FORTY YEARS
OF PROMOTING ARAB-AFRICAN
COOPERATION AND SOLIDARITY

ARAB BANK FOR ECONOMIC DEVELOPMENT IN AFRICA
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Foreword

Nowadays, we witness the 40th anniversary of signing the Agreement for the Establishment of the Arab Bank for Economic Development in Africa (BADEA). 40 years is considered a critical stage in life, and the age of mission for prophets. For institutions such as BADEA, it is a very important landmark which requires a thorough look in the past in order to strengthen the gains and address the shortcomings when required. We thought, within our celebrations on the occasion, to present brief information on the Bank's achievements in these 40 years, and explore the opinions of those who have affected its progress and benefited from its activities in this publication.

The first inspiration of this anniversary is to express our thanks and appreciation to their Highnesses and Excellencies the Kings and Presidents of the Arab countries who took the decision for the establishment of the Bank in the 6th Arab Summit, held in Algeria, in November 1973, and followed up its development by providing their unending support and the necessary material and moral means to execute its mission and realize its goals. We recall the recent decision of the Arab Summit in Riyadh, held in January 2013, which called for a 50% increase in the Bank's capital. We also recall the commendation of the Arab African Summit, held in Kuwait, in November 2013, of the role played by the Bank.

All this is a proof of the leaders' great interest in BADEA and their close follow up of its activities. In this occasion, we would like to commend the farsightedness of the founding fathers who were the vanguards of the institutional Arab-African partnership in the early seventies before the establishment of the institutional frameworks for partnerships with Africa caught the interest of many countries in the world in the 21st century.

We should also commend the effective role played by their Excellencies the Bank Governors in the various stages of its progress who were instrumental in surpassing the difficulties and challenges related to the global environment which almost led, at certain stages, to undermining the Bank's achievements. It was the determination of the successive Bank Governors throughout its progress and their steadfast will and wisdom which led BADEA to safety and to the status it held now among the development financial institutions working in Africa.

Our thanks also go to the successive Board members for their efforts, role and relentless work towards realizing the Bank's goals. The cooperation, total harmony and the team spirit which characterized the relationship between the successive Boards and Executive Departments are to be commended, as they led to the realization of the achievements we are talking about now. We also thank the administrative and technical teams who worked with dedication and integrity when circumstances and regions which were not conducive to realize any achievement.

Last but not least, the Bank could not have realized all these achievements without the good care and strong support of the host country, the Republic of the Sudan. Our thanks and appreciation for the good care and the generous facilities and good working environment it has provided. On this occasion, we tried to explore the opinions of some influential personalities who played important roles during and after the
Bank's establishment in order the shed light on this important phase in the history of every institution. In this respect, we thank H.E. Dr. Chedly Ayari, H.E. Ahmed Al Abdalla Al Aqeel and H.E. Ahmed Al-Harti Al Wardi for their acceptance to give their statements on important stages in the Bank's progress. We are convinced that reviewing the rich experiences of these personalities will provide BADEA's staff in the first place, and maybe some other readers, with important information which help them to face the future and enhance the role of BADEA in Africa Sub-Saharan countries.

In order to provide a complete picture, we tried to present opinions of some officials in charge of development in beneficiary countries where the Bank has direct relationships with various sectors. These are H.E. Sufian Ahmed, Minister of Finance and Economic Development of the Federal Democratic Republic of Ethiopia, H.E. Amadou Ba, Minister of Economy and Finance of the Republic of Senegal, H.E. Lucien Marie Noel Bembamba, Minister of Economy and Finance of Burkina Faso, H.E. Patrick ACHI, Minister of Economic Infrastructure of the Republic of Cote d'Ivoire, H.E. Patrick Anthony Shinamasa, Minister of Finance and Economic Development of the Republic of Zimbabwe, H.E Claver GATETE, Minister of Finance and Economic Planning of the Republic of Rwanda, and H.E. Mrs. Saada Mkuya Salum, Minister of Finance of the United Republic of Tanzania, who gave their impressions on the Bank's interventions in their countries. It goes without saying that the position of these officials which put them in direct contact with the developmental projects in their countries allows them, more than anyone else, to talk about BADEA's achievements in their countries. Our thanks and appreciation to all of them.

This Publication also includes some data and figures on BADEA's activity in Africa. But what is really heartening is the translation of these figures and data to real results on the ground. Through its financing operations, BADEA contributed to bring happiness to women and children in many countries in the African continent through the efforts to provide potable water, to farmers through linking their rural areas with better markets and storage facilities for their products, to others through land reform, building dams and restoring unutilized land, to people here and there whose lives improved after receiving electricity, schools, hospitals, airports and bridges, by linking people and neighboring countries through modern roads which allow them to move quickly and securely and increase exchange of goods. All these projects have positive impact in improving the situation of populations in many African countries. They are not mere figures that increase growth rates without reflecting positively on the living realities of these populations.

Beside its developmental activity, BADEA is able to strengthen its financial situation in order to achieve its goals. Its assets have increased from US$ 231 million when established in 1974 to US$ 4.2 billion in January 1st, 2014. This has doubled its capacity to meet the requirements and needs of its beneficiary countries which we do not claim to fully fulfill, but we are pleased with the satisfaction regularly expressed by these countries, with regards to BADEA's high responsiveness to their demands and priorities, flexibility of lending conditions and contribution to the debt relief of some African countries.

The Bank's achievements are further strengthened and its interventions activated through the cooperation with Arab financial institutions, members of the coordination group. These are: The Islamic Development Bank, OPEC Fund for International Development, Saudi Fund for Development, Kuwait Fund for Arab Economic Development and Abu Dhabi Fund for Development. This cooperation resulted in the provision of the necessary funds for implementing important and vital development projects which could not have been realized without the funds provided by these institutions, and their fruitful cooperation with international development institutions with whom they have close cooperation relations.
Lastly, it is to be noted that despite BADEA's important achievements during the past years, there is a lot to be done, such as supporting the private sector, encouraging Arab exports to African countries, and intensifying organization of Arab African investment forums to promote Arab investment in Africa. Each stage has its priorities, and the next stage holds many good tidings regarding the Bank's action in many fields after it has extended and strengthened its operations during the past four decades in the field of public sector financing.

We hope that this pamphlet has answered many questions which people might ask regarding BADEA's activity.

Khartoum, February 18th, 2014

Abdel Aziz Khelef
Director General

Yousof Ibn Ibrahim Al-Bassam
Chairman of the Board of Directors
Chapter I
BADEA's Achievement: Facts & Figures
Preamble

Forty years had elapsed, since the Establishing Agreement of the Arab Bank for Economic Development in Africa (BADEA) was signed in February 18th, 1974, by eighteen Arab countries, members of the League of Arab States (LAS). This publication comes to highlight the achievements of the Bank throughout the four decades of its existence, and shed some light on its vision and future plans with a view of strengthening the achievements and addressing the shortcomings.

It is worth recalling that BADEA has been established with the objective of supporting economic, financial and technical cooperation between Africa and the Arab Countries, through financing economic development in Africa Sub-Saharan countries, stimulating Arab capital to contribute to African development and providing technical assistance to African countries.

BADEA commenced operations in 1975 in difficult circumstances, but through diligent and intensive work, BADEA was able to develop such operations. In 1983 a major breakthrough has been achieved, by implementing a Five-Year Plans relating the available resources and their utilization to the needs of the recipient countries.

The Plans adopt a strategy based on gradual increase of financial resources to the tempo of the expansion of its operations to meet the rising demand for its services in all sectors especially food, water, sanitation, electricity, transport, health, education and human development.

Lending Operations

BADEA interventions included various products that have been enhanced and diversified to meet the economic needs of beneficiary countries. They have been steadily promoted to fit the development mechanisms and their conducive atmosphere. These products could be categorized as follows:

- Financing development projects: It is the most important product in terms of volume. Loans to finance projects are extended in concessionary terms, that some projects are financed with a grant element exceeding 50%.

- Financing technical assistance operations: They are extended as grants to finance feasibility studies for development projects and institutional support operations.

- Financing Arab exports to African countries: A program launched in 1983.

- Promote Arab investments in African countries: BADEA has adopted several methods in this regard.

- Debt relief on Heavily Indebted Poor Countries (HIPC): 28 countries have benefited from this initiative.

- Financing Urgent Aid: A limited activity which was extended to Sahelian countries that faced drought in 1987.
As provider of assistance under various forms since 1975, BADEA has been able to perform a series of achievements in the field of development in Africa sub-Saharan region, attaining therefore widespread covering a total of 44 countries, which represents the whole number of countries eligible for BADEA’s assistance. This was accompanied by an increase in the number of projects approved each year, from about 12 projects in 1975 to 22 projects in 2013. The same applies for the technical assistance operations, which started with nothing in 1975 to attain 33 in 2013. BADEA financing policy is based on high responsiveness to the priorities of the beneficiary countries.

Realizing the key role of infrastructure in promoting economic growth in Africa, BADEA has allocated a high volume portfolio for infrastructure projects. Equally, the Bank’s lending program focused on food security, alleviation of poverty, combating diseases, enhancing women’s participation in development, environment protection and human development.

Financed projects are designed according to the pillars of BADEA’s Five-Year Plan, they embody the priorities of beneficiary countries and usually form part of their development plans. The Bank pays particular attention to regional projects that profit several countries simultaneously, and contribute towards the economic integration of Africa on one hand and the Arab countries and Africa on the other.

BADEA’s financings take into account the international orientations in the field of development and mainly strategies aiming at poverty alleviation, the Millennium Development Goals and the New Partnership for Africa’s Development (NEPAD)...etc. The Bank does not lose sight of the need to support capacity-building programs through an independent product which is the Technical Assistance Program.

BADEA has always been responsive in addressing the African countries needs, and flexible in allocating the portfolio for projects and technical assistance operations. BADEA has also played a key role in bringing the Arab Financing Institutions on board through co-financed projects in Africa Sub-Saharan countries.

**Loans Commitments (1975 – 2013):**

The total commitments of projects during the period 1975-2013 amounted to US$ 4,175.065 which represents 88.75% of the total cumulative commitments, directed to finance 566 development projects. Project lending continues to be diversified encompassing all development sectors: infrastructure, agriculture and rural development (agriculture and Livestock production, rural roads, rural water supply, rural electrification), social sector (education, health), energy and industry, and private sector.
BADEA's financial assistance aimed at contributing towards economic and social development, food security, improvement of living conditions, alleviation of poverty, combating diseases, increasing income, facilitating access of rural population to financial services and increasing woman's participation in development. BADEA interventions also covered projects intended for environmental protection and sanitation such as rural development and sanitation projects, and combating desertification and mitigation of drought effects.

Loans extended to finance these projects are provided in concessionary terms that suit the economic conditions of the borrowing countries. The average interest rate charged on BADEA's loans ranges between 1% and 4% per annum. The loan period ranges between 18 and 30 years, including a grace period ranging between 4 and 10 years. The weighted average grant element, amounted to 31.07% during the first decade (1975-1984), and 36.49% over the second decade (1985-1994) to stand at 47.26% over the third decade (1995-2004), and attain 48.01 over the fourth decade (2005-2013).

![Sectoral Distribution of Total Loans Commitments (1975 - 2013) (US$ Million)](image)

- **Industry**: 51.529 (1.47%)
- **Private Sector**: 111.931 (3.20%)
- **Energy**: 173.593 (4.95%)
- **Agriculture and Rural Development**: 880.284 (25.12%)
- **Social Sector**: 307.427 (8.77%)
- **Urgent Aid**: 12.635 (0.36%)
- **Infrastructure**: 1967.045 (56.13%)
Infrastructure and Environment Sector

A leading sector in economic development in Sub-Saharan Africa countries, comprises: roads, airports, railways lines, ports, dams, bridges, communications, water supply, sanitation and public services. The infrastructure sector plays a pivotal role in improving socio-economic development and creating conductive atmosphere for investment. The role of these projects is significant in the development of Africa due to its wide area, population distribution and low level of services. Projects financed in the roads sub-sector represent the most important projects of infrastructure according to the priorities of beneficiary countries. The objective is to improve traffic transportation, reduce cost, link the centres of production with the marketing centres, and promote the internal and external trade exchange, especially among African countries and between the Arab and African countries. They also help in opening up the isolated areas, improve transit transport traffic for land locked countries and promote the cooperation, economic integration and poverty reduction.

The allocated amount to this sub-sector register US$ 1,185.241 million representing 60.25% of the allocated amount to the infrastructure sector which reached US$ 1,967.045 million. Infrastructure projects include also, dams to supply water for both irrigation and drinking usages as well as power generation, water storage and sanitation.

Since its establishment, BADEA has effectively participated in financing infrastructure projects.
Agriculture and Rural Development Sector

This sector comes immediately after the infrastructure in terms of volume of finance. This reflects the need of African countries to achieve food security, rural development and fully exploit the natural resources.

These projects have played a significant role in expansion of arable lands, improvement of agricultural productivity rates and provision of aid by the introduction of suitable technologies for intensification and diversification of irrigated agriculture. In addition, these projects have contributed to the restoration of environmental balance, and conservation and development of water resources and soil. Furthermore they contributed in rural water supply, rural roads and rural electrification. They also contributed in supporting the livestock and animal production sector, therefore contributing to alleviation of poverty, improving of income and living standard and lessening the rural-urban migration.

A total amount of US$ 880.284, equivalent to about 25.12% of BADEA’s total net commitments has been earmarked for this sector.
Social Sector (Health and Education)

Since the establishment of BADEA, the social sector (health and education) has been accorded great importance; up to 1995 BADEA’s funding to the sector consisted of supporting social components in development projects. The Third Five-Year Plan (1995 - 1999) introduced the direct financing of health and education projects following the recent development trends, which consider poverty reduction and human development as the cornerstone of the development process.

In the field of health sector, BADEA financings consisted of construction and equipping of hospitals and health centres, rehabilitation, upgrading, and equipping of existing health centres. In the area of education BADEA’s interventions included construction of primary schools, and literacy centres. BADEA’s involvement also incorporated secondary schools, universities, and vocational training centres. This trend is justified by the priority given by the beneficiary countries to the social sector projects in their plans and development programs. In addition, these projects play a major role in poverty reduction and promotion of living standard through the provision of health and education services.

The total financing for this sector amounted to US$ 307.427 million, representing 8.8% of BADEA’s total net commitments during the period 1975 – 2013.
Energy Sector

The energy sector is one of the basic sectors in the process of socio-economic development. The shortage of power is a main obstacle in the way to development. Consequently, BADEA has, since its establishment, acceded to the requests of borrowing countries through participation in financing of generation, transmission and distribution of electrical energy projects whether hydropower or thermal projects. No doubt, the sector plays a crucial role in improving the living standards and alleviating poverty.

This sector has received an amount of US$ 173.593 million, of BADEA’s total net commitments during the period 1975-2010. In the Six Five-Year Plan (2010-2014), the rural electrification projects are classified within the rural development sub-sector.

Industry Sector

Recognizing the value of promoting such sector in achieving socio-economic development, and acknowledging the vital importance of the industry sector to Africa, BADEA initiated financing projects in this sector since the start of its activity in Africa Sub-Saharan countries. Furthermore, this sector is connected to food processing including manufacturing, which has a positive impact on production, meeting the market’s needs and providing job opportunities.

It is worth mentioning, that the role of the private sector in industrial activity is increasing as the governments’ involvement is diminishing.

The total financing for this sector during the period 1975–2013, stood at US$ 51.529 million.
**Private Sector**

BADEA’s support to the private sector is notably progressing to enable it play an effective role in socio-economic development in Africa Sub-Saharan countries. The major impact of this sector in alleviating poverty and providing job opportunities, is significantly increasing. BADEA’s contribution in this sector takes the form of loans extended to micro, small and medium-scale enterprises.

The private sector received an amount of US$ 111.931 million of BADEA’s total net commitments during the period 1975 – 2013, directed to finance 43 operations.

**Technical Assistance Operations**

BADEA provides technical assistance to the African beneficiary countries through financing technical and economic feasibility studies for development projects and institutional support operations. The latter consists of training courses for the benefit of African employees, provision of services of Arab experts, supply of equipment, organization of forums for economic operators in Africa and the Arab World.

The targeted entities by this assistance are usually government departments, corporations, private sector firms and regional African organizations.
The total amount of technical assistance commitments reached US$ 142.713 million, representing 3% of the total commitments, which have been directed to finance 591 operations, detailed as follows:

- Covering the total cost of 223 feasibility studies of development projects, 368 institutional support operations. All 44 countries eligible for BADEA’s assistance benefited from these operations, along with 5 regional groups and 17 regional institutions.

- Allocation of a total amount of US$ 66.51 million, representing 46.6%, for feasibility studies.

- Allocation of a total amount of US$ 76.203 million, representing 53.4%, for institutional support operations, specified as follows:

- Organizing 219 training sessions that benefited 8897 African participants.

- Providing services of 114 Arab experts during the period 1991-2013.

- Provision of equipment, organization of joint Afro-Arab fairs and forums, promotion of Arab investment in African countries and encouraging the use of Arabic language in African countries, in addition to other operations.
Financing Trade between Arab and African Countries

BADEA implemented a special program for financing Arab exports to African countries eligible of its support. A sum of US$ 100 million has been allocated to this program, of which US$ 75 million is managed by the Islamic Development Bank since 1998, in accordance with an agreement signed with BADEA.

In 2008, this program has been assigned to the International Islamic Trade Finance Corporation (ITFC), one of the Islamic Development Bank agencies. BADEA assumed the management of the remaining US$ 25 million independently, in the form of lines of credit awarded to Arab banks to contribute in financing the Arab export to African countries. In this context, the Bank financed two lines of credit to Attijari Wafa Bank (Morocco) and Ahly Bank (Egypt) of US$ 10 million for each.

Since the start of the program and up to 2013, a total commitments of US$ 374.5 million has been made, to finance 29 operations in favor of 10 countries, some of which benefited from more than one operation, namely: Tanzania, Guinea, Mauritius, Zimbabwe, Seychelles, Zambia, Côte d'Ivoire, Kenya Senegal and The Gambia.

The funds were used to import fuel oil products, chemicals, sugar, electrical cables, fertilizers and other agricultural inputs. These operations have had a positive impact on supplying the beneficiary countries with basic commodities necessary for food security, and also with chemical and petroleum products which have contributed partly in covering needs the of industry, power and transport sectors, thus contributing to the development of the recipient countries.

Furthermore, BADEA contributed US$ 10 million to the capital of the African Export and Import Bank (AFREXIM Bank).

Encouraging the contribution of Arab Capital in the Development of Africa

Encouragement of Arab capital to participate in the process of development in Africa, is one of the most important missions, that has been stipulated in the terms of BADEA Establishing Agreement. Therefore, it represents one of the major pillars that operate BADEA interventions in Africa.

The Bank applied a variety of methods to encourage Arab capital to participate in development of Africa. The Bank tried to create a conducive atmosphere by financing infrastructure projects (roads, airports, ports, services), contributing in organization of investment forums aiming to attract Arab capital in Africa and financing pre-investment studies.
Other important aspects in BADEA’s financing operations

Since its establishment, BADEA operations focused on important pillars that consist of poverty alleviation, support the participation of women in development, finance regional operations, coordinate and co-finance with development finance institutions and regional organizations. Following is a detailed review of these pillars:

**Poverty Reduction:**

The most fundamental goal of BADEA in its intervention in all sectors is poverty alleviation. To that end, priority is given to development projects with direct and indirect impact on poverty reduction. Since poverty touches rural population and those living in urban zones, at the margin of cities "urban poor", BADEA lending program focuses on infrastructure projects, which help in creating suitable environment for investment, increasing production in agriculture and rural development, enhancing urban and rural infrastructure which is considered as a major factor in investment promotion. In addition to this, reactivation of elements of production, creation of employment to enable the poor segments in the community to increase their income. BADEA has also provided financing to micro, small and medium enterprises through lines of credit.

**Enhancing Women Role in Development:**

BADEA recognizes that women play a key role in boasting social development and poverty reduction. Therefore, operations (Project, technical assistance) financed by BADEA focus on women involvement in these activities. The Bank under takes programs that enhance women participation in development, and certain operations are exclusively devoted to women, in rural area and modern sectors of production.

**Regional Operations:**

Regional transport is considered as a major pillar in the process of regional integration since it facilitates setting up binds amongst African countries and between Africa and the Arab countries. Moreover, this connection has a positive impact on the African continent promotion, by contributing to the expansion of the circle of commercial exchange, facilitating easy circulation of products between African countries as well as transportation inside and outside countries. It will also contribute to the extension of markets, creating regional or continental markets for both goods and services, and therefore achieve development in Africa. In this regard, the total allocations for financing regional operations during the period 1975-2013 amounted to US$ 537.7 million, directed to finance 66 regional projects, and US$ 7.69 million to finance 25 technical and economic feasibility studies as grants, some of which produced projects financed by BADEA.

**Coordination and Co-Financing:**

BADEA attaches great importance to enhancing coordination with development financial institutions particularly the Arab ones, due to the financial opportunities especially for financing major projects proposed for funding by beneficiary countries. The “Arab Coordination Group”\(^{(1)}\) also constitutes a platform for the exchange of expertise, coordination of policies and establishment of contact with international development institutions. BADEA contributes in all meetings that regroup regional and international institutions operating in the field of development support in Africa Sub-Saharan countries.

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\(^{(1)}\) Incorporate: BADEA, Saudi Fund for Development (SFD), OPEC Fund for International Development (OFID) Kuwait Fund For Arab Economic Development (KFAED), Abu Dhabi Fund for Development, Arab Fund for Economic and Social Development (AFESD), Islamic Development Bank (IDB) and Arab Gulf Programme for Development (AGFUND).
Future Plans and Vision

Having reviewed the Arab-African cooperation throughout the past four decades of BADEA’s existence, the following passages are trying to bring to light the Bank’s future plans and visions. Based on an extensive experience in the field of Arab-African cooperation, BADEA will try to strengthen its role in boosting economic and social development of Africa, through the expansion of its operations and improvement of its products.

The main objectives of the forthcoming Seventh Five-Year plan (2015-2019) is to meet the development needs of African countries, with a special focus on maintaining the expansion, diversification and enhancement of BADEA's operations through financing public and private sector projects, human and institutional capacity-building, encouragement of Arab exports to African countries and poverty alleviation. Equally, Special attention will be given to the private sector projects through providing direct loans, lines of credit and micro-credit. Lines of credit are extended to Arab or African banks. Direct loans are allocated to finance private sector, joint public/private sector projects and joint Arab-African projects. In this respect, the Bank will intensify cooperation with regional and international development finance institutions, to support promotion of Arab investment in African countries through financing studies, seminars and forums aiming to attract Arab capital to Africa.

BADEA will focus on the encouragement of Arab exports to African countries. The Bank will ensure the direct management of all resources allocated to finance foreign trade and will extend lines of credit to Arab, African, or regional banks, including the Islamic Development Bank Group. As well, the Bank will intensify trade promotion and follow-up activities.

BADEA will try to maintain a sound financial position and continue supporting development and Arab-African cooperation.
Examples of Development projects

Emali – Oloitokitok Road Project
Republic of Kenya

Due to the importance of this road project in developing the project area and facilitating connection with Tanzania at large, BADEA allocated an amount of US$ 200 thousand to finance its feasibility study, then allocated an amount of US$ 15 million to contribute to financing the road project which lies in "Kajado" province in the Rift Valley, in the southern part of the country. The project starts at "Emali" town which lies at around 95 km to the south-west of the capital "Nairobi" and ends at the town "Oloitokitok". Animal and agricultural production are the main activities in the region. The project consists of construction of an asphalt road 105 km long.

The project has achieved its objectives of connecting Kenya with Tanzania on one hand and the poor regions with the other parts of the country on the other hand. It improved transport efficiency, promoted commercial exchange in Eastern Africa, reduced transportation cost and improved living standards.

The project cost which amount to US$ 33 million, has been co-financed by BADEA, OPEC Fund for International Development (OFID) and the Government.
“Singrobo”-“Yamoussoukrou” Highway Project  
Republic of Côte d’Ivoire

The highway "Singrobo - Yamoussoukro", with 85.76 km length and a total width of 32m, has been divided into three sections, the first "Singrobo-Tabo", the second "Tabo-Tomadi", and the third "Tomadi-Yamoussoukro". BADEA participated in financing of the second section (Tabo-Tomadi).

The project consists of civil works and ancillaries for the construction of (Tabo-Tomadi) section about 29.56 km length and a total width of 32 m. The project also includes provision of consultancy services.

The total cost of the second section ("Tabo-Tomadi") amounted to US$ 83.82 million, financed through a contribution paid by BADEA (US$ 18 million), Saudi Fund, OPEC Fund for International Development (OFID) and the Government.

The Construction and extension of the Highway "Singrobo-Yamoussoukro", part of the axis linking the capital "Abidjan", to "Yamoussoukro", allowed the extension of the asphalt roads network in the country, the improvement of land transport as well as the connection of production centers located between "Yamoussoukro" and the Central, Northern, and Western regions with the Seaport of "Abidjan", which is considered as the most important port in Western Africa. The highway has also allowed improving traffic between Burkina Faso, Mali and Niger, which have no access to the sea, opening up regions served by the road, and reducing the cost of transportation.

Gantsi –Sehitwa Road Project  
Republic of Botswana

The project is located in the Western Region of the country starting from "Gantsi" city and ending at "sehitwa".

The project involves civil engineering work which consist of construction of an asphalt road, 187 km long and 7m wide, and feeder roads that connect the region with villages and centers of animal production. The total project cost is about U.S.$ 40 million and the contribution of BADEA amounted to US$ 10 million besides the Kuwait Fund and the Government.

The project has achieved its objectives in the construction of the ring road in Botswana, connecting the various provinces in the country and promoting tourism through providing a direct road to "Okavango Delta" which is considered to be the most important touristic region in the country. The road also connects Botswana with neighboring countries such as Namibia in addition to providing transit link between Zimbabwe and Zambia on one hand, and Namibia on the other.
Rehabilitation of Addis Ababa International Airport
Federal Democratic Republic of Ethiopia

The project consists of the construction of a new runway 3,800 m long and 60 m wide, 5 taxiways, aircraft parking apron with an area of about 40 000 square meters and a new passengers terminal (46 000m²), road ways and car parking facilities. The project also involved maintenance of the existing runways, taxiways as well as provision and installation of navigational aid equipment and lighting system for the runway, taxiways and aprons.


The project has achieved its objectives of rehabilitating, improving and equipping the Airport's infrastructure to I.A.T.A standards as well as meeting the increasing traffic demands.
Improvement of “Kayes" Airport  
Republic of Mali

The project consists of civil engineering works for the expansion of the runway and accessories from a length of 1600 m to a length of 2700 m, expansion of its width from 30m to 45m, expansion of cars parking area and construction of internal roads, passengers terminal and accessories with a total area of about 1632 m², provision of navigational equipment and furniture, in addition to the consultancy services. The total project cost is approximately US$ 15 million, provided by BADEA with US$ 13 million and the Government.

The project has contributed to the development of domestic air transport by strengthening the capacity of the old airport "Kayes" and better services to passengers. In addition, the project has facilitated liaison with the capital "Bamako", some cities, neighboring countries and France.

This project contributed to the reinforcement of domestic air transportation by the improvement of "Kayes" city. In addition, the project facilitated connection with the capital "Bamako", some local towns, the neighboring countries and France.

Supply of Potable Water for “N’diosmone- Palmarin” Region Project  
Republic of Senegal

The Project is located some 85 km south of the capital "Dakar" between "Notto", "N'diosmone" and "Palmarin" villages, in the Delta region of the "Sine Saloum" River.

The project consists of construction of water supply infrastructure by creation and equipment of four productive wells in "Tiyas" village, with a capacity of 13,800 m³ per day. The project also include provision of equipment relating to water-level monitoring, construction of a pumping station and a reservoir with a storage capacity of 5000 m³, installation of a network for water distribution with total length of 358m. The project also incorporates consultancy services and awareness campaigns.

The total project cost is US$ 30,730 million, which has been financed by BADEA for an amount of US$ 8 million together with contribution from the Saudi Fund, the Islamic Development Bank and the Government.

The project has contributed to improving water infrastructure in rural areas to address drinking water needs, which permitted improvement of health conditions through the reduction of waterborne diseases.
Construction of “Bagre” Dam Project
Burkina Faso

The project involves the construction of an earth-and-rock fill dam on “Nankanbé” Valley near "Bagré", with a capacity of 1.7 billion cubic meters of water retention, a power plant (16 MGW per year), power transmission line (34 km length/capacity 132 KV). The project components also include the creation of infrastructure for the irrigation of an area of 2100 ha for rice production, the development of 3200 ha of land, of which 1,050 ha has been made for construction of farmers’ villages. The project components also include the construction of bridges and access roads.

BADEA funding amounted to US$ 15 million, Saudi Fund, Kuwait Fund, the OPEC Fund, the European Development Fund, the African Development Bank, West African Development Bank, United Nations Food and Agriculture Organization, the United Nations Program for Development, the European Investment Bank and the Government paid the balance out of US$ 151.60 million which is the total cost of the project.

The project permitted development and agricultural enhancement, rice production and settlement of 9250 families as well as production and transmission of electricity to the capital "Ouagadougou".

Rehabilitation of “Muhimbili” Medical Center Project (Phase I)
United Republic of Tanzania

Muhimbili Medical Center, which incorporates Muhimbili Hospital, the University College of Health Sciences (MUCHS), and the Research Centre, is located in the capital “Dar Es-Salam”. It has been constructed since more than fifty years ago and is considered to be the most important teaching hospital in Tanzania.

The first phase of the project involved the rehabilitation of the Medical Center, with a capacity of 1955 beds. Construction works included the rehabilitation of the maternity block, theatre and radiology block, medical and surgical wards, mortuary and public services. The project's components also incorporated the provision of furniture, medical supplies and equipments. The project cost was around US$ 21.4 million, provided through the contributions from BADEA with US$ 5 million loan, African Development Bank, OPEC Fund for International Development and the Government.

The project helped provide efficient health care services for the populations in general and for the inhabitants of “Dar-Es-Salalm” in particular.
Agricultural Development Project in “N’Diawara” Region
(Senegal River Basin)
Republic of Senegal

The project area is located in "Podor" Province, in the central part of the Senegal River Basin, about 490 km from the capital "Dakar". The total project cost is about U.S. $ 7.95 million and the contribution of BADEA amounted to 6.5 million dollars.

The project has permitted the development of approximately 500 ha of agricultural land, construction and equipment of a pumping station, the construction of four warehouses, supply of drinking water to villages in the project area, provision of agricultural inputs, support of women's activities through implementation of agricultural processing and dairy products units. The project also includes the provision of micro-credit and consulting services.

The project has achieved its goals through development of agricultural lands, implementation of water and irrigation infrastructure, supporting the involvement of women in agricultural activities and developing parallel activities, improving living conditions and reducing poverty by intensifying and diversifying agricultural production.
Power Generation and Transmission Project
State of Eritrea

The State of Eritrea has been facing challenges of a serious energy deficit. About 80% of electricity demand and more than 96% of domestic energy consumption is provided by timber and animals waste which led to massive loss of vegetation throughout the country.

Facing this situation, BADEA extended a loan of US$ 15.00 million to participate in financing the construction of thermal power station for electric generation (84 megawatt), located near the town of Massawa on the Red Sea Coast; construction of transmission lines and a sub-station for supplying electricity to the towns (22 megawatt) to the towns of Massawa, Asmara, Dekemhare, Mendefera and Keren. In addition, the project works included the supply and installation of electrical and mechanical equipment, construction of oil storage tanks and oil pipelines (240 km); reconstruction of an access road to the power station and construction of living quarters for the technicians and laborers and consultancy services.

The total cost of the project amounted to US$ 168.649 million, provided through contribution of BADEA, Saudi Fund, Kuwait Fund, Abu Dhabi Fund, OPEC Fund, the Government of Italy and the State of Eritrea.

The project has achieved its goals of satisfying the electricity demand in most cities, improving the living conditions of the populations and protecting the environment.

Power Generation in the Western Area (Phases 1&2)
Republic of Sierra Leone

Sierra Leone was faced with major challenges in providing electricity power to meet its needs. The situation was aggravated by the civil conflict which lasted for more than ten years and left electricity infrastructure and halted the implementation of several hydroelectric power generation. Furthermore, the insecurity situation resulted in rural-urban migration to the Western Areas of the country including the capital "Freetown", thus leading to significant increase in electric power demand.

Facing this situation, BADEA extended a loan of US$ 8.00 million for financing the generation of electric power (6.2 mega watt) in the Western Area of the country in collaboration with the Government, and later extended a second loan of US$ 7.0 million to contribute in financing the second phase of the electric power generation (10.36 mega watt) project in the Western Area of the country, together with contributions from Saudi Fund for Development and the Government.

The project within its two phases, has helped in meeting the electricity demand of the Western Area, including the capital "Freetown" and has contributed to the socio-economic development and environmental protection by supplying of electricity power to the residential, commercial and industrial activities in the country.
Power Transmission to “Pemba” Town Project
Republic of Mozambique

The project involves the construction of 372 Km. long, and 110 Kv. transmission line between “Nampula” and “Pemba”, and the erection of a new sub-station in “Pemba” (110/33 Kv.), rehabilitation and extension of the electrical distribution network in “Pemba”. The total cost of the project amounted to US$ 28 million, provided through the contributions from BADEA, US$ 13.8 million, the Islamic Development Bank and the Government.

The project helped supply electricity from a hydropower source to the city of “Pemba” to meet domestic, industrial and touristic needs. Moreover, the project allowed the extension of the transmission network to the North of the country. As such, the project has been very instrumental in the development of cities and villages in the region.
Construction of Two High Schools in “Santiago Island” Project
Republic of Cape Verde

The Project is located in “Santiago” island, it involves construction of two schools in "João Teves" town, and "Achada Falcão" district.

The project components include the construction and equipping of 17 classrooms and ancillaries in "João Teves" school, and 20 classrooms and ancillaries in "Achada Falcão." School. The project also incorporates the construction and equipping of chemistry, physics and biology laboratories, drawing rooms, computer rooms, conference and meeting halls, offices for the management, teachers and supporting staff, as well as sports yard.

The total area of the school’s buildings of "João Teves" is estimated at about 1200 m², of which 1000 m² has been made for playgrounds. The buildings’ area of "Achada Falcão" school is estimated at 1400 m², of which 1900 m² is reserved to playgrounds.

The total cost of the project amounted to 4.54 million, of which US$ 3.6 million has been provided by BADEA, together with contribution from the Government of Cape Verde.

The project has improved the educational infrastructure of secondary education, through the construction of two schools with a capacity of 3000 students. The project resulted in more adequate teaching conditions which allowed achieving satisfactory academic results.
Line of Credit to Support Income Generating Activities for Women
Burkina Faso

BADEA has extended a line of credit amounting to US$ 1.50 million to the government of Burkina Faso, to on-lend it to the Fund for Income Generating Activities for Women, allowing it to provide financial resources for micro-projects initiated by women in productive sectors.

The project helped provide financial resources for financing small and micro-projects undertaken by women's groups in rural and urban areas, by women with small and medium-sized enterprises, and by women working in the informal sector. The total number of women who have directly benefited from the Line of Credit amounted to 19,000 women. These projects have enabled the creation of job opportunities, increased incomes of women in 45 provinces and provided support to the Government’s efforts aimed at reducing poverty and improving living conditions, thus boasting the efforts intended to achieve women sustainable development.
Chapter II
Evolution of BADEA’s Financial Resources
Capital Evolution

The total amount of the subscribed capital of BADEA amounted to US$ 4.200 million in January 2014. The paid-up capital stood at US$ 3,500 million. The capital has been increased gradually over the past four decades from US$ 231 million in 1975 to what it is today. The first increase amounting to US$ 154.8 million was in 1977. The second increase of US$ 350 million came as a result of the Special Arab Aid Fund for Africa (SAAFA) capital infusion, which was managed at that time by the Secretariat of the League of Arab States; hence BADEA's capital became US$ 735.8 million.

This increase in BADEA's capital is associated with the five-year plans (1983-2014) which BADEA adopted to boost its activity. It helped significantly in providing necessary funds to meet the evolution and expansion of BADEA's operations relying on own resources and finance the plan’s allocations that augment from one plan to another.

The total increase in BADEA's capital over these Plans amounted to US$ 2064.2 million (transferred from the General Reserve), raising the capital in April 2009, to US$ 2.800 million. This represents an increase of more than twelve times the initially subscribed capital.

Following a decision by the Arab Social and Economic Development Summit, held in Riyadh, Kingdom of Saudi Arabia in April 2013 to increase by 50% the capitals of Arab Joint financial institutions and joint-venture Arab enterprises, BADEA's Board of Governors issued a resolution in April 2014 to increase BADEA's capital by US$ 1,400 million (50%) its capital effective of January 1st 2014, of which US$ 700 million is to be transferred from the general reserve in order to provide necessary financial recourses for the seventh five year plan (2015 - 2019), while the remainder of US$ 700 million is to be paid by the member states over 5 annual equal installments, the first of which is payable in April 1st, 2014.

\[\text{Evolution of BADEA's Capital 1975 - 2014 (US$ Million)}\]

\[
\begin{align*}
1975 & : 231 \\
1977 & : 735.8 \\
1983 & : 958.8 \\
1985 & : 1045.8 \\
1994 & : 1145.8 \\
1999 & : 1500 \\
2004 & : 2200 \\
2009 & : 2800 \\
2014 & : 4200
\end{align*}
\]
Evolution of Disbursements and Repayments

Evolution of Disbursements of Loans and Grants:

BADEA adopted a wise policy based on gradual increase in resources earmarked for its operations in Africa depending on own recourses. These recourses enabled BADEA to cope with the increasing needs of the African countries. The disbursements of loans and grants increased from US$ 534.8 million in the first decade (1975 - 1984), US$ 868.8 in the second decade (1985 - 1994), US$ 1,477.2 Million in the third decade (1995 - 2004), and US$ 2,619.1 Million in the forth decade (2005 - 2013). This increase is due to the rise in the number of allocations, softening of the lending terms and joining the HIPC initiative.

The diagram below shows the Evolution of Loan disbursements and technical assistance.

![Diagram showing Evolution of Disbursements of Loans and Grants (1975 - 2013)]

Loan Repayments:

While BADEA is very keen to collect its loan and interest amounts, its collection policy takes into consideration the critical economic situation of the African countries. The Bank had arrangement for settlement of arrears, participated with international institutions pertaining to mitigating the debt burden of heavily indebted countries, the Bank also encourages the debtors to pay their obligations, and continually contact them to discuss the overdue payment arrangements. This policy resulted in facilitating the repayments of over dues and getting new finances.
The diagram below illustrates the cumulative loan repayments amount during the last four decades. The total repayment during the first period (1975-1984) was US$ 27.2 million, US$ 358.6 million during the second period (1985-1994), US$ 827.3 million during the third period (1995-2004) and US$ 1,233.4 million during the fourth period (2005-2013). This evolution is justified by the improvement of loan terms and the increase of operations volume.

**Disbursements and Repayments of Loans (1975-2013)**  
(US$ Million)

Disbursements and Repayments:

Loan disbursements during the period (1975-2013) was more than loans repayments by US$ 1,385.7 million (112.3%) which indicated improvement in loan lending and follow up management, plus easing the lending terms, arrangement for arrears settlement and joining HIPC initiative.
Investment:

BADEA follows a conservative investment policy and guide lines established by the Board of Directors which takes into consideration liquidity requirements, the diversification of investment and the realization of highest possible return.

During the period from 1975 until April, 1985 BADEA invested its liquidity in USD time deposits according to guidelines adopted by the Board of Directors at that time. When the interest rates on the USD went down in 1985, BADEA started to diversify its investment and started to invest in fixed income portfolios in 1986, then in equity portfolios in 2001, managed by sound fund management firms in London. The objectives of these portfolios were to maintain the value of its assets, while achieving a return higher than what could have been achieved had all its liquid assets been invested exclusively in one instrumentals, as a low performance by one investment is offset by a higher performance of the other.

The following diagram shows the increase in the investment during the past four decades, where it rose from US$86.9 million in 1975 to US $2,250.5 million at the end of 2013 with an increase of $2,463.6 million.
Development of Financial Position:

During the last four decades, BADEA was able to keep a sound financial position. Total Net assets amounted to US$ 3,834.4 million at the end of 2013 while it was US$92.2 million in 1975. This helped BADEA a lot in meeting the needs of the beneficiary countries according to their development priorities depending on own resources.

BADEA adopted a balanced and wise investment policy in utilizing its funds, which enabled it not only to preserve capital, but also to increase its resources in spite of financial crises in the international markets. The diagram below illustrates the development of its net assets during the last four decades.

The increase in net assets during the past period was due to the net profits since the inception of its operation in 1975. The net income during the period (1975-2013) was US$ 3,245.2 million, which was mainly generated from investing its liquid assets in fixed deposits and equities. The diagram below shows the development of net income during the last four decades.
BADEA's Contribution Towards Debt Relief:

BADEA followed three methods in contributing to mitigating the debt burden namely:

- Easing the lending terms to reduce the burden of its finances upon the beneficiary countries, hence facilitating the repayment of over dues and getting new finances. The interest rate reduced and became between (1% to 4%) from an average of (4% to 8.5%) before. On the other hand, loan period extended to an average between 18-30 years. The Bank also gave incentive and reduction in the interest rate of 0.25% for countries who pay their commitment within 30 days.

- Since 1988 BADEA started arrangement for settlement of arrears, which helped collect its debts, and enabled African countries to take more loans.

- In 1997 BADEA participated with International and regional finance institutions in the initiative pertaining to mitigating the debt burden of least developed heavily indebted poor countries (HIPC) BADEA signed 31 agreements since then with 28 African countries. The First agreement signed for US$ 3.1 million, US$ 22.9 million at the end of fifth year 2002, US$ 155.8 million at the end of the tenth year 2008, US$ 256.6 million at the end of the fifteen year 2013. The Diagram below shows BADEA's contribution in mitigation the debt burden for heavily indebted poor countries for the period (1997-2013).
Chapter III

BADEA’s Administrative Development
BADEA's Administrative Development

It is unquestionable that for BADEA to adequately perform its mission and be up to the challenges facing it, it is expected in the first place to build an executive body with all the necessary organizational competences, human abilities and logistic capacities that enable it to perfectly perform its mission and competently realize its vision and goals. In this respect, BADEA has made the following important achievements:

- Development of the Organization Chart and Job Structure.
- Recruitment of competent Human Resources, as well as building and developing the capacities of staff.
- Securing the logistic and technical support as well as the suitable working conditions.

Development of the Organization Chart and Job Structure:

BADEA kept working through an Organization Chart set since its establishment with only some little amendments made thereto until 1999 when the Board of Directors approved a study, prepared by a Consulting Firm, to apply a new Organization Chart and Job Structure whereby the job categories have been changed from five: (Executive Directors, Professional, Semi-professional and Technical, Stereotype and Assistant) to four : (Executive Directors, Professional, Administrative and Assistant).

As well, in 2011 the Board of Directors has also approved the modernization of BADEA's Organization Chart and Job Structure. Following is a comparison displaying the development of the number of posts as in the current Organization Chart compared with the previous one. Such development resulted in a significant increase amounting to around 40% in the professional jobs that positively reflected in BADEA's performance, particularly because it was a synchronous to the development in the field of information technology:

<table>
<thead>
<tr>
<th>Category</th>
<th>Jobs</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Previous Organization Chart</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(2000-2011)</td>
</tr>
<tr>
<td>A</td>
<td>Executive Directors</td>
<td>10</td>
</tr>
<tr>
<td>B</td>
<td>Professional staff</td>
<td>54</td>
</tr>
<tr>
<td>C</td>
<td>Administrative staff</td>
<td>47</td>
</tr>
<tr>
<td>D</td>
<td>Assistant staff</td>
<td>35</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>146</strong></td>
</tr>
</tbody>
</table>
The Organizational structures approved by the Board of Directors resulted in the modernization of BADEA's Human Resources Division, where it gained much more attention and consequently the performance at both organizational and professional levels was promoted. Concentration was offered to develop the human resources and training. Subsequently, working methods were modernized through the preparation of general specializations for Departments and Divisions, job description cards, Procedures Guide for HR, Operations and Finance department, in addition to the modernization of the Statute and the rules there under of BADEA's personnel.

BADEA's Management endeavored to benefit from Arab and African experts, subject to the best levels of competence and technical ability. To realize this target, BADEA's Management has allowed a more attractive level of salaries and remunerations for the benefit of staff as well as for contracting experts, taking into consideration the necessity of securing BADEA's capacity to attract and retain qualified staff and, at the same time, the ability to compete with other similar organizations in the labor market.

Working conditions have been noticeably enhanced through the development of job grading systems, performance assessment in addition to the improvement of other benefits such as the post service benefits, COLA, as well as raising the educational aid and subsistence allowance. Conditions of the collective insurance contract have, as well, been improved.

**Training:**

During the year 2000, BADEA has given special concern to training, through a division especially launched for this end. This has been adopted through a comprehensive action plan, as a part of BADEA's Five-Year Plan, to be implemented by means of annual training programs. BADEA endeavored to upgrade its staff performance, with a special concern to training personnel to ensure efficient processing of development issues within their comprehensive and sustainable framework, through improvement of performance and upgrading of the staff efficiency and competence, particularly the professionals by way of building their capacities by training them in the field of knowledge and work modern systems and methods. Trainees, then, are requested to generalize the new knowledge they have acquired among their colleagues.

Training programs included many fields such as fiscal management, loans, financial analysis and project evaluation, in addition to the reactivation and enhancement of the technical and administrative skills of most of the categories and enriching their knowledge of the working languages. The training system has been enhanced by passing new but more developed regulations for setting and evaluation of training programs, in addition to the internal training development and executing relevant agreements such as Agreement for Advisory Services.

**Information Technology (IT):**

Since the establishment of IT Division in the year 2000, a technical, qualitative and advanced studies in IT field have been conducted in order to implement the appropriate IT framework so as to develop the working environment, improve the performance, build databases, systems, provide electronic archiving and modernize BADEA's website.

BADEA has also meant to implement the procedures and measures required for having such applications and modernizing working methods, systems and tools by making use of IT so as to keep pace with the development in this respect; and consequently, the connection or interrelation of BADEA's Departments
and the link with international and local information networks as well as with similar institutions have been achieved.

Furthermore:

- BADEA has built multilevel information security. It also has secured, maintained and periodically renewed the data copies.
- It has provided help to all personnel and staff and supported them, and offered continuous follow-up.
- BADEA has assured the safety of devices, equipment and computers and subjected the same to a close and periodic inspection for the purpose of maintenance, in order to secure and assure smooth working.
- BADEA has provided training for its employees on usage of programs, devices and computers, to make sure they handle them properly.

**Extension and Rehabilitation of BADEA's Headquarter Building:**

In view of the increase of its portfolio and the diversification of its activities, BADEA Management decided to extend and rehabilitate its current Headquarters Building which has been constructed since 1982 and has never been subject to expansion or rehabilitation since then. The new building is of 18m length and of the same current building height, having an area of 1050m², including all architectural and civil works.

All internal works of the existing building are to be rehabilitated, including, changing of the floor tiles, roofs, partitions, doors, windows, lighting system and the central air-conditioning system. As well, all the extensions required for mechanical services are to be rehabilitated and all the current existing lifts replaced.

The above mentioned works include the rehabilitation and expansion of the social building by adding new meeting halls, lecture room, oratory and a gymnasium. The execution of this project has much progressed and is expected to be completed by the end of 2014.
Chapter IV
Statements and Commendations

H.E. Dr. Chedly Ayari
Former President and Director - General, Founder of the Arab Bank for Economic Development in Africa (BADEA)

On February 18, 2014, four decades would have passed since the inception of Afro-Arab cooperation within the framework of multilateral Arab financial organizations established specifically for this purpose. That is the Arab Bank for Economic Development in Africa, with its headquarters in Khartoum (Sudan).

It started as an exclusive Arab initiative with a historical and geopolitical dimension, transformed into a deed confronted with all types of human, logistical, organizational and financial difficulties. It culminated with the establishment of an imposing edifice in the center of the Sudanese Capital, which soon became the center of attraction for Afro-Arab solidarity and for the international cooperation for economic development of Africa, and a model of togetherness of people who have been bound together by bonds of history, culture and common aspirations for growth, affluence and development. These bonds were continuously subjected to attempts of fragmentation and conspiracies from old and modern colonial enemies.

It was the common will of the Arab states that I head the process of establishing the Bank, starting from scratch, by preparing the basic laws and statutes, selecting the first batch of managers, administrators and general staff, preparing the basic logistical requirements (offices) and finding a place for the new institution within the three levels of business environment. i.e first in the African then the international financial institutions like the World bank and African Development Bank and lastly in the Arab context (the Arab bilateral funds that were engaged in cooperation with African countries.)

In carrying out these three missions, the Bank faced numerous difficulties, starting with the recruitment of the nucleus of technical and administrative staff, to finding a suitable premises that would enable the Bank to carry out its functions, to the provision of basic services like electrical power, potable water, gasoline, accommodation for the Bank guests from inside and outside Africa, beside confronting and dealing with those who were raising doubts from Arab, Africa and external forces about the feasibility and credibility of the new project. Following that, the Bank commenced providing development financing to African countries in order to make the Afro-Arab cooperation a reality on the ground. This process which was started in February 1974 by a small team composed of two persons was faced with huge obstacles.

While looking back to the first weeks and months or months of the Bank's establishment, I should express my thanks and gratitude for the continuous support we received from the government and people of the Republic of Sudan since our first arrival in early February 1974 to the date of my final departure in early 1987.
The Bank, composed at the time of three persons, started its activities in February 1974 in a suite in a very modest building called Sudan Hotel. We started with recruitment of the senior staff by secondment from different nationalities including Mali, Somalia, Ghana, Nigeria beside experts from Arab countries, especially Sudan.

I also considered it important to transform this new era in joint Arab-African cooperation into a reality. This started a few weeks after my settlement in Khartoum when we started, in cooperation with the World Bank's joint financing operations for a number of development projects in Africa. The announcement of these projects few weeks after our settlement in Khartoum was well received in all quarters, especially in Africa.

Then months and years passed and the activities of the Bank spread all over Africa beside field research and studies on all aspects of multilateral Arab-African cooperation.

The Bank was able to achieve self sufficiency in financing after increasing its capital in 1974 -1986 beside its savings and investments. These activities were well received and commended by numerous Arab, African and international quarters, as illustrated in the annual reports and media coverage. The Bank also became the subject of many academic research and studies.

It is worth noting in this regard that the Bank did not achieve all this only because of its huge capital as it still remains one of the smallest credit institutions. A large part of these achievements was due to the Bank's ability to mobilize resources from other sources (leverage effect).

It is well known that the Bank's leverage effect during 1974-1986 was most prominent at the level of the assistance provided by the group of Arab and Islamic funds and banks to development projects in Africa. I still cherish very much in this regard the extent to which other donors valued the Bank's assessments of African projects presented for financing, even in the case of projects in which the Bank was not contributing any financing. This testifies to the credibility of the Bank in international quarters.

Another source of the Bank's pride was the media and communications policy which the Bank adopted since establishment, and which helped in consolidating Arab-African relations and in countering all negative maneuvers that aimed at raising doubts about the credibility of this cooperation.

The above reference to the era of establishment and consolidation of the Bank during 1974-1986 which was the period during which I had the honour of leading this institution, does not in any way, imply that the Bank's path was quiet and easy. That period witnessed many crises and upheavals, including the military coup of 1985 in Sudan, beside many internal upheavals within the Bank.

Today we celebrate the 40th anniversary of the Arab Bank for Economic Development in Africa, an institution with which I am tied with special bonds and to which I dedicated the most precious years of my youth. My memory is full of many memories, some sweet and some sour.

I wish the Arab Bank for Economic Development in Africa more success and glory, and wish its present and future leadership all happiness and good health.

Tunisia, 10 February 2014
H.E. Ahmed Abdallah Al Akeil  
Former Chairman of BADEA’s Board of Directors

The Arab Bank for Economic Development in Africa was established vide a resolution from the Arab Summit held in Algeria, in November 1973. The agreement of its establishment was signed by 18 Arab States in February 1974, while it has started its activities in 1975 from Khartoum, Sudan.

The Bank was established for the promotion and cooperation of development and technical support between the Arab and African countries and to cement the brotherly Afro-Arab relations. My experience with the Bank can be divided into three phases:

Phase I: Establishment

My first encounter with the Bank was in 1976 as the representative of the Kingdom of Saudi Arabia (KSA) in the Board of Directors, when its capital was US $231 million in which KSA was contributing 25% of that capital. The capital of the Bank has multiplied within the next 10 years, and jumped to US $1045.82 million by 1985, provided mainly through contributions from member states, in addition to loans the Credit Fund which amounted to US $350 million by December 1977.

The first decade of the Bank’s action was characterized by constituting the financial and administrative staff, and starting the process of lending, which was about US $70 million annually. The Bank was run at that time under the leadership of Dr. Chedly Ayari as President and Director General.

Ten years later, the Board of Governors put the President/Director General on leave on 16th April 1987 due to some administrative differences. A five-man executive committee was established from among the Board members and I was elected to chair that committee which was authorized to manage the Bank and perform the following functions:

- Review the administrative expenditure;
- Restructuring of the Bank;
- Drafting a clear policy for the Bank's investments

After approximately one year, the committee concluded the review of the administrative expenditure and came up with comprehensive policies for the investment of the Bank's funds. The outcomes of the committee’s review were endorsed by the Board of Governors, including the recommendations related to the separation of the posts of the Director and the President of the Board of Directors. Accordingly, Mr. Ahmed Al Harti Al Wardi was appointed as Director General of the Bank by the Board of Governors and I was elected by the Board of Directors as Chair man of the Board in June 1988. I remained in the post for 21 years, i.e up to 2008.
Phase II

This phase started with the appointment of Mr. Ahmed Al Harti as Director General in 1988 and it was characterized by the restoration of stability in the functioning of the Bank. This period has witnessed the implementation of the investment policies of the Bank. The Board of Governors have adopted the establishment of the investment committee in 1993 comprising the Chairman of the Board of Directors as Chair, two members from the Board and the Director General to run BADEA’s investments. The committee met every three months with the Directors of the portfolios to review the performance of the portfolios while the whole Board of Directors meet with the Directors of the portfolios at the end of each year.

The investments of the Bank have largely developed, enabling the Bank to depend on its own resources to finance its operations without resorting to member states. The Bank investments include;

- Investment in Bonds;
- Investment in the stock/shares by authorizing the Directors of the portfolios to invest in one or more Bank portfolios by not more than 10% of the total liquid Bank resources.
- Invest in bank deposits by a maximum of 30% of the total resources of the Bank

The Bank has contributed to debt relief of the heavily indebted poor countries, known as HIPC Initiative. 26 African countries qualified for the Bank funding have benefited Therein. The Board of Governors has also approved the establishment of a Special Reserve from the net annual revenue as from 1988. This was to cover the accumulated arrears on the African countries benefiting from the Bank’ assistance.

Phase III

Mr. Midhat Sami Lutfi was appointed Director General of the Bank in 1997. During this phase the terms and conditions of the loans were reconsidered in reaction to the drop in the number of countries benefiting from the Bank. Consequently, the Bank took the initiative by improving the conditions and terms of lending by lowering the interest rate and canceling the commitment charges. Moreover, the technical assistance is extended as grants, that are non refundable. The former loans were rescheduled as well. This has effectively resulted in lowering the special reserve and help in expanding the scope of the Bank’s operations in Africa to cover 34 African countries, and as a result turn, the special reserve decreased. In addition, the investment policies of the Bank have contributed to the multiplication of its capital from $1,500 million in 1999 to $2,800 in 2009 depending only on its own resources.

Finally, I would like to point out some of the achievements of the Bank in addition to the financing of loans which contributed in the capital of the African Bank for Export and Import. Besides, the Bank has allocated annual funds from its own resources for the promotion of Arab exports to African countries.

Lastly, I hope I have contributed in the process of this institution which in turn has contributed a lot in supporting the Arab-African cooperation and Africa’s development.

Wa Assalamu Alikaum wa Rahmatu Allah wa Barakatu.
H.E. Ahmed Harti Elwardi  
Former Director General of BADEA

The administration of the Arab Bank for Economic Development in Africa has thankfully given me the chance, on the occasion of the fortieth anniversary of the establishment of this Arab financial institution, to present a personal and objective assessment as far as I remember in this old age. It will be derived from being present at an important and fruitful phase of its life, as well as its establishment and the first stages of its developmental action for more than two decades at the highest level. I will try to pass quickly over the events, which is not an easy deed after I left the Bank in 1997, that is 18 years when we celebrate this anniversary.

I will divide my relationship with the Bank into three consecutive periods, which will be presented briefly and without going into detail.

Background and Context of the Bank’s Establishment

Without a doubt, the beginning of the seventies of the last century was a very significant period at the international economic level. I worked at that time at the Ministry of Finance in Morocco, in addition to following the file of the African Development Bank, and supervising files of the newly established Arab Islamic financial institutions with an Arab will and deep conviction to strengthen cooperation between member states of the Arab League. Built on the internationally recognized standard, the Arab Fund for Economic and Social Development, the Arab Investment Company, and the Arab Authority for Investment Insurance and the Arab Monetary Fund were all established. I was present at constitution meetings of the latter three bodies held successfully in Riyadh, Kuwait, and Rabat.

I take this opportunity to refer to the establishment of the Islamic Development Bank shortly before, at the instigation of the OIC when Tanko Abderrahman, from Malaysia, was its Secretary General, and the relentless follow up of the economic affairs official, the late Egyptian Dr. Ahmed Alnajjar who was specialized in Islamic Economy and who proposed the idea to some governments. I was also present at its preparatory meetings in Jeddah during the second half of 1973, and participated also in the preparation of its regulations. The Bank started with strong support from Saudi Arabia to become one of the most important development mechanisms in the third world.

Going back to the Arab Bank, we all remember that after the October War and the use of oil as a political weapon by its Arab producers, the Gulf States saw the importance of assisting the African countries in overcoming the effects of the increase in oil prices through creating a funding tool for their social infrastructure.

Thus, the Arab Summit held in Algeria at the end of 1973 adopted the establishment of the Bank. Its agreement was signed at the beginning of 1974, and a year after its founding meeting was held in one of the small meeting rooms at the headquarters of the Arab League in Cairo in the presence of a limited number of representatives of the countries which declared their wish to contribute to its capital. Its Board was elected as well as its Director Dr. Ayari, the Tunisian Minister and Dean of the Faculty of Law and Economics, the sole candidate. I was delighted to be chosen as member of the first Board.
Commencement of the Bank’s Action

The Board meeting took place immediately in Sudan in one of the rooms at Sudan Hotel along the Nile, before the construction of the big hotel and the Friendship Hall, to adopt the constitutional documents of the Bank. My membership in the Board continued throughout the tenure of Dr. Ayari as Director General who I have previously known as a student during his visit to Rabat University as a visiting professor for the students preparing for their Doctorate degrees. It was natural that we became close in his new position. Cooperation inside the Board continued to be serious and purposeful, and the first signs of conflict between the important contributors and the Director surfaced many years later because of clear differences in opinions, especially on the ways of external information and communication of the Director, and his wish to push towards greater commitments to Africa. This was contrary to what the donor countries’ wish of limiting funding in order to guarantee the funding action. The conflict was renewed later, and the Director was obliged to resign after strong criticism of some aspects of his management.

To tell the truth, my relationship with him was good and remained unchanged for ten years, and I have a positive impression and great sympathy for him because he was able, despite the meager resources of the Bank, to gain a good reputation at the international arena through information and media campaigns which others thought surpass the importance of the role and scope of the Bank’s action. One of his positive achievements was the construction of the Bank’s headquarters in the heart of the capital, despite local financial difficulties. The seat agreement was signed in order to determine the rights and duties of the institution and the staff in the seat country. The building was inaugurated in the presence of President Numeiri.

The Bank Management Period

At the wake of the tense relationship between the contributors and the former Director and his resignation, and while I was preparing to assume a new job as the founding president of a company specialized in exports insurance in equal partnership between the government and the banking and insurance sectors, I was surprised by the decision of my country to present my candidacy, two weeks before the election, to the position of resident Director General after being separated from the position of non-resident president.

I sought to create a positive atmosphere inside the Bank through the provision of reasonable working conditions to the contracted experts after abolishing permanent affiliation, and after compensating those who left their jobs to the full. I also worked to provide the Bank with an easy means of communication with the outside world by purchasing a communications system via satellite (costly, and later appeared to have been manufactured for the use of ships in high seas), but we did not have another choice at the time. It was the first of its kind to be used in Sudan, and it facilitated our communication with the borrowing African countries and the banks we deal with in Europe.

I development good and respectful relations with the local authorities, and my interest was focused on giving incentives to the staff through all possible means, depending in this respect of Sudanese staff with experience and expertise to supervise the main divisions. Among them, I remember the late Dr. Mamoun Yaseen with his extensive experience with the Islamic Development Bank, and Dr. Osman Saeed who previously worked with the Kuwaiti Fund. They both helped me a lot, together other Sudanese and expatriates with long experiences such as the late Dr. Yahia Mohamed Mahmoud, the late Hassan Abdalla, Elfati Salama from the Financial Department, the late Dr. Mohamed Abu Samra, the legal expert, the late Salah Ahmed Kheir and the late Kamal Jaafer, as well as Alkheir Alsi Alshoush, the late Hussein Mursal,
and the internal auditor Mohamed Abu Hilal. I chose a noble Sudanese lady, Amal Abbas, who was a good, efficient, and loyal secretary who prepared the manual for operations to standardize work methodologies, derived from similar documents of international institutions in order to evaluate performance in each project proposed for funding, taking into consideration its sectoral characteristics. The workload and the volume of interventions remained unchanged given the resources allocated to the projects at that time, which was not more than half the current annual funding.

I voluntarily shared the responsibility of utilizing the Bank’s liquidity in investment portfolios with a committee of the Board which periodically went to London to discuss the results and look into short term prospects, while the utilization in deposits continued at the headquarters in accordance with a chain of rules in order to achieve transparency and accountability, and avoid criticism or doubts. The file of the Bank’s deposits in some countries was also addressed in a quiet and flexible way commended by all.

The financial results during this period were good by all measures, thanks to the distribution of the available liquidity between the deposits and portfolios whose revenues compensate on another’s decline.

Another point to be taken regarding this close follow up of the financial management was that upon the insistence of the Board under the chairmanship of my former colleague in the Board Ahmed Al Abdalla Al Aqeel, most of my field visit took into consideration urging defaulting countries to pay their outstanding loans.

Sometimes, I was embarrassed when the local officials wonder on the Director General becoming a mere collector of arrears. All this is done for the sake of preserving the soundness of the economic situation of the institution in order to continue its action.

I was very observant of people’s livelihoods, and not selling them short. On the rare occasions when the institution was obliged to dismiss one of its staff, he was given the opportunity to work outside the Bank as part of the technical support it provided parallel to its project funding.

I always felt the necessity to keep good and honest relations with Board members with whom I have the feelings of mutual regard and respect.

I remember the names of those who successively became Board members, those who passed away, and those who are still alive. From Algeria, I remember Gara, Minister Terbach and Prime Minister SaiflMughdad. From Saudi Arabia, I remember Dr. Mansour Al Turki; from Iraq, Abu Jarie; from Libya, the late Ahmed Al Sharief and Dr. Bariouni. From Egypt, I remember Dr. Mohamed Nour from the Central Bank. From UAE, I remember Yousif Al Sarkal; from Kuwait, Abdelwahab and Jamal Ammar.

Another special relation I had with the Ministers and Governors. I have their full confidence when submitting comprehensive annual reports on the funding action and the financial situation. I specially remember among them Dr. Mohamed Aba Alkheil, Ghannoushi, Makramullah and Binbattour.

I worked patiently and slowly towards extending the Bank’s interventions in some African countries, which, due to external impacts, were cautious of the Bank. But, thank God, we succeeded with some of them. My direct and simple talk with them led to building confidence in the Bank’s developmental nature.
A last observation in this summary concerns the necessity of opening an external office in Cairo, with the consent of the Board, and the appointment of the late Egyptian Mahmoud Saadani as its director. That was during the Gulf War in the early nineties, fearing the isolation of the Bank as a result of the unexpected embargo on the country at the time. The same thing led the Board to hold its meetings outside Khartoum for many years.

All in all, I behaved internally as a high level official who knew, due to my former membership in bank boards and management and control of specialized local financial institutions, types and regulations of Bank action in both its economic and financial aspects, and African problems and mentalities due to my participation in African and regional meetings in West and East Africa for many years. Instead of being occupied with the details of the daily work of the various divisions and units, I gave them my confidence and left them the responsibility of reviewing office work and producing revised and correct documents. I gave priority to instruction and prompt decisions on the various alternatives. I truly believe that this resulted in transparency and openness among the Bank’s human components.

When the time came at the end of the last phase, I left the Bank full of peace and content with what I was able to achieve in my job after the amendments and reduction of responsibilities.

Lastly, one cannot ignore a significant phase in his professional career where I learned a lot, and came to know many people and famous African personalities such as presidents, heads of government and ministers with whom the Bank had close cooperation relations as a result of financial assistance provided to their countries in the various fields.

 Practically, I have neither ambitions nor far-fetched aspirations, so I do not have any feelings of remorse or regret now. I have no doubt about the successful and constant progress of this great institution while preserving its noble mission with the same spirit, and holding its high status with those dealing with it and benefiting from the facilities it provides.

I wish the Arab Bank for Economic Development in Africa success in its important mission for the benefit of Arab African cooperation, which is one of the pillars of common action due to its mutual benefit for both parties within the framework of the South-South relations. I send my greetings to the able Director General, Abdelaziz Alkhalaf, his assistants and all the staff in the various divisions at all levels, and wish them a happy fortieth anniversary full of success and progress.
H.E. Sufian Ahmed  
Minister of Finance and Economic Development  
Federal Democratic Republic of Ethiopia

I have the pleasure to convey my congratulations to the Arab Bank for Economic Development in Africa on this historical occasion of the fortieth anniversary of the establishment of this institution. There is no doubt that the inception of four decades of successful activities is an important indication in the history of any institution. The Arab Bank is unique as it was established in order to consolidate economic, financial and technical cooperation between Africa and the Arab region, and as symbol of Afro-Arab solidarity on the basis of fraternity and equality. It is my conviction that this occasion will provide the opportunity for countries which have benefited from the Bank’s assistance, like Ethiopia, to learn more about the Bank’s achievements which came as a result of joint cooperation and which constitute basis for further cooperation in the future.

Ethiopia has embarked since many years on a chain of reforms in order to accelerate growth and enhance provision of basic services and to achieve the Millennium Development Goals (MDGs). The Government is now engaged in implementation of the third tier of the development strategy, which concentrates on growth and fundamental transformation. The process of transformation is ongoing and the Government is working to raise the level of investment with the aim of achieving above ten percent rate of growth by the end of 2015. This will help significantly in alleviating poverty and starting the process of sustainable development in order for Ethiopia to be able to join the Middle Income Countries by the end of the year 2025. During this period of transformation, the support of development partners, including the Arab Bank, will remain pivotal and essential for Ethiopia.

Throughout the preceding year, the Bank continued to be one of the best development partners for the Government, especially in providing finance for infrastructure projects. Since 1975, the Bank has financed 17 development projects and 7 technical assistance programs in the area of capacity building, besides feasibility studies for development projects. Up to now, the Bank provided USD $155.23 million as finance for these operations.

The main objective of the soft loans provided by the Bank is to achieve economic development and to reduce the level of poverty in the country. The projects in which the Bank contributed include infrastructure projects like roads, energy, water and sanitation, besides rehabilitation of airports and technical assistance in the form of non-refundable grants for capacity building of different institutions. We should also not forget the Bank’s role in supervising implementation of projects in order to ensure proper utilization of its loans.

I would like to highly commend the efforts of the Bank, not only for its support to development efforts in the Federal Republic of Ethiopia, but also for its leading role in mobilizing assistance from development partners, especially for projects that require financing from more than one source. I sincerely hope that the Bank will sustain such spirit and good intentions to consolidate our cooperation in the future.

On this occasion, I would like to convey, in the name of the Government of Ethiopia, our congratulations to the Arab Bank on the occasion of its fortieth anniversary and to assure you that our country will exert every effort in order to consolidate its cooperation with the Bank.
H.E. Lucien Marie Noel Bembamba  
Minister of Economy and Finance  
Burkina Faso

As we are celebrating BADEA’s fortieth anniversary, no doubt this institution represents a landmark achievement in fostering Arab-African cooperation.

BADEA’s operations in Burkina Faso started in 1975 with financing from Special Arab Fund for Assistance of African Countries (FASSA), thus it is one of the first African countries to benefit from BADEA’s financial assistance. Such common journey is not only a prove of depth of relations between the two parties, but also a demonstration of the quality of assistance that BADEA extend to our country.

BADEA’s total commitments to Burkina Faso has increased from US$ 2.7 million in 1975 to US$ 124.12 million in 2006, and has reached US$ 208.056 million in 2012. In addition, BADEA’s contribution to the debt relief (HIPC) of Burkina Faso (HIPC) amounted to US $ 16.3 million.

It should be noted that BADEA’s assistance is exclusively extended to Africa Sub-Saharan countries. In other words, the member states (Arab countries), are not eligible for BADEA’s assistance, this indicates the uniqueness of this institution and it’s embodiment of Arab- African cooperation and solidarity.

On this occasion, we would like to convey our warmest congratulations and sincere gratitude to BADEA for its continuing support to our country. Despite the crises that the world has witnessed recently, Burkina Faso continued to receive assistance from BADEA in the most important development sector, which is poverty alleviation.

Projects financed by BADEA are the top priority projects to our country, they form part of our government’s strategic development plan. These projects included agriculture, rural and urban water, roads, education, microfinance and technical assistance. Moreover, BADEA extended grants to finance feasibility studies of development projects in various sectors, rural development and roads BADEA has also provided institutional support to Burkina Faso’s participation in fairs, training sessions, and international seminars.

Our gratitude and appreciation to BADEA’s management and staff for their valuable efforts to boost this fruitful cooperation. We should not forget BADEA’s interventions in the area of microfinance in favour of women and youth employment, which is considered as one of the main challenges facing our society today.

We still aspire to a more amplified portfolio to finance our development programs in Burkina Faso, especially in the areas that form part of the Government’s strategy for sustainable development, which aims to establish justice and achieve progress in the society.

The celebration of BADEA’s fortieth anniversary also provides a valuable opportunity to encourage the Bank’s management and convey our congratulations to the Director General for his farsightedness and his unwavering commitment to support Burkina Faso.

We pray to Almighty Allah to provide us the opportunity to participate in similar commemorations in the future.
H.E. Amadou Ba  
Minister of Economy and Finance  
Republic of Senegal

As we are celebrating BADEA’s fortieth anniversary, it has become evident that this institution represents a landmark achievement in the Arab-African cooperation.

Throughout the forty years of its existence, this institution has proven itself to be a first class development partner of Sub-Saharan African countries by financing projects which are considered to be as top priority projects for the beneficiary countries, and are included in their development strategic plans.

Senegal concurs with the other African countries in commending the achievements of BADEA and appreciating the members of the League of the Arab States (LEA) who signed BADEA Establishing Agreement. Since its establishment, BADEA remained dedicated to its mission, and was able to materialize the willingness of Arab States to support the development of African countries. In the last four decades, BADEA proved itself through its pioneering initiatives aiming to debt relief of heavily indebted poor countries. By this achievement, the Bank has scored a record ahead of International Monetary Fund, and the World Bank.

It is unquestionable that the cooperation relationship between Senegal and BADEA is exceptional. Senegal figure at the top of the list of countries benefiting from BADEA’s financings in terms of volume, under its various forms: loans, technical assistance and other windows of financing. Since 1975 up to date, BADEA has contributed over US$ 300 million financing projects of vital importance to our country, mainly in infrastructure, agriculture, water sanitation and health. Besides, contribution to debt relief and capacity-building programs.

Our deepest thanks and gratitude are also extended to BADEA’s staff for their contribution in achieving these successful results.

Benefiting from the valuable support provided by the Arab member-States, BADEA is no doubt able to maintain its gains and perform its mission in enhancing the Arab-African cooperation.
H.E. Patrick ACHI
Minister of Economic Infrastructure
Republic of Côte d’Ivoire

The Arab Bank for Economic Development in Africa (BADEA) is one of our main partners involved in implementing infrastructure projects in our country. BADEA’s contribution to this sector is over US$ 50 million. In fact, BADEA’s support to Côte d’Ivoire is not limited to financial assistance, since it plays a leading role in bringing other developments partners on board mainly with projects that require co-financing.

BADEA has proven high responsiveness in meeting our country’s demands, even in the most critical circumstances. While the country was experiencing the worst military-political conflict, BADEA contributed, without delay, to financing the highway connecting the capital “Abidjan” to “Yamousokrou” city, of a total cost amounting to US$ 300 million.

Once the road project completed, BADEA immediately engaged in financing the construction of the “Jacqueville” Bridge project, of a total cost amounting to US$ 40 million. The project is intended to contribute to the promotion of tourism, and exploitation of agricultural resources in the coastal region.

Moreover, when ”Abidjan” was facing a serious shortage in potable water, due to the massive displacement of civilian population as a result of the socio-political conflict, BADEA spared no effort in supporting the Ivoirian Government through financing a “Water Supply project in the North-East of Abidjan, with a contribution amounting to US $10 million.

Soon after the country’s recovery from the crisis, BADEA took a leading role in mobilizing necessary funds (US$ 90 million) for the construction of “Bona-Dorobo -Burkina Faso borders road Project”, which is considered as a key pillar of the commercial exchange with Burkina Faso.

BADEA is currently coordinating among donors to mobilize US$ 100 million for the implementation of a project intended to reinforce the infrastructure of potable water of certain cities in the country.

In this occasion, which commemorates the fortieth anniversary of BADEA, I would like to convey my congratulations and thanks to the Board of Directors and the Director General of BADEA, for the unfailing support to our country in its struggle against poverty and its aspirations to build a competitive economy.
H.E. Saada Mkuya Salum (mp)  
Minister for Finance  
United Republic of Tanzania

I am pleased and greatly humbled to take this opportunity on behalf of the Government of United Republic of Tanzania to congratulate the Arab Bank for Economic development in Africa (BADEA) on this historic event which commemorates for the Fortieth Anniversary of the establishment of the Bank. It is obvious that the attainment of four decades of successful existence is an important milestone in the history of any organization.

I am glad to point out that, over the years of its existence, BADEA has successfully managed to fulfill its vision of strengthening economy, financial and technical cooperation between the Arab and Africa Regions. This Anniversary provides a unique opportunity for BADEA and its partners not just to cherish these achievements but also to reflect on the challenges and explore ways to further enhance collaboration going forward.

Tanzania, in its aspiration to build a strong and competitive economy; BADEA has over the years continued to implement a number of strategies and initiatives aimed at accelerating economic growth and reduction of poverty. We are highly appreciative for the crucial role that BADEA has continued to play in supporting these efforts and in advancing our development agenda.

Over its 35 years of operation, BADEA has contributed over USD 142.6 million to finance our massive investments both in the Mainland and in Zanzibar. Most of the projects financed through the resources provided by BADEA are tailor made to meet our broad development objectives and they focus on strategic sectors such as Energy, Education, infrastructure, and water, Health, Transportation and Agriculture. The impact of these projects in improving the lives of Tanzanians has been tremendous.

I would like to commend BADEA’s effort not only for its substantial support in our development endeavor but also for its leading role to bring other developments partners on board especially with projects that require co-financiers. As we commemorate this Anniversary, I am strongly optimistic that the cooperation between Tanzania and BADEA will continue to thrive. Tanzanians will continue to work closely with BADEA in pursuit of national and global development goals of common interest.

On behalf of the Government of Tanzania, I would like to take this opportunity once again, to congratulate the Bank for its Fortieth Anniversary of establishment.
H.E. Claver GATETE  
Minister of Finance and Economic Planning  
Republic of Rwanda

In this year that BADEA celebrates its fortieth anniversary since its establishment. For close to four decades ago, Rwanda has enjoyed a fruitful and diversified cooperation with BADEA. The strengthened partnership evolved over time in terms of volume and increased sectors of support ranging from Agriculture to Infrastructure, mainly energy, water and transport.

Through our cooperation, government efforts in increasing electricity access, clean water and improving the road network have increased significantly to our people. Of equal importance, amidst continuing global economic turbulence, Rwanda has made remarkable achievements, including double digit decline of child and maternal mortality. These achievements are results of collaboration with development partners like BADEA under the government leadership and strong ownership.

I do believe that we all do better when we work together, equally the Government of Rwanda believes that through continued cooperation with BADEA and other development partners in various strategic areas of interest, there is no doubt that we will meet our economic development and poverty reduction objectives and targets as elaborated in our Economic Development and Poverty Reduction Strategy tow (EDPRS II) AND VISION 2020.
H.E. Patrick Anthony Chinamasa
Minister of Finance and Economic Development
Republic of Zimbabwe

Cooperation between the Arab Bank for Economic Development in Africa (BADEA) and the Government of the Republic of Zimbabwe dates back to 1982.

Over the period of the Bank’s relationship, it has advanced US$130 million worth of loans and grants in the form of project loans, trade finance and technical assistance to Zimbabwe in support of economic growth and development projects in sectors such as, infrastructure development, capacity building, services and agriculture.

Going forward, as the Government of Zimbabwe implements its economic blueprint, the Zimbabwe agenda for sustainable socio-economic Transformation (ZimAsset) (October 2013 - December 2018) it is my sincere hope that BADEA will immensely contribute to the realization of Zimbabwe’s economic growth in a manner that is both expeditious and effective.

The ZimAsset’s priority areas of cooperation entail the provision of key infrastructure enablers in the energy, water supply and sanitation, transport, social services infrastructure, agriculture development, information communication technology, reform in public administration and public finance management.

BADEA must be commended as a south – south initiative, an initiative which is very responsive to our needs, which has and is set to greatly contribute to the development of Africa.

We, in Zimbabwe, are grateful for its efforts and trust that our cooperation with BADEA will be useful in cementing the relationship that binds the African and Arab countries and further the relationship of brotherhood and of shared and joint destiny.