



BANQUE D'INVESTISSEMENT ET DE DEVELOPPEMENT DE LA CEDEAO
ECOWAS BANK FOR INVESTMENT AND DEVELOPMENT
BANCO DE INVESTIMENTO E DE DESENVOLVIMENTO DA CEDEAO



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MESSAGE FROM THE PRESIDENT

The year under review produced a number of unpredictable events, including continued falling commodity prices; a difficult global macroeconomic environment characterized by structural reforms across economies and regions. This was exacerbated by economic uncertainties, financial markets volatility and the potential implications emanating from United Kingdom's decision to exit the European Union.

In the ECOWAS sub-region, falling commodity prices fuelled exchange depreciations in almost all the Member States and threatened the gains made by Member States in recent years in consolidating the macroeconomic environment. Apart from a depressed macroeconomic environment within the sub-region, security threats and terrorist attacks persisted in a number of Member States, prompting security officials across West Africa to rapidly scale up their intelligence sharing capabilities and tighten border security within the Community.

The operational activities of the Bank continue to be restrained by the lack of adequate funds, especially concessional resources, to attend to particularly public sector projects and programmes.

While we remain mindful of the economic uncertainties that lay ahead, the Bank will continue to work towards its vision of becoming the leading regional development and investment Bank within the ECOWAS sub-region, spearheading wealth creation, economic growth and industrialization for the well-being of the people of the sub-region.

To this end, the Bank will in the coming year and beyond:

- *Intensify the process of resource mobilization and strengthen the visibility of the Bank;*
- *Continue to cooperate and collaborate with the ECOWAS Commission through a number initiatives, especially through the holding of regular meetings of the Joint Permanent Committee on Studies and Research;*
- *Organize joint missions with the President of the ECOWAS Commission with the view to mobilizing resources to finance projects and programmes within the Community.*

Lead efforts of the Community to mobilize funds for the Community Development Programmes (CDP);

- *Raise funds from the financial markets to support private sector and public-private partnership projects and programmes in the Community on the basis of a multi-year treasury plan; and*
- *Implement the recommendations in resource mobilization strategy document developed within the framework of the FAPA/AfDB Technical Assistance Programme.*

Promote broad-based economic and inclusive social development by:

- a) *Supporting programmes that improve farmers' access to agricultural inputs and credit;*

- b) Support programmes aimed at the promotion of inclusive finance in Member States of the Community; and*
- c) Promote agribusiness and support investment that create opportunities;*
- d) Support regional infrastructure development programmes that spur regional integration and growth;*
- e) Continue to support growth that is environmentally friendly; and*
- f) Continue with strengthening organizational and institutional efficiency of the Bank.*

Finally, we remain sanguine that the macroeconomic and domestic political changes taking place, will drive Member States to re-invent themselves in the hope of becoming Dubai or Singapore-style commercial hubs. This will present lucrative new opportunities for business for EBID.

The Bank must therefore overcome its challenges and position itself to continue to play a pivotal role by financing projects and programmes geared towards the economic development of the region. A collaborative effort is required from all staff to help the Bank attain its objectives in the coming years.

In closing, let me on behalf of the Management and Staff of the Bank, and in my own name, extend our deepest gratitude and appreciation to the governing bodies of the Bank for the insight and leadership they continue to show in the running of the Institution.

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ACRONYMS & ABBREVIATIONS

AADF	Association of Development Finance Institutions
AfDB	African Development Bank
ALM	Asset Liability Management
BADEA	Arab Bank for Economic Development in Africa
BCEAO	Central Bank of West African States
CDB	China Development Bank
EBID	ECOWAS Bank for Investment and Development
ECOWAS	Economic Community of West African States
ERDF	ECOWAS Regional Development Fund
ERIB	ECOWAS Regional Investment Bank
EXIM Bank India	Import-Export Bank of India
FAPA	Fund for Private Sector Assistance
IMF	International Monetary Fund
SDR	Special Drawing Rights
SSA	Sub-Saharan Africa
UA	Unit of Account
USD	United States Dollar
WAEMU	West Africa Economic and Monetary Union (UEMOA)

EXCHANGE RATES

PERIOD

January 1 – December 31, 2016

(4th Quarter Average)

1 Unit of Account (UA)	=	1	SDR of IMF
UA 1	=	1.344330	US Dollar
UA 1	=	1.092780	Pound Sterling
UA 1	=	1.805030	Canadian Dollar
UA 1	=	1.275340	Euro
UA 1	=	836.568200	Franc CFA
UA 1	=	408.392400	Naira
UA 1	=	5.603050	Ghana Cedi
UA 1	=	141.367200	Escudo
UA 1	=	60.098760	Dalasi
UA 1	=	12355.920000	Guinean Franc
UA 1	=	9642.437000	Leone
UA 1	=	137.359200	Liberian Dollar

FACT SHEET

Date of establishment	The Fund for Cooperation, Compensation and Development was established on 28 th May, 1975. It started operations in 1979.	
Shareholders	The 15 Member States of ECOWAS: Benin, Burkina Faso, Cabo Verde, Côte d'Ivoire, Gambia, Ghana, Guinea, Guinea-Bissau, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone and Togo.	
Vision	The vision of the Bank is to become the leading regional development and investment financing institution in West Africa, and also serve as an effective tool for poverty reduction, wealth creation and employment promotion so as to raise the living standards of the people of the region.	
Mission	The Bank has been assigned the task of creating an enabling environment for the emergence of a strong, industrialized, prosperous West Africa that is fully integrated at the internal level and within the world economic system so as to enable the Community to benefit from the opportunities and prospects offered by globalization.	
Transformation	<p>December, 1999 : Transformation of the ECOWAS Fund for Cooperation Compensation and Development into the ECOWAS Bank for Investment and Development (EBID), a holding company with two subsidiaries (ERDF and ERIB).</p> <p>July 2003: entry into force of the Protocol establishing EBID, the Holding and two subsidiaries (ERDF and ERIB).</p> <p>January, 2004: EBID becomes operational.</p> <p>June 2006: Decision of the Heads of State and Government to re-organize the EBID Group into a single entity.</p> <p>January, 2007: EBID is re-organized into a single entity with two windows (private sector and public sector).</p> <p>October 2011: Decision of the Board of Governors to raise the Bank's capital from UA 603 million to UA 1 billion.</p>	
Capital as at 31/12/2016	<p><u>Authorised</u> : UA 1000.0 million</p> <p><u>Subscribed</u> : UA 700.0 million</p> <p><u>Called up</u> : UA 392.7 million</p> <p><u>Paid</u> : UA 219.1 million</p>	
Staff strength as at 31/12/2016	136 staff members including 3 Statutory Appointees, 44 professional staff.	
Approvals	<u>Projects approved in 2016</u>	: 9 projects at a total cost of UA 76.1 million or US\$ 102.3 million.
	<u>Total projects approved from 1979-2016</u>	: 254 projects for a total cost of UA1.6 billion or US\$ 2,1 billion
Commitments	<u>New commitments in 2016¹</u>	: 4 projects UA 32.6 million or US\$ 43.8 million
	<u>Loans as at 31/12/2016</u>	: UA 917.6 million for 135 projects, or US\$ 1233.6 million
	<u>Total 1979-2016</u>	: UA 1.3 billion for 211 projects Or US\$ 1.7 billion
Balance sheet total as at 31/12/2016	UA 547.7 million (US\$ 736.2 million)	

¹ Financing agreements signed during the year 2016

CHAPTER I : ECONOMIC REVIEW

1.1 GLOBAL ENVIRONMENT

1.1.1 Global Economic Growth

Economic growth in recent years has fallen short of expectations. As the world economy moves further away from the global financial crisis, the factors affecting global economic performance are becoming more complex.

Global economic growth reduced in 2016 to 3.1%. According to the IMF², the slowdown in world output reflects a combination of global forces— demographic trends, a persistent decline in productivity growth, ongoing realignments such as rebalancing in China, the adjustment to lower commodity prices, and particularly a protracted decline in terms of trade for commodity exporters—and new shocks such as Brexit driven by domestic and regional factors, all of which contribute to heightened policy uncertainty.

Growth in advanced economies slowed to 1.6% in 2016, down from 2.1% the previous year (Table 1). In the US economy, growth was weaker than expected (1.6%), while consumption remained strong, supported by a firm labour market.

Table 1 : Real GDP growth (%)

	2010	2011	2012	2013	2014	2015	2016 (e)	2017 (f)
World Output	5.1	3.8	3.2	3.3	3.4	3.2	3.1	3.4
Advanced Economies	3.0	1.6	1.5	1.3	1.8	2.1	1.6	1.9
United States	2.4	1.8	2.8	2.2	2.4	2.6	1.6	2.3
Euro Area	2.0	1.4	-0.6	-0.5	0.9	2.0	1.7	1.6
United Kingdom	1.8	0.8	0.2	1.7	2.9	2.2	2.0	1.5
Emerging Markets and Developing Economies	7.4	6.2	4.9	4.7	4.6	4.1	4.1	4.5
China	10.4	9.2	7.7	7.8	7.3	6.9	6.7	6.5
India	10.1	6.8	3.2	5.0	7.3	7.6	6.6	7.2
Russia	4.50	4.05	3.52	1.28	0.71	-3.7	-0.6	1.1
Brazil	7.53	3.91	1.92	3.01	0.10	-3.8	-3.5	0.2
Sub-Saharan Africa	5.3	5.1	4.9	5.2	5.0	3.4	1.6	2.8
Nigeria	11.3	4.9	4.3	5.4	6.3	2.7	-1.5	0.8
Angola	3.4	3.9	5.2	6.8	4.8	3.0	0.0	1.5
South Africa	3.0	3.3	2.2	2.3	1.6	1.3	0.3	0.8

Source: IMF World Economic Outlook, October 2016/January 2017 update

e= estimate, f=forecast

Growth in the euro area declined marginally by 0.3 percentage points relative to the level in 2015. Economic activity grew by 1.7% in 2016 although domestic demand, notably investment decelerated in some of the larger euro area economies after successive

² IMF World Economic Outlook, October 2016

quarters of stronger growth. Following the June vote in favour of the UK leaving the European Union (Brexit), domestic demand held up better than expected, but growth nonetheless reduced from 2.2% in 2015 to 2%. Indeed Brexit is very much an unfolding event—the long-term shape of relations between the United Kingdom and the European Union, and the extent to which their mutual trade and financial flows will be curtailed, will likely become clear only after several years. Adding to the uncertainty is the impact of the referendum results on political sentiment in other EU countries, as well as on global pressure to adopt populist, inward-looking policies.

Despite subdued activity in advanced economies and associated spillovers, emerging market and developing economies as a group recorded a slight pickup in momentum over the first half of 2016, but reached 4.1% at the end of 2016, although growth was uneven.

In emerging Asia, growth in China was 6.7% for 2016 on account of policy support and strong credit growth. Robust consumption and a further rotation in activity from industry to services indicate that rebalancing is progressing along the dimensions of internal demand and supply-side structure.

China's transition to a more consumption- and service-based economy continues to influence other emerging market economies, notably commodity producers and countries exposed to China's manufacturing sector. India's economy continued to recover strongly, benefiting from a large improvement in the terms of trade, effective policy actions, and stronger external buffers, which have helped boost sentiment.

In Latin America, Brazil's economy remained in recession, but activity appears to be close to bottoming out as the effects of past shocks—the decline in commodity prices, the administered-price adjustments of 2015, and political uncertainty—wear off. Output was recorded at -3.5% for 2016, against -3.8% the previous year.

Russia's economy showed signs of stabilization in 2016. The GDP growth rate improved, albeit still negative, indicating that it is adjusting to the dual shock from oil prices and sanctions, and financial conditions eased after bank capital buffers were replenished with public funds.

Macroeconomic performance elsewhere in emerging Europe was broadly stable, although the situation in Turkey became more uncertain in the aftermath of the attempted coup in July. The Middle East continues to confront difficult challenges with subdued oil prices, the fallout from geopolitical tensions, and civil conflict in some countries.

While growth in emerging Asia and especially India continues to be resilient, Sub-Saharan Africa continued to face challenging conditions and slowing growth. Growth in Sub-Saharan Africa averaged 1.6% in 2016, down from 3.4% in 2015. Weak external conditions, lower commodity prices, a partial reversal of capital flows and lower growth among trading partners have imposed a substantial impact on many Sub-Saharan economies.

The three largest economies in Sub-Saharan Africa are experiencing sharp slowdowns (South Africa and Angola) or recessions (Nigeria) as lower commodity prices interact with difficult domestic political and economic conditions. Elsewhere, resilience in Côte d'Ivoire, Kenya, Senegal, and Tanzania partially offset generally softer activity across the region.

1.1.2 Commodity Market Developments

The pace of the decline in prices of key commodities accelerated in 2015 due to well-supplied commodity markets and weak demand, following a more gradual decline the previous year.

In 2016, commodity prices largely rebounded. The announcement of China's stimulus package increased metal demand prospects and prices. Unfavourable weather conditions also put upward pressure on food prices in general. After hitting a 10-year low in January 2016, oil prices rallied by 50%, to USD 45 in August, mostly due to involuntary production outages that brought balance to the oil market³.

The prices of most the ECOWAS region's key commodities declined, except for cocoa, cotton, gold and iron ore. Variation in the global prices of these commodities between 2015 and 2016 are presented in table 2 below.

Table 2 : Average Prices of Selected Commodities

Commodities	Units	2014	2015	2016	Variation (%)
Food and agricultural raw materials					
Cocoa Beans	\$/MT	3,062.8	3,135.2	2,892.0	-7.8
Coffee	cts/lb	105.6	94.2	94.3	0.1
Cotton	cts/lb	83.1	70.4	74.2	5.4
Metals					
Gold	\$/oz	1,265.6	1,160.0	1,249.0	7.7
Iron Ore	\$/MT	97.4	56.1	58.6	4.5
Uranium	\$/lb	33.5	36.8	26.3	-28.5
Aluminum	\$/MT	1,867.4	1,664.7	1,604.2	-3.6
Energy					
Crude Oil (Spot crude)	\$/bbl	96.2	50.8	42.8	-15.7

Source: <http://www.imf.org/external/np/res/commod/Table3.pdf>

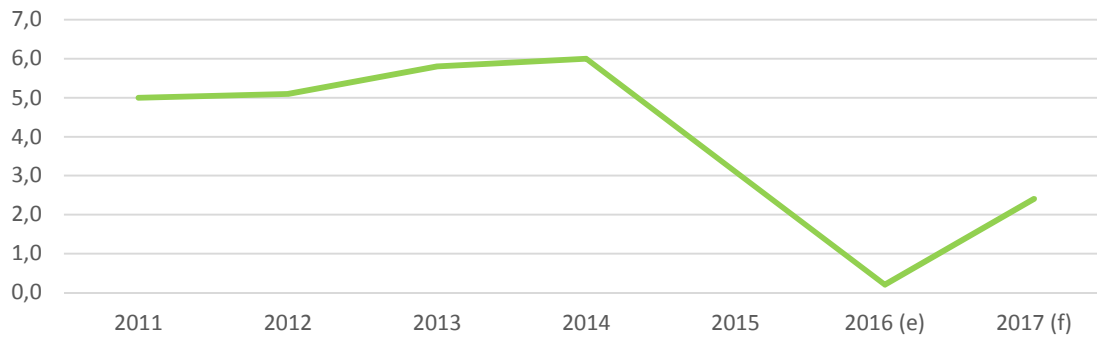
1.2 ECOWAS REGION

1.2.1 Economic Growth

The year 2016 was quite a tumultuous year for a number of economies in the ECOWAS sub region. This was on account of the global slowdown of economic growth, especially in China and other emerging markets, the continued failure of primary commodity prices to recover significantly coupled with tighter global financing conditions. In addition, terrorist insurgencies and insecurity that were predominant on the domestic front led to a contraction of GDP growth to 0.2%⁴, against 3.1% and 6.0% in 2015 and 2014 respectively (Figure 1).

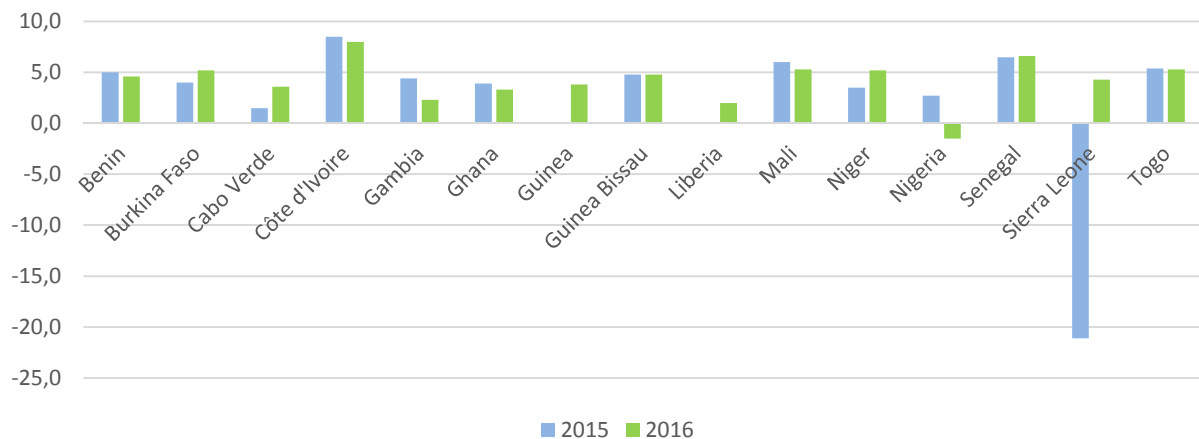
³ IMF Commodity Special Feature from World Economic Outlook, October 2016

⁴ IMF Regional Economic Outlook, October 2016

Figure 1 : ECOWAS Real GDP Growth Rate (%)

Source: IMF Regional Economic Outlook, October 2016
e= estimate, f=forecast

Growth varied considerably across Member States in the sub-region. The slowdown in growth was more pronounced in the largest economy (Nigeria) where production was disrupted by shortages of foreign exchange due in part to lower crude oil prices, militant activity in the Niger Delta, and electricity blackouts. Despite the wide-ranging measures put in place to deal with these shocks, the economy subsequently slipped into a depression in 2016 with a -3.5% GDP growth compared with 2.7% in 2015 (Figure 2).

Figure 2 : Real GDP Growth Rates of ECOWAS Member States (%)

Source: IMF Regional Economic Outlook, October 2016

Following the declaration of the end of the Ebola crisis in Guinea, Liberia and Sierra Leone, economic activity began to pick up in the three Member States. GDP grew by more than 3% in Guinea and Sierra Leone, and at 2% in Liberia during the year under review.

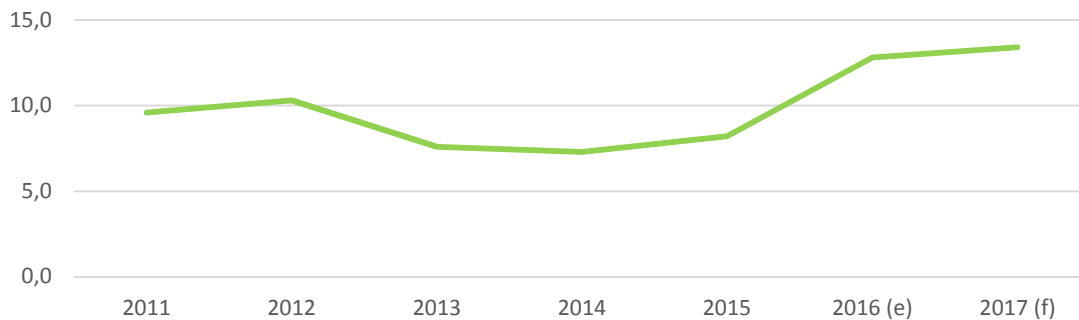
Côte d'Ivoire had the highest growth rate of 8% during the period while Burkina Faso, Mali, Niger, Senegal and Togo also remained on a relatively high growth path of more than 5% due to increased infrastructure investments. Growth however slowed slightly in Benin to less than 5% in 2016, and in Ghana (from 3.9% in 2015 to 3.3% in 2016), while the Gambia's economic growth also shrank from 4.4% to 2.3% in 2016.

1.2.2 Price Developments

1.2.2.1 Inflation

Inflation trended upward in the sub region to 12.8% in 2016, against 8.2% the previous year (Figure 3). This was more than double the Community convergence criterion of 5%. Increases in food prices, currency depreciation and other shocks have translated into high inflation in some ECOWAS Member States.

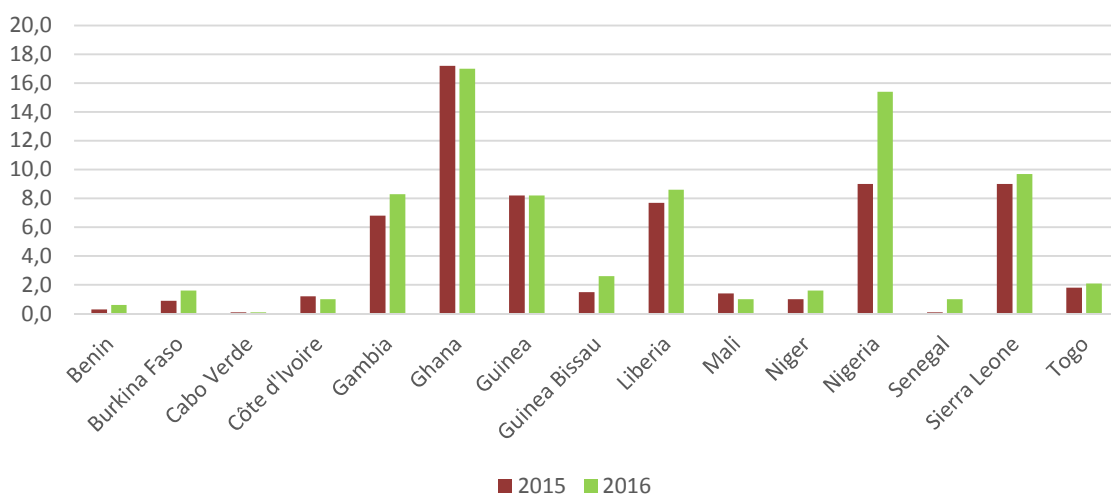
Figure 3: ECOWAS Annual Average Inflation (%)



Source: IMF Regional Economic Outlook, October 2016
e= estimate, f=forecast

Except for Cabo Verde and Guinea where inflation remained unchanged from its levels in the previous year (0.1% and 8.2% respectively), and Côte d'Ivoire and Mali where inflation declined marginally to 1.0% in 2016, inflation inched up in the rest of the Member States, reaching double digit levels in Nigeria (15.4%) and above 16% in Ghana. However, the increase in the general price level was largely muted in the WAEMU zone as inflation was contained below the 3% central bank threshold (Figure 4).

Figure 4 : Annual Average Inflation in ECOWAS Member States (%)



Source: IMF Regional Economic Outlook, October 2016

1.2.2.2 Exchange Rate

All ECOWAS Member States' currencies depreciated against the Unit of Account (UA) during the period under review. As shown in table 3, the Naira was the worst performer, depreciating by 50% during the year on account of a shortage in foreign exchange among other reasons.

Table 3 : Exchange Rate of ECOWAS currencies against the UA

Currency Pairs	2015	2016	Variation (%)
UA/USD	1.385730	1.344330	-2.99
UA/EURO	1.272830	1.275340	0.20
UA/FRANC CFA	834.921748	836.568200	0.20
UA/NAIRA	272.083700	408.392400	50.10
UA/CEDIS	5.248100	5.603050	6.76
UA/ESCUDO	140.465200	141.367200	0.64
UA/DALASI	56.741090	60.098760	5.92
UA/GUINEAN FRANC	10,450.850000	12,355.920000	18.23
UA/LEONE	7,755.030000	9,642.437000	24.34
UA/LIBERIAN DOLLAR	122.541500	137.359200	12.09

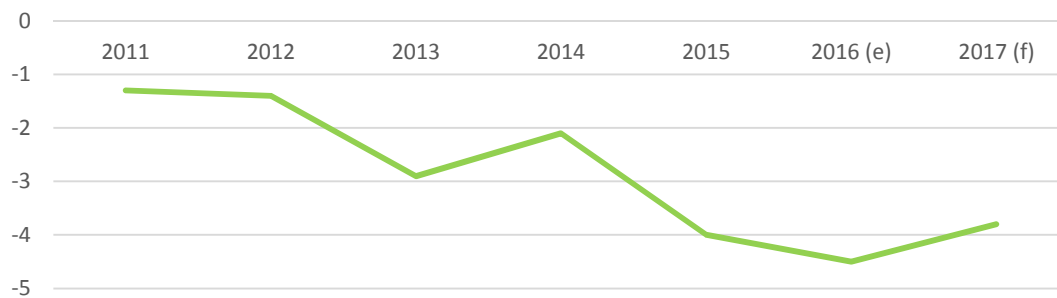
Source: EBID Internal Audit Department, IMF

1.2.3 ECOWAS Fiscal and External Account Positions

1.2.3.1 Public Finance

The overall budget deficit of the ECOWAS sub region slightly widened from 4.0% in 2015 to 4.5% in 2016, missing the convergence criterion of 3% of GDP or less (Figure 5). This mainly reflects the fall in revenues following the decline in commodity prices, coupled with an increase in public investment. The Gambia had the highest deficit of 9.8% as expenditure outweighed revenues and grants, while Guinea recorded a deficit of around 2% of GDP.

Figure 5 : ECOWAS Overall Fiscal Balance (% of GDP)

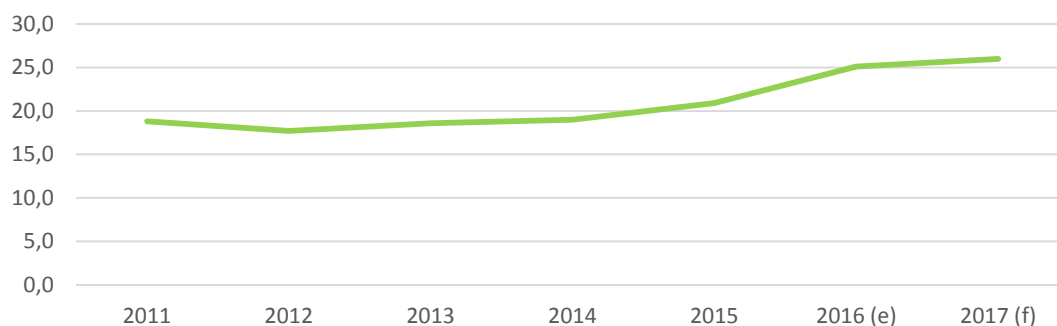


Source: IMF Regional Economic Outlook, October 2016
e= estimate, f=forecast

1.2.3.2 Public Debt

ECOWAS public debt as a percentage of GDP rose to 25.1% in 2016, up from 20.9% in 2015, well below the threshold of 70% set as one of the ECOWAS convergence criteria (Figure 6).

Figure 6: ECOWAS Public Debt (% of GDP)



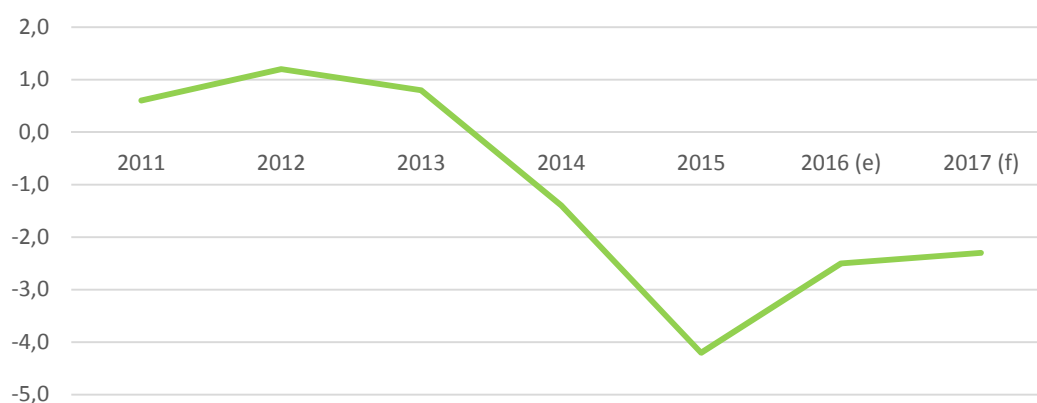
Source: IMF Regional Economic Outlook, October 2016
e= estimate, f=forecast

Only Cabo Verde and the Gambia registered levels of public debt above the 70% threshold at 119.2% and 99.4% respectively, while Burkina Faso and Nigeria recorded public debts less than the ECOWAS average of 25.1%.

1.2.3.3 External Account

As shown in figure 7 below, ECOWAS current account deficit narrowed from 4.2% in 2015 to 2.5% in 2016 on account of the slow recovery in commodity prices and improved foreign inflows.

Figure 7: ECOWAS Current Account Balance (% of GDP)



Source: IMF Regional Economic Outlook, October 2016
e= estimate, f=forecast

All Member States ran current account deficits with the highest recorded in Liberia (30.5%). Nigeria began recording deficits on its current account in 2015 (3.1%), but managed to decrease the size of the deficit to less than 1% in 2016, making it one of the lowest to be reported in the sub-region. Guinea Bissau and Cote d'Ivoire also recorded deficit below 5% of GDP.

1.2.4 ECOWAS Business Environment

The World Bank Doing Business survey⁵ of 190 economies (including 48 in Sub-Saharan Africa) provides a useful measure of the business environment⁶.

Although the survey reports a low overall ranking of the SSA region for 2016, it also reveals that 6 ECOWAS Member States (Burkina Faso, Côte d'Ivoire, Mali, Niger, Senegal and Togo) were among the 29 countries worldwide, with the most regulatory reforms implemented, that is, across 3 or more business indicators, making it easier to do business. The 2017 survey highlights considerable variations in the ranking of individual Member States in the sub-region. It reflects a notable improvement in the ranking of the Gambia, Ghana, Guinea Bissau, Mali, Niger and Nigeria (Table 4).

⁵ World Bank Doing Business 2017

⁶ The World Bank Doing Business Survey measures and tracks changes in regulations affecting 11 areas in the life cycle of a business: starting a business, dealing with construction permits, getting electricity, registering property, getting credit, protecting minority investors, paying taxes, trading across borders, enforcing contracts, resolving insolvency and labour market regulation, by providing an aggregate ranking on the ease of doing business ranging from 1-190.

Table 4: Ease of Doing Business (SSA and ECOWAS Member States Rankings)

Ease of doing business	SSA	Benin	Burkina Faso	Cabo Verde	Côte d'Ivoire	Gambia	Ghana	Guinea	Guinea Bissau	Liberia	Mali	Niger	Nigeria	Senegal	Sierra Leone	Togo
2016	143	155	146	129	142	145	108	163	172	174	141	150	169	147	148	154
2015	144	153	142	125	139	150	111	161	177	174	143	158	170	146	145	154

Source: World Bank Doing Business 2017

The improvement in their investment climate presents favourable prospects for long-term growth in the sub-region in the long run. Details of country-specific reforms in the ECOWAS sub-region are presented in Box 1.

Box 1: Improving the Business Environment	
ECOWAS Member States recognise the importance of providing a positive business environment and have taken the following steps during the year:	
BENIN	<p>Starting a business: Benin made starting a business easier by eliminating the need to notarize company bylaws to activate a bank account after incorporation.</p> <p>Resolving insolvency: Benin made resolving insolvency easier by introducing a new conciliation procedure for companies in financial difficulties and a simplified preventive settlement procedure for small companies.</p>
BURKINA FASO	<p>Starting a business: Burkina Faso made starting a business less costly by reducing the paid-in minimum capital required to register a company.</p> <p>Getting credit: Burkina Faso improved access to credit information by introducing regulations that govern the licensing and functioning of credit bureaus in West African Economic and Monetary Union (UEMOA) member states.</p> <p>Resolving insolvency: Burkina Faso made resolving insolvency easier by introducing a new conciliation procedure for companies in financial difficulties and a simplified preventive settlement procedure for small companies.</p>
CABO VERDE	<p>Labour market regulation: Cabo Verde introduced unemployment insurance for workers with a contribution period of at least six months.</p>
CÔTE D'IVOIRE	<p>Dealing with construction permits: Côte d'Ivoire made dealing with construction permits more transparent by making building regulations accessible online.</p> <p>Enforcing contracts: Côte d'Ivoire made enforcing contracts easier by introducing a simplified fast-track procedure for small claims that allows for parties' self-representation.</p> <p>Getting credit: Côte d'Ivoire improved access to credit information by establishing a new credit bureau.</p> <p>Resolving insolvency: Côte d'Ivoire made resolving insolvency easier by introducing a new conciliation procedure for companies in financial difficulties and a simplified preventive settlement procedure for small companies.</p>
THE GAMBIA	<p>Getting credit: The Gambia strengthened access to credit by adopting the Security Interests in Moveable Property Act. The new law on secured transactions implements a functional secured transactions system and establishes a centralized notice based collateral registry.</p>
GHANA	<p>Starting a business: Ghana made starting a business more costly by increasing the registration and authentication fees.</p> <p>Dealing with construction permits: Ghana made dealing with construction permits more expensive by increasing the cost of obtaining a building permit.</p> <p>Trading across borders: Ghana made trading across borders easier by removing the mandatory pre-arrival assessment inspection at origin for imported products.</p>
GUINEA	<p>Resolving insolvency: Guinea made resolving insolvency easier by introducing a new conciliation procedure for companies in financial difficulties and a simplified preventive settlement procedure for small companies.</p>
GUINEA BISSAU	<p>Resolving insolvency: Guinea-Bissau made resolving insolvency easier by introducing a new conciliation procedure for companies in financial difficulties and a simplified preventive settlement procedure for small companies.</p>
LIBERIA	<p>Labour market regulation: Liberia shortened the workweek by increasing the mandatory number of weekly rest hours to 36 consecutive hours with Sunday designated as the weekly holiday. It also mandated a maximum of five overtime hours per week. Liberia also introduced paid annual leave entitlements to employees after one year of employment, extended the duration of paid maternity leave and mandated equal remuneration for work of equal value.</p>

MALI	<p>Starting a business: Mali made starting a business less expensive by reducing the paid-in minimum capital requirement.</p> <p>Getting credit: Mali improved access to credit information by establishing a new credit bureau.</p> <p>Resolving insolvency: Mali made resolving insolvency easier by introducing a new conciliation procedure for companies in financial difficulties and a simplified preventive settlement procedure for small companies.</p>
NIGER	<p>Starting a business: Niger made starting a business easier by reducing the time and cost needed to register a company. Niger also eliminated the requirement to notarize a company's bylaws.</p> <p>Getting credit: Niger improved access to credit information by establishing a new credit bureau.</p> <p>Enforcing contracts: Niger made enforcing contracts easier by creating a specialized commercial court in Niamey and by adopting a new code of civil procedure that establishes time standards for key court events.</p> <p>Protecting minority investors: Niger strengthened minority investor protections by introducing a provision whereby requires the winning party's legal expenses are reimbursed by the losing party.</p> <p>Trading across borders: Niger made trading across borders easier by removing the mandatory pre-shipment inspection for imported products.</p> <p>Resolving insolvency: Niger made resolving insolvency easier by introducing a new conciliation procedure for companies in financial difficulties and a simplified preventive settlement procedure for small companies.</p>
NIGERIA	<p>Starting a business: Nigeria made starting a business easier by improving online government portals. This reform applies to both Kano and Lagos.</p> <p>Getting credit: Nigeria strengthened access to credit by creating a centralized collateral registry. This reform applies to both Kano and Lagos.</p>
SENEGAL	<p>Registering property: Senegal made registering property easier by increasing the transparency at its land registry and cadastre.</p> <p>Getting credit: Senegal improved access to credit information by establishing a new credit bureau.</p> <p>Paying taxes: Senegal made paying taxes less costly by reducing the maximum cap for corporate income tax and implementing more efficient accounting systems and software.</p> <p>Resolving insolvency: Senegal made resolving insolvency easier by introducing a new conciliation procedure for companies in financial difficulties and a simplified preventive settlement procedure for small companies.</p>
SIERRA LEONE	<p>Starting a business: Sierra Leone made starting a business easier by reducing registration fees.</p>
TOGO	<p>Getting credit: Togo improved access to credit information by introducing regulations that govern the licensing and functioning of credit bureaus in UEMOA member states.</p> <p>Paying taxes: Togo made paying taxes easier by streamlining the administrative process of complying with tax obligations.</p> <p>Trading across borders: Togo made trading across borders easier by implementing an electronic single-window system, which reduced the time for border compliance and documentary compliance for both exporting and importing.</p> <p>Resolving insolvency: Togo made resolving insolvency easier by introducing a new conciliation procedure for companies in financial difficulties and a simplified preventive settlement procedure for small companies.</p>

1.3 PROSPECTS, RISKS & CHALLENGES

Growth in the ECOWAS sub-region is projected to pick up from 2017⁷ onward, as Nigeria emerges slowly from 2016's recession. Continuing investment in infrastructure, natural resources and agricultural sector expansion as well as private consumption are expected to support domestic demand and remain the key drivers of GDP growth in the sub-region.

The average inflation rate is forecast to increase slightly to 13.4% in 2017, up from 12.8% in 2016. The lowest levels of inflation should be observed in the WAEMU zone and in Cabo Verde, where the average inflation rate could be hovering around 1.9% in 2017. Nigeria

⁷ IMF Regional Economic Outlook, October 2016

is expected to increase its double digit inflation rate to 17.1% while Ghana is projected to record a 10% inflation rate for 2017 as it makes adjustments to re-establish low single digit inflation levels.

Public finances in the sub-region is expected to remain under pressure because of the priority attached to public investments in social sectors, infrastructure, among others and security expenditure. The overall fiscal balance is therefore projected to remain in deficit at nearly 4% of GDP.

Risks to the outlook remain tilted to the downside. On the external front, China's continued rebalancing remains a potential danger. As Africa's biggest single trading partner, China's slowdown in growth would present spill-overs to the continent through trade channels; further weakening demand for the continent's commodities (oil, metals and minerals) and driving down commodity prices further. This would have a negative impact on African exports leading to a significant drop in export receipts of most of the countries in the region.

On the domestic front, mounting security threats in Mali, Burkina Faso, and, Boko Haram insurgencies constitute key risks. Beyond the tragic loss of human lives and widespread suffering, these acts of violence weigh on economic activity and affect consumer and investor confidence, strain fiscal budgets as it could force governments to divert limited budgetary resources from key infrastructure investment to security. This would then have a negative impact on long-term growth, and diminish the prospects for foreign direct investments.

CHAPTER II : ORGANISATION AND OPERATIONAL ACTIVITIES OF THE BANK

2.1 ACTIVITIES OF THE DECISION-MAKING ORGANS

2.1.1 The Board of Governors

During the period under review, the Bank's Board of Governors held its 14th Ordinary Session on July 28, 2016 in Niamey, Niger. At this meeting, the Board adopted several documents, notably, the minutes of the 13th Ordinary Session held in Bamako, Mali, on June 15, 2015, the Activity Report and the Bank's accounts for 2015.

Furthermore, apart from the election of Mr. Saïdou Sidibé, Governor of EBID for the Republic of Niger, as new Chairman of EBID's Board of Governors, the meeting equally carried out the following, notably the:

- adoption of the 2016-2020 Strategic Plan of EBID;
- adoption of the Rule of Procedure of the Board of Governors;
- approval of 2015 Activity Report and 2015 consolidated accounts of EBID that posted a balance sheet of UA 546 985 036 and net profit of UA 1 447 077;
- appointment of four new Board Members;
- renewal of the mandates of Auditing firms Mazars of Senegal and KPMG of Côte d'Ivoire as Substantive External Auditors and Alternate External Auditors of the Bank, respectively, for a final period of two years, expiring at the end of the annual meeting of the Board of Governors that would approve the 2017 Accounts.

2.1.2 Board of Directors

From January 1 to December 31, 2016, the Board of Directors of EBID held its 49th, 50th, 51st, and 52nd sessions at the Bank's headquarters in Lomé, Togo on April 26, July 19, October 20 and December 21, 2016.

At these sessions, the Directors approved the financing of ten (10) projects on behalf of eight (8) of the fifteen (15) ECOWAS Member States, namely: Benin, Burkina Faso, Côte-d'Ivoire, Liberia, Mali, Guinea, Nigeria and Togo.

They examined and adopted several other documents namely, the financial statements for the year ended December 31, 2015, the 2015 Activity Report and the 2017 budget of the Bank, the new human resources management policy of the Bank and the authorization of the conditions for the issuance of a CFAF 50 billion bond on the UEMOA financial market.

The major resolutions adopted are summarized in annex 3.

2.2 ADMINISTRATIVE ACTIVITIES AND MODERNIZATION OF THE BANK

2.2.1 Human resource management

With regard to the human resource management policy, the key actions embarked upon in the year 2015 mainly related to capacity building, and the adoption of the new human resources management policy of the Bank by the Board of Directors as part of the AfDB / FAPA technical assistance programme.

Following the retirement of several staff members, the Bank, in June 2015, started the recruitment process for about thirty (30) professional staff. In this regard, interviews for the positions of Directors have been conducted and those of the other professionals have been scheduled to take place in the course of the first quarter of 2017.

Staff movement between 2015 and 2016 is presented in the table below.

Table 5 : Staff strength of EBID between 2015 and 2016

Socio-professional category	Staff complement			
	31/12/2015	Recruitments	Departures	31/12/2016
President	1	0	0	1
Vice-President	2	0	0	2
Management personnel	3	0	0	3
Professional staff	48	0	4	44
Support staff	83	0	1	82
Total permanent staff	131	0	5	126
	6	0	0	6
Outsourced staff	1	1	1	1
Contract staff	7	1	1	7
Total contract staff				
Total	141	1	6	136

Source: Department of Administration and General Services

Furthermore, with regard to capacity building, individual-specific training sessions were carried out during the period under review. Through these, some staff members were able to participate in several training programmes in the following areas: interpretation, sustainable development, risk management, strategic planning, prudential standards and evaluation systems, protocol and accounts.

Additionally, the implementation of the training plan proposed by the consultants under the strengthening of human capital component of the AfDB / FAPA technical assistance Programme, has made it possible for about fifty staff members to be trained on International Financial Reporting Standards (IFRS) and Structured Financing.

2.2.2 Status of execution of works on rehabilitation of the headquarters building

The Board of Directors approved a budget of FCFA 3.71 billion at its 31st session held on December 21, 2010 for the purpose of rehabilitating the Headquarters Building.

Subsequently, as a result of the piling of works, owing to the time lag between the studies and the execution of works, on the one hand, technical improvements deemed necessary to be brought to the project in order to address environmental issues and water

consumption, and optimization of the functionality of the building, on the other hand, an additional budget of FCFA 500 million was granted by the Board of Directors at its 43rd session held on December 20, 2013, thereby bringing the entire amount to FCFA 4.21 billion. Finally, the 2015 budget made provision for additional works amounting to FCFA 125 million, thereby bringing the total cost of the rehabilitation project to an amount of FCFA 4.335 billion.

The works to be carried out have been programmed in four (4) phases, namely:

- phase 1 : general study and design of works to be carried out and preparation of the invitation to tender.
- phase 2 : publication of invitation to tender, reception of bids, opening and award of contracts ;
- phase 3 : execution of works, monitoring and supervision ; and
- phase 4 : reception of works supported with documentation that are indispensable for the technical operation and management of the building.

As indicated in the overall schedule, the timeframe was twenty four (24) months while works were, in principle, expected to be completed by the end of March 2015. The delay recorded is partly due to the additional works which have entailed placing new orders for equipment and materials.

As at the end of December 2016, the rehabilitation works were almost at the completion phase with a disbursement level of 82.5% for implementation works estimated at 96.5%. This corresponds to payment of FCFA 3.54 billion out of a total amount of CFA F 4.3 billion of contracts awarded.

2.2.3 Upgrading of Information systems

With a view to endowing the Bank with an efficient, reliable, and secured information system, according to international standards, the Bank prepared its second 2014 -2016 information system master plan, with financial support from the French Development Agency (AFD), as part of its technical assistance programme. This plan was adopted by the Board of Directors at its 44th Session held on April 25, 2014.

A relevant implementation plan was prepared and an Information and Communication Technology Committee as well as an IT Security Committee was put in place to ensure a successful implementation.

To finance this Plan, the Bank approached and obtained technical and financial assistance in the amount of USD 3 million from the EXIM Bank India.

Similarly, as EBID's contribution to the AfDB / FAPA technical assistance Programme, arrangements are in place for the recruitment of a project management Consultant to assist with the acquisition of a human resource management information system (HRMIS).

Furthermore the Department of Information Technology deployed several software, notably leave management, mission management, and project management software.

2.2.4 Strengthening governance

With the guidance of the Audit Committee and the Risk and Credit Committee, which are standing committees of the Board of Directors, several activities were undertaken as part of strengthening governance and control of the Bank's activities.

To this end, as part of its 2016 activity programme, the Internal Audit and Evaluation of Operations Department undertook several missions, relating to: the audit of salaries and advances, audit of the Diamond cement project in the Republic of Guinea and audit of the performance of the first line of credit extended by EBID to the "Banque Malienne de Solidarité (BMS)". In terms of prospects, the Department has lined up several other activities for the year 2017 including, inter alia the audit of operations and an ex-post evaluation of a public sector project.

As part of its annual work programme, the Risk Analysis Department focused mainly on monitoring of the Bank's portfolio and Asset Liability Management (ALM), supervision activities and project risk studies and analyses. Regarding ALM activities, two ALM Committee meetings were held during which the following recommendations were made:

- undertaking a high-level mission led by the President of the Bank to impress on Member States to pay the called-up capital;
- raising a debenture loan on the UEMOA market and /or the Nigerian market in the shortest possible time ;
- instituting an indicator for liquidity risks i.e. the (Liquid assets to one year disbursement needs ratio. To start with, the minimum threshold of this ratio to be complied with at all times shall be fixed at 100% while the maximum is fixed at 150% ;
- instituting new monthly liquidity monitoring indicators, formulating a short term liquidity policy and a liquidity crisis recovery plan ;
- reducing exchange risks either by encouraging expenditure in US dollars or by using hedging mechanisms ;
- conducting a study to assess the impacts of the use of the Unit of Account (UA) as a currency for accounts and operations;
- the need to hold high-level discussions with BCEAO to enable EBID to issue short term bonds;
- renewing the mandate of the ad-hoc committee for studying the optimisation of administrative expenditure.

Over the period, the Department finalised and presented to the Board of Directors the report on the quality of the Bank's portfolio as at end of December 2015.

Furthermore, the Risk Analysis Department in collaboration with the Internal Audit Department carried out a self-rating of the Bank within the framework of the peer evaluation of the Association of African Development Finance Institutions (AADFI) in respect of the year 2016.

At the end of the exercise, the Bank scored 83.14% which corresponds to "A" rating within the AADFI rating scale as against 81.0%, in 2015.

2.3 PROJECT FINANCING ACTIVITIES

From January 1 to December 31, 2016, the Bank's operational activities mainly comprised project appraisal, project approval, signing of loan agreements and project supervision.

Compared with the situation in 2015, activities slowed moderately, owing to lack of adequate resources for financing of the numerous requests from the Member States.

2.3.1 Project appraisals

Eleven (11) projects were appraised for a total amount of UA 90.4 million or USD 121.5 million, representing a drop of 12.2% from the previous year. Of this, four (4) were from the public sector and seven (7) from the private sector.

Table 6 : Projects appraised by sector of operation between 2015 and 2016

	2015		2016		Variation	
	N ^o	Amount	N ^o	Amount	N ^o	Amount
PUBLIC	5	54 372 944	4	31 039 601	-20,0%	-42.9%
PRIVATE	6	48 562 807	7	59 311 099	16.7%	22.1%
TOTAL	11	102 935 751	11	90 350 700	0.0%	-12.2%

Source: Department of Research and Strategic Planning

In terms of amount, the total for public sector projects stood at UA 31.0 million (USD 41.7 million), corresponding to 34.4% of the total amount of resources to be made available by the Bank.

2.3.2 Project supervision

To reduce and prevent project implementation risks, the Bank embarked on the supervision of on-going projects in its portfolio.

In this regard, twenty-four (24) projects were supervised in 2016 as against fifty-five (55) the previous year.

2.3.3 Loan Approvals

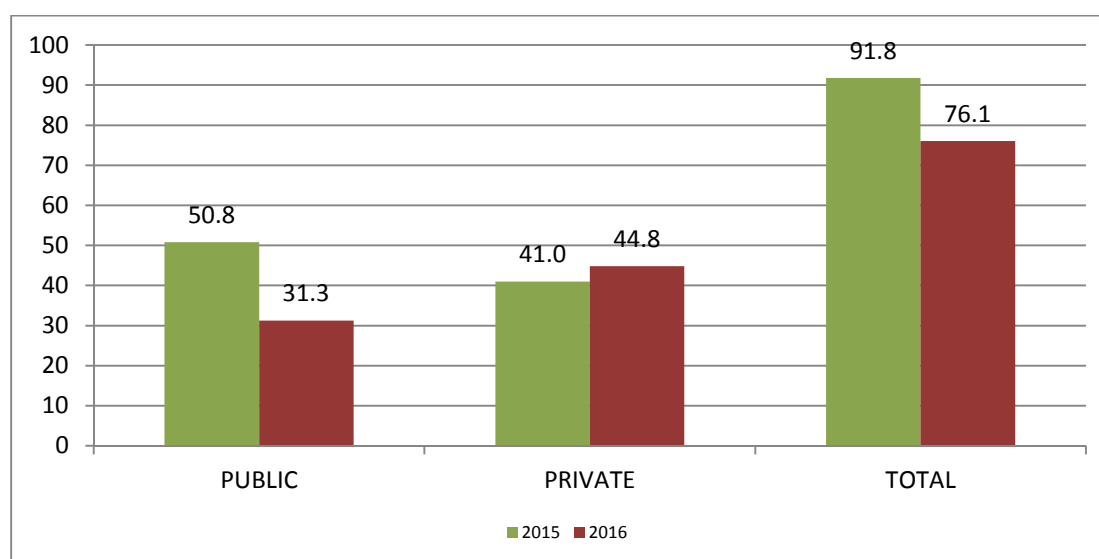
During the period under review, the Board of Directors approved the financing of nine (9) projects in the amount of UA 76.1 million (USD 102.4 million).

Table 7: Approvals by type of between 2015 and 2016

	2015		2016		Variation	
	N ^o	Amount (UA)	N ^o	Amount (UA)	N ^o	Amount
PUBLIC	4	50 779 793	4	31 335 147	0.0%	-38.3%
LOAN	4	50 779 793	4	31 335 147	0.0%	-38.3%
PRIVATE	4	40 992 168	5	44 799 361	25.0%	9.3%
LOAN	3	37 383 961	5	44 799 361	66.7%	19.8%
GUARANTEE	0	-	0	0	0%	0%
EQUITY PARTICIPATION	1	3 608 207	0	0	-100.0%	-100.0%
Total	8	91 771 961	9	76 134 508	12.5%	-17.0%

Source: Department of Research and Strategic Planning

As shown in the table above, between 2015 and 2016, total amount of projects approved dropped by 17.0%. This is accounted for by the public sector where loan approvals dropped by 38.3% between 2015 and 2016, from UA 50.8 million in 2015 to UA 31.3 million in 2016. However, loans for the private sector increased by 9.3% and stood at UA 44.8 million in 2016 as against UA 41.0 million in 2015.

Figure 8 : Approvals between 2015 and 2016 (Millions of UA)

Source: Department of Research and Strategic Planning

Approval of these new loans brings the total amount approved by the Board of Directors for the Community Member States to UA1.55 billion for 254 projects (from 1979 to December 31, 2016).

2.3.4 New Commitments

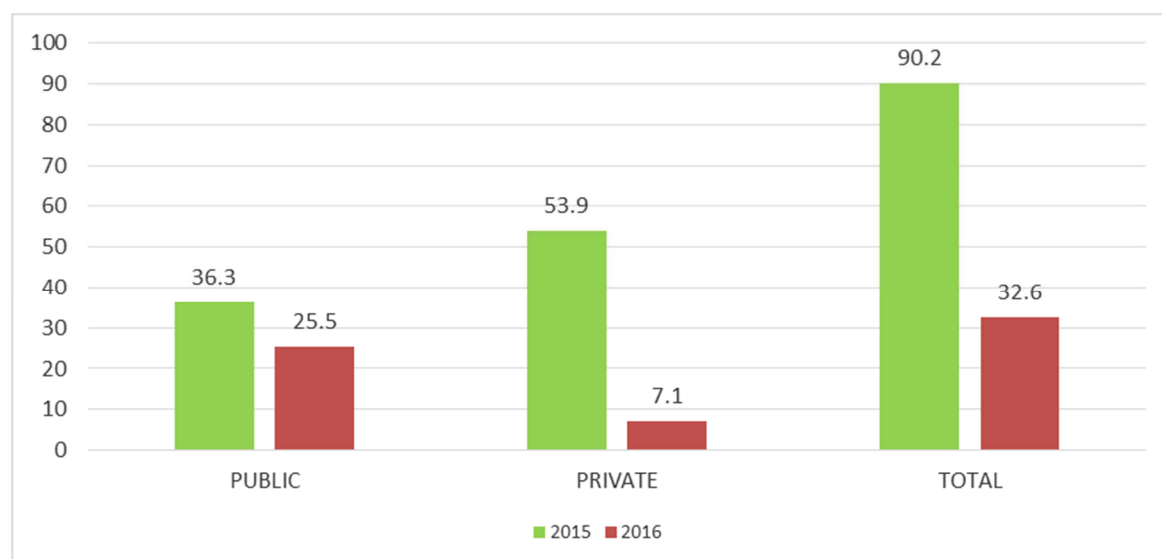
Similar to the new project approvals, new commitments dropped significantly and stood at UA 32.5 million in 2016 for four (4) loan agreements for projects in Benin, Côte d'Ivoire, Ghana and Togo.

Table 8: New commitments by type of intervention between 2015 and 2016

	2015		2016		Variation	
	N ^o	Amount	N ^o	Amount	N ^o	Amount
PUBLIC	1	36 284 207	3	25 422 258	200.0%	-29.9%
LOAN	1	36 284 207	3	25 422 258	200.0%	-29.9%
PRIVATE	5	53 913 650	1	7 085 831	-80.0%	-86.9%
LOAN	4	51 781 151	1	7 085 831	-75.0%	-86.3%
GUARANTEE	1	2 132 499		-		
EQUITY PARTICIPATION	-	-		-		
Total	6	90 197 857	4	32 559 593	-33.3%	-63.9%

Source: Department of Research and Strategic Planning

Compared to 2015, new commitments dropped sharply by 33.3% owing to the combined effect of the trends observed both in the public sector (-86.9%) and the private sector (-9.6%).

Figure 9 : New commitments between 2015 and 2016

Source: Department of Research and Strategic Planning

These loans are mainly meant for financing of road and electricity projects for a total amount of UA 25.4 million, corresponding to 78.2% of the interventions for the year 2015. They involve two road projects of 60km and 25 km in Togo and Côte d'Ivoire respectively. While still contributing to improving the populations' living conditions, these projects would also enable the opening –up of certain regions, enhance road safety, reduce travel time of users by 60% and reduce loss of agricultural production by 3-5%.

The electricity project, involves the construction of a 120 MW power plant with engines to run on bio-fuel, natural gas and heavy fuel. It includes the provision of combustible supply and storage infrastructure, and connection to the Benin-Togo inter-connected network. The project which is a first phase of a 400MW plan aims at making up for the electricity supply deficit and diversifying sources of supply in order to guarantee 70% sufficiency by 2025, in accordance with Benin's electricity sector development strategy.

Apart from infrastructure, the Bank is also present in the housing sector with a USD 7.5 million for the construction of social housing units in Ghana. Roughly 400 households i.e. 2000 people are expected to benefit from this facility.

2.3.5 EBID's commitments as at December 31, 2016.

As at the end of December 31, 2016, the Bank's net cumulative commitments to the Community's Member States stood at UA 917 608 869 in respect of 135 on-going projects as against UA 928 079 267 million in 2015, representing a slight decline of 1.1% as a result of the removal of certain projects that had matured from the Bank's portfolio.

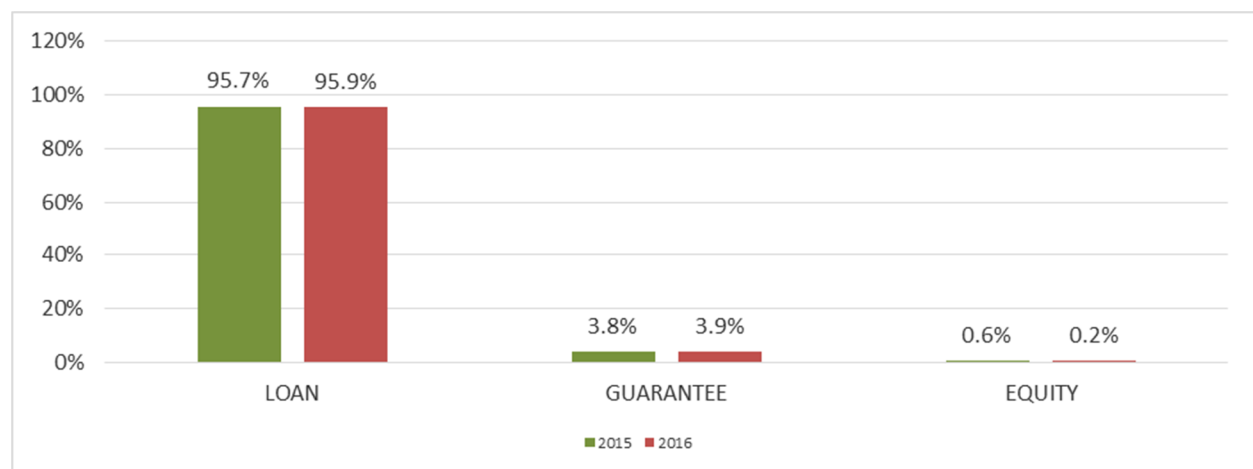
Table 9 : Net cumulative commitments between 2015 et 2016

Types of interventions	2015	2016	Variation (%)
LOAN	887 960 367	879 616 271	-0.94%
EQUITY PARTICIPATION	34 836 763	35 900 719	3.05%
GUARANTEE	5 282 137	2 091 880	-60.40%
TOTAL	928 079 267	917 608 869	-1.13%

Source: Department of Research and Strategic Planning

By type of intervention, loans continue to dominate the Bank's interventions with 95.9% of net cumulative commitments i.e. UA 879.6 million or USD 1.2 billion. This trend has remained almost the same from year to year.

Figure 10: Net cumulative commitments by type of intervention (%)



Source: Department of Research and Strategic Planning

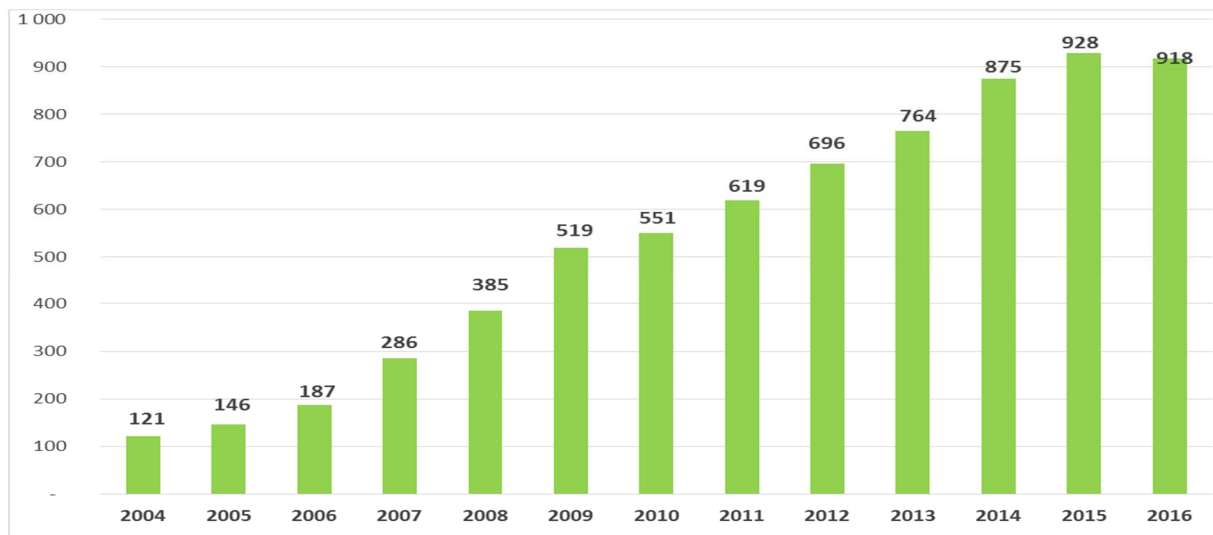
The year-to-year situation is summarised as follows:

Table 10 : Cumulative net commitments by mode of intervention between 2015 and 2016

Mode of intervention	2015	2016	Variation (%)
LOAN	887 960 367	879 616 271	-0.94%
EQUITY	34 836 763	35 900 719	3.05%
GUARANTEE	5 282 137	2 091 880	-60.40%
TOTAL	928 079 267	917 608 869	-1.13%

Source: Department of Research and Strategic Planning

In total, as indicated in the diagram above, within thirteen years of operation, the Bank's net cumulative commitments have risen from UA 121 million in 2004 to UA 917.6 million at the end of December 2016.

Figure 11 : EBID's cumulative net commitments from 2004 to 2016 (in millions UA)

Source: Department of Research and Strategic Planning

➤ By type of financing

As indicated in the table below, with the exception of the infrastructure and services sector, all the other sectors recorded a reduction in the Bank's commitments during the year 2016.

This was as a result of the removal of some projects that had reached maturity from the portfolio and the drop in the Bank's commitments in 2016.

Table 11 : Sectoral trends in net cumulative commitments of EBID between 2015 and 2016

TYPE OF INTERVENTION	Sectors	2015		2016		Variation	
		N°	Commitments	N°	Commitments	N°	Amount
DIRECT LOAN	Infrastructure	78	644 792 160	79	658 951 618	1.3%	2.2%
	Rural Development	7	25 965 289	6	22 539 765	-14.3%	-13.2%
	Industry	14	102 877 232	12	79 325 591	-14.3%	-22.9%
	Services	15	77 235 569	15	81 709 180	0.0%	5.8%
	Social	5	37 090 117	5	37 090 117	0.0%	0.0%
SUB - TOTAL1		119	887 960 367	117	879 616 271	-1.7%	-0.9%
EQUITY PARTICIPATION	Services	16	34 836 763	16	35 900 719	0.0%	3.1%
SUB-TOTAL 2		16	34 836 763	16	35 900 719	0.0%	3.1%
GUARANTEE	Infrastructure	1	324 337	-	-	-100.0%	-100.0%
	Industry	2	4 957 800	2	2 091 880	0.0%	-57.8%
	Services	-	-	-	-		
SUB - TOTAL 3		3	5 282 137	2	2 091 880	-33.3%	-60.4%
OVERALL TOTAL		138	928 079 267	135	917 608 869	-2.2%	-1.1%

Source: Department of Research and Strategic Planning

EBID's net cumulative commitments as at December 31, 2016 for the financing 77 public sector projects amounted to UA 565 304 027 representing 61.6% of net cumulative commitments. For the promotion of the private sector, the Bank has 58 on-going projects in its portfolio, for a total amount of UA 352 304 842, or 38.4% of the outstanding net cumulative commitments.

Table 12 : Sectoral breakdown of net cumulative commitments⁸ as at 31/12/2016

Sector of operation	2015		2016		Growth rate	% of commitment
	N°	Amount UA	N°	Amount UA		
PUBLIC	75	543 330 939	77	565 304 027	4.0%	61.6%
PRIVATE	63	384 748 328	58	352 304 842	-8.4%	38.4%
Total	138	928 079 267	135	917 608 869	-1.1%	100.0%

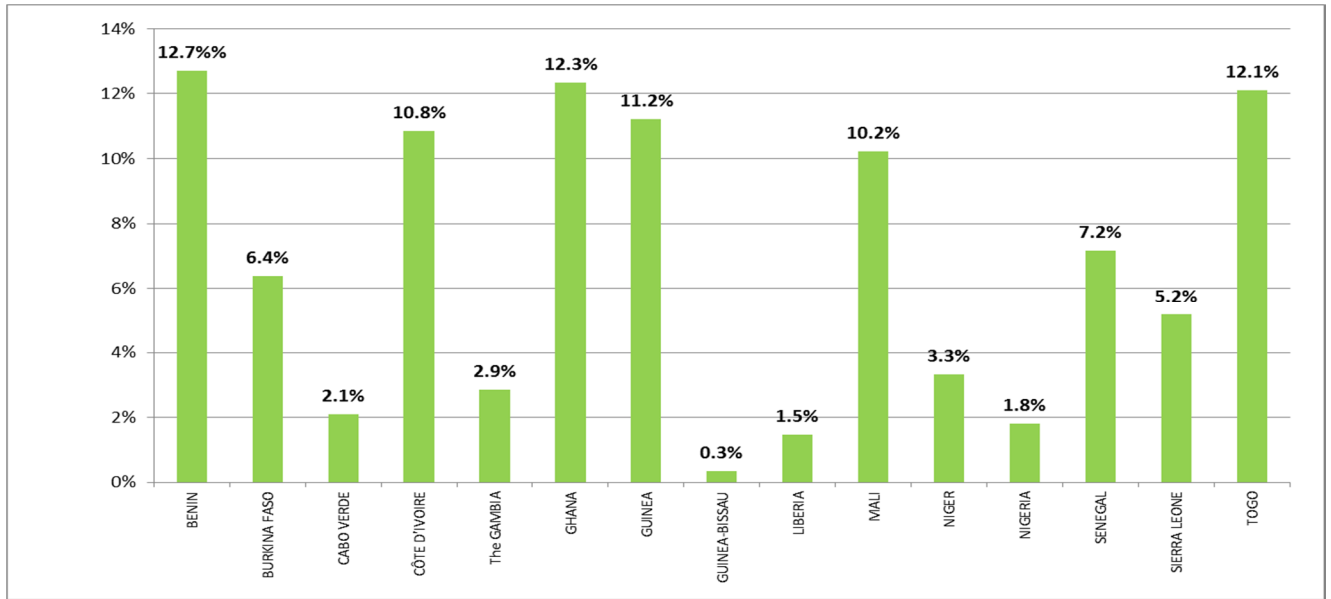
Source: Department of Research and Strategic Planning

In 2016, the Bank's net loans to the public sector increased by 4.0% compared to its level as at December 31, 2015, while a 8.4% drop was recorded in the private sector over the same period.

By country:

Although all Member States have benefited from the Bank's assistance, the breakdown of the net cumulative commitments presented in the figure below shows that the bulk of the Bank's assistance went to the following countries: Benin (12.7%), Ghana (12.3%), Togo (12.1), Guinea (11.2%), Côte d'Ivoire (10.8%) and Mali (10.2%).

⁸ Net cumulative commitments are commitments on active projects

Figure 12 : Breakdown of EBID's net cumulative commitments by country as at 31/12/2016 (%)

Source: Department of Research and Strategic Planning

Table 13 : Breakdown and trends in net cumulative commitments by country between 2015 and 2016 (in UA)

Country	Commitments at end of Dec 2015	Commitments at end of Dec 2016	Dec.2016/ Dec. 2015 Variation	Portion (%)
	UA	UA		
BENIN	98 741 007	116 571 440	18.1%	12.7%
BURKINA FASO	61 177 138	58 514 009	-4.4%	6.4%
CABO VERDE	19 180 804	19 180 804	0.0%	2.1%
CÔTE D'IVOIRE	100 988 258	99 463 226	-1.5%	10.8%
THE GAMBIA	26 153 736	26 153 736	0.0%	2.9%
GHANA	114 585 126	113 278 733	-1.1%	12.3%
GUINEA	102 825 931	102 825 931	0.0%	11.2%
GUINEA-BISSAU	3 093 480	3 093 480	0.0%	0.3%
LIBERIA	13 380 422	13 380 422	0.0%	1.5%
MALI	95 983 076	93 891 775	-2.2%	10.2%
NIGER	30 421 733	30 421 733	0.0%	3.3%
NIGERIA	16 511 690	16 511 690	0.0%	1.8%
SENEGAL	65 728 060	65 728 060	0.0%	7.2%
SIERRA LEONE	67 141 281	47 563 125	-29.2%	5.2%
TOGO	112 167 525	111 030 706	-1.0%	12.1%
TOTAL	928 079 267	917 608 869	-1.1%	100.0%

Source: Department of Research and Strategic Planning

2.3.6 Disbursements

Loan disbursements amounted to UA 37.2 million (USD 63.4 million) in 2016, thereby bringing total disbursements to UA 613.6 million. The rate of disbursement in respect of active loans stood at 69.8% as at December 31, 2016, compared with 67.4% in the previous year.

On the basis of repayments made, gross loans outstanding amounted to UA 458.6 million (USD 616.5 million) as at end of December 31, 2016 for 117 active loans.

For total commitments, the disbursement rate was 70.8% at the end of December 2016. By sector of operation, the disbursement rate stood at 85.2% for commitments in respect of the private sector and 61.8% for the public sector.

The situation per country is summarised as follows:

Table 14 : Outstanding loans by country as at 31/12/2016 (in UA)

Country	No	Commitments	Disbursements	Non Disbur.	Princ. Due	Repynt. Princ.	Loans outstanding	
							Montant	Part (%)
BENIN	17	116 254 149	62 909 261	53 344 888	11 940 101	10 555 569	52 353 692	11.4%
BURKINA FASO	10	57 569 064	33 597 920	23 971 144	13 028 838	12 844 836	20 753 084	4.5%
CABO VERDE	5	19 180 804	16 920 793	2 260 011	2 127 447	2 111 441	14 809 352	3.2%
CÔTE D'IVOIRE	12	93 096 823	50 318 843	42 777 980	16 151 162	13 791 113	36 527 730	8.0%
The GAMBIA	4	26 153 736	21 182 009	4 971 727	2 934 193	2 653 321	18 528 688	4.0%
GHANA	11	111 146 234	82 986 134	28 160 100	20 825 753	7 039 927	75 946 207	16.6%
GUINEA	7	102 825 931	98 120 153	4 705 778	72 557 221	66 598 573	31 521 580	6.9%
GUINEA BISSAU	1	3 093 480	3 093 480	-	252 220	64 247	3 029 233	0.7%
LIBERIA	3	12 061 407	12 694 808	- 633 401	9 105 148	4 717 780	7 977 028	1.7%
MALI	9	93 891 775	47 935 338	45 956 437	5 396 120	3 209 162	44 726 176	9.8%
NIGER	7	30 421 733	16 051 749	14 369 984	939 568	762 464	15 289 285	3.3%
NIGERIA	2	16 511 690	17 080 354	- 568 664	12 032 758	3 157 224	13 923 130	3.0%
SENEGAL	9	65 728 060	47 747 824	17 980 236	22 081 825	20 472 337	27 275 487	5.9%
SIERRA LEONE	5	47 563 125	50 629 470	- 3 066 345	1 165 443	1 074 606	49 554 864	10.8%
TOGO	15	84 118 260	52 371 591	31 746 669	6 566 008	5 974 338	46 397 253	10.1%
LOANS	117	879 616 271	613 639 726	265 976 544	197 103 805	155 026 938	458 612 789	100.0%

Source: Department of Research and Strategic Planning

2.4 COOPERATION AND RESOURCE MOBILISATION ACTIVITIES

Cooperation, partnership and the mobilisation of resources constitute an important aspect of the strategic orientation of EBID. It has the double objective of strengthening its visibility in the Community and with development partners, and making available adequate resources to carry out its activities, i.e. to finance projects, ensure profitability and its sustainability.

2.4.1. Cooperation and Partnership

In the area of partnership and cooperation, the main activities undertaken during the period under review were as follows:

2.4.1.1 AfDB / FAPA Technical Assistance Programme

For 2016, the Bank continued the implementation of the technical assistance programme signed with AfDB on March 4, 2013 and financed with a USD 950,400 grant from FAPA. The services were split into two batches covering the six sub-components of the programme:

- **Services under the first batch:**
 - o Study on Visibility and Positioning;
 - o Strengthening Human Capital ;
 - o Pricing Policy and Model.
- **Services under the second batch:**
 - o Private Sector Intervention Strategy;
 - o Resource Mobilisation Strategy;
 - o Strengthening the Legal Department.

As at end of December 2016, all the contracts had been signed and the resources totally committed. However, there are still some activities that are expected to be completed by the end of the first quarter 2017, at the latest.

Table 15 : Summary of the implementation of the AfDB/FAPA Programme

Components	Status of implementation
Strengthening Human Capital	Mission completed and final report and deliverables validated. The different tools, namely HR Policy, Master Plan, Training Plan and HR Procedures have been adopted.
Pricing Policy and Model	Mission completed and final report submitted by the Consultant for validation as well as training of staff on the utilisation of the proposed pricing model conducted. The policy is expected to be presented to the Board of Directors in the first half of 2017.
Private Sector Intervention Strategy	Mission completed and final report of the Consultant validated. The document (Intervention Strategy and Operational Manual) is yet to be reviewed in-house before presentation to the Board of Directors in the first half of 2017.
Resource Mobilisation Strategy	Final Report and Manual of Procedures validated. The coaching phase is what is left to be done and has been scheduled for the 2 nd week of March 2017.
Strengthening the Legal Department	Mission completed and final report and tools validated. Policy waiting to be presented to the Board of Directors during the first half of 2017.
Visibility Business Model Studies, ALM Policy and Credit Policy	Following the rejection of the report of the first Consultant, the Canadian firm (IFC) was selected to re-do the work. Regarding the four deliverables expected, the ALM and Credit Policies have been submitted and are being reviewed.

2.4.1.2 Strengthening Cooperation with ECOWAS Commission

As part of strengthening the coordination of the resource mobilisation actions of the two ECOWAS sister institutions, EBID attended several meetings organized by the Commission, particularly those relating to the preparatory meetings of the high-level donors' round table, scheduled for the 1st quarter of 2017 in Abidjan, to mobilise resources for financing the ECOWAS Community Development Programme (CDP). In this regard, the Bank pledged to make a financial contribution of USD 50,000. Additionally, several high-level joint missions were undertaken by the two institutions particularly:

- a mission to the Arab Bank for Economic Development in Africa (BADEA) in Khartoum ;
- missions to lobby Heads of State of Senegal, Côte d'Ivoire, Ghana and Nigeria.

Following the visit to BADEA, the institution dispatched a delegation to EBID's head office with a view to extending two lines of credit in the amounts of USD 15 million and USD 45 million for the private sector and trade finance respectively.

2.4.2. Resource Mobilisation Activities

Resource mobilisation activities focused on capital resources, borrowings and special resources.

2.4.2.1 Capital Resources

The Bank recorded six payments to the tune of **UA 12 208 139**, thereby reducing the total amount of arrears from UA 185.8 million as at end-of December 2015 to UA 173.6 million as at December 31, 2016, or 44.2% of the called-up capital.

Table 16 : Status of capital arrears by country as at 31/12/2016 (in UA)

Country	Situation as at 31/12/2015			Amount paid up in 2016	Remaining balance as at 31/12/2016	
	Called up capital (UA)	Paid-up capital (UA)	Arrears (UA)		Amount (UA)	Portion (%)
Benin	11 228 211	11 228 211	0	0	0	0.0%
Burkina Faso	9 734 383	9 568 446	165 937	165 937	0	0.0%
Cabo Verde	3 734 570	1 692 945	2 041 625	0	2 041 625	1.2%
Côte d'Ivoire	57 971 063	25 412 536	32 558 527	0	32 558 527	18.8%
The Gambia	9 734 383	3 387 793	6 346 590	0	6 346 590	3.7%
Ghana	61 706 160	42 150 744	19 555 416	7 019 596	12 535 820	7.2%
Guinea	10842504	10 842 504	0	0	0	0.0%
Guinea Bissau	5 614 106	796 788	4 817 318	0	4 817 318	2.8%
Liberia	25 058 371	5 173 550	19 884 821	1 005 623	18 879 198	10.9%
Mali	7107934	7 107 934	0	0	0	0.0%
Niger	7 854 848	7 042 845	812 003	812 003	0	0.0%
Nigeria	122 689 907	55 279 433	67 410 474	0	67 410 474	38.8%
Senegal	29 539 328	11 406 653	18 132 675	1 218 777	16 913 898	9.7%
Sierra Leone	16 456 610	4 434 412	12 022 198	0	12 022 198	6.9%
Togo	13 468 953	11 441 472	2 027 481	1 986 204	41 277	0.0%
Total	392 741 331	206 966 266	185 775 065	12 208 139	173 566 926	100%

Source: Department of Finance & Accounting / Treasury

2.4.2.2 Borrowings

Discussions are on-going with several partners notably, the Government of Angola, Great Joint International / African Network Finance and Development, China Development Bank (CDB) the OPEC Fund for International Development (OFID), the “Banque Marocaine du Commerce Extérieur (BMCE)”, and the Exim Bank of India. Updates on actions taken are as follows:

- (i) arrangements are underway to raise a debenture loan of FCFA 50 billion on the UEMOA financial market in the 1st half of 2017 ;
- (ii) due diligence is being conducted by the legal counsel of CDB for a € 50 million line of credit;
- (iii) the Bank has obtained the approval of the Board of Directors of BADEA in respect of two lines of credit of USD 15 million and USD 45 million for the private sector and trade financing respectively.
- (iv) the Bank has obtained the agreement in principle from the Indian EXIM Bank for a USD 30 million Kagbelen Cement factory Project, in Guinea, of which USD 15 million is for refinancing.

2.4.2.3 Special Resources

These mainly have to do with mobilisation of internal resources within the Community, namely, a portion of the Community Levy. No major progress was made in this regard in 2016. However, there is real commitment on the part of the new authorities of the Commission to assist the Bank in its efforts at mobilising both internal and external resources.

As part of the implementation of the protocol agreement relating to the annual grant, earmarked for interest rate subsidy, the Bank is still expecting payment for 2015 and 2016 from the ECOWAS Commission after receiving payment of USD 3 million for 2014.

In sum, the issue of resource mobilisation remains a challenge to the Bank in view of the high level of funding required for both regional projects and programmes and those specific to each of the fifteen ECOWAS member states. In this vein, capital resource contribution from Member States and access to the Community Levy resources would come in handy to enhance the capital base of the Bank and enable it make its financial assistance facilities concessional as far as public sector projects are concerned.

CHAPTER III : FINANCIAL POSITION OF EBID AS AT DECEMBER 31, 2016

3.1 BALANCE SHEET AS AT DECEMBER 31, 2016

EBID's balance sheet as at 31 December 31, 2016 stood at UA 547.7 million against UA 553.8 million as at 31 December 2015, indicating a decline of 1.1% drop year. With regard to the EBID Group level, which takes into account of the Special Fund for Telecommunication, the total balance sheet reduced by 1.2%, corresponding to UA 6.45 million.

This decline in the Bank's balance sheet is mainly as a result of a fall in its commitments, owing to the removal of certain private sector loans that had expired or been repaid early from the portfolio. Regarding liabilities, there was a reduction in the Banks Borrowings, due to repayments made in respect of the debenture, whose effects were cushioned by the draws on the Indian line of credit.

Table 17: Balance sheet as at December 31st, 2016 (000 UA)

ITEMS	31/12/2015	31/12/2016	Variation	
			Absolute	Relative (%)
ASSETS				
Cash and bank accounts	7 105	6 014	-1 091	-15,4%
Short-term investments	22 903	24 785	1 882	8,2%
Loans to Member States	453 582	438 822	-14 760	-3,3%
Inter-institutional accounts	1 091	1 177	87	8,0%
Other assets	15 655	20 111	4 456	28,5%
Long-term investments	37 484	41 043	3 559	9,5%
Fixed assets	16 018	15 708	-311	-1,9%
Total assets	553 837	547 659	-6 178	-1,1%
LIABILITIES				
Accounts payable	8 328	9 368	1 040	12,5%
Borrowings	298 765	278 017	-20 749	-6,9%
Inter-institutional accounts	18 330	16 447	-1 884	-10,3%
Capital	206 966	219 174	12 208	5,9%
Voluntary reserves	19 074	21 448	2 375	12,5%
Profit or loss for the period	2 375	3 204	830	34,9%
Total liabilities	553 837	547 659	-6 180	-1,1%
Total liabilities	553 837	547 659	-6 180	-1,1%
OFF-BALANCE SHEET				
<i>Outstanding guarantees</i>	5 282	2 092	-3 190	-60,4%
<i>Loan non disbursed</i>	268 068	302 352	34 283	12,8%

3.2 INCOME STATEMENT AS AT DECEMBER 31, 2016

As at December 31, 2016, the Bank, for the third consecutive year, made a net profit of UA 3.2 million thereby consolidating the income of UA 2.4 million made the previous year, representing an increase of over 33.5% (Table 18). At the EBID Group level, profit recorded was UA 2.74 million as at end December 2016 whereas it stood at UA 1.44 million in 2015.

This result is boosted by an interest margin of UA 14.5 million, up 5.1% compared to UA 13.8 million recorded in 2015, on account of a significant drop in financial costs (18.0%). The interest margin positively impacted the net banking income which stood at UA 15.6 million as at December 31, 2016, resulting in a gross operating income of UA 6.2 million.

The operating results like the net income/profit for the year was UA 3.2 million compared to UA 2.4 million in the previous year, mainly due to the level of provisioning recorded during the year, i.e. roughly UA 3.0 million, a sharp decline compared to UA 6.3 million as at December 31, 2015. This relatively improved performance is the result of a more aggressive recovery machinery.

Table 18 : Income Statement as at December 31, 2016 (in 000 UA)

ITEMS		DESCRIPTION	EXPENDITURE	
31/12/2015	31/12/2016		31/12/2016	31/12/2015
22 382	22 027	Interests and revenue /related expenditure	9 137	11 139
2 533	1 592	Commissions (income/expenditure)		
24 915	23 619	Total interests and commissions	9 137	11 139
13 776	14 481	INTEREST SPREAD		
4 488	1 096	Profit or loss on placement portfolio operations.		
29 403	24 714	Total revenue/bank charges	9 137	11 139
18 264	15 577	NET BANKING INCOME		
346	478	Other revenues / Overall operating charges Grant /Term deposit fixed and tangible assets.	9 845	9 925
29 749	25 193	Total income/charges	18 982	21 064
8 685	6 210	NET OPERATING INCOME		
		Cost of risk	3 006	6 310
2 375	3 204	INCOME BEFORE TAXES		
		Minority interest		
2 375	3 204	NET INCOME		

3.3.ANALYSIS OF FINANCIAL RATIOS

EBID's operating ratio as at December 31, 2016, stood at 63.2%, compared to 54.34% a year earlier. Although it reduced by 8 percentage points, the ratio remained below the authorised threshold of 65%. This was due to the decline in the net banking income whereas operating costs almost stagnated over the period.

The Bank's operating margin improved significantly from 13% as at end December 2015 to 20.57% as at the end December 2016, corresponding to an increase of 15 percentage points above the standard 5%.

The Bank's net income as a proportion of average assets, increased slightly to 0.58% compared to 0.43% recorded in 2015. It still remained below the required minimum standard of 1%.

Regarding the financial strength ratio, it stood at 46.21% in 2016 compared to 43.07%, the previous year.

Table 19: Some financial ratios as at December 31, 2016

Financial ratios	Formula	Value as at (%)		Standard (%)
		31/12/2015	31/12/2016	
Cost to income ratio	Overhead	54.34%	63.20%	< 65
	Net banking income			
Operating margins	Net income	13.00%	20.57%	> 5
	Banking Operating income			
Efficiency ratio (ER)	Net income	0.43%	0.58%	> 1
	Total balance sheet			
Rate of financial strength	Equity capital	43.07%	46.21%	> 2
	Total balance sheet			

ANNEXES

LIST OF ANNEXES

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Annex 7.1 Operating statement (in thousands of UA)

Annex 7.2 Balance sheet (in thousands of UA)

ANNEX 0**EBID IN BRIEF**

The ECOWAS Bank for Investment and Development (EBID), the financial arm of the Community, is an international development finance institution. It has two windows; one which finances private sector projects whilst the other provides funding for public sector projects.

1 ESTABLISHMENT

EBID emerged in 1999 following the transformation of the former ECOWAS Fund which was established in 1975 just as the Executive Secretariat (now ECOWAS Commission). EBID was initially organized on the lines of a holding company with two specialized subsidiaries namely:

- the ECOWAS Regional Development Fund which financed public sector projects;
- the ECOWAS Regional Investment Bank (ERIB) which focused on private sector projects.

The Protocol which established the Bank came into force in July 2003 and the Bank commenced operations on 1st January, 2004.

However, by Decision **A/DEC.3/06/06** dated 16th June 2006 the Authority of Heads of State and Government of ECOWAS decided to reorganize the EBID Group into one entity with two windows one of which is to fund the private sector whilst the other is assigned the task of financing the public sector. The Bank is headed by a President who is assisted by two Vice-Presidents responsible for Finance & Corporate Services and for Operations respectively. Thus, the initial objectives, vision and mission of the Bank were maintained. The Bank has been operating under the new structure since January 2007.

2 VISION

The vision of the Bank is to become the leading regional development and investment financing institution in West Africa, and also serve as an effective tool for poverty reduction, wealth creation and employment promotion so as to raise the living standards of the people of the region.

3 MISSION AND OBJECTIVES

The Bank has been assigned the task of creating an enabling environment for the emergence of a strong, industrialized, prosperous West Africa that is fully integrated at the internal level and within the world economic system so as to enable the Community to benefit from the opportunities and prospects offered by globalization.

In accordance with Article 2 of its Protocol, the Bank seeks to:

- contribute to the realization of the objectives of the Community by supporting regional integration projects or any other development project under the private or public sector ;

- contribute to the development of the sub-region by financing the special programmes of the Community.

4 THE STRUCTURE OF THE BANK'S CAPITAL AS AT 31ST DECEMBER 2016

The authorized capital ⁹ of EBID is UA 1 000 million (Units of Accounts) 70% of which is held by Member States whilst the remaining 30% has been set aside for subscription by non-regional investors.

As shown in the table below the callable capital stands at UA 307.3 million whereas he called up capital stands at UA 392.7 million of which UA 219.1 million has actually been paid as at the end of December 2016, representing 55.8% of the called up capital or 21.9% of the authorized capital.

Table A: Structure of the authorized capital of EBID as at 31/12/2016

Items	Amount (in millions of UA)	Amount (in millions of USD)	Amount (in millions of FCFA)	Portion (as % of authorised capital)
Capital subscribed	700.0	970.0	584 445.2	70.0%
Capital called-up	392.7	544.2	327 873.8	39.3%
Paid-up capital	219.1	303.7	182 959.0	21.9%
Arrears of capital	173.6	240.5	144 914.8	17.4%
Callable capital	307.3	425.8	256 571.5	30.7%

Source: Department of Finance and Accounting (DFC)

5 DECISION-MAKING BODIES

EBID has a Board of Governors and a Board of Directors. Currently, only ECOWAS Member States are represented on the two Boards.

5.1 The Board of Governors

In accordance with the Articles of Association of EBID, the Board of Governors is the highest decision making body. It has wide management, operational and administrative control powers over Bank's activities. Each shareholder is represented on the Board of Governors by a substantive Governor and an Alternate. The substantive Governors are the Ministers of Finance of Member States. .

The Board of Governors elects the Board of Directors to which it delegates powers excluding those specifically reserved for the Board of Governors.

5.2 The Board of Directors

The Board of Directors of EBID comprises nine (9) members who are neither Governors nor Alternate Governors, and the President of EBID who is also the chairman of the Board of Directors. The members of the Board of Directors are elected by the Board of Governors. The Directors are elected for a term of two (2) years, renewable once.

⁹ This capital was raised at the sixth Extraordinary Meeting of the Board of Governors held in Accra on 10th October, 2011 to UA 1 billion.

The list of the members of the Boards of Governors and Directors as at 31st December 2016 is presented in Annex 1.

6 HUMAN RESOURCES

The Bank's staff complement as at 31st December 2016 stood at 136 employees including 40 women i.e. 28.7% and 44 professional staff (32.4%).

Table B: Staff structure of EBID as at 31st December 2016

	MEN	WOMEN	TOTAL	
Statutory Appointees	3	0	3	2.21%
Directors (D)	6	0	6	4.41%
Professional staff (P)	31	7	38	27.94%
Support staff (G/M)	54	28	82	60.29%
Contract staff	1	0	1	0.74%
Outsourced staff	2	4	6	4.41%
TOTAL	97	39	136	100.00%
	71.32%	28.68%	100.00%	

Source: Administration and General Services Department

The Bank's organisation chart is presented in Annex 2

Annex 1: Decision-making bodies

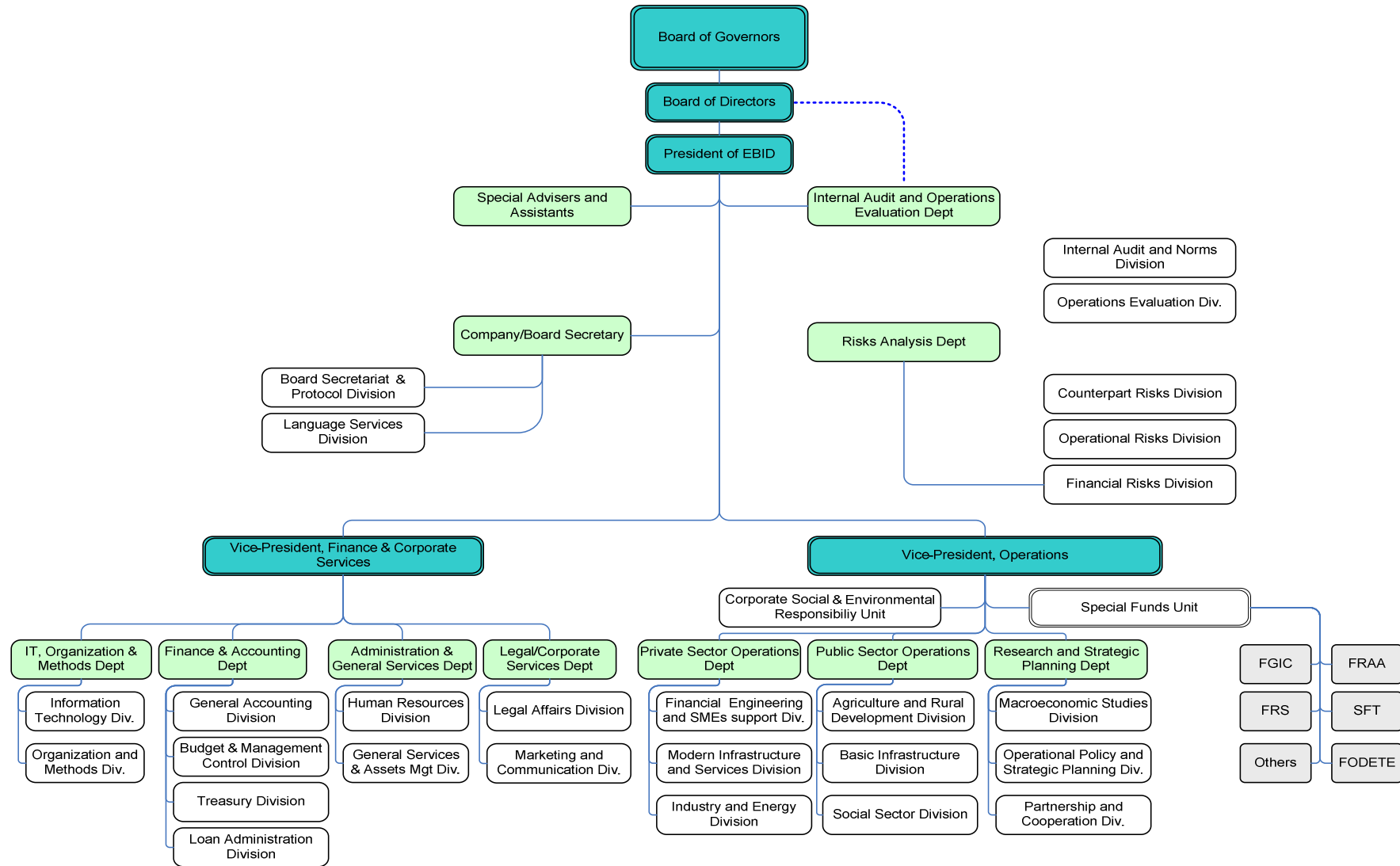
Annex 1.1 **Members of the Board of Governors of EBID as at 31.12.2016**

MEMBER STATES	GOVERNORS
BENIN	Mr. Romuald Wadagni
BURKINA FASO	Mrs. Alizatou Rosine Sori Coulibaly
CABO VERDE	Mr. Olavo Avelino Garcia Correia
CÔTE D'IVOIRE	Mrs. Nialé Kaba
THE GAMBIA	Hon. Abdou KOLLEY
GHANA	Hon. Seth Terkper
GUINEA	Mrs. Malado Kaba
GUINEA BISSAU	Mr. João Alage Mamadu Fadia
LIBERIA	Mr. Boima S. Kamara
MALI	Dr. Boubou Cissé
NIGER	Mr. Hassoumi Massaoudou
NIGERIA	Hon. Dr. (Mr) Kemi Adeosun
SENEGAL	Mr. Amadou BA
SIERRA LEONE	Mr. Momodu L. Kargbo
TOGO	Mr. Sani Yaya

Annex 1.2 **Members of the Board of Directors of EBID as at 31.12.2016**

NAME /COUNTRY/ GROUP OF COUNTRIES	BOARD MEMBERS	ALTERNATES
EBID	Mr. Bashir Mamman IFO (PRESIDENT)	-
ECOWAS COMMISSION	President of the Commission (Observer)	
<u>NIGERIA</u>	Mr. Haruna Mohammed	Mrs. Stella Maduka
<u>COTE D'IVOIRE</u>	Mrs. Anicou-Annie Lecadou Kacou	Mrs. Aïssata Camara Sobia
<u>GHANA</u>	Mr. Samuel D. Arkhurst	Mr. Joseph Kwadwo Asenso
<u>GROUP I</u>		
CABO-VERDE, GUINEA , GUINEA BISSAU, SENEGAL	Mr. Mussa Sambí (GUINEA BISSAU) Mr. Sidi Mouctar Dicko (GUINEA)	Mr. Alexandre G. V. Fontes (CABO VERDE) Dr. El Hadji Dialigué Ba (SENEGAL)
<u>GROUP II</u>		
BURKINA FASO, LIBERIA, MALI, NIGER	Mr. Yakoubou Mahaman Sani (NIGER) Mr. Alvin E. Attah (LIBERIA)	Mr. Seglaro Abel Somé (BURKINA FASO) Mr. Bréhima A. Haïdara (MALI)
<u>GROUP III</u>		
BENIN, THE GAMBIA, TOGO, SIERRA LEONE	Mr. Lamin Camara (The GAMBIA) Mr. John Sumaila (SIERRA LEONE)	Mr. Philippe A. R. Dahoui (BENIN) Mrs. Zouréhatou KASSAH- TRAORE (TOGO)

Annex 2 : Organization chart of EBID



Annex 3: Key resolutions of the meetings of the Board of Directors held in 2016

i. Forty-ninth session held on 26th April, 2016

- Adoption of the report of the 48th session of the Board of Directors held on 10th December 2015;
- Adoption of Activity Report and Financial Statements of the year ended 31 December 2015;
- Adoption of the revised Rules of Procedure of the Board of Directors;
- Recommendation to the Board of Governors to renew the mandates of Mazars Senegal and KPMG Côte d'Ivoire, the Bank's Substantive and Alternate External Auditors, respectively;
- Approval of the project for the extension of a \$US 10 million line of credit to Ghana Home Loans.

ii. Fiftieth session held on 19th July, 2016

- Adoption of the report of the 49th session of the Board of Directors held on 26 April 2016;
- Recommendation to the Board of Governors of the equity participation of Great Joint International Enterprises Ltd in the capital of EBID;
- Approval of the request for authorisation to issue debenture loan in an amount of FCFA 50 billion on the UEMOA market;
- Approval of the partial financing of the Clinker Production Factory Construction Project by Diamond Cement Guinea, in the Republic of Guinea;
- Approval of the reallocation of the resources for partial financing of the Ebola Accelerated Response Operational Plan (Ebola Special Fund) to the National Biometric Identification System Phase I;
- Approval of the additional funding for the Loumbila Tomatoes and Mango Processing Project in Burkina Faso;
- Adoption of various reports of the different Board Standing Committees.

iii. Fifty-first session held on 20th October, 2016

- Adoption of the report of the 50th session of the Board of Directors held on 19 July 2016;
- Adoption of the conditions of the BIDC/EBID 6.10%, 2016-2026 debenture loan;
- Approval of the partial financing of the Capacity Building and Upgrading of Handling and Transit Service Delivery Tools Project of SIMAT S.A. in Abidjan and San-Pedro, in the Republic of Côte d'Ivoire;
- Approval of the partial financing of the wheat flour production factory building project in Abidjan, Côte d'Ivoire by Moulins du Sahel Côte d'Ivoire (MDS Côte d'Ivoire);
- Approval of the partial financing of the Inclusive Financing Strengthening and Promotion Project in the Togolese Republic;
- Adoption of various reports of the different Board Standing Committees.

iv. Fifty-second session held on 21st December, 2016

- Adoption of the report of the 51st session of the Board of Directors held on 20 October 2016;
- Adoption of the amendment to the conditions of service of the staff of EBID;
- Adoption of the Bank's budget for 2017;
- Approval of the extension of the participation of EBID in the share capital Fidelis Finance Burkina Faso;
- Approval of the increase in the amount of EBID's facility to the 120 MW Maria Gleta power plant construction project in the Republic of Benin;
- Adoption of EBID's Human Resource Management Policy;
- Adoption of the report of the 8th Home Consultation of the Board of Directors conducted from 2 to 6 December 2016;
- Adoption of various reports of the different Board Standing Committees.

Annex 5: Details of projects appraised in 2016

	N°	Projects	Country	Sectors	Types	Request (in UA)
Public	1	Additional funding for the Loubila Tomatoes and Mango Processing Project in Burkina Faso;	Burkina Faso	Industry	Loan	5 803 047
	2	Reallocation of the resources for partial financing of the Ebola Rapid Response Operational Plan (Ebola Special Fund) to the National Biometric Identification System Phase I,	Liberia	Service	Loan / Grant	1 429 322
	3	Inclusive Financing Strengthening and Promotion Project in the Togolese Republic	Togo		Loan	5 976 799
	4	Construction of the 120 MW Power Plant, first phase of the 400 MW Maria Gleta thermal plant construction project in Republic of Benin	Benin	Infrastructure / Energy	Loan	17 830 433
	Sub - Total 1					
Private	5	Sougueta Clinker Production Factory Construction Project by Diamond Cement Guinea, in the Republic of Guinea	Guinea	Industry / Cement factory	Loan	16 736 962
	6	Capacity Building and Upgrading of Handling and Transit Service Delivery Tools Project of SIMAT S.A..	Côte d'Ivoire	Transport	Loan	5 809 449
	7	« Moulins du Sahel Côte d'Ivoire	Côte d'Ivoire	Agro-industry	Loan	3 213 127
	8	Extension of a line of credit to « Banque Malienne de Solidarité (BMS) :	Mali	Finances	Loan	11 953 598
	9	Hotel Azalai construction Project in Dakar	Senegal	Hotel Infrastructure	Loan	5 976 799
	10	5 Star Hilton Chelsea Hotel construction and operation project a Ikoyi (Lagos) by PATNASONIC INDUSTRIES Ltd.	Nigeria	Hotel Infrastructure	Loan	10 414 110
	11	Project to extend a line of credit to International Bank of Liberia Ltd.	Liberia	Finances	Loan	5 207 055
	12	Authorisation to maintain EBID in the capital of Fidelis Finance	Burkina Faso	Service / Finance	Equity participation	PM
Sous - Total 2						59 311 099
TOTAL						90 350 700

Annex 6: Details of approvals in 2016

	N°	Projects	Country	Sectors	Types	Request (in UA)
Public	1	Additional funding for the Loumbila Tomatoe and Mango Processing Project in Burkina Faso;	Burkina Faso	Industry	Loan	6 040 184
	2	Reallocation of the resources for partial financing of the Ebola Rapid Response Operational Plan (Ebola Special Fund) to the National Biometric Identification System Phase I.	Liberia	Service	Loan / Don	1 487 730
	3	Inclusive Financing Strengthening and Promotion Project in the Togolese Republic	Togo	Service / Finance	Loan	5 976 799
	4	Construction of the 120 MW Power Plant, first phase of the 400 MW Maria Gleta thermal plant construction project in Republic of Benin	Benin	Infrastructure / Energy	Loan	17 830 433
Sub - Total 1						31 335 147
Private	5	Facilitation of loan to Ghana Home Loans Ltd Project., a real estate mortgage company in Accra, Republic of Ghana.	Ghana	Service / Finance	Loan	7 085 831
	6	Sougueta Clinker Production Factory Construction Project by Diamond Cement Guinea, in the Republic of Guinea	Guinea	Industry / Cement factory	Loan	16 736 962
	7	Capacity Building and Upgrading of Handling and Transit Service Delivery Tools Project of SIMAT S.A in Abidjan and San-Pedro, in the Republic of Côte d'Ivoire	Côte d'Ivoire	Services	Loan	5 809 449
	8	Wheat flour production factory building project in Abidjan, Côte d'Ivoire by Moulins du Sahel Côte d'Ivoire (MDS Côte d'Ivoire)	Côte d'Ivoire	Industry	Loan	3 213 522
	9	Extension of a line of credit of FCFA 10 billion to « Banque Malienne de Solidarité (BMS SA) in Mali.	Mali	Service / Finance	Loan	11 953 598
	10	Authorisation to maintain EBID in the capital of Fidelis Finance (Burkina Bail)	Burkina Faso	Service / Finance	Equity participation	PM
Sub - Total 2						44 799 361
TOTAL						76 134 508

Annex 7: List of loan agreements signed in 2016

	N°	Projects	Country	Sectors	Type	Date of signing	Request in UA)
Public	1	Partial financing of the Katchamba Sadori road stretch (60km) on national highway n°17 reconstruction and asphaltting project, in the Togolese Republic	Togo	Road / Infrastructure	Loan	02/02/2016	3 616 536
	2	Adzopé-Yakassé-Attobrou (25 Km)'Road Upgrading and Asphaltting project, in the Republic of Cote d'Ivoire.	Côte d'Ivoire	Road / Infrastructure	Loan	17/06/2016	4 026 793
	3	Construction of the 120 MW Power Plant, first phase of the 400 MW Maria Gleta thermal plant construction project in Republic of Benin	Benin	Infrastructure / Energy	Loan	23/12/2016	17 830 433
Sous - Total 1							25 473 762
Private	4	Facilitation of loan to Ghana Home Loans Ltd Project., a real estate mortgage company in Accra, Republic of Ghana.	Ghana	Service / Finances	Loan	18/08/2016	7 085 831
	Sob - Total 2						
TOTAL							32 559 593

Annex 8

Annex 8.1 **Operating Account of EBID as at 31 December 2016**
(in UA)**CONSOLIDATED PROFIT AND LOSS ACCOUNT
AS AT 31 DECEMBER 2016**

	Note	Group		Bank	
		DEC 2016 UA	DEC 2015 UA	DEC 2016 UA	DEC 2015 UA
INCOME					
Interest income	15	21,889,632	22,648,770	22,026,575	22,381,648
Interest expense	16	(9,137,387)	(11,139,112)	(9,137,387)	(11,139,112)
Net interest income		12,752,245	11,509,658	12,889,188	11,242,536
Fees and commission	17	1,591,927	2,533,242	1,591,927	2,533,242
Dividend income		22,413	-	22,413	-
Exchange gain	19	355,521	2,503,101	1,073,576	4,488,259
Other income	18	478,093	345,914	478,093	345,914
		15,200,199	16,891,915	16,055,197	18,609,951
EXPENSES					
Staff cost		5,891,132	6,503,056	5,891,132	6,503,056
Other operating expenses		3,953,750	3,421,788	3,953,750	3,421,788
		9,844,882	9,924,844	9,844,882	9,924,844
Profit or (Loss) before Provisions		5,355,317	6,967,071	6,210,315	8,685,107
Bad /Doubful debts (lost)		(2,907,961)	-	(2,907,961)	-
Provision for bad and doubtful accounts		(6,210,315)	(6,780,459)	(6,210,315)	(6,780,459)
Provision no longer required		6,112,388	470,168	6,112,388	470,168
		2,349,429	656,780	3,204,427	2,374,816
Non-controlling interest		393,299	790,297	-	-
Profit or(loss) for the period/year, transferred to revenue reserve	13	2,742,728	1,447,077	3,204,427	2,374,816

Annex 9.2 **Balance sheet of EBID as at 31 December 2016 (in UA)****CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2016**

	Note	Group		Bank	
		DEC 2016 UA	DEC 2015 UA	DEC 2016 UA	DEC 2015 UA
ASSETS					
Cash and bank balances	2	6,013,973	7,104,864	6,013,997	7,104,888
Short term funds	3	26,053,219	24,288,231	24,784,771	22,902,756
Loan to member states	4	438,821,576	453,581,625	438,821,576	453,581,625
Inter-institutional accounts	5	1,177,242	1,090,540	1,177,242	1,090,540
Other assets	6	20,223,560	15,925,569	20,111,096	15,655,252
Long term investments	7	32,534,724	28,976,025	41,042,585	37,483,886
Fixed assets	8	<u>15,707,675</u>	<u>16,018,182</u>	<u>15,707,675</u>	<u>16,018,182</u>
Total assets		<u>540,531,968</u>	<u>546,985,036</u>	<u>547,658,941</u>	<u>553,837,129</u>
LIABILITIES AND CAPITAL					
Creditors and accrual	9	9,368,064	8,327,899	9,367,798	8,327,633
Borrowings	10	278,016,565	298,765,095	278,016,565	298,765,095
Inter-institutional accounts	11	72,482	1,374,753	16,447,363	18,329,752
Share capital	12	219,174,406	206,966,266	219,174,406	206,966,266
Revenue reserve	13	23,062,803	21,615,727	21,448,381	19,073,566
Profit or loss for the period	13	<u>2,742,728</u>	<u>1,447,077</u>	<u>3,204,427</u>	<u>2,374,816</u>
		532,437,049	538,496,818	547,658,941	553,837,129
Non-controlling interest	14	<u>8,094,919</u>	<u>8,488,218</u>	-	-
		<u>540,531,968</u>	<u>546,985,036</u>	<u>547,658,941</u>	<u>553,837,129</u>
Contingent liabilities and other obligations on behalf of customers and customers' liability thereon					
	22	<u>268,068,424</u>	<u>302,351,788</u>	<u>268,068,424</u>	<u>302,351,788</u>