Address By Mr. Omar Kabbaj

On the Occasion of the Signature of the Co-operation Agreement Between the ADB Group and ECOWAS

Tunis, TUNISIA, 15-17 July 2003
Hon. Minister and Governor for Ghana
The Executive Secretary, ECOWAS,
Ambassador of Ghana to the Kingdom of Morocco
Distinguished Guests,
Ladies and gentlemen,

Let me from the onset welcome you all on behalf of the Board of Directors, Management, staff of the Bank, and on my own behalf, to our Temporary Relocation Office in Tunis. I would like specially to greet the Honorable Minister of Finance for Ghana, H.E. Yaw Osafo-Maafo, who is a member of the Bank’s Board of Governors, for making time out of his busy schedules, to participate in this ceremony. May I also express our gratitude to the Government and people of Ghana for their hospitality and ready assistance in hosting the two GCC Meetings that resulted in the Bank’s temporary relocation to Tunis.

Honourable Minister, your presence with us on this occasion is an ample sign of the importance, which the entire sub-region attaches to the Agreement before us. May I personally congratulate you Sir, for your constant constructive contribution to ADB Annual Board and Consultative Meetings, particularly your strong message of encouragement during the last Annual Meetings in Addis Ababa. Your contribution to the advancement of ECOWAS was evident in the recently
concluded ECOWAS Ministerial Council Meeting. Please convey to the Heads of State and Government of the Community, our deep and sincere appreciation for their continued support and encouragement to the Bank.

I would also like to warmly salute the Executive Secretary of ECOWAS, Dr. Mohammed Chambas. We at ADB have followed with keen interest, the able way in which he has steered the affairs of the Community since he took over the helm, particularly in the area of conflict resolution in a number of West African countries. We believe that peace, political stability, good governance, as well as democratic culture are necessary ingredients of any meaningful economic integration and co-operation.

Honourable Minister, it is indeed an honour and pleasure for me to sign the Co-operation Agreement between the Bank Group and ECOWAS. We consider the Agreement strategic and timely. In an era of globalization, partnership agreements like this, are effective framework for fostering comparative advantage and economic competitiveness among countries. As you know, the promotion of economic cooperation and regional integration is a key mandate of the Bank. In pursuit of that mandate, the Bank has concluded several Co-operation Agreements with other regional and sub-regional groupings
such as the African Union, UEMOA, EAC and COMESA. The Cooperation Agreement with ECOWAS however stands out clearly as a point of reference for the Bank in many respects.

First, it is the fruit of several years of informal working experience, which we are now happy to formalize. Since 1987, the Bank Group has committed resources to financing several studies and technical assistance proposals from the ECOWAS in transport, communications, social and environmental sub-sectors, among others. The cumulative Bank Group operations in ECOWAS Member States reached about UA 7.8 billion as at the end of 2002, and were mainly in form of concessionary resources. Of this amount, over UA 5.2 billion or 67 percent was effectively disbursed. Currently, the Bank is actively involved with a number of multilateral institutions, in post-conflict rehabilitation programmes in some West African countries.

Secondly, it is the outcome of judicious negotiations between the Experts of our two Institutions in order to identify a variety of concrete, practical operational activities, which hopefully will foster our common objectives of development effectiveness in the area of poverty reduction and a viable economic development and integration in the Region. Geographically and demographically, West Africa remains the largest and one of the poorest of all the sub-regions of Africa. Only Nigeria can
borrow from both the ADB and ADF windows. Our cooperation with ECOWAS should consequently ensure an enhanced poverty reduction drive.

Finally, in addition to the well-known problem of poverty, the Agreement comes at a time the sub-region is faced with teething challenges. Nevertheless, it is also a period of increasing focus on regional integration as a framework for accelerating development, a period of emergence of a number of new initiatives, like the New Partnership for Africa’s Development (NEPAD), the formulation of Millennium Goals, not to mention the Bank’s own Strategic Plan 2003-2007. Our partnership with ECOWAS is in fact enhanced by the mandate conferred on it for the implementation of NEPAD in the West African sub-region, by the ECOWAS Heads of State and Government.

The challenges ahead of us are no doubt many and daunting, but we have the necessary road map to forge ahead. The growing contributions of ECOWAS, in the areas of transport, energy, policy harmonization, insurance as well as free movement of persons and goods within the sub-region are noteworthy. The tasks ahead of ECOWAS remain the promotion of regional and sub-regional trade, macro-economic surveillance, equitable harmonization criteria, and a common
monetary union. The proposed strategic transformation of the ECOWAS Fund into a Holding of Financial Company, -the ECOWAS Bank for Investment and Development (EBID)- is another step in the right direction. The two important affiliates of the Bank, the ECOWAS Regional Investment Bank (ERIB), and the ECOWAS Regional Development Fund (ERDF), are viable financial intermediaries for regional integration and development.

The Agreement we have signed provides the opportunity for the Bank to assist ECOWAS not only in the traditional areas of development activities, but also in its new challenges to launch and manage an integrated and successful economic Community under a single and common monetary Union. Forging a real change (integrating all the component entities - UEMOA, BOAD, etc- that co-exist in West Africa) is never an easy task, more so in the face of the parameters before us. Nevertheless, it is our responsibility to spare no effort in making ECOWAS a model of regional cooperation and integration for the whole of Africa.

Honourable Minister, Your Excellencies, I wish to conclude that at the Bank we will follow result-oriented approach in implementing the Agreement in collaboration with ECOWAS and all its member states as well other donors. Thank you for your attention. I wish you a pleasant stay in Tunis