



Press Release

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Agence Française de Développement and African Export-Import Bank sign a EUR 150 million framework of intent to support vaccination against COVID-19 and inclusive and sustainable development in Africa

Agence Française de Développement (AFD) and African Export-Import Bank (Afreximbank) signed on 9 December 2021 a 150-million-euro framework of intent to support the African Vaccine Acquisition Trust (AVAT) in its efforts to open up access to COVID-19 vaccines to African states based on a whole-of-Africa approach, while working together to provide financing for sustainable and inclusive investments across the continent.

The collaboration framework was concluded between Professor Benedict Oramah, President and Chairman of the Board of Directors of Afreximbank and Mr. Christian Yoka, Director of the Africa Department at AFD, at the end of the partnership meeting held in Cairo.

As part of AVAT, Afreximbank is providing a unique financial structure including a purchase guarantee to vaccine manufacturers and an installment payment plan to African States to fund the purchase of the vaccines. The collaboration between Afreximbank and AFD will help AVAT meet the challenges of COVID-19 vaccination in Africa and the continental goal of vaccinating at least 70% of the African population.

The impacts of the COVID-19 pandemic on Africa have not only been health related, but also socio-economic. In 2020 Africa experienced its first recession in 50 years, leaving the continent with lasting negative effects on public finances and investor confidence, combined with a significant increase of 30 million people from 2020 to 2021 in the number of people living in extreme poverty, especially youth and women.

Against this backdrop, unlocking finance for sustainable and inclusive development in Africa is considered a priority for AFD and Afreximbank. In addition, the African Continental Free Trade Agreement (AfCFTA) is expected to play a significant role in growing trade and strengthening financial flows in support of sustainable and inclusive investments in Africa. The partnership agreement between AFD and Afreximbank therefore aims to expand sustainable financing for African investments and businesses, in addition to supporting the vaccination campaign against COVID-19.

Speaking during the signing ceremony, Professor Benedict Oramah stated that this new collaboration reinforces an increasingly strong partnership between AFD and Afreximbank.

"We are delighted to have AFD on board to support our efforts with AVAT to help procure COVID-19 vaccines for African states. We are particularly pleased that this collaboration also addresses the need to finance inclusive and sustainable investments, which is also one of our priorities. We value the flourishing relationship we have with AFD and look forward to working together in many other areas of mutual interest," said Professor Oramah.

On the occasion of the signing, Mr. Christian Yoka indicated that *"With the President of Afreximbank we have discussed the common economic development challenges of the African continent, highlighted the critical importance of unleashing financing for sustainable and inclusive investments in Africa and agreed on common objectives and goals to improve the health conditions of the African people, in a context marked by the COVID-*

19 pandemic. Today's signing between AFD and Afreximbank of the Framework of Intent worth EUR 150 million in support of Covid 19 vaccine and sustainable and inclusive financing in African, is meant to renew our common engagement to support Africa's socioeconomic systems. In addition to previous financial operations amounting to EUR 450 million, this new operation stands to demonstrate our full alignment in addressing the challenges facing Africa in terms of regional integration, climate change, and the ongoing pandemic.

Background information

Since 2015, the relationship between AFD and Afreximbank has increasingly grown and gradually turned into a partnership based on shared goals and attention for the sustainable economic development of the African continent. The partnership between AFD and Afreximbank amount up to EUR 450.5 million. First, the partnership was focusing on promoting the competitiveness and diversification of African exports, enhance African exports, foster the insertion of local content and the creation of value chains and regional trade integration. This partnership has reached new heights which focuses more on mainstreaming climate-friendly and social inclusive financing solutions across the continent, aside from their support altogether to vaccination against Covid-19 on the African continent, through the AVAT initiative.

About the African Export Import Bank (Afreximbank)

African Export-Import Bank (Afreximbank) is a Pan-African multilateral financial institution mandated to finance and promote intra-and extra-African trade. Afreximbank deploys innovative structures to deliver financing solutions that support the transformation of the structure of Africa's trade, accelerating industrialization and intra-regional trade, thereby boosting economic expansion in Africa. The Bank has a rich history of intervening in support of African countries in times of crisis. Through the Pandemic Trade Impact Mitigation Facility (PATIMFA) launched in April 2020, Afreximbank has disbursed more than US\$6.5 billion in 2020 to help member countries manage the adverse impact of financial, economic, and health shocks caused by the COVID-19 pandemic. A stalwart supporter of the African Continental Free Trade Agreement (AfCFTA), Afreximbank has completed the development of a Pan-African Payment and Settlement System (PAPSS) that was adopted by the African Union (AU) as the payment and settlement platform to underpin the implementation of the AfCFTA. Afreximbank is working with the AU and the AfCFTA Secretariat to develop an Adjustment Facility to support countries in effectively participating in the AfCFTA. At the end of 2020, the Bank's total assets and guarantees stood at US\$21.5 billion, and its shareholder funds amounted to US\$3.4 billion. Afreximbank disbursed more than US\$42 billion between 2016 and 2020. The Bank has ratings assigned by GCR (international scale) (A-), Moody's (Baa1) and Fitch (BBB-). The Bank is headquartered in Cairo, Egypt.

For more information, visit: www.afreximbank.com.

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About Agence Française de Développement (AFD)

Headquartered in Paris, AFD is an inclusive public financial institution and the main actor in France's development policy. It makes commitments to projects that genuinely improve the everyday lives of people, in developing and emerging countries and in the French overseas territories. AFD works in many sectors - energy, health, biodiversity, water, digital technologies, training – and supports the transition to a safer, more equitable and more sustainable world: a world in common. Its action is fully aligned with the Sustainable Development Goals (SDGs) and with the Paris Agreement on climate. Through its network of 85 local agencies, AFD operates in 109 countries and is currently supporting over 3,600 development projects. In 2018, it earmarked EUR 11.4bn to finance these projects. The Agency is rated AA (Fitch Ratings) - stable outlook. www.afd.fr

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