

## **TDB Accelerates International Cooperation with Key Global Players**

The Trade and Development Bank (TDB) over the past few months has advanced an array of global partnership and cooperation deals. These new agreements are aligned with the Bank's growth and expansion plans leading increased growth and quality of business in its Member States. New TDB partnership agreements include:

### **TDB SIGNS MOU WITH US EXIM BANK TO BOOST TRADE BETWEEN U.S. AND EASTERN AND SOUTHERN AFRICA**

**Washington, D.C. 21<sup>st</sup> September 2016** – The Trade and Development Bank (TDB) has signed a memorandum of understanding (MoU) with the Export-Import Bank of the United States (EXIM), with the goal of increasing the trade of goods and services between the U.S. and sub-Saharan Africa.

Admassu Tadesse, President and Chief Executive of TDB and Fred P. Hochberg, Chairman and President of US Exim Bank signed the MOU during the U.S. Business Africa Forum (USABF) in New York City. It has the potential to avail up to \$100 million to finance the purchase of American goods and services, with the additional benefit of boosting trade between the two regions.

"TDB and US Exim Bank are long standing partners with more than 17 years of cooperation. As a fervent supporter of the UN Sustainable Development Goals, TDB will continue to build and serve the region in areas such as infrastructure and power development amongst others, with trusted partners such as U.S. Exim Bank" said TDB's President Admassu Tadesse.

The MoU is a statement of general intent between US EXIM Bank and TDB to exchange information on trade and business opportunities in key sectors, including commodities; agriculture and food products; medical equipment; water and sanitation; power and energy; infrastructure; and large and small equipment purchases.

Under the MoU, EXIM Bank and TDB will explore options for utilizing up to \$100 million dollars in EXIM financing programs, including EXIM Bank short-, medium, and long-term financing programs. Since 2009, EXIM Bank has supported more than \$8 billion in exports to Africa, approximately 90 percent of which went to the sub-Saharan region.

“Now is a time for U.S. businesses to seize unparalleled opportunities in Sub-Saharan Africa,” said US Exim Bank’s Chairman, Hochberg. “This memorandum builds on a partnership that will advance EXIM’s mandate to promote the purchase of U.S. goods and services in the public and private sectors in Sub-Saharan Africa.”

### **TDB AND ICD SIGN MOU TO FACILITATE FINANCING AND INVESTMENT**

**Jeddah, December 13, 2016.** TDB (Trade and Development Bank) has signed a Memorandum of Understanding (MoU) with the Islamic Corporation for the Development of the Private Sector (ICD) that will lead to the establishment of bilateral cooperation between the two development finance institutions.

The signing of the MoU between TDB and ICD- the private sector arm of the Islamic Development Bank (IDB) Group will see the two institutions promote and facilitate the execution of their mandates through financing and investments in their respective member countries.

Mr. Admassu Tadesse, President and Chief Executive of TDB and Mr. Khaled Al Aboodi, the Chief Executive Officer and General Manager of ICD, signed the MoU on behalf of the two institutions.

“We see many benefits in this new partnership with ICD, which covers several areas, including co-financing, lines of credit, treasury and risk sharing. Our cooperation will also open more opportunities to private sector investors in our respective member countries,” said Mr. Tadesse.

Mr. Khaled Al-Aboodi, the CEO and General Manager of ICD commented: “One of the main activities of ICD is to support economic development and promote the development of the private sector in the member countries. We are sure that our cooperation with TDB will lead us to better serve our common goals through providing financing facilities and investments”.

### **TDB SIGNS MOU WITH ITFC TO BOOST TRADE COOPERATION AND PARTNERSHIP**

**Jeddah, December 14, 2016.** The Trade and Development Bank (TDB) has signed a Memorandum of Understanding (MoU) with the International Islamic Trade Finance

Corporation (ITFC), which is a member of the Islamic Development Bank (IDB) Group, aimed at boosting inter-regional trade within Eastern and Southern Africa.

The MoU was signed at ITFC's Headquarters in Jeddah, Saudi Arabia. It aims at enhancing the cooperation and partnership in trade finance transactions, trade facilitation and promotion, knowledge sharing and other trade related areas.

During the ceremony, TDB's President and Chief Executive, Admassu Tadesse said the signing of the MoU with ITFC is an important and strategic step in enhancing trade, especially in Eastern and Southern Africa. He added that ITFC's financing facilities would include both the public and private sector, which will support the overall economy of TDB Member States in Eastern and Southern Africa.

"Intra-African trade remains below levels realized in other parts of the world. There is therefore need to work towards enhancing harmony with the regional trading blocs. This will eventually increase the market size and create economies of scale, leading to increased growth in the region," said Mr. Tadesse.

The MoU also examines the possibility of providing Islamic Trade Finance solutions including Islamic discounting to support the import of strategic commodities from member countries of the Organization of Islamic Cooperation (OIC) to TDB Member States.

"As a development institution, ITFC is keen to provide Islamic trade finance amongst its member countries and the rest of the world to improve the lives and the well-being of people. Moreover, ITFC provides diversified tailored financing solutions to its clients. This creates a unique, dynamic and strategic relationship with them," said Eng. Hani Salem Sonbol, CEO of ITFC.

In addition, the MoU will explore the possibility of TDB providing agency services to ITFC for operations within the region and under specific terms and conditions. The collaboration between both entities will also cover exchanging expertise through training and technical assistance in the area of Islamic Finance.

The two institutions have successfully collaborated in the past, since the ITFC had previously approved a total of \$93million in favour of TDB for the importation of petroleum products. This new partnership seeks to scale up the cumulative amount of trade transactions over the next few years.

## **TDB RECEIVES CREDIT FACILITY FROM UK GOVERNMENT'S DEVELOPMENT FINANCE ARM**

The Trade and Development Bank (TDB) have received a USD 50 million medium-term line of credit from CDC Group plc, which is the development finance arm of the UK Government.

The loan advanced by CDC Group plc is part of the multi-pronged approach by TDB to further consolidate its operations in Eastern and Southern Africa.

This facility will support the General Corporate, Trade Finance and Project & Infrastructure Finance business across the 20 member countries of TDB in the tripartite regions of COMESA, SADC and EAC.

CDC Group plc, which is wholly owned by the UK Government, was founded in 1948 making it the world's oldest DFI. Its main mission is to provide scarce and patient capital to businesses and entrepreneurs in Africa and South Asia, where more than 70 per cent of the world's poorest people live.

#### **TDB TO STRENGTHEN ESA – JAPAN ECONOMIC COOPERATION THROUGH LOAN AGREEMENT WITH JBIC**

**Nairobi, August 27, 2016.** TDB (Trade and Development Bank) has signed a USD 40 million loan agreement with the Japan Bank for International Cooperation (JBIC) to enable businesses in Eastern and Southern Africa to acquire machinery, equipment and services from Japan.

The loan will be co-financed by the Sumitomo Mitsui Banking Cooperation (SMBC), bringing the overall amount to USD 80 million, with Nippon Export and Investment Insurance (NEXI) providing insurance for the portion financed by the private financial institution.

“There is growing demand for machinery and other equipment, which are needed to increase productivity, build businesses and improve trade in Eastern and Southern Africa. This facility will help our business customers in more than 20 countries access these tools for economic development”, said Admassu Tadesse, President and CEO of TDB.

He further noted, “By mobilizing these funds from Japanese financial institutions, we are also on course in fulfilling our mandate to strengthen the economic relationship

between Eastern and Southern Africa and Japan, by leveraging on the unique strengths and opportunities found in both countries.”

The signing of the loan by TDB aims at developing the development financier’s balance sheet from the current USD 4 billion, into a USD 10 billion bank in the next five years.

The signing of the agreement was carried out on the sidelines of the Sixth Tokyo International Conference on African Development (TICAD VI) which was held in Nairobi from August 27<sup>th</sup>-28, 2016.

The facility illustrates the commitment by Japan’s government to support the economic structural reform in Africa through economic diversification and industrialization, which was one of the key items on the TICAD VI agenda.

### **TDB PARTNERS WITH KfW TO EXPAND INFRASTRUCTURE DEVELOPMENT IN THE REGION**

**Frankfurt, December, 6<sup>th</sup>, 2016.** TDB (Trade and Development Bank) has signed a USD 100 million promotional loan agreement with the German development finance institution KfW, on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ), to support the expansion of infrastructure development in Eastern and Southern Africa.

The funds will focus on road construction, energy and water supply, and information technology across the 20 Member States of TDB.

Mr. Admassu Tadesse, the President and Chief Executive of TDB said, “This promotional loan is consistent with our mandate and strategy, given that seamless transportation, reliable and affordable energy, clean water and sanitation and information technology are all catalysts to socio-economic development, fostering of trade and regional economic integration.”

“The loan strengthens the strategic partnership of KfW and TDB. Both banks are involved in the International Development Finance Club (IDFC), the network of national and regional development banks. Within the scope of this particular project, we work together to create a basis for economic growth and employment to achieve a sustainable reduction of poverty,” said Dr. Ulrich Schroeder, Chief Executive Officer of KfW Group.

Infrastructure development is one of the key challenges on the African continent. The cost of addressing Africa's infrastructure needs is around \$93 billion a year, about one-third of which is for maintenance. According to the World Bank, Africa's electricity, water, roads and information and communications technology cuts national economic growth by two percentage points every year and reduces productivity by as much as 40 per cent.

In December 2013, TDB and KfW signed a USD 60M line of credit to refinance renewable Energy Efficiency projects in the region. Lake Turkana Wind Power, Hydromax and Consortium Suzlon, are projects funded under this line to the tune of USD 15.5 million.