Engine of growth...
Platform for development
The African Development Bank (AfDB) is a multilateral institution that promotes sustainable development in Africa. It is the premier development financial institution of Africa, engaged in mobilizing resources towards the economic and social progress of its 54 African Regional Member Countries (RMCs). Private sector development remains one of the strategic priorities of the African Development Bank Group.

In view of the Bank’s new vision aimed at implementing the High 5s, by building on the Private Sector to ensure profitability and financial sustainability, Private Sector Development is anchored on key principles focused on making the Bank more efficient and client-centric. It also supports the Bank’s diagnostic and enabling environment reform programs to improve the investment climate in Africa.

Private Sector Development activities of the Bank Group promote strong social and corporate governance standards as well as help African Companies achieve international best practices, making them more competitive at home and in the international marketplace.

The Bank’s assistance is designed to complement rather than compete with private sources of finance, stimulating and supporting entrepreneurs, investors and bankers’ initiatives, and providing direct financial support for worthy projects.

Within this framework, the Bank plays a catalytic role and provides comfort in financial mobilization. In this context, the Bank works closely with other organizations and financial institutions (in particular multilateral and bilateral partners) involved in promoting private business in Africa.

Bank’s Private Sector support to the delivery of the High 5 Priority Areas

**Light up and power Africa: The Bujagali Hydro-electric Project**

The Project is a 250-MW Build-Own-Operate-Transfer (BOOT) hydro-power scheme located on the White Nile River near Jinja in Uganda. Prior to 2005, Uganda was faced with acute electricity supply shortage due to lack of new power generation plants; decline in hydropower production due to prolonged drought affecting the region; and increased load growth leading to load shedding that had adverse impact on both industrial and commercial enterprises.

AfDB financial support has helped generate 255MW, which is above the planned capacity while the associated facilities including the up-grade of the transmission line, the construction of the switch-yard at the project site, the improvement of the of the sub-station at Mutundwe, South West of Kampala, have all been completed and are operational.
Feed Africa: Compagnie Agricole de Saint-Louis (CASL) integrated rice production project in Senegal

Rice is a staple food in Senegal and the country has one of the highest per capita rice consumption in the world. Compagnie Agricole de Saint-Louis du Sénégal (CASL) integrated rice production project aims to promote food security in Senegal through local production of white rice for the local market.

The AfDB provided a € 15.7-million senior loan through its private sector window to the project. The project will contribute to three major priorities of the AfDB High 5s’ agenda: “Feed Africa, Industrialize Africa and Improve the quality of life for the people of Africa”. This project is a demonstration of the Bank’s commitment to help Africa Feed itself through agricultural transformation, increased productivity and domestic processing of key staple crops while contributing to inclusive growth and sustainable job creation. The expected benefits from the project include: Reducing food insecurity by enhancing local production of rice and reducing food imports, local job creation, and empowerment of smallholder farmers by providing access to water through irrigation, technical support and land development.

Integrate Africa: Ethiopian Airlines

The Bank provided a financing package of USD 159 million to partly finance Ethiopian Airlines’ expansion plan and fleet modernization program. The investment is a reflection of the Bank’s new strategic thrust to achieve its five operational priorities and is rooted on the necessity to integrate Africa and improve air connectivity in the continent. The transaction is also a testimony of how the Bank leverages on partnerships with sister institutions to provide financial solutions to its clients and improve the operating environment and financial soundness of the aviation sector in the continent.
Industrialize Africa: Derba Cement

The Bank provided a USD 55 million long term senior loan, to the Derba Midroc Ciment project. The project played a key role in the local supply of cement. Prices dropped by 75%, which had a positive effect in the construction sector and the economy at large. The project created about 2,000 jobs during construction. Presently, the project employs 739 permanent employees of which 17% are female. The project also had a catalytic effect on regional development with the development of a local township for workers and communities providing basic services schools, a hospital, primary healthcare facilities, and training for local SMEs.

Improve the quality of live for the people of Africa: Afe Babalola University

The Bank provided a US $40-million corporate loan to the Afe Babalola University (ABUAD) in Ado Ekiti (Nigeria), to finance part of the university’s expansion plan. The Project is a model case with strong demonstration effect for the development of the tertiary education sector in Africa. Improve the quality of life for the people of Africa will be contributed to through the high-quality tertiary education, job creation (250 staff position, 1000 temporary jobs) and health service provision by the teaching hospital.

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