“Closing Remarks at the 49th Annual General Assembly”

Donald Kaberuka
President of the African Development Bank Group

Kigali, 23 May 2014
Mr. Chairman,

Dear Governors,

1. As we come to the end of our 49th Annual Meetings, let me thank you for what, together, we have been able to accomplish this week.

2. What we have accomplished goes beyond the statutory decisions concerning the life of the Bank, but also issues of interest to Africa.

3. Anyone who follows the rich tapestry of discussions in the seminars, high level events, has now seen the important role and convening power of the Bank on issues affecting Africa’s development.

4. The choice of the AGM theme, “the Africa we want” is a vital question for each of us, one which clearly exercises the minds of many people today.

5. But the issue is not simply that of discussions or celebrations. It is about what is done.

6. Our goal is to follow through on all the matters raised here, from the Blue Economy, Leadership, Natural Resources, the Gender Dividend, and Youth Unemployment, etc. In the context of our Ten-Year Strategy.

7. I would like to highlight the Gender Dividend and ask that, together, we seek to make a step change in this area, in the Bank and in our respective countries. We have a good action plan – let us now ACT.
8. I want to express my deep appreciation for the decisions you have taken vis-à-vis: Africa50, the AGTF, Diversification of our Loan Products and endorsement of the work we are undertaking. With respect to Africa50, we will now proceed to incorporation, roadshows, and getting the first projects going on exposure swaps with other MDBs.

9. It is important to demonstrate, early, how Africa50 can make the difference. Of course, the decision of where to invest will be taken independently by competent organs of Africa50.

10. It is my expectation, and yours, that Africa50 will be directed at transformative projects that are commercially viable and will impact all the five regions of Africa.

11. It’s my intention, by the time we meet, next in Abidjan, we will report our progress on the AGTF. With the agreement now formally signed yesterday, we will proceed to implementation. Our pipeline, both sovereign and non-sovereign, is rich enough, diversified enough, to offer opportunity for the Bank in this regard.

12. Regarding diversification of our loan products to ADF countries, vis-à-vis the AfDB window, I have noted three things in my discussions with you:
i. First: This is a timely decision which reflects the dynamic news of Africa and also assists in decentralizing the Bank’s portfolio.

ii. Second: The need to ensure the rigour and filters built in to the access, and credit risk committee amounts, are rigorous enough.

iii. Third: To carefully watch the debt sustainability and overall macroeconomic performance of the countries, who are eligible, in order to determine access.

13. That is exactly what we will do. I welcome your endorsement of the work being done by the “MDB risk managers task force on exposure swaps”. This is important because it allows all the MDBs to reduce our risks, by sharing our strengths.

14. Some of you have expressed the view that we should, when ready, start off with a pilot programme to test the performance before its full rollout. We will share this with the MDB taskforce.

15. Finally, almost every delegation has welcomed the smooth implementation of the roadmap of the return to the HQ in Abidjan.

16. We are aware of the logistical challenges, but as I said in the beginning, we are very well prepared. Over the past months while preparing for the move, you have emphasized the need for business continuity and the
need to manage staff attrition. On the latter, I can assure you, staff attrition is minimal and those departments concerned will be given means to accelerate recruitment procedures for replacements.

17. Finally, we have discussed the need to continue deepening risk management and internal controls. The establishment of the group Chief Risk Officer, should give you comfort that we are in the right direction.

18. As I mentioned to you in my opening remarks, we are very aware of the current situation in financial markets. This means we need to do everything in our power to grow business, to diversify our portfolio, and to stabilize our administrative budgets until such a time when net income prospects, in the medium term, return to a growth path.

19. As you can see in the financial presentations available to you, the medium prospects in the Bank, the risk-bearing capacity, all remain in very robust territory. We will do everything to consolidate that even further.

20. The next twelve months will be of consolidation with all the achievements of the Bank, taking corrective measures where they are needed, as well as to roll out a number of initiatives you have agreed upon. But there is no doubt in my mind, and yours, that the safe return to Abidjan is the most important undertaking for us in the next year.

21. Finally, let me reiterate that we will work together to consolidate the strong macroeconomic foundations of
our economies, doing everything in our power to ensure that macroeconomic stability which Africa worked hard on in the 1980s and 1990s is maintained. That includes a careful monitoring of our internal and external debt.

22. Lastly, let me express my thanks on your behalf to the outgoing Bureau and you, Mr. Chairman, for the work that you have done in the last year.

23. Let me, in the same spirit, welcome the incoming Bureau and assure them of our full support and cooperation.

24. Let me congratulate the newly elected Directors, you have all our support. Thank you to the outgoing Directors, our best wishes are extended to you.

25. In your name, a big thank you to the Government and People of Rwanda for everything they did to ensure a successful AGM.

26. My appreciation too, to all those near and far, who in one way or another have made this meeting a success. Thank you to our Board, Senior Management and Staff.

27. Thank you Governors, for what we have done together this week. We will meet again, in Abidjan, in May 2015.

28. God bless you all and Thank you.