



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

PUBLIC BOND ISSUE
GSS BOND BIDC-EBID 6.50% 2024 – 2031



1st Green
 and Sustainable
 Public Bond Issue
 in the WAEMU
 region

**Let's support our economies towards
 a greener and more sustainable future!**



**TOTAL AMOUNT OF THE OPERATION:
 FCFA 70 BILLION**

SUBSCRIBE: JULY 15 TO AUGUST 9 2024

**INTEREST RATE
 6.50%^{NET}
 over
 7 years**

Lead arranger and Lead Manager



Co-arranger and Co-Lead Manager



Co-Lead Manager



Investment Syndicate

BENIN : AfricaBourse, ACI, BIIC Financial Services (BFS), SGI Benin, United Capital for Africa / BURKINA FASO : Coris Bourse, SA2IF, SBIF / COTE D'IVOIRE : Attijari Securities West Africa (ASWA), Atlantique Finance, BICI Bourse, BNI Finances, BOA Capital Securities, BRIDGE Securities, EDC Investment Corporation, Hudson & CIE, MAC-AFICAN-SGI, Matha Securities, NSIA Finance, Oragroup Securities, Phoenix Capital Management, Sirius Capital, SG – CSWA / MALI : CIFA Bourse, SGI Mali, Global Capital, CIFA Bourse / NIGER : SGI Niger / SENEGAL : ABCO Bourse, CGF Bourse, Everest Finance, Impaxis Securities, Finance Gestion et Intermediation, Invictus Capital Finance / TOGO : SGI Togo

This transaction has been authorised by the Autorité des Marchés Financiers of the West African Monetary Union (AMF-UMOA) under visa N° EOP/24-01



www.bidc-ebid.org

BACKGROUND AND PURPOSE OF THE OPERATION

The ECOWAS Bank for Investment and Development (“EBID” or the “Bank”), the development finance institution of the Economic Community of West African States (“ECOWAS”), is a regional financial institution whose main shareholders are the 15 member countries of the region. EBID contributes to the economic development of West Africa not only by financing public and regional projects, but also by financing the private sector through loans and guarantees to businesses.

The Bank is undertaking to launch a pioneering initiative on the financial market in the WAEMU region: the first green and sustainable bond (“GSS Bond” or “Green, Social and Sustainability Bond”), amounting to FCFA 70 billion. This bond issue by public offering, is part of the Bank’s strategic plan to finance investments to boost the economy of its Member States.

This initiative corresponds to the third tranche of the FCFA 240 billion fundraising operation previously launched by the Bank on the regional financial market. To carry out this operation, the Bank has mandated a Consortium composed of IMPAXIS, Coris Bourse and Ecobank Development Corporation (EDC).

In its mission as a development finance institution for the region, EBID aims to be a catalyst for post-COVID-19 economic recovery within ECOWAS. With this operation, EBID wishes to reaffirm its commitment to playing a major role in supporting Member States in the creation of jobs and wealth, and reducing poverty by financing investment projects that are sustainable, profitable, and beneficial to all.

THE ADVANTAGES OF THE OPERATION

✓ Development finance institution of the region

EBID contributes to the economic development of West Africa by financing public and private projects in several areas (infrastructure development, renewable energy, telecommunications, industry, agriculture, etc..).

✓ Solid and constantly improving fundamentals

- The Bank has an adequate level of capital in relation to its risk-weighted assets. It has a good capital structure.
- The net interest margin is positive and improved during the 2023 financial year. The margin level takes into account the Bank’s mission as a development finance institution with profitable projects but at subsidised rates.
- A controlled level of past-due receivables, due to improved credit and collection procedures (the net deterioration rate is less than 3% as at 31/12/2023).

✓ Attractive taxation

- EBID benefits from tax exemption throughout the WAEMU region in accordance with Article 49-4 of its Articles of Association.
- The loan offers an attractive net interest rate.

✓ Positive impact of the funds raised on WAEMU’s economic recovery

- The restrictive measures taken as part of the COVID-19 pandemic, both globally and nationally, are having severe repercussions on the economies of Member States. After almost two decades of resilient and robust growth performance, the region experienced its first recession in 2020.
- The funds raised will be used to support the financing of WAEMU’s recovery, in addition to an injection of FCFA 70 billion into both the private and public sectors.

✓ 1st GSS Bond by Public Offering in the WAEMU region

- This operation will be the first green and social bond by Public Offering in the WAEMU region and will contribute to the dynamic diversification of financial instruments on the regional financial market.
- The funds will be invested in projects in line with 5 Sustainable Development Goals:
 - SDG 3: Good health and well-being
 - SDG 6: Clean water and sanitation
 - SDG 7: Clean and affordable energy
 - SDG 8: Decent work and economic growth
 - SDG 9: Industry, innovation and infrastructure
- A multi-disciplinary management team with proven experience in development finance.

✓ A solid shareholder structure combined with good governance

- The Bank has a solid shareholder structure made up of the 15 ECOWAS Member States.
- The strengthening of the shareholder structure with the capital increase reserved for non-regional investors.
- The unlikely default of the 15 ECOWAS Member States, shareholders of EBID, reinforces its position as a development finance institution with a quasi-sovereign risk.
- A multidisciplinary management team with proven experience in development finance.

CHARACTERISTICS OF THE OPERATION

Description	Characteristics
Name	• “GSS Bond BIDC-EBID 6.50% 2024 - 2031”
Issuer	• ECOWAS Bank for Investment and EBID Development
Issue amount	• FCFA 70 000 000 000
Interest rate	• 6.50% net per annum
Duration of the loan	• 7 years including a 2-year capital repayment grace period
Type of investment	• Public call for savings
Type of securities	• Bonds
Purpose of the transaction	• Financing recovery plan in the WAEMU region - post-COVID-19 context • Financing of projects to achieve the Sustainable Development Goals
Ranking of securities	• Pari passu
Issue price	• FCFA 10 000
Nominal value	• FCFA 10 000
Number of securities to be issued	• 7 000 000 bonds
Taxation	• In accordance with Article 49 of the Articles of Association, EBID benefits from immunities, privileges, financial facilities, and tax exemptions. • Thus, the income related to these bonds will be exempt from all taxes in all ECOWAS countries.
Form of securities	• The securities will be dematerialised, registered in an account with the Central Depository/Settlement Bank (DC/BR) and held in the books of the WAEMU's Management and Intermediation Companies or approved account-keeping banks.
Subscribers	• WAEMU and international investors, both legal entities and individuals.
Liquidity of the securities	• The «GSS Bond BIDC-EBID 6.50% 2024 - 2031» will be the subject of a request for admission to the bond compartment of the BRVM as soon as the operation closes. • Secondary operations will be carried out via orders submitted to stakeholders approved by the AMF – UMOA.
Payment of interest and repayment of principal	• Interest will be paid semi-annually from the date of possession of the securities. • The capital will be repaid semi-annually at the rate of one tenth (1/10) of the said capital over the 5 years.
Competent jurisdiction	• The Bonds are governed by the regulations in force on the WAEMU Regional Financial Market and the OHADA regulations. Any dispute to which the Borrowing may give rise between the investors and EBID shall be settled amicably, and failing amicable settlement within three months, shall be finally settled by arbitration, the organisation of which shall be entrusted to the Joint Court of Justice and Arbitration of OHADA (CCJA), located in Abidjan in accordance with its arbitration rules.
International rating	• Fitch – B with stable short- and long-term outlook - April 2024 • Moody's – B2 with stable short and long-term outlook - October 2023
Guarantee	• The callable capital serves as full guarantee for the Bank's various borrowings. • At December 31, 2023, the authorised capital is UA 2.5 billion (i.e. FCFA 2 014 billion), including callable capital of UA 1 050 million (i.e. FCFA 846 billion).

INDICATIVE AMORTISATION TABLE

Indicative amortisation table of "GSS Bond BIDC-EBID 6,50% 2024 – 2031"					
Period	Capital at the beginning of the period	Net interest	Amortisation	Capital at the end of the period	Six Monthly installment
1	70 000 000 000	2 275 000 000		70 000 000 000	2 275 000 000
2	70 000 000 000	2 275 000 000		70 000 000 000	2 275 000 000
3	70 000 000 000	2 275 000 000		70 000 000 000	2 275 000 000
4	70 000 000 000	2 275 000 000		70 000 000 000	2 275 000 000
5	70 000 000 000	2 275 000 000	7 000 000 000	63 000 000 000	9 275 000 000
6	63 000 000 000	2 047 500 000	7 000 000 000	56 000 000 000	9 047 500 000
7	56 000 000 000	1 820 000 000	7 000 000 000	49 000 000 000	8 820 000 000
8	49 000 000 000	1 592 500 000	7 000 000 000	42 000 000 000	8 592 500 000
9	42 000 000 000	1 365 000 000	7 000 000 000	35 000 000 000	8 365 000 000
10	35 000 000 000	1 137 500 000	7 000 000 000	28 000 000 000	8 137 500 000
11	28 000 000 000	910 000 000	7 000 000 000	21 000 000 000	7 910 000 000
12	21 000 000 000	682 500 000	7 000 000 000	14 000 000 000	7 682 500 000
13	14 000 000 000	455 000 000	7 000 000 000	7 000 000 000	7 455 000 000
14	7 000 000 000	227 500 000	7 000 000 000	-	7 227 500 000
Total		21 612 500 000	70 000 000 000	-	91 612 500 000

All amounts are in FCFA

