

**Pricing Supplement dated 4 September 2019**

**AFRICAN DEVELOPMENT BANK**

**Global Debt Issuance Facility  
for issues of Notes with maturities of one day or longer**

**Issue of USD 7,500,000 Fixed Rate Notes due 6 September 2024**

This document constitutes the Pricing Supplement relating to the issue of Notes described herein. This Pricing Supplement constitutes Final Terms for the purposes of listing and trading Notes on the Regulated Market of the Luxembourg Stock Exchange. Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Information Memorandum dated 8 September 2009, as supplemented by the Supplemental Information Memorandum dated 16 January 2017 (as so supplemented, the **Information Memorandum**). This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with such Information Memorandum.

MIFID II product governance/Retail investors, professional investors and eligible counterparties – See paragraph 39 below.

- |    |                                  |  |
|----|----------------------------------|--|
| 1. | Issuer:                          | African Development Bank   |
| 2. | (i) Series Number:               | 890  |
|    | (ii) Tranche Number:             | 1  |
| 3. | Specified Currency:              | United States Dollars ( <b>USD</b> )   |
| 4. | Aggregate Nominal Amount:        |  |
|    | (i) Series:                      | USD 7,500,000  |
|    | (ii) Tranche:                    | USD 7,500,000  |
| 5. | (i) Issue Price:                 | 100 per cent. of the Aggregate Nominal Amount  |
|    | (ii) Net proceeds:               | USD 7,500,000  |
| 6. | Specified Denominations:         | USD 200,000 and integral multiples of USD 1,000 (the <b>Calculation Amount</b> ) in excess thereof up to and including USD 399,000. No Notes in definitive form will be issued in excess of USD 399,000. |
| 7. | (i) Issue Date:                  | 6 September 2019   |
|    | (ii) Interest Commencement Date: | 6 September 2019   |

8. Maturity Date: 6 September 2024 (the **Maturity Date**), subject as provided in paragraph 34 below
9. Interest Basis: 5.00 per cent. Fixed Rate  
(further particulars specified below)
10. Redemption/Payment Basis: See paragraphs 24, 25 and 34 below
11. Change of Interest or Redemption/Payment Basis: Not Applicable
12. Put/Call Options: Not Applicable
13. Status of the Notes: Senior
14. Listing: The regulated market of the Luxembourg Stock Exchange for the purposes of Directive 2014/65/EU on Markets in Financial Instruments
15. Method of distribution: Non-syndicated

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

16. **Fixed Rate Note Provisions** Applicable
- (i) Rate of Interest: For the purposes of Condition 4, the Rate of Interest payable in respect of each Note shall be an amount per Calculation Amount calculated in accordance with the following formula, as determined by the Calculation Agent in accordance with (and subject to) paragraph 34 below:
- $$\text{(Calculation Amount} \times 5.00 \text{ per cent.)} \times \text{(Initial Spot} \div \text{Spot Rate)}$$
- The Rate of Interest shall be payable semi-annually in arrear and for these purposes the amount resulting from the calculation made in accordance with the above formula shall be divided by 2 in case of the Interest Amount for any Interest Period. The Interest Amount for any period that is less than a full Interest Period shall be calculated by multiplying the amount resulting from the calculation made in accordance with the above formula by the Day Count Fraction.
- (ii) Interest Payment Date(s): 6 March and 6 September in each year, from, and including, 6 March 2020 up to,

and including, the Maturity Date (each a **Scheduled Interest Payment Date**), subject in each case as provided in paragraph 34 below and subject, in the case of payment only, to the Following Business Day Convention, but without any adjustment to any Interest Period.

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|--|---|
| (iii) Fixed Coupon Amount:   | See "Rate of Interest" in paragraph 16(i) above |
| (iv) Broken Amount(s):   | Not Applicable                                  |
| (v) Day Count Fraction:  | Actual/365 (Fixed)                              |
| (vi) Determination Date(s):  | Not Applicable                                  |
| (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: | See paragraph 34                                |
| <b>17. Floating Rate Note Provisions</b>   | Not Applicable                                  |
| <b>18. Zero Coupon Note Provisions</b>   | Not Applicable                                  |
| <b>19. Index-Linked Interest Note Provisions</b>                                       | Not Applicable                                  |
| <b>20. Dual Currency Interest Note Provisions</b>                                      | Not Applicable                                  |
| <b>21. Variable Coupon Amount Notes:</b>   | Not Applicable                                  |

**PROVISIONS RELATING TO REDEMPTION**

- |   |   |
|---|---|
| <b>22. Call Option</b>                          | Not Applicable  |
| <b>23. Put Option</b>                           | Not Applicable  |
| <b>24. Final Redemption Amount of each Note</b> | An amount per Calculation Amount calculated in accordance with the following formula, as determined by the Calculation Agent in accordance with (and subject to) paragraph 34 below:<br><br>Calculation Amount x (Initial Spot Rate ÷ Spot Rate)                                  |
| <b>25. Early Redemption Amount</b>              | An amount per Calculation Amount calculated in accordance with the following formula, as determined by the Calculation Agent in accordance with (and subject to) paragraph 34 below and the accrued interest thereon:<br><br>Calculation Amount x (Initial Spot Rate ÷ Spot Rate) |
- Early Redemption Amount(s) of each Note payable on event of default and/or the method of calculating the same (if required or if different from that set out in the Conditions):

26. **Variable Redemption Amount Notes** Not Applicable

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

27. Form of Notes:

**Bearer Notes:** Applicable

Temporary Bearer Global Note exchangeable for a Permanent Bearer Global Note which is exchangeable for Definitive Bearer Notes in the limited circumstances specified in the Permanent Global Note.

**Registered Notes:** Not Applicable

(i) DTC Application: No

(ii) Australian Domestic Notes: No

28. Relevant Financial Centre(s) or other special provisions relating to Payment Dates: New York City

For the purposes of Conditions 4 and 6, "Business Day" means a day (other than Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments and are open for general business in London, New York City and Gaborone.

29. Talons for future Coupons to be attached to Definitive Bearer Notes (and dates on which such Talons mature): Not Applicable

30. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: Not Applicable

31. Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made: Not Applicable

32. Redenomination, renominatisation and reconventioning provisions: Applicable, in accordance with the relevant legislation

33. Consolidation provisions: Not Applicable

34. Other terms or special conditions:

(i) Payment of Note Amounts:

Each Fixed Coupon Amount, principal amount, redemption amount, accrued interest amount or other amount payable in respect of the Notes (each a **Note Amount**) shall, subject as provided below, be determined by the Calculation Agent using the Spot Rate on the day falling two Calculation Business Days before the Scheduled Interest Payment Date or Maturity Date for such Note Amount or other date on which such amount first becomes due and payable (**Other Scheduled Payment Date**) (each a **Valuation Date**) and promptly communicated to the Issuer.

If the Calculation Agent determines at any time on a Valuation Date that a Disruption Event has occurred or is continuing it shall delay the determination of the Spot Rate until the next Calculation Business Day on which no Disruption Event exists, but if there continues to be a Disruption Event on each of the 14 calendar days immediately following such Valuation Date, the Calculation Agent shall determine the Spot Rate on the Calculation Business Day immediately following the end of such 14 calendar day period acting in good faith, in a commercially reasonable manner and in consultation with the Issuer and having taken into consideration relevant market practice. In any such case the relevant Note Amount shall be paid as soon as practicable after the Spot Rate has been determined by the Calculation Agent and promptly communicated to the Issuer but in any event no later than two Calculation Business Days after such rate has been determined and so communicated and the relevant Interest Payment Date or Other Scheduled Payment Date or the Maturity Date, as the case may be, shall be postponed accordingly. No interest or other payment shall be made in respect of any such delay.

The Calculation Agent will promptly

inform the Issuer and the Noteholders of the occurrence of any Disruption Event and the consequences thereof for payment of any Note Amount. The Calculation Agent will at all times act in good faith and in a commercially reasonable manner when performing its duties and making any calculations and determinations in respect of the Notes.

For the purposes of this Pricing Supplement:

**Calculation Agent** means ICBC Standard Bank Plc, including its successors, unless ICBC Standard Bank Plc fails to perform any of its duties or obligations as Calculation Agent, in which case the Issuer or another entity appointed by it will act as Calculation Agent.

**Calculation Business Day** means a day on which commercial banks effect (or, but for the occurrence of any Disruption Event, would have effected) the conversion of Botswana Pula (**BWP**) into USD or the delivery of USD or BWP, in accordance with the market practice of the foreign exchange market in Gaborone, London and New York City.

**Disruption Event** means either or both of an Inconvertibility Event or a Market Disruption Event.

**Domestic Securities** means debt securities issued by the government of the Republic of Botswana and trading or settling in a clearing system within the Republic of Botswana.

**Inconvertibility Event** means, any determination by the Calculation Agent, acting in good faith, in a commercially reasonable manner and in consultation with the Issuer, that one or more of the following events has occurred:

- (i) the Spot Rate cannot be determined in the manner set out in this paragraph 34(i);
- (ii) the adoption, giving, making or

implementation of any law, regulation, notice, directive, order or decree (in each case, whether or not having the force of law) announced and/or issued after the Issue Date, by any government or regulatory authority or competent authority, or the announcement that such adoption is to take place, which has the effect of imposing any new or additional limitation, prohibition or restriction on or otherwise prevents the conversion into USD or repatriation in USD of (a) non-resident owned BWP or (b) BWP proceeds from redemption or sale of Domestic Securities or (c) BWP interest paid on Domestic Securities; or

(iii) the adoption, giving, making or implementation of any law, regulation, notice, directive, order or decree (in each case, whether or not having the force of law) announced and, or issued, after the Issue Date, by any governmental or regulatory authority or competent authority, or the announcement that such adoption is to take place, which has the effect of imposing any new or additional limitation, prohibition or restriction on or otherwise prevents the delivery of BWP to the Calculation Agent's account in the Republic of Botswana; or

(iv) any action, event or circumstance whatsoever which:

a) has the direct or indirect effect of hindering, limiting or restricting the convertibility of BWP into USD through customary legal channels, or the transfer of BWP from the Republic of Botswana to any other country (including, without limitation, the imposition of any delay, increased costs or discriminatory rates of exchange or current or future restrictions on conversion

or repatriation of BWP into USD); and/or

- b) results in the unavailability of BWP in the interbank foreign exchange market.

**Initial Spot Rate** means BWP 11.013 per USD 1.00.

**Market Disruption Event** means, in the determination of the Calculation Agent, acting in good faith, in a commercially reasonable manner and in consultation with the Issuer, any event, other than an Inconvertibility Event, as a result of which the Calculation Agent is unable to determine any Note Amount, which event shall include, without limitation:

- (i) a natural or man-made disaster, armed conflict, act of terrorism, riot, labour disruption or any other circumstance beyond its control; or
- (ii) the enactment, promulgation, execution, ratification or adoption of, or any change in or amendment to, any rule, law, regulation or statute (or in the applicability or official interpretation of any rule, law, regulation or statute) or the issuance of any order or decree.

The **Spot Rate** is to be determined by the Calculation Agent using any available information and sources it deems relevant, including:

- (i) quotations (either firm or indicative) supplied by one or more leading dealers, banks or banking corporations, which deal in BWP, selected by the Calculation Agent, acting in good faith and in a commercially reasonable manner; or
- (ii) information consisting of relevant market data in the relevant market supplied by one or more third parties, including, without limitation, relevant rates, prices, yields, yield curves, volatilities, spreads, correlations or other relevant market data; or



- (iii) information of the types described in (i) or (ii) above from internal sources (including any of the Calculation Agent's affiliates) if that information is of the same type used by the Calculation Agent in the regular course of its business for the valuation of foreign exchange transactions involving the relevant currencies.
  
- (ii) Representations, Warranties and Acknowledgments by the investor An investor purchasing the Notes will be deemed to represent and warrant that:
  - (a) the investor acknowledges and accepts all risks including, but not limited to, foreign exchange, credit, sovereign, convertibility and/or country risks, and any other risks associated with purchasing, investing in and/or holding the Notes;
  - (b) the investor has sufficient knowledge, experience and professional advice to make and has made and will continue to make its own legal, tax, accounting and other business evaluations of the merits and risks of investment in the Notes and is not relying on the views or the advice of, or any information with respect to the Notes provided by the Issuer in that regard;
  - (c) the investor has full legal power and authority to purchase and invest in the Notes;
  - (d) the purchase of the Notes and receipt of any payment of principal or interest thereunder does not violate or conflict with any law applicable to the investor, any provision of the investor's constituting documents, any order of any court or other governmental agency applicable to the investor, or any contractual restriction binding on the investor or affecting its assets;
  - (e) the investor is purchasing the Notes

for the investor's own account and no other person shall have an interest in the Notes; and

- (f) the investor is solely responsible for making its own independent appraisal of the Issuer and of risks associated with investing in the Notes.

35. Governing law: English Law

## DISTRIBUTION

36. (i) If syndicated, names of Managers: Not Applicable

(ii) Stabilising Manager (if any): Not Applicable

37. If non-syndicated, name of Dealer: ICBC Standard Bank Plc

38. Additional selling restrictions: None

39. MiFID II product governance/Retail investors, professional investors and eligible counterparties: The Issuer is not subject to Directive 2014/65/EU (as amended, **MiFID II**) or the requirements of an "investment firm", "manufacturer" or "distributor" under the MiFID II product governance rules of EU Delegated Directive 2017/593. For the purposes of MiFID II, the Dealer shall be deemed the "**manufacturer**" in respect of the Notes. Solely for the purposes of the manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the manufacturer's target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution

channels, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable.

#### **OPERATIONAL INFORMATION**

- |     |  |                          |
|-----|--|--------------------------|
| 40. | ISIN Code:   | XS2047633214             |
| 41. | Common Code:   | 204763321                |
| 42. | Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): | Not Applicable           |
| 43. | Delivery:  | Delivery against payment |
| 44. | Changes to the Agent(s) (if any):  | Not Applicable           |
| 45. | Applicable TEFRA Rules:  | D Rules                  |
| 46. | Additional United States Federal Income Tax Consequences:  | Not Applicable           |
| 47. | Intended to be held in a manner that would allow Eurosystem eligibility:   | No                       |

## **LISTING APPLICATION**

This Pricing Supplement comprises the final terms required for issue and admission to trading on the Regulated Market of the Luxembourg Stock Exchange and admission to trading on the Official List of the Luxembourg Stock Exchange of the Notes described herein pursuant to the Global Debt Issuance Facility of the African Development Bank.

## **NO MATERIAL ADVERSE CHANGE**

There has been no material adverse change in the financial position of the Issuer since 31 December 2018.

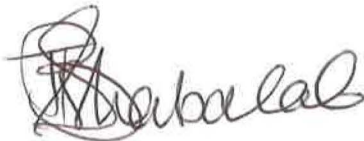
## **AUDITORS**

The annual accounts of the Issuer for the financial years ended 31 December 2017 and 31 December 2018, respectively, have been audited by Deloitte & Associés.

## **RESPONSIBILITY**

The Issuer accepts responsibility for the information contained in this Pricing Supplement.

Signed on behalf of African Development Bank:



By: .....  
Duly authorised

**Jajabulile TSHABALALA**  
**Vice President Finance**  
**& Chief Finance Officer**