Welcoming Remarks by Omar Kabbaj, President of the African Development Bank, at the Extraordinary Meeting of the Board of Governors of the African Development Bank

Tunis, Tunisia
21 July 2005
Your Excellency the Prime Minister,
Your Excellency Mr. Seydou Bouda, Chairman of the Board of Governors of the African Development Bank
Your Excellencies,
Honorable Governors of the African Development Bank,
Distinguished Members of the Board of Directors of the African Development Bank,
Ladies and Gentlemen,

It is my pleasure to welcome you all to Tunis and to the Temporary Relocation Agency of the Bank on the occasion of this Extraordinary Meeting of the Board of Governors of the African Development Bank. I would first like to express our deep appreciation to His Excellency the Prime Minister of the Republic of Tunisia and through him to his Excellency Zine El Abidine Ben Ali, as well as to the Government of Tunisia for all the efforts made not only to assist us in organizing this important meeting but also for all the facilities provided to the Bank since its relocation to Tunis.

I would also like to take this opportunity to welcome the new Chairman of the Board of Governors, His Excellency Mr. Seydou Bouda. In the recent past, Mr. Bouda had assumed this position and has had the opportunity to chair important meetings of the Bank. I am, therefore, certain that under his able and wise leadership, this extraordinary meeting would be conducted in a manner that meets the expectations of all Governors. Let me also take this opportunity to thank H. E. Ms. Ngozi Okonjo-Iweala for her able and professional conduct of our Annual Meetings in Abuja last May and for the warm and generous welcome extended to all of us at that time by His Excellency President Obasanjo, the people and Government of Nigeria.
As Your Excellencies are aware, this extraordinary meeting of the Board of Governors has been called for the express purpose of concluding the election of a new President of the Bank. And in this regard, I would like to assure you that we have made all the necessary preparations to ensure the smooth conduct of the elections. I would also like to assure you -- as I did in Abuja -- that I will do all that is necessary to ensure a smooth transfer of authority and responsibilities to the new President on 1 September 2005.

I would also like to inform Your Excellencies that we have carefully examined your statements that were placed on the record of the Annual Meetings in Abuja, although the statements were, unfortunately, not delivered at the Meeting because of the shortage of time. The Bank is taking the necessary measures to address the various concerns that you raised in your statements.

Mr. Prime Minister,
Your Excellencies,
Ladies and Gentlemen,

I do not wish to return to the content of my opening statement in Abuja which remains largely topical. The only new element is the G8 Summit in Gleneagles which took a number of important decisions to further support Africa’s development efforts. The Bank very much welcomes these actions. In particular we welcome the decision by the G8 to cancel 100 percent of outstanding debts of eligible Heavily Indebted Poor Countries to the IMF, IDA, and the African Development Fund, although the details of the debt relief have yet to be fully worked out.

The G-8 Communique also contains three important references to the African Development Bank Group. This is unprecedented in the history
of the G-8 and underscores the importance of your Bank on the international scene.

The first concerns the recognition by G-8 at the request of NEPAD of the lead role of the Bank in infrastructure since it was decided to create a Forum including other partners such as the World Bank.

Second, the Rural Water Supply and Sanitation Initiative, which we launched, was hailed by the G-8 which declared its readiness to support it and contribute to the search for funding.

Finally, the Japanese Cooperation Initiative with the Bank concerning private sector development was also mentioned as a development pole for the Continent, and, in this respect, I am pleased to inform you that we will pursue discussions on this important project with our Japanese friends.

I would like to take this opportunity to call on other donors to support this important initiative so that it can indeed be implemented as soon as possible. I would like to note that with the amounts that the donor community will now provide our regional member countries as debt relief, the African Development Bank Group would have mobilized a total of over $30 billion in the last decade. While an outstanding achievement, the Bank will nonetheless have to continue with its efforts to become the premier intermediary for development between African countries and their development partners.

As the G8 communiqué has noted, debt relief alone will not be sufficient for African countries to achieve the Millennium Development Goals. Substantial increases in ODA will also be required as well as further changes to the global trading system – including the removal of
the remaining tariff and non-tariff barriers and the dismantling of agricultural export subsidies by the industrial countries. In this regard, we are heartened by the pledges made by donor countries to double ODA to Africa by 2010 – to $50 billion a year -- and we urge them all to fulfil these pledges. We also urge all countries – both developed and developing alike -- to do all in their powers to ensure the successful conclusion of the Doha Round of negotiations as soon as possible.

The increased support by the international donor community for Africa’s development efforts is predicated on our countries continuing to make progress on reform efforts. In this regard, we would like to urge our Regional Member Countries to deepen their reform programs, with a particular focus given to promoting good governance. Indeed, efforts to improve legal and judicial systems and to put property rights on a more secure foundation are critical for laying the foundations for development as well as helping the emergence of a dynamic private sector essential for rapid economic growth.

Mr. Prime Minister,
Your Excellencies,
Ladies and Gentlemen,

Before concluding, permit me to take this opportunity to express to our Honorable Governors my deep appreciation and gratitude for the kind words they said in their statements at Abuja regarding my tenure as President of the African Development Bank Group. As I stated in my opening statement at the Annual Meetings, the transformations that have taken place in the Bank as a result of the deep program of reform we pursued in the last decade -- as well as the remarkable achievements of the Bank in recent years -- would not have been possible without the strong and consistent support of all the shareholders of the Bank. I do
thank you once again for the extraordinary support you gave me throughout my Presidency in the last ten years. I would also like to take this opportunity to thank the Board of Directors and the staff of the Bank for their deep dedication to the Bank and for their very hard work.

I wish you success in your deliberations and I thank you for your kind attention and I will now give the floor to His Excellency Prime Minister Mohamed Ghanouchi to officially open our meeting.