AFRICAN DEVELOPMENT BANK GROUP

Loan Signature Between

the African Development Bank
the African Development Fund

and

the Government of the Democratic Republic of Congo

Concerning the Establishment of the Regional Office
of the African Development Bank and the African Development Fund
on the Territory of the Democratic Republic of Congo

Statement by the President
of the African Development Bank Group

Tunis, 1 February 2005
Honorable Minister,

Ladies and Gentlemen

I am proud indeed to proceed today with the signing of the Agreement to establish the Regional Office of the African Development Bank and the African Development Fund on the territory of the Democratic Republic of Congo. Without an iota of doubt, this ceremony is a milestone in the consolidation of cooperation and relations between the African Development Bank Group and the Democratic Republic of Congo.

The Establishment Agreement that we have just signed concretizes the desire expressed by the Bank Group’s authorities to decentralize its operations, with a view to enhancing its operational effectiveness in regional member countries. Against that background, the choice of countries to host one of the 16 offices scheduled to open between now and 2006 was made after several criteria had been analyzed, principal among them being the growth potential of the public sector portfolio, the opportunities in the private sector and prospects for the promotion of regional integration. I am happy that your country which is emerging from a long period of conflict was selected among those to host a regional office by 2006. Apart from the DRC, the Office will also cover the Republic of Congo.
Mr. Minister

Beyond its “traditional” representation role, the Kinshasa Office will provide real opportunities for strengthening partnership and improving project and program management, as a way of ensuring better quality of Bank assistance to your country and the neighboring Republic of Congo. Thus, the Office will be provided with the resources to enable it to provide assistance to the country with regard to loan entry into force, procurement and disbursement. Furthermore, the Office will be equipped to facilitate dialogue on general development policy and strategy issues with your country’s authorities and those of the Republic of Congo, as well as with all local partners.

Mr. Minister

Since the Democratic Republic of Congo settled its arrears to our Institution, the Bank has approved 8 operations in favor of the country. Following today’s signing of two new financing agreements in connection with the Lake Tanganyika Integrated Regional Development Program Support Project, total commitments amount to nearly 228 million US Dollars. About 70 per cent of that portfolio comprises rural and social development projects as well as national and regional capacity building operations. The overall portfolio disbursement rate is still relatively low, at 24%. Hence, one of the tangible results that we expect from establishing the Kinshasa Office will be the acceleration of the project and program implementation pace and the improvement of the general disbursement rate of resources committed, doing so in compliance with the general conditions of the respective loan or grant agreements. Such progress is indispensable for enhancing the impact of our development projects in
your country, for the greater benefit of the population groups targeted. That progress is equally essential in enabling your country to benefit from the significant increase in resources that donor countries recently decided to put at the disposal of the African Development Fund.

Mr. Minister

I would like to conclude by thanking most sincerely His Excellency Major General Joseph KABILA, Head of State of the Democratic Republic of Congo, for his commitment to lead the country towards free and democratic elections in 2005, and his laudable efforts in the service of peace and stability in the Great Lakes sub-region. I would also like to thank your Government, on behalf of the Board of Directors of the Bank, for your country’s hospitality in graciously accepting to host the Bank’s Regional Office on its soil.

I thank you for your kind attention.