

SUSTAINABILITY BOND REPORTING

JANUARY 2024



BOAD

**BANQUE OUEST AFRICAINE
DE DÉVELOPPEMENT**

Summary

ACRONYMS AND ABBREVIATIONS	3
<hr/>	
I. INTRODUCTION	6
<hr/>	
II. PRESENTATION OF BOAD	6
2.1. BOAD at a glance	6
2.2. Strengthening BOAD's international positioning	6
2.3. The 2021-2025 strategic plan djoliba: the framework for BOAD's intervention in sustainable development	7
2.4. BOAD's highlights for 2023	8
<hr/>	
III. SUSTAINABILITY BOND FRAMEWORK	10
<hr/>	
IV. USE OF PROCEEDS	11
4.1. Overview of the sustainability bonds framework provisions	11
4.2. Monitoring use of proceeds	11
4.3. Characteristics of the bond issue	11
4.4. Resource allocation	12
<hr/>	
V. IMPACT OF FUNDING GRANTED	16
5.1. Environmental project categories	17
5.2. Social project categories	18
5.3. Methodology	26
<hr/>	
VI. OUTLOOK	27

ACRONYMS AND ABBREVIATIONS

BOAD : West African Development Bank

XOF : African Financial Community Franc

M : Millions

Bn : Billions

OECD : Organisation for Economic Co-operation and Development

SDG : Sustainable Development Goals

SMEs : Small and Medium-sized Enterprises

WAEMU : West African Economic and Monetary Union

MESSAGE FROM THE PRESIDENT



SERGE EKUE

President of BOAD
Chairman of the BOAD Board of Directors

The vibrancy of sub-regional economic activity has demonstrated resilience in a context characterized, on one hand, by tightening international financial conditions and, on the other, by socio-political and security challenges in the Sahel.

Since 2021, efforts to strengthen the Union's macroeconomic stability have continued, resulting in a growth rate of 5.3% across the region in 2023, following 5.5% in 2022. This performance has been driven by activity across all sectors. Inflation continued to slow down in 2023, averaging 3.7% as at end 2023 against 7.4% in 2022.

Growth momentum remained steady in 2024, with an expected growth rate of 7%, combined with lower inflation driven by lower global commodity prices.

In 2024, BOAD continued to support the sub-region's development, notably by (i) improving overall productivity, (ii) increasing access to basic social services and (iii) contributing to job creation.

By channeling its contributions into the five priority sectors where it seeks to intensify its interventions, BOAD has fully participated in the recovery while aligning its initiatives with its societal commitment. Consequently, regional economies benefited from resources directed toward priority areas: transportation and digitization, agriculture and food security, energy and natural resources, health, and education, real estate and housing. This targeted support aimed to address most Sustainable Development Goals (SDGs 1–13 and 15), including those linked to the environment and natural resources.

BOAD adheres to the highest market standards, particularly with respect to the sustainability bond framework. Reflecting this, in January 2021, the Bank successfully completed Africa's first sustainability bond on the international financial market, for an amount of 750 million euros. This achievement was made possible through the trust and confidence of stakeholders, backed by BOAD's investment-grade ratings from Moody's and Fitch since 2015.



BOAD's Strategic Plan Djoliba (2021–2025) represents a significant scaling-up in activity levels, aiming to enhance the Bank's impact in its member countries and the private sector within WAEMU. It also strives to improve the living conditions of the Union's populations. To this end, in 2022, BOAD's governing bodies approved a capital increase project totaling \$1.5 billion, including an equity program of \$900 million and a hybrid debt program of \$600 million. This project aims to strengthen BOAD's equity base to implement the 2021–2025 Strategic Plan, maintain debt and equity adequacy ratios at comfortable levels, and consolidate its financial ratings.

Under the equity program, an amount of USD 707 million had already been subscribed, as of December 31, 2024. It breaks down as follows: i) USD 450 million by class A shareholders (regional shareholders) and ii) USD 257 million by class B shareholders (non-regional shareholders). A portion of 193 million USD of unsubscribed capital is reserved for new class B shareholders.

Regarding the hybrid debt program, BOAD has made progress on issuing subordinated debt to institutional investors, particularly in the private sector. By December 31, 2024, USD 204 million had already been raised through private placements with the Arab Bank for Economic Development in Africa (BADEA) and Cassa Depositi e Prestiti (CDP) for USD 100 million and euro 100 million (around USD 104 million) respectively.

In parallel, the Bank continues to strengthen its ESG/CSR commitments, aligning its activities with the WAEMU region's current priorities. Through its interventions, BOAD has fully contributed to economic recovery while ensuring alignment with its societal goals. As a result, regional economies have accessed long-term resources dedicated to projects targeting key Sustainable Development Goals (SDGs).

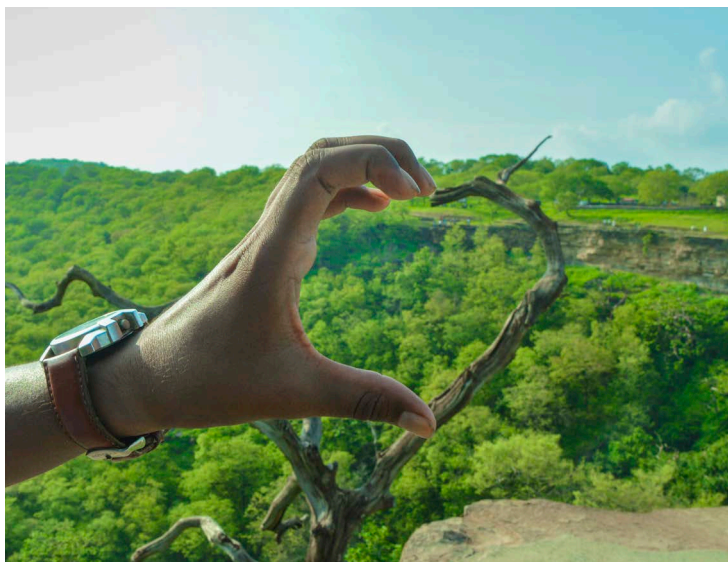
I would like to point out that in 2024, the Bank allocated 21.7% of its financing to climate resilience project. Some 29.9% of the financing allocated was directed towards strengthening the clean water supply system.

BOAD also took part in COP 29 to reinforce its position as a key player in the fight against climate change in West Africa.

On the strength of these highly conclusive initial results, I can reaffirm our commitment to relentlessly pursue our efforts to make a more significant impact on the lives of the people of our Union in the coming years, in the field of environment and climate action.

I. INTRODUCTION

This report aims to account for the use of resources mobilized during BOAD's first Sustainability Bond issue and highlight the impacts generated by these investments. It aligns with commitments outlined in the Sustainability Bond Framework, which governs resource allocation and impact reporting. The report is organized into four main sections: (i) presentation of BOAD; (ii) the sustainability bond framework; (iii) the use of proceeds; and (iv) the impacts of funding granted.



II. PRESENTATION OF BOAD

2.1. BOAD at a glance

The West African Development Bank (BOAD) is the joint development financing institution of the the West African Economic and Monetary Union (WAEMU) countries. It was established on November 14, 1973 as an international public establishment, and brings together eight member countries: Benin, Burkina Faso, Cote d'Ivoire, Guinea Bissau, Mali, Niger, Senegal and Togo. Its head office is located in Lomé (Togo). The Bank's statutory mission is to «promote the balanced development of member countries and contribute towards the achievement of economic integration in West Africa».

BOAD's operations cover both the commercial and non-commercial sectors. They are financed through two windows: a concessional window known as the Development and Cohesion Fund (FDC), and a non-concessional window known as the Bank window.

Interventions take various forms, the most important of which are: i) medium and long-term loans, ii) financing arrangements, iii) financing short-term operations, iv) refinancing facilities to National Financial Institutions, v) equity investments and vi) consultancy.

2.2. Strengthening BOAD's international positioning

Since 2015, the Bank has been rated «investment grade» by the rating agencies Moody's (Baa1) and Fitch (BBB), and ranks among the top ratings in Africa.

For some twenty years now, BOAD has been committed to environmental and social safeguards in its operations.

In this perspective, the Bank took part in the 29th Conference of the Parties (COP 29) held in Baku, Azerbaijan. It followed the negotiations on the Climate Agreement and took part in several events. On the sidelines of this event, BOAD presented its program of loans adapted to natural disasters (PACAN) to several partners. It also shared its experience in implementing climate funds, in particular to finance losses and damages linked to climate change.

In addition, BOAD and UNICEF have agreed to jointly develop a Children's Climate Facility to be submitted to the Green Climate Fund.



2.3. The 2021-2025 strategic plan Djoliba: the framework for BOAD's intervention in sustainable development

Since January 2021, the Bank has been implementing its 2021-2025 strategic plan, known as the DJOLIBA plan, whose vision is: «BOAD, the leading Bank, for a sustainable impact on the integration and transformation of West Africa». This plan is in line with the Bank's ambition to contribute to the achievement of the Sustainable Development Goals (SDGs).

BOAD's vision is to increase its means of intervention along three strategic operational areas, while focusing on five sectors of activity.



Operational strategic areas

- 1

Strengthening regional integration
- 2

Contributing to the creation of value and productive jobs in support to member countries and the private sector
- 3

Building greater resilience to climate change

Cross-cutting strategic areas

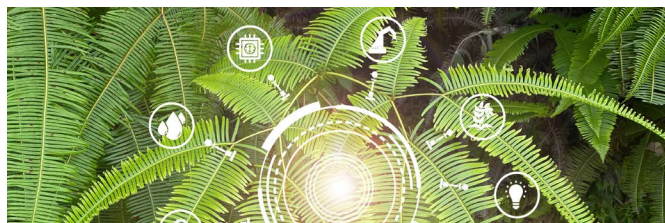
- Increasing BOAD's financing and intervention capacity

- Strengthening the capital structure
 - Optimizing balance sheet management
- Strengthening HR and management systems

- Strengthening skills
 - Modernizing management and control systems

Priority sectors

- Transport infrastructure, Information and Communication Technologies (ICT)/ digitization
- Production and equitable access to energy and resources
- Agricultural production and food security
- Real estate (including tourism infrastructure) and housing, especially social housing
- Health & Education



Overall, the DJOLIBA plan calls for average annual commitments of XOF658.7 billion (around 1 billion euros), or a total of XOF3,293.5 billion (5 billion euros) over the next five years.

2024 was the fourth year of implementation of the DJOLIBA plan. An independent mid-term review of the plan was carried out. Overall, the conclusions are very satisfactory. With regard to operational priorities 1, 2 and 3, a good funding trajectory was noted. However, the targets for the distribution of funding between areas have not been met, particularly with regard to area 1 «fostering regional integration» and area 3 «building resilience to climate change». With regard to the financing capacity area, the review noted the significant work accomplished, which has considerably strengthened the financial situation. Our financial rating has been maintained. Ratios have improved significantly. With regard to human resources and management systems, significant progress has been made in terms of internal organization (organization, human capital, culture) to reflect Djoliba's priorities, in particular increasing operational efficiency.

2.4. Highlights for 2024

- Launch on April 17 of the pilot phase of the loans adapted to natural disasters (PACAN) programme:** The (PACAN), loans adapted to natural disasters is an innovative product developed by KfW and BOAD, supported by experts from the Frankfurt School and Munich Re, to strengthen the #climate and health resilience of UEMOA member states. The PACAN initiative aims to meet the challenge of climate change and natural and health disasters, by combining a low-interest loan offer with an adapted insurance product. This pilot phase of the PACAN project covers Benin, Cote d'Ivoire, Senegal and Togo, and offers low-interest loans to finance climate adaptation projects, combined with parametric insurance that activates automatically and rapidly in the event of a disaster.
- Signing on May 30 of an insurance policy in an amount of €100 million between ATIDI and BOAD to cover the Bank's portfolio of non-sovereign loans in order to strengthen investment in key economic sectors:** African Trade & Investment Development Insurance (ATIDI) and the West African Development Bank (BOAD) have signed a five-year insurance policy to cover a portfolio of €100 million in outstanding BOAD loans to non-sovereign entities in Benin, Burkina Faso, Cote d'Ivoire, Senegal and Togo.
- ATIDI will provide comprehensive default coverage for BOAD's portfolio of outstanding loans.** Specifically, it will cover the first losses on principal repayments on a pro rata basis with the Bank, up to a maximum of €100 million for a total outstanding amount of €224 million. During validity period of the policy, BOAD and ATIDI may also agree to attach new loans to the portfolio. This operation represents an important step in ATIDI's and BOAD's efforts to mobilize private sector investment in various economic sectors in the WAEMU region.
- Signing of a memorandum of understanding on May 8 between BOAD and Cassa Depositi e Prestiti (CDP) to promote new business opportunities and co-financing strategies for Italian and African companies:** This agreement was signed on the Loans adapted to natural disasters of the Italy-Africa Business Dialogue conference, organized by the Italian Ministry of Foreign Affairs and International Cooperation, bringing together several development banks and regional financial institutions. This platform for dialogue and exchange aims to consolidate cooperation relations between Italy and African countries, in priority areas such as the private sector, infrastructure, food and energy security.
- Signing of an agreement on June 28 between the BOAD and the Regroupement des Organisations Professionnelles des TIC de l'UEMOA (ROP-TIC) to promote digitalization in the WAEMU region:** This framework agreement, which is part of the Regional Digital Economy Development Program (PRDEN), aims to foster a dynamic and sustainable partnership between the digital

private sector in the WAEMU region and BOAD, targeting high-impact issues of common interest.

- **Signing on August 2 of the 1st green, euro-denominated hybrid bond with Cassa Depositi e Prestiti (CDP) acting on behalf of the Italian Climate Fund:** this innovative bond issue, a premiere by a multilateral development bank, is designed to strengthen the bank's capital base, improve its rating and preserve its ability to access international financing at competitive costs. In an amount of €100 million euros, focused on climate mitigation in West Africa, the funds will be used to build and rehabilitate infrastructure for the production of electricity from renewable sources, in order to diversify the energy mix, avoid co2 emissions and reduce energy production costs, thus contributing to the achievement of several United Nations Sustainable Development Goals (SDGs), in particular SDG 7 («affordable and clean energy»), in the WAEMU member countries: Benin, Burkina Faso, Cote d'Ivoire, Guinea-Bissau, Mali, Niger, Senegal and Togo.

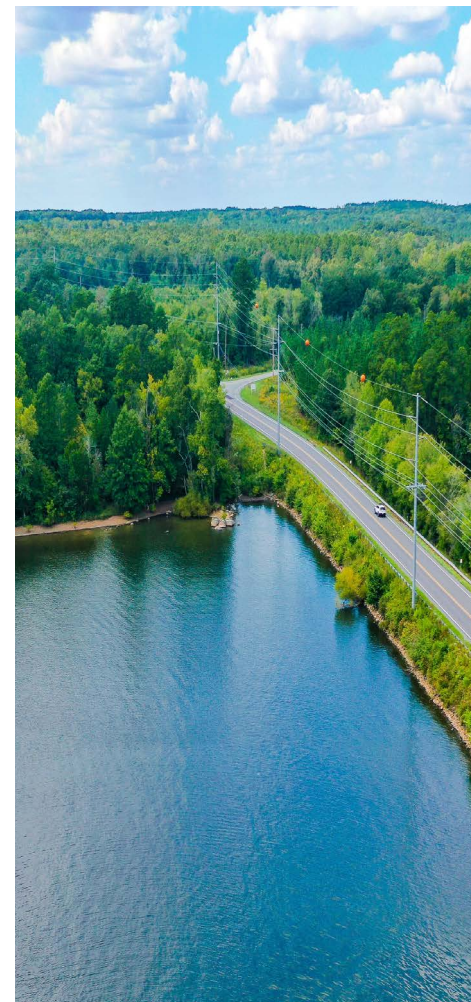
- **On September 19, BOAD launched a program «loans adapted to natural disasters» for its sovereign loan portfolio.** The pilot phase of the project covers the states of Benin, Cote d'Ivoire, Senegal and Togo, for a loan portfolio of over \$350 million (approximately €314 million and XOF206 billion), which will be covered for the first time by parametric insurance against natural and health disasters. The innovative nature of this product lies in the combination of a subsidized loan offer with a parametric insurance product. This project will enable BOAD member countries to pursue their investments and projects linked to climate change, while building their resilience. In the event of a natural or health catastrophe, such as drought,

flood, epidemic or pandemic, triggering the insurance mechanism will temporarily lift borrowing countries' repayment obligations. The insurance mechanism thus indirectly provides financial assistance in the event of disasters, without affecting the underlying loan contracts, offering flexibility and rapid financial relief.

This innovative solution proposed by BOAD, on the initiative of KfW, is the result of a synergy between several players: African Risk Capacity Limited (ARC Ltd), which insures BOAD against losses linked to the deferral of annuities, Munich Re, which provides reinsurance to ARC Ltd and which was mandated by KfW, together with the Frankfurt school of finance and management, to develop and implement the project.

- **Moody's Ratings confirms BOAD's Baa1 rating and upgrades its outlook to stable:** The upgrade of the outlook from negative to stable reflects the agency's expectation that the Bank will continue to strengthen its capital base and capital structure, improve its asset performance, and maintain an excellent liquidity and funding profile, including access to BCEAO refinancing. The confirmation of the Bank's credit rating at Baa1 reflects in particular the solid commitment of its shareholders, on an ongoing basis and in exceptional circumstances, and their ability to support its expansion, enabling it to fulfill its mandate as a Development Finance Institution.

- **On October 23, BOAD received a grant of XOF29 billion (€44.02 million) from the Green Climate Fund (GCF) to address climate change in Burkina Faso, Cote d'Ivoire, Mali and Niger:** The Green Climate Fund has approved, on behalf of the West African



Development Bank (BOAD), the LOCAL Plus Regional Program, in West Africa, for Burkina Faso, Cote d'Ivoire, Mali and Niger, with the aim of facilitating access to climate action financing for local authorities and the private sector in these countries, through technical support, budget support and capacity building. The program, which amounts to €52.82 million (XOF35 billion) over a five-year implementation period, will benefit from a Green Climate Fund (GCF) grant of €44.02 million (XOF29 billion).

- **November 21, Activation of the Loans adapted to natural disasters» (PACAN) insurance mechanism in favor of the Republic of Togo:** Following the heavy rains and flooding that hit several regions of Togo in October, the PACAN was activated to provide budgetary support and rapid liquidity to the country, enabling it to cope with the damage and urgent needs of the populations affected by the disaster. An indemnity of €6.6 million will be paid to BOAD by African Risk Capacity Limited (ARC Ltd) to cover the next two loan repayments included in Togo's PACAN portfolio. The coverage of loan repayment obligations by PACAN insurance will thus free up funds for the country, enabling them to be redirected towards emergency aid and reconstruction.

- **Launch of the digital transformation fund (FTD) on December 4:** the digital transformation fund (FTD) is an initiative of BOAD and KfW to meet the growing need for digitalization in WAEMU member countries. It is an essential lever for speeding-up the digital transformation of public administrations. The FTD aims to meet the financing and development needs of public administration information systems in WAEMU member countries. It is distinguished by: (i) the availability of resources, which are accessible to all WAEMU countries; (ii) the specialization of the fund, which is dedicated exclusively to the digitization of public administrations; (iii) the adaptability of the solutions, which can be tailored to the specific needs of each country.
- **On December 6, the African Development Bank (AfDB) Group signed an agreement to acquire a \$24 million equity stake in the West African Development Bank (BOAD):** this investment will contribute to BOAD's capital increase, approved by the Board of Directors in December 2022. It comprises \$10.8 million in callable capital, to be made available over the 2023-2027 period, and raises the African Development Bank's share in BOAD from 0.54% to 1%.

III. SUSTAINABILITY BOND FRAMEWORK

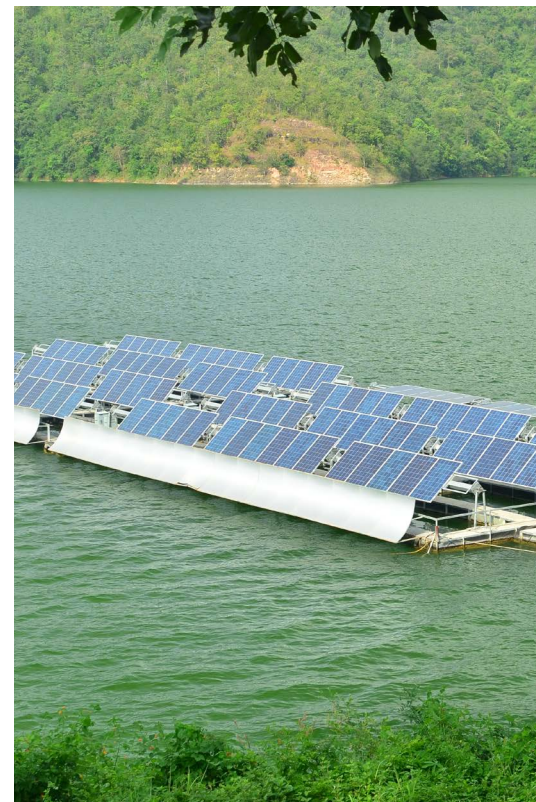
BOAD's Sustainability Bond Framework has been developed in accordance with the International Capital Markets Association's (ICMA) Principles for Green Bonds (GBP), Social Bonds (SBP)² and Sustainable Bonds (SBG) and complies with the latest versions of these regulations.

For each sustainability bond issue, BOAD undertakes to comply with the following four key principles: the use of funds, the project evaluation and selection process, the management of funds and the preparation of allocation and impact reports.

Under this framework, BOAD may issue Sustainable Bonds (hereinafter referred to as the «Sustainability Bonds») in different formats:

- Green Bonds: 100% of the funds raised will be allocated to eligible green projects;
- Social Bonds: 100% of funds raised will be allocated to eligible social projects;
- Sustainability Bonds: 100% of the funds raised will be allocated to eligible Green and Social Projects.

Eligibility criteria for eligible projects are set out in the Sustainability Bond Framework³. In line with best market practice, this framework has been independently reviewed by Vigeo Eiris (Second Party Opinion), which confirmed its alignment with the ICMA Principles and awarded it an «advanced» rating.



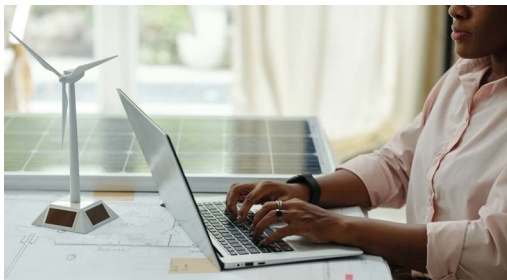
²<https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/>

³<https://www.boad.org/en/sustainability-bond-framework-spo/>

IV. USE OF PROCEEDS

4.1. Overview of the Sustainability bonds Framework provisions

One of the commitments of the Sustainability Bonds framework, in line with the principles outlined above, is monitoring via allocation and impact reports. This commitment involves the publication of an accountability report. BOAD will make this report available to investors on its website. This report includes a section on the use of resources and a section on the impact of the various projects financed.



4.2. Monitoring the use of proceeds

The allocation of resources to the portfolio of eligible projects is monitored by the Sustainability Bonds Committee set up within the Bank. This Committee is responsible for: i) monitoring the projects financed or refinanced, and excluding projects that no longer meet the eligibility criteria, ii) updating the Sustainability Bonds Framework, iii) preparing the reporting to be shared with investors, and iv) appointing the independent external auditors and reviewing their reports.

BOAD has retained its statutory auditor, KPMG, as independent auditor to produce an independent report to ensure that the allocation of resources complies with the Framework. This report was the subject of an assurance engagement covering the period from January 01 to December 31, 2022, certifying that the allocation of resources complies with BOAD's Framework.

4.3. Characteristics of the bond issue

Table 1: emission characteristics

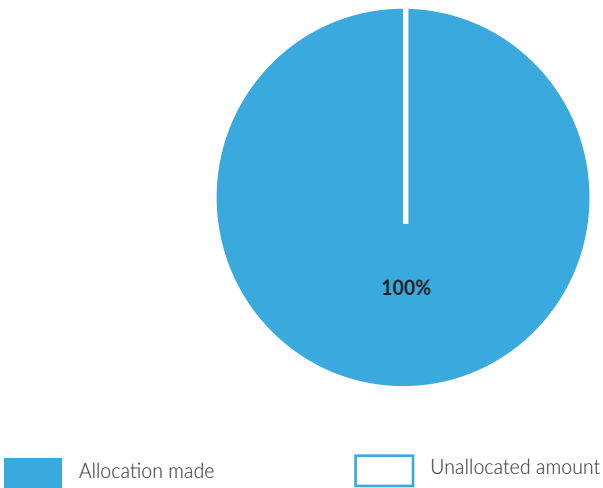
Transmitter	BOAD
ISIN	XS2288824969 / XS2288825263
Currency	EURO
Amount	750 millions EUR*
Issue date	January 22, 2021
Expiry date	January 22, 2033

*XOF491,968 millions



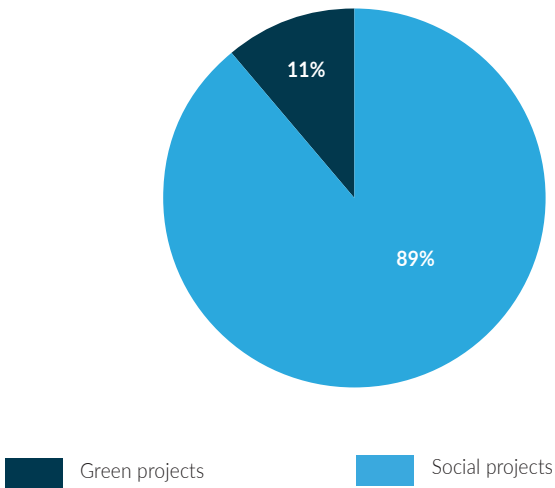
4.4. Resource allocation

1) Overall allocation of program resources



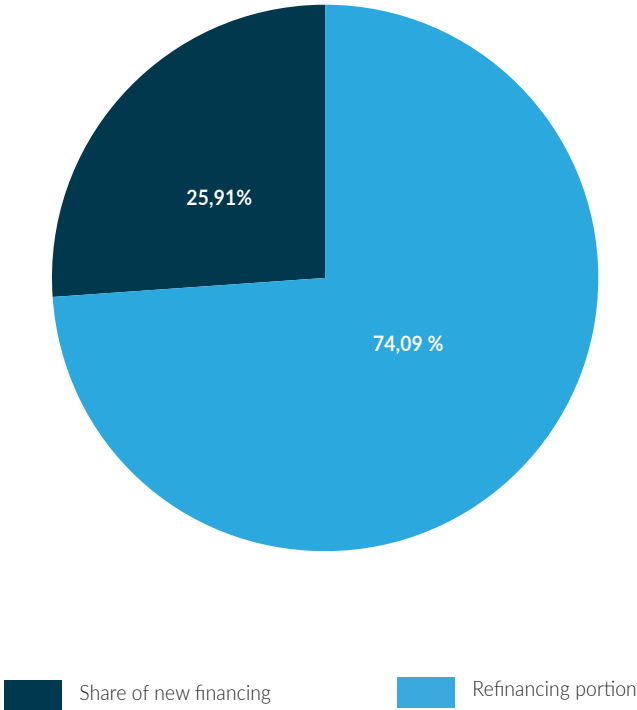
	TATA SOMBA issuance	Allocation made	Unallocated amount	Allocation rate (%)
Amount (XOFmillions)	491 967,75	491 967,75	-	100
Amount (€ millions)	750,00	750,00	-	

2) Allocation by type of project (€ millions)



Sections		Green projects	Social projects	Grand total
Montant alloué	XOF millions	52 000,00	439 967,75	491 967,75
	€ millions	79,27	670,73	750,00
Number of projects		6	44	50

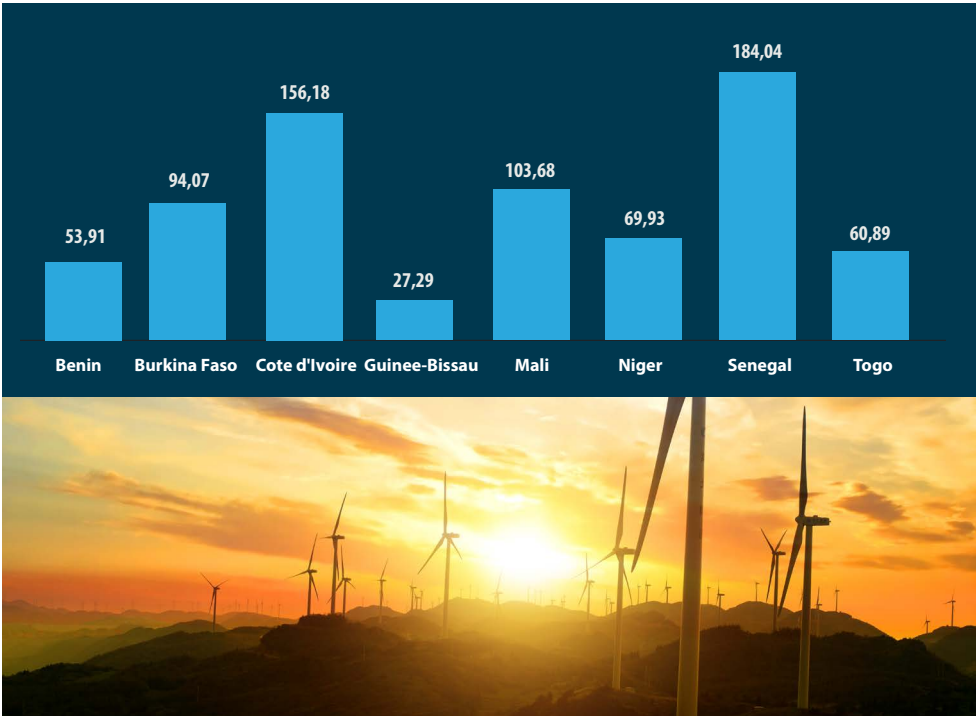
3) Allocation according to year of BOAD financing



Sections	Amount allocated		Number of projects
	XOF millions	€ millions	
Projects financed in 2022	84 077,77	128,18	10
Green projects	15 000,00	22,87	2
Social projects	69 077,77	105,31	8
Projects funded in 2021	43 400,00	66,16	5
Green projects	20 000,00	30,49	2
Social projects	23 400,00	35,67	3
Projects funded between 2018 and 2020	364 489,98	555,66	35
Green projects	17 000,00	25,92	2
Social projects	347 489,98	529,75	33
Grand total	491 967,75	750,00	50

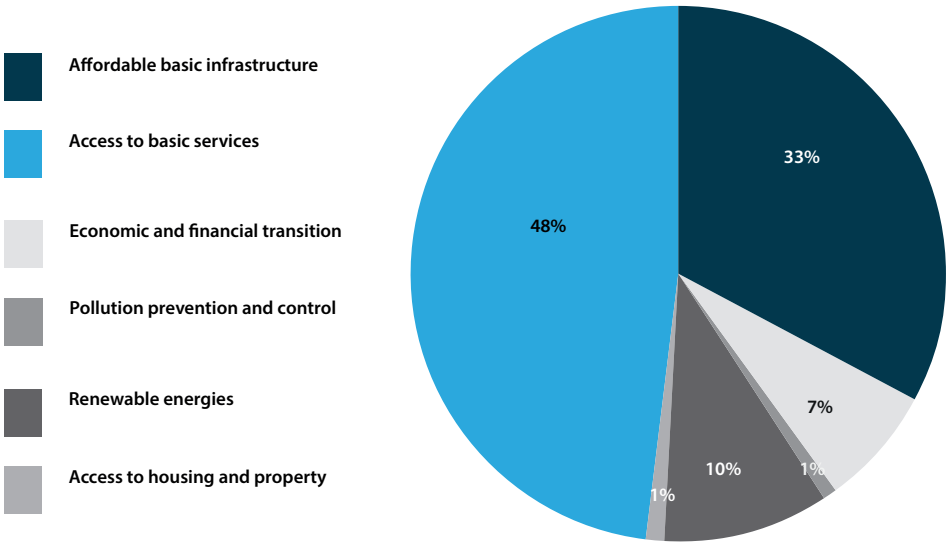


4) Allocation by country (€ millions)



Country	Amount allocated			Number of projects
	XOF millions	€ millions	Proportion	
Benin	35 362,27	53,91	7,19%	3
Burkina Faso	61 708,27	94,07	12,54%	8
Cote d'Ivoire	102 449,52	156,18	20,82%	11
Guinea Bissau	17 900,27	27,29	3,64%	1
Mali	68 011,27	103,68	13,82%	7
Niger	45 874,27	69,93	9,32%	5
Senegal	120 723,62	184,04	24,54%	10
Togo	39 938,27	60,89	8,12%	5
Grand total	491 967,75	750,00	100,00%	50

5) Allocation by sector (%)



	Amount allocated		Number of projects
	XOF millions	€ millions	
Access to housing and property	4 884,23	7,45	1
Access to basic services	236 179,92	360,05	16
Affordable basic infrastructure	163 570,60	249,36	21
Economic and financial transition	35 333,00	53,86	6
Pollution prevention and control	4 000,00	6,10	1
Renewable energies	48 000,00	73,18	5
Grand total	491 967,75	750,00	50

NB: the allocation by country and sector is appended.





V. IMPACT OF FUNDING GRANTED

The funding granted contributes to the generation of impacts on the population. The monitoring and evaluation system has enabled us to compile the impacts observed in 2021 and 2024 in the following table. The projects financed have continued to contribute to the achievement of SDGs 1 (no poverty); 2 (food security and promotion of sustainable agriculture); 3 (good health and well-being); 4 (quality education); 6 (water and sanitation); 7 (clean and affordable energy); 8 (decent work and economic growth); 13 (climate action). Impacts have been accentuated at the social level, particularly in education, and support for SMEs will increase in the coming years with the completion of imputed projects. Accordingly, this inaugural impact report covers only projects in progress (ex-ante results) or completed, which have produced outputs and outcomes⁴.

⁴ See Annex 3 on the concepts of development results and impact.




5.1. Environmental project categories


Categories of eligible projects	Background and description of flagship eligible projects	Measuring impact	Contribution to the SDGs
Renewable energy	<p>Context</p> <p>Access to renewable energy is a major challenge that requires sustained efforts in the WAEMU member countries.</p> <p>One of the key strategies adopted by Togo, the country in which projects of this type are located within the framework of this report, is to extend the grid to connect more and more rural households. This approach requires an increase in the country's energy production capacity.</p> <p>Solar technology offers an opportunity to increase the country's electricity production capacity and electrification rate (45% nationally in 2018 and 12% in rural areas).</p> <p>Example of flagship projects</p> <p>Solar photovoltaic power plant (without storage) in Togo with a production capacity of 50 MWp / 40 MVA. Located in the central region of Togo, the project covers an area of 94 hectares. It is connected to the national grid and produces around 90,255 MWh of energy per year. The project contributes to universal access to electricity. It will serve 158,333 Togolese households and save more than one million tonnes of CO2 emissions over its lifetime. The project has been completed and the expected impacts have been achieved.</p> <p>The project to build a 42 MWp solar photovoltaic power plant in Awandjelo, Togo, will increase annual electricity production by 65 GWh during the operational phase. This additional production will (i) increase the population with access to electricity by 253,350; (ii) increase the share of Renewable Energies in the country's energy mix from 27% in 2021 to 40% in 2024; and increase the country's electrification rate from 59% in 2021 to 75% in 2025; (iii) directly and indirectly avoid 52,328 tonnes of CO2 equivalent. The project continues to be implemented . Infrastructure work is in progress. Impacts may be communicated following their completion.</p>	<ul style="list-style-type: none">• Solar renewable energy production capacity: 92 MWp• Annual production of renewable solar energy: 155,255 MWh• Estimated CO2 emissions avoided: 1,052,328 TeqCO2• Households served by solar energy: 158,333• Population with access to electricity: 253,350 (with the project to build a 42 MWc solar photovoltaic power plant in Awandjelo)• Job creation: 600 jobs, including 20 for women, during project implementation. In addition, 13 jobs, including 2 women, were created during project operation. <p>Environmental and social measures:</p> <ul style="list-style-type: none">- construction of 3 buildings with 3 classrooms and an office and 2 buildings with 4 classrooms and an office in 5 schools. These buildings replaced temporary shelters that were difficult to access during rainy periods. They have helped to reduce the shortfall in school provision and given access to classrooms in good condition compared with temporary shelters, to 856 pupils, including 403 girls, representing 47.1% of beneficiaries.- construction or rehabilitation of latrines in each of the beneficiary establishments (5 latrines)- construction of a health complex including a 6-room maternity ward, a 6-room pediatric ward and a «cashier's office». <p>Biodiversity conservation and sustainable management of living resources</p> <ul style="list-style-type: none">- To reduce the impact of tree felling in the project area, compensatory reforestation was carried out on 18 sites covering an area of 120ha. On these sites, 48,789 trees were planted.	 



5.2. Social project categories


Categories of eligible projects	Background and description of flagship eligible projects	Measuring impact ⁵	Contribution to the SDGs
Access to essential health services	<p>Context</p> <p>Against the backdrop of the outbreak of the COVID-19 pandemic in WAEMU member states, BOAD initiated two interventions for a total amount of XOF200 billion, part of which was charged to the resources of this bond issue. BOAD's intervention was aimed at urgently providing national authorities with financial resources to help them implement their response plans against COVID-19.</p> <p>Example of flagship projects</p> <p>Each member state has been allocated facilities to combat COVID-19.</p> <p>In terms of epidemiological surveillance, implementation of the response plan has resulted in the creation of 186 rapid response teams (nurses, laboratory technicians, hygienists, epidemiologists, social workers and psychologists) to investigate alerts, isolate positive cases, monitor their contacts and refer serious cases to care sites. The projects have been completed and the expected impacts achieved.</p>	<ul style="list-style-type: none">• Screening sites accessible to the general public: 103• Medical personnel mobilized: 857• Rapid response teams: 186• Screening laboratories: 13	


⁵ Note that this is a contributory approach.


Categories of eligible projects	Background and description of flagship eligible projects	Measuring impact	Contribution to the SDGs
Access to essential education services	<p>Context</p> <p>Access to quality education is hampered in some WAEMU member countries by the existence of classrooms in the form of temporary shelters (banco walls, straw roofs, absence of latrines). For example, temporary shelters account for 10% of public school infrastructure in Senegal. In this respect, almost 200,000 pupils living in precarious and uncertain teaching conditions do not benefit from a normal school year. Pupils taught in temporary shelters are constantly subjected to the hazards and other nuisances of rain, cold, sandstorms, high temperatures, fire hazards, noise pollution and so on. This situation shortens the school year by around 250 hours, and raises the issue of equity in the school environment.</p> <p>In this context, BOAD has implemented an approach aimed at providing quality school infrastructure to disadvantaged children in order to offer them better learning conditions and reduce the drop-out rate in the target schools.</p>	<ul style="list-style-type: none">• Classrooms built: 4,125;• Administrative blocks: 1874;• Hygiene blocks (gender-sensitive latrines): 1,058;• Beneficiary Students: 217,898 including 111,958 girls;• Students benefiting from the digital infrastructure installed: 10,000.	




Categories of eligible projects	Background and description of flagship eligible projects	Measuring impact	Contribution to the SDGs
Access to essential education services	<p>Examples of flagship projects</p> <p>The construction of 1,528 classrooms in substitution of temporary shelters, and ancillary works (first tranche of 510 classrooms) in the Republic of Senegal. The purpose of the project is to build, in the fourteen (14) Regions of Senegal: i) equipped classrooms, to replace temporary shelters, ii) equipped administrative blocks, iii) hygiene blocks and iv) 9,782 linear meters of fencing walls and 59,000 ml of fencing walls in local materials. The project is almost completed.</p> <p>The construction and Equipment of four (04) high schools and one (01) college of excellence with boarding facilities for girls in the Republic of Cote d'Ivoire. The purpose of the project is to build and equip schools of excellence with boarding facilities for deserving girls from all socio-economic backgrounds, qualified to attend secondary school in the Republic of Cote d'Ivoire. The overall objective of the project is to promote excellence by setting up dedicated educational/school infrastructures to increase the enrolment and completion rate of girls at secondary school level. More specifically, the project will provide a high school with a capacity of 25 classrooms for 1,000 girls, including 800 boarders, and one (01) middle school with a capacity of 16 classrooms for 640 girls, including 400 boarders. The project's implementation is ongoing.</p> <p>The construction and equipment of a virtual University in Burkina Faso (UV-BF) has been financed by the State of Burkina Faso to increase the supply and improve the quality of higher education, training and scientific research. The aim of the project is to build and equip the Virtual University of Burkina Faso (UV-BF) for students from all socio-economic backgrounds wishing to pursue higher education in Burkina Faso. Specifically, the project involves (i) building and equipping the UV-BF headquarters in Ouagadougou, as well as strengthening the IT infrastructure, by (a) increasing the capacity of the university's DataCenter to accommodate 10,000 student-users, (b) installing four (04) telemedicine stations and (c) increasing the capacity of the virtual reality laboratory, as well as (ii) building and equipping four (04) open digital spaces (ENO) in Ouagadougou, Bobo-Dioulasso, Koudougou and Ziniare. The project is ongoing.</p>		The icon for Sustainable Development Goal 4, Quality Education, is located in the bottom right corner of the table. It features a red square with a white number '4' and the text 'EDUCATION DE QUALITE' in white, with a white book icon below it.



Categories of eligible projects	Background and description of flagship eligible projects	Measuring impact	Contribution to the SDGs
Access to essential services - Agricultural insurance	<p>Context</p> <p>BOAD supports the building of resilience and adaptation capacities in the face of climatic hazards. It provides tailored support for projects designed to build resilience to climate risks and reduce producers' vulnerability to them.</p> <p>Example of a flagship project</p> <p>The project to set up an index-based crop insurance mechanism in the Republic of Cote d'Ivoire. Its objective is to reduce producers' vulnerability to climatic hazards, through the provision of index-based crop insurance products. In addition, the project aims, in the medium and long term, to improve food security and the well-being of producers. It will: i) provide an index-based crop insurance policy for cotton, oil palm and rice producers; ii) improve systems for collecting and managing meteorological and agricultural data for the sectors; and iii) build the capacity of agricultural players in index-based crop insurance. The project's implementation is ongoing.</p>	<ul style="list-style-type: none">• Cotton producers benefiting from index-based crop insurance products: 30,000;• Palm growers benefiting from index-based crop insurance products: 10,000;• Rice producers benefiting from index-based crop insurance products: 600,000.	

Categories of eligible projects	Background and description of flagship eligible projects	Measuring impact	Contribution to the SDGs
Access to essential services - smart agriculture	<p>Context</p> <p>The agricultural sector plays a crucial role in WAEMU countries, providing 65% of jobs and contributing an average of 28% to GDP. Despite its important role, it is underdeveloped in most African countries. In rural areas, where the majority of the population lives from agriculture (over 90%), poverty levels are still high. Despite the role that agriculture can play in reducing poverty in rural areas, the agricultural sector faces a number of challenges that need to be addressed. These include: (i) low levels of input, use and mechanization; (ii) poor access to credit and markets for the region's smallholders; and (iii) the effects of climate change.</p> <p>It is against this backdrop that BOAD is committed to developing a more productive and sustainable agricultural sector in the eight (8) West African countries, with a view to contributing to tomorrow's food security and poverty reduction. It supports the building of resilience and adaptation capacities in the face of climatic hazards, and contributes towards the sustainable management of water resources and the reduction of the energy bill for irrigation.</p> <p>Example of a flagship project</p> <p>The hydro-agricultural development project with smart agricultural practices resilient to climate change (PAHA-AIC). The aim of the project is to develop 1,000 ha and rehabilitate 749 ha of agricultural perimeters, spread over twenty-five (25) sites in 5 ha units, with an economical irrigation system (drip kits and Californian system) and solar pumping (photovoltaic solar kits). It contributes to ensuring sustainable food security by building the resilience of populations to climate change, through modern irrigation and agricultural production techniques. Specifically, the project will: i) reduce water consumption and energy costs for irrigation by at least 40% in the perimeters to be developed; ii) contribute to improving farmers' incomes by at least 50% in a cruising year on the developed sites, and the living conditions of the population, particularly the most vulnerable groups made up of women and young people; and iii) ensure the sustainability of the developments and the enhancement of production through capacity building of the players and the organization of producers in the project area. The project's implementation is ongoing.</p>	<ul style="list-style-type: none"> • Sustainable cereal production: 6,600 tonnes; • Sustainable market garden production: 55,000 tonnes; • Number of food-secure households increases by 11,400, from 45,700 in 2021 to 57,100 in 2027; • Carbon dioxide (CO₂) equivalent avoided: 35,317 tonnes. 	

Categories of eligible projects	Background and description of flagship eligible projects	Measuring impact	Contribution to the SDGs
Affordable basic infrastructure - Development of projects to provide and expand access to clean water.	<p>Context</p> <p>Access to clean water is a major issue in both rural and urban areas of WAEMU member countries. In Cote d'Ivoire, particularly in Abidjan, the drinking water deficit is estimated at 30%. This shortage of drinking water is the result of a number of factors, including insufficient production and storage capacity. In addition, the saturation of installations (96% saturation point) and the undersizing of the network lead to frequent pressure drops, resulting in a lack of drinking water in certain areas.</p> <p>Example of a flagship project</p> <p>The Me drinking water plant project: its purpose is to reinforce Abidjan's clean water supply system from the Sud-Comoe aquifer, by: (i) the construction of borehole catchment fields; (ii) the construction and equipping of lime neutralization and chlorine disinfection stations; (iii) the construction of reservoirs; (iv) the construction of pumping stations; (v) the supply and laying of pipes; and (vi) the rehabilitation of water towers. The project's implementation is ongoing.</p>	<ul style="list-style-type: none">• New beneficiaries connected to portable water supplies: 1,500,000• Volume of water produced (M³/day): 160,000	



Categories of eligible projects	Background and description of flagship eligible projects	Measuring impact	Contribution to the SDGs
Affordable basic infrastructure - Development of projects providing and expanding access to sanitation	<p>Context</p> <p>The poor state of sanitation infrastructures in some WAEMU countries is marked by a collective wastewater management system that does not cover all areas, with the result that many households still practice autonomous sanitation, with uncontrolled discharge of effluent into the environment. For example, in some communes of Abidjan, the outlets of wastewater pipes are not connected to the main sewer, resulting in discharges of collected effluent into stormwater channels. In addition, around 86% of uncollected wastewater and solid waste is discharged directly into the Cocody lagoon bay via the stormwater network. Canals clogged with solid waste lead to flooding. Public health is thus threatened, exposing the population to diseases such as diarrhea, cholera, bilharzia, typhoid fever and malaria.</p> <p>Examples of flagship projects</p> <p>The Gourou watershed sanitation project in Abidjan, Cote d'Ivoire. The aim of the project is to build a sanitation system. The objectives are to: i) reduce wastewater discharges into rainwater channels and surface waters, and ii) improve solid waste management by increasing the proportion of plastics sorted and recycled from 0% to 42%.</p> <p>The project to reinforce the stormwater drainage network in the city of Ouagadougou: development of the outfall at Bangr Weogo Park in Burkina Faso.</p> <p>The project's objective is to contribute to improving the living environment of the populations of the city of Ouagadougou. More specifically, the project aims to: i) facilitate the drainage of rainwater in the city of Ouagadougou, significantly reducing the number of homes flooded during the rainy season; ii) improve the urban environment and traffic flow for users of the Parc Bangr Weogo; and iii) increase the number of people adopting good public health practices. The project will be completed in 2025.</p>	<ul style="list-style-type: none">• New households connected to the wastewater network: 399;• Drainage network built (km): 13;• Number of beneficiaries: 324,225;• Linear metres of earth drainage channels for stormwater: 960;• Linear metres of reinforced concrete lined channels: 4,222;• Linear meters of street lighting along the Kadiogo marigot: 1,300.	

Categories of eligible projects	Background and description of flagship eligible projects	Measuring impact	Contribution to the SDGs
Economic and financial transition	<p>Context</p> <p>SMEs play an important role in the WAEMU economies. Despite this essential role, they have very limited access to financing. This challenge has increased with the outbreak of Covid-19. In addition to its traditional SME support program, BOAD has set up resources to support SMEs in the WAEMU region.</p> <p>Example of a flagship project</p> <p>The granting of a refinancing facility to the Banque de Développement Economique (BNDE) in Senegal to support SMEs. The aim of the project is for BOAD to set up refinancing facilities to support SMEs in financing productive investment sub-projects and supporting activities to offset the negative impact of Covid-19 on their activities.</p>	<ul style="list-style-type: none"> • Small and medium-sized enterprises (SMEs) supported: 560 • Number of jobs supported: 12,900 • Number of jobs supported - Women: 1,404 • Number of jobs supported - Young people: 1,055 • Number of jobs created: 128 • Number of jobs created – for Women: 28 • Number of jobs created – for Young people: 103 	 



Categories of eligible projects	Background and description of flagship eligible projects	Measuring impact	Contribution to the SDGs
Housing	<p>Context</p> <p>Access to affordable housing remains a challenge in WAEMU member countries. In this respect, public and private investments are being implemented with the support of donors, including BOAD. Several projects are currently underway thanks to funding provided by BOAD to the Union's member countries. The aim is to provide people with access to housing in an improved living environment.</p> <p>Example of a flagship project</p> <p>The site servicing and housing construction project financed by the Bank in Benin is part of the construction of 3,035 social and affordable housing units in Ouédo, in the Commune of Abomey-Calavi. The overall objective of the project is to contribute to improving the living environment and reducing poverty. The specific objectives are: i) to make the site accessible by laying and asphaltting a road network; ii) to provide the Ouédo site with a functional rainwater drainage network; iii) to ensure a continuous, reliable power supply to meet current and future demand; iv) to ensure a quality supply of drinking water by installing two boreholes and building a network with a water tower and storage tank; and v) to ensure a pleasant living environment for the inhabitants.</p>	<ul style="list-style-type: none">• 791 social and mid-rise housing units;• 3,950 people have access to housing;• 9.6 km of roads constructed;• 16.3 km of drainage network;• 01 drinking water supply system (AEP) with 13 km of pipes;• 01 power supply system comprising 18.9 km of Medium Voltage (MV) and Low Voltage (LV) network;• 01 fiber-optic network comprising 20.5 km of optical cables.	

5.3. Methodology

Impact reporting concerns ex-post (after completion) or in-itinere (during execution) estimates of portfolio projects. The sources used to present the methodologies are presented in the appendix. Indicators are collected by means of data records from Project Management Units (PMUs), Project Works Control Offices and independent consultants hired by PMUs to report on project execution status. Generally speaking, the methodological approach comprises six (06) phases as follows:

- **Project identification:** a working session with BOAD's organizational Units (UO) in charge of the projects under review identified the projects charged to the analysis period (project population) and the projects to be covered by data collection (project sample). Impact indicators were collected on projects that were in the disbursement phase or had been completed.
- **Updating of project monitoring-evaluation focal point contacts:** in collaboration with the organizational Unit in charge of the projects under review, the focal points' emails and telephone contacts have been updated.
- **Updated collection tools:** forms have been updated to reflect the indicators to be collected.
- **Data collection:** forms were e-mailed to project focal points. Questionnaire follow-up procedures were carried out. Field missions were carried out in Côte d'Ivoire and Senegal.
- **Quality control and data processing:** the data submitted were checked and entered into the monitoring-evaluation matrices and the database, and statistical analyses were carried out for consolidation purposes.

With regard to the estimate of CO₂ avoided, the calculations were made by the consultant in charge of drawing up the project completion report submitted to the Bank by the Togo Solar Power Plant Project Management Unit. The costing of infrastructure works was carried out by the independent works supervision companies and the Project Management Units. Estimates of beneficiaries are made by means of enumeration (education, health, SMEs, sanitation) or statistical sampling techniques (drinking water and energy), using a contributory approach that does not allow us to isolate the development results attributable solely to BOAD. This limitation is due to the absence of explicit points of application for the use of resources and indicators when designing BOAD's intervention.

In 2024, BOAD began a process of gradually strengthening impact reporting using innovative tools. Data collection was strengthened through digitization, the use of smartphones, geospatial analysis and the development of a dynamic dashboard to monitor impacts and their sustainability. In addition, pilot evaluations were carried out using new methodologies at BOAD.

In this respect, a pilot ex-post impact assessment of CO₂ reduction and fine-particle emissions has been carried out. This is the first of a series of experiments planned for the coming years: these approaches will gradually be applied to completed projects. In the same vein, an ex-post impact assessment using satellite images was tested to examine the impact of a BOAD-financed project on agricultural production and the recovery of degraded land.





VI. OUTLOOK

The West African Development Bank (BOAD) has conducted its operations in such a way as to pursue its contribution to the SDGs in collaboration with its member countries and the private sector. On the ground, the majority of projects continue to be implemented. However, impacts are perceptible on the population’s access to basic goods and services. As the entire portfolio of projects under review is implemented, impacts are being reinforced, ultimately helping to improve the well-being of poor and vulnerable people in the WAEMU.



APPENDIX 1: summary table of allocations by country and sector

1-A : BREAKDOWN BY FUNDING VOLUME (XOFM)

Sectors	Benin	Burkina Faso	Cote d'Ivoire	Guinea Bissau	Mali	Niger	Senegal	Togo	Grand total
Access to housing and home property	4 884,23								4 884,23
Access to basic services	30 478,04	44 400,27	32 900,27	17 900,27	30 300,27	28 900,27	34 400,27	16 900,27	236 179,92
Affordable basic infrastructure		17 308,00	47 216,25		7 711,00	16 974,00	74 323,35	38,00	163 570,60
Economic and financial transition			18 333,00		5 000,00		12 000,00		35 333,00
Pollution prevention and control			4 000,00						4 000,00
Renewable energy					25 000,00			23 000,00	48 000,00
Grand total	35 362,27	61 708,27	102 449,52	17 900,27	68 011,27	45 874,27	120 723,62	39 938,27	491 967,75

1-B: BREAKDOWN BY NUMBER OF PROJECTS

Sectors	Benin	Burkina Faso	Cote d'Ivoire	Guinea Bissau	Mali	Niger	Senegal	Togo	Grand total
Access to housing and property	1								1
Access to basic services	2	4	2	1	2	2	2	1	16
Affordable basic infrastructure		4	5		2	3	6	1	21
Economic and financial transition			3		1		2		6
Pollution prevention and control			1						1
Renewable energy					2			3	5
Grand total	3	8	11	1	7	5	10	5	50



APPENDIX 2: Methodology

The contributory approach is implemented mainly through qualitative models or quantitative methods based on surveys of the beneficiary group only. Several methodologies are available in:

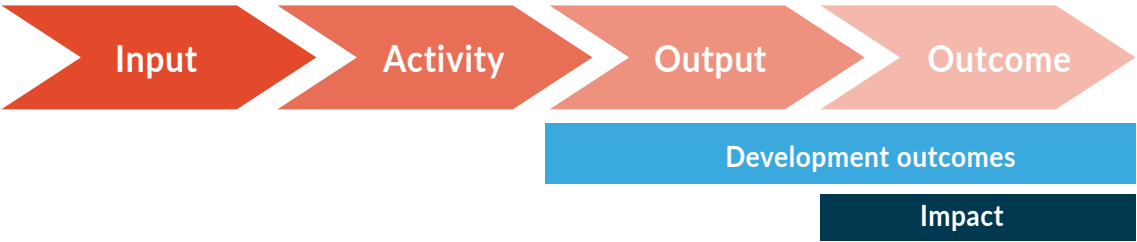
- Catley, A., Burns, J., Abebe, D., Suji, O. (2013). Participatory Impact Assessment: a design guide. Feinstein International Center, Tufts University, Somerville. Link: <https://fic.tufts.edu/publication-item/participatory-impact-assessment-a-design-guide/>

With regard to greenhouse gases (GHG), although the use of methodologies from Clean Development Mechanism, Verified Carbon Standard, and Gold Standard would be desirable, Development Finance Institutions are invited to adopt their own methods, provided they are reasonable. In this context, a methodology is currently being finalized with consultants from Carbon Partners Asiatica («Asiatica»). It is part of a technical assistance program financed by the Green Climate Fund (GCF). The following methodology will be used, among others:

- CDM methodology AMS-I.L. (<https://www.yumpu.com/en/document/read/19765940/cdm-methodology-booklet>)

APPENDIX 3: Reminder of the concepts of development outcomes and impact

The projects financed under this operation are associated with a results chain, defined as a sequence of cause-and-effect relationships leading to the achievement of sustainable development goals. The results chain begins with the provision of resources (inputs), and continues with activities and their outputs, which are used to induce effects (outcomes) that enable the impacts assessment (Cf. figure 1).



Development outcomes are the expected physical, financial, institutional, social, environmental or other effects of financed projects for the benefit of businesses, communities and groups of people (women, young people). In line with its Evaluation Strategy, BOAD defines impact as «a short- and medium-term effect (below or equal to 5 years following project completion), positive and negative, primary and secondary, induced by a financed project, directly or indirectly, intentionally or unintentionally». The adjustment of the time horizon, compared to the DAC/OECD definition⁴ (Cf. box 1), allows for a minimum of impact reporting over time.

Project impact assessment uses a contributory approach to the types of projects financed (mainly infrastructure). The themes are based on those of the Sustainable Development Goals (SDGs), in line with the Framework.

⁴ Development Assistance Committee of the Organisation for Economic Co-operation and Development

Box1: Key concepts in the results chain

The Bank adheres to the following OECD/DAC definitions of the results chain.

Resources or inputs: financial, human and material resources used for the development action.

Activities: actions undertaken or work carried out to produce specific outputs. The activity mobilizes resources such as funds, technical assistance and other means.

Outputs: goods, equipment or services that result from the development action after the activities have been carried out.

Achievement or direct effect (effects/outcomes): what the action is intended to achieve or has achieved in the short or medium term. Change, expected or not, attributable directly or indirectly to a development action. This change comes from the use of outputs.

Development result or development objective: the expected effect, in physical, financial, institutional, social, environmental or other terms, of one or more development actions, for the benefit of a society, a community and a group of people.

Impact: a long-term effect, positive and negative, primary and secondary, induced by a funded project, directly or indirectly, intentionally or unintentionally.

Source: Glossary of key terms in evaluation and results-based management, 2002, OECD/DAC

Box2: Diversity in the definition of development impact

The OECD/DAC definition encompasses several concepts, leading to different definitions by development financing institutions.

Sometimes, impacts are understood in terms of causality (attribution of the results of an intervention) and long-term effects.

Some Development Finance Institutions consider impact to be the «last link in the results chain», or the highest level of objectives an intervention has identified, meaning the ultimate intended result of the intervention.

Other Development Finance Institutions use the term «impacts» to mean all development objectives (sustainable development goals), and «outcomes» to mean «project goals or objectives».

Other Development Finance Institutions (DFIs) define impact as a specific type of result that is of particular interest to the DFI, such as institutional development, environmental and/or social impact, which may or may not appear in the project's result chain.

Finally, the definition of «impact» is sometimes linked to the unit of analysis, or the result measured in a sector, a region or at country level, as opposed to the result measured for the beneficiaries of a project. This definition is a variant of the OECD/DAC definition, which includes both expected and unexpected results.

Source: Good Practice Standards for the Evaluation of Public Sector Operations, 2012 Revised Edition, Evaluation Cooperation Group

68 av. de la Libération, BP 1172 Lomé, Togo
Tél. : +228 22 21 59 06 • Fax : +228 22 21 52 67

www.boad.org     