



AFRICAN DEVELOPMENT BANK GROUP

Closing Session of the 2013 AfDB Annual Meetings Closing Statement

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The 49th Assembly in Marrakesh has again confirmed the strong convening power of the African Development Bank. Beyond our statutory meetings, I believe the discussions in the Governors' Dialogue on transformation and the numerous side events, colloquia, seminars, and so on, have significantly strengthened our understanding of how best the Bank can implement its new long term strategy.

I would like to thank everyone who contributed in one way or another to this outcome: Governors, business leaders, civil society and, of course, Bank management and staff.

I want in particular to thank you, Mr. Chairman, for the manner in which you have conducted these meetings, enabling us to find a meeting of minds even on delicate issues. In the same spirit, I wish to acknowledge your outgoing bureau.

I extend my warm congratulations to the newly elected Board of Directors and assure them, in advance of management, full support and cooperation.

I take the opportunity to thank the outgoing Board, whose members will leave us shortly. Thank you for your partnership and friendship.

I would like to express my appreciation and that of senior management and staff for your expression of support for the Bank's accomplishments in the past year and to date. Your renewed confidence in the Bank and to me personally goes a long way in encouraging us to deepen our action.

In turn, I would like to restate here our determination to continue to shepherd the Bank, to ensure strong finances and well crafted, customised, tailored support to the needs of each member country. Your call to focus even further on the fragile states and situations of fragility, especially in its regional context – such as in the Sahel, the Horn of Africa and the Mano River – is one which we entirely share.

Many of you have asked the Bank to continue giving appropriate and adequate attention to countries of North Africa in transition. I can assure you of our strong dialogue and engagement in that context, especially Egypt, Tunisia and Libya.

I am, in particular, encouraged by your concurrence that, given the challenges in the global financial markets, our prudent management is the right response.

In our bilateral discussions I have taken especial note of four topics.

Ten Year Strategy

First, the Ten Year Strategy goes in the right direction. It articulates a direction of travel which corresponds to what Africa needs and what the Bank is best positioned to do.

However you have emphasised that sound implementation will be the key. I would like to assure you that senior management and I fully understand that any strategy is as good as the people who put it into practice and the systems that deliver it. I undertake here to carry out all the steps necessary to ensure that every member of staff takes full responsibility for this new Strategy. Management will have to lead by example and I will be enforcing accountability at all levels.

But above all, this strategy of inclusive development will be tested and judged where it matters most – within countries. I therefore look forward to a reinforced dialogue with you on the ground, leveraging our expanded presence through our field offices.

Sustainability

Second, this Summit acknowledged the progress Africa has made, while pointing out what has to be done to ensure sustainability. One of the areas of focus for sustainability is sound natural resource management. I understand that you urge the Bank to deepen its work in this area – to scale up and strengthen its internal capabilities to provide you with greater support from work related to legal issues, to best practices.

The debates here on transformation and natural resources have shown a wide consensus on what has to be done and what the Bank should do. As the celebrated economist Michael Porter said: natural resources are an inherited wealth. The secret of sound natural resource management is converting those resources into created wealth.

We know what to do. With the vast amounts being found and exploited in almost every country, Africa has a chance in a generation to turn the inherited wealth into created wealth by sound investments in people and human capital. The Bank will work with you.

Infrastructure financing

Third, the question of the gap in infrastructure financing and the need for innovation. There was a consensus here that, with Africa's economies at a turning

point, the infrastructure deficit is an important binding constraint. It is not the only constraint, but it is a key obstacle.

Drawing on experience from other countries, we all agree that unless African countries can unblock this, at some point the current growth momentum will be interrupted and will not be sustained.

At the same time, we all concluded that the existing means of financing infrastructure cannot take Africa to the scale that is needed.

It is time for innovation. It is time for greater mobilization of internal resources. The idea is that African countries must do more for their own development, in particular infrastructure.

It is time for better husbandry of natural resources to finance more infrastructure. It is time to leverage external support, internal savings and capital markets for infrastructure.

For that reason we are extremely encouraged by the overwhelmingly warm response to the proposal for this special vehicle for scaling up Infrastructure finance that is the Africa50 Fund. I deeply appreciate your initial contribution and thoughts on how we can further improve on the structure of this vehicle.

We will, as requested, provide greater details and deepen the work on Africa50 Fund together with the Board of Directors. We understand that this type of financial engineering in project finance is always complex, but is the right direction. We will work on this with all the energy, innovation and urgency the matter deserves.

ADF 13

Fourth, ADF 13 replenishment. This Summit has reaffirmed the importance of the work done by the African Development Fund. Its track record is stellar. The results on the ground speak for themselves. The Fund's work, in particular in fragile states, is critical. We are entirely cognizant of the budgetary squeeze in many donor countries.

As we approach 2015, we can agree that from a strategic viewpoint our aim must be a stronger ADF, or at the very least, to avoid at all costs a weaker ADF. As negotiations for the Fund resume in two weeks, the arrival of new members, in particular African contributors, is a strong signal of ownership and the growing relevance of the Fund as a force for good. I look forward to our forthcoming meeting in mid-June.

Return to Abidjan

The final takeaway is the return of the Bank to Abidjan. With the ratification of the GCC recommendations on the roadmap, the task of safely returning the Bank to its headquarters will now begin in earnest. In my bilaterals, four key themes have been consistent.

First, a rigorous respect of the Roadmap and its triggers.

Second, ensuring at all costs that the exercise will not perturb the operations of the Bank or diminish its effectiveness.

Third, good communication, both internally and externally.

Fourth, close collaboration between the Bank and the Governments of Cote d'Ivoire and Tunisia.

I give here all the assurances that I personally, the Board and its existing competent committees, such as CAHR and AUF, will ensure the Bank respects those four elements scrupulously. Rest assured, we do fully understand how complex and delicate the exercise is. There will neither be undue precipitation nor unnecessary delays which would cause process cost overrun. We have every confidence that the resilience and the experience this institution has demonstrated will serve you and us well.

As we prepare to depart Marrakesh, let me again thank each one of you Governors, the People of this historic and beautiful city, the Government and People of the Kingdom of Morocco, and all who made this Assembly's work smooth and successful.

Let me wish you safe return to your respective countries and we give you rendezvous in Kigali, Rwanda, in May 2014.

Thank you.