STATEMENT BY
THE GOVERNOR FOR THE NETHERLANDS

Mr Chairman,
Mr President,
Your Excellencies,
Ladies and Gentlemen,

I want to thank the Government of Côte d’Ivoire for hosting the 2010 Annual Meetings of the African Development Bank Group.

I also offer my sincere congratulations to President Kaberuka on his reappointment. Your candidacy enjoyed the full backing of the Netherlands in 2005, and you have our full support today. And, Dr Kaberuka, I am pleased to note that during your first term as President the AfDB was, as expected, very successful. The Bank’s effective response to the recent financial and economic crisis, and the favourable outcome of the Mid-Term Review of the African Development Fund, are both clear evidence of this. I am convinced that, with the support of the member countries, you will bring the Bank even more success as it performs its important development role in Africa.

The Annual Meeting last year in Dakar was dominated by the global crisis. There was a clear need for us to consider short-term measures to limit its impact, especially in Africa, which bore no blame for the crisis, but was hit hard by it.

But it was equally clear that we also had to address longstanding problems that the crisis had made more complex. Problems like climate change, food shortages and equity. It was plain that the African Development Bank Group – both the Bank and the Fund – had an important part to play.

As became apparent during the ADF Mid-Term Review in Helsinki in October 2009, the AfDB has shown the flexibility needed to respond effectively to the consequences of the economic crisis, especially in the continent’s poorest countries. Front-loading resources, portfolio restructuring and accelerating approval procedures proved effective ways for both the Bank and the Fund to play the role expected of them.

Given the capital needs that clearly exist, including those of the continent’s poorest countries, and the results achieved under ADF-11, the Netherlands is convinced that a resource replenishment is required. I am confident that the negotiations on ADF-12, which have reached an advanced stage, will be completed in september this year to the satisfaction of all parties.

The preparations for the AfDB’s sixth General Capital Increase (GCI-6), authorised at last year’s Annual Meeting, were successfully concluded shortly before the current meeting. The business case presented by the Bank is a convincing argument for this capital increase and clearly defines the role the AfDB can and must play in the development of the African continent. The Netherlands is therefore pleased with the outcome, which will enable the Bank to continue playing its part in the years ahead.
Over the last few years the Bank has set the right strategic priorities. Infrastructure, regional integration, good governance and fragile states are themes on which the Bank has shown it can add value, and which my government also feels should be given a strong focus and priority. I would therefore urge the Bank, both now and after the capital increase and the replenishment have been finalised, to continue down the path it has taken, maintaining its chosen priorities and if possible pursuing them in even greater depth.

There are other problems of global proportions that are also of crucial importance to Africa. Here too, the Bank must fulfil a major role, certainly in the longer term. I already mentioned climate change and the use of renewable energy. On all such issues, it is vital to seek a clear division of labour with other development bodies, especially the World Bank.

In the context of the preparations for both ADF-12 and GCI-6, the Bank has demonstrated its awareness of the need to go further down the path of reform, so that it can operate more effectively and efficiently. Besides aspects such as risk management and a results-oriented approach, I am thinking here in particular of the Bank’s move towards decentralisation.

Through its field offices in various countries, decentralisation is enabling the Bank to move closer to clients. As well as advising the authorities in those countries on formulating activities and programmes, and if necessary actively helping them to do so, these offices should also play a part in the political dialogue with governments. (This obviously requires adequate staffing levels and a clear division of powers between head office and field offices.) Besides contacts with governments, it is important for field offices to have good contacts with civil society in the countries where they operate.

I have every confidence that the AfDB will push ahead with its efforts to strengthen its organisation where this is needed. This will ensure that the Bank is even better placed, certainly after a successful completion of GCI-6 and ADF-12, and under the continued leadership of its President, to continue performing its vital function for the African continent.

Thank you.