

**BADEA**

Arab Bank
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Development
in Africa



PRESS RELEASE

BADEA signs USD150,000,000 Funding with the Government of Uganda to Boost the Private Sector

Kigali, 31 July 2025

The Arab Bank for Economic Development in Africa (BADEA) and the Government of Uganda have today signed two Facility Agreements amounting to USD 150,000,000 to support private sector growth.

The agreements have been signed by **H.E. Abdullah ALMUSABEEH, President of BADEA**, and **H.E. Matia KASAIJA, Minister of Finance, Planning and Economic Development**, at the margin of the 41st Board of Governors of the Trade and Development Bank Group (TDB Group) in Kigali, Rwanda. The Government secures two-thirds of this loan (USD 100,000,000) under BADEA's Private Sector window to support the Ugandan Development Bank Limited (UDB) in on-lending to vital sectors of the economy, including agro-processing, infrastructure, manufacturing, health, and education. The remaining third (USD 50,000,000) is secured under BADEA's Public Sector window. It aims at financing micro, small and medium-sized enterprises (MSMEs) operating in agriculture, agro-processing and industry, infrastructure, and health education sectors. This goes in line with BADEA 2030, the Bank's strategic framework revolving around infrastructure, private sector and trade finance, SMEs, agricultural value chains and capacity development.

"Today's loan agreement with the Government of Uganda is an outstanding example of how Governments can leverage from BADEA's available financial instruments from both the public and private sectors as well as from trade finance windows to empower the private sector and advance countries' social and economic development agenda," **H.E. Abdullah ALMUSABEEH, President of BADEA** said during the event.

Since its inception, BADEA and its sister institutions from the Arab Communication have committed around USD 2.5 billion to Uganda's development priorities across sectors, including agriculture, transport, energy, education, health, and water supply and sanitation infrastructures.

The Managing Director of Uganda Development Bank, Dr. Patricia Adongo OJANGOLE, lauded BADEA and the government of Uganda for their commitment towards private sector growth in Uganda.

“We are proud to partner with the Government of Uganda and BADEA in supporting the growth of the private sector through strategic investments. This collaboration embodies our commitment to fostering economic development across Uganda, particularly in the critical sectors of the economy, including agriculture, health, and infrastructure. By empowering micro, small, and medium enterprises, we are not only enhancing livelihoods but also driving sustainable growth in Uganda,” she said.

Hon. Matia KASAIJA, Minister of Finance, Planning and Economic Development of Uganda underscored: *“This financing is in line with Uganda’s National Development Plan (NDP IV) strategic objectives aimed at reducing the cost of credit through UDBL and the ten-fold growth strategy aimed at expanding the country’s GDP from nearly USD 50 billion (2023) to USD 500 billion (2040). This financing will also support Government’s goal of growing the capacity of the country’s economy to its double-digit growth potential, by increasing returns from public investment and competitively growing the share of the formal economy for a larger revenue base.”*

“On behalf of the Republic of Uganda, I want to extend our utmost gratitude to the Bank for the cordial cooperation between Uganda and BADEA. This is especially so in the areas of roads; agriculture; health; water and irrigation development,” Hon. KASAIJA concluded.

##END##

About BADEA

BADEA is a rated multilateral development finance institution owned by 18 sovereign states, members of the League of Arab States which began operations in March 1975. The Bank's mission revolving around promoting social and economic development exclusively in Sub Saharan Africa, fostering cooperation between the Arab and the African regions through investment and trade.

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About Uganda Development Bank Limited

Uganda Development Bank Limited (UDB) is the country's national Development Finance Institution (DFI) with a mandate to accelerate socio-economic development through sustainable financial and non-financial interventions, both debt and equity. UDB also offers non-financial services geared at fostering enterprise investment readiness. Consistent with this mandate, the Bank supports projects within the private sector that demonstrate the potential to deliver high socio-economic value in terms of job creation, improved production output, tax contribution, and foreign exchange generation, among other outcomes. These projects fall within the key priority sectors of our economy and align with Uganda's development priorities.

Uganda Development Bank (UDB) aligns its sector priorities with National Development Plan IV (NDP IV), focusing on Primary Agriculture, Industry (to include agro-industrialization, manufacturing, knowledge-based industries, and extractives), and Services (health, tourism, and hospitality, education, science, technology, and innovation) and Infrastructure. Agriculture, agro-industry, and manufacturing constitute about 75% of the Bank's portfolio, aligning with the Government focus under NDP IV and Vision 2040.

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