Remarks by Dr. Akinwumi Adesina, President, Africa Development Bank at the 12th Conference of Heads of State and Governments of the Community of Portuguese Languages Countries, held at Santa Maria, Sal, Cabo Verde, July 17-18, 2018

Your Excellencies, distinguished ladies and gentlemen, I am delighted to join you here today to witness the signing of the Declaration on the “Development Financing Compact for Lusophone Countries”.

To properly enter my registration code, therefore, let me say:

- Estou muito feliz por estar aqui
- Espero que isso seja o suficiente para me tornar membro da CPLP.

Today is an auspicious day for the African Development Bank, for Lusophone countries of Africa, the Governments of Portugal and Brazil and the entire CPLP countries.

The CPLP countries have huge potential. These range from vast reserves of oil and gas, agriculture, tourism and marine resources for the blue economy. Together they form the 4th largest producer of oil in the world. The size of their population, all sharing the similar culture and language affinities is 267 million, a significant market for economic cooperation for shared growth and prosperity.

But while potential is important, it is not enough. Nobody eats potential.

New partnerships are needed to help unlock the huge economic potentials of the Lusophone African countries. The African Development Bank recognizes that Portuguese-speaking African countries do not form contiguous economic blocks unlike those in the French- or English-speaking zones. They therefore tend to be marginalized.

Yet, great opportunities exist to build on the long historical, linguistic and cultural ties between these countries, and with Brazil and Portugal, to shape economic partnerships that can accelerate economic growth, boost private sector development and assure faster-paced economic transformation.
It is in this context that the African Development Bank has developed with the Lusophone countries, Portugal and Brazil, the “Development Compact for Lusophone African Countries”.

The goals of this development compact are to:

1. Capitalize on the historical, cultural, language and economic ties that unite the Lusophone African countries with Portugal and Brazil to stimulate greater economic expansion, private-sector growth and trade opportunities.

2. Unlock growth opportunities by attracting private investments to develop the untapped natural resource potential and create local capacity to design and manage bankable projects.

3. Attract investments to help the Lusophone African countries to gradually add value to their local commodities and natural resources, to drive industrialization, create jobs and enhance broad-based and inclusive economic growth.

4. Assist Lusophone countries in Africa in mitigating market risks through affordable and innovative financing solutions to boost private-sector development, small and medium-sized businesses, and promote long-term growth.

The Compact will be achieved through three areas:

- The African Development Bank and its partners will deploy credit enhancement and de-risking instruments to help attract and boost private investments.

- Targeted technical assistance to build pipelines of bankable projects.

- Financing resources, to be pooled, to support transformative projects.

The situations in each of the Lusophone African countries differ from one to another. No one size will fit all. The Compact is not going to duplicate existing initiatives. Rather, it will offer a strong partnership platform sharply focused on attracting private-sector investments into Lusophone African countries.
As part of this Compact, the African Development Bank will work as a catalyst. The Bank will provide partial risk guarantees, partial credit guarantees and synthetic local currency loans to help reduce political, credit and foreign currency risks. To address countercyclical challenges in accessing foreign currency, the Bank will deploy trade-financing instruments to facilitate greater trade and investments.

Portugal and Brazil will be major partners with the African Development Bank on the Compact for Lusophone countries, but the platform will be open to other partners.

The African Development Bank has also launched the Africa Investment Forum to help mobilize global institutional investors to Africa by helping to support the development of bankable projects and de-risking of private sector investments at scale. The Africa Investment Forum will be Africa’s investment marketplace, linking global investors to Africa. Working with its partners, the African Development Bank hopes to help leverage some of the $120 trillion in pools of global savings towards investment in Africa.

The Africa Investment Forum offers a unique opportunity for Lusophone African countries to showcase bankable projects to global investors. As part of this Compact, the African Development Bank will organize a special session on investments in Lusophone African countries during the Forum. The focus of the Forum will not focus on talk, but transactions, transactions and transactions.

I would like to invite the Heads of State and private-sector CEOs from Lusophone countries to participate at this Forum that will take place from November 7-9, 2018, in Johannesburg, South Africa.

I am passionate about doing more for Lusophone African countries.

I am delighted to inform you that I will announce this week a new Vice-President for the Bank, who is from one of the Lusophone African countries. This will be the first time in the 54-year history of the African Development Bank that it will have a Vice-President from a Lusophone African country. It’s part of our new engagement with Lusophone African countries.
As Nelson Mandela said “part of being optimistic is keeping one’s head pointed toward the sun and one’s feet moving forward”.

Together, let us point our heads towards the sun, move forward and accelerate the development and implementation of the Development Compact for Lusophone Countries.

Muito obrigado!