

LIBREVILLE, November 11 (Infosplusgabon) - The African Development Bank and the Eastern and Southern African Trade and Development Bank (TDB) have united to launch a unique financial instrument to catalyze financing for sustainable development on the continent. At the ongoing global climate summit, COP27, the African Development Bank on Wednesday announced an investment commitment of \$ 15 million in TDB's Class C Green+ Shares.

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About a decade ago, as the international community was embarking upon the 2030 agenda for sustainable development and advocating for institutional investors to invest in sustainability assets, TDB launched its Class B shares targeting pension funds, sovereign wealth funds and others. The African Development Bank took the lead and became the first investor in Class B shares. The launch of Class B has been a huge success and today, TDB counts 20 institutional investors as part of its shareholder community, which now represents about a third of TDB's total paid-in shareholder capital.

Admassu Tadesse, TDB Group President Emeritus and Managing Director said: “We are grateful for the pioneering role of the African Development Bank in the launch of this novel instrument, which is already generating much interest from other investors. Building on the successful model of green bonds, this catalytic, paid-in, equity investment will bolster TDB’s capital position and enable us to step-up our impact in the climate space. Together, we are making African capital work for Africa’s development, while delivering competitive returns.”

Akinwumi Adesina, African Development Bank Group President said: “This is a great innovation that will catalyze public development banks and other financial institutions to do more in expanding climate financing and green growth. The African Development Bank Group will mobilize investment partners for the Trade and Development Bank and will help to replicate this with other financial institutions. We want to green Africa’s financial systems”

Alongside critical reforms implemented over the last ten years, the diversification of TDB’s capital structure has enabled TDB to continue mobilizing debt capital on increasingly attractive terms, achieve investment grade ratings, and scale-up its impact in the region it serves. Class C Green+ Shares are senior, and shareholders will earn annual dividends in the same way that existing Class B shareholders do. Building on TDB’s successful track record generating double-digit returns on equity and development impact on a triple bottom-line basis, Class C Green+ Shares are another step in the right direction.

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