

**Statement by Mr. Salaheddine MEZOUAR,
Minister of the Economy and Finance of the Kingdom of Morocco
At
the Annual Meetings of the African Development Bank Group
Abidjan, Côte d'Ivoire, 27 May 2010**

**Mr. Chairman of the Boards of Governors,
Mr. President of the African Development Bank Group,
Honourable Governors,
Ladies and Gentlemen,**

First of all, on behalf of the Kingdom of Morocco I wish, to thank **His Excellency President Laurent Gbagbo**, the Government of Côte d'Ivoire, the authorities of Abidjan and the great friendly people of Côte d'Ivoire for the warm welcome given to us and for the excellent preparations made to ensure the success of our Annual Meetings.

I also wish to thank the President of the Bank, the Boards of Directors, Management and all staff for the arrangements made to ensure smooth running of these Annual Meetings.

On this occasion, I wish to pay tribute to them all for the positive results obtained in 2009 despite an extremely difficult international environment.

Furthermore, I wish to seize this opportunity to pay tribute to **President Donald KABERUKA**, whose management has enabled our institution to further strengthen its role as the premier development bank on the Continent. I am convinced that under his leadership, our institution will consolidate its gains and enhance its influence at the continental and international levels.

**Mr. Chairman,
Ladies and Gentlemen,**

Our meeting today comes at a special time when the world economy, after a deep recession, is witnessing a recovery that is still slow, uneven and fragile.

The IMF's estimated growth rates for our continents stand at 5% and 6% in 2010 and 2011 respectively. These rates reflect the relative resilience of our continent to external shocks and its determination to recover lost ground so as to regain the pre-crisis growth impetus.

Within this context, African countries are, more than ever before, required to consolidate their macroeconomic policies, pursue the investment efforts already initiated in all sectors, and deepen structural reforms required for developing their economies.

**Mr. Chairman,
Ladies and Gentlemen,**

From this perspective, I am convinced that our Bank has all the resources to serve as a real development bank that is committed to its regional member countries and is ready to support them meet the challenges of this post-crisis period. This could be done by providing them with more funding and expertise, especially as our institution will henceforth have more resources following the 200% capital increase and the rapid conclusion of consultations on the 12th Replenishment of the African Development Fund.

On a separate note, I welcome the recommendation of the Governors' Consultative Committee to the Bank's shareholders concerning expansion of the Boards of Directors under an inclusive approach towards enhancing the cohesion and legitimacy of the institution.

On this occasion, I wish to thank His Excellency **Paul Antoine BOHOUN BOAUBRE**, Minister of State, Minister of Planning and Economic Development of Côte d'Ivoire and Chairman of the Boards of Governors, for his wisdom and foresight throughout this process.

**Mr. Chairman,
Ladies and Gentlemen,**

Within this context of greater optimism, our Bank is today embarking on a new era during which it will be required to make greater efforts to provide additional support to the development of Africa.

On this note, permit me to share with you some ideas on future actions the Bank should undertake:

First of all, the Bank should henceforth devote more funds to helping African countries pursue reforms and strengthen their investment programmes, particularly in basic infrastructure.

In this regard, special attention should be paid to achievement of the Millennium Development Goals, particularly the fight against poverty and exclusion, through active support to low income African countries in the form of significant increase in resources allocated to the African Development Fund.

Consequently, I wish to make a formal appeal to the ADB and the international financial community to take all necessary steps to make this new decade, the decade of development in Africa, a continent with such abundant resources and unrivalled growth margins in the world.

Allow me also to seize this opportunity to point out that my country's remarkable progress over the past few years has been recognized through the "INVESTMENT GRADE" rating awarded by Standard & Poor's on 23 March 2010. Morocco needs more support to enable it to stay the course of reforms, as well as strengthen investment, growth and employment.

Secondly, Morocco is of the opinion that to overcome the political and economic fragmentation of the Continent, our Bank should pay special attention to regional integration in Africa, a concept which has become necessary within the current international context marked by trends towards establishment of regional economic groupings. This is the only possible response to the challenges of the globalization of economies and trade.

Even though regional integration is not a panacea to all Africa's problems, it is essential to solving structural problems related to development of trade, promotion of investment, and construction of large infrastructure.

In this regard, I wish to point out that Morocco has always worked towards building an integrated regional space, and it is ready to support any initiative which the Bank will undertake to strengthen regional integration efforts.

Thirdly, considering the importance of the private sector as a principal impetus for job-creating growth that can sustainably reduce poverty, I think it is necessary for our institution to increase funding for the sector. However, private sector operations should be developed alongside public sector financing, which still continues to be the major source of investment in African countries.

Fourthly, I am of the opinion that in order to maintain its overall competitiveness, the Bank needs to provide its customers, especially Middle-Income Countries (MICs), with funding at reasonable costs that reflect actual charges borne by the institution.

These countries, which account for the bulk of the Bank's net income, also need resources in the form of grants to finance technical assistance operations, conduct studies and build their capacities. In this respect, I call on the Bank to increase the resources of the Technical Assistance Fund for MICs by regularly allocating part of its income to the Fund.

For the Bank to be competitive, it also needs to strengthen its integration policy by deepening the decentralization process through delegation of more authority to regional offices, simplification of procedures, high quality expertise, and adoption of the country system that meets the required criteria of reliability and integrity.

In conclusion, I wish to thank Senior Management, the Boards of Directors and all the staff of our institution again for their continuous efforts towards the development of our continent.

Thank you.