LIBREVILLE, February 1 (Infosplusgabon) - The Board of Directors of the African Development Bank Group (www.AfDB.org) has approved a dual-currency Trade Finance Line of Credit for ECOWAS Bank for Investment and Development (EBID) comprising $50 million and EUR 50 million. An additional co-financing of $30 million for the credit line will come through the Africa Growing Together Fund (AGTF) from the People's Bank of China (PBOC).

EBID will use the three-and-a-half-year facility to provide direct financing to local corporates. Part of the facility will also be channelled through select local banks for on-lending to key sectors such as agriculture, infrastructure, and transport. The ultimate beneficiaries will be Small and Medium-sized Enterprises (SMEs), local enterprises cooperatives and farmers in the West Africa region.

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Speaking soon after the Board approval, the Deputy Director General for the West Africa Region, Joseph Ribeiro noted that regional development finance institutions like EBID are key partners of the African Development Bank and serve markets and client segments critical to the overall development of the continent.

"They play an important role in promoting trade and regional integration. This is the Bank's first financing support to EBID, and we look forward to an even stronger partnership in the near future," he said.

The Bank's Head of Trade Finance, Lamin Drammeh, stressed the critical need for such support in the region. "We are excited to work with EBID to increase access to trade finance in the ECOWAS region with a special focus on the agriculture value chain, SMEs and women-owned businesses", he said. "Regional institutions like EBID complement the Bank's efforts to bridge the trade finance gap in Africa and serve as an effective conduit for channeling

much-needed funds to underserved countries and sectors", he added.

The African Development Bank estimates the annual trade finance gap for Africa to be around $81 billion. Compared to multinational corporates and large local corporates, SMEs and other domestic firms have greater difficulty in accessing trade finance.

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