Statement at the Swearing-in Ceremony

Dr. Donald Kaberuka
President

Event: Swearing-in Ceremony of President-Elect, Dr. Donald Kaberuka
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I have the signal honour and great pleasure to welcome you among us on the occasion of this swearing-in ceremony of the new President of the African Development Bank, here in Tunis, a city with a rich history and culture, the capital of a country well known for its development model and which now hosts the Temporary Relocation Agency of the ADB.

Allow me, Excellencies, ladies and gentlemen, to respectfully pay tribute to His Excellency, the President of the Republic of Tunisia, President Zine Al-Abidine Ben Ali, to his Government and the brotherly People of Tunisia for the warm welcome and hospitality extended to the Bank and its entire staff.

I must, once again, express my profound gratitude to the Board of Governors for the confidence vested in me by entrusting me with the management of this noble institution. I am fully aware that the six other candidates are all dedicated to Africa and each and every one of them is capable of managing our continental financial institution.

I crave your indulgence to again express my profound gratitude to His Excellency, President Paul Kagame, as well as to the Government and People of Rwanda for the honour bestowed on me and, in particular, the confidence vested in me.

They showed confidence in me for eight years by entrusting me with the management of the Ministry of Finance and the Economy of the Republic of Rwanda. In that capacity I had the privilege to contribute modestly to the reconstruction of my country in the wake of the 1994 genocide. As governor for the Bank, I was able to appraise, together with my colleague governors, the challenges facing the Bank as well as its ability to address the needs of our continent.

I would like to seize this opportunity to thank the fine gentleman I am taking over from today, my friend and brother, Mr. Omar Kabbaj. The Bank owes its current prestige and standing to the actions taken by President Kabbaj over the past 10 years. His panafrikanist convictions, his sense of leadership and his love for a job well done have paved the way for the Bank to become a solid and credible institution. Africa will forever be grateful to you, Mr. President.

We are just one decade from the 2015 target, in other words, from the commitments made in the drive to attain the Millennium Development Goals (MDGs). In this regard, the Summit Meeting scheduled to take place in New York in the next fortnight will afford us the opportunity take stock of efforts to attain the said MDGs. However, the initial analyses indicate that, at the current pace, numerous African countries will not attain the MDGs, contrary to what is happening on other continents.
Undoubtedly, special efforts are needed. The prime responsibility is ours as Africans, but it is also the responsibility of our external partners. Today, a host of opportunities are beckoning to us. Everywhere, in all the regions of our continent, numerous countries have embarked on the road to good governance and conflict resolution. They have laid the foundations for sustainable economic growth and demonstrate an unwavering commitment to claim ownership of the development drive.

At the international level, the international community has once again pledged to support Africa. This effort is epitomized by the Blair Commission and the decisions of the G8 Summit held at the beginning of July in Gleanagles, in spite of the bomb attacks that plunged London into mourning. On the occasion of that summit, the G8 took an act of solidarity of historic proportion in favour of the African continent and its people. They promised to increase the annual amount of the official development assistance by at least 50 billion US dollars by 2010 and to cancel the debt owed by the poorest countries of the world.

Within this context, the African Development Bank is required to play a leading role in harnessing these exceptional efforts stemming from the renewed commitment of the international community and the positive developments on the continent. Under my stewardship, the Bank and its partners shall spare no efforts to translate these commitments into reality. It will serve as the preferred partner of the continent for the effective implementation of the Paris Declaration on Aid Effectiveness and Harmonization and will seek to ensure the success of the WTO Ministerial Meeting scheduled to take place in Hong Kong in December 2005.

As I assume the leadership of this institution, I wish to reaffirm my commitment to do the utmost in consolidating achievements such as good governance and sound finances. It’s the sine qua non for all we are doing.

Last year we celebrated the Bank’s 40th Anniversary, proud of our achievements. As is the case in the life of an individual, it was time to pause, reflect and reposition with a view to learn from our mistakes of omission or commission, chart the future and, in particular, determine how best to respond to the aspirations of our founding fathers and the emerging challenges – the search for ever greater effectiveness of our institution, its ability to contribute its part in fighting poverty and misery of our people, changing the economic condition for our continent and its place in the flows of world trade and investment – the only real source of lasting prosperity.

Under Omar Kabbaj and his team the Bank has elaborated a series of action plans to enhance the Bank’s effectiveness. I welcome the general outline of that strategy. These plans now require methodical implementation. Needless to say, these are
living documents which must continuously adapt to meet changing needs and priorities as well as adjust to exogenous circumstances.

Today, there is general recognition that development is only possible if there is national ownership. Equally, it is evident that external support by partners is that much more effective if aligned behind national priorities operating in a strategic partnership. Development is not simply about additional resources; it is about quality of the resources, the transaction costs and global coherence of our actions. I highly welcome the Bank’s strategy to position itself into a results-based organization, to get closer to its clients and build capacity to better understand the national and African economic conditions. This is imperative. It has been said the ADB must strive to become a knowledge institution, a first point of call for economic development issues on the continent. It cannot be otherwise. It is we Africans who will develop our continent, and the knowledge of our potential, our challenges, our failures, our strategy to overcome them is the starting point. I intend to accelerate this process.

A couple of years ago in Monterrey, we arrived at the so-called Monterrey Consensus – a pact of mutual accountability – or as Tony Blair calls it “a deal for a deal”.

Africa will not depend on aid forever; building our capacity to trade, reducing costs and risks of doing business in Africa as well as expanding our markets and attracting private investment is the only lasting solution. It is evident that the effort to create preconditions and an enabling environment is proceeding reasonably well across Africa. Political and macroeconomic stability; promotion of good governance; the fight against corruption; and abuse of office, as well as creation of a predictable policy environment: these are the conditions that enable development effort to succeed and are clearly spelt out in NEPAD. The Bank and its partners should intensify support for countries in this area.

I am fully aware of the impact of the external environment exemplified by today’s developments in the world oil market. Many of our countries are grappling with the record price of oil, which threatens to set back the gains of the last years in terms of internal macro-stability and external viability. It is essential that, together with our partners, we search for ways to help our continent withstand these shocks while making the due adjustment necessary as we appreciate the medium and long term implications.

More than ever before, we shall intensify our efforts for a successful conclusion of the Doha Round of multilateral negotiations, but we must also prepare by building the necessary trading capacity. In this context, regional integration will not only
increase the intra-African trade, but also build a platform to benefit from opportunities opened up by a liberalized multilateral world trading system.

I would like to point out here the special challenge of the middle income countries to which I intend to give a particular attention in determining the best way in which the ADB can be responsive to their needs and priorities. They are still challenged by large-scale pockets of poverty, but also need to boost their competitive position. We will be looking closely for ways of harnessing our own resources and their own efforts in meeting these challenges.

We will intensify our working relationship with the African Union and its institutions. Today, the African Union is beginning to show evidence of increasingly effective actions on conflict resolution.

It will be essential for the Bank to accompany the AU's efforts by enhancing the work of the Bank in the process of post-conflict reconstruction and fragile states, with resources, but also expertise, to enable them kick-start their economies and lay the basis for engagement with the international community. In this way we will be providing the right type of reinforcement to the efforts of the African Union and making our continent safe for investment and creating stakeholders economies.

Africa is one; events in one country affect the others. For some of the large economies there are strong neighbourhood effects which impact on the other economies if their economic reconstruction succeeds. I am fully aware of the risks involved, the necessity for caution and a step-by-step approach, as I am aware of the importance of working in partnership with other stakeholders.

As I accede to these high responsibilities, I am humbled by the task that awaits me, but I am also excited by the challenge. This is a moment to recognize the services by my distinguished predecessors, six illustrious sons of Africa: Omar Kabbaj; Babacar Ndiaye; Willa Mungomba; Kwame D. Fodwor; Abdelwahab Labidi; and Mamoun Beheiry. I step in the shoes of men who have contributed in a magnificent way to this edifice which is the ADB.

To Mr. and Mrs. Kabbaj I want to wish you well in your next station in life. I speak for all in expressing our gratitude to the Kingdom of Morocco which put you at the disposal of Africa. You have discharged your mission well. I want to believe that I can continue to count on your friendship and advice as Honorary President of the Bank.

As I come to end of my remarks permit me to recognize all those who have in one way or another wished me well, offered a word of advice and supported me in this
exalting mission which I begin today. I want in particular to say thank you to the Board of Directors and staff of the Bank. Africa will be watching us in the coming months and years. I know I speak for you when I say we will do our best.

Excellencies, Honourable Governors of the African Development Bank, ladies and gentlemen,

As a young graduate student I, like many of you here, will have often read the book by a Swedish economist, Gunnar Myrdal, entitled *the Asian Drama*. Today the “Asian drama” has become the “Asian miracle”. I am convinced that, provided we get the basics right, reinforce our capabilities, improve governance, strengthen our institutions such as the ADB, and with the support of our partners, Africa will be on its path of sustainable economic growth.

Today, there is a change of guard at the ADB, but the mission remains the same. I am truly humbled and honoured that Africa and its partners have put their confidence in me to lead this esteemed institution. Together we will rise to the challenge.

Thank you for your kind attention, merci, shukran.