



## Press Release

### **Arab Bank for Economic Development in Africa (BADEA) and West African Development Bank (BOAD) Ink Historic Subordinated Debt Private Placement Deal of \$100 million at COP28 in Dubai**

**Dubai, 2 December 2023** – In a landmark move on the sidelines of COP28 in Dubai, the Arab Bank for Economic Development in Africa (BADEA) and the West African Development Bank (BOAD) announce the signing of a Term Sheet for a Private Placement.

His Excellency Dr. Sidi Ould Tah, President of BADEA, and Mr. Serge Ekue, President of BOAD, formalized the agreement, signaling a significant milestone for both institutions. The primary objective of this innovative transaction is to strengthen BOAD's capital base and enhance its rating.

The net proceeds generated through this Subordinated Debt Private Placement will be allocated towards financing or refinancing existing eligible Green and Social projects, as outlined in BOAD's Sustainability Bond Framework. This strategic move underscores a commitment to sustainable development, with a focus on initiatives that have a positive impact on both the environment and social well-being.

BADEA assumes a pivotal role in supporting the economic development of the West African Economic and Monetary Union (WAEMU) region. The funding strategy, leveraging innovative solution, is poised to elevate living standards through the financing of socially and environmentally conscious projects.

This signing marks a historic transaction as the first-ever Subordinated Debt bond issued by a Multilateral Development Bank.

#### **About BADEA**

*The Arab Bank for Economic Development in Africa (BADEA) was established in accordance with the resolution of the 6<sup>th</sup> Arab Summit conference in 1973 and it is financed by 18 of the member states of the League of Arab States (LAS). BADEA aims to sustain the development of Arab-African cooperation, thus giving concrete expression to Arab-African solidarity based on equality and friendship. To this end, the Bank's mission is to contribute to the financing of economic development in African countries while encouraging the participation of Arab capital in African economic growth and providing technical assistance for African development.*

*The projects financed by BADEA are of national importance to the beneficiary countries, and form part of their economic development plans. In some cases, these projects are of a regional nature, benefiting several African countries at the same time, thus promoting economic integration between these countries.*

#### **About BOAD**

*The West African Development Bank (BOAD) is the common development finance institution of the member countries of the West African Monetary Union (WAMU). It is an international public institution whose purpose, as provided under Article 2 of its Articles of Association, is to promote the balanced development of its member countries and foster economic integration within West Africa by financing priority development projects. It is accredited to the three climate finance facilities (GEF, AF, GCF). Since 2009, BOAD sits as an observer at the UNFCCC and actively participates in discussions on devising an international climate finance system. Since January 2013, it has been home to the first Regional Collaboration Centre (RCC) on Clean Development Mechanism (CDM), whose aim is to provide direct support to governments, NGOs and the private sector in identifying and developing CDM projects.*