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BADEA's Board of Directors holds its Third Meeting for the Year 2007 and Approves Financing of US \$ 38.305 Million

 **The Board of Directors of the Arab Bank for Economic Development in Africa (BADEA), held its third meeting for the year 2007 in Marrakech during the period 17 to 19 October 2007. The meeting was chaired by H.E. Mr. AHMED ABDALLAH EL-AKEIL, Chairman of BADEA's Board of Directors, in the presence of H.E. Mr. ABDELAZIZ KHELEF, the Director General.**

The Board reviewed a number of important issues; foremost was the Director General's report on the Bank's activities during the period July - October 2007, in addition to a number of financial reports.

During this meeting, the Board approved financing of a new batch of projects and technical assistance operations for the benefit of several African beneficiary countries, for a total amount of US\$ 38.305 million, out of which US \$ 35.500 million were allocated to finance 6 development projects, while US \$ 2.805 million were earmarked to finance 11 technical assistance operations.

It is worth noting that BADEA's total cumulative financial commitments to African countries eligible for its aid, including the new commitments, now stands at US \$ 3354.127 million.

During this session, the Board of Directors approved the financing of 6 development operations for the benefit of the following African Countries:-

The Projects:-

	Beneficiary Country	Loan Amounted (Million of US\$)	Project Name
1-	Botswana	10.00	Upgrading of Sir Seretse Khama International Airport.
2-	Cap Verde	8.00	Ring Road project in FOGO Island.
3-	Mali	2.90	Additional loan for the development of fisheries resources in Sélingué Lake.
4-	Mauritius	3.10	Waste Management project.
5-	Seychelles	1.50	Second Line of Credit for Development Bank of Seychelles – (DBS).
6-	Sierra Leone	10.00	Kenema – Koindu Road Project (Section: Kenema- Pendembou).

Technical Assistance Operations:-

	Beneficiary Country	Loan Amounted (US\$)	Objectives of the Technical Assistance
1-	Rwanda	440,000	Technical Assistance grant for financing the preparation of the technical and economic feasibility study for the Provision of Drinking Water Supply Project for Seven Towns.
2-	Madagascar	470,000	Technical Assistance grant for financing the preparation of the technical and economic feasibility study for the moderation of Ivato Airport in the Capital Antananarivo.
3-	Burkina Faso	280,000	Technical Assistance grant for financing the preparation of the technical and economic feasibility study for the Milk Production Development Programme.
4-	Guinea	440,000	Technical Assistance grant for financing the preparation of the technical and economic feasibility study for the construction of four bridges.
5-	Regional	400,000	Technical Assistance grant to finance the Economic Study for the Trans- African Road project.

6-	Mauritius	235,000	Technical Assistance grant To finance the services of an Arab Expert in the field of sanitation for the support of the Ministry of Public Utilities.
7-	Senegal	50,000	Technical Assistance grant for financing the extension of the services of an Arab Expert in the field of evaluation and follow-up micro Financing to support the Economic Development Fund in the Ministry of Economic and Finance.
8-	Mali	155,000	Technical Assistance grant to support the general administration for Debt in the Ministry of Economic and Finance.
9-	Swaziland	130,000	Technical Assistance grant to finance the Training course in the field of Administration Development for some cadres in the ministries and Government institutions.
10	Regional	100,000	Technical Assistance grant to finance the Training course in the field of Minerals.
11	Regional	105,000	Technical Assistance grant to finance Training course in the field of Livestock.

PROJECTS:

1- Beneficiary Country: Botswana

Project's Name: Upgrading of "Sir Seretse Khama" International Airport.

Estimated Project Cost:

The total project cost is estimated at US \$ 63.54 million.

BADEA's Financing:

A loan of US \$ 10 million, (15.74% of the total cost), to be repaid over a period of 20 years, including a grace period of 5 years, and with an annual interest rate of 3%.

Other Sources of Financing:

OFID (20.59 million US \$); Government of Botswana: (US\$ 32.95 million).

Project Description and Components:

The project consists of civil works and procurement and installation of mechanical and electrical equipment to develop the airport to cater for 747 Boeing aircraft. Development works includes:

- 1000 m Extension for the runway to reach 4500 m,
- Construction of parallel taxiway to the runway and additional taxiways between the runway and the parallel taxiway,
- Construction of new terminal building to cater for the expected passengers for two 747 Boeing crafts.

The project also includes the civil works for the runway and taxiways, and the consultancy services to prepare detailed engineering design and tender documents and supervision of construction.

Project objectives:-

The project will play an important role in the development of the country's economy especially its contribution in the development of the industrial, mining and tourism sectors and it will enable the country to benefit from the great tourism traffic in the southern African region which exceeded its international rate. The upgrading of the airport will also support the mining sector. The project will also support government efforts for the development of the air transport sector.

Procurement of Goods and Services:

The construction of the project will be through international competitive bidding and in coordination with OFID. Procurement and installation of equipment for the terminal building financed by OFID will be through international competitive bidding.

Project's Implementation:

The physical implementation of the project is scheduled to start in February 2008 and end in January 2010.

2- Beneficiary Country: Cap Verde

Project's Name: Ring Road project in FOGO Island

Estimated Project Cost:

The total project cost was estimated at US\$ 29.40 million.

BADEA's Financing:

A loan of US\$ 8 million (27.21% of the total cost), to be repaid over a period of 30 years, including a grace period of 10 years, and with an annual interest rate of 1%.

Other Sources of Financing:

Saudi Fund (US\$ 8 million); OFID (US \$ 8 million) and the Government: (US\$ 5.40 million).

Project Description and Components:

The road is 80.545 km and is divided into three sections as follows:

Section 1 : São Felipe -Mosteiros d'une longueur de 37,600 km,

Section 2 : Mosteiros-Cova Figueira d'une longueur de 17,400 km,

Section 3 : Cova Figueira – São Felipe d'une longueur de 25,545 km.

The project consists of the following:

- **Civil Works and Ancillaries:** widening and paving of the ring road for Fogo Island (first and third section) with a length of around 63.145 km and width of 5-6 meters with two 0.50 shoulders.
- **Consultancy Services:** Includes detailed engineering design for the three sections and preparation of tender documents and supervision of construction for the first and third sections.
- **Institutional Support** to the project implementation unit and includes vehicle and operational expencies for the PIU.

Project objectives:-

The project aims at connecting the villages in Fogo island with the harbor and airport in Sao Felipe town, and facilitate the movement of passengers and goods between different parts of the island and securing a path for the inhabitants to reach the important urban centers (Sao Felipe, Mosteiros and Cova Figueira) where social and commercial activities are there which helps in breaking the isolation in the arrears where the road passes and also help in poverty alleviation.

Procurement of Goods and Services:

The execution of the project will be through international competitive bidding. Selection of consultant to prepare the detailed engineering design and tender documents and supervision of construction will be through a shortlist of consulting firms. Provision of the vehicle will be from abroad. Provision of the two computers and accessories, Xeroxing and fax machines for the PIU will be trough local tender.

Project's Implementation:

The physical implementation of the project is scheduled to start in January 2009 and end in July 2011 (30 months).

3- Beneficiary Country: The Republic of Mali

Project's Name: Additional loan to finance fisheries resources project in Sélingué Lake

Estimated Project Cost:

The additional project cost is estimated at US\$ 3.450 million.

BADEA's Financing:

A loan of US\$ 2.9 million (84% of the project total additional cost) to be repaid over a period of 30 years, including a grace period of 10 years, and with an annual interest rate of 1%.

Other Sources of Financing:

The Government: (US\$ 0.550 million).

Project Description and Components:

The project considers creation of conducive environment for fishery development through construction of basic infrastructure for fishing, preservation and treatment and provision for facilities for production and marketing. The project will also involve construction of social services required to improve the living condition of the people in the project area.

The project comprises the following components:

1. Construction of a 45 km long asphalt road to connect between the towns of "Kangazi" and "Karir" and a second gravel road (45km) that will connect the towns of "Faraba" and "Silingi".
2. Construction of Anchorages including provision of water supply and electricity in the towns of "Karir" and "Faraba"
3. Supply of equipment necessary for preservation and treatment of fishes in the town of "Karir" and "Faraba". This includes Refrigeration and treatment for smoking of fishes.

Project objectives:-

The project aims at increasing the fisheries production in Lake Sélingué and contributing towards the food security. The project is also aims at improving the living standard of the people living in the project area by increasing their incomes and creating employment opportunity which will help to prevent migration to cities and in the fighting against poverty.

Project's Implementation:

The implementation of the project is expected to start in the 4th quarter of 2007 and be completed in the 3rd quarter of 2009.

4- Beneficiary Country: The Republic of Mauritius

Project's Name: Waste Management project.

Estimated Project Cost:

The total project cost is estimated at US\$ 3.80 million.

BADEA's Financing:

A loan of US \$ 3.10 million (81.6% of the project total cost), to be repaid over a period of 20 years, including a grace period of 5 years, and with an annual interest rate of 3%.

Other Sources of Financing:

The Government: US\$ 0.70 million.

Project Description and Components:

The project is located in La Chaumiere, which lies about 15 Km south west of Port Louis. The total proposed area for the project is around 9 hectares. The project includes civil works and ancillaries for the construction of 6 hazardous waste storage chambers for organic and inorganic waste and related accessories and provision of furniture and operational equipment in addition to the consultancy services. The project consists of the following:

A - Civil works and ancillaries:

- Preliminary and Site Preparations.
- Construction of 6 hazardous waste storage chambers for organic and inorganic waste, each of around 600 square meters and reception facility with an area of 250 square meters.
- Construction of administration building and laboratory with an area of 100 square meters
- Provision of utilities which include water supply, power and fire fighting systems.
- Construction of 300 meter access road and rehabilitation of 400 m link road.

B - Provision of operational and administrative equipment and furniture

which includes laboratory equipment, one fork lift truck and one flat bed truck four-wheel double cabin vehicle, photo copying machine, fax machine, two personal computers along with their accessories and supporting programs for building a data base for hazardous waste management.

D- Consultancy services for the preparation of detailed design and tender

documents, supervision of construction and provision of training for some of the technical staff and conduct sensitization campaign for the Project stakeholders.

Project objectives:-

The project aims at the protection of the environment and human safety and protection of the main income resources represented by tourism and agriculture. The project will ensure the continuation of the development of the economy, through the construction of the infrastructures to deal with hazardous wastes in the country mainly caused by the dissolved chemical and looped oil and wastes from printing industry and pesticides and sewerage wastes.

Procurement of Goods and Services:

The execution of the civil works will be through a tender restricted to Arab and African or Arab- African firms. Provision of furniture, operational equipment and office equipment will be through local agents. Selection of consultant will be through a short list of Arab and African consulting firms.

Project's Implementation:

The physical implementation of the project is scheduled to start in the first quarter of 2009 and end in the first quarter of 2010.

5- Beneficiary Country: The Republic of Seychelles

Project's Name: Second Line of Credit for Development Bank of Seychelles- (DBS)

BADEA's Financing:

A line of credit loan of US\$ 1.5 million, to be repaid over a period of 12 years, including a grace period of 3 years, and with an annual interest rate of 4%.

Project objectives:-

The project aims to participate in raising the economical and social development rates and increasing the local capital contribution to avail new job opportunities and to achieve the economical stability through the provision of a line of credit to the government of Seychelles to re lend it to the Development Bank of Seychelles through subsidiary agreement accepted to BADEA. This credit will assist in providing the needed resources to finance small and medium size project in the production sectors like agriculture, industry, fishery and services.

6- Beneficiary Country: Republic of Sierra Leone

Project's Name: Kenema – Koindu Road Project (Section : Kenema-Pendembou)

Estimated Project Cost:

The total project cost is estimated at US\$ 60.48 million.

BADEA's Financing:

A loan of US\$ 10.00 million (16.54% of the total project cost), to be repaid over a period of 30 years, including a grace period of 10 years, and with an annual interest rate of 1%.

Other Sources of Financing:

OFID (US\$ 12.50 million); Kuwait Fund (US\$ 10.00 million); Saudi Fund (US\$ 10.00 million); Islamic Development Bank (US\$ 10.50 million); and the Government: (US\$ 7.48 million).

Project Description and Components:

The project consists of the following components:

- Civil Works and Ancillaries: which includes increasing the width and the shoulder of the current road for a length of 86 km with 6.7 m width and 2 shoulder with 1.5 m h, providing the base, sub base and paving and rehabilitating the storm water structures and traffic safety and protection of environment.
- Land Acquisition,
- Consultancy Services: to prepare the feasibility study and detailed design and tender documents prepared in 2006 and financed by Kuwait Fund
- Consultancy services for supervision of construction.

Project objectives:-

The project aims at supporting the regional trade between Sierra Leone and Republic of Guinea and Liberia. The project will remove the traffic congestion due to bad conditions of the roads in the south eastern part of the country, connect and integrate the area with the agriculture and mining producing regions with the markets. The project will also reduce passengers and goods transport cost, operational and maintenance cost, facilitate traffic flow and improve safety all over the year and facilitate the travel of the people to the health and education services in addition to its contribution in poverty alleviation in the zone where the road is passing.

Project's Implementation:

The physical implementation of the project is scheduled to start in mid 2008 and end by the end of 2010 (30 months).

TECHNICAL ASSISTANCE OPERATIONS:

1- Beneficiary Country: The Republic of Rwanda

Nature of the Technical Assistance:

Technical and Economic Feasibility Study for the provision of potable water supply for seven towns.

BADEA's Financing:

Un repayable grant of an amount of US \$ 440 000

General Information:

The technical assistance aims at preparation of Technical and Economic Feasibility Study for the provision of potable water supply for seven towns in the republic of Rwanda to improve the water supply facilities in the seven towns which is in line with government policies in the sector.

2- Beneficiary Country: Republic of Madagascar

Nature of the Technical Assistance:

A technical assistance for the preparation of the feasibility study for the development of Evatto Airport in Antananarivo the Capital.

BADEA's Financing:

Un repayable grant of an amount of US \$ 470 000

General Information:

The technical assistance aims at the preparation of the feasibility study for the development of Evatto Airport in Antananarivo to insure the safety regulations and requirement during take off and landing and to improve passenger's services and participate in the economic development in the island.

3- Beneficiary Country: Burkina Faso

Nature of the Technical Assistance:

Technical and Economic Feasibility Study for the program of milk production

BADEA's Financing:

Un repayable grant of an amount of US \$ 280 000

General Information:

The technical assistance aims at preparation of the Technical and Economic Feasibility Study for the program of milk production in order to put future bases to control losses through the development of milk production and availing resources in addition to supporting the institutions.

4- Beneficiary Country: Republic of Guinea

Nature of the Technical Assistance:

A technical assistance for the preparation of the feasibility study for the construction of 4 bridges project

BADEA's Financing:

Un repayable grant of an amount of US \$ 440 000

General Information:

The technical assistance aims at the preparation of the feasibility study for the construction of four bridges in Guinea in order to improve the capacity of roads network and traffic and to facilitate the passengers and goods transport and connect different regions within the country and to surrounding countries.

5- Beneficiary Country: Regional

Nature of the Technical Assistance:

Economic Study for the trade horizon for the trans Sahara road within the regional countries.

BADEA's Financing:

Un repayable grant of an amount of US \$ 400 000

General Information:

The technical assistance aims at preparation of Technical and Economic Feasibility Study for the identification of trade exchange horizons between the sub Saharan African countries and the neighboring Arab countries.

6- Beneficiary Country: Republic of Mauritius

Nature of the Technical Assistance:

Provision of an Arab expert in the field waste eater to support the ministry of public utilities

BADEA's Financing:

Un repayable grant of an amount of US \$ 235 000

General Information:

The technical assistance aims at providing technical services of an Arab expert in the field of wastewater to the Ministry of Public Utilities to assist in enhancing the level of technical capabilities of the employees, and in follow up of projects preparation and implementation, funded by the donors and supervised by the Authority.

7- Beneficiary Country: Republic of Senegal

Nature of the Technical Assistance:

Extension of the services of an Arab Expert in the field of evaluation of small and Micro Credit.

BADEA's Financing:

Un repayable grant of an amount of US \$ 50 000

General Information:

The technical assistance aims at continuing the support to the economic development fund at the Ministry of Economy and Finance by the financing of the services of an Arab Expert in the field evaluation follow up the Small and Micro-credits for six month.

8- Beneficiary Country: Republic of Mali

Nature of the Technical Assistance:

A technical assistance to support the debt department at the ministry of economy and finance

BADEA's Financing:

Un repayable grant of an amount of US \$ 155 000

General Information:

The technical assistance aims at financing Institutional Support to the Debt Department to be able to run and operate the external and internal debt through the provision of training and information technology.

9- Beneficiary Country: Republic of Swaziland

Nature of the Technical Assistance:

Training program in the field of administrative development for some cadres in the ministries and government agencies

BADEA's Financing:

Un repayable grant of an amount of US \$ 130 000

General Information:

The technical assistance aims at improving the level of the staff of the different ministries and institutions in the field of Administration Development. The training course will be conducted by ESAMI.

10- Beneiciary Country: Regional

Nature of the Technical Assistance:

A technical assistance for training program in the field of mineral treatment

BADEA's Financing:

Un repayable grant of an amount of US \$ 100 000

General Information:

The technical assistance aims at developing the capabilities of the African technicians in the field of minerals

11- Beneficiary Country: Regional

Nature of the Technical Assistance:

A technical assistance for training program in the field of livestock counting

BADEA's Financing:

Un repayable grant of an amount of US \$ 105 000

General Information:

The technical assistance aims at developing the capabilities of the African technicians in the field of livestock.