

# AFRICAN DEVELOPMENT BANK GROUP



STATEMENT BY

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President of the African Development Bank

at the

**AFRICAN UNION SUMMIT ON WATER**

June 29, 2008  
Sharm El Sheikh, Egypt

Excellency, Chair of the African Union, President J. Kikwete  
Excellency President Hosni Mubarak  
Your Majesty  
Excellencies, Heads of State and Government  
Chairperson of the African Union Commission, Jean Ping  
Ladies and Gentlemen

1. I join previous speakers in applauding the organizers for this timely and pertinent event – and an opportunity for me to make a few remarks. My deep appreciation to the Government and People of Egypt for their hospitality.

The challenges of the Millennium Development Goals for Africa are well known, well articulated. I concur with Deputy Secretary General Asha Migirom who aptly pointed out that 2008 the mid point on the way to MDG target of 2015 should become the turning point.

We will maximize the chances of attaining as many MDGs in as many countries as possible, if we ensure peace and a stable continent – and if economic growth is sustained – at 7% and above, for several years.

I am fully aware that economic growth on its own is not enough, but it is a necessary condition. The most important, central MDG is to cut by ½ the number of people living in absolute poverty in seven years' time – in 2015.

2. Until the turbulences in the commodity markets, with skyrocketing food and energy prices, many countries on the continent were well poised on the growth path – and indeed several of them had come back on track for several MDGs.

On average, our economies have been growing in the neighbourhood of 6%. Even countries without oil and minerals were registering growth of around 4.2%. This was quite encouraging. This year, I expect roughly the same.

3. But these are averages; which conceal high variations and some of the less satisfactory underlying trend.

One of the underlying trends is that, while economies were growing, but so was the population, thereby significantly reducing growth in income per capita to anywhere between 1½ to 3%.

Another reality is that for many reasons, including impact of climate; agriculture has grown slower than the rest of the economy – at 3% - and even here there has been limited growth in productivity – but more land under cultivation.

Mr. Chairman, Ladies and Gentlemen,

4. By the time we leave this Summit, oil may have crossed the US\$ 150 barrier. The turmoil in the global economy in finance, commodities has unfolded a landscape which is threatening some of the gains of recent years.

It is worth remarking, Mr. Chairman, that in the course of the fairly encouraging recent phase in our economies – our infrastructure capacity has been severely tested; in particular energy. But we have also observed how our water systems have come under stress, with consequences on food security, energy, disease burden and our ability to transit from a rain-fed agriculture.

The Africa Water Vision 2025, and the caucus of the African Water Ministers, which we support, has spelt out the road map:

- Many MDGs are water-related, health and education as well as gender equality in our education system.
- The most difficult MDGs have been those related to infant and material mortality – often linked to infectious diseases and lack of access to clean water.

5. The objectives are ambitious but realistic:

- To cut by ½ the proportion of people unable to access clean water and 100% access by 2025.

We are making some headway in many countries but still 330 million African citizens have no access to clean water and 600 million no access to sanitation.

The political will and leadership you have exercised – to make faster progress is highly commendable – and the African Development Bank is proud to accompany you in the process.

6. The Bank has, under its wings, three important water initiatives:

- The Rural Water Supply and Sanitation Initiative – aim; to meet the basic water and sanitation needs of rural dwellers – at least 80% by 2015.
- The African Water Facility – established in support of African Water Ministers – aim; to enhance water management and enhance the investment environment.
- The NEPAD Water and Sanitation Programme – whose aim is the preparation of bankable projects for investment both by the public and private sector.

With your Governments and other partners, we are making some good progress in several of these initiatives.

7. Nonetheless, it is self evident that, in order to attain the commitment of the African Union water objectives and accelerate our path to the MDGs, we will need to go beyond business as usual.

The Bank, utilizing its convening power, in association with the African Union Commission and African Water Ministers, convened early this year, the first

African Water Week in Tunis. We were able to take stock of where we are. The outcome and recommendations of that even have been submitted to you.

At that conference, we drew many lessons. I would like to focus on two of them:

- Infrastructure for water storage, water management.
  - Management and protection of our river basins, transboundary waterways, such as the Nile, the Congo, the Niger, the Zambezi, Mano River and many others.
8. It became clear that, whether it is too little water or too much of it, inadequate infrastructure is a challenge. In the same vein, the majority of our countries share at least one river basin whose ecological integrity is continuously under threat.

I am told:

- a. The Niger Basin is facing severe silting and loss of water quality;
  - b. The capacity of Lac Tchad has shrunk due to overuse compounded by inadequate management of the delicate ecosystem.
  - c. The Congo River Basin, source of about 30% of the continent's water resources.
  - d. Lake Victoria has shown signs of loss of capacity due to silting and hydrological variations.
9. Regional cooperation is fundamental to address these issues. We are financing studies on the Niger River on the silting issue and the rehabilitation of the ecosystem under the auspices of the Niger River Basin Authority.

We are actively working with member countries of the Nile Basin in accordance with their priorities, as they relate to agriculture, energy and conservation.

We are financing a 50 million US\$ Lake Victoria Programme together with UNEP and the EAC around the lake.

10. I should refer in particular to the initiative for the protection of the Congo River Basin, which has already attracted approximately 200 million US\$ from the donors and which we are managing. It is in this vein that basin in minimizing the carbon emissions by protecting the forests. It would be an act of natural justice.

Excellencies,

11. Previous speakers, including the Prince of Orange has eloquently spoken about the issues of water security. This continent possesses 30% of the

world's fresh water resources. This will be increasingly under stress as a result of competing human use, irrigation, energy, pollution and of course climate change. These are resources vital for all aspects of our economies. Cooperation among countries such as our host Egypt, with long standing experience in water management have indicated willingness to do so and I warmly welcome their proposal for trilateral cooperation.

Mr. Chairman,  
Your Excellencies,

12. We can still get to the MDGs, as other countries are doing if our countries are stable, economies grow and benefits are shared and sustained. Our water resources will be a vital part of that agenda. Indeed, today, only a small population is utilized, be it for irrigation, hydropower or other economic uses.

I would like to assure you of the African Development Bank's continued support. In the next 2½ years, we are committing 1.2 billion dollars in our various water programme, divided equally between rural and urban areas, building new water storage capacity, water supply systems, rehabilitating networks and protection of our lakes, rivers and river basins, for water access and sanitation.

Mr. Chairman,  
Your Excellencies,

13. I am fully aware that the needs far outstrip the resources available; hence the need to ensure sustainability of our programmes and innovative finance to create potential for private water finance and sanitation. This is increasingly becoming critical due to the situation in our burgeoning urban areas and slums which call for particular care and attention. That is where the sanitation challenge is greatest.

As Africa's Development Institution, we are committed to enhance our response and support to your priorities in this critical part of the many challenges we face. You may count on our support as we work together on this all important endeavour.

Thank you for your attention.