STATEMENT BY HONOURABLE SYDA BBUMBA
GOVERNOR FOR UGANDA

Mr. Chairman,
Fellow Governors to the AfDB,
The President of the AfDB,
Development Partners,
Distinguished Guests,
Ladies and Gentlemen

On behalf of the Uganda Government and on my own behalf, I take this opportunity to thank the Government and people of the Republic of Senegal for the warm hospitality we have been accorded, and for the excellent facilities which have been put at our disposal.

In the wake of the on-going global financial crisis and economic recession, President Kaberuka moved swiftly to put African Development Bank at the forefront in responding to the crisis by making available resources which can be accessed quickly by African countries in need. We must thank Dr. Kaberuka and his senior colleagues for taking those steps quickly. Mr. Chairman, the global financial crisis threatens the significant gains made by many African countries over the last decade in maintaining macroeconomic stability and sustaining high levels of economic growth, without which, the task of poverty reduction will be much harder. To achieve these objectives, infrastructure development to increase connectivity within countries and between countries will be key, making Africa more competitive and therefore better prepared to deal with external shocks. This will help our countries to address the most critical constraints to economic growth and for our countries to emerge stronger in the aftermath of the global economic crisis. And without economic growth, we cannot sustainably reduce poverty in our countries. In this regard, Uganda welcomes the Bank’s continued focus in its Medium Term Strategy on infrastructure financing, while at the same time responding quickly to other potential effects of the global recession. Improving the overall investment climate through the Bank’s focus on promoting good governance and private sector development are also important complementary interventions.

In addition to providing financial support, improving value for money through providing knowledge on best practices and sharing experiences on efficiency improvement measures will be particularly useful. In Uganda, we have identified efficiency improvement as the most critical element in achieving results on the ground, and we are taking the necessary actions. We are ready to work with the Bank to take this agenda forward.

To enable the effective implementation of the Medium Term Strategy, and in view of the need for the Bank to continue assisting our countries to mitigate the impact of the financial crisis, there is need to increase the capitalization of the Bank. In this regard, Uganda fully supports the proposal for the General Capital Increase of the Bank and calls on our development partners to increase the resources of the African Development Fund.

Regional integration, more than ever before, offers the opportunity for African countries to increase intra-regional trade, employment and economic co-operation. However, regional integration must not be a substitute for the integration of all African economies into economy which itself should serve as a springboard for integrating Africa into the wider global economy. Thus the Bank needs to enhance its support for regional integration
initiatives, always bearing in mind the ultimate objective of enhancing Africa’s competitiveness in the global economy.

Mr. Chairman,

Last year in Maputo, Uganda articulated the need for a regional project for the production of fertiliser to increase access by farmers at affordable prices. I want to reiterate this call here today. I note the proposal by the Bank for a Regional Fertilizer Procurement Facility. In our view this facility should be only a temporary arrangement. Uganda believes the East African region will benefit more from a fertilizer production facility rather than the currently proposed procurement facility. There is no doubt that the development of this project together with other investments supported by the African Development Bank in infrastructure development will be a significant step forward towards increasing agricultural production and productivity.

Thank you very much for listening to me.