

## **Annex 2. Questions for Partnerships with Non-Sovereign Entities**

### **To be completed by task managers**

The purpose of the following questions is to ex-ante assess the proposed partnership with the non-sovereign entity (NSE). These questions are expected to guide the task managers early in the discussion on whether to proceed with the potential partnership or not. In discussing a potential partnership with the NSE, the potential partner needs to be aware that the choice to establish a partnership is based on whether the proposed opportunity is suitable for the AfDB and that this decision is entirely at AfDB's discretion. Discussions with partners should proceed on this basis.

**Important note to task managers:** there are no right or wrong answers to the below questions. The answers will help the SCP members and Senior Management to assess, on a case-by-case basis, the proposed partnership and make a well informed decision about the ultimate benefit of the proposed partnership to the regional member countries.

#### **I. RATIONALE FOR PARTNERSHIP**

- How this partnership is aligned and will contribute to the achievement of the Bank's corporate strategies, including the Ten Year Strategy?
- What are the goals, objectives and proposed areas of collaboration?
- What are the mutual benefits for AfDB and the partner (financial and non-financial)?
- Will the activities, to be undertaken through this partnership, be in line with Bank's strategies and follow the Bank's policies, rules, and procedures?
- Are there alternatives for achieving the envisaged goals of the partnership?
- What are the potential advantages/disadvantages, cost/benefits and value added of the partnership compared with the alternative.

#### **II. THE NON-SOVEREIGN ENTITY**

- What type of entity is the potential partner? (foundations, including family foundations, independent foundations and corporate foundations; non-governmental organizations; private corporations; or other) profit or not-for-profit?
- Is the partner legally registered in its respective country? Is there any restriction or difficulty in the proposed areas of collaboration in respect of the local law or regulation?
- Who are the owners or key individuals behind the NSE?
- Does the partner have a solid financial statement and periodically undergoes audits? If so, by whom?
- What is the tax status of the partner?<sup>1</sup>

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<sup>1</sup> Foundations or not-for-profits typically will have more development oriented goals, as opposed to a for-profit company.

### **III. PARTNER'S INTEGRITY AND REPUTATION**

- What is the global reputation of the partner?
- Has the partner ever supported any activities that is/was deemed illegal, corrupt, or unethical practices<sup>2</sup>?
- Is the partner a manufacturer of arms, alcoholic beverages or tobacco, or does it have links to casinos and/or other gambling activities?
- Do the partner's activities include any of the following:
  - production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements including discrimination based on race, gender, nationality, political grounds or the like;
  - production activities involving the exploitation of child labour and forced labour, benefitting from or facilitating human trafficking;
  - production activities that cause immense damage to the environment or endanger biodiversity; or
  - activities that pose risks to Bank's other safeguard policies?

### **IV. PARTNER EXPERIENCE**

- Does the partner have a strong focus on Africa's development with a mandate similar to that of the Bank?
- Does the partner have experience collaborating with other multi-lateral or international organizations? If yes, mention some examples.
- Does the Bank have any previous experience with the partner? If yes, mention them.

### **V. CONFLICTS OF INTEREST**

- Are there any potential or actual conflicts of interest?
- Is the partner expected to be a service provider to the Bank at any time during the duration of the partnership?
- Does the partner expect any preferential treatment or any unfair advantage from the Bank supported by this partnership?

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<sup>2</sup> The Integrity Due Diligence Guidelines which are applicable to private sector operations states that Unethical Practices are Sanctionable Practices, Serious Crimes, money laundering, financing of terrorism, conduct deemed unlawful by applicable laws and regulations, and any action that may lead to adverse reputational impact on the Bank Group.