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ISLAMIC DEVELOPMENT BANK GROUP

Statement of the IDB Governor for the
Republic of Cote d'Ivoire on behalf of the
African Group

The 42nd Annual Meeting of the IDB Board of Governors
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BISSIMILAH RAHMANE RAHIM

**Your Royal Highnesses and Excellencies, members of the Government
President of the Islamic Development Bank Group,
Honourable Governors
Honourable guests, all protocols observed
Ladies and Gentlemen,**

Assalamualaikum warahmatullahi wabarakatuh.

**Governors,
President of the Islamic Development Bank Group,
Distinguished Guests
Ladies and Gentlemen,**

I am extremely pleased to have to make this statement on behalf of the African Governors of the Islamic Development Bank, at the very first annual meeting held under the leadership of Dr. Bandar bin Mohammed bin Hamza Asaad Al Hajjar, President of the Islamic Development Bank Group. I am grateful to my African colleagues for providing me with this opportunity to represent them at this special event.

At the outset, I wish to express, on behalf of our Governments, my endless gratitude to the Custodian of the two Holy Mosques, King Salmane Bin Abdoul Aziz Al Saoud, to the people and Government of the Kingdom of Saudi Arabia for their hospitality and warm reception extended to us since our arrival in this great country, laden with history.

I would like to congratulate Dr. Bandar Hajjar for his accession to the presidency of the IDB Group and thank him for all the arrangements made for the success of our meeting. He brings with him a wealth and depth of experience gained after serving in various functions, notably as an academic, Chairman of the Shura Council's External Affairs Committee, Vice-President of the Shura Council of the Kingdom of Saudi Arabia, President of the National Human Rights Society and finally, Minister for Hajj.

Mr. President, your appointment to the presidency of this prestigious institution is well-timed and there is no doubt that your outstanding career and charisma will help to make our common institution the preferred bank of Member States. On behalf of my colleagues and on my own behalf, I would like to assure you of our commitment to resolutely assist you in the accomplishment of your noble mission.

Allow me, at this point, to express our deep gratitude to your predecessor, Dr. Ahmed Mohammed Ali, who devoted his professional life to serving our institution with abnegation and to turn it into a model of success acknowledged worldwide. Awarding him the title of Honorary President of the IDB is a well-deserved recognition.

**Distinguished Guests,
Ladies and Gentlemen,**

As you know, prior to 1990, Africa's level of economic development was the lowest, with endemic poverty, faltering economies, insufficient investments in infrastructure, and a frail political and economic governance. This situation ranked Africa among the weakest continents of the world.

Today, progress has been made and the continent again experienced growth and rapid development during the last two decades, as testified by the 28% decline in the extreme poverty rate in sub-Saharan Africa between 1990 and 2015. The economic policies, the business and investment climate as well as political stability improved. The African continent can boast of having attracted a record amount of direct foreign investment in recent years. Actually, the volume of investments rose from 42.8 billion U.S. dollars between 2004 and 2008 to 66.5 billion US dollars in 2015. Foreign direct investment from China, for example, increased by 3.5 billion US dollars in 2013 and most African countries benefited from it.

Concurrent to this strong economic growth registered over the past 15 years, the health and standard-of-living indicators also improved. Notable progress was made in the achievement of the Millennium Development Goals (MDG) and efforts are deployed to reach the Sustainable Development Goals (SDG).

**Distinguished guests,
Ladies and Gentlemen,**

This significant progress should not detract from the numerous existing challenges which we ardently appeal to the Bank to help us overcome.

These challenges include:

Resilience and food security: In fact, the problems experienced in Sub-Saharan Africa today brings to mind the need to strengthen our resilience to external shocks and, in particular disasters and conflicts, and to ensure food security. With regard to the pressing issues of famine and forced displacement, we would like to collaborate with the IDB Group in its efforts to mobilize resources and provide disbursements in favour of countries, communities and refugees. There is also need for us to address the root causes of the fragility and to help countries to strengthen their institutional and social resilience.

With regard to the refugee situation, we commend the actions undertaken by IDB to address the urgent needs while supporting the medium and long-term development goals. I appeal to African Governments to continue to fulfil their commitments to the Islamic Solidarity Fund for Development (ISFD), an entity affiliated to the IDB Group targeting the poorest countries, with the aim of providing assistance to those hosting refugees to ensure the improved management of issues relating to forced cross-border displacements. Resilience must be reinforced to support actions to promote inclusive development, invest in human capital and redouble efforts to mitigate and reduce risks.

The second challenge relates to the strengthening of institutions: as you know, countries with a high level of prosperity and economic development are those with strong institutions. An Emerging Africa which we ardently yearn for, can be possible only if the countries have strong

institutions. For this reason, I would like to commit all African countries, members of the IDB, to strive further towards this goal while investing sustainably in human capital and institutions.

Allow me to hail IDB's multidimensional institutional support to Africa, in particular through basic economic capacity building, the revival of universities and higher education institutions, strengthening regional and sub-regional institutions. I would also like to add its support in capacity building for the negotiation of contracts relating to the management of natural resources. It is desirable that IDB continues to help our respective countries to set up institutions capable of formulating and implementing sound growth and development policies.

The third priority is **regional Integration**: the implementation of regional infrastructure programmes is still a legitimate concern for all African countries.

Indeed, while Africa has been perceived, in recent years, as the top destination for investors, it should strive to reduce its infrastructure deficit. To make up for this deficit, the continent must spend 93 billion per annum during the next decade.

We are pleased with the IDB Group's support to our integration efforts through the removal of barriers that separate us. The Bank should continue to invest massively in quality regional infrastructure, particularly railroads, transnational highways, electric interconnection, ICT, air and sea transport.

The last challenge relates to innovative loan mechanisms and affordable rates: our African countries need resources to meet their essential development needs. Consequently, new financing approaches are required to restore growth, promote competitive economies, build peaceful societies and encourage inclusive growth.

Other options that the IDB could envisage include the use of private financing, co-financing, syndication, mixed financing, bearing some of the costs inherent in the sovereign risk, mobilizing partners such as the Arab coordination and philanthropists group, as well as any other approach favourable for the optimization of the balance sheet.

Moreover, the IDB Group can support capacity building efforts and participate in reflections on domestic resource mobilization, to enable Africa to finance some strategic projects with its own funds

With regard to resource mobilization, there is need to identify innovative alternative solutions, namely Islamic finance which is gaining recognition throughout the world, and particularly in West Africa in recent years, through the Sukuk. The Group should therefore initiate reflections on financing in local currencies, which would be advantageous both to the Group and to Member States.

I cannot close this chapter without urging the IDB Group to work closely with other multilateral development banks, to mobilize additional resources to specifically assist African Member States in post-conflict or vulnerability situation.

**Distinguished Guests,
Ladies and Gentlemen,**

We are mindful of the manifold efforts made by the IDB in favour of Africa's development. This is amply attested by the impact of actions carried out.

However, these efforts need to be pursued and the Bank should assist us further in our efforts to achieve our development objectives.

This will involve, inter alia, expediting the implementation of projects by laying special emphasis on certain areas considered as priority in Member States and adopting a strategic approach programmed to address real development problems.

The IDB Group must broaden the scope of its activities to academics and civil society organizations to involve them in the innovation and implementation of country programmes. Furthermore, the implementation of African Union Agenda 2063 can only be possible with the participation of partners such as the IDB Group and other non-conventional partners. We should therefore continue to be optimistic for Africa.

**Governors,
President of the Islamic Development Bank Group,
Distinguished Guests
Ladies and Gentlemen,**

I cannot conclude without reiterating, on behalf of my fellow governors of African countries members of the IDB Group, our gratitude to Dr. Bandar. We will spare no effort to raise IDB to the firmament of effectiveness and efficiency. We commend the Management and the entire personnel for their hard work and would like to thank them in advance for another year of great success.

I wish you every success in your deliberations.

I thank you for your kind attention.