

Portfolio overview

Sida's support to AfDB 2010*

In 2010, Sida's disbursements to African Development Bank (AfDB) programmes amounted to MSEK 30. Major support was provided only to one large project, a Multi Donor Trust Fund (MDTF) in Zimbabwe in the area of water supply and sanitation (in the Natural resources and environment sector). Sida's support to AfDB is guided by the Swedish Strategy for Support for Regional and Sub regional Development Cooperation in Sub-Saharan Africa. Sweden is the 10th-largest donor to the Bank.

Since 2007, AfDB has gone through a restructuring of the Bank. This together with a positive institutional development, combined with increasing contributions from non-regional members, has given AfDB a better position to expand its operations. In recognition of the Bank's improved situation, Sida resumed its cooperation in 2007. All support is directed to programmes at regional level in Africa. Sida did not make any disbursements to AfDB over the three years 2004–2006 and there was only one contribution in 2010 (Table 1).

During 2008–2009, Sweden supported AfDB to develop its sector through "Making Finance Work for Africa (MFW4A)". This initiative includes financial systems including loans/guaranties as well as the role of private

sector in development. The Natural resources and environment sector was the predominant sector in 2007 and 2008 and only marginal disbursements were made to other sectors. Within this sector Sida supports a large contribution for a regional water and sanitation programme running from 2008 to 2010, with the only disbursement in 2010 of MSEK 3.0 to a Multi Donor Trust Fund (MDTF) in Zimbabwe.

Sida has also contributed to the African Water Facility (AWF), with the main objective to achieve an equitable and sustainable use and management of water resources for poverty alleviation, socio-economic development, regional cooperation and the environment in Africa (2008–2010) of a total amount of MSEK 75. In addition to this Sida has contri-

Contributions from Sida in support of AfDB's programmes are often entitled "multibi" (multi-bilateral aid). These should be distinguished from non-earmarked or core contributions to the regular budget of multilateral institutions, which are called "multilateral aid". The latter type of support is disbursed by the Ministry for Foreign Affairs or another ministry, and only in exceptional cases from Sida.

Table 1: Sida annual disbursements 2004–2010

Year	2004–2006	2007	2008	2009	2010
No. of contributions	0	2	3	3	1
Total amount (MSEK)	0	18.3	25.9	51.8	30.0

* The statistics refer to all contributions up until 31 dec 2010. Returning funds have been excluded.

Mandate and strategic priorities

The mission of the African Development Bank (AfDB) Group is to help reduce poverty, improve living conditions for Africans, and mobilise resources for the continent's economic and social development. Poverty reduction is the Bank's overarching goal. AfDB has 53 regional and 24 non-regional members.

AfDB's Medium-Term Strategy 2008–2012 outlines as priorities infrastructure, governance, the development of a stronger private sector, and education. The focus of regional operations is mainly on (1) transportation, although also on energy, water and telecommunications, and (2) the promotion of regional public goods.

Knowledge generation, climate change and gender are to be mainstreamed in all operations. Within this broad agenda AfDB supports education, public services, gender equality, environmental management including initiatives for mitigating and adapting to climate change, and HIV/AIDS. Through investments in these areas the Bank will contribute to regional integration.

The African Development Fund (AfDF) is the Bank's major instrument of concessional financing. Thanks to increasing financial resources from donor countries the Bank is now in a position to increase its operations in the poorest countries and fragile states.

buted to an Institutional support fund to support AfDB within urban policy (2008–2010) with an amount of MSEK 2.2. Within the Trade, Business and Financial systems sector Sida finances a long-term consultant to support the Bank in developing Result Based Management (RBM).

The disbursement to Sustainable Infrastructure and Services was a final payment to the Swedish Consultancy Fund. This fund, which existed for many years, was “tied” to Swedish consultants. It was utilised for stu-

Table 2: Sida annual disbursements 2007–2010, by sector (percentage of total amount per year)

Sida main sector	2007	2008	2009	2010
Democracy, human rights & gender equality	18	–	–	–
Market Development	–	3	1	1
Sustainable Infrastructure and Services	82	97	99	99
Total	100	100	100	100

dies, consultancies and workshops, particularly in the area of urban development. In 2008, Sida and the Bank agreed to terminate the fund. However, during 2008 and 2009 the fund has been used for channelling

disbursement from Ministry of Foreign Affairs (MFA) for the President's special advisor, who terminated his assignment in 2010.

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