



BADEA

Arab Bank
for Economic
Development
in Africa



**BADEA's ROLE IN SUPPORTING
PRIVATE SECTOR
& TRADE
IN AFRICA**

TOGETHER FOR AFRICA



Disclaimer:

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BADEA AT A GLANCE



Establishment

The Arab Bank for Economic Development in Africa (BADEA) was established pursuant to the resolution of the 6th Arab Summit Conference in Algiers at 28th November 1973. The Bank began operations in March 1975.



Institutional Identity

BADEA is a financial institution owned by 18 Arab countries members of the League of Arab States (LAS) which signed its Establishing Agreement on 18th February 1974. The Bank is an independent international institution enjoying full international legal status and complete autonomy in administrative and financial matters. It is governed by the provisions of its Establishing Agreement and the principles of international law.



Mandate

The Bank was created for the purpose of strengthening economic, financial and technical cooperation between the Arab and African regions and for the embodiment of Arab-African solidarity on foundations of equality and friendship. To achieve this end, the Bank was given a mandate to:

- Participate in financing economic development in African countries.
- Stimulate the contribution of Arab capital to African development.
- Help provide the technical assistance required for the development of Africa.



Vision:

“To be the lead platform for Arab-Africa Economic Cooperation for Development”.



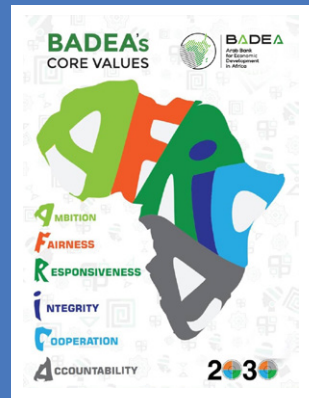
Mission:

“To promote Arab-Africa's Economic Cooperation through financial assistance, investment and technical support”.



Values:

BADEA recognizes that its value system - AFRICA: Ambition, Fairness, Responsiveness, Integrity, Cooperation, Accountability - binds organizational behavior and is reflected in strengthening its relationship with clients and partners.



The Four Focus Areas of BADEA's Strategy 2030



Infrastructure Investment for
Inclusivity, Industrialization
and Innovation



Agriculture Value
Chain Development for
Empowerment



SMEs and Entrepreneurship
Development

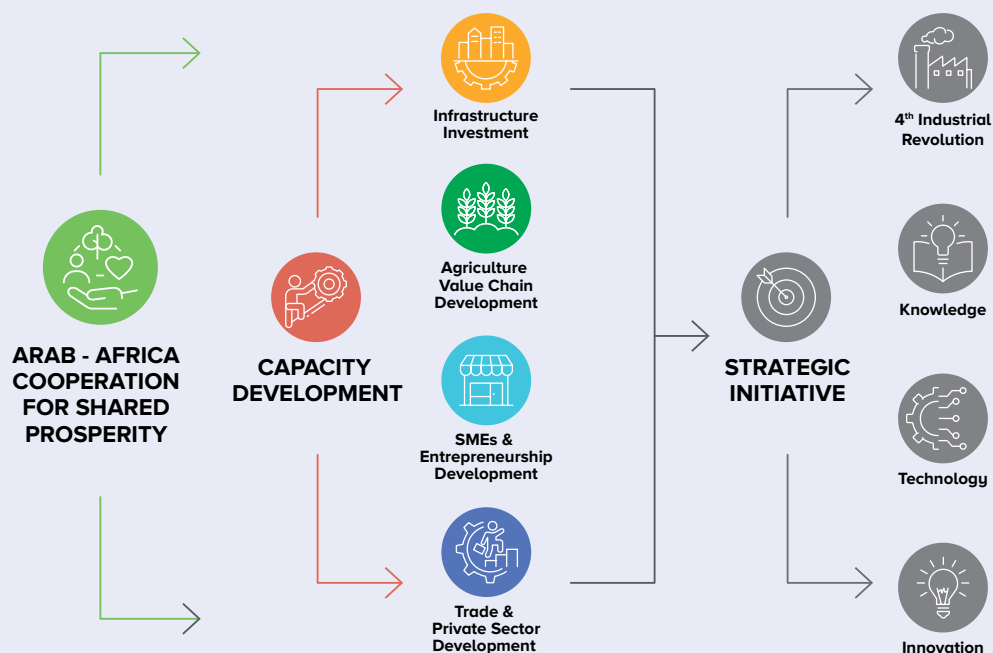


Boosting Trade and Private
Sector Development for
Growth and Job Creation







“Capacity Development intervention is framed as a cross-cutting enabler for the focus areas interventions.”

BADEA 2030 Strategy Framework








Overall Financial Transfer to African Countries (1975 - 2025)

Type of Operation	Number of Operations	Amount of Financing (USD million)
 Public Sector Development Projects	777	9,060
 Private Sector Operations	77	2,455
 Trade Operations	94	6,729
 Capacity Development Operations	1,023	266
TOTAL	1,971	18,510



Financial Transfer by Strategy Focus

Strategy Focus Area	Number of Operations	Financial Transfer (USD million)	%
 Infrastructure Investment for Inclusivity, Industrialization and Innovation	466	5,791	31%
 Agriculture Value Chain Development for Empowerment	270	2,201	12%
 Boosting Trade and Private Sector Development for Growth and Job Creation	171	9,184	50%
 SMEs and Entrepreneurship Development	41	1,068	6%
 Capacity Development	1023	266	1%
TOTAL	1,971	18,510	100%



BADEA Ratings



In 2025, S&P Global Ratings upgraded BADEA to AA+ with a Stable outlook, positioning the Bank among the highest-rated multilateral development institutions globally and reflecting strengthened financial fundamentals and institutional resilience. The Japan Credit Rating Agency (JCR) also reaffirmed BADEA's AAA rating with a Stable outlook, underpinned by the Bank's robust financial position, prudent risk-management practices, and strong shareholder support. Moody's maintained BADEA's Aa1 rating during the year, with no new rating action issued, effectively affirming the Bank's very strong credit profile.

Collectively, these 2025 rating outcomes underscore BADEA's solid capital adequacy, resilient asset quality, and disciplined liquidity management. They also highlight the Bank's reinforced capacity to mobilize resources at favourable terms, expand access to capital markets, and channel Arab investment toward transformative development initiatives across Sub-Saharan Africa. BADEA's strong credit standing further consolidates its reputation as a reliable, well-capitalized development partner capable of delivering affordable and impactful financing across the region.

ISO Certificates



In 2024, in line with BADEA's commitment to social responsibility and its diligent efforts to minimize the negative impacts on the environment and society resulting from internal activities and development projects it finances, the bank successfully completed the annual audit for quality, social responsibility and corporate governance systems.

The bank obtained ISO 37000 (Corporate Governance) and ISO 26000 (Social Responsibility) certificates, along with ISO 14001 (Environmental Management), demonstrating its commitment to sustainability and environmental protection standards. BADEA has also renewed its ISO 9001 (Quality Management), ISO/IEC 20000-1 (IT Service Management) and ISO/IEC 27001 (Information Security Management) certificates, with recommendations to upgrade the certificates to the recent versions and expand their coverage to include other departments within the bank.



INTRODUCTION

Despite global turbulence, BADEA's Beneficiary Countries have maintained steady resilience since 2022. Regional growth accelerated from 3.2 percent in 2022 to 3.7 percent in 2024 and is projected to reach 4.1 percent in 2025, rising further to 4.4 percent in 2026 and 4.7 percent in 2027. This upward trend reflects the cumulative effect of demographic dynamism, reform measures that have enhanced macroeconomic stability, and continued resilience despite financing pressures and commodity-price volatility. Growth varies considerably across sub-regions. COMESA BCs are expected to grow at 5.8 percent in 2025, slightly higher than the previous year. EAC-5 countries are projected to expand by 5.6 percent, while ECOWAS growth is expected to ease to 4.4 percent. SADC countries remain the slowest-growing group at 2.9 percent but show improvement from 2024.

Africa is no longer viewed merely as the home of the poorest billion, but increasingly as a vibrant market of over 1.3 billion people with rising economic influence. The continent's combined GDP is now estimated at approximately USD 3.4 trillion, reflecting steady growth, demographic momentum, and ongoing economic reforms.

As Africa positions itself as a major global growth frontier, significant opportunities lie in unlocking its productive capacity, strengthening regional cooperation, and scaling investments in infrastructure, energy, and technology. Ambitious strategies being pursued across the continent aim to double the size of Africa's economy within the next decade, driven by structural transformation and rapid urbanization.

A cornerstone of this transformation is the African Continental Free Trade Area (AfCFTA), which integrates Africa into a single market — the largest of its kind in the world. By reducing trade barriers, promoting industrial development, and facilitating the movement of goods, services, and capital, AfCFTA is expected to reshape Africa's economic landscape.



Prospects of the Private Sector Growth in Sub-Saharan Africa and Financing Opportunities:

Having a strong and vibrant private sector is crucial to realizing sustainable development and poverty reduction, especially in developing countries, as the private sector provides nine out of ten jobs. Therefore, the sector is the cornerstone for a sustainable job market and equal distribution of income among the population. Private companies and institutions lead initiatives such as infrastructure investment, research, and development partnerships, knowledge sharing platforms, technology transfer, and skills exchange. These initiatives enable these countries to stimulate and accelerate development, enable productivity gains, and create job opportunities through strengthening skills and promoting technological advancement.

After years of relatively modest inflows, **foreign direct investment (FDI) into Africa reached an estimated USD 97 billion in 2024, representing a substantial rebound and a new record level, driven in part by large project finance deals and investment facilitation efforts across the continent¹. Despite volatility in global investment flows—where developing economies overall saw FDI fall to the lowest level in nearly two decades in 2023—Africa has managed to increase its attraction of

foreign capital, even as the share of FDI remains concentrated in a few key economies.²

Nevertheless, access to finance remains a critical constraint for the African private sector. Challenges in mobilizing adequate long-term private financing persist, and limited development-oriented aid and investment financing for private enterprises continues to hinder growth. While historical ratios of aid targeted at the private sector have lagged behind global averages, with much of official development assistance still oriented toward public projects rather than private investment, substantial financing gaps remain that limit firms' ability to expand, innovate, and compete regionally and globally.

This financing gap underscores the urgent need to accelerate private sector development through expanded access to credit, stronger financial markets, and enhanced risk-sharing mechanisms. The relative decline or stagnation in traditional bank lending and project finance for smaller and medium-sized enterprises represents both a challenge and an opportunity for development finance institutions and commercial lenders to scale up tailored financial solutions that better serve the continent's private sector.



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1 UNCTAD/PRESS/PR/2025/007 Africa: Foreign Investment Hit Record High in 2024

2 WB - Press Release - June 16, 2025 FDI Flows to Developing Economies Drop to Lowest Level Since 2005

The following opportunities could promote the development of the private sector in Sub-Saharan Africa:

1. **Economic Growth Potential:** Sub-Saharan Africa has been considered one of the fastest-growing regions in the world. The private sector plays a crucial role in driving economic growth through investments, innovation, and job creation.
2. **Resource Abundance:** The region is rich in natural resources, including minerals, oil, and agriculture. Private sector involvement in the extraction and processing of these resources can contribute significantly to economic development.
3. **Infrastructure Development:** The private sector can contribute to infrastructure development, including energy, transportation, and telecommunications. These investments are essential for sustained economic growth and competitiveness.
4. **Youthful Population:** The region has a large and youthful population, which can be a demographic dividend if properly harnessed. The private sector can create job opportunities and engage in skill development to unlock this potential.
5. **Improving Business Environment:** Many countries in Sub-Saharan Africa have been working to improve their business environments by implementing reforms to reduce bureaucratic hurdles, streamline regulations, and enhance investor confidence.
6. **Technology and Innovation:** The adoption of technology and innovation is on the rise in the region. The private sector, particularly in the tech industry, has the potential to drive advancements and create new business opportunities.
7. **Regional Integration:** Efforts towards regional integration and cooperation can create a more favourable environment for the private sector. This includes initiatives to harmonize trade policies, improve infrastructure connectivity, and facilitate cross-border investments.
8. **Economic Diversification:** Many African countries have been working towards economic diversification, moving beyond reliance on traditional sectors such as agriculture and natural resources. The private sector, including



manufacturing, services, and technology, plays a crucial role in this diversification process.

9. **Small and Medium Enterprises (SMEs):** SMEs are a vital component of the private sector in Africa, contributing significantly to employment and economic development. Governments and international organizations have been implementing initiatives to support the growth of SMEs through access to finance, capacity building, and market linkages.
10. **Agriculture and Agribusiness:** Agriculture remains a dominant sector in many African economies. Private sector involvement in agribusiness, including processing, value addition, and export, is seen as a key driver of rural development and poverty reduction.
11. **Investment Opportunities:** Africa has attracted increasing attention from foreign and domestic investors. The private sector has seen investments in sectors such as telecommunications, energy, infrastructure, and fintech. These investments are essential for driving economic growth and development.

However, the private sector in Africa faces various challenges, including regulatory hurdles, corruption, inadequate access to finance, and an often-complex business environment. Political instability and security concerns in some regions can also pose risks to private sector activities.



BADEA FINANCING TO PRIVATE SECTOR AND TRADE

BADEA Financing to Private Sector

BADEA contributes to financing the private sector in recipient countries through lines of credit provided to banks, and national and regional development financing institutions, in order to relend them to fund private sector subprojects.

For further enhancement of the role of the private sector through provision of additional financial resources, BADEA's Board of Governors adopted the Private Sector Financing Program" pursuant to its Resolution No. (6) of 2014. The Program was launched at the beginning of the Seventh Five-year Plan, where an amount of USD 450 million was earmarked to be distributed within the years of the Plan. The following table shows the approved allocations during the subsequent Eighth and Ninth Five-year Plans:

Year	Eighth Plan						Ninth Plan					
	2020	2021	2022	2023	2024	Total	2025	2026	2027	2028	2029	Total
Trade Finance Allocations (USD Million)	150	175	200	225	250	1,000	670	690	710	730	750	3,555

Total approvals up to 2025 amounted to **USD 2,455 million** for **77 private sector projects**.



Trade Financing

BADEA focuses on supporting trade exchange between Arab-African regions and Intra Africa trade due to the active role of trade in the development process by facilitating movement of goods and services, providing inputs for production processes and supplying local and international markets with essential goods in addition to facilitating the circulation of the final production.

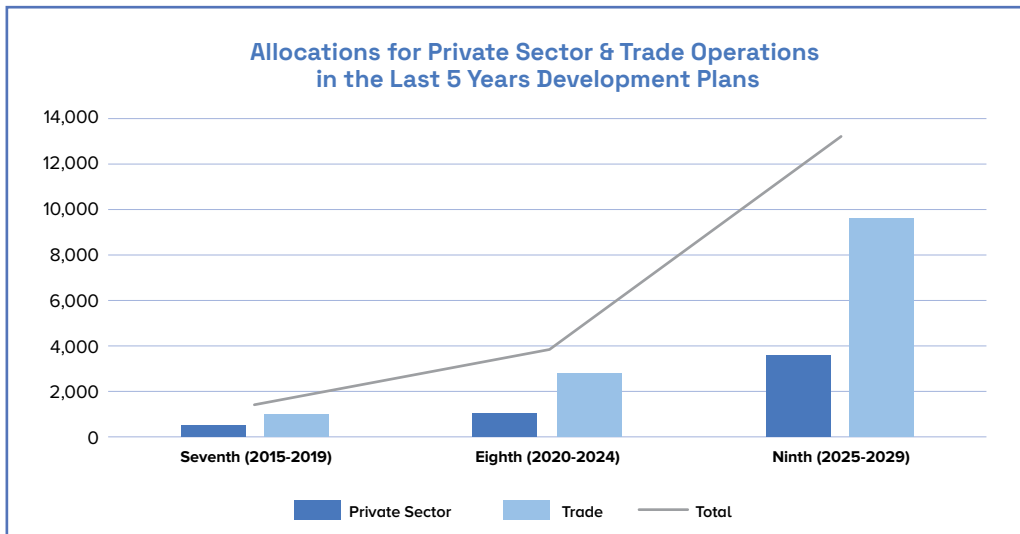
At the beginning of 2015, and pursuant to the above-mentioned Resolution of the Board of Governors No. (6) of 2014, "the Foreign Trade Financing Program" was adopted, and revolving annual amounts were earmarked as follows during the Eighth Plan and as anticipated for the Ninth Plan:

Year	Eighth Plan						Ninth Plan					
	2020	2021	2022	2023	2024	Total	2025	2026	2027	2028	2029	Total
Trade Finance Allocations (USD Million)	520	540	560	580	600	2,800	1,870	1,890	1,910	1,930	1,950	9,550

Total approvals up to 2025 amounted to **USD 6,729 million** to finance **94 trade operations**.

The following table presents the total allocations adopted by BADEA for Private Sector and Trade Operations in the last consecutive 5 years development plans in USD Million. That clearly shows the importance given by BADEA to the role played by private sector and trade operations in the economic development of the African Countries.

5 Years Plan	Seventh (2015-2019)	Eighth (2020-2024)	Ninth (2025-2029)
Private Sector	450	1,000	3,550
Trade	1,000	2,800	9,550
Total	1,450	3,800	13,100



FLAGSHIP PROJECTS

Success story #1: Partnering up for impact with strategic African Financial Institutions

Client: African Regional Financial Institution

Transaction types: Private sector lines of credit, trade finance facility, hybrid debt/subordinated loan, sovereign loans to shareholder countries towards their respective country contribution to the capital increase of the institution, blended finance, direct equity, non-refundable grant

Approved Amounts: USD 100 million hybrid debt; USD 15 million private sector loan; aggregated USD 80milliontrade finance facilities; aggregated USD 400 million sovereign loans to support the 8 shareholder countries' contribution in the capital increase (USD 50 million per country); direct equity; USD 95,000 non-refundable capacity development grant

BADEA 2030 Strategic Pillars: Private Sector and Trade Finance; Infrastructure; Agricultural Value Chains; SMEs development & Entrepreneurship.



About the transaction:

At BADEA, we strongly believe in collectively tackling development challenges in Africa. As a result, partnering with strategic development stakeholders, with a comprehensive 360° view, is at the heart of our private sector and trade business development approach.

In an effort to optimize impact, we have offered multiple blended finance instruments to a long-time client, a leading regional financial institution fully engaged in a poverty reduction strategy in Africa with a sustainability and regional integration focus.

The game-changing private sector and trade financial instruments provided have enabled to:

Directly:

- Drive innovation through the first-ever hybrid debt issued by any development bank in the world (USD 100 million subordinated debt) which will boost our client equity base and support its mission in Africa.
- Enhance food security by supporting MSMEs with a focus on agricultural value chains and manufacturing industries, through a USD 30 million line of credit, one of BADEA's inaugural private sector transactions.
- Strengthen Intra-African trade through a USD 30 million trade finance facility.
- Generate significant new jobs with a focus on youth economic empowerment and inclusive growth.



Indirectly:

- Support climate adaptation and mitigation projects such as solar projects, resilient agricultural practices and pollution control projects.
- Educate thousands of children by building new schools' facilities.
- Improve the population's health through COVID-19 initiatives.
- Boost local tourism.
- Develop the digital economy
- Build new critical transport infrastructure to foster regional integration, among others.

Under the public sector window, the impactful sovereign instruments granted by BADEA have been geared towards:

- Supporting the African financial system to strengthen the equity base of the institution as part of its capital increase. Indeed, each shareholder country was provided with a USD 50 million sovereign loan geared towards their national contribution to the capital increase of the bank (sovereign loan with solid guarantees) thus boosting the equity base of the institution.
- Taking urgent climate action by implementing a new start-up incubator to address ocean pollution, through a non-refundable capacity development grant.



Success story 02

Boosting the cocoa industry in Africa:

- Client: **National Agency**
- Transaction type: **trade finance facility**
- Approval Year: **2022**
- Amount: **USD 100 million**
- BADEA 2030 Strategic Pillars: **Private Sector and Trade Finance ; Agricultural Value Chains**
- UN SDGs addressed



About the transaction:

Cocoa is a strategic commodity and forms part of the daily lives of billions of people around the world, being used as a raw material ranging from chocolate-based treats and healthcare to natural cosmetics. Africa is a top player in this industry, %+75 of the world's cocoa being produced on the continent.

Our client is a leading green-focused entity that supports the production of cocoa in a responsible way. As part of its ESG strategy, +25,000 smallholder farmers have been trained in eco-friendly production and farming techniques, +20 million new trees have been planted and forests are being protected.

This trade finance facility is aimed at supporting the African cocoa production sector in a responsible way while driving inclusive growth. The facility was particularly critical as it supported the post-pandemic economic recovery.

Success story 03

Making the transition to net-zero in Africa a reality:

- Client: Regional DFI
- Transaction type: private sector line of credit
- Approval Year: multi-years (2022 , 2019 , 2015)
- Amount: aggregated loans amounting to USD 82 million
- BADEA 2030 Strategic Pillars: Private Sector and Trade Finance; Infrastructure; Agricultural Value Chains; SMEs development and Entrepreneurship
- UN SDGs addressed:



About the transaction:

As an ESG-focused financial institution, our long-term client is strongly engaged in tackling climate change, reaching carbon neutrality and driving green growth in Africa, while adopting a regional integration and developmental impact approach.

Three private sector lines of credit have been granted to this institution with the purpose of supporting MSMEs, private sector development, agricultural value chains, education, energy, and transport, among others.

Some of key projects financed by our client include:

- Providing clean energy through wind farms
- Building affordable housing for low-income people
- Contributing to food security by lending to farmers and agribusinesses including those operating in the coffee, dairy, tea farming and trading industries.
- Supporting a leading medical supplies manufacturer in Africa
- Providing quality education to +1,800 students.

This line of credit will contribute to driving inclusive growth, creating new job opportunities while supporting climate mitigation and adaptation projects.



Success story 04

Fostering Arab-African Trade Integration

- Client: African DFI
- Transaction type: Trade finance - Letter of Credit confirmation
- Approval Year: 2019
- Amount: USD 63 million
- BADEA 2030 Strategic Pillars: Private Sector and Trade Finance and Agricultural Value Chains
- UN SDGs addressed:



About the transaction:

As an Arab-owned institution at the service of the Arab-African cooperation, BADEA acts as a bridge of investments from the Arab world to Sub-Saharan Africa and is strongly engaged in fostering Arab-African trade integration under its dedicated Arab-African Export Program.

This trade finance transaction aimed at enhancing food security and driving sustainable growth in Ethiopia through the financing of exports from a leading Arab private company in the global fertilizers industry to the Ministry of Agriculture of Ethiopia.

With the purpose of promoting a more resilient and sustainable agriculture, the imported commodities have been dispatched to local agricultural unions and smallholder farmers that harvest strategic agricultural commodities, including Ethiopian coffee beans one of the major drivers of the country's GDP. The original letter of credit was granted by our client, a sustainability- focused African DFI.

In an effort to diversify our financial instruments, this inaugural Letter of Credit Confirmation has paved the way for multiple subsequent transactions, strengthening both Arab-African and Intra-African trade transactions and fostering Arab-African shared prosperity.

Success story 05

Driving inclusive growth in Africa through impact investing

- Client: Multilateral financing institution in Africa
- Transaction type: private sector - line of credit
- Approval Year: 2022
- Amount: USD 40 million
- BADEA 2030 Strategic Pillars: Private Sector and Trade Finance; SMEs development and Entrepreneurship; Infrastructure
- UN SDGs addressed:



About the transaction:

Our client is a notable impact investor with a strong track record in changing the game in the African private sector landscape. Our line of credit aims at supporting our client in its mission to bridge the financing gap in Africa with a development-focused approach and will be allocated to financing sustainable private sector projects, making a positive difference in people's lives.

Some of the strategic projects financed under this loan are:

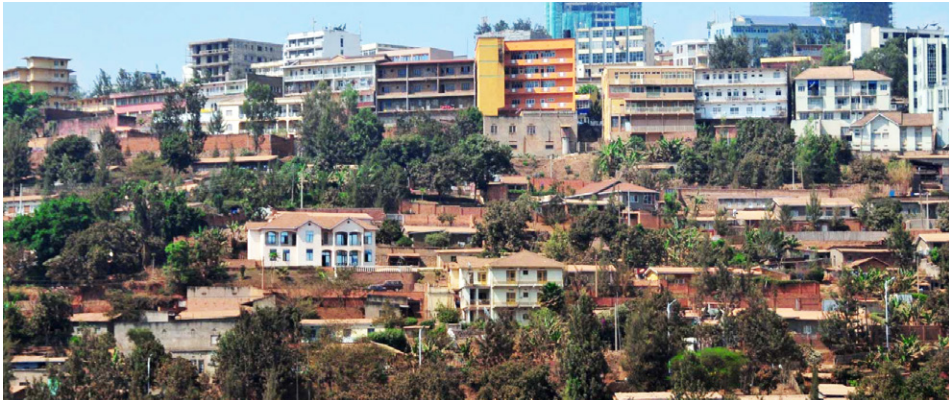
- Supporting the African FinTech industry by fostering access to essential financial services through mobile banking: 40 million bank accounts across Africa have been created and 60 million mobile money users have been connected, thanks to this innovative project.
- Providing a continuous supply of clean drinking water to up to 24,000 people, including 12,000 young people under 15 years old, through new wells.
- Educating youth in remote villages to help up to 12,000 children build a bright future, through the construction of new schools. Closing the gender gap is also a core component of this project: at least 40% of girls will be schooled under it. Capacity development is another key dimension: books and other relevant educational materials will be provided to schools to foster the highest learning standards.
- Raising awareness on health issues with a pragmatic focus on reducing the most problematic infections and diseases on the ground such as malaria, HIV and AIDS. In an effort to improve the health of the population, up to 24,000 people will benefit from these awareness campaigns, including up to 12,000 young people under 15 years old.
- Supporting a private company with a job-creation focus. More than 800 new jobs are expected to be generated, with a strong focus with youth economic empowerment.



Success story 06

Scaling private sector investments to support sustainable economic growth:

- Client: African Financial Institution
- Transaction type: Private sector facility
- Approval Year: 2022
- Amount: USD 30 million
- Country: Republic of Rwanda
- BADEA 2030 Strategic Pillars: Private Sector and Trade Finance; Infrastructure
- UN SDGs addressed:



About the transaction:

As one of the fastest growing economies in Africa, Rwanda has put great efforts into mobilizing private sector stakeholders to drive growth, diversification and development.

As a major development-focused financial institution, our client aims at supporting private sector companies and state-owned commercial enterprises in Rwanda, through our private sector line of credit.

Optimizing social impact is a notable component of this transaction: in 2023, more than 800 private entities have already benefited from the loan, which generated 1,800+ new jobs (89% direct and 11% indirect), 30+% geared towards the economic empowerment of women. Housing, education, manufacturing and energy have been the main industries targeted so far.

This line of credit will ultimately contribute to strengthening the role of the private sector in the country's post-pandemic economic recovery while driving inclusive growth.

At BADEA, under the private sector and trade window, we have a strong interest in supporting the private sector through impactful lines. We look forward to hearing more about your project. Assess your eligibility to BADEA's financing, now.



Success story 07

Shaping the future of entrepreneurship in Africa:

- Client: Kigali Innovation City
- Transaction type: Blended finance (private sector and sovereign loans)
- Approval Year: 2023
- Blended Amount: Private sector financing USD 20 million; public sector sovereign loan USD 20 million
- BADEA 2030 Strategic Pillars: Private Sector and Trade Finance; SMEs development and Entrepreneurship ; Infrastructure
- UN SDGs addressed:



About the transaction:

The Government of Rwanda and Africa 50 (a top infra-focused DFI), have structured Kigali Innovation City as a public-private partnership. As a 'smart city' and tech cluster, the initiative is to bring together domestic and international universities, tech and biotech companies, and other stakeholders to drive innovation and enhance the African entrepreneurship landscape.

With the purpose of boosting Rwanda's economic growth through digital transformation, BADEA has supported this innovative tech project and provided blended finance, under its public and private sector and trade windows, to finance the construction of a start-up incubator and related infrastructure facilities, as part of the broader Kigali Innovation City project.

With special emphasis on youth, the project will create up to 50,000 jobs and turn innovative business ideas into reality, driving transformation and shaping the future of entrepreneurship in Africa.



Line of Credit in Favour of a Financial Institution for Financing Private Sector in Cote d'Ivoire:



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With special emphasis on youth, the project will create up to 50,000 jobs and turn innovative business ideas into reality, driving transformation and shaping the future of entrepreneurship in Africa.

Line of Credit in Favour of a Financial Institution to Support Private Sector in Liberia:

This line of credit is designed to stimulate private sector development in Liberia by offering essential financing for private sector initiatives in the country. By fostering growth and investment in key industries, this initiative serves as a key player in advancing Liberia's strategic development goals.

The line of credit will support impactful development projects, with a focus on critical sectors such as agriculture and manufacturing, thereby contributing to sustainable economic growth and job creation.

LC Discounting Transaction for Several Banks in Ethiopia:

The transaction aligns perfectly with BADEA's strategy 2030 and falls within the core pillars of its 2030 Strategic Plan, which aims to support the private sector and trade through the Arab Export Financing Programme.

This operation will cover multiple Ethiopian banks with the main aim of supporting Arab exports and enhancing BADEA's involvement in the issuance, enhancement and discounting of letters of credit as part of its trade finance products for both funded and unfunded transactions. This operation will play a pivotal and direct role in bolstering and sustaining Ethiopia's economic stability. By ensuring the provision of strategic goods, it will support essential economic activities, particularly in vital sectors such as agriculture and mining. These sectors are the backbone of the country's economy and by reinforcing their supply chains, BADEA can increase productivity, foster growth and contribute to the overall economic resilience of Ethiopia.



Line of Credit in Favour of a West African Country:

This transaction represents a key tool to drive economic growth and development in Togo. It will help meet the country's essential needs by providing strategic goods and materials, thereby supporting key sectors such as agriculture, manufacturing and mining. Specifically, the financing will facilitate the provision of production inputs, stimulating local investments and enhancing agricultural production and food security. Furthermore, the financing will support local industries, thereby reducing reliance on imports, alleviating pressure on foreign exchange reserves and improving the trade balance.

In addition to strengthening the balance of payments and boosting foreign exchange reserves, this financing will promote economic stability and enhance Togo's ability to withstand external shocks. The expected impact on the country's growth rate is significant. The anticipated outcomes include a reduction in the unemployment rate from 5.2 to 4.5 percent, an increase in manufacturing's contribution to GDP from 20 to 25 percent and a rise in export volume from USD 2.1 to USD 2.8 billion. These enhancements will play a crucial role in accelerating Togo's overall economic development and promoting long-term sustainability.

THE WAY FORWARD

It is essential that BADEA embeds the key lessons gained from its previous experiences into its new determination to meet the challenges of its Beneficiary Countries (BCs). In its operations and lending, BADEA routinely finances investments and spending to contribute towards the development commitments of its BCs. Additionally, the Bank can enhance its services by offering long term finance solutions to fill the financing gap and avoid competition with commercial banks to fulfil the private sector objectives among BCs.

The future focus of BADEA's Private Sector and Trade Operations will be towards the following areas where the Bank's experience and know-how has proven successful both in terms of financial return and developmental impact:



Agribusiness: Supporting agricultural productivity, inclusive business, value chain integration, and inclusiveness, local value addition and export, climate resilience, and environmental sustainability.



Business Development: Exploring, identifying, and designing new financing products for BADEA's long-term operations' portfolio with focus on extending a project preparation facility for creating bankable projects across sectors and countries.



Energy: Delivering green, sustainable, resilient, and inclusive energy infrastructure and improving access to energy for all.



Environmental Infrastructure: Supporting advanced technologies, delivery models, and greater private sector participation in the environmental infrastructure sector through increased financing and mobilization for private sector clients.



Finance: Expanding access to finance, particularly among lower income groups (microfinance and housing finance) and micro, small, and medium-sized enterprises.



Information and Communication Technology: Supporting the expansion and upgrade of network infrastructure, to provide affordable and sustainable services, thus eliminating urban–rural and gender gaps, and promoting job creation while building skills and enhancing competitiveness.



Trade:

- Facilitating trade by filling market gaps and mitigating associated risks.
- Developing and promoting trade finance instruments to facilitate international transactions.
- Ensuring coordination and coherence in trade policies at the national and regional levels.
- Harmonizing regulatory frameworks to create a more predictable and transparent environment for businesses.
- Strengthening the capacity of government institutions responsible for trade promotion, regulation, and facilitation.
- Providing training and support to businesses, especially SMEs, to enhance their capacity to engage in international trade.
- Supporting and participating in the implementation of the African Continental Free Trade Area (AfCFTA) to create a single market for goods and services across the continent.





Operational Strategy: BADEA should continue to invest in ways that ensures its development mandate takes precedence over generating financial returns. This is achieved by targeting regions, sectors or clients that are most in need, or that have the highest development impact.

Based on its strong partnerships with market players and financial institutions, as well as its high credibility with recipient countries, private investors, and a highly qualified team of banking and industry specialists, BADEA can play an important role in supporting private sector and trade operations in Sub-Saharan Africa and will help ensure the active role of the private sector within the economies of BADEA's BCs.

At BADEA, under the private sector and trade window, we have a strong interest in developing solid and fruitful partnerships with sister institutions, as we collectively work towards achieving the UN Sustainable Development Goals, enhancing the Climate Change Agenda, and fulfilling the African Union 2063 Agenda to build "The Africa We Want". We look forward to hearing more about your project. Assess your eligibility to access BADEA's financing, now.



BADEA can play an important role in supporting private sector and trade operations in Sub-Saharan Africa and will help ensure the active role of the private sector within the economies of BADEA's BCs.





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