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

2016-2020 STRATEGIC PLAN

ECOWAS Bank for Investment and Development
128, Boulevard du 13 janvier
BP 2704, Lomé - Togo
Tel: (228) 22 21 68 64
Fax: (228) 22 21 86 84

www.bidc-ebid.org

Vision

To become the leading regional development and investment Bank in West Africa, spearheading wealth creation, economic growth and industrialization for the well-being of the people in the region.

Mission

To promote the financing of both national and regional development programmes and projects for the emergence for an economically strong, industrialised, and prosperous West Africa that is fully integrated into the global economic system with a view to taking advantage of the opportunities offered by globalisation.

FOREWORD

The Economic Community of West African States (ECOWAS) is in the midst of an economic, socio-political, and structural transformation. Indeed, during the past four decades, some significant advances have been made noticeably in terms of the adoption of the ECOWAS Common External Tariff (CET), the harmonization of the economic and financial policies of Member States within the framework of multilateral surveillance, the implementation of a roadmap for the creation of a common currency by 2020, and the improvement of the free movement of goods and people. There has also been notable progress in the development and implementation of a plethora of policies and regional programmes targeting the strategic sectors of the Community and the consolidation of democracy, good governance and peace in the region.

Despite these advances, major challenges remain that need to be tackled: infrastructure deficit, low agricultural productivity, weak private sector, youth unemployment, low level of industrialisation, low intra-regional trade, and environmental degradation.

In order to tackle these challenges, ECOWAS has opted for a regional strategic approach through the Community Strategic Framework (CSF) 2016-2020. The CSF presents the strategic orientations for future regional policies and programmes. It will foster cohesion, coherence and the convergence of objectives within the ECOWAS system. Its purpose will be to foster the creation of a borderless, prosperous and cohesive region. The CSF follows the Regional Strategic Plan (RSP) 2011-2015 and constitutes one of the major tools for the implementation of *Vision 2020*, adopted at the Conference of Heads of State and Government of the Community in June 2007.

This regional vision aims at the transformation of the Community of States to a Community of People through increased regional integration, socio-economic development, peace, and good governance.

The strategic orientations of EBID for the period 2016 to 2020 are informed by those defined by the CSF during the same period, which aim to achieving Vision *2020*. The orientations are also based on the lessons learnt from the implementation of the 2010-2014 Strategic Plan, which has already ended.

The defining objective of the 2016-2020 Strategic Plan is to enable EBID to devote itself resolutely towards the realisation of its own vision during the five-year period, in line with ECOWAS *Vision 2020*. Indeed, the Bank has the ambition to be, by 2020, the premier development bank effecting regional integration, economic growth, industrialisation and environmental sustainability in West Africa and creating the enabling conditions for West Africa’s emergence.

From this vision, five strategic pillars are drawn namely: promoting broad-based economic growth and inclusive social development; fostering regional cooperation and integration; supporting environmental sustainability; deepening resource mobilisation, both internal and external; and enhancing organizational effectiveness and efficiency of the Bank.

It is important to stress that the first three pillars are aligned with those of the CSF and reflect a regional perspective. However, the last two pillars are specific to EBID.

Indeed, the mobilisation of substantial resources both internal and external proves crucial in light of EBID's role in the financing of programmes and projects- both regional and national- to promote investment and development in the West African sub-region.

The Bank aims to significantly improve its operational and financial performances by complying with international banking norms and implementing the appropriate organizational reforms as well as strengthening its institutional capacities.

The implementation of EBID's 2016-2020 Strategic Plan will enable the Bank to contribute to the economic development of the region and the strengthening of its internal processes.

I would like to express my profound gratitude to the Heads of State and Government of ECOWAS, the ECOWAS Commission and the decision-making bodies of EBID for their continued and renewed support towards the Bank.

I would also like to thank our technical and financial partners whose assistance continues to favour the intensification of our operations in the sub-region, and also to the staff of the Bank for their dedication and contribution in the development of this Strategic Plan, and their subsequent commitment to its delivery.

The achievement of the Bank's objectives, and to a larger extent the region's vision of a strong West African community, will hinge on the successful implementation of this current Strategic Plan.

Bashir Mamman Ifo
President

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Abbreviations

AADFI	Association of African Development Finance Institutions
AfDB	African Development Bank
ALM	Assets/Liabilities Management
BoD	Board of Directors
CDM	Clean Development Mechanism
CDP	Community Development Programmes
CET	Common External Tariff
CSF	Community Strategic Framework
DFI	Development Finance Institution
DRSP	Department of Research and Strategic Planning
EBID	ECOWAS Bank for Investment and Development
ECOWAS	Economic Community of West African States
EVD	Ebola Virus Disease
FAPA	Fund for African Private Sector Assistance
FDI	Foreign Direct Investment
FODETE	Fund for Development and Financing of ECOWAS Transport and Energy Sectors
GDP	Gross Domestic Product
HDI	Human Development Indicators
HIPC	Heavily Indebted Poor Country
HR	Human Resource
HRMIS	Human Resource Management Information System
ICT	Information Communication Technology
IFRS	International Financial Reporting Standards
IMF	International Monetary Fund
IT	Information Technology
MoU	Memorandum of Understanding
OHADA	Organisation for the Harmonisation of African Business Law
PPDU	Project Preparation and Development Unit
PPP	Public Private Partnership
R&D	Research and Development
RAAF	Regional Agency for Agriculture and Food
ROPPA	Network of Famers' Organisations in West Africa
RSP	Regional Strategic Plan
SP	Strategic Plan
SSA	Sub Saharan Africa
SME	Small/Medium Scale Enterprise
TCSR	Technical Committee on Studies and Research
UA	Unit of Account
UNDP	United Nations Development Programme
USD	United States Dollar
WAEMU	West African Economic and Monetary Union
WAMZ	West Africa Monetary Zone
WAPP	West Africa Power Pool
WDI	World Development Indicators
WHO	World Health Organisation

EXECUTIVE SUMMARY

The implementation of the 2010-2014 SP was against the backdrop of a global macroeconomic environment marked by slowing growth, especially in advanced economies, following the economic and financial crises of 2007-2008 and the subsequent crisis. At the regional level, economic growth remained strong but did little to impact on poverty reduction, spur investment in infrastructure and create jobs.

Although the 2010-2014 SP contributed to the consolidation of the Bank's activities with UA 530 million in new commitments and UA 397.4 million in disbursements, its implementation was hampered by the lack of sufficient concessional resources necessary to intensify the Bank's interventions in Member States of the Community.

The 2016-2020 Strategic Plan has been developed with a view to achieving the Bank's vision: "to become the leading development and investment bank in West Africa spearheading wealth creation, economic growth and industrialisation for the well-being of the people in the region".

The new strategic orientations of the Bank are aligned with those of the Community Strategic Framework 2016-2020, which envisages to achieve Vision 2020 of the Community, through the transformation of the ECOWAS Space from an ECOWAS of States to an ECOWAS of People, through the promotion of regional integration, socio-economic development, peace, and good governance. These orientations are as follows:

- Deepening the process of resource mobilisation and enhancing the visibility of the Bank;
- Promoting broad-based economic growth and inclusive social development;
- Fostering regional cooperation and integration;
- Enhancing organisational efficiency and effectiveness; and
- Environmental sustainability

The priority intervention areas of the Plan are:

- Infrastructure development
- Agriculture and rural development
- Private sector development
- Enhancing intra-regional trade
- Industrialisation
- Social protection

The implementation of the 2016-2020 SP will enable EBID to not only contribute to the realisation of its regional development objectives, but also improve its operational and financial performances, thereby consolidating its role as the financial arm of ECOWAS in the promotion of development and integration of Member States, by intensifying financing of national and regional programmes and projects in view of ensuring the emergence of the region.

The financing of the 2016-2020 Strategic Plan will require UA 1.365 billion, which will be sourced from capital, concessional, semi-concessional and commercial loans, special resources and own resources. These resources will be mobilised both from within and outside the sub-region.

Based on the Plan’s projections, it is expected that Member States will pay off all capital arrears over the course of next five years which amount to UA 186 million. It is also expected that new non-regional members will subscribe to the Bank’s capital. In terms of the projected loan resources, which come to UA 904 million, all efforts will be made to mobilise them both on financial markets and through development partners. Additionally, the Bank expects that it will have access to a portion of the Community Levy to enable it finance development projects and programmes to the tune of UA 83.3 million.

Relative to projections for operational activities, it is expected that new loan approvals will amount to UA 1.123 billion; new commitments, UA 874.7 million; and disbursements, UA563.8 million.

The Bank’s balance sheet is expected to grow from UA 553.7 million in 2015 to UA 1.9 billion in 2020, spurred mainly by growth of loans to Member States.

However, there are downside risks inherent in the implementation of the Plan, which could arise if the Bank is not able to mobilise enough concessional, semi-concessional and commercial loans to finance programmes and projects on account of a weak capacity to contract debt.

INTRODUCTION

The 2016-2020 Strategic Plan of EBID sets out the ways in which the Bank intends to carry out its mission in assisting Member States to pursue their development objectives as well as sustainable development goals, with a view to reducing poverty and building resilience to external shocks. The 2016-2020 Strategic Plan will help Member States to identify and exploit opportunities for achieving inclusive growth and development, strengthening their resilience to external economic shocks and reducing poverty and inequality. The Plan will also chart a course for the Bank to build on its own comparative strengths, enhance its role and relevance to its stakeholders, build its portfolio, improve its efficiency and effectiveness, and strengthen its focus.

EBID's 2016–2020 Strategic Plan has been developed against the background of recent global developments and trends that are creating additional challenges and complexities. The economic slowdown in China, a strong US dollar appreciation, and a recession in the Eurozone and low commodity prices are threatening to reverse the gains that have been made by emerging and developing economies. Prospects for sustained economic growth and development are inhibited by the extreme vulnerability of most ECOWAS Member States to external economic shocks and the rising levels of insurgencies and insecurity in some countries.

The proposals contained in the Strategic Plan are the result of substantive consultations and deliberations with several stakeholders. It builds on the 2010-2014 Strategic Plan and other approved sector and thematic policies and strategies of the Bank, and draws on the lessons learned from the implementation of the previous Plan.

The Plan is aligned with the overarching tenet of the ECOWAS Community Strategic Framework (CSF) which is "to consolidate the foundation for the creation of a peaceful, integrated, borderless and prosperous region anchored on cooperation, good governance, competitiveness, capable institutions and sustainable development by 2020."

The document is organised as follows: Part one considers the international as well as the regional context within which Member States and the Bank operated and the challenges and prospects they present. It also summarises the development challenges of the sub-region; part two discusses the evaluation report of the 2010-2014 Strategic Plan of the Bank and the lessons learned; and finally presents a SWOT analysis of the Bank.

The strategic framework of the Community and the Bank's strategy for the period 2016-2020 are presented in part three. The fourth part discusses the financing of the Plan and the underlying assumptions. Parts five and six present the Action Plan and Results Monitoring Framework respectively to be used in tracking progress during the implementation period of the Plan. The implementation risks are considered in part seven while the conclusion and recommendation are contained in part eight of the Plan.

PART I: MACRO AND SOCIO-ECONOMIC ENVIRONMENT

1.1 GLOBAL CONTEXT

Global economic activity within the last six years has largely been shaped by several developments. Between 2010 and 2015, global GDP growth slumped from 5.43% in 2010 to reach 3.09% by 2015, averaging 3.81% over the period. The residual impacts following the 2008-09 financial crises and 2011-12 Euro Area crises are still tangible in many countries while several others are experiencing gradual recoveries. Globally, the recovery continues, but at an increasingly fragile pace. For 2016, the IMF[1] estimates global growth at a modest 3.16%.

There are still signs of weakness in the manufacturing sector for example. Global trade remains sluggish partly due to reduced investments in extractive industries, and demand for raw materials that has adversely affected export- dependent developing economies. On the other hand, the services sector, which is by far the largest part of developed economies, is pretty robust.

Financial conditions in the US, Europe and Japan have been on a tightening trend since mid-2014. The prospect of further rises in the US Fed rate coupled with a strengthening US dollar pose a dual threat to emerging market economies. The prevailing low rate environment in the US before the surprise interest rise in December 2015, the first rise in a decade, caused capital outflow towards frontier markets in search of higher yields.

Many of these emerging markets consequently indebted themselves in US dollar-denominated debt taking advantage of the low interest rates. Now, with the changing interest environment in the US and with capital leaving emerging markets back towards mature markets, the weaknesses and the over-dependence of emerging markets on the fortunes of commodities and extractive industries, largely masked thanks to the steady inflow of foreign capital, have now been exposed dampening the prevailing narrative of an emerging Africa. Many emerging market economies are now finding themselves straddled debts which have appreciated due to a strengthening US dollar.

The inability of many countries to harness the favourable lending environment and the flush of cash to invest in high growth sectors rather than balance their budgets will be rued particularly in an increasingly difficult international lending landscape characterised by a lack of appetite for the risks associated with emerging markets.

1.2 ECOWAS Context

The major shocks affecting GDP growth in the sub-region in recent years were the outbreak of the Ebola Virus Disease (EVD) which claimed thousands of lives; the decline in international commodity prices, particularly crude oil; socio-political unrest and the rising levels of terrorist insurgencies and insecurity in some countries in the sub-region.

The socio-economic impact of the Ebola epidemic was significant particularly in the three most

[1] IMF World Economic Outlook, April 2016

affected countries: Guinea, Liberia and Sierra Leone. The total fiscal shortfall in the three countries due to the epidemic was more than USD 500 million, nearly 5% of their combined GDP[2]. Enormous pressure was exerted on the resources in these countries as efforts to contain the epidemic overstretched government budgets while reduced economic activity depleted government revenues. The second round effects affected revenues and foreign exchange earnings of countries that depended on tourism as tourist travels declined dramatically across West Africa.

The fall in commodity prices due to well-supplied commodity markets and weak demand has been a challenge for ECOWAS countries. The decreasing price of oil and the prospect of lower oil prices in commodity markets in the short and medium term have presented a particular challenge for ECOWAS economies which have been affected by the drop in price in varied ways. The net impact of the sharp decline in oil prices on Member States was to a large extent dependent on the share of oil in their exports or imports among other factors. Therefore, the impact in the region was mixed.

For net oil importing countries, the fall in prices eased inflationary pressures in their economies, but, crucially, provided a rare opportunity for governments to wind down their fuel subsidy programmes. Fuel subsidies form significant parts of the budgets of West African countries representing up to 30% of government budgets and are responsible for crowding out investment in important sectors of the economy diverting money away from key development sectors, and distorting local markets. It behoves on politically courageous governments therefore to cut down unsustainable fuel subsidies, using the money freed up to invest in more profitable investments.

Oil exporting nations such as Côte d'Ivoire, Ghana and Nigeria suffered from depressed revenues, increasing budget deficits, deteriorated trade balances and worsening current account deficits. And with oil prices looking to remain low, they will be hard-pressed to diversify their economies and put in place fiscal mechanisms to blunt the impact of future oil price fluctuations, and commodity price volatility by extension.

Notwithstanding these developments, the sub-region showed resilience and recorded a 6% growth in GDP for 2014, approximately the same as the average recorded between 2010 and 2014; but also the highest since 2010 when it recorded 8.8% growth. For 2015, growth in the sub-region declined marginally to 4.6% but is projected to reach 5.3% in 2016. Although growth varied considerably across Member States in the sub-region, it was generally boosted by domestic demand: public infrastructure investment and private spending or consumption. Agriculture, extractive industries, construction and services constituted supply side growth drivers.

With respect to human development, the gains made were uneven between countries in the sub-region during the period under review. Of the fifteen Member States in the sub-region, only two (Cabo Verde and Ghana) achieved medium levels of human development while the rest remain in the low category. Nevertheless, Member States have experienced faster rates of improvement in human development indicators related to education, health and income. The sub-region maintained a consistently high rate of progress with improvements highest in Benin, Liberia, Mali, Niger and

[2] African Development Bank, 2014 Annual Report

Sierra Leone[3].

In terms of the outlook, growth projections in Sub-Saharan Africa (SSA) still remain higher than in many other emerging and developing regions of the world. From 3.36% in 2015, it is projected to decline to 3% in 2016 before increasing marginally to 3.99% in 2017 and 4.54% by 2020 on the back of the gradual pick up in global activity, while the ECOWAS region is forecasted to grow by 4.7% in 2016, up from 4% recorded in 2015. Thus, the medium-term outlook remains positive.

Continuing investment in infrastructure, natural resources and agricultural sector expansion; private consumption, fuelled by lower oil prices, continued price stability and improving real per capita incomes, are expected to support domestic demand and remain the key drivers of GDP growth across all five sub-regions and all economic groupings in Africa. In addition, external demand is also forecasted to support growth, because of stronger prospects in high income countries.

On the supply side, a number of West African countries have improved their investment climate and conditions for doing business, which presents favourable prospects for long-term growth. Between June 2013 and June 2014, four ECOWAS countries (Benin, Côte d'Ivoire, Senegal and Togo) were among the top ten countries worldwide, with the most regulatory reforms making it easier to do business.

Risks to the outlook for West Africa are no different from those associated with the African continent in general. These risks remain tilted to the downside. On the external front, lower growth in emerging markets and developing economies particularly China (Africa's biggest single trading partner), could present spillovers to the continent through trade channels and weaker commodity prices.

China's slowdown remains a potential danger. As it transitions from a state-led investment-driven growth model to a consumption and services-driven model, slowdowns in the Chinese economy would further weaken demand for the continent's commodities (oil, metals and minerals) and drive 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, and partly account for the falling value of many African currencies.

Additionally, the increasing recurrence of meteorological phenomena such as El Niño could potentially cause droughts, low rainfall and harsh meteorological conditions which could affect food supply and production of top traded commodities. This raises concern regarding food security in the region as well as commodity price fluctuations.

The continued recovery in developed countries is also expected to boost Africa's foreign direct investment inflows and exports, therefore supporting growth on the continent. A stalling in the recovery due to the tightening of global financial/liquidity conditions pose significant risks to resource mobilisation and investment in the region

On the domestic front, political uncertainty ahead of presidential elections in Ghana, Niger, and

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[3] African Economic Outlook, 2015 Edition

Sierra Leone, mounting security/terrorist threats in the sub-region, 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.[4]

The lingering effects of the EVD remains a concern as the economic consequences continue to undermine confidence, investment and travel in the three most affected countries as well as neighbouring West African countries.

1.3 DEVELOPMENT CHALLENGES WITHIN THE WEST AFRICAN SUB-REGION

In spite of the impressive growth rates in recent years, a bulk of the population in the ECOWAS sub-region lives below the poverty line indicating that poverty is widespread and constitutes a major challenge for the region. The incidence of poverty in the ECOWAS sub-region stands at a rate of nearly 60% against 46% for SSA and an average income per capita of USD 867 in 2009.[5]

Poverty is basically a rural phenomenon in the region, with nearly three-fourths of poor people concentrated in the countryside. It mainly affects women and children. However, its social and geographical distribution has gradually taken another dimension over the last few years, particularly with the appearance of urban poverty whose growth is keeping pace with the trend of the movement of the people from the villages to the cities. Estimates project the predominance of urban poverty over rural poverty by 2020.

The ECOWAS sub-region continues to perform poorly on the HDI of the UNDP as a result of widespread poverty, which has also led to low life expectancy, poor access to health and educational facilities, among others.

Other key development issues still faced by Member States include the chronic infrastructure deficit; (transport, energy, communication); low agricultural productivity and its attendant food insecurity; weak private sector; high youth unemployment; non-inclusive economic growth; environmental degradation; the effects of prolonged civil conflicts and the long- term development challenges of the Sahelo-Saharan Region.

[4] IMF Regional Economic Outlook, October 2015
[5] African Development Bank: “Strategy Paper for regional Integration in West Africa”, 2011

1.3.1 Infrastructure Deficit

1.3.1.1 Transport Infrastructure

The West African sub-region faces enormous challenges in the area of transport infrastructure, including road, rail, sea and river transport. Estimates have it that more than 90% of the movement of freight and passengers still takes place by road. In spite of the preponderance of this mode of transport, ECOWAS Member States lack the appropriate infrastructure.

The region has about 4.7 km of road per 100 km^2 against 6.8km^2 for the entire continent. The total length of West Africa's rail network is 10,188km, comprising 12 national networks, 6 of which are for sub-regional use.[6]

The railway systems in the sub-region operate at various levels of capacity and efficiency. With a few exceptions, they are not interconnected. Regarding air transport, there is a lack of capacity to meet the ever-growing domestic demand. With regard to marine and river transport, the sub-region has about 20 seaports and a river network made of up 3 main rivers: Gambia, Niger and Senegal. In spite of recent advances made to improve port infrastructure in the sub-region, challenges remain. Most of the ports in the sub-region do not have the berth depth to handle large container ships. The sub-region accounts for about 1% of the world's container traffic.

1.3.1.2 Energy

The ECOWAS region has a huge energy generation potential with presence of significant deposits of oil and gas, hydro, uranium and shared water basins. The sub-region also has huge solar and wind energy potential.

Notwithstanding these potentials, the energy sector in the sub-region is bedeviled by serious impediments on account of weaknesses in production and distribution, and weak enabling energy infrastructure. Electricity consumption in the region is the lowest in the world, standing at less than 150 kWh per capita against the SSA average of 500 kWh and South Asia's average of 650 kWh.

1.3.1.3 Information Comunication Technology Infrastructure

The ICT sector has witnessed considerable transformation and development within ECOWAS over the last few years. The development of telecommunications infrastructure in the ECOWAS region finds expression in the introduction of new technologies and new services, particularly fibre optics as a transmission medium in the networks, the SDH (Synchronous Digital Hierarchy) technology which is more flexible than the PDH (Plesiochronous Digital Hierarchy) the GSM services, the RNIS, Wi-Fi and ADSL broadband services in certain countries, etc.

In spite of this impressive transformation, challenges remain. Internet penetration in the sub-region remains very low at around approximately 3%. Also, ageing and deteriorating equipment characterize fixed line networks. In the sub-region, all the countries have their respective ICT systems, but little has been done at the regional level to have a common ICT platform.

[6] ECOWAS CDP Report

1.3.2 Low Agricultural Productivity

Agriculture employs more than 60% of the active population of the region, even though wages and salaries are low, in comparison with the other sectors in the region. About 80% of the food needs of the sub-region are met by production at the regional level. Agriculture in West Africa is however characterized by extreme heterogeneity.

Despite the importance of agriculture in the West African economy, the sector is characterized by low productivity and is plagued by major environmental constraints. A 25% decline in rainfall over the last 50 years has had serious consequences for dry land areas. Per-hectare yields for most crops are among the lowest in the world, only increasing by an average of 42% between 1980 and 2005.[7]

1.3.3 Weak Private Sector

While a number of regional bodies including the Bank have undertaken a couple of initiatives in the past to strengthen the private sector, the level of intervention and the degree of impact have not been significant as envisaged.

The private sector in West Africa faces a number challenges, including poor infrastructure, especially with regard to power and transport infrastructure, severe skills shortages and the mismatches between the needs of firms and the available workers; trade restrictions; tariffs and non-tariff barriers, and difficulties in accessing medium to long term financing.

1.3.4 Youth Unemployment

Youth unemployment and underemployment are among the main barriers to development in West Africa. Not only does the exclusion of young people from the labour force perpetuate generational cycles of poverty, it also breaks down social cohesion and can be associated with higher levels of crime and violence among idle youth.

In sub-Saharan Africa, the youth unemployment rate hovers around 12%. While this is slightly lower than the global youth unemployment rate of 12.4%, the African continent has the world's highest rate of working poverty. That is, people who are employed but earning less than USD 2 a day.

One of the reasons young people are having trouble finding employment is a limited number of jobs. Between 2000 and 2008, only about a third of the 74 million jobs created in Africa were for people ages 15 to 24.[8] This challenge causes young people to settle for less-than-ideal employment, such as jobs that are low-paying, temporary, or unsafe, or ones for which they are overqualified. Some enter the informal economy to make ends meet. Others stop looking for jobs altogether. These groups are difficult to measure and are not included in typical unemployment figures.

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[7] C. Ojukwu "Realising West Africa's True Agricultural Potential", 2014

[8] African Economic Outlook, "Promoting Youth Employment in Africa."

1.3.5 Low Level of Industrialisation

The sub-region's secondary sector (manufacturing industry, mines, energy and the construction industry) employs between 2% and 10% of the working population depending on the countries. However, the share of manufacturing industry in the creation of value added of this secondary sector is low. This poor contribution of the manufacturing industry is an indication of the low value addition to the natural resources of the region, in particular to agricultural products.

The overall situation in the ECOWAS countries shows that many aspects of manufacturing activities face serious competition from imports. In many countries, poor infrastructure, notably in the area of electricity supply, high interest rates, and to some extent, worsening business climate, have combined to hinder the performance of the industrial sector.

1.3.6 Low Intra-regional Trade

Notwithstanding aspirations to achieve a common ECOWAS market, the intensity of intra-regional trade among ECOWAS Member States remains very low at 14% of regional GDP. Progress made to date in the development of intra-regional trade and integration of the region in world trade, does not reflect the extent of the objectives set at the outset by the leaders. Indeed, the economies of the region have not experienced the expected development and trade between ECOWAS Member States and have evolved very marginally due to many economic, institutional, administrative and political obstacles, and weak regional productive capacity.

1.3.7 Effects of Prolonged Civil Conflicts and the Long Term Development challenges of the Sahelo- Saharan Region

Other key challenges facing the sub region are the p lingering effects of prolonged civil conflicts in some Member States (i.e Guinea Bissau, Liberia, and Sierra Leone) and the long-term development challenges of the Sahelo-Saharan Region, which have led to conflicts associated with grazing rights, access to water and other resources.

1.3.8 Environmental Degradation

The strong economic growth that the ECOWAS sub-region has experienced in recent years, spurred primarily by the extractive industries, has invariably meant the depletion of the region's natural resources, accelerating environmental degradation, both in urban and rural areas, and impacting climate change.

On account of the dense population along the coast and intense exploitation of resources, the eco-system in the sub-region is under pressure from soil depletion and deforestation. The sub-region also faces environmental pollution and degradation from oil drilling, flaring of natural gas, and extraction of minerals.

Other challenges include, coastal erosion, increased frequency of droughts and floods, encroachment of the Sahara desert, and increasing urbanisation with limited urban services, particularly along the coast.

PART II: REVIEW OF THE 2010-2014 STRATEGIC PLAN & STRATEGIC DIAGNOSIS

2.1 REVIEW OF THE 2010 - 2014 STRATEGIC PLAN AND LESSONS LEARNT

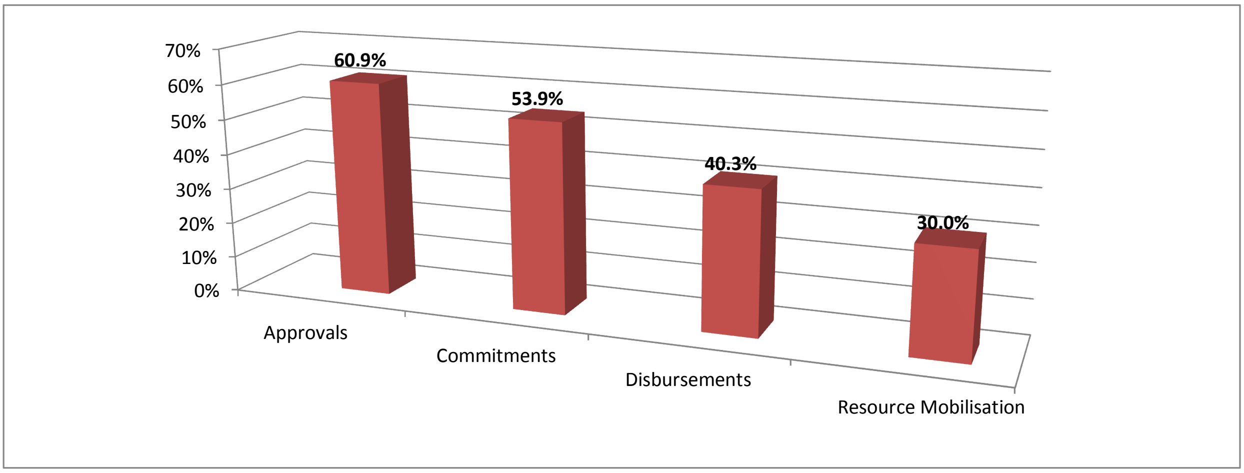
The 2010-2014 Strategic Plan was drawn within the context of global economic downturn, mainly induced by the sub-prime financial crisis and subsequent crises. It was adopted by the Board of Governors at its session held on June 7, 2010 in Banjul, The Gambia, and had three strategic priorities namely: improving infrastructure, rural development and promotion of the private sector.

Although the 2010-2014 SP aided in consolidating the Bank's activities with UA 530.6 million in new commitments and the disbursement of UA 397.4 million, its implementation suffered from numerous setbacks due to the scarcity of concessional resources and the difficulty in accessing the Community resources.

2.1.1 Assessment of Attainment of Quantitative Objectives

An analysis of the monitoring and evaluation indicators of the 2010-2014 SP revealed an uneven performance, although generally below forecasts. As shown in Figure 1, more than half of the objectives were achieved in terms of approvals (60.9%) and new financial commitments (53.9%). However, the rate of disbursements on new projects was far lower as this stood at (40.3%) while the mobilisation of resources required for execution of the Plan stood at 30%.

Figure 1: Summarised Status of Monitoring and Evaluation Indicators as at 31st December, 2014



Source: DRSP

2.1.1.1 Approval of Projects

For the five years of implementation, the Strategic Plan made provision for the approval of UA 1.003 million on direct loans, equity investments and guarantees. As at the end of December 2014, UA 611.0 million had been approved, representing a cumulative execution rate of 60.9% as shown in Figure 2. This corresponds to an annual average of about UA 122.2 million.

During the period, 90 projects were approved: 29 public sector projects and 61 private sector projects. In terms of sectoral distribution of new project approvals, infrastructure remained the largest sector with 51% of financial commitments in the last five years. It was followed by industry with 23% and services accounting for 21%. The Bank's intervention in the agriculture and social sectors were recorded at 3% and 4% respectively, despite their strategic importance for the Institution.

2.1.1.2 New Commitments

The targets for new commitments for the five years of the Strategic Plan implementation were fixed at UA 984.8 million; allocated in the proportion of 60% to 40% respectively for the public and private sectors in respect of direct loans, equity participation and guarantees. As at 31 December, 2014, new commitments signed between 2010 and 2014 amounted to UA 530.6 million representing 53.9% of the estimates, as presented in figure 2, indicating an annual average commitment level of UA 106.1 million.

The sectoral breakdown of commitments indicated that 56% were in the infrastructure sector, while the remaining sectors (industry, services, and agriculture) represented 20.9%, 17.7% and 3% respectively.

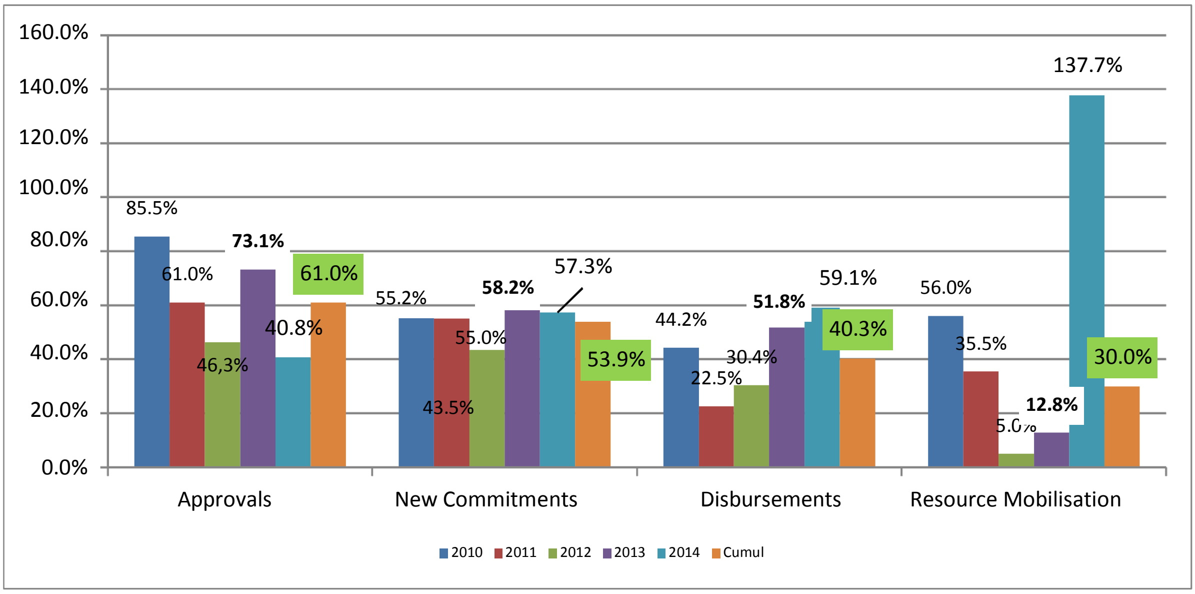
2.1.1.3 Disbursements

Total disbursements from 2010 to 2014 amounted to UA 397.4 million (USD 602.1 million), representing an execution rate of 40.3% as indicated in Figure 2. These brought the overall disbursement rate of net cumulative commitments of the Bank to 60.1%. On average, each year, the Bank disbursed UA 79.5 million for projects. During the period, the highest performance was in 2014 (59.1%).

2.1.1.4 Resource Mobilisation

Between 2010 and 2014, resources mobilised by the Bank amounted to UA 355.7 million, corresponding to 30.0% of the Plan's estimates of UA 1.2 billion as shown in Figure 2. The main resources mobilised by the Bank during the period under review included the Indian lines of credit (USD 250 million) and debenture loans raised in 2010 (CFA F 42 billion) and 2014 (CFA F 40 billion) respectively on the West African Economic and Monetary Union (WAEMU) financial market.

Figure 2: Monitoring and Evaluation Indicators from 2010 to 2014



Source: DRSP

2.1.1.5 *Analysis of Financial Indicators*

During the period, the Bank increased its total assets by 2.4 times, from UA 206.7 million in December 2009 (reference year of the Plan) to UA 503.3 million as at 31st December 2014. Although this level remained accounted for only 53.2 % of the projections for the period, it showed the dynamism in the operational activities of the Bank. The scarcity of concessional resources needed for funding public sector projects was the main cause of this under-performance compared with the targets.

Between 2010 and 2014, the Bank's performance as seen in its income statement was uneven despite the consolidation of operational activities.

2.1.2 Assessment of Achievement of Objectives by Strategic Priority Areas

2.1.2.1 Priority area 1: Regional infrastructure development

With an execution rate of 56% of initial estimates of the 2010-2014 Strategic Plan, it is clear that the Bank's objectives were partially met in relation to infrastructural development. This low rate of achievement was due to the scarcity of concessional resources.

2.1.2.2 Priority area 2: Promotion of rural development

Over the period, only UA 15.3 million, or 3% of new financing granted by the Bank were allocated to rural development whereas according to the initial estimates, this priority area ought to have absorbed 18% of new commitments.

2.1.2.3 Priority area 3: Strengthening the regional private sector

With overall achievements exceeding the projections (114.6%), priority area 3 registered the best performance in absolute terms.

2.1.3 Lessons Learnt from the Implementation of the 2010-2014 SP

The main difficulties associated with the implementation of the 2010-2014 SP was the lack of adequate human and concessional financial resources available to the Bank as well as the absence of ownership of the Plan by staff non-appropriation of the Plan by staff.

The lessons learnt from the implementation of the previous Plan are that in order to have the current Plan successfully implemented, the Bank will have to consider a number measures, including:

a) put in place an ad hoc Strategic Planning Committee to drive the implementation process of the 2016-2020 SP including ensuring adherence to the tenets of the SP, periodic review of achievements against projections and make recommendations where necessary;
b) ensure that there is a link between the Strategic Plan; annual budgets and the annual action plans of various departments and units within the Bank; and
c) put in place an efficient monitoring and evaluation implementation mechanism of the Plan; and ensure that all staff own the Plan; and
d) exert all efforts to mobilise adequate commercial and concessional resources to finance the implementation of the 2016-2020 Plan

2.2 SWOT ANALYSIS OF EBID

The SWOT analysis of the Bank is as follows:

Strengths

- EBID has the support of the fifteen Member States of ECOWAS;
- The geographical coverage of its operations extends to fifteen Community member countries, including the countries with the highest growth potential in West Africa ;
- High population of the ECOWAS Zone (over 330 million) is a major asset in terms of market size;
- The Bank has to its credit more than thirty years of experience in financing of both regional and national projects;

- The Bank also has a diverse and capable personnel from the fifteen Member States of the Community. In addition, it has the ability to attract the best skills in the sub- region;
- Its activities also benefit from a tax exemption.

Weaknesses

- Lack of defined country specific strategies that would permit the Bank to intervene efficiently in the countries on a pluri-annual basis;
- The Bank is not adequately resourced both in terms of human and financial resources to achieve its objectives;
- Non-existence of representative offices in the various Member States;
- Low visibility regionally as well as internationally.

Opportunities for the Bank

- Nigeria, the largest economy in Africa, is one of the Bank's key shareholders. Its huge market presents an opportunity for the Bank to expand its operations, leveraging its expertise and resources to service the growing Nigerian economy;
- The Bank has been assigned the key role of leading the resource mobilisation efforts of the Community to finance the CDP and the Sahel Strategy; this role provides a unique opportunity for the Bank to position itself as the main sub-regional development bank;
- The presence of huge funding needs in the public and private sector presents an opportunity for the Bank to fill the infrastructure deficit in the sub-region;
- Membership of a regional integration structure;
- The emergence of Public Private Partnerships (PPPs) as a means of financing large infrastructure projects;
- A larger sphere of action, superior local knowledge and greater proximity with the markets it serves gives the Bank an advantage over other Development Finance Institutions (DFI's) working in the region;

Threats

- Increasing competition from other DFIs and commercial banks that possess more adequate financial resources;
- Rising insurgencies in the sub-region that could potentially increase risk premiums and default risks;
- The scarcity of concessional resources in financing projects and programme

PART III: THE STRATEGIC FRAMEWORK

3.1 THE STRATEGIC ORIENTATIONS OF THE COMMUNITY

The Conference of Heads of State and Government in 2006, undertook major institutional reforms, including transforming the Executive Secretariat of ECOWAS into a Commission. It continued this process of deepening integration by adopting in June 2007 in Abuja (Nigeria) Vision 2020, which aims to transform ECOWAS from an "ECOWAS of States" to an "ECOWAS of People" by 2020, in which its people, the ultimate beneficiaries, are at the centre of regional policies, and are involved in all stages of the regional integration process.

In 2011, the Conference of Heads of State and Government approved a Regional Strategic Plan (RSP) for the 2011-2015 period, which primarily defined the strategies for achieving the tenets of Vision 2020, and was built on strategic pillars consistent with the fundamental principles of ECOWAS. The six strategic pillars of the RSP were peace, security and good governance, cooperation and development, competition and equity, economic and monetary integration, institutional capacity, and, global relevance.

A review of the RSP showed that although the implementation of the RSP was to some extent successful, certain challenges continue to confront the region, which hamper the realisation of Vision 2020. These include, among others:

- Low intra-regional trade, which currently represents less than 14% of regional GDP;
- Regional GDP growth, though improved, has not translated into sufficient job creation to match the rate of people entering the job market, especially the youth.
- The slow process of industrialisation, and corresponding low levels of value addition, which necessarily mean that the region’s exports are largely exported in their primary forms
- The non-domestication of the ECOWAS Trade Liberalisation Scheme (ETLS) by some Member States;
- Growing insurgencies within the sub-region and the increased flow of illegal small arms to the region;
- Slow progress towards the adoption of a single currency in the Zone; and
- Limited institutional and financial management capabilities.

Given the limited success of the RSP, and in addition to the changing internal and external environment of the ECOWAS region, a region-wide approach to planning and programming was signalled. Thus, the 2016-2020 CSF was developed as a successor document to the RSP. The CSF constitutes the general framework for advancing regional cooperation and integration and ensures cohesion, coherence, consistency and overall congruence of purpose in the ECOWAS System.

The overarching goal of the CSF is “to consolidate the foundation for the creation of a peaceful, integrated, borderless and prosperous region anchored on cooperation, good governance, competitiveness, capable institutions and sustainable development by 2020.”

The strategic choices of the CSF were developed from a critical and comprehensive analysis of the challenges and changes associated with regional cooperation and global integration. They respond to the political, social, economic and societal challenges and chart a path for the Community's Institutions and Agencies.

To meet the overarching goal, the CSF has outlined five (5) strategic goals to be pursued during the implementation period.

Goal 1: Deepening Socio-Economic Development in Member States

This goal resonates with the first Sustainable Development Goal (SDG). The eradication of all forms of poverty across the region is a shared desire of the members of the Community and there are favourable prospects for its achievement. In this light, the strategic objective is to strengthen the existing socio-economic development institutions, frameworks and policies in the view of ensuring inclusive growth and sustainable development. The expected outcome therefore is a reduction in the poverty index and improved social welfare.

Goal 2: Forging and Consolidating Regional Economic and Monetary Integration

The successful introduction of a single currency in the zone will depend on the achievement of this goal. The strategic objective therefore is to achieve economic and monetary integration in all forms: production and trade, monetary, financial and labour market integration this will largely depend on the consolidation of macroeconomic convergence in the region.

Goal 3: Deepening Political Cohesion and Participation within the Region

Political stability, security, peace, good governance and democracy within the ECOWAS Community are necessary in achieving the region's sustainable development agenda. The existing peace and security frameworks and mechanisms need to be strengthened to adapt to the growing presence of terrorist groups and insurgencies in the region. The foundations laid regarding conflict prevention, management and resolution, democracy and good governance also need to be consolidated. It is expected that a harmonious, well-secured and peaceful West Africa with deepened democracy and better governance practices will be realised with the achievement of this goal.

Goal 4: Mobilising and Sustaining Societal and Institutional Support

Strong institutions and a diversified human capital are necessary conditions for the achievement of the first three goals already outlined. In this light, the strategic objective of Goal 4 is to enhance societal and institutional capacities to effectively build a people-oriented Community such as envisioned in the Vision and that is sustainable and committed to the development process of the ECOWAS region. It is expected that there would be an increase in the involvement of ECOWAS Citizens committed to participating in the development agenda at national and regional levels.

Goal 5: Expanding and Improving Infrastructural Facilities within the Region

This goal seeks to develop the region's infrastructure base, particularly in transport, energy and ICT, in order to positively impact on the existing business climate and improve the competitiveness of both public and private sector actors. An increase in trade competitiveness in the ECOWAS region and successful connection to the global supply chain is expected with the attainment of this goal.

The implementation of the CSF is expected to accelerate the economic development agenda of the region. ECOWAS Institutions and Agencies are urged to not only own the CSF and derive implementable programmatic areas from it, but also imbibe the principles of engaging with Community entities as articulated in the Framework to achieve Vision 2020.

In this regard, Community Institutions and Agencies have been urged to:

- Draw up their Strategic Plan for the next five years from the 2016-2020 CSF; and
- Draw up Action Plans based on the strategic objectives of the CSF

3.2 THE STRATEGIC ORIENTATIONS OF EBID

Given EBID's vision, institutional framework, resources available, and domains of intervention, it has built its strategic objectives around three out of the five fundamental goals enumerated in the CSF, namely:

Goal 1: Deepen the socio-economic development process within Member States

Goal 2: Initiate and consolidate regional economic and monetary integration

Goal 5: Expand and improve regional infrastructure

This strategy will enable the Bank to concentrate on the activities which are aligned with its areas of expertise, enabling it to reinforce its effectiveness and significantly impact the attainment of the regional objectives set by the CSF.

In view of the foregoing, and in line with the Bank's mandate and in the spirit of the CSF, EBID's 2016-2020 SP will be built around five distinct but complementary objectives and six priority intervention areas:

Strategic Objectives

- Deepening the Process of Resource Mobilizing and Partnership and Enhancing the Visibility of the Bank;
- Promoting Broad-based Economic Growth and Inclusive Social Development;
- Deepening Regional Integration and Cooperation;
- Environmental Sustainability; and
- Enhancing Organizational Efficiency and Effectiveness

Priority Intervention Areas

- Infrastructure development
- Agriculture and Rural Development and Food Security
- Private sector development
- Enhancing intra-regional trade
- Industrialisation
- Social Protection

Core Values

Professionalism – We approach our duty with the highest degree of professional ethics to deliver quality services to our clients

Excellence – We strive for excellence in the performance of their duty

Integrity – We endeavour to be sincere, honest and fair in our dealings

Transparency – We are guided by objectivity in designing, interpreting and applying Bank policies and procedures

3.2.1 DEEPENING THE PROCESS OF RESOURCE MOBILISATION AND ENHANCING THE VISIBILITY OF THE BANK

One of the key challenges facing the Bank is the difficulty in mobilising adequate resources, especially concessional ones, to finance development projects and programmes within the sub-region. Additionally, the Bank's lack of visibility within the Community and to development partners, has also militated against its efforts at resource mobilisation.

This strategic objective aims at mobilizing and allocating resources for sustainable development in Member States as well as working towards partnerships that enhance its visibility, with a view to positioning the Bank as a key regional development actor.

To this end, EBID intends to pursue the following objectives during the period:

- Explore new and innovative resource mobilisation avenues within the changing development capital flow landscape;
- Develop and strengthen partnerships with bilateral, multilateral and other partners, with a view to maximising the Bank's interventions in Member States;
- Strengthen its cooperation with the ECOWAS Commission and other Community Institutions;
- Work towards rating of the Bank by an international ratings agency; and
- Escalate the Bank's presence in the regional and international capital markets

Therefore, the Bank requires a robust communication policy and strategy to deliver on the above-mentioned objectives within the Community, Africa and other regions of the world it has identified as zones of strategic interest.

3.2.1.1 Explore new and innovative resource mobilisation avenues within the changing development capital flow landscape

The thrust of EBID's innovative resource mobilisation strategy will revolve around the following:

- Mobilising local currencies in the Community to finance infrastructure projects;
- Issuing diaspora bonds;
- Tapping into excess reserves in surplus countries;
- Borrowing for concessional on lending, including introducing concessional partner loans, setting up trust funds to manage such loans, entering into direct loan agreements with financial institutions and establishing a Sovereign Borrowing Framework; and
- Issuing Infrastructure bonds (projects bonds)

3.2.1.2 Strengthen partnerships with bilateral, multilateral and other partners, with a view to maximizing the Bank's interventions in Member States

EBID will establish and strengthen existing strategic partnerships with bilateral, multilateral development institutions, including international financial institutions, as well as with the private sector and civil society, to enhance its capacity to address development challenges in Member States as well as to implement this Plan.

The Bank will relentlessly strive to encourage bilateral as well as multilateral development partners to participate in its equity. More importantly, it will endeavour to build new alliances with emerging partners with a view to mobilising resources, establishing trust funds, co-financing, technical cooperation and strategic partnerships arrangements that would ultimately enhance the operations of the Bank in Member States.

To this end, the Bank will seek, and in some cases strengthen bilateral cooperation with emerging economies such as:

- China
- India
- Brazil
- Republic of Korea
- Turkey

3.2.1.3 Strengthen cooperation with the ECOWAS Commission and other Community Institutions

In this regard, the Bank envisages to:

- Work towards redynamising the Joint Permanent Committee on Studies and Research between EBID and the Commission;
- Monitor and ensure the implementation of on-going agreements between the Commission and EBID (i.e. FODETE, PPDU and the Interest Rate Subsidy Fund);
- Identify projects from the Commission's projects and programmes portfolio; and
- Collaborate with the ECOWAS Commission in organising a high-level conference for the mobilisation of resources for the financing of the Community Development Programmes (CDP) of the ECOWAS Commission.

3.2.1.4 Work towards rating of the Bank by an international ratings agency

In this regard, the Bank will undertake the following during the period:

- Migrate to International Financial Reporting Standards (IFRS);
- Impress upon Member States to clear up their remaining arrears on the called-up capital;
- Continue with the self-evaluation under the peer review mechanism of the Association of African Development Finance Institutions (AADFI);
- Escalate loan repayment recovery initiatives; and
- Work towards posting positive financial results during the planning period

3.2.2 PROMOTING BROAD-BASED ECONOMIC GROWTH AND INCLUSIVE SOCIAL DEVELOPMENT

While economic growth is a powerful vehicle for reducing poverty, it needs to be broad-based and inclusive to ensure that poor and vulnerable sections of society are not left behind. The sub-region must promote greater access to opportunities by expanding human capacities, through investments in education, health, and basic social protection. Social safety nets must be strengthened to prevent extreme poverty and deprivation.

EBID's support for achieving inclusive growth in Member States will include financing projects and programmes that support infrastructure development, agriculture and rural development, private sector development, water, health and sanitation. The Bank will also work other with development partners to finance projects and programmes in social protection as well as expand access to finance by the unbanked population.

3.2.3 FOSTERING REGIONAL COOPERATION AND INTEGRATION

Regional integration is important for the building of markets, the creation of robust and diverse economies as well as increasing opportunities for growth and attracting investment finance.

During the planning period, the Bank will work with Member States in supporting regional efforts that promote the strengthening of trade integration. Efforts will also be made to finance projects and programmes aimed at enhancing industrialisation as most of the sub-region's exports are still being exported in their primary forms.

To this end, the Bank will:

- Continue to finance projects that support regional integration;
- Finance projects and programmes aimed at strengthening the region's industrial base; and
- Support projects and programmes that promote trade facilitation

3.2.4 ENHANCING ORGANISATIONAL EFFICIENCY AND EFFECTIVENESS

For the next five years, the strengthening of the Bank's organisational effectiveness and efficiency will be at the core of its specific strategies aimed at:

- Improving governance and institutional oversight;
- Improving risk management;
- Strengthening the legal certainty of the Bank's operations;
- Optimizing project financing;
- Strengthening the visibility and positioning of the Bank;
- Improving human resources management;
- Improving knowledge management;
- Modernising Information Communication Technology; and
- Proceeding with the institutional reorganisation of the Bank

3.2.4.1 Improving Governance and Institutional Oversight

Good governance is a fundamental strategic tool that promotes the overall performance of the Bank. It leads to significantly improved operational results and translates into higher levels of productivity and increased profitability. It also contributes to strengthening the confidence of its stakeholders, including its technical and financial partners, in view of the successful completion of its internal and external resource mobilization operations for the intensification of its interventions in favor of the ECOWAS Member States.

As such, significant reforms have been conducted by the Bank in recent years, including the establishment and operationalisation of three standing committees of the Board, namely the Risk and Credit, the Audit and the Human Resources Committees, as well as the periodical self-assessment, the international rating and the deployment of risk management and control tools of all operational and financial activities of the Bank.

EBID has also undertaken a number of initiatives to improve corporate governance and other internal processes with a view to enhancing its efficiency and effectiveness. Despite these strides, challenges remain, including a slow-decision making process, long delays in project cycles (particularly from identification to approval by the Board of Directors) and poor functioning of some internal committees.

To overcome these shortcomings, the Bank will focus its efforts on the strengthening of corporate governance during the period through a number of remedial measures which include:

- Seeking the approval of the Board of Directors to empower the Credit and Risk Committee to convene, as and when necessary, to take decisions with regard to project approvals and other issues concerning issues that impact the Bank's sustainability. These approvals will be based on the recommendations of a strong and dynamic internal Technical Committee on Studies and Research (TCSR);
- Strengthening the TCSR to serve as a clearing house and discussion forum for key technical decisions to be taken by the Bank; and
- Delegating authority to the Risk and Credit Committee to raise the limits on transactions without reverting to Board approval.

3.2.4.2 Strengthening Risk Management

The risk management function is a vital management toolkit in helping to mitigate the risks associated with the Bank's operations and financial management. Besides measures already taken to strengthen risk management (i.e. hiring an ALM Officer, setting up of the relevant committees, self-evaluation, peer review, etc), the Bank will endeavour to make risk management an integral part of its activity during the period.

During the next five years, risk management will be enhanced to become one of the central management tools of the Bank, enabling it to sustain its operations and improve profitability. The components of this strategic objective are structured as follows:

- The promotion of a "strong risk culture" within the Bank through training and sensitization of managers and professionals in the different departments with regard to the new risk matrix as shown in figure 3;

Figure 3: Enterprise Risk Management Framework

- The significant reduction of non-performing loans to 3% or less of its loan portfolio within the next 5 years through the implementation and operationalization of the new procedures for rating projects and counterparties;
- The implementation of effective tools of control through the determination and calculation of the new global indicators and the regular production of the profitability/risk dashboard appertaining thereto, addressed initially to the senior management of the Bank;
- The contribution to the Bank's efforts to comply with international standards through the process of being rated by an international ratings agency and the subsequent publication of the Bank's rating at the appropriate time. To this end, the Bank will proceed to define the monitoring indicators of the main factors likely to impact the Bank's rating and will set up a database to monitor the operational risks;
- Put in place the appropriate mechanisms to achieve the strategic objectives stated above

3.2.4.3 Strengthening the Legal Security of the Bank's Operations

In view of strengthening the Bank's operational and financial performance over the next five years, the outstanding debt ratio will be improved through better management of risks concurrent to project finance transactions. This comprehensive approach necessarily entails a strengthening of the Bank's legal function.

As a reminder, the legal function of the Bank ensures the legal certainty of its operations and actions in order to guard against the risks inherent in these activities. Actions to be taken in this regard are:

- The development and implementation of constitutional procedures and control of guarantees which takes into account both OHADA law and the common law;
- The strengthening of debt collection measures;

- The development of the mapping of legal risks that will be an effective tool for monitoring these risks;
- Definition of performance indicators that will ensure an effective management of the activities of the legal function and the regular production of a scoreboard on the basis of these indicators;
- The establishment of cooperation with regional supervisory institutions such as WAMI and the WAEMU Banking Commission in addition to the eight central banks of ECOWAS to exchange information that could mitigate legal risks involved in the Bank's operations;
- Capacity building of the legal department of the Bank in order to properly equip the Bank to respond effectively to any request;
- Implementation of the operational strategy of strengthening the Bank’s Legal Department developed as part of the ADB / FAPA technical assistance programme; and put in appropriate organisational implementation schedule to achieve the strategic objectives defined above.

3.2.4.4 Improving Financial Management

Improving financial management will bring about increased revenues, a better control of cash flows, reductions in costs and the observance of prudential ratios on an annual basis. These combined effects will in turn lead to positive results year on year and a consolidation of the profitability and the reputation of the bank.

The steps to be taken to ensure better financial management during the period of the plan are the following:

- Development of annual treasury plans that will display expected receipts with the aim of reinforcing the control of the Bank’s financial flows;
- The control of costs through the rationalisation of expenses;
- The production of financial statements on a monthly basis; and
- Capacity building for the Finance department.

3.2.4.5 Optimising Project Financing

3.2.4.5.1 Optimising Public Sector Project Financing

Concessional resources are used to finance the public sector. However, these resources have become scarce in recent times due to the slowdown of the global economy and sluggish world economic growth as a result of the subprime crisis in 2007.

Drastic efforts will be made to mobilize short-term capital and the Community Levy resources that will boost the Bank's interventions in the public sector. In addition, financing the CDP, which is largely the responsibility of EBID, could be a viable alternative for the intensification of the Bank's interventions in the public sector.

Given the above factors, the optimisation of public sector project financing by the Bank will involve adopting the following measures:

- Finance public sector projects to a maximum of 40% of the entire project portfolio;

- Prioritise and weigh the areas of intervention of the Bank based on those defined by the 2016-2020 CSF (energy, road transport, railway transport, rural development, social sector, environmental sustainability, etc.);
- Prioritise the financing of the CDP and the Sahel strategy whose programmes and projects represent 75% of the pipeline of public projects of the Bank for the period 2016 to 2020;
- Change the conditions of intervention of the Bank in order to finance large scale public sector projects and have them validated by the decision-making bodies; and
- Escalate the Bank's interventions in the public sector in Member States that are currently underserved, including Nigeria

3.2.4.5.2 Optimising Private Sector Project Financing

Commercial resources for financing the private sector are accessible through donors on the one hand, and from regional and international financial markets on the other. To optimise the financing of projects in this sector, the following measures will need to be adopted:

- Finance private sector projects to a maximum of 60% of the entire project portfolio, giving priority to the commercial sector;
- Prioritise and weigh the areas of intervention of the Bank in the private sector (energy, industry, transport, green growth, ICT, financial services, etc.)
- Modify the conditions of intervention by the Bank (interest rate, duration, amount, etc.) and have them validated by the decision-making bodies in order to enable the Bank to finance larger scale private projects;
- Encourage the financing of projects in the commercial public sector;
- Favour co-financing of projects;
- Promote Islamic finance by financing operations relative to it;
- Grant lines of credit to commercial banks and microfinance institutions;
- Explore new operations such as PPPs, structured finance, syndication, etc.;
- Limit private sector operations related to short-term financing (trade and commodity finance) to 10% of the portfolio in view of the risk concurrent with the sector;
- Diversify the range of financial services offered while focusing on commission-based products;
- Establish an efficient mechanism for strategic and selective expansion of the Bank's project pipeline through networks of financial partners, business providers and project identification missions;
- Implement the pricing policy defined under the ADB/FAPA technical assistance programme; and
- Implement the recommendations from the private sector intervention strategy under the ADB/FAPA technical assistance programme.

3.2.4.6 Strengthening the Bank's Position and Improving Its Visibility

Successive changes of the Bank's name and its configuration, from the Fund for Cooperation, Compensation and Development, to the EBID Group, and finally to EBID, have led to a problem of visibility and name recognition. As such, to this day the Bank lacks visibility and positioning, even as it has the ambition of becoming the premier regional bank for investment and development in the sub-region.

In the face of these challenges, appropriate, well-orchestrated actions will be taken in the course of the next five years in order to bridge the gap in terms of visibility and positioning. The measures to be taken in this regard are the following:

- Development of a communication strategy and marketing plan for the Bank which will define its general orientations and articulate the actions to be taken to ensure regional and international recognition of the Bank;
- Development of the Bank's positioning plan which will explicitly define its strategy in terms of visibility relative to opening of offices or representative missions in target countries in the ECOWAS region, the strengthening of the synergy with Institutions and other Community Institutions, etc.); and
- Implementation of the recommendations from the study on the visibility and the positioning of the Bank under the ADB/FAPA technical assistance programme;

3.2.4.7 Improving Human Resource and Knowledge Management

Given the Bank's strategic orientations for the next five years, the modernisation of the practices and tools for human resource management is a key requirement for the implementation of the operational priorities identified.

Indeed, the implementation of the Bank's 2016-2020 Strategic Plan will require a lot of the human resources at the Bank's disposal given that they will be required to work diligently to achieve the defined objectives, within the time frames allotted for each, all the while developing the necessary competencies needed for successful implementations of these objectives.

In order to significantly improve the management of human resource within the Bank, the priority intervention areas identified are the following:

- Setting up of a forward-looking human resource management system and meeting the Bank's needs in terms of staff by 2020, on the basis of knowledge tools (nomenclature, job mapping, skills repository etc.) and appropriate monitoring tools (dashboard, early warning indicators);
- Strengthening the suitability of human resources to strategic priorities by strengthening the level of recruitment, on one hand, and the continuous training of staff so that they will drive the technical and organisational changes of the Bank on the other hand;
- Administering the performance management system on the basis of the appraisal guidelines which define the organisational modalities and the establishment of an appraisal committee that aims to validate proposals for training, managing litigations, and continual improvement of the appraisal tool etc;
- Acquiring an IT system that supports innovative HR processes through the establishment of a committee tasked with piloting the HIRMS and the recruitment of a project management assistant;
- Implementing the recommendations from the study on strengthening human capital under the ADB/FAPA technical assistance programme;
- Capacity building for the department concerned; and

- Putting in place appropriate organisational implementation schedule to achieve the strategic objectives defined above.

3.2.4.8 Improving Knowledge Management

Knowledge management is a key strategic asset through which the Bank can leverage institutional knowledge in order to improve future performance. Knowledge capital is the combination of the Bank's know-how and the accumulation of institutional knowledge derived from the relationship between the Bank, Member States, private sector promoters and development partners, and local leading corporate officers within the sub-region.

Over the next five years the Bank will focus on reinforcing its institutional capacities in terms of management of new and acquired knowledge capital.

In terms of the acquisition of new knowledge, sectorial and thematic analyses will be undertaken in collaboration with universities and institutes of specialised research.

Measures will be taken with regard to the development and the implementation of a tailored knowledge management strategy which will enable the establishment of efficient mechanisms of creation, sharing, collection and conservation of knowledge.

3.2.4.9 Improvement of Information Communication Technology

In view of strengthening the organisational efficiency of the Bank by 2020, the Bank's ICT will be modernised in order to comply with international norms. The strategy relative to the improvement of the information system will involve the implementation of an integrated system with the SUNSYSTEMS platform as a receptacle with new settings to be integrated, and the automation of business functions (projects, loans, etc.).

3.2.4.10 Institutional Reorganisation of the Bank

The implementation of major actions presented in the 2016-2020 Strategic Plan requires the creation of new organisational units, the effective operationalisation of existing units that have remained so far dormant or inactive, the repositioning of some units and the establishment of additional technical committees.

In view of ensuring the successful implementation of the present strategic plan the institutional reorganisation which will involve the following:

- Establishment of an ad hoc committee in charge of the identification and examination of needs relating to reorganising of departments or units in the Bank;
- Establishment of a Committee to map the needs related to the restructuring, and carry out organisational simulations in order to develop three variations of the organisational chart relative to the reorganisation process;
- Development of suitable recommendations to the Management of the Bank in the view of the most appropriate organisational structure; and

- Development of a new organisation chart and validation by the decision-making bodies; and the establishment of all the technical committees necessary to drive the improvement of the organisational efficiency of the Bank.

3.2.5 ENVIRONMENTAL SUSTAINABILITY

The Bank will continue to mainstream environment and climate change into its operations as well as lead on advocacy, advice and evaluation of lessons learned for incorporation into policy and programmes development. The Bank will provide strategic anchoring and conceptual framing of green growth into country operations. It will create a climate finance platform and identify, design and implement environment and climate change adaptation and mitigation programmes and projects. Hence, the Bank will act as an important catalyst in facilitating the transition to green growth.

To achieve environmentally sustainable growth, the Bank will continue to assist Member States in promoting the use of clean technologies in development projects that enable them to meet their energy needs and contribute to efficient energy consumption. It will also assist Member States in promoting sustainable development, adopting environmental safeguard measures, and will work along other development partners to strengthen their Community Strategic Framework institutional capacities for enforcement relative to these measures.

3.2.5.1 Climate Finance

An array of financial vehicles can provide additional liquidity for the region's gradual transition to climate resilient development and green growth, including the Green Climate Fund, the Adaptation Fund, Global Environmental Facility, and Climate Investment Fund and so on. The Bank has begun the accreditation process to become an implementing agency for the Adaptation Fund and the Green Climate Fund in the ECOWAS Region. EBID became one of the accredited international observer entities of the Green Climate Fund in July 2013. The accreditation as an implementing agency will bring significant financial resource to the Bank for climate finance in the ECOWAS Region.

3.2.5.2 Inclusive Green Growth

The Bank will pursue inclusive growth in the Member States; sustainably helping the region gradually transition to "green growth" that will protect livelihoods, improve water, energy and food security, and promote the sustainable use of natural resources. The Bank will support green growth by finding paths to development that ease pressure on natural assets, while better managing environmental, social and economic risks.

Priorities in reaching green growth include building resilience to climate shocks, providing sustainable infrastructure, creating ecosystem services and making efficient and sustainable use of natural resources (particularly water, which is central to growth but most affected by climate change).

3.2.5.3 Promotion of Sustainable Development

EBID intends to continue to mainstream environmental sustainability in all of its interventions in Member States. In addition, the Bank will support the development of national and regional environmental sustainability strategies and will support selected, free-standing projects to redress high priority environmental problems in the region such as land and water degradation, desertification, protection of coastal and marine environment, and promoting the use of renewable energy in close coordination with other donors.

The Bank has an Environmental Social Responsibility Policy which guides EBID's policies on the environment vis a vis its intervention in Member states. It takes into consideration, environmental and social issues in the implementation of its projects, in line with the declaration of international financial institutions on environmental governance. These policies and procedures are consistent with international best practices in development financing.

In this regard, EBID will pursue the following objectives:

- Mobilise and facilitate access to concessional resources from global and bilateral sources to support Member States to implement effective climate resilience strategies and investments as part of their long-term development programmes;
- Continue to make the environment a key aspect in the design and implementation of its projects and programmes; and
- Leverage sovereign donor and public agency funding through setting up co-financing funds, with thematic focus on climate change and environmental finance.

3.2.6 PRIORITY INTERVENTION AREAS

3.2.6.1 Infrastructure Development

There are two key factors well documented regarding infrastructure in the development process:

a) There is a strong positive relationship between infrastructure and economic growth, poverty reduction and environmental sustainability
b) Public investment in infrastructure is a necessary requirement for capital formation in the private sector.

It is important that if Member States are to grow, the chronic infrastructure gaps that exist within the sub-region will have to be met. The Bank's intervention in the transport infrastructure sub-sector (land, air and sea) will strive to address the transport infrastructure bottlenecks, which have hampered the growth of intra-regional trade within the sub-region.

Regarding roads, EBID's intervention will continue to be informed by the development of the West Africa Road Network through the construction of the 4,560 km Lagos-Dakar Trans-Coastal Highway and the 4,460 km Dakar- N'Djamena Trans-Sahelian Highway

Relative to railways, the Bank’s intervention will be within the framework of the West African Railway Interconnection Programme, whose aim is to connect all the Member States by rail network.

With regard to Maritime and Inland Waterway Transport, EBID will prioritise the expansion of ports and terminals as well as continue to support inland water transport, which is an important means of transport in some Member States.

Concerning ICT, the Bank’s intervention will be informed by the INTELCOM II framework, whose objective is to modernise, interconnect national networks, and reduce the cost of communication and introduce e the system of roaming in an efficient manner in the sub-region.

3.2.6.2 Energy

EBID’s intervention in the energy sector will aim at:

- Financing projects that promote the emergence of regional energy market that link national grids;
- Financing projects that help Member States to exploit “green opportunities”; and \
  Assisting in the financing of projects that promote the deployment of small and medium scale renewable energy technologies and services in the peri-urban and rural areas

3.2.6.3 Agriculture and Rural Development and Food Security

Agricultural development is the key engine to raising efficiency, increasing household incomes, improving standards of living and reducing poverty, at least in the medium-term. Increasing agricultural productivity and building around it a strong rural economy, is crucial for West Africa. This could create millions of much-needed jobs, as well as wealth, inclusion, food security, crisis resilience, and social and political peace.

If the region is to achieve sustainable development and targets related to poverty reduction, it is essential that the performance of this sector in Member States is improved.

Towards this end, the Bank will support its Member States in:

- Strengthening agriculture and rural credit systems and community enterprise development;
- Ensuring self-sufficiency in agriculture production on a sustainable basis;
- Strengthening food security;
- Financing agribusiness development;
- Financing rural development projects; and
- Financing projects and programmes that support agriculture value addition.

3.2.6.4 Private Sector Development

The development of a vibrant private sector is an essential component of long-term sustainable economic growth and for private enterprises to play a key role in fighting poverty. EBID’s strategic objective for private sector development in Member States is to improve the global competitiveness of their productive sectors on a sustainable basis.

The Bank will work with Member States to help them attract direct private sector investments that support inclusive growth and improve the environment. The Bank will also continue to mobilize resources for its intervention in the private sector.

To this end, the Bank's support to the private sector will include:
- Direct financing that covers medium to long term;
- Providing support to programs aimed at improving the skills of workers, especially the youth;
- Promoting Public-Private Partnerships;
- Providing support to infrastructure that underpin private sector development; and
- Promoting women entrepreneurship development.

3.2.6.5 Social Protection

The Bank will work along with Member States and partners in addressing the challenges that pose enormous difficulties to human development. In this regard, EBID's strategy during the planning period will centred on:

- Supporting Community-wide programs to reduce the high levels of illiteracy;
- Funding projects and programmes aimed at reducing the incidence of infectious diseases;
- Funding projects that increase the access of the poor to potable drinking water;
- Supporting projects that aim at reducing malnutrition;
- Supporting Member States in times of need such as the outbreak of communicable diseases;
- Financing projects and programmes that support youth and women employment; and
- Supporting SMEs and SMIs in making finance accessible to vulnerable groups.

3.2.6.6 Youth Employment

It is important that if West Africa is to benefit from its large youth population, measures should be taken to ensure their employability. These will include mainstreaming youth employment in national policies; financing youth employment programmes; and prioritising Technical and Vocational Training.

In this vein, EBID will continue to finance projects that are aimed at:

- Strengthening the skills of the youth to ensure their employability;
- Financing projects that are geared towards boosting the quality of vocational training through the creation of entrepreneurial training centres; and
- Financing micro-credit schemes targeted at providing employment for youth, especially young women.

3.2.6.7 Industrialisation

Consistent with the strategic orientations of the Common Industrial Policy of West Africa, EBID will give priority to projects aimed at:

- Strengthening the industrial base of the sub-region;
- Enhancing competitiveness; and
- Adding value to local natural resources.

3.2.6.8 Enhancing Intra-regional trade

Intra-regional trade plays an important role in promoting growth and development. Apart from facilitating large-scale capital investments and enhancing economic efficiency, intra-regional trade provides a useful platform for improving competitiveness of national enterprises before exposing them to the rigors of foreign competition. The level of intra-regional trade remains very low within the sub-region, reported at less than 14% of the region's GDP.

To solve the problem of the low level of trade taking place, the region needs to heavily invest in the enabling infrastructure. Efforts should also be made to address the composition of the private sector within the sub-region, which is largely made up of SMEs who on their own cannot exploit economies of scale.

In view of the foregoing, the Bank will assist Member States in addressing the impediments to increased trade among themselves. In this regard, EBID will:

- Finance the development of infrastructure programmes in support of economic growth and regional integration;
- Support projects that target trade facilitation within the sub-region; and
- Support increased competitiveness in products, where Member States have lost it due to competition from abroad.

PART IV: THE FINANCING FRAMEWORK OF THE STRATEGIC PLAN

This section considers the projected activities of the Bank for the period 2016-2020. The assumptions underlying the financial projections for the period are presented in the Appendix.

4.1 PROJECTED APPROVALS

It is projected that for the Plan's period, approvals will amount to UA 1.123 billion (USD 1.685 billion) for 159 projects as shown in Table 1.

Table 1: Projected approvals per sector for the 2016-2020 period (in million USD and UA)

Sector	2016		2017		2018		2019		2020		TOTAL			
	No.	*Amount ($)*	*No.*	*Amount ($)*	*No.*	*Amount ($)*	*No.*	*Amount ($)*	*No.*	*Amount ($)*	***No.***	***Amount ($)***	***Amount (UA)***	***%***
Public	5	50	12	120	15	150	20	300	25	375	**77**	**995**	**663**	**59.1**
Private	14	95	15	130	17	155	17	155	17	155	**82**	**690**	**460**	**40.9**
TOTAL	**19**	**145**	**27**	**250**	**32**	**305**	**37**	**455**	**42**	**530**	**159**	**1 685**	**1 123**	**100**

4.1.1 Direct Loans

Direct loans are projected to amount to UA 1.107 billion (USD 1.766 million), representing 98.5% of total approvals. Spending on infrastructure is expected to account for the largest share of direct loans, representing 69.8% of approvals as shown in figure 4.

4.1.2 Equity Participation

Over the next five years equity participation is expected to amount to UA 16.7 million (USD 25 million) representing 1.5% of projected approvals

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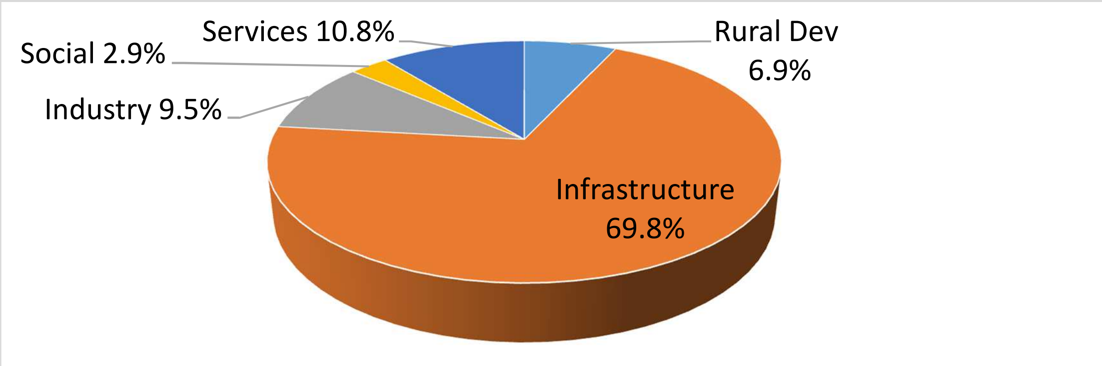
Figure 4: Breakdown of Direct Loans



Source: DRSP

4.2 PROJECTED COMMITMENTS

It is projected that 80% of the public sector projects approved will have their relevant loan agreements signed. For the private sector, the rate of approval is expected to be 80%. Projected new commitments (for all sectors) during 2016-2020 will amount to UA 874.7 million (USD 1.312 billion). New loans are expected to amount to UA 858 million (USD 1.287 billion) representing 72%, while equity participation will amount to UA 16.7 million (USD 25 million) representing 1.4% as shown in Table 2.

Table 2: Projected commitments of EBID from 2016 to 2020

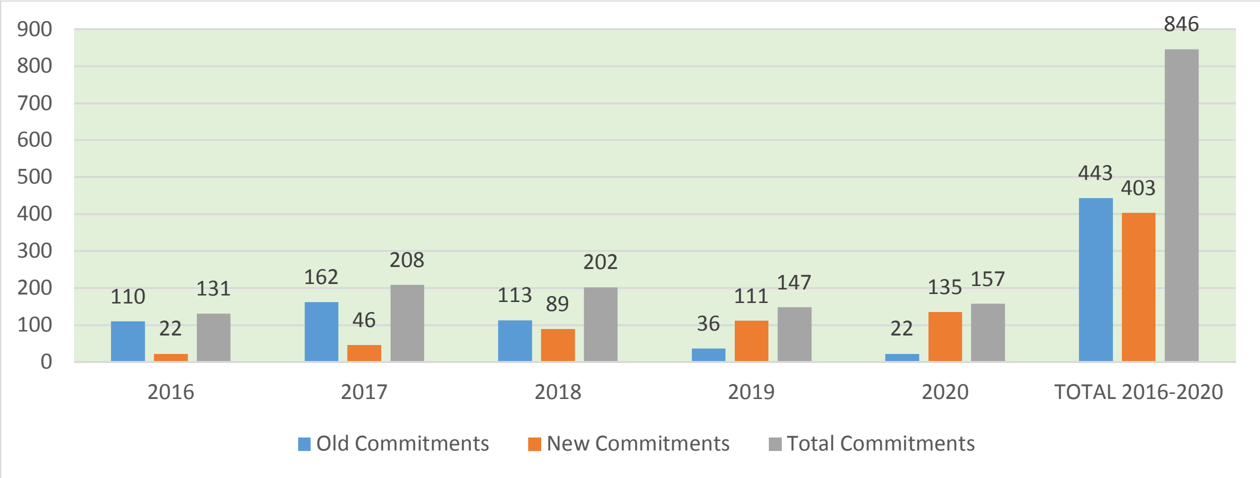
Mode of Intervention	2016	2017	2018	2019	2020	Total : 2016-2020		
	Amount ($)	Amount ($)	Amount ($)	Amount ($)	Amount ($)	**Amount ($)**	**Amount (UA)**	**%**
Direct Loans	**566 944 874**	**200 000 000**	**240 000 000**	**345 000 000**	**400 000 000**	**1 751 944 874**	**1 167 963 250**	**98.0**
Old Loans Not Yet disbursed	464 944 874	0	0	0	0	464 944 874	309 963 250	26.0
New Loans	102 000 000	200 000 000	240 000 000	345 000 000	400 000 000	1 287 000 000	858 000 000	72.0
Equity Participation	**15 231 951**	**5 000 000**	**5 000 000**	**5 000 000**	**5 000 000**	**35 231 951**	**23 487 967**	**2.0**
Old Equity Participation	10 231 951	0	0	0	0	10 231 951	6 821 301	0.6
New Equity Participation	5 000 000	5 000 000	5 000 000	5 000 000	5 000 000	25 000 000	16 666 667	1.4
Guarantees	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0.0**
New Commitments	**107 000 000**	**205 000 000**	**245 000 000**	**350 000 000**	**405 000 000**	**1 312 000 000**	**874 666 667**	**73.4**
Total Commitments	**582 176 825**	**205 000 000**	**245 000 000**	**350 000 000**	**405 000 000**	**1 787 176 825**	**1 191 451 217**	**100.0**
Cumulative Commitments	**582 176 825**	**787 176 825**	**1 032 176 825**	**1 382 176 825**	**1 787 176 825**			

Source: DRSP

4.3 PROJECTED DISBURSEMENTS

With regard to disbursements, it is projected that a total of UA 563.8 million (USD 845.8 million) as shown in figure 5 will be disbursed during the period 2016-2020. Of this amount, old disbursements not yet made, will amount to UA 295.1 million (USD 442.6 million).

Figure 5: Direct loan disbursements from 2016 to 2020 (in million USD)



4.4 PROJECTED INVESTMENTS

To adequately implement the Plan, the Bank will have to make a number of investments with a view to responding to the needs of its clients. As part of its modernisation efforts, EBID intends to strengthen human resources management, risk management, and ICT.

The rehabilitation works being undertaken as part of the Bank's modernisation initiative are expected to be completed in the shortest time, also require additional investment. In this regard, it projected that the Bank will invest a total of USD 50 million in these initiatives over the Planning period.

4.5 PROJECTED RESOURCES

The myriad of challenges facing the West African sub-region require significant amounts of capital investment. The 2016-2020 Strategic Plan envisages that EBID will play a cardinal role in helping Member States address the perennial problem of inadequate infrastructure and endemic poverty. As such, the implementation of the Bank's 2016-2020 Strategic Plan will require enormous resources.

As the financial arm of ECOWAS, the Bank will have to play a major role in the mobilization of resources to finance projects and programmes within the sub-region geared towards achieving the objectives of Vision 2020.

Based on disbursements not yet made; old commitments; projected approvals; and new commitments, it is estimated that a total of UA 1.066 billion or USD 1.493 billion will be required to finance projects during the period 2016-2020.

Thus the total amount needed to implement the Bank's 2016-2020 Strategic Plan will amount to UA 1.365 billion or USD 1.911 billion, which will have to be sourced from:

i. Capital;
ii. Borrowing within and outside the sub-region; and
iii. Special Funds
iv. Own resources

4.5.1 Mobilisation of Capital

The arrears on the called-up capital were recorded at UA 186 million or about USD 279 million as at 31st December, 2015. Over the next five (5) years, it is projected that Member States will pay-up the arrears on the first and second tranches of the called-up capital, with an average payment of UA 37.2 million annually. It is instructive to note that the average payment on the capital payment arrears for the past three (3) years have been UA 22 million or USD 33 million. The Bank expects to attract non-regional members beginning 2018, culminating in a modest capital injection of UA 50 million or about USD 75 million.

Table 3: Mobilisation of capital (in million UA)

ITEM / YEAR	PROJECTIONS					TOTAL
	2016	2017	2018	2019	2020	
Recovery of Capital Arrears	37.3	37.3	37.1	37.1	37.1	185.9
Payment of capital/non-regional investors	-	-	16.7	13.3	20.0	**50**
TOTAL	**37.3**	**37.3**	**53.8**	**50.4**	**57.1**	**235.9**

4.5.2 Borrowings

Borrowings will constitute an integral part of the Bank's resources mobilisation. The mobilisation of concessional resources, semi-concessional and commercial loans will be particularly important.

4.5.2.1 Concessional and Semi Concessional Resources

Initiatives such as the Indian Lines of Credit will be vigorously pursued during the planning period from other bilateral donors, in addition to renewed efforts being made by the Bank to secure another line of credit from the Indian Government. The Bank will also pursue negotiations with multilateral development banks such as the World Bank, the African Development Bank, the Inter-American Development, the European Investment Bank, and the Climate Fund with a view to mobilising concessional loans.

The following assumptions underpin the mobilization of concessional and semi-concessional resources:

a) It is assumed that current negotiations between the Bank and the Indian Eximbank would materialise into another line of credit from the Indian Government in the amount of UA 166.7 million (USD 250 million), split into UA 66.7 million (USD 100 million) in 2017 and UA 100 million (USD 150 million) in 2018.

b) It is also envisaged that the Bank's resource mobilisation efforts would yield substantial dividends by mobilising UA 66.7 million (USD 100 million) in 2019 from bilateral and multilateral, partners.

c) In 2020, another UA 100 million (USD 150 million) is expected to be mobilised from mainly multilateral sources: African Development Bank, World Bank, Inter-American Development Bank, European Bank for Reconstruction and Development; Islamic Development Bank.

4.5.2.2 Commercial Loans

Efforts to strengthen the Bank's ability to contract debt are all geared towards mobilizing resources from the regional as well as foreign money and capital markets. During the period of the plan, and with an enhanced ability to borrow at competitive rates, the Bank will issue debts on the US capital market; the Nigerian capital market; the Chinese money and capital markets, among others. Resources will also be mobilised from AFREXIMBANK; EXIMBANK India, OFID, ETC and China-EXIMBANK.

The total amount to be mobilised will amount to UA 404.1 million or USD 606 million, which will mainly go to finance private sector projects. The issuance of debentures on the UEMOA capital market will be done every two years.

The mobilization of commercial resources is based on the following assumptions:

It is expected that UA 80 million (USD 120 million) will be realised from OFID. It is projected that the Bank's issuance of a debenture on the UEMOA capital market will yield UA 77.3 million (USD 116 million). From the Export Trading Corporation SPA (ETC), the Bank will mobilise UA 86.7 million (USD 130 million). With regard to the mobilization of commercial resources from the China Development Bank (CDB), the Bank is expecting to mobilise at least UA 60 million (USD 90 million) over the next five years for its interventions in SMEs and SMIs.

4.5.3 Mobilisation of Special Resources

"Special resources" here refers principally to the Interest Rate Subsidy Fund and the Community Levy. It is projected that the ECOWAS Commission's contribution of UA 2 million (USD 3 million) will be one consistent source of funding.

From the second year of the Plan, EBID will have access to a portion of the Community Levy: UA 13.3 million (USD 20 million) in 2017, UA 20 million (USD 30 million) in 2018, UA 13.3 million (USD 20 million) in 2019, and UA 26.7 million (USD 40 million) in 2020.

The total resources to be mobilised for the period of the plan are presented in Table 4.

Table 4: Projected resources to be mobilised for the period 2016-2020 (in million UA)

ITEM	2016	2017	2018	2019	2020	TOTAL	%
Capital	**37.3**	**37.3**	**53.8**	**50.4**	**57.1**	**235.9**	**19.3**
Borrowings	**233.4**	**113.4**	**180**	**177.4**	**200**	**904.2**	**73.9**
O/w Concessional	166.7	66.7	100	66.7	100	500.1	40.9
O/w Commercial	66.7	46.7	80	110.7	100	404.1	33.0
Special Resources	**2**	**15.3**	**22**	**15.3**	**28.7**	**83.3**	**6.8**
Interest Rate Subsidy Fund	2	2	2	2	2	10	0.8
Community Levy	-	13.3	20	13.3	26.7	73.3	6.0
TOTAL	**272.7**	**166.0**	**255.8**	**243.1**	**285.8**	**1223.4**	**100**

Estimates by DRSP

4.6 Financial Outlook of EBID (2016- 2020)

The analysis of the financial projections was based on the projected Profit and Loss statement and Balance Sheet of the Bank for the next five years.

4.6.1 Projected Income Statement

Total income is expected to increase by 48.7% between 2016 and 2020 from UA 22.6 million to UA 43.5 million, corresponding to an annual average growth of 10.2% as shown in table 5 below. This is based on the assumption that, the Bank will perfect its lending especially to the private sector coupled with good security cover. Thus, the pricing of loans will become more attractive and competitive.

During the period, total expenses will rise from UA 11.9 million in 2016 to UA 19.4 million in 2020 as indicated in Table 5 below. In spite of the fact that quite a number of staff will retire from the Bank during the period, staff costs will continue to increase by 7.5% on average each year as the Bank recruits more staff to shore up its human resources to enable it cope with the anticipated increase in activity. Also, other operating expenses are expected to increase each year by 24.6% on average.

Table 5: Projected Income Statement for the period 2016-2020 (in thousand UA)

Item	2015	2016	2017	2018	2019	2020
INCOME						
Interest income	22,382	22,588	27,942	33,934	39,052	43,541
Interest expense	(11,139)	(12,869)	(19,304)	(25,000)	(30,000)	(35,000)
Net interest income	**11,243**	**9,719**	**8,638**	**8,934**	**9,052**	**8,541**
Fees and commission	2,533	2,884	3,327	3,991	4,400	4,800
Dividend income	-	300	450	675	1,012	1,518
Exchange Gains	4,488	7,173	10,759	11,754	12,000	15,000
Other income	816	673	800	940	975	1,000
Total	**19,080**	**20,749**	**23,974**	**26,294**	**27,439**	**30,859**
EXPENSES						
Staff cost	6,503	6,991	7,515	8,079	8,685	9,336
Other operating expenses	3,422	5,008	6,009	7,211	8,653	10,100
Total	**9,925**	**11,999**	**13,524**	**15,290**	**17,338**	**19,436**
Profit or loss before provisions	**9,155**	**8,750**	**10,450**	**11,004**	**10,101**	**11,423**
Provisions for bad and doubtful accounts	(6,780)	(5,085)	(4,000)	(3,750)	(2,145)	(1,609)
Provisions no longer required (write back)		705	1,057	1,586	2,380	3,570
	2,375	4,370	7,507	8,840	10,336	13,384
Profit or loss transferred to revenue reserves	**2,375**	**4,370**	**7,507**	**8,840**	**10,336**	**13,384**

Provisions made on loans are expected to reduce significantly during the five-year period by UA 3.47 million, representing a reduction of 68.4%, as the Bank's asset quality is projected to improve. On this basis, it is projected that net profit will stand at UA 13.4 million in 2020 from UA 4.4 million in 2016 as presented in Table 5 above. This represents an annual average increase of about 44%.

4.6.2 Projected Balance Sheet

The annual increase in the total assets of the Bank is forecast at an average of 28%. As shown in table 6 below, the Bank's total assets will increase from UA 553.8 million in 2015 to UA 1.9 billion in 2020. This will be driven by the consistent growth in the Bank's loan portfolio in addition to projected increase in income from long term investments.

Table 6: Projected Balance Sheet for the period 2016-2020 (in thousand UA)

ITEM	2015	2016	2017	2018	2019	2020
ASSETS						
Cash and bank balance	7,105	10,657	15,985	23,978	35,968	53,952
Placements	24,285	36,426	59,816	63,796	67,696	70,392
Loans to Member States	457,167	471,567	502,233	561,566	635,699	725,939
Equity Participation	1,091	4,591	14,816	16,050	10,000	15,000
Other Assets	19,119	28,679	43,228	64,842	97,262	145,894
Long- Term Investments	28,976	112,040	215,906	397,647	570,343	791,510
Fixed Assets	16,018	28,479	43,464	49,983	57,480	66,103
TOTAL ASSETS	**553,759**	**692,438**	**895,447**	**1,177,861**	**1,474,448**	**1,868,789**
LIABILITIES AND CAPITAL						
Creditors and accruals	8,328	13,598	20,397	30,595	45,892	68,838
Borrowings	298,765	381,851	532,091	736,886	958,866	1,254,846
Inter- Institutional accounts	18,330	2,062	3,093	4,640	6,960	10,000
Share capital	206,966	244,300	281,600	335,400	385,900	443,000
Revenue Reserve	19,074	36,715	40,639	47,000	50,494	61,181
Profit or loss for the period	2,375	4,370	7,507	8,840	10,336	13,384
	553,837	682,896	885,327	1,163,361	1,458,448	1,851,249
Non-controlling interest	-	9,542	10,120	14,500	16,000	17,540
	553,837	**692,438**	**895,447**	**1,177,861**	**1,474,448**	**1,868,789**

Being a development and investment bank, loans to Member States will constitute 51% on average of the Bank's total assets between 2016 and 2020, largely due to the expected increase in the volume of operational activities of the Bank during the five-year period. Long-term investments will represent an average of about 31% of total assets as presented in Table 6 above.

Borrowings are expected to increase from UA 381.9 million in 2016 to UA 1.25 billion in 2020, accounting for about 61.9% of total liabilities on average each year as a result of an extensive resource mobilisation drive and good account performance, thus, encouraging lenders to wish to keep the Bank's borrowing evergreen.

The paid up share capital is projected to increase by UA 198.7 million in 2020, up from UA 244.3 million in 2016. It will represent an annual average of 29% of total liabilities of the Bank. Reserves are also expected to increase by UA 24.5 million during the period, up from UA 36.7 million. Therefore, equity is projected to rise from UA 290 million in 2016 to UA 516.6 million in 2020, corresponding to an annual average increase of 17% as shown in Table 16 above.

PART V: SYSTEM OF MONITORING AND EVALUATION OF THE 2016-2020 STRATEGIC PLAN

5.1 General Objectives

To ensure the availability of critical information needed for assessing the results of the 2016-2020 strategic plan in terms of impacts, outcomes and outputs.

5.2 Specific Objectives

To provide operational definitions for each indicator under outcome of the 2016-2020 Strategic plan.

Describe the mechanism/tool for the collection and quality control of data on the 2016-2020 strategic plan.

- Identify the different actors of the system of monitoring and evaluation to measure the impacts and effects of the 2016-2020 strategic plan and define the implementation modalities;
- Identify the specific studies to be carried out, which will allow for the measuring of the impacts and effects of the 2016-2020 strategic plan.
- Describe the means of disseminating the performance reports and other monitoring and evaluation tools to improve the effectiveness of the implementation of the strategic plan.

5.3 Mechanism For Monitoring And Evaluation

The Monitoring and Evaluation System (M&E) is an essential component of the design of the 2016-2020 Strategic plan. It is in line with the ECOWAS monitoring and evaluation.

It describes how the performance targets will be measured and reported and how the evaluations will be conducted annually to crop or adjust the plan.

5.3.1 The Architecture of the device

The device will have two components: a "monitoring" component and an evaluation component, aimed at measuring each quarter, based on specific performance indicators, the implementation of the Action plan agreed on by the operational departments of the Bank.

The "evaluation" component will carry out an annual mid-term evaluation to analyze, based on the monitoring indicators, the level of achievement of various activities.

Given the changing socio-economic and political context of Member States, constraints and challenges, it will allow for adjustments in the plan with a view to achieving the desired results. This component will also be responsible for the ex-ante assessment of the impact of the Bank's interventions in the economies of the sub-region.

5.3.2 Management of the System and the Performance Indicator

The system has four levels of reporting:

Level 1: monthly activity report of the various functional departments and Units of the Bank.

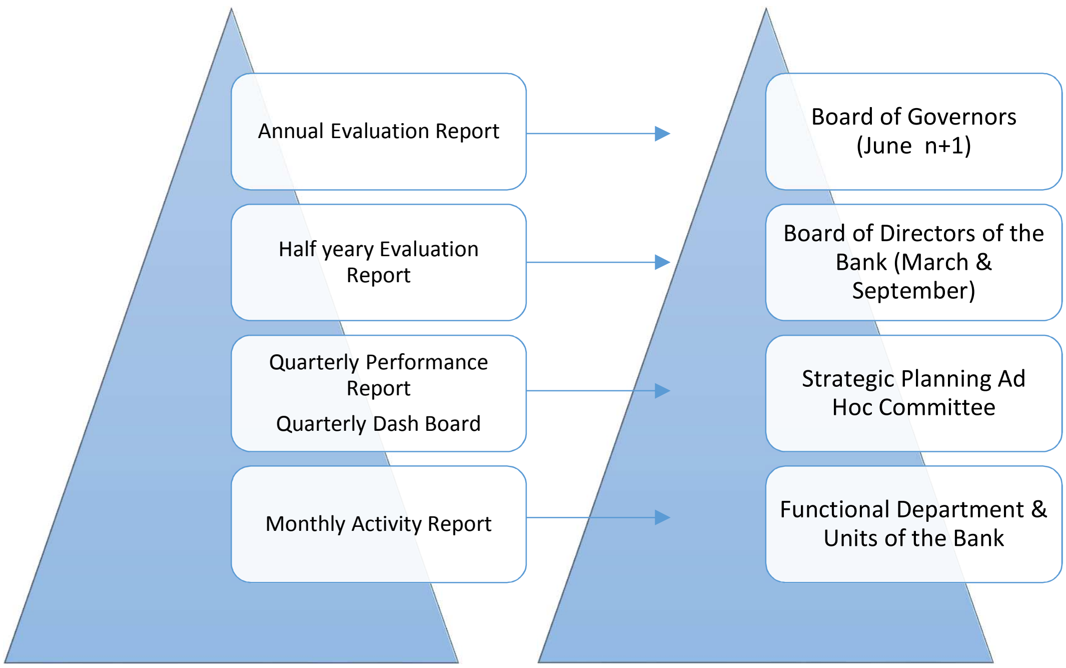
The various departments will product on a quarterly basis the indicators relative to their respective activities.

The Department of Research and Strategic Planning (DRSP) will ensure the compilation of these data.

Level 2: Quarterly reporting to the Ad hoc Committee under the authority of the President assisted by two Vice-Presidents, with the DRSP being the secretariat.

Level 3: Bi-annual Reporting to the Board of Directors after the review.

Level 4: Annual Reporting to the Board of Governors.



5.4 Result Framework of the 2016-2020 Strategic Plan

5.4.1 Indicators

The indicators are essentially linked to the operational activities of the Bank, namely approvals, commitments and disbursements done in the sector of intervention. The target set for the mobilization of the necessary resources to implement the Plan is also an indicator.

Operational Indicators (Results Indicators)

Indicators	Definitions	Sources of Data	Frequency of Collection	Structure Responsible
Approvals			Quarterly	Board of Directors
New Commitments			Quarterly	Board of Directors
Financing of the Private Sector			Quarterly	Management
Financing of the Public Sector			Quarterly	Management
Total disbursements			Quarterly	Management
Mobilization of Resources o/w Capital Commercial borrowings Concessional borrowings Interest Rate Subsidy Fund Community Levy			Monthly	Management

5.4.2 Impact Indicators

The RMF has been introduced as part of the process of developing the new Strategic Plan and will track implementation performance of the Strategic Plan at four levels:

a) **Level 1 -** Progress towards Sustainable Development Goals and Regional Development Outcomes: This first level of the results framework tracks the development progress of the Region through selected ECOWAS-specific development goals and outcomes. These are consistent with sustainable development priorities highlighted in the Post - 2015 Development Agenda. Level 1 indicators monitor Regional performance related to reducing poverty and inequality, quality education and equitable lifelong learning and employment opportunities, building competitive economies, and resilience, sustainable energy and adaptation to a changing environment.

b) **Level 2** - EBID's Contribution to Sustainable Development Goals, and Regional Development Outcomes: Indicators at this level measure the Bank's contribution to sustainable development goals, and regional outcomes through outputs delivered in key operational areas identified in the Strategic Plan. These core priority areas include: economic and social infrastructure, agriculture and rural development, private sector development, intra-regional trade and industrialisation, with gender equity cutting across the core areas.

c) **Level 3 -** EBID Operational Management (How well is the Bank managing its operations?) The Bank recognizes that it can only increase its contribution to regional outcomes and overall development effectiveness by continuing to improve its operational management. EBID's assessment of the operational quality and relevance of its services is measured through four groups of indicators covering operational processes, practices and portfolio performance; resource allocation and utilization; strategic focus; and disclosure, transparency and risk management. The Bank must also ensure that its cross-cutting theme of gender equity is integrated into all of the Bank's operations. These indicators will also monitor and measure the intensity of EBID's focus on the sectors where it has the greatest strength, its efficiency in making resources available to Member States and its responsiveness to client needs.

d) **Level 4 -** EBID Organizational Efficiency (How efficient is EBID as an Organization? The indicators at this level will assess the adequacy of EBID's organizational capacity to facilitate the effective management of its operations. The Bank recognizes that it can only increase its contribution to regional outcomes and overall development effectiveness by operating efficiently. Effective operational management must be supported by organizational efficiency in recruiting and retaining appropriate human resources, provision of adequate administrative budget management and by working to its comparative advantage collaboratively with its development partners.

RMF LEVEL 1: PROGRESS TOWARDS SUSTAINABLE DEVELOPMENT GOALS AND REGIONAL DEVELOPMENT OUTCOMES

GOAL: INCLUSIVE & SUSTAINABLE GROWTH AND DEVELOPMENT

GROUPING/INDICATOR	BASELINE		Target
	Year	Value	
Inclusive and sustainable growth and development			
Economic inclusion: Reducing poverty and inequality			
1. % of population below the national poverty line	2014		Reduce by 3/8, between 2016 and 2020, the proportion of people whose income is less than $ 1.25 (PPP) per day
2. GDP per capita growth rate	2014	5.6 %	Increase and maintain between 2016 and 2020, GDP and GDP per capita growth to 10 % and 4 %, respectively
Provide quality education , training and employment opportunities			
3. Unemployment rate	2014	5.8 %	3.5 %
Sustaining growth; Building Competitive Economies			
4. Intra-regional trade as a percentage of regional GDP	2014	14%	35 %
Building Resilience, Securing energy and adapting a changing environment			
5. Population with an improved water source	2014	51-75 %	60%-90%
6. Population with access to improved sanitation (%)	2014	25%	50%
7. Population with access to electricity (%)	2014	30%	40%

RMF LEVEL 2: HOW DOES EBID CONTRIBUTE TO SUSTAINABLE DEVELOPMENT GOALS, COUNTRY AND SUB-REGIONAL OUTCOMES?

GROUPING/INDICATOR	Baseline 2010-2014	Actual 2010-2014	Projected 2016-2020
Economic and social infrastructure			
1. Transport: Primary, secondary and other roads built	n.a	664	700
2. Transport: Primary, secondary and other roads upgraded	n.a	47	52
3. Transport: Beneficiaries of road projects (number)	n.a	114,635,775	134,113,931
4. Water: Installed water capacity		1500 m3/j	2000 m3/j
Agriculture and rural development			
5. Number of projects financed in the agricultural sector	n.a	1	8
6. Expenditure on educational facilities (US $)	n.a	30 million	45 million
Environmental sustainability (climate change resilience)			
Private Sector Operations and Development			
7. Value of credit made available to the private sector in US$	n.a	27.3 million	50 million
8. MSME benefiting from credit (number)	n.a	8	45
9. Beneficiaries of agriculture (rural) enterprise credit programmes	n.a	n.a	60

RMF LEVEL 3: HOW WELL DOES EBID MANAGE ITS OPERATIONS?

GROUPING/INDICATOR	Baseline 2010-2014	Actual 2010-2014	Projected 2016-2020
Operational Processes and Practices, and Portfolio Performance			
1. Loans default /number of projects in portfolio (active)			
2. Average time taken from request to loan approvals (months)			3
3. Average time taken from approval to first disbursement (months)			6
4.Average length of loan extension (months)			
Strategic Focus			
Disbursements supporting (%)			
a) Private sector development			
Environment, Renewable Energy/ and Climate Change			
Number and fund size of inclusive growth Green Projects	n.a	n.a	10
Disclosure, Transparency and Risk Management			
5. Evaluation reports and reviews uploaded on the website (number)	n.a	n.a	Ongoing
6. EBID's score on self- evaluation under the AADFI framework			

RMF LEVEL 4: HOW EFFICIENT IS EBID AS AN ORGANIZATION?

GROUPING/INDICATOR	BASELINE		Target (2020)
	Year	Value	
Capacity utilization			
1. Budgeted professional staff in Operations Departments (%)	2015	68.4	80
2. Ratio of professional staff to support staff	2015	54.7	70
3. Vacancy rate at management and professional levels (%)	2015	Professionals: 68.18 Management : 58.33	Professionals: 10 Management : 0
4. Staff in management positions who are women (%)	2015	0	30

5.4.3 Implementation Framework

This part presents the framework of proposed actions, monitoring parameters and timelines associated with the implementation of each strategic objective discussed in the Plan.

Table 7: Implementation Framework

	Proposed Action	Monitoring Parameters	Target Dates
Deepen Resource Mobilization and Enhancing the Visibility of the Bank	Strengthen engagement with the ECOWAS Commission through the holding of regular meetings through the Permanent Joint Committee of the ECOWAS Commission and EBID	Meetings are held as scheduled in line with Bank's workplan & reports of meetings distributed	2016-2020
		Concrete proposals on the Bank's access to the Community Levy emerge	30/06/2017
		Finalisation of negotiations regarding the putting of the Community Levy at the Bank's disposal	31/12/2017
	Lead resource mobilization initiatives for the CDP	Donor conference is organized, in which EBID plays a key role	31/03/2017
		At least USD 50 billion is mobilized	30/06/2017
	Define an innovative, efficient and appropriate strategy aimed at the mobilization of resources from ECOWAS Member States	Strategy is drafted, validated and approved	30/06/2017
		The Bank begins mobilizing local currencies for loans to SOEs	2017-2020
	EBID intensifies the raising of the funds from the financial markets of the Community based on the annual treasury plans	Five year Treasury Plan is prepared	31/12/2016
		EBID launches campaigns to raise funds from the Zone's capital markets based a solid pipeline of projects and operations to be financed	2016-2020
	Put in place a database of current and potential partners (technical, financial, government, institutions, with a view to following up on strategic partnerships	Comprehensive database is organised and circulated/published, and updated constantly	2016-2020
	Establish an international network of licensed brokers to mobilize resources for the Bank, from which they would be compensated	Potential brokers are identified	31/12/2016
	Activate the Division of Cooperation, Partnership and the Mobilization of Resources within the DRSP for the implementation of all actions related to the mobilisation of resources, cooperation and partnership	Decision is taken by Management	31/03/2017
		Staff recruited for the Division	31/03/2017
		The activities of resource mobilization is monitored and coordinated	2016-2020
	Implement the resource mobilization strategy drafted with support from AfDB/FAPA	Bank follows through on recommendations proffered	2016-2020

Enhancement of the Visibility of the Bank	Define the full mission of the Communication and Marketing Division as Management tool for achieving the adherence of key constituencies, to the vision mission and objectives of EBID based on the focus of Management's for the year.	In progress	2016
	Relocate the Communication and Marketing Division from Legal Services Department to a base directly under top Management which is the enabling environment for developing and implementing strategic communication for corporate goals	Review of the organizational chart by Management and approval by the Board of Directors.	30/06/2017
	Closer and mediatized working relationship with the ECOWAS Commission.	Joint sustainable activities (ECOWAS Day Celebrations and EBID New Year Greetings Ceremony) with the office of the ECOWAS Permanent Representative in Togo and other ECOWAS Commission Agencies (ARAA), PPDU, ECOWAS BROWN CARD located in the Bank's Headquarters and in other parts of Lome; Exchange of news items for publication on the websites of the ECOWAS Commission and the EBID Website;	2016-2020
	Enhanced awareness about the Bank and visibility in Togo, ECOWAS Member States, in Africa and outside the Continent.	Annual subscription to republicoftogo.com the influential government website for news and publicity in the host country; subscription to GO TOGO, the prestigious independent yellow pages with an extensive data base and GO AFRICA ONLINE, Google's No.1 search engine for businesses in Africa;	2016-2020

	Driving traffic to the EBID Web Site.	Advertisment and/or special report on EBID three times (3) times a year in an international publication such as developmentFinance for World Bank Spring Meetings; Annual Meetings of the International Monetary Fund and the World Bank Group in September; Advertisement in the official magazine of the African Union (AU) Summit, Invest in Africa Interview of EBID President and/or profile of the Bank on the website of the African Development Bank Group (AfDB) within the framework of their Annual Meeting; One semester (1) advertisement in an African English language international digital news medium (Africanews) and in one African digital international French language news medium (African 24). Produce Newsletter, The ECOWAS Bank and circulate through ASKY Airlines flights and agencies across the world. Best practice bench marking for the website.	2016-2020 2016
	Strengthening the Communication and Marketing Division to facilitate the implementation of its full mission which includes the application of internal communication and marketing to support Management functions (planning, organizing, leading and controlling); securing the commitment of staff members; Creation of a photo bank; produce articles regularly for the EBID Website and Newsletter, The ECOWAS Bank.	Recruitment of two (2) more professional staff (Mass Communication or Journalism graduates) and one (1) film/photography graduate sourced from the EBID young professionals programme, to support the activities.	2016-2017

	Transformation of the Division into a Department for an enhanced engagement with policy making and implementation, in line with international best practice for the sector.	Proposal by Management and Approval by the Board of Directors	30/06/2017

	Proposed Action	Monitoring Parameters	Target Dates
Promoting broad-based economic growth & social inclusion	Increase financing to agricultural productivity and food security	Activity reported in the Bank's publications (i.e Activity Reports, Annual Reports, etc	2016-2020
	Support programmes that increase farmers' access to agricultural input and credit	Share of financing to the agriculture sector is increased in the Bank's project portfolio	2016-2020
	Define and put in place a strategy for the employment of youth and inclusive growth	A strategy for the Bank's support to Member States in the matter of youth employment is developed	31/12/2017
		An MoU with ROPPA under the framework of the Fund for family farms is signed	31/12/2017
	Put in a place an instrument or mechanism to support fragile states of the Community in times of crisis	A strategy for the Bank's intervention in fragile states in times of crisis is developed	31/12/2017
	Monitor commitments in the financing of regional priority projects in the agricultural sector	Disbursements to priority regional agricultural projects increased; files and disbursements processing time reduced	2016-2020
	Develop a sectoral policy for the Bank's intervention in rural development and agriculture	Strategy is developed and approved	31/12/2017
	Promote the development of rural infrastructure	New projects in the agriculture sector are identified	2016-2020
	Promote agro-industry and support investment in agriculture that create opportunities for employment	Projects in the agro-industry are identified and appraised through mission reports	2016-2020
	Develop a strategy to expand the scope of the Bank's involvement in PPP in the sub-region as a financing mechanism for public goods	A unit dedicated to PPP is established in the Operational Department	31/10/2017

Continued

	Support programmes aimed at promoting women entrepreneurship development	Strategy to form partnerships with alternative/microfinance institutions to provide financial/technical assistance to women entrepreneurs is developed	June 2017 30/06/2017

	Proposed Action	**Monitoring Parameters**	**Target Dates**
Fostering Regional Integration	Monitor commitments in the financing of priority regional projects in the energy sector	Priority projects under the Master Plan of WAPP adopted by ECOWAS Member States are financed	2016-2020
	Support regional efforts to create an open and seamless regional market with opportunities for rapid and sustained regional growth and poverty reduction	MoUs signed with other development banks and partners to create regional markets; co-financing arrangements	2016-2020
	Support the development of infrastructure programmes in support of economic growth and regional integration	EBID takes the lead in mobilizing financial and human resources for the financing of the CDP	2016-2020
	Support business linkages and value chain development that promote regional trade	Trade Finance Unit established	2016-2020
	Support investment in new economic activities to strengthen intra-regional trade in Member States	Implementation of report of Strategic Plan	31/12/2017

	Proposed Action	Monitoring Parameters	Target Dates
Risk Management	Take steps to promote the culture of risk within the Bank	An Operational Risk Division is established	2016
		New Risk Analysts recruited	2016
		Risk champions are recruited, identified and deployed within the Bank	
	Take steps to drive change	Top management and professionals are trained and sensitized consistent with new risk matrix	2016-2020
	Take steps to reduce non-performing loans	A new division charged with the recovery of loans in difficulty is estblished;	2016
		Law firms are identified and retained to help the Bank in litigations to recover troublesome loans in Member States	2016
	Take steps to improve the profitability of the Bank in the short to medium term	Bank reports profits in a given accounting period and provisions on loans are reduced	2016-2020
	Operationalize the new pricing policy of the Bank	Management Committee approves the policy and its implementation begins	December 2016
	Pursue steps to be rated by an international ratings agency	Criteria for the publication of the ratings fixed	June 2016
		The principal M&E influencing the ratings of the Bank are defined	June 2016
	Acquire an ALM calculation tool	Procurement of ALM calculation tool	March 2017
		Training of staff for its usage and operation	March 2017

	Proposed Action	Monitoring Parameters	Target Dates
Human Resource Management	Periodically carry out the self-evaluation of the Bank the AADFI framework	Reports prepared and validated by the TCSR	2016-2020
	Set up a forward looking HRMIS	Policy on assessing current and future human resources needs and measures to address them is made available	March 2017
		Knowledge Management tools(job nomenclature, job mapping, skills repository,etc) made available	2016-2020
		An HR reporting system based on scorecard indicators is put in place	2016-2020
		Staff Rules and Regulations revisted and aligned with new strategy	2016
	Strengthen the suitability of human resources to strategic priorities	Annual recruitment plan made available	2016-2020
		Pluriel annual recruitment plan approved by Board of Directors	2016-2020
		Annual training plan is developed and implemented	2016-2020
		A policy on the new staff orientation and integration is developed and made available	December 2016
	Administer the Performance Management System	Appraisal Guidelines, which defines organizational modalities is made available	2016
		Appraisal Guidlines implemented	2016-2020
		An Appraisal Committee, charged with making propositions for training, managing litigations, and continual improvement of the appraisal tool is constituted	2016
		Policy on promoting non-financial recognition is made available	2016
	Acquire an IT System that supports innovative HR Performance Processes	IT System purchased and users and administrators are trained	March 2017
		A project management assistant is recruited	March 2017
		The specifications and solutions written	March 2017
	Develop a knowledge management strategy and implementation plan	Approved strategy document	September 2017

Continued on next page

Financial Management	Put in place cost control mechanism by rationalizing expenses	Review of Bank's operational expenditure, identification and implementation of realistic cost-saving strategies and cost-efficient practices	2016-2020
	Prepare 5-year financing and treasury plans to be updated annually	Report on implementation of Strategic Plan	2016-2020
	Expedite action to migrate Bank's accounts to IFRS	Bank's accounts comply with IFRS	2016
		Follow up on previous attempts regarding the migration process	2016
	Install Bloomberg and Reuters to have access to financial and market information	Budget document	2017
		Train staff on the usage of the terminals/software	2018
	Intensify efforts to seek profitable placement opportunities	Reports of Director of Finance to Investment Committee	2016-2020
	Produce financial statements and prudential ratios on a monthly basis	Director of Finance makes reports to Investment Committee	2016-2020

Optimizing project financing in the public sector	Take steps to increase public sector investment in the Bank's project portfolio	Projects presented for approval to Board of Directors	2016-2020
	Give priority to CDP projects	Projects presented for approval to Board of Directors	2016-2020
	Aggressively engage state governments in Nigeria with a view to identifying viable public sector projects	Sensitization missions carried out in at least 10 States	2016-2020

Ensuring the Legal Certainty of Bank's Operations	Implement the recommendations emanating from the assistance under the AfDB/FAPA Assistance to the Bank relative to the strengthening of the Legal Department	Management endorses recommendations and takes steps to strengthen Legal Department	2016-2020
	Establish cooperation with regional financial regulatory bodies, like the WAMZ College of Supervisors and the Commission bancaire with a view to accessing financial intelligence reports on potential borrowers	MoUs signed between the Bank and WAMZ on the one hand, and Commission bancaire on the other	September 2016

	Sign MoUs with central banks in Anglophone countries to have access to their credit reference bureaux	Initial meetings held and MoUs signed	March 2017
	Identification of law firms in all fifteen Member States to represent the Bank's legal interest in the respective countries	Engagement contracts signed	June 2017

	Proposed Action	Monitoring Parameters	Target Dates
Environmental Sustainability	Continue mainstreaming environment and climate change into Bank's operations	Project Appraisal Reports	2016-2020
	Create climate change adaption and mitigation programmes and projects	Implementation reports	2016-2020
	Develop national and regional environmental sustainability strategies to redress high priority environmental problems in the sub-region	Strategy document developed	June 2017

Improvement of Information Communication Technology	Comprehensively map all the processes of the Bank to better streamline and monitor the implementation of functional projects	Automation of project management, loans and human resources management functionalities	2017-2020
	Migrate to SUNSYSTEMS 10	IT System integrated around SUNSYSTEM	2018
	Establish all the committees necessary to steer and execute ICT overhaul	Decision Taken by Management	31/12/2016
	Implement IT Continuity Plan	IT Continuity Plan drafted and approved	31/03/2017

PART VI: IMPLEMENTATION RISKS

There are a number of risks which could hinder the implementation of the 2016-2020 SP. These include the lack of concessional resources, an inadequate capacity to mobilise resources on the international capital market; liquidity risks, the loss of profit margins, the risk of poor credit ratings and existence of internal constraints.

a) Lack of Concessional Resources

The implementation of the 2016-2020 SP will require that the Bank mobilise a substantial amount of concessional resources. This will be problematic given the fact that nearly all the Bank's Member States are low income countries, and are currently undergoing fiscal consolidation within their economies, their aim being to keep their borrowings low as a percentage of their GDP.

These policies require that the grant element in their borrowings be equal or greater than 35 %. As such the mobilisation of concessional resources will prove critical to the successful implementation of the Plan

b) Inadequate Capacity to Contract Debt

A DFI's capacity to contract debt in the international capital market is critical, as it complements support provided by its shareholders. Given that the outlook for the mobilisation of concessional resources is increasingly unfavourable, a DFI's ability to easily tap into capital markets, at attractive rates, is of prime importance for its medium to long-term sustainability.

Failure to secure easy access to the international capital markets to mobilise resources at competitive rates, could have serious repercussions on the Banks ability to affect the implementation of its 2016-2020 SP.

Gaining easy access to international capital markets will be a function of shareholders' support and the implementation of organization wide corrective measures aimed at strengthening corporate governance. To this end, the Bank will forge ahead in transitioning to IFRS, and will endeavour to implement the recommendations of the various policy documents at its disposal which are intended to enhance the way it does business in the view of ensuring positive outcomes.

c) Liquidity Risk and Loss of Profit Margins

The dearth of the desired resources could create a liquidity risk for the Bank, which would lead to low disbursements, fewer projects being financed and consequently could erode profit margins. The cumulated effect of lower disbursements and reduced profit margins would adversely affect the implementation of the Plan by affecting the Bank's ability to keep its commitments and finance private and public sector projects.

d) Absence of Credit Rating

In order for the Bank to mobilise funds from the international financial markets at competitive rates, it will be necessary to obtain a credit rating by an internationally recognized ratings agency. A good credit rating from an internationally recognized agency will have the double impact of enabling the Bank to borrow money from international markets at non-prohibitive prices on the one hand, while cementing the Bank's position as an anchor and focus point for FDI in the West African region. Ahead of achieving a high credit score there will be a need to implement organisation-wide reforms aimed at modernizing the Bank and conforming activities to international standards.

e) Internal Constraints

The Strategy's success will, in large part, depend on how it is appropriated by internal stakeholders. To ensure the Plan's success it will be necessary to create a culture of change within the organisation to ensure that new practices and new objectives are not resisted; there will also be a need for effective communication about the Plan so that staff members understand the importance of the Plan ,on the one hand, and realise the Plan is not meant to be a one-time exercise, but an evolving document which should be referred to frequently and which is meant to guide the activities of the Bank on a daily basis.

Additionally, it will be necessary to empower staff with the necessary skill-sets to effect the outcomes included in the strategy. Without these three things, the SP would be an articulate and comprehensive document whose relevance will be blunted and whose recommendations and directives will have very little traction.

PART VII: CONCLUSION

With a view to contributing to the economic emergence of ECOWAS Member States, in accordance with its mission of promoting development and investment, the Bank has hitherto embarked upon harnessing its footprints within the sub-region by sustaining its activities in spite of the difficulties it has encountered in mobilising resources internally (i.e within the Community) and externally over the years, due primarily to an unfavorable global macroeconomic environment that has not been so propitious to the mobilisation of concessional resources.

The 2016-2020 SP, which is an outcome of a consultative and participatory process, will permit the Bank to not only contribute to the realization of regional development objectives, but also permit the Bank to strengthen its operational and financial performance, thus consolidating its role as the premier investment and development bank within the sub-region.

In order to achieve the noble objectives outlined by this Strategic Plan, all actions recommended by it will be rigorously implemented. This is the same for the monitoring and evaluation tool, which will permit the Bank to measure in an effective way, progress to made to date regarding the Plan's implementation.

APPENDICES

Appendix 1: EBID's strategic focus & priorities

Mission Statement

To assist in creating the enabling conditions for the emergence of the emergence of an economically strong, industrialised and prosperous West Africa that is fully integrated into the global economic system with a view to taking advantage of the opportunities offered by globalisation.

- Deepening the process of resource mobilisation and enhancing the visibility of the Bank
- Promoting broad-based economic growth and inclusive social development
- Fostering regional integration and cooperation
- Enhancing organisational effectiveness and efficiency
- Environmental sustainability

Priority Areas

- Agriculture and Rural Development
- Private Sector Development
- Infrastructure Development
- Industrialisation
- Social Protection

Appendix 2: Assumptions underlying the financial projections for the period 2016-2020

The analysis assumes that there will be a gradual progression of approvals during the period of the Plan. Approvals are projected to rise from USD 145 million in 2016 for 27 projects to USD 530 million for 42 projects by 2020.

Table 1: Assumptions Underlying the Financial Projections for the period 2016-2020

Item	2016	2017	2018	2019	2020
Approvals	145	250	305	455	530
Commitments	107	205	245	350	405
Disbursements	131.2	208.4	201.8	147.4	157.1
Administrative Costs	22.2	33.3	50.1	75	112.5

New commitments are projected to average USD 262.4 million during the Plan period, rising from USD 107 million in 2016 to USD 405 million in 2020. Disbursements are forecasted to rise from USD 131.2 million in 2016 to USD 157.1 million in 2020.

The projections indicate that the loan portfolio will grow by a moderate 12.2 % over the five year period. This growth will be financed through internally generated resources and new borrowings.

Appendix 3: Breakdown of projected approvals from 2016 to 2020

	Priority Sectors	2016		2017		2018		2019		2020		TOTAL			
		No.	*Amount ($)*	*No.*	*Amount ($)*	*No.*	*Amount ($)*	*No.*	*Amount ($)*	*No.*	*Amount ($)*	*No.*	***Amount ($)***	***Amount (UA)***	***%***
Loans	Rural Development	2	20 000 000	1	12 000 000	2	15 000 000	2	30 000 000	2	38 000 000	9	115 000 000	76 666 667	6.8
	Energy	6	50 000 000	8	73 000 000	10	97 500 000	12	157 500 000	14	187 500 000	50	565 500 000	377 000 000	33.6
	Infrastructure (Transport & ICT)	3	20 000 000	9	91 500 000	10	104 500 000	13	172 500 000	15	205 500 000	50	594 000 000	396 000 000	35.3
	Industries	3	20 000 000	3	25 000 000	4	37 500 000	4	37 500 000	4	37 500 000	18	157 500 000	105 000 000	9.3
	Financial Services	1	10 000 000	1	12 500 000	1	12 500 000	1	12 500 000	1	12 500 000	5	60 000 000	40 000 000	3.6
	Social Services	-	-	1	6 000 000	1	8 000 000	1	15 000 000	2	19 000 000	5	48 000 000	32 000 000	2.8
	Other Services	3	20 000 000	3	25 000 000	3	25 000 000	3	25 000 000	3	25 000 000	15	120 000 000	80 000 000	7.1
	Total 1	**18**	**140 000 000**	**25**	**245 000 000**	**30**	**300 000 000**	**36**	**450 000 000**	**41**	**525 000 000**	**152**	**1 660 000 000**	**1 106 666 667**	**98.5**
Equity Participation	Financial Services	1	5 000 000	1	5 000 000	1	5 000 000	1	5 000 000	1	5 000 000	7	25 000 000	16 666 667	1.5
	Total 2	**1**	**5 000 000**	**1**	**5 000 000**	**1**	**5 000 000**	**1**	**5 000 000**	**1**	**5 000 000**	**7**	**25 000 000**	**16 666 667**	**1.5**
Guarantees	Energy	-	-	-	-	-	-	-	-	-	-	-	-		0.0
	Infrastructure (Transport and ICT)	-	-	-	-	-	-	-	-	-	-				0.0
	Industries	-	-	-	-	-	-	-	-	-	-				0.0
	Services	-	-	-	-	-	-	-	-	-	-				0.0
	Total 3	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Commitments	Rural Development	2	20 000 000	1	12 000 000	2	15 000 000	2	30 000 000	2	38 000 000	9	115 000 000	76 666 667	6.8
	Energy	6	50 000 000	8	73 000 000	10	97 500 000	12	157 500 000	14	187 500 000	48	565 500 000	377 000 000	33.6
	Infrastructure (Transport & ICT)	3	20 000 000	9	91 500 000	10	104 500 000	13	172 500 000	15	205 500 000	49	594 000 000	396 000 000	35.3
	Industries	3	20 000 000	3	25 000 000	4	37 500 000	4	37 500 000	4	37 500 000	16	157 500 000	105 000 000	9.3
	Financial Services	2	15 000 000	3	17 500 000	3	17 500 000	3	17 500 000	3	17 500 000	12	85 000 000	56 666 667	5.0
	Social Services	-	-	1	6 000 000	1	8 000 000	1	15 000 000	2	19 000 000	5	48 000 000	32 000 000	2.8
	Other Services	3	20 000 000	3	25 000 000	3	25 000 000	3	25 000 000	3	25 000 000	13	120 000 000	80 000 000	7.1
	TOTAL	**19**	**145 000 000**	**26**	**250 000 000**	**31**	**305 000 000**	**37**	**455 000 000**	**42**	**530 000 000**	**159**	**1 685 000 000**	**1 123 333 333**	**100.0**

Appendix 4 : Projected Commitments of EBID by mode of intervention from 2016 to 2020

	Priority Sectors	2016		2017		2018		2019		2020		TOTAL			
		No.	Amount *($)*	*No.*	Amount *($)*	*No.*	Amount *($)*	*No.*	Amount *($)*	*No.*	Amount *($)*	***No.***	**Amount *($)***	***Amount (UA)***	***%***
Loans	Rural Development	1	10 000 000	1	12 000 000	2	15 000 000	2	30 000 000	2	38 000 000	8	105 000 000	70 000 000	8.0
	Energy	3	26 000 000	5	55 000 000	7	77 000 000	9	110 000 000	10	130 000 000	34	398 000 000	265 333 333	30.3
	Infrastructure (Transport and ICT)	3	26 000 000	7	77 000 000	7	80 000 000	10	130 000 000	12	160 000 000	39	473 000 000	315 333 333	36.1
	Industries	2	16 000 000	2	20 000 000	3	30 000 000	3	30 000 000	3	30 000 000	13	126 000 000	84 000 000	9.6
	Financial Services	1	8 000 000	1	10 000 000	1	10 000 000	1	10 000 000	1	10 000 000	5	48 000 000	32 000 000	3.7
	Social Services	-	-	1	6 000 000	1	8 000 000	1	15 000 000	1	12 000 000	4	41 000 000	27 333 333	3.1
	Other Services	2	16 000 000	2	20 000 000	2	20 000 000	2	20 000 000	2	20 000 000	10	96 000 000	64 000 000	7.3
	Total 1	**12**	**102 000 000**	**19**	**200 000 000**	**23**	**240 000 000**	**28**	**345 000 000**	**31**	**400 000 000**	**113**	**1 287 000 000**	**858 000 000**	**98.1**
Equity Participation	Financial Services	1	5 000 000	1	5 000 000	1	5 000 000	1	5 000 000	1	5 000 000	5	25 000 000	16 666 667	1.9
	Other Services											-	-	-	0.0
	Total 2	**1**	**5 000 000**	**1**	**5 000 000**	**1**	**5 000 000**	**1**	**5 000 000**	**1**	**5 000 000**	**5**	**25 000 000**	**16 666 667**	**1.9**
Guarantee	Energy														0.0
	Infrastructure (Transport & ICT)														0.0
	Industries														0.0
	Services											-	-		0.0
	Total 3	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commitments	Rural Development	1	10 000 000	1	12 000 000	2	15 000 000	2	30 000 000	2	38 000 000	8	105 000 000	70 000 000	8.0
	Energy	3	26 000 000	5	55 000 000	7	77 000 000	9	110 000 000	10	130 000 000	34	398 000 000	265 333 333	30.3
	Infrastructure (Transport &ICT)	3	26 000 000	7	77 000 000	7	80 000 000	10	130 000 000	12	160 000 000	39	473 000 000	315 333 333	36.1
	Industries	2	16 000 000	2	20 000 000	3	30 000 000	3	30 000 000	3	30 000 000	13	126 000 000	84 000 000	9.6
	Financial Sector	2	13 000 000	2	15 000 000	2	15 000 000	2	15 000 000	2	15 000 000	10	73 000 000	48 666 667	5.6
	Social Sector	-	-	1	6 000 000	1	8 000 000	1	15 000 000	1	12 000 000	4	41 000 000	27 333 333	3.1
	Other Services	2	16 000 000	2	20 000 000	2	20 000 000	2	20 000 000	2	20 000 000	10	96 000 000	64 000 000	7.3
	TOTAL	13	107 000 000	20	205 000 000	24	245 000 000	29	350 000 000	32	405 000 000	118	1 312 000 000	874 666 667	100.0

Appendix 5: Commitments according to sector and mode of intervention

SECTOR	Mode of Intervention	2016		2017		2018		2019		2020		Total			(%)
		No.	Amount ($)	No.	Amount ($)	No.	Amount ($)	No.	Amount ($)	No.	Amount ($)	No.	Amount ($)	Amount (UA)	
PRIVATE	DIRECT LOANS	9	72 000 000	10	100 000 000	12	120 000 000	12	120 000 000	12	120 000 000	55	532 000 000	354 666 667	40.54
	EQUITY PARTICIPATION	1	5 000 000	1	5 000 000	1	5 000 000	1	5 000 000	1	5 000 000	5	25 000 000	16 666 667	1.91
	GUARANTEE	-	-	-	-	-	-	-	-	-	-	-	-	0	0.00
SUB – total 1		**10**	**77 000 000**	**11**	**105 000 000**	**13**	**125 000 000**	**13**	**125 000 000**	**13**	**125 000 000**	**60**	**557 000 000**	**371 333 333**	**42.45**
PUBLIC	DIRECT LOANS	4	70 000 000	7	100 000 000	10	120 000 000	8	225 000 000	9	280 000 000	38	755 000 000	503 333 333	57.55
	EQUITY PARTICIPATION	-	-	-	-	-	-	-	-	-	-	-	-	0	0.00
	GUARANTEE	-	-	-	-	-	-	-	-	-	-	-	-	0	0.00
SUB– total 2		**4**	**70 000 000**	**7**	**100 000 000**	**10**	**120 000 000**	**8**	**225 000 000**	**9**	**280 000 000**	**38**	**755 000 000**	**503 333 333**	**57.55**
TOTAL		**14**	**147 000 000**	**18**	**205 000 000**	**23**	**245 000 000**	**21**	**350 000 000**	**22**	**405 000 000**	**98**	**1 312 000 000**	**874 666 667**	**100.00**

Appendix 6: Projected disbursements of EBID for the 2016-2020 period

DISBURSEMENTS ON OLD COMMITMENTS (2016 – 2020)								
MODE OF INTERVENTION	**2016**	**2017**	**2018**	**2019**	**2020**	**TOTAL 2016-2020**		
	Amount ($)	Amount ($)	Amount ($)	Amount ($)	Amount ($)	**Amount ($)**	**Amount (UA)**	**%**
Direct Loans	***104 980 664***	***157 768 558***	***111 707 272***	***36 195 352***	***21 717 211***	***432 369 058***	***288 246 039***	***98***
Private	*24 142 265*	*16 061 472*	*0*	*0*	*0*	*40 203 737*	*26 802 491*	*9*
Public	*80 838 399*	*141 707 086*	*111 707 272*	*36 195 352*	*21 717 211*	*392 165 321*	*261 443 547*	*89*
Equity Participation	***4 590 880***	***4 590 880***	***1 050 191***	***0***	***0***	***10 231 951***	***6 821 301***	***2***
Guarantee	***0***	***0***	***0***	***0***	***0***	***0***	***0***	***0***
Total	***109 571 544***	***162 359 438***	***112 757 464***	***36 195 352***	***21 717 211***	***442 601 009***	***295 067 339***	***100***
DISBURSEMENTS ON NEW COMMITMENTS (2016 – 2020)								
Direct Loans	***21 600 000***	***36 000 000***	***74 000 000***	***101 200 000***	***120 360 000***	***353 160 000***	***235 440 000***	***88***
Private	*21 600 000*	*30 000 000*	*36 000 000*	*36 000 000*	*36 000 000*	*159 600 000*	*106 400 000*	*40*
Public	*0*	*6 000 000*	*38 000 000*	*65 200 000*	*84 360 000*	*193 560 000*	*129 040 000*	*48*
Equity Participation	***0***	***10 000 000***	***15 000 000***	***10 000 000***	***15 000 000***	***50 000 000***	***33 333 333***	***12***
Guarantees	***0***	***0***	***0***	***0***	***0***	***0***	***0***	***0***
Total	***21 600 000***	***46 000 000***	***89 000 000***	***111 200 000***	***135 360 000***	***403 160 000***	***268 773 333***	***100***
DISBURSEMENTS (2016 – 2020)								
Direct Loans	***126 580 664***	***193 768 558***	***185 707 272***	***137 395 352***	***142 077 211***	***785 529 058***	***523 686 039***	***93***
Private	*45 742 265*	*46 061 472*	*36 000 000*	*36 000 000*	*36 000 000*	*199 803 737*	*133 202 491*	*24*
Public	*80 838 399*	*147 707 086*	*149 707 272*	*101 395 352*	*106 077 211*	*585 725 321*	*390 483 547*	*69*
Equity Participation	***4 590 880***	***14 590 880***	***16 050 191***	***10 000 000***	***15 000 000***	***60 231 951***	***40 154 634***	***7***
Guarantees	***0***	***0***	***0***	***0***	***0***	***0***	***0***	***0***
Total	***131 171 544***	***208 359 438***	***201 757 464***	***147 395 352***	***157 077 211***	***845 761 009***	***563 840 673***	***100***

APPENDIX 7: INSTITUTIONAL FRAMEWORK

I – BACKGROUND

The ECOWAS Bank for Investment and Development (EBID) is an international financial institution established on the 19th January 2007 through the revised treaty of the Economic Community of West African States (ECOWAS) which is currently comprised of 15 Member States: Benin, Burkina-Faso, Cabo-Verde, Côte d'Ivoire, the Gambia, Ghana, Guinea, Guinea-Bissau, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone and Togo. EBID, the financial arm of the Community, is comprised of two windows: one focused on financing the private sector, and the other focused on the development of the public sector.

The Bank emerged from the transformation of the former ECOWAS Fund instituted on 28th May 1975. In order to strengthen the financial resources of the Fund through the opening of its capital to non-regional partners, it was transformed on 10th December 1999 into a holding company comprised of two specialized institutions: the ECOWAS Regional Development Fund (ERDF) which financed public sector projects, and the ECOWAS Regional Investment Bank (ERIB) which focused on private sector project financing.

The EBID group became operational in 2003. In the perspective of streamlining the Bank's activities, the Conference of Heads of State and Government of ECOWAS decided to reorganise it into a unique structure on 14th June 2006.

II – CORPORATE OBJECT

The Bank's corporate object is to:

- Grant loans and guarantees for financing investment projects and programmes relating to the economic and social development of Member States;
- Mobilise resources within and outside the Community to finance the Bank's investment projects and programmes;
- Provide the technical assistance that may be required within the Community to study, prepare, finance and implement development projects and programmes;
- Receive and manage the portion of the Community Levy resources earmarked for financing Community development activities;
- Manage any Community special funds relevant to its corporate object;
- Carry out any commercial, industrial or agricultural activity related to the Bank's corporate object or required for the recovery of debts owed the Bank.

Within the scope of its corporate object, EBID collaborates with national and sub-regional development organisations operating within and outside the Community. Furthermore, the Bank cooperates with other international organisations with similar aims and other institutions involved in the development of the Community.

III - CAPITAL

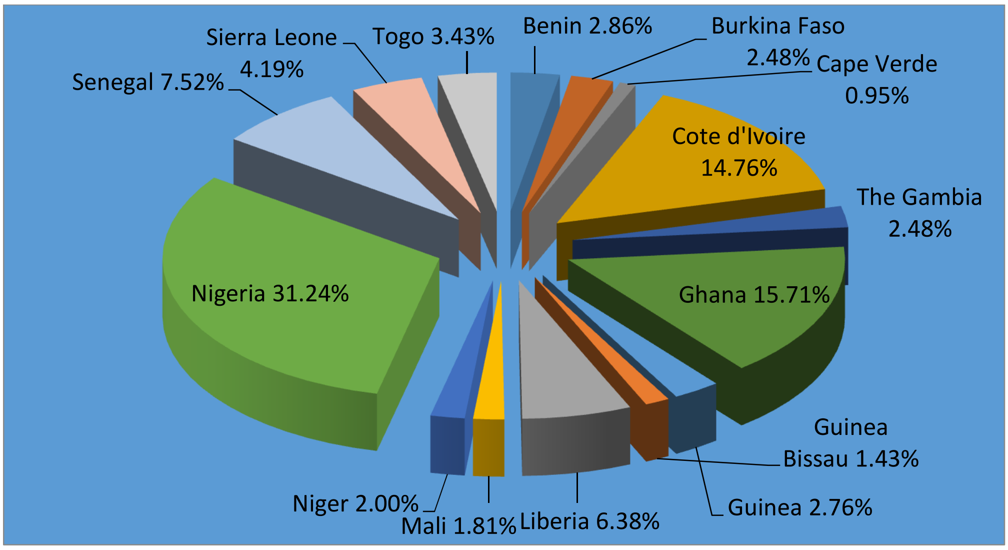
The authorised capital available to EBID is 1000 million UA. Of this, 70% is reserved by the Member States of ECOWAS, while the remaining 30% is open to subscription by non-regional members. As at 30th November 2015, the capital structure of the Bank is as follows:

Table 13: Capital Structure of the Bank as at 30th November, 2015

ITEM	AMOUNT (in million UA)	PERCENTAGE OF AUTHORISED CAPITAL
Authorised Capital	1 000.0	100.0
Subscribed Capital	700.0	70.0
Called Up Capital	392.7	39.3
Paid Capital	**203.4**	**20.4**
Capital Yet to be Paid	189.7	18.9
Callable Capital	307.3	30.7

Source : Accounting & Finance Department

Figure 8: Subscribed Capital of EBID by Country as at 30th November 2015



IV - ORGANISATION AND MANAGEMENT

In line with the Articles of Association of EBID, the decision-making bodies of the Bank are:

- Board of Governors: This is the highest decision-making body. It has broad powers regarding control, management, operations and the administration of the Bank. The substantive members of the Board of Governors are Ministers of Finance of ECOWAS Member States.

- Board of Directors: This comprises ten (10) members including the President of the Bank who is also the Chairman of the Board.

- Management: The President of EBID is responsible for the day-to-day management of the Bank. He is assisted by two Vice-Presidents. One is in charge of Finance and Corporate Services, and the other in charge of Operations.

V – SECTORS OF INTERVENTION

The interventions of EBID cover both the public and private sectors and include the following fields:
For the Public Sector:

- **Infrastructure and basic amenities** relating to **transport** (roads, railways, port infrastructure, airports), **energy** (infrastructure for hydroelectric, thermal, solar, wind and nuclear energy production, infrastructure energy transportation and distribution, rural electrification, etc.), **telecommunications** (telecommunication satellites, antennae, sub-marine cables, rural telephone infrastructure, etc.);

- **Rural development and Environment** (irrigation, flood control, rural water supply, agriculture, livestock, fisheries, ecosystem protection, renewable energy, etc.);

- **Social Sector** (vocational training, education, health, support to decentralisation, municipal facilities, etc.)

For the Private Sector:

- **Infrastructure and equipment relating to transport** (construction of roads, highways and toll roads, modernisation of rail systems, acquisition of airplanes, etc.), **energy** (petrol production, production and distribution of natural gas, modernisation of production equipment, transportation and distribution of electricity, etc.) **telecommunications** (mobile telecommunications, new ICT technologies, etc.);

- **Industry** (promotion of agro-industries, mining industries, other industries, technology transfer, technological innovation);

- **Services** (financial advice, assistance and financial engineering, the grant of credit lines to local financial institutions, granting of loans and guarantees for the development of tourism- hotels and other merchant services, etc.)

VI – MODE OF INTERVENTION

EBID intervenes through:

- Long, medium and short-term loans;
- Equity participation;
- Co-financing and Syndication of loans;
- Granting of lines of credit and putting in place framework agreements for refinancing;
- Issue and guarantee of loans, debentures, bonds, and other securities;
- Financial engineering; and
- Trade finance.