

**Ceremony for the Second term of Donald Kaberuka as
President of the African Development Bank Group**

- 1st September 2010 -

Address by the Minister of State and Finance and Governor for
Portugal to the African Development Bank
Fernando Teixeira dos Santos

His Excellency the Prime Minister of the Tunisian Republic,

Mister Mohammed Ghannouchi,

Honourable Governors,

President of the African Development Bank Group,

Members of the Board of Directors,

Management and staff of the Bank,

Distinguished guests,

Ladies and gentlemen,

I would first like to congratulate Doctor Kaberuka for this well deserved second term as President of the African Development Bank Group. Your re-election by acclamation is a clear sign of the support and confidence that shareholders have in your leadership and ability to manage such a critical institution for the African Continent as this Bank.

I would also like to acknowledge the successful efforts developed by President Kaberuka, but also by the Management and staff of the Bank, which translated in various achievements during the past five years. This period was undeniably complex and demanding, especially due to the negative consequences of the global financial and economic crisis.

Nevertheless, the African Development Bank was able to implement a set of critical reforms that allowed the institution to successfully proceed with its mission, in contributing to the development of the regional member countries.

After a long and fruitful path, the African Development Bank has become an institution that today effectively supports the development of Africa. Your re-election, Mister President,

symbolizes the need to continue such a path and efforts, in order to consolidate the results reached so far and affirm the African Development Bank as the financial development institution of excellence in Africa.

In this context, the Board of Governors would like to highlight the merit of President's Kaberuka team and the Bank's Management.

Firstly, the unprecedented level of the Eleventh replenishment of the African Development Fund, enables the institution to support more effectively the most vulnerable countries of the Continent in their development processes. This replenishment reveals particular importance in such a difficult international context, and it is in line with the reinforcement of the Bank's capacity in addressing the needs of the targeted countries.

Secondly, the decision to triple the social capital of the Bank, which is the highest increase of capital in the history of this institution, reveals the strong compromise of its shareholders, and will enable the Bank to better support its regional member countries.

Thirdly, the Bank's programme of institutional reform and renewal should continue. Indeed, progress to date provides a truly solid platform from which to build for the next years.

More generally, the Board of Governors acknowledges the significant increase in the capacity and effectiveness of the Group. Although the regional member countries have been affected by the global financial and economic crisis, the African Development Bank was able to maintain a good performance in all client countries. Indeed, the Bank has doubled its loan portfolio and maintained the quality and performance of the services offered.

Mister President,

Honourable Governors,

I would also like to highlight that, in the past decades, Portugal has been demonstrating its strong involvement in the development of the African Continent, and is willing to strengthen the institutional and economic ties with Africa. In

fact, we consider the African Development Bank Group as our main strategic partner in the Pan-African region

Hosting the 2011 Annual Meetings of the African Development Bank in Portugal is a clear signal of our commitment to this institution and of our involvement in the African continent. We take up this challenge with great enthusiasm and responsibility.

Regarding the upcoming challenges for this new term, the Board of Governors expects:

- Firstly, a continued focus on financing the development of African economies and the reduction of poverty in the African continent. This is expected to be more in cooperation with the private sector and with more emphasis in low income and fragile States.
- Secondly, a stronger emphasis on regional integration and the strengthening and enlargement of economic spaces;
- Thirdly, the continued focus on infrastructure and capacity development as strategic pillars for the development of regional member countries;

- Fourthly, progress will be closely related to successes in rebuilding post conflict states and managing fragile institutions;
- Fifthly, an improvement of the current level of project implementation and effectiveness, as well as the quality of projects at entry and exit, and the adaptation to the specificities of each targeted country; and
- Finally, we expect a thorough implementation of the institutional reforms as endorsed by the Board of Governors in Abidjan on the negotiations of the General Capital Increase

Mister President, it is with great conviction that I assure you that the Board of Governors shares your strategic vision for the African Development Bank. The Board will work in straight articulation with your team to continue the successful work developed so far and reinforce those achievements in order to follow the Bank's mission of supporting the development in the African continent.

I could not end my statement without thanking, once again, the effort and dedication of the President and his team, the Senior

Management, and fellow Governors in ensuring an institution such as the African Development Bank that actively and effectively promotes the economic growth of regional member countries and fights poverty in Africa, towards a more developed world.

Thank you / Muito Obrigado.