

Summary: The African Development Bank Group

African Development Bank (AfDB)

BA Request: \$5.1M

AfDB, established in 1964, is the non-concessionary window of the African Development Bank Group. It lends at market-based rates to credit-worthy developing countries in the region to finance key poverty reduction programs and economic policy reforms. AfDB currently earns net income of more than \$150 million annually. Its lending operations are financed by bond issues on international financial markets (on the basis of its AAA/AA+ credit rating) and internally generated funds.

For FY2003, the Administration is requesting \$5.1 million for the fourth of eight equal annual U.S. payments under the Bank's fifth general capital increase (GCI-5) and \$4,473 to clear one-third of outstanding arrears.

African Development Fund (AfDF)

BA Request: \$118.1M

AfDF began operations in 1973 as the concessional lending affiliate of the African Development Bank Group. It provides loans on concessional terms (40 – 50 years maturity, including 10 years grace period; 0% interest, 0.75% service charge and 0.50% commitment fee to Africa's poorest countries. Its loans finance priority investments in health, education, agriculture, sanitation, and infrastructure needed for poverty reduction, and promote basic economic policy and institutional reforms needed for sustainable economic growth and development. AfDF operations are financed primarily by periodic financial infusions from donor countries (replenishments), as well as repayment inflows and annual contributions from the net income of AfDB.

For FY2003, the Administration is requesting \$118 million for the first installment of a three-year commitment under the agreement of the ninth replenishment of the AfDF, which is expected to be effective in early 2002. In addition, the Administration is seeking \$73,333 to clear one-third of outstanding arrears.

Notes:

- The Bank Group is comprised of the AfDB, the AfDF, and the Nigerian Trust Fund (NTF). As the U.S. does not contribute to the NTF, only the AfDB and AfDF are treated here.
- AfDB Fiscal Year: January 1 - December 31
- Exchange Rate: UA 1 = \$1.25562 as of December 31, 2001
- BA: Budget Authority
- Internet Website: www.afdb.org