



AFRICAN DEVELOPMENT BANK GROUP

Sustainable Bond Newsletter

Issue 09 • December 2023

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Sustainable solutions for Africa

As the continent copes with the after-effects of a global health crisis and the current geopolitical conflicts, climate change continues to be a significant challenge to African countries, threatening the lives and livelihoods of millions of people. Although Africa's historical and current contributions to energy related global carbon dioxide emissions are below 3%¹, the continent is at the receiving end of devastating climate change-induced phenomena. African countries have lost between 5% and 15% of their GDP per capita growth from 1986 to 2015² due to climate change. In the last two years, 131 extreme-weather disasters were recorded - floods, storms, droughts, and wildfires - affecting more than 54 million people³.

Despite this, Africa's GDP growth at 3.8% in 2022 was above the global average of 3.4%, and the outlook remains positive and stable, with a projected economic rebound to 4% in 2023 and further upside to 4.3% in 2024.

As Africa's premiere development finance institution, the African Development Bank has demonstrated its unwavering commitment to building a resilient and prosperous Africa, through initiatives and innovative financing mechanisms to scale-up climate finance and co-financing across the continent. Highlights include: [the Alliance for Green Infrastructure in Africa \(AGIA\)](#); [the Climate Action Window \(CAW\) initiative](#); and [Sustainable Hybrid Capital](#), a pioneering financial instrument that will look to boost Environment, Social and Governance (ESG) financing on the continent.

This newsletter showcases recent developments in the Bank's activities in green and social bonds, including allocation and impact reporting. It also covers the Bank's strategic work in sustainability across the continent, and the recently released [Sustainable Bond Framework](#) and [Integrated Safeguards System \(ISS\)](#).

1 <https://iea.blob.core.windows.net/assets/220b2862-33a6-47bd-81e9-00e586f4d384/AfricaEnergyOutlook2022.pdf>

2 <https://www.afdb.org/en/documents/african-economic-outlook-2022>

3 https://gca.org/wp-content/uploads/2023/01/GCA_State-and-Trends-in-Adaptation-2022_Climate-Risks-in-Africa.pdf



Recent highlights

New Sustainable Bond Framework

The Bank was a pioneer in the ESG bond markets, launching its Green Bond Framework in 2013, prior even to the release of ICMA's Green Bond Principles. Similarly, the Bank launched its Social Bond Framework in the same year the Social Bond Principles were released in 2017. In 2023, the Bank has undertaken to combine and update both Frameworks with a new Sustainable Bond Framework released in 2023 (see more on page 6).

Breaking new ground with Sustainable Hybrid Capital

As the Multilateral Development Bank (MDB) community looks to scale-up efforts to deal with the world's environmental and social challenges, the Bank has looked to use a new capital instrument for the community. In September 2023, the Bank conducted a two-week roadshow for the first publicly marketed hybrid capital bond, in sustainable format. The Bank met with an unprecedented 130+ accounts, though, despite strong feedback, volatile markets have ultimately pushed execution into 2024.

AfDB kicks off the funding year with a Green Bond

In January 2023, the Bank issued its first Green Bond of the year in the Swedish market, an SEK 1.5 billion 5-year Green Bond due January 2028. This transaction is the 8th SEK green bond issued by the Bank. A second SEK transaction was issued in October, a SEK 1 billion 4-year Green Bond, sold to a single Nordic investor.

First ESG issuance in the Sterling market

In July 2023, the Bank marked its return to the sterling market with an inaugural social bond, a [GBP 300 million 2-year Social Benchmark due August 2025](#). This is the Bank's first GBP benchmark issued since January 2022, and so an important source of investor diversification for the Bank. GBP is the 6th currency issued under the Bank's Social Bond program, following issuances in Euro (EUR), Norwegian Kroner (NOK), US dollar (USD), Swedish krona (SEK) and Australian dollar (AUD).

A successful return to the green Kangaroo market

In February 2023, the Bank issued its second green bond in the Australian market, an [AUD 50 million 15-year Green Kangaroo due March 2038](#). The transaction was sold to a single Japanese investor and was further upsized in July by AUD 25 million and in September by AUD 75 million, taking the total outstanding issue size to AUD 150 million. This green bond follows the inaugural AUD 140 million 15-year Green Kangaroo due December 2031 issued in 2016 and extends the Bank's Kangaroo curve out to 15 years again.

Inaugural Norwegian kroner Green Bond

In March 2023, the Bank issued its debut green bond in the Norwegian market, a [NOK 1 billion 5-year Green Bond due March 2028](#), which was further upsized by NOK 1 billion, taking the total outstanding issue size to NOK 2 billion. This follows three NOK social bonds issued in 2019 and 2021 and extends the Bank's investor reach in the Nordic market.

AfDB recognized as a top player in ESG markets

Environmental Finance awarded the Bank's inaugural green bond issued in 2022 in the South African market, a [ZAR 200 million 1-year Green Bond due September 2023](#), with the "Green bond of the year - supranational" at the 2023 Bond Awards. This transaction

was issued in a private placement format and sold to a Japanese institutional investor, in support of green financing in African countries.

The Bank also received five awards from EMEA Finance for its outstanding performance in 2022 and landmark transactions. The awards included "Best social bond" for AfDB's [EUR 1.25 billion 7-year Social Bond due September 2029](#), "Best kangaroo bond" for AfDB's [AUD 155 million 10-year Social Kangaroo due October 2032](#), and "Best Swedish krone bond" for AfDB's SEK 1.5 billion 5-year Green Bond transaction.

The Climate Action Window, a pivotal instrument to strengthen Africa's climate resilience

In response to the urgent need to boost climate finance to support Africa's development and promote a resilient and low-carbon development, the African Development Fund and its partners have committed a total package of USD 8.9 billion to its 2023–2025 financing cycle. Off this package, USD 429 million is earmarked as seed money for the new [Climate Action Window \(CAW\) initiative](#). CAW is designed to deliver up to USD 13 billion mobilized through co-financing by external climate funds and state and non-state actors, including the private sector. The CAW will provide grants for climate adaptation to 37 low-income and fragile states, which are the most affected by climate change.

AGIA, a multi-billion alliance for green infrastructure

At COP27, the Bank, along with regional partners, launched the [Alliance for Green Infrastructure in Africa \(AGIA\)](#), an initiative to help scale-up and accelerate financing for green infrastructure projects in Africa. Other key development partners have expressed interest to join the alliance, which aims to de-risk projects with stable long-term cash-flows making them attractive to the private sector. The AGIA will raise up to USD 500 million to provide early-stage project development capital. This capital will be used to build a pipeline of bankable projects. The goal is to generate up to USD 10 billion in investment opportunities. This will be mobilized from a combination of co-investments, co-financing, risk mitigation and blended finance provided by AGIA members.

Second edition of the Africa Food Summit Dakar

After the successful first edition held in 2015, the Bank organized the second [Dakar 2 Summit](#) in January 2023. The summit brought together governments, the private sector, multilateral organizations, NGOs and scientists to mobilize and align government resources, development partners and private sector financing to unleash Africa's food production potential (see more on page 5).

Kenya hosts inaugural Africa Climate Week

In September 2023, world leaders, gathered in Nairobi for the inaugural [Africa Climate Summit](#), pledged their support to position the continent at the centre of the fight against climate change, urging greater consideration for Africa's priorities and endowments. Key messages included, African leaders demanding developed nations to deliver on their promise to provide USD 100 billion annually for climate finance and calling for Africa to unlock its vast renewable energy potential. Host, Kenyan President Ruto, highlighted Africa's strengths as "the continent with 60% of the world's renewable energy assets" and a projection to have 40% of the world's workforce by 2100.

Securing food sovereignty and resilience for Africa

Food and nutrition insecurity continues to be a key challenge in Africa, with around 278 million people undernourished⁴, representing one third of those affected globally. The UN has noted that Africa must be the focus, where “the number of undernourished is growing faster than anywhere in the world”⁵. Feeding the world calls for changes in global food systems in order to fully unlock the continent’s food production potential.

Despite having 65% of the remaining arable land to feed 9 billion people in the world by 2050, the continent imports over 100 million metric tons of food at the cost of USD 75 billion annually. Africa has the potential to feed itself and contribute to feeding the world. Its vast savannah areas alone are estimated at 400 million hectares, of which only 10% is cultivated⁵.

The continent’s food and agriculture market could increase from USD 280 billion annually to USD 1 trillion by 2030⁵. Achieving this ambitious target will require significant new investments and the removal of barriers to agricultural development. The Bank places agriculture and agribusiness as a strategic priority, and continuously puts efforts in various programs to boost food production and agriculture in a climate-smart manner, such as the [Technologies for African Agricultural Transformation \(TAAT\)](#) initiative, which aims to double the productivity of crops, livestock and fisheries, by making proven technologies available to more than 40 million agricultural producers by 2025. This aims to produce an additional 120 million tonnes of food and lift 130 million people out of poverty.

During the second edition of the Dakar Feed Africa Summit, [Dakar 2 Summit](#), that took place in January 2023, a commitment of USD 30 billion of financing in support of Africa’s agricultural transformation was announced, of which one third will be provided

by the Bank and the rest by other development partners. The Bank led the summit with an action-driven agenda with five goals:

- Mobilize high-level political commitment around production, markets and trade to deliver Food and Agriculture Delivery Compacts for selected countries
- Mobilize and align government resources, development partners and private sector financing around the [Food and Agriculture Delivery Compacts](#) to achieve food security at scale in each country
- Share successful experiences on food and agriculture in selected countries and successful platforms to scale-up support for agriculture
- Double agricultural productivity with state-of-the-art, climate-adapted crop, livestock and aquaculture technology and advisory services. Support research and development for a pipeline of climate resilient agricultural technologies
- Develop necessary infrastructure and logistics with Special Agro-Industrial Processing Zones⁶ to build markets and competitive food and agriculture value chains.



Ethiopia - From wheat importer to wheat exporter thanks to climate-resilient technologies

Ethiopia has become a top African wheat producer since 2020, thanks to the implementation of TAAT wheat technology. This technology has increased the productivity and incomes of farming households by providing them access to climate-resilient technologies, such as climate-smart agricultural practices that promote sustainable and resilient farming systems, as well as climate-resilient seeds for wheat production. As a result, Ethiopia has achieved 100% self-sufficiency in wheat as of December 2022, with wheat production reaching 10.1 million MT. Since 2023, Ethiopia has started exporting wheat to Kenya and Djibouti.



Since 2020

Top African wheat producer



By 2022

100% self-sufficiency



In 2023

Exporting wheat to Kenya and Djibouti

⁴ [The state of food security and nutrition in the world 2022](#)

⁵ [About the Dakar 2 Summit](#)

⁶ New economic zones, located in rural areas, to be fully supported through infrastructure development to allow agribusiness companies to locate to the new zones.

Transforming the Sahel from power fragility to power resilience

The Bank is at the forefront of Africa's just energy transition, with the vision focused on developing the continent's energy sector along a sustainable and cleaner path that will provide universal access to modern, affordable, and reliable energy services by 2030. To achieve this goal, the Bank is scaling-up its support for renewable energy generation and power transmission at national and regional levels and off-grid systems.

The [Desert-to-Power \(DtP\) initiative](#), first launched in 2019 at the G5 Sahel⁷ Summit in Ouagadougou, is a flagship renewable energy and socio-economic development initiative led by the African Development Bank. The initiative is one pillar of a wider development programme for the region by a consortium of development partners and has a particular focus of crowding in the private sector.

In the context of the Bank's High 5 priority "Light Up and Power Africa", the DtP initiative has the bold ambition to light up and power the 11 countries of the Sahel region⁸ by increasing solar generation capacity by 10 GW through a mix of public, private and on and off-grid projects by 2030. The initiative aims to provide 250 million new electricity connections, whilst increasing access to renewable electricity through the world's largest solar zone.

The initial focus of the initiative is on the G5 Sahel countries, with the objective of establishing sustainable and widespread energy supplies to transform the region from power fragility to power resilience. Since 2021, the Bank and its partners have been working to support the G5 Sahel countries in identifying and preparing priority projects while also negotiating the challenges from the COVID-19 pandemic and continued socio-political instability.



In November 2023, the Bank released the [third progress report](#) on DtP covering 2022. The initiative now has a portfolio of nine projects across 7 countries, with over 15 technical assistance interventions at national and regional levels.

Of those nine projects, six are investment projects now in the portfolio⁹ and currently amount to USD 415 million investments. The projects are set to provide approximately 102 MW of additional generation capacity and an aggregate number of close to 300,000 new connections. Collectively, the DtP portfolio projects are expected to impact more than 2,350,000 people.

In 2022 and 2023 so far, the initiative approved three additional projects¹⁰ in Eritrea, Mauritania and Niger, one technical assistance programme in East Africa and the [Sahel G5 Desert-to-Power Financing Facility \(GCF\)](#) for a total USD 720 million. The Facility is ultimately expected to mobilize around USD 1 billion, of which USD 380 million will come from the Bank's own resources, to install renewable generation capacity of 500 MW.

11 countries benefiting

Burkina Faso, Chad, Ethiopia, Eritrea, Djibouti, Mali, Mauritania, Niger, Nigeria, Senegal and Sudan

Accelerated electrification at scale

10 GW
of new solar capacity created

250 million people
provided with green energy

⁷ G5 Sahel is comprised of Burkina Faso, Chad, Mali, Mauritania and Niger

⁸ Burkina Faso, Chad, Djibouti, Eritrea, Ethiopia, Mali, Mauritania, Niger, Nigeria, Senegal and Sudan

⁹ Burkina Faso: 3 projects (Yeelen On-grid, Yeelen Off-grid, and Electrification and Power Connection Development Project); Chad: 2 projects (Djermaya PV Solar Plant and Electricity Sector Support Project); Sudan: 1 project (Solar PV Powered Pumping Systems Project)

¹⁰ Eritrea: Dekemhare (approved in March 2023); Mauritania: Green Mini-Grid Electrification Project (approved in November 2023); Niger: Project for the Development of Solar Power Plants and Improvement of Access to Electricity (approved in December 2022)

The Bank updates the Integrated Safeguard System

In April 2023, the Bank approved the updated [Integrated Safeguards System \(ISS\)](#). The ISS, first adopted in 2013, enables the Bank to achieve its strategic goals more sustainably and holistically. The ISS looks to mainstream the safeguards approach to the preparation, appraisal and approval processes by integrating the consideration of environmental and social risks and impacts into all Bank operations, and thus promoting sustainability and long-term development of Bank-supported operations. In this way, the Bank looks to integrate environmental and social impacts into all Bank operations, not just those eligible for the Bank's sustainable bond portfolios.

The ISS incorporates systematic assessment of risks and impacts, committing to ensuring public and private sector operations comply with Operational Safeguards alongside country environmental requirements. This includes, amongst others: assessing environmental, climate change and social risks and impacts as early as possible in the project cycle providing effective monitoring, supervision and audit of agreed environmental and social management measures during project implementation.

The update incorporates responses to challenges experienced with the old ISS. These include fragile and conflict state contexts and the inclusion of pragmatic and risk-based approaches to addressing environmental and social risks, impacts and opportunities during the lifecycle of Bank-supported operations.

The new ISS follows an evaluation conducted in 2019 looking at the first five operational years of the old ISS. The Board approved the review and its recommendations in late 2019, which began the process of updating the ISS and keeping it in line with other multilateral financial institution peers.

With regards to the division of responsibilities between the Bank and its borrowers, the new ISS differentiates and clarifies the respective roles by:

- Meeting the Bank's environmental and social requirements and standards
- Providing more direction and clarity on the Bank's environmental and social requirements for the projects, activities and initiatives of its borrowers
- Increasing the Bank's alignment and support to Regional Member Countries (RMCs) in meeting the Sustainable Development Goals (SDGs)
- Assisting RMCs and borrowers in strengthening their own safeguards systems and their capacity to manage environmental and social risks



New Sustainable Bond Framework

The Bank has been issuing green bonds for the past 10 years since launching its Green Bond Framework in 2013, prior even to the release of ICMA Green Bond Principles. Later, in 2017, the Bank launched its Social Bond Framework following the release of ICMA Social Bond Principles. In that time, the Bank has issued 16 green bonds and 11 social bonds for a combined amount of USD 11 billion equivalent.

Whilst the Bank incorporates sustainability into all its operations, as exemplified by focuses such as the [High 5](#) strategic priorities and the [Climate and Green Growth Strategy 2021-2030](#), it was important to bring the Green and Social Bond Frameworks up to date in line with best market practice.

In this context, the Bank decided to establish a new [Sustainable Bond Framework](#) combining the Green and Social Bond Frameworks into one comprehensive document, reflecting the reality that the two themes are intertwined throughout the Bank's operations, as further highlighted in the Bank's cross-cutting objectives on climate change, gender, fragility, and governance. The new Framework will enable the issuance of green bonds, social bonds, sustainability bonds and sustainable hybrid capital.

For environmentally focused investments, project categories have been extended and aligned with ICMA categories to include:

- Renewable Energy
- Sustainable Mobility
- Energy Efficiency
- Environmentally Sustainable Management of Living Natural Resources and Land Use
- Sustainable Water and Wastewater Management.

The Bank has added considerable detail beyond the existing framework, specifying much more precisely the eligible green and social categories and environmental thresholds, where appropriate, and potential development impact metrics.

For social expenditures, the framework includes eligible categories for:

- Affordable Basic Infrastructure
- Access to Essential Services
- Food Security and Sustainable Food Systems
- Employment Generation and Programs Designed to Prevent and/or Alleviate Unemployment Stemming from Socioeconomic Crisis
- Socioeconomic Advancement and Empowerment.

As with the environmental categories, the new Sustainable Bond Framework adds significant further detail to the types of eligible projects, as well as Target Populations for each category and alignment to the High 5s. The Bank has signed up to all 17 SDGs in 2015, this is highlighted by mapping the SDGs to each project category.

Moody's Investor Services provided the Second Party Opinion for the framework, giving an overall rating of SQS2 Sustainability Quality Score (very good). The Bank has also committed to having an external verifier review the allocation and impact reporting and anticipates the first review to accompany the 2024 Sustainable Bond Newsletter.



Sustainable Hybrid Capital – inaugurating a new asset class

With the global challenges threatening progress and development, particularly in Africa, MDBs are actively scaling up their efforts. To augment this process, the G20 commissioned a comprehensive review¹¹ into enhancing MDBs' lending capacity. This review acknowledged the use of Hybrid Capital as a key tool, attracting interest from several MDBs.

In September 2023, the Bank announced a roadshow for the first-ever publicly marketed Hybrid Capital bond from a AAA-rated MDB. This groundbreaking move will not only strengthen the Bank's lending capacity, but also pave the way for a new era of investment opportunities, not just for the AfDB, but also for MDBs globally. The Hybrid Capital bond received a AA- rating from S&P, one of the highest ever ratings for this type of capital instrument.

In alignment with the Bank's commitment to financing eligible green and social projects, the Hybrid Capital bond will be issued in a sustainable format under the Bank's recently launched Sustainable Bond Framework. By supplementing the Bank's shareholder capital, Hybrid Capital aims to provide a leverage effect, allowing the Bank to lend at least two times for every dollar raised. The leveraged portion will be supported by further senior unsecured sustainable bond issuance, ensuring the Bank's focus remains on sustainable financing, and helping to address the significant funding gap of approximately USD 2.6 to 2.8 billion required by 2030 to finance Africa's Nationally Determined Contributions (NDCs)¹².

The roadshow was announced and carried out in September, with Bank teams visiting investors in person in the US and Europe, as well as many more virtually, seeing over 130 investors in total. Whilst the feedback was strong, execution has been tabled for 2024 due to volatile global market conditions in the last months of 2023.

For further information regarding the terms of the Sustainable Hybrid Capital transaction and structural risks and mitigants, please click [here](#).



¹¹ G20 Independent Review of MDBs' Capital Adequacy Frameworks

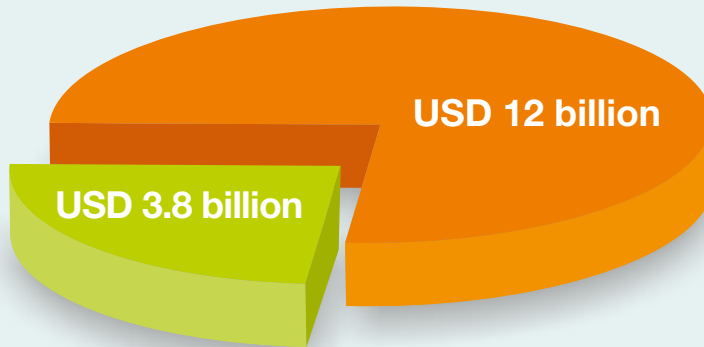
¹² The State of Climate Finance in Africa: Climate Finance Needs of African Countries

The Bank's sustainable project portfolio

Close to USD 16 billion committed in environmental finance and social development projects

47

Eligible green projects financed across 18 countries

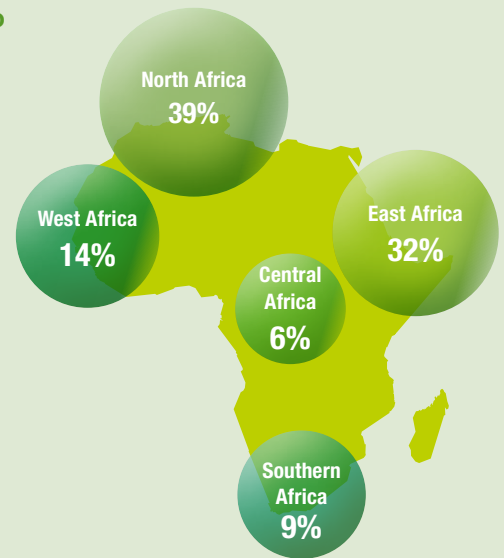
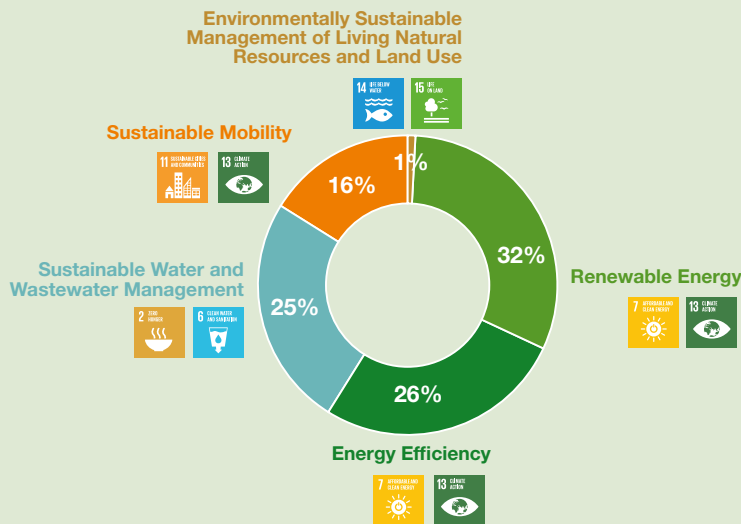


109

Eligible social projects financed across 27 countries

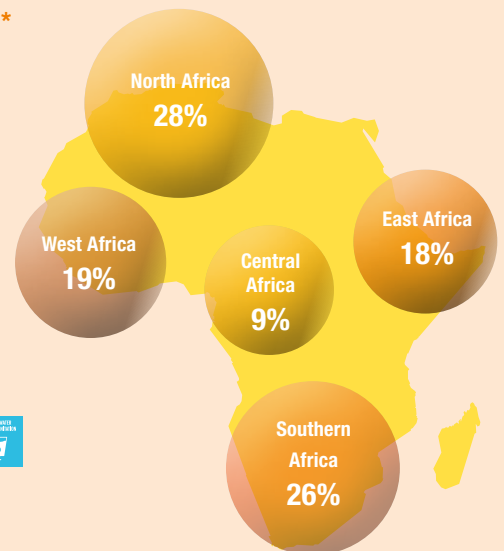
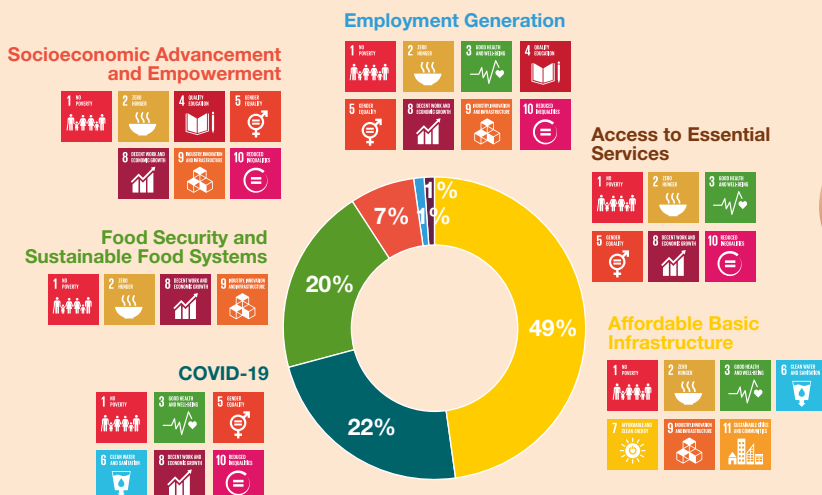
(as of 30 June 2023)

Committed green portfolio



(as of 30 June 2023)

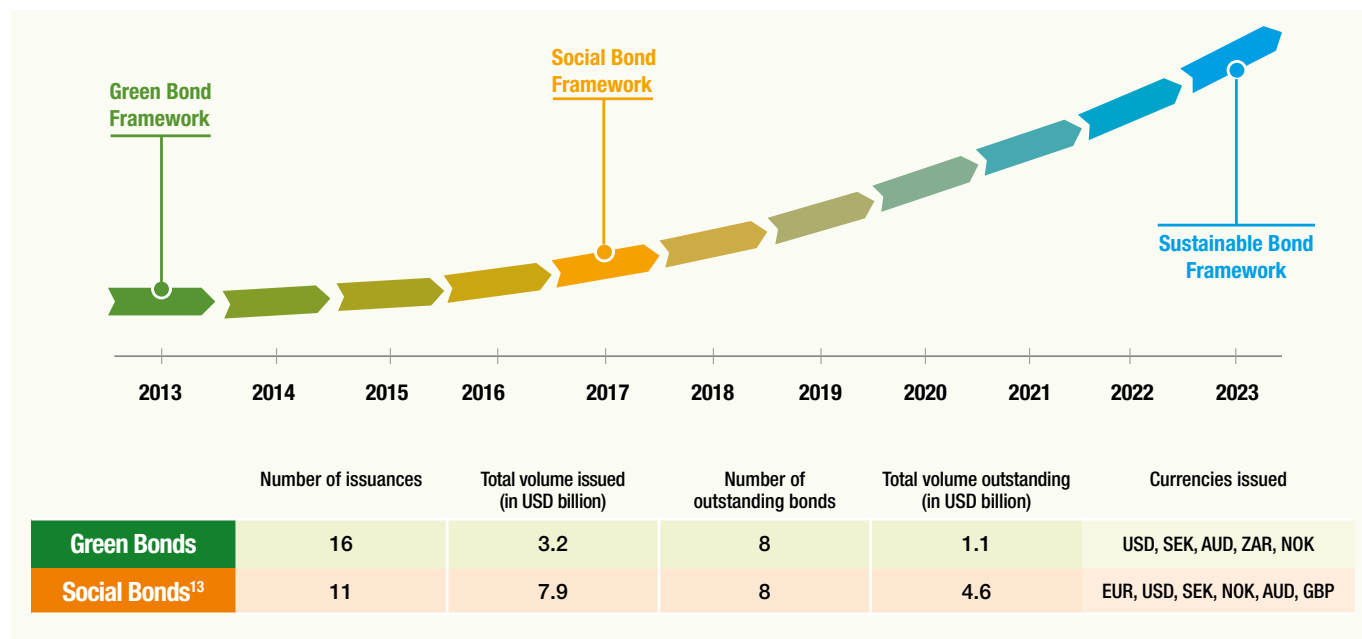
Committed social portfolio*



* With the redemption of the USD 3.1 billion "Fight COVID-19" bond in April 2023, the COVID-19 projects have now been combined with the social projects to form one social portfolio

Sustainable bond issuance

The African Development Bank is a prominent player in the ESG markets with a long track record of sustainable bond issuance. It holds the distinction of being one of the first SSA issuers in the green bond market back in 2013 and in the social bond market in 2017. For many years, the Bank was the largest social bond issuer among its MDB peers, and has achieved considerable success in attracting high-quality ESG investors to participate 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 ESG markets have offered a quality product for investors and valuable investor diversification for the Bank. The recent launch of some pioneering ESG transactions highlights the Bank's commitment to this market.

Sustainable bond issuance in 2023

SEK 1.5 billion

5-year
Green Bond due
January 2028

AUD 150 million

15-year
Green Kangaroo due
March 2038

NOK 2 billion

5-year
Green Bond due
March 2028

SEK 1 billion

4-year
Green Bond due
November 2027

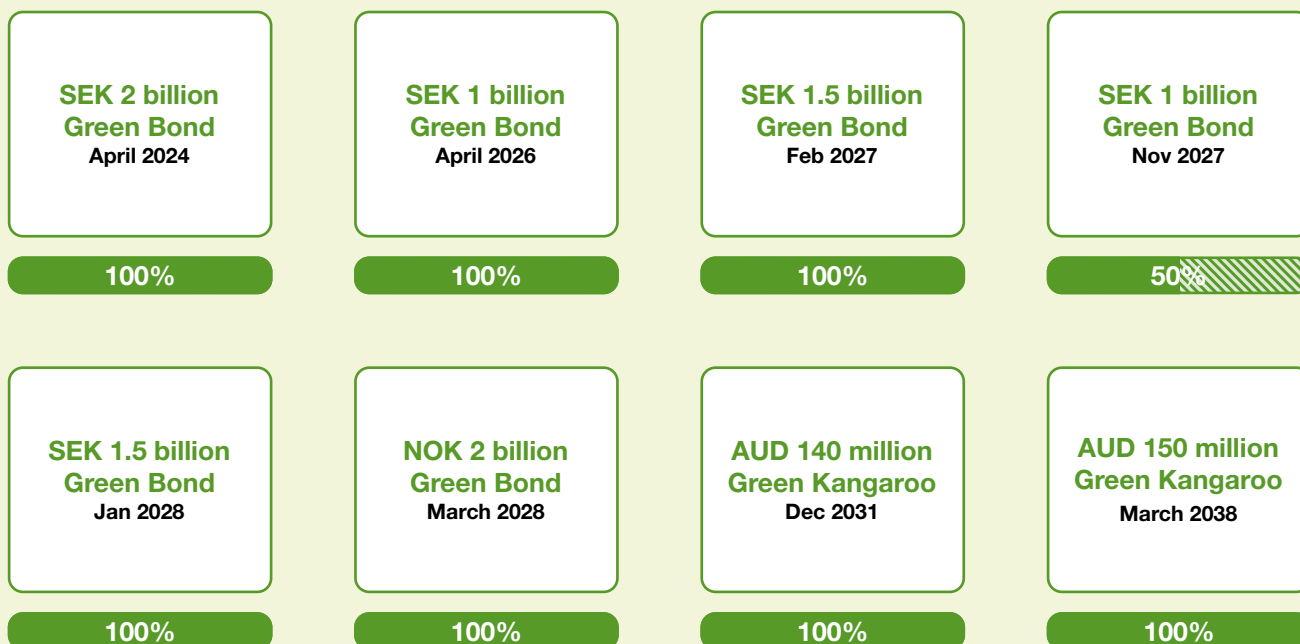
GBP 300 million

2-year Social
Benchmark due
August 2025

¹³ Includes the USD 3.1 billion "Fight COVID-19" bond issued in 2020

Sustainable bond allocation

Outstanding green bonds allocation (as of 30 November 2023)



Outstanding social bonds allocation (as of 30 November 2023)



Transformative sustainable projects

Green projects

MOROCCO

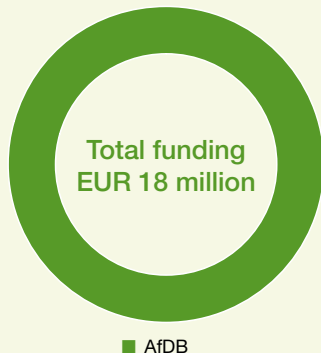


Sector: Sustainable Water & Wastewater Management

Year of approval: 2021



Source of funding:



Water Access Sustainability Security Project (Additional Financing)

The main goal of the project is to secure access to drinking water in the Guercif, Zagora, Al Hoceima, Tangier and Béni Mellal provinces. The project is designed to secure access to drinking water in both urban and rural areas in the designated regions. This particular tranche an additional financing in light of stresses to the project resulting from the COVID-19 pandemic (increased steel and transport costs) and adds to a EUR 79 million loan already made by the Bank in 2019.

This region has witnessed a significant industrial boom in recent years and the project aims to strengthen and secure access to drinking water by safeguarding and/or upgrading water production (water source, supply and/or treatment), thus making a key contribution to Morocco's Water Strategy 2040.

The project will benefit the populations of Guercif, Zagora, Al Hoceima and Béni Mellal, currently about 1.2 million (60% of which live in rural areas). It will also benefit communities in and around Tangier, with an estimated population of 1.3 million. Therefore, the project will benefit over 2.5 million people initially, and over 3.3 million in 2040, within the project's time scale.



EXPECTED DEVELOPMENT OUTCOMES¹⁴



• **100%** of population, both rural and urban, to have sustainable access to water by 2025 (from 60% for rural populations)



• **2.5 million** beneficiaries, growing to **3.3 million** by 2040



• **1,500** temporary jobs, **200** permanent jobs, **100,000** indirect jobs



• **40%** saving in the water released from the Ibn Battouta dam



• **4.5%** reduction in rural poverty



• Infant and child mortality rate (share of waterborne diseases) from 30 deaths per population of 1,000 in 2014 to below 20 from 2030



• **13%** reduction in rate of waterborne diseases to below 10% by 2030

¹⁴ Development impact metrics are for the whole project (not just AfDB share of financing)

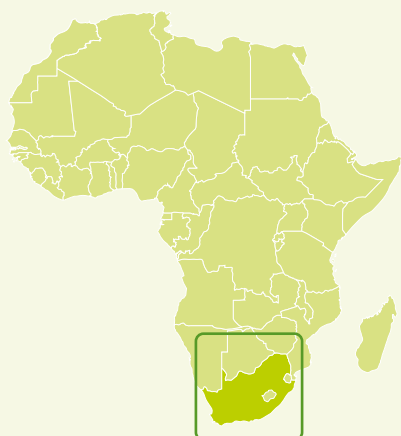


SOUTH AFRICA



Sector: Renewable Energy

Year of approval: 2018



Source of funding:



Redstone 100MW Concentrated Solar Power Project

The Redstone Concentrating Solar Power Plant (CSP) Project is to design, build, operate and maintain a 100 MW capacity CSP. It is expected to close the energy supply gap, reduce dependence on coal, limit carbon emissions, create local jobs, and develop a national solar energy industry.

Redstone's capacity will be increased, with a thermal storage potential increased to 12 hours (1,200 MWh), a relatively economical option compared to battery storage used in photovoltaic solar power plants. The thermal storage system will allow the Redstone CSP to operate at full capacity for 12 hours in the absence of solar radiation (after sunset or on temporary cloudy days).



EXPECTED DEVELOPMENT OUTCOMES¹⁵



• **100 MW** of renewable energy installed



• **466 GWh** of electricity produced per year



• **500,000 MTCO₂e** reduced/avoided per year



• **200,000** households to get access to electricity



• **2,178** jobs created during construction and **1,460** jobs created during operation

¹⁵ Development impact metrics are for the whole project (not just AfDB share of financing)

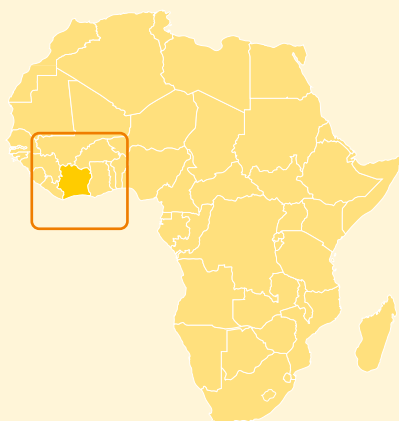
Social projects

CÔTE D'IVOIRE

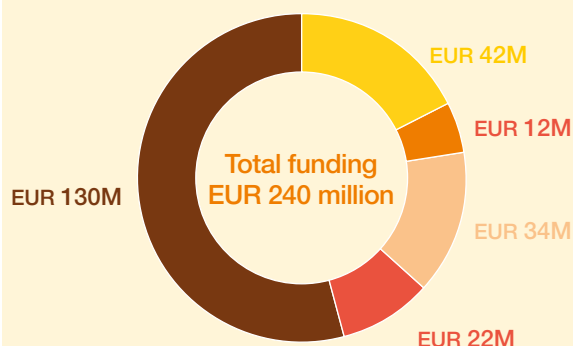


Sector: Agriculture & Food Security

Year of approval: 2021



Sources of funding:



■ AfDB
 ■ ADF
 ■ AGTF
 ■ Government of Côte d'Ivoire
 ■ Others








Agro-Industrial Pole Project in the North

The project covers four regions in the north of the country (Poro, Bagoué, Tchologo and Hambol) on the border with Mali and Burkina Faso, which represent 26% of the national territory and an estimated population of 2.25 million (2018). Agriculture accounts for an average of 60-65% of the economic activities of these regions which have been adversely affected by the political and economic crisis.

The overall objective of the project is to help increase the country's food and nutrition security, reduce its dependence on food imports and increase exports of agricultural products that have a competitive advantage. The specific objectives are to: (i) increase private investment, particularly in the processing of targeted agricultural products (rice, maize, meat/fish, cashew nuts, mango and shea); (ii) facilitate access to markets for agro-pastoralists by providing infrastructure, structuring the sector and building capacity; (iii) increase the agro-pastoral sector's productivity by upgrading hydro-agricultural facilities, facilitating access to agricultural inputs and services, and improving community resilience.



EXPECTED DEVELOPMENT OUTCOMES¹⁶

- 
• 400,000 direct and 1.2 million indirect beneficiaries
- 
• 8,000 hectares of land irrigated
- 
• 11,000 farmers with access to agricultural services and financing
- 
• 70,000 jobs created
- 
• 800 people trained
- 
• 6 hydro-agricultural dams with 40Mm³ capacity
- 
• 10% reduction in food insecurity

¹⁶ Development impact metrics are for the whole project (not only AfDB share of financing)

NIGERIA

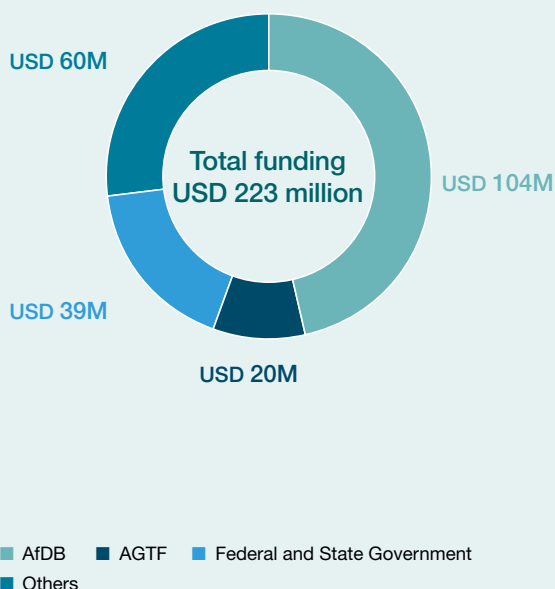


Sector: Access to Clean Water & Sanitation Services

Year of approval: 2021



Sources of funding:



Nigeria Urban Water Sector Reform and Akure Water Supply and Sanitation Project

58% of Nigerians have no access to safe water (2019) and none of Nigeria's more than 30 urban water utilities is able to provide uninterrupted water services to its citizens.

This project has several objectives: firstly, to provide sustainable access to safe drinking water and sanitation to the residents of Akure City and surrounding areas; secondly, to establish institutional and organizational arrangements for sustainability of the water and sanitation services; lastly, to strengthen the Government's capacity to facilitate urban water supply and sanitation reform and performance improvements across the country.



EXPECTED DEVELOPMENT OUTCOMES¹⁷



• **100%** of population with sustainable access to water by 2030 (from 58% in 2019)



• **100%** of population with sustainable access to sanitation by 2030 (from 31% in 2019)



• **1.3 million** residents with safe water access (from 100,000 in 2019)



• **2,000** temporary jobs created and **10** permanent ones

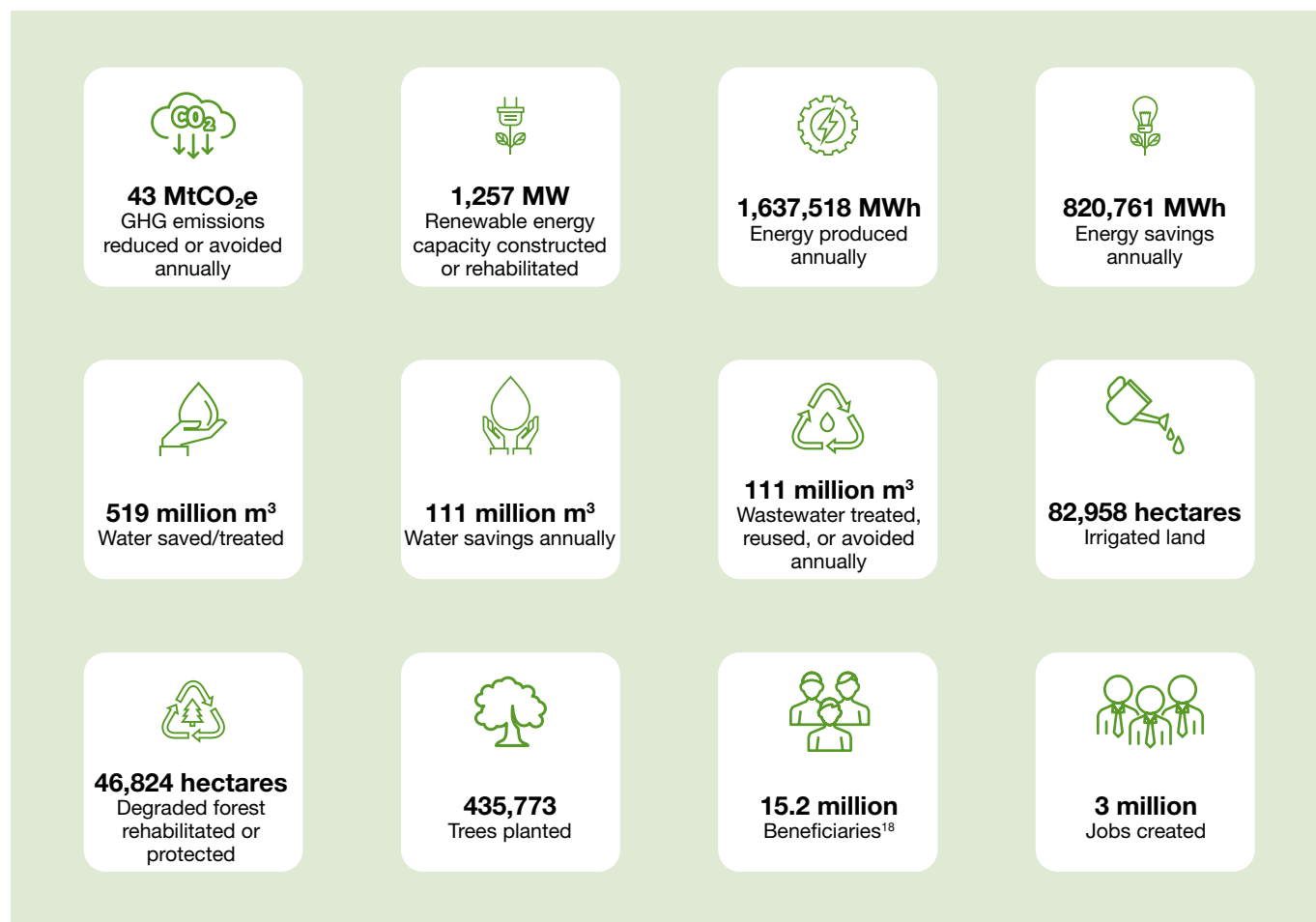


• **70,000 m³/day** of water supplied from zero
• **44,000** household water metered connections (9,500 baseline in 2019)

¹⁷ Development impact metrics are for the whole project (not only AfDB share of financing)

Impact reporting

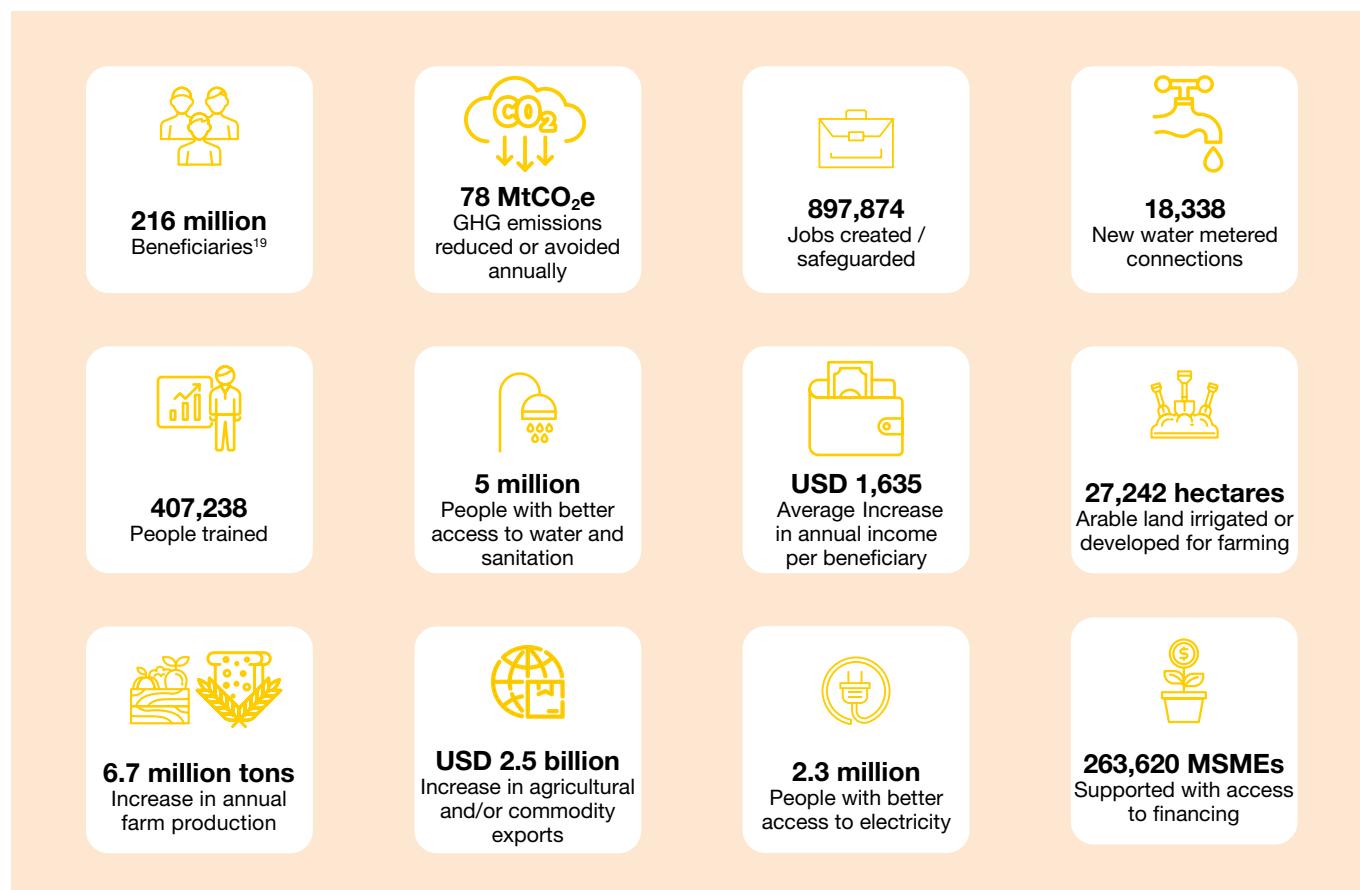
Aggregate impact reporting of the green project portfolio (as of 30 June 2023)



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. Impacts are prorated as per the Bank's economic share of the project. Full impact reporting per project is available for download [here](#).

¹⁸ Based on the UN Statistics Division and the AfDB Statistics Department, the average African household size was 4.69 in 2019

Aggregate impact reporting of the social project portfolio (as of 30 June 2023)



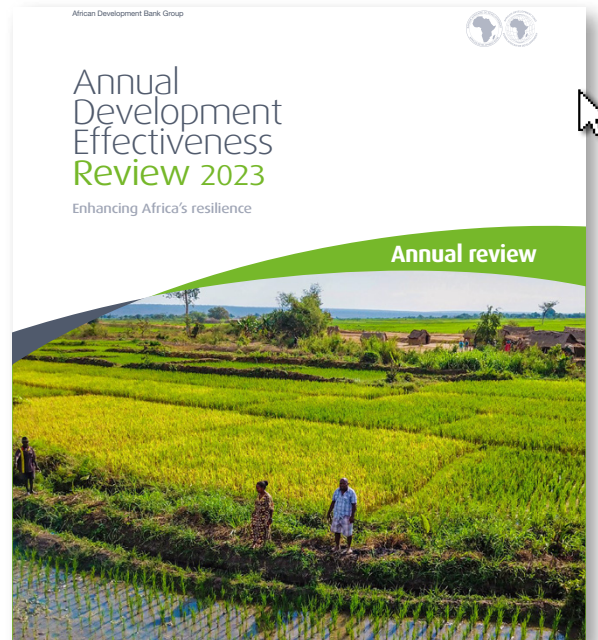
NB: The impact reporting is based on ex-ante estimates at the time of project appraisal, therefore there is no guarantee that these results will ultimately materialize. The impact reporting doesn't provide actual results achieved in a specific year or reporting period. Impacts are prorated as per the Bank's economic share of the project. Full impact reporting per project is available for download [here](#)

¹⁹ Based on the UN Statistics Division and the AfDB Statistics Department, the average African household size was 4.69 in 2019

Transparency and development results

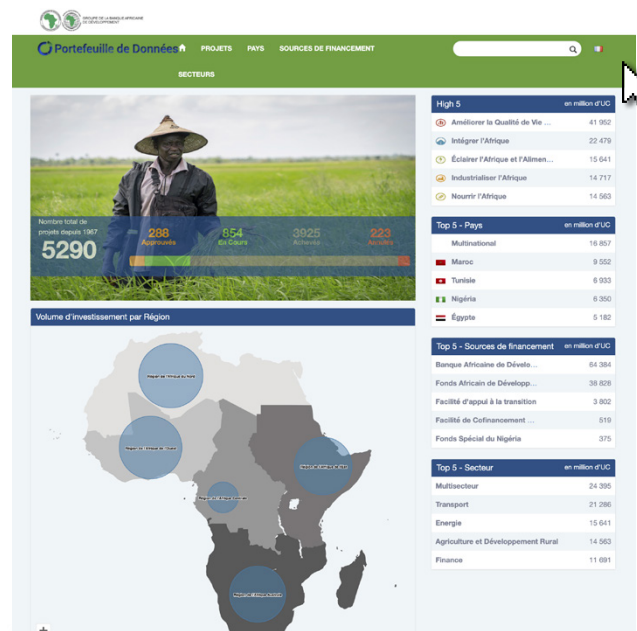
Annual Development Effectiveness Review report

The Annual Development Effectiveness Review (ADER) appraises Africa's development over the past year in relation to the High 5 strategic operational priorities and details the contribution made by the African Development Bank Group. The ADER also presents the results of the Bank's ongoing efforts to strengthen its entire lending portfolio and make its operations more effective. The 2023 ADER can be found [here](#)



Data Portal

The projects Data Portal provides access to information on all 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 5,200 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. The project portal can be found [here](#)



AfDB Sustainable Bond Program Webpage

Sustainable Bond Program



The African Development Bank has been issuing green bonds since 2013 and social bonds since 2017. The new **Sustainable Bond Program**, established in 2023, combines and updates the previous Green Bond Program and Social Bond Program, enabling the issuance of green bonds, social bonds, and sustainability bonds. These ESG bonds contribute to the fight against climate change and reinforce socio-economic development in the Bank's Regional Member Countries.

- | Sustainable Bond Framework
- | Second Party Opinion – Moody's Investor Services
- | Sustainable Bond Issuance
- | Green and Social Bond transactions
- | Sustainable Project Portfolio
- | Impact Reporting
- | Sustainable Bond newsletters
- | Hybrid Capital
- | Climate and Green Growth Strategic Framework
- | Climate Change Action Plan III (2021-2025)
- | Gender Strategy 2021–2025
- | Strategy for quality health infrastructure in Africa 2021-2030
- | Skills for Employability and Productivity in Africa - Action Plan 2022–2025
- | Integrated Safeguards System
- | Joint-MDB report on climate finance
- | Climate finance tracking methodology
- | Annual Development Effectiveness Review
- | African Economic Outlook
- | Desert-to-Power initiative



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