response Budget Support</a>	Mauritius	EUR	1,340	188
<a href="#">Covid-19 Response Support Program</a>	Morocco	EUR	264	264
<a href="#">Covid-19 Crisis Response Budget Support Program</a>	Nigeria	USD	5,188	289
<a href="#">Emergency Covid-19 Response Support Program</a>	Senegal	EUR	88	88
<a href="#">Covid-19 Crisis Response Budget Support Program</a>	Seychelles	USD	71	10
<a href="#">Covid-19 Response Support Program</a>	South Africa	ZAR	5,490	5,008
<a href="#">Support Program for Covid-19 Response Through Social Inclusion and Employment</a>	Tunisia	EUR	180	180



<sup>9</sup> This list of projects only includes the Covid-19 related projects that were approved by the African Development Bank window in 2020, more projects were approved under the African Development Fund window, but these were not financed by the Bank's Covid-19 bond issuances, therefore were not included in this portfolio.

## Recent ESG bond issuance

The Bank is increasingly attracting many high-quality ESG investors in its green and social bond transactions. With the commitment to issue at least one green bond and one social bond per year, market conditions permitting, the Bank's activities in sustainable bond markets have offered valuable investor diversification. The recent launch of some pioneering ESG transactions highlights the Bank's dedication to this market.

### First Covid-19 bonds issued in Africa



**2020**  
USD 3 billion  
3-year "Fight  
Covid-19"  
Social Bond  
due April 2023



**2020**  
USD  
100 million  
3-year "Fight  
Covid-19"  
Social Bond  
due April 2023  
Tap



**2020**  
SEK  
2.5 billion  
3-year "Fight  
Covid-19"  
Social Bond  
due April 2023

**Largest social bond ever  
at time of issuance**

**Inaugural  
social bond  
in Swedish  
market**

### Green and social bond issuance



**2021**  
SEK  
1 billion  
5-year  
Green Bond  
due April  
2026



**2021**  
NOK  
1 billion  
5-year  
Social Bond  
due April  
2026



**2021**  
AUD  
600 million  
5.5-year  
Social  
Kangaroo  
due  
December  
2026



**2021**  
SEK  
2 billion  
5-year  
Social Bond  
due  
September  
2026

**Dual tranche SEK green  
bond and NOK social bond**

**First AfDB  
social bond  
in Kangaroo  
format**

## 2021 highlight – Growing appetite in the Kangaroo market for ESG issuance

In June 2021, the African Development Bank launched a AUD 600 million 5.5-year Kangaroo social bond due December 2026, marking its return to the Australian dollar bond market after its last foray in early 2018. The transaction is the largest Kangaroo issued by the AfDB in the AUD market and has provided an opportunity to reward loyal investors and enfranchise new ones with a rare social bond outing.

The compelling social aspect of the transaction induced strong demand from local and regional investors. More than 30 investors participated in the deal, with total bids of more than AUD 775 million. A strong cohort of Australian investors were in the books, representing 41% of the demand, the highest domestic participation ever for an AfDB AUD trade, while 38% of participation came from investors with strong ESG considerations.

To date, the African Development Bank has three ESG bonds outstanding on the Kangaroo market: a Social Kangaroo due December 2026, an "Industrialize Africa" theme Kangaroo due September 2027 and a Green Kangaroo due December 2031.

The Covid-19 pandemic had led to a rise in global issuances of social bonds. "Following on from the ground-breaking USD 3.1 billion 3-year "Fight Covid-19" social bond we issued in 2020, we are glad to see that public domestic markets, like the Kangaroo bond market, are now seeing similar development in terms of interest from dedicated ESG investors, which provided additional momentum enabling us to print the largest trade we have ever done in AUD." Hassatou N'sele, Treasurer of the African Development Bank Group

The Bank intends to issue more social bonds in Australian dollars in future. "There is a virtuous circle here. The transaction has reaffirmed and increased our investor base in Australia and offshore, while giving access to scarce ESG investments. Hopefully others can follow, and we have the opportunity to return." Keith Werner, African Development Bank, Manager of the Capital Markets Division



## 2020 highlight – USD “Fight Covid-19” social bond transaction

In March 2020, the African Development Bank raised USD 3 billion through a 3-year “Fight Covid-19” social bond to help alleviate the impact of the pandemic on livelihoods and Africa’s economies. Issued at a spread of Midswaps+35bps, equivalent to a spread of CT3+47.95bps, the bond pays a coupon of 0.75%. The transaction was significantly oversubscribed, with USD 4.6 billion of orders in the book, and 96 investors participating (of which 20 investors were new to the AfDB).

We saw strong participation from ESG investors:

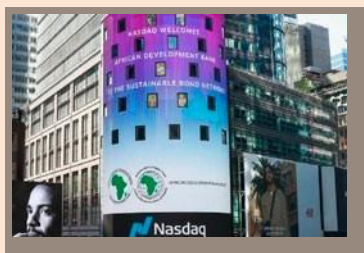


The “Fight Covid-19” social bond was the world’s largest social bond at the time of issuance, AfDB’s first social bond in the US market and its largest benchmark transaction to date. The bond is listed on the Luxembourg Stock Exchange and on the London Stock Exchange, marking the Bank’s inaugural listing on the LSE. The bond was also admitted on the Nasdaq Sustainable Bond Platform. The AfDB won the award for “Best issuer of Covid-19 Bonds” in 2020 by Global Capital for its landmark “Fight Covid-19” social bond.

**Inaugural listing  
on London Stock  
Exchange**



**“Best issuer of  
Covid-19 Bonds”**



**Admission on Nasdaq  
Sustainable Bond platform**



“Copyright, Nasdaq 2021”

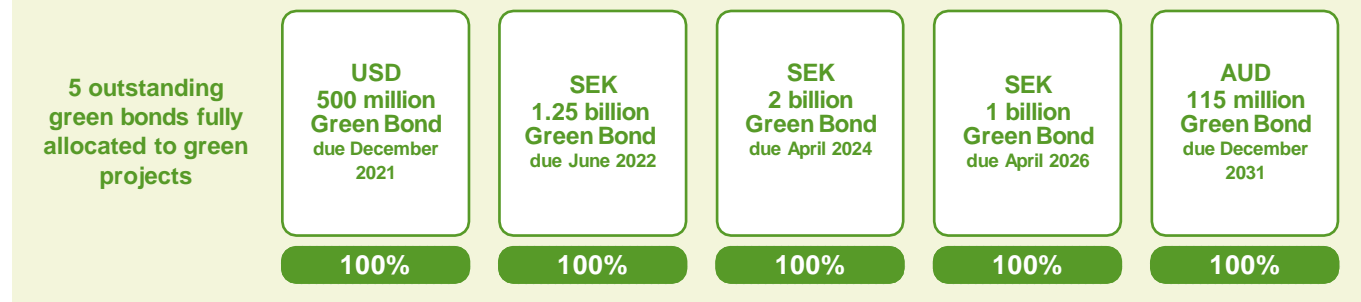
The “Fight Covid-19” social bond is part of our response to help African communities in their efforts to overcome the multiple challenges caused by the Covid-19 outbreak. The proceeds of the bond will be allocated in line with the Bank’s Social Bond program, to provide support and financing to countries and businesses fighting against the negative impact of Covid-19 at this unprecedented time. More specifically, the bond proceeds will be used to partially finance projects approved under the Bank’s Covid-19 Rapid Response Facility (CRF) approved in April 2020<sup>10</sup>. The programs, projects and facilities financed through the “Fight Covid-19” social bond have strong social development outcomes and affect positively the livelihoods of African people. The aim of the funding is to boost access to essential healthcare services, strengthen health systems, and mitigate the impact of social distancing and lockdowns on the most vulnerable. We also target SMEs to prevent job losses and support the people affected by this health and economic crisis.

<sup>10</sup> The CRF ended in December 2020 and additional post Covid-19 recovery projects, not specifically allocated under the facility, may be included in this portfolio.

## Green bond allocation

Since the establishment of its Green Bond framework in 2013, the Bank has raised approximately \$2.7 billion through 10 green bond transactions denominated in USD, SEK, and AUD.

### Green bond allocation for outstanding issuance as of 30 September 2021

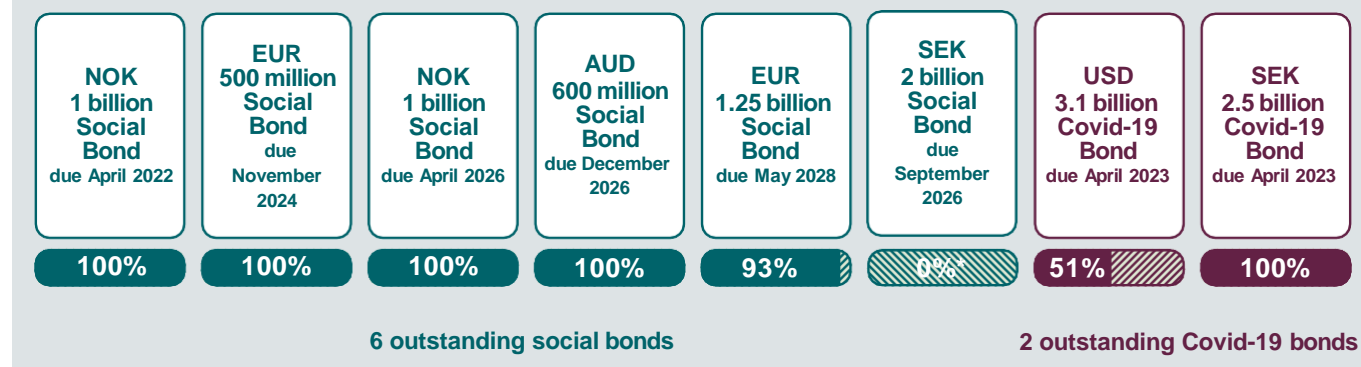


Proceeds from AfDB green bonds are used to finance eligible projects that have significant environmental benefits and that can be qualified in full as either promoting low-carbon (mitigation projects leading to significant GHG emission reduction) or climate resilient development (adaptation projects reducing vulnerability of human or natural systems to climate change by maintaining or increasing adaptive capacity and resilience).

## Social and Covid-19 bond allocation

Since the establishment of its Social Bond framework in 2017, the Bank has raised approximately \$6.5 billion through 8 social bond transactions denominated in EUR, NOK, USD, SEK, and AUD.

### Social bond allocation for outstanding issuance as of 30 September 2021<sup>11</sup>



Proceeds from AfDB social bonds are used to finance eligible projects that have significant social impacts and outcomes and that lead to poverty reduction and inclusive growth. Some of these outcomes are observable in improved access to affordable basic infrastructure (electricity, water and sanitation, transportation), access to essential services (healthcare, education and vocational training), access to financial services, affordable housing, job creation, food security, and socio-economic advancement and empowerment.

<sup>11</sup> The proceeds of the USD "Fight Covid-19" social bond have not been fully allocated to Covid-19 related projects, as the USD proceeds are yet to be swapped to EUR to cover project disbursements.

\* Issued on 10 September 2021

# Transformative green, social and Covid-19 projects

## Green Zones Development Support Project - Phase 2

### KENYA

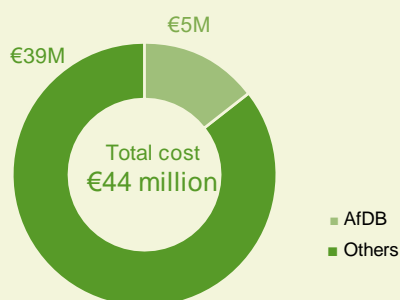


**Sector:** Forestry Conservation

**Year of approval:** 2018



### Sources of funding:



### Promoting forest conservation for climate change resilience

The project will focus on increasing the national forest cover and household incomes through rehabilitation of degraded forests, sustainable development of forest infrastructure, promotion of bamboo for conservation and commercialization, and enhanced community livelihoods in the different counties.

The project will be implemented in 15 counties, which cover 4 forest conservancies established under the Forest Act. These counties were selected based on the level of forest degradation, social, economic and environmental vulnerability. In some rural areas, the forest contributes to 75% of the income of forest-adjacent households. The low forest cover in the country (estimated at 7.4% in 2017) has been linked to inadequate water supplies and adverse climatic changes that have negatively impacted agricultural production.

In terms of community livelihood support, the project is supporting harvesting of timber and bamboo, and development of horticulture and cereal value chains for improved household incomes and food security. It will support the use of efficient production, processing and utilization of technologies, development of marketing infrastructure and capacity enhancement. In addition, community groups involved in forest conservation are supported with various other income-generating activities. A key intervention is the introduction of energy-efficient technologies as well as alternative energy sources in our quest to reverse the over-reliance on wood fuel for cooking, which is currently used by 80% of the rural population.

The expected project impacts include enhancement of environmental benefits, including increased carbon dioxide sequestration and increased water recharge capacity of the targeted forested ecosystems. The project will reduce poverty levels through livelihood improvement. Ultimately, it is expected that the project will contribute to making the country more resilient to climate change.



### EXPECTED DEVELOPMENT RESULTS



• 501,249 beneficiaries



• \$550 increase in average annual household income  
• 788,000 ton increase in production and marketing of selected crop value chains (potatoes, maize, beans and fruits)



• 305 million MtCO<sub>2</sub> increase in carbon sequestration



• 327,000 hectares increase in forest cover



## Water Valorization for Value Chains Development Project

### SENEGAL



**Sector:** Water and wastewater management

**Year of approval:** 2019



#### Sources of funding:



### Achieving sustainable economic growth through water management

The objective of the project is to enhance rural agricultural production, employment, and income through the sustainable mobilization of both surface and groundwater.

The project area, where poverty rates generally exceed 60%, is characterised by a small surface of irrigated land, a continuous decline in soil fertility due to salinization, acidification and drought, and limited access to production, processing, and rural entrepreneurship infrastructure, particularly for women and youths. These difficulties are currently a major obstacle to enhancing agriculture, improving the competitiveness of the sector, and raising people's living standards.

Through the valorization of water, the project will contribute to the development of climate-smart agriculture and promote value chains in promising sectors like rice and market gardening. It will also help with irrigation, reduce production costs with the use of new technologies, build capacity, create rural entrepreneurship opportunities for the youth and protect the environment.

The expected project outcomes include the mitigation of climate risks through water management and the restoration of degraded lands, the increase of agricultural, arboricultural, pastoral and aquaculture production and income, the improvement of access to production areas, the improvement of storage, conservation and processing infrastructure, and promotion of employment and entrepreneurship for youth and women.

Finally, it will contribute to improved water management, resulting from the construction of irrigation and salinization control works, and contribute to people's resilience to the adverse effects of climate change, marked by irregular rains, climate variability, uncontrolled rainfall start-up periods and global warming.



### EXPECTED DEVELOPMENT RESULTS



• 300,000 beneficiaries



• 12,730 hectares of land irrigated and developed for agriculture  
• 3,800 hectares of land rehabilitated or protected



• 100 km of roads built or rehabilitated



• \$1,800 increase in income per beneficiary from agricultural production  
• 5,000 youth SMEs promoted or created  
• 16,000 producers will be supported



• 28,000 jobs created  
• 200 technical officers trained

## Support Project for the Development of Value Chains in the Fisheries and Aquaculture Sector

### EQUATORIAL GUINEEA

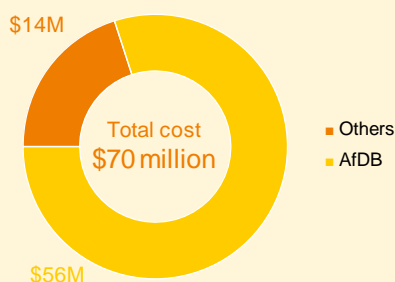


**Sector:** Agriculture

**Year of approval:** 2019



#### Sources of funding:



### Improving fisheries, aquaculture, and drinking water supply infrastructures to enhance food security and living conditions

The objective of the project is to enhance fish production through the sustainable development of aquaculture, artisanal fishing, and industrial fishing, and strengthen drinking water and sanitation infrastructure.

Equatorial Guinea's economy is marked by massive food imports for consumption by the population with over \$20 million in frozen fish imports in 2017 alone. Despite significant fishing potential estimated at around 74,000 tons of fish and 600 tons of crustaceans, current domestic production is inadequate and represents only 0.7% of its full potential.

The implementation of this project will improve fish supplies to the domestic market, reduce food imports, increase exports to countries of the sub-region, increase fishermen's income and improve youth employment, as well as access to drinking water and sanitation, through the provision of 50 boreholes and 150 latrines in 34 villages in the project area.

Through the development of value chains for artisanal and industrial fishing, as well as production areas for aquaculture, the project will also contribute to improved food security and living conditions for target populations.

Moreover, improved fishing management will contribute to a more sustainable management of fisheries resources and river-sea ecosystems in the country and the sub-region, which are undergoing various forms of degradation.



### EXPECTED DEVELOPMENT RESULTS



• 739,000 beneficiaries



• 19,126 tons increase in annual fish production  
• \$11 million reduction in fishery product imports



• 2,125 households provided with drinking water supply



• 6% decrease in chronic malnutrition rate



• 500 new MSMEs supported  
• 15,000 jobs created - 70% for women and youth  
• 1,620 people trained

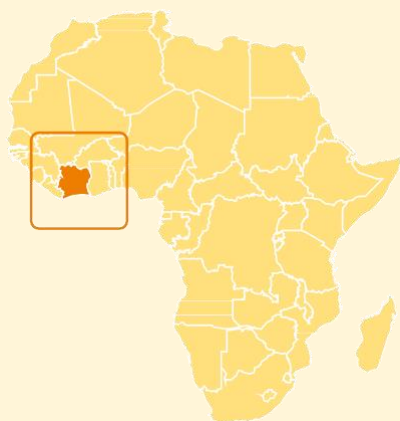
## Government Social Program Support Project

### COTE D'IVOIRE

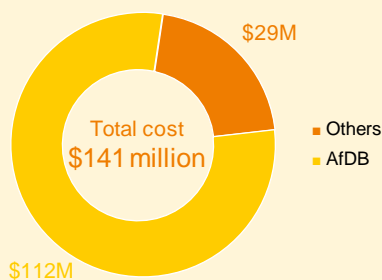


**Sector:** Social

**Year of approval:** 2019



#### Sources of funding:



### Facilitating access to basic social services for vulnerable households

The main objective of this project is to support the Government of Cote d'Ivoire in its efforts to achieve the results/impacts from implementing the Government Social Program adopted in 2018. Under the Program, the Government aims to improve livelihoods by facilitating access to basic social services and reducing household expenses.

The project will accelerate the socio-economic reforms by providing rural communities with better access to basic services, especially healthcare, drinking water and social services. It will also help improve the living conditions of rural dwellers and the youth by supporting agricultural production and processing, and facilitating the youth's access to the labor market.

The main expected outputs involve the maintenance and rehabilitation of rural tracks and hydraulic works, the rehabilitation of health facilities and social centers, the improvement in water supply in villages, the increase in food security through the distribution of production kits to market gardening and cassava producers, the sponsoring of pre-employment internships for young people and the financing of transformative SMEs.



### EXPECTED DEVELOPMENT RESULTS



• 3.5 million beneficiaries



• 282,300 ton increase in annual production benefitting 20,000 farmers  
• 7,874 market gardening and cassava production kits distributed



• 4,026 rural tracks rehabilitated, improving access to 200 villages



• 23% increase in access to drinkable water



• 17% increase in health services utilization



• 1,360 transformative SMEs financed



• 26,100 jobs created  
• 20,000 interns with improved employability  
• 8,820 people trained



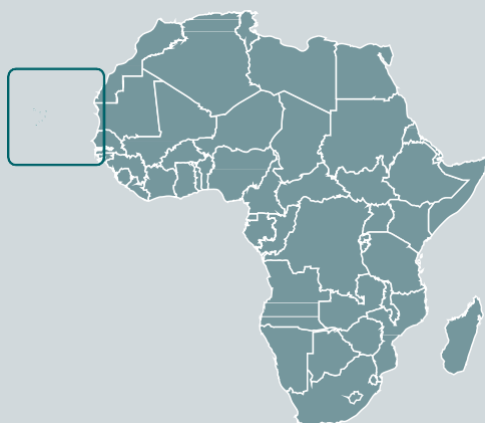
## Covid-19 Crisis Response Support Program

### CABO VERDE

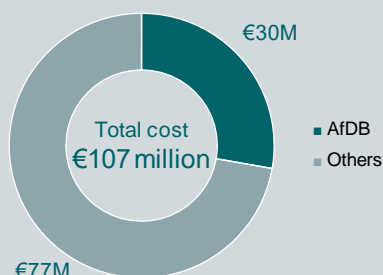


**Sector:** Covid-19

**Year of approval:** 2020



#### Sources of funding:



### Implementing protection measures for the poorest families, the informal sector and MSMEs

The objective of the program is to support the authorities' Covid-19 response strategy in mitigating the social impact of the crisis and maintaining macroeconomic stability. This project seeks to improve health and social responses to ease the impact on the most vulnerable and address macro-fiscal imbalances while mitigating the effects of the crisis on the private sector.

Cabo Verde's strong economic performance in recent years has been brought to a sudden stop by the Covid-19 pandemic. Stringent contingency measures and disruptions in supply chains caused the economy to shrink by 8.9% in 2020. The country's dependence on the blue economy, including fisheries and tourism (which accounts for 20% of GDP) makes it particularly vulnerable to external shocks and exacerbates the impact of the pandemic.

Despite Cabo Verde's poverty reduction achievements in recent years, more than a third of the population remains poor and an even higher proportion are likely to be vulnerable in the face of the Covid-19 crisis. Covered households are entitled to healthcare and unemployment insurance, providing protection against the effects of the pandemic. However, a large portion of the population remain uncovered, particularly in rural areas and in the informal economy. In this context, responding exclusively through existing programs risks not reaching some of the most vulnerable and leaving many without adequate support to weather the crisis.

While the country's health indicators are among the best in West Africa, risks remain and the country's health system has significant room for improvement, especially in the context of a global pandemic.



### EXPECTED OUTCOMES



- 5.7% increase in Global Health Security Index Score
- 95 new ventilators provided in isolation rooms
- Development of a Covid-19 information management website



- 3,000 additional vulnerable households to benefit from the social inclusion income and food assistance scheme
- 30,000 informal and self-employed workers to benefit from the Solidarity Income



- 13,224 furloughed workers to benefit from income recovery scheme
- \$10.5 million in credit lines provided to affected firms
- Affected MSMEs to benefit from deferral of corporate tax, VAT, and payroll tax payments

## Support Program for Covid-19 Response through Social Inclusion and Employment

### TUNISIA

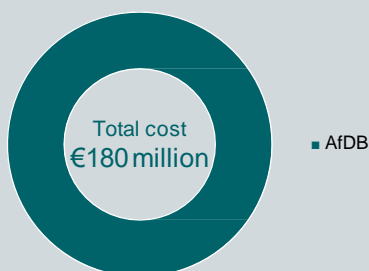


**Sector:** Covid-19

**Year of approval:** 2020



**Sources of funding:**



### Achieving resilient and inclusive growth by safeguarding employment

The program's objectives are to build resilience of the health and social protection system, including preservation of employment opportunities and businesses in urban and rural areas, while speeding up the economic recovery. The program boosted early Covid-19 testing using rapid tests countrywide, provided periodic monetary assistance, and expanded social insurance to the most vulnerable. Through health and social assistance measures, the program supported national institutions in successfully responding to Covid-19, the poor and low-income categories affected by the crisis, enterprises and workers who lost their jobs and income because of the economic crisis, as well as people with small pensions.

The Tunisian Government's decision to confine the population to slow the spread of Covid-19 has had a great impact on economic activities and social life. The recession in the country caused an 8.8% decline in GDP in 2020, leading to nearly 28% in job losses. A recent survey confirmed that 67% of businesses face financial difficulties, 80% experienced supply chain disruptions, and 44% recorded export order cancellations.

During the crisis, the Bank provided Tunisia with EUR 180 million to help mitigate the impacts of Covid-19 through job protection and social inclusion of vulnerable groups, the youth, and the poor in the short term, and by stimulating an economic recovery in the medium term. The program provided the resources needed to mitigate the health, economic and financial shocks of the pandemic, and contributed to economic recovery through a series of counter-cyclical measures aimed at strengthening business resilience, protecting the private sector, safeguarding jobs, and ensuring economic growth through improved employment conditions.



### EXPECTED OUTCOMES



- 450,000 rapid tests procured



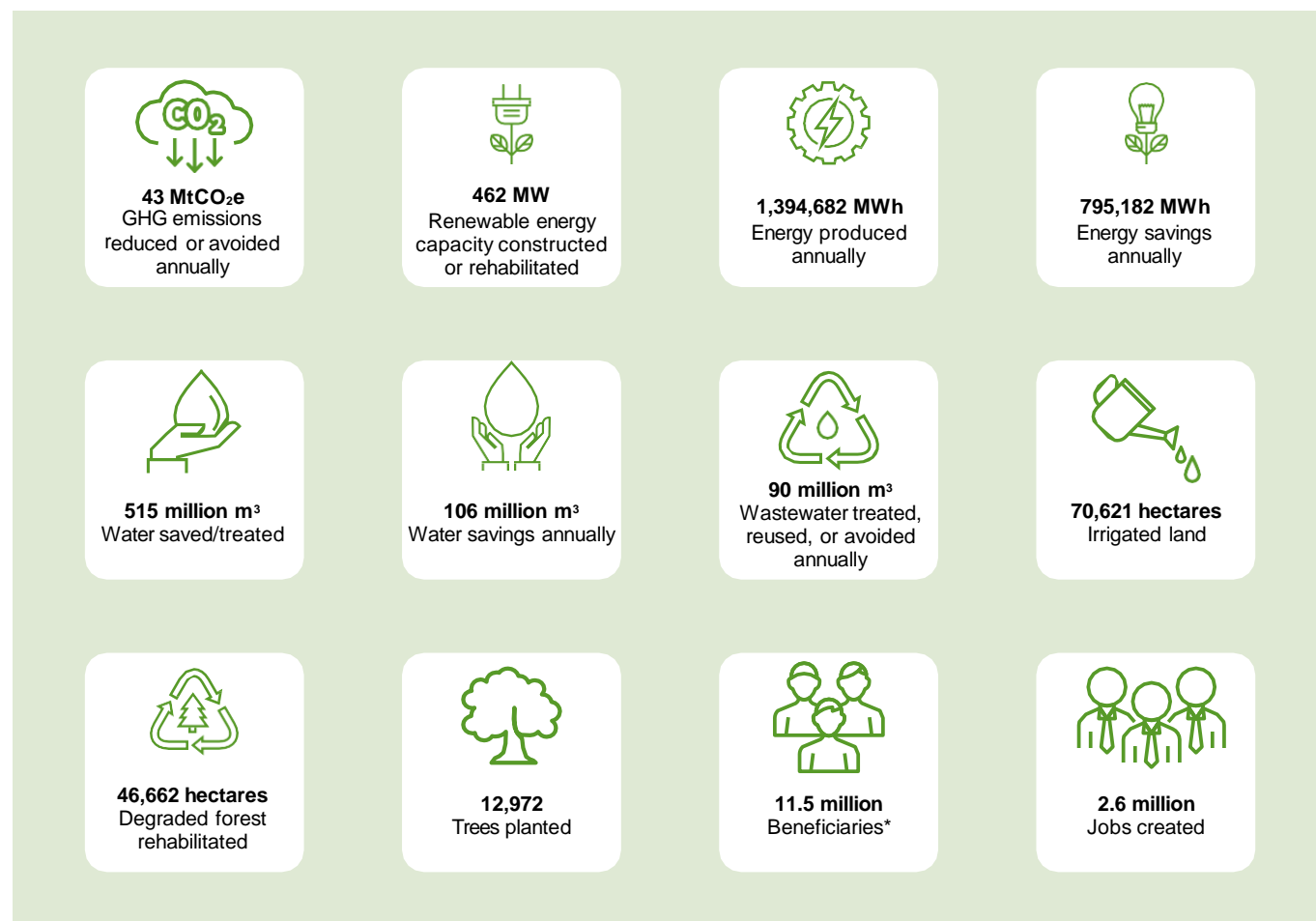
- 2 million beneficiaries of monthly money allowance of TND 200 (623,000 low-income families, 10,000 workers who lost their jobs, and 140,000 retirees)
- 60,000 food packages distributed



- 600,000 jobs saved
- 250,400 businesses protected from bankruptcy

## Green bond impact reporting

Impact reporting from projects funded by the green bond portfolio as of 31 December 2020<sup>12</sup>



*NB: The impact reporting is based on ex-ante estimates at the time of project appraisal, therefore there is no guarantee that these results will ultimately materialize. The impact reporting doesn't provide actual results achieved in a specific year or reporting period. Full impact reporting for each project is available upon request.*

<sup>12</sup> This impact reporting is computed proportionately to AfDB's share of financing in the eligible green projects.

\* Based on the UN Statistics Division and the AfDB Statistics Department, the average African household size was 4.69 in 2019.

## Social bond impact reporting

Impact reporting from projects funded by the social bond portfolio as of 31 December 2020<sup>13</sup>



**NB:** The impact reporting is based on ex-ante estimates at the time of project appraisal, therefore there is no guarantee that these results will ultimately materialize. The impact reporting doesn't provide actual results achieved in a specific year or reporting period. Full impact reporting for each project is available upon request.

<sup>13</sup> This impact reporting is computed proportionately to AfDB's share of financing in the eligible social projects.

\* Based on the UN Statistics Division and the AfDB Statistics Department, the average African household size was 4.69 in 2019.

\*\* Only in specific social projects that have income generation as an impact metric.



## Covid-19 bond impact reporting

Impact reporting from projects funded by the Covid-19 bond portfolio as of 31 December 2020<sup>14</sup>

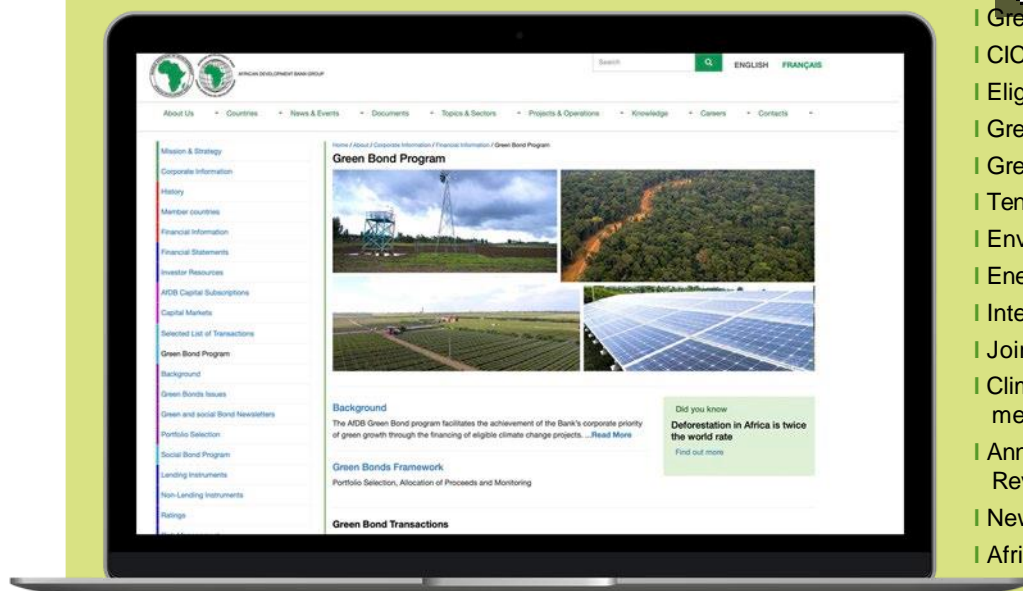


*NB: The impact reporting is based on ex-ante estimates at the time of project appraisal, therefore there is no guarantee that these results will ultimately materialize. The impact reporting doesn't provide actual results achieved in a specific year or reporting period. Full impact reporting for each project is available upon request.*

<sup>14</sup> This impact reporting is computed proportionately to AfDB's share of financing in the eligible Covid-19 projects.

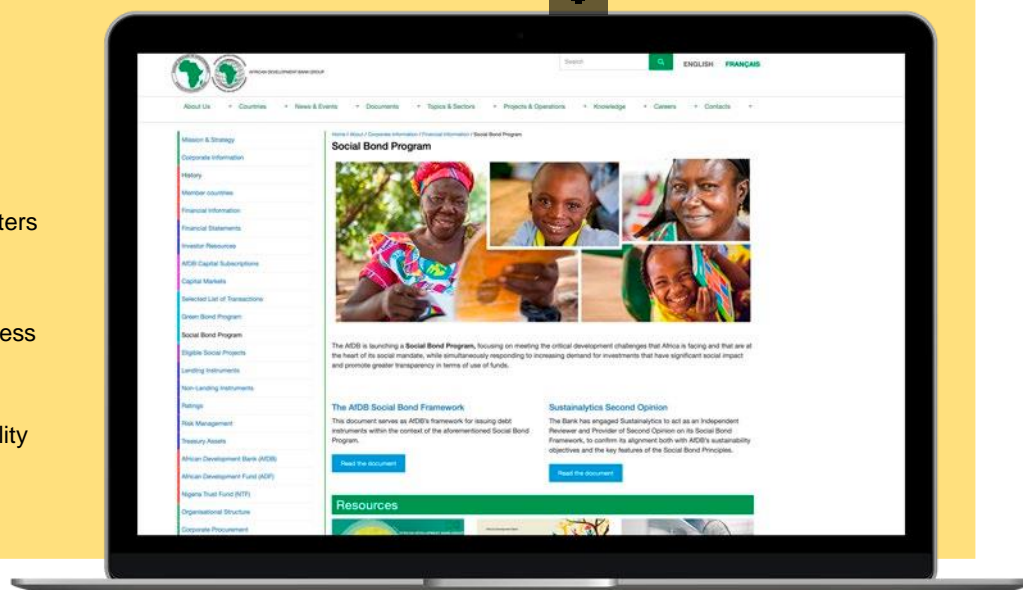
\* Based on the UN Statistics Division and the AfDB Statistics Department, the average African household size is 4.69 as of 2019.

## [AfDB Green Bond Webpage](#)



- | Green Bond framework
- | CICERO second opinion
- | Eligible green projects
- | Green and social bond newsletters
- | Green bond transactions
- | Ten-Year Strategy (2013–2022)
- | Environmental policy
- | Energy policy
- | Integrated Safeguard Systems
- | Joint-MDB report on climate finance
- | Climate finance tracking methodology
- | Annual Development Effectiveness Review
- | New Deal on Energy for Africa
- | African Economic Outlook

## [AfDB Social Bond Webpage](#)



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- | Social bond transactions
- | Green and social bond newsletters
- | Ten-Year Strategy (2013–2022)
- | Integrated Safeguard Systems
- | Annual Development Effectiveness Review
- | African Economic Outlook
- | Covid-19 Rapid Response Facility (CRF)

## Transparency and development results

### Annual Development Effectiveness Review

The Annual Development Effectiveness Review (ADER) appraises Africa's development over the past year in relation to the High 5 priority areas and details the contribution made by the African Development Bank. The ADER also presents the results of the Bank's ongoing efforts to strengthen its portfolio and make its operations more effective.

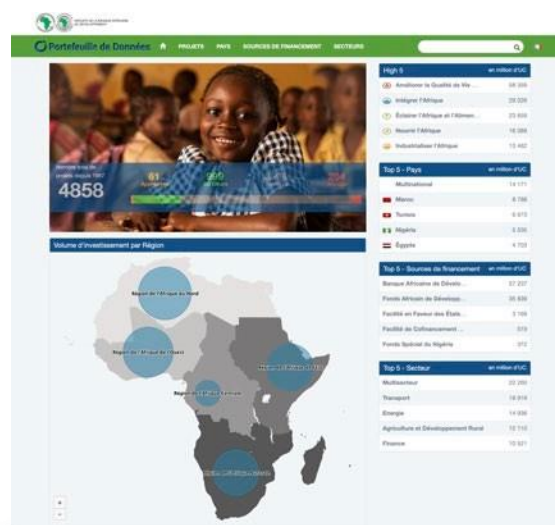


#### Development impact results from projects completed in 2020

- | 260,000 people with new electricity connections
- | 16.4 million people benefited from improvements in agriculture
- | 8.3 million people with improved access to water and sanitation
- | 7,700 owner-operators and MSMEs provided access to financial services
- | 9.2 million people with better access to transportation services
- | 170,000 people with better access to education
- | 118,000 people trained

#### Data Portal

The projects Data Portal provides access to information on all of the African Development Bank's lending projects from 1967 to date. With one-click navigation, this user-friendly portal provides a ready-made tool for monitoring and showcasing more than 4,855 Bank projects, as well as a bird's-eye perspective on countries, regions, sectors and the High 5s. Altogether, this portal allows for a better understanding of where there might be gaps between needs and resources.



afdb\_acc

green  
assets  
wallet

The African Development Bank's green bond impact reporting can be found on the Green Asset Wallet platform, the world's first blockchain platform for validation and reporting of financial impact, designed to inject efficiency and transparency into the green bond market.



African Development  
Bank Group



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