

Statement of the Arab Republic of Egypt
at
The Annual Meetings of the Board of Governors of the
African Development Bank
Abidjan, May 2010

**Mr. Chairman,
Dr. Donald Kaberuka,
President of the African Development Bank Group
Excellency the Ministers
Honorable Governors
Distinguished Members
Ladies and Gentlemen**

It is my pleasure and honor to address this distinguished gathering at the Annual Meetings of the African Development Bank (ADB) Group. I would like to extend my deepest gratitude and appreciation for the people and government of Côte d'Ivoire for hosting these important meetings. I am really much obliged for the hospitality and cordial reception we have felt since the moment of our arrival at this lovely country.

I would like also to thank Dr. Kaberuka for his distinguished efforts during the past term and I wish him all the best in his second one.

Ladies and Gentlemen,

As we gather here today in this beautiful city of Abidjan, I think all of us agree that the global economy is regaining its health but slowly. Most of you may also agree with me that the world economic prospects are really looking brighter than when we met a year ago. Subscribing to our view, the International Monetary Fund projected that the world output is expected to post a 4.25 percent in 2010, following the sharp contraction of ½ percent in 2009.

As we know, the emerging economies of Asia and Latin America, particularly China, India and Brazil, have provided a major contribution in the recovery of the global economy and helped the world get out of recession. As such, Africa should exert its utmost efforts to join the other emerging partners in deep rooting the global economic revival and achieving substantial growth.

Considerable risks still remain and stability is yet to be assured. Therefore, all of us should adopt the necessary measures that maintain the stability of the global financial system in addition to reducing sovereign risks without endangering the current global economic recovery.

Brothers and Sisters,

Africa has stood in the face of the global financial crisis and bore the dent of the world economic downturn. It has absorbed the heavy blow dealt to its economies; mainly the decline in both international demand and foreign investments. Yet, the price was high as many countries have witnessed sharp rises in unemployment and a sudden freeze in poverty reduction efforts.

Africa has weathered relatively well the global crisis –as affirmed by most international institutions- on the back of the reform programs and economic policies the African countries have adopted before the crisis. Thanks to these measures, Africa has avoided further decline in its economic growth. The recovery in our dear continent is still fragile and may face several risks: volatile commodity prices and a shortfall in both foreign assistance and investments.

It is now more urgent than ever to accelerate the implementation of structural reforms in the areas of private sector development, financial sectors and labor markets; this will of course increase the continent's resilience to external shocks. At the same time, cooperation and collaboration among African countries at various levels of development should be intensified. Africa's regional integration agenda should therefore be speeded up and efforts to settle political instabilities should be strengthened.

On this occasion, I would like to underscore that the African Development Bank (ADB) Group has helped Africa to respond to the global financial crisis. I would like to laud the Bank Group for the efforts exerted to mitigate the impact of such crisis. No doubt, the sixth General Capital Increase will enable the Bank to better meet the growing demand of African countries.

Ladies and Gentlemen,

Egypt also has weathered the global financial crisis relatively well thanks to the structural reforms adopted by the government since 2004, which have increased the resilience of the Egyptian economy and improved investment climate. Furthermore, the banking reform program, adopted by the Central Bank of Egypt, has helped in shielding the Egyptian banking sector from the repercussions of the crisis.

Despite its fall, the Egyptian economic growth was better than expected. It still reached 4.7 percent in FY2008/09, as against an average of 7 percent for the previous three years. Moreover, the fiscal stimulus package, adopted by the government to accelerate investment projects and infrastructure, backed up by the investor's confidence in the soundness of the Egyptian economy, helped sustain growth.

Ladies and Gentlemen,

I am confident that we are able to get our countries out of such economic hardships. I am sure that we are able to build a better future for ourselves and for the next generations.

Finally, I would like to extend my thanks to you Mr. President, the Group's Management and its staff for their efforts and the results they have achieved. I wish them all luck and more success.

Thank you for your attention.