

STATEMENT BY HIS EXCELLENCY

BLAISE COMPAORE,

PRESIDENT OF BURKINA FASO,



**ON THE OCCASION OF THE
MINISTERIAL ROUND TABLE ON THE THEME:
« AFRICA AND THE FINANCIAL CRISIS: AN AGENDA FOR
ACTION»**

Dakar, 12 May 2009

Your Excellency, President of the Republic of Senegal,
Your Excellencies, Heads of State and Government,
Mr. Chairman of the African Development Bank Board of Governors,
Honorable Governors,
Mr. President of the African Development Bank,
Mr. Executive Secretary of the Economic Commission for Africa,
Distinguished personalities,
Ladies, Gentlemen

These meetings are of special importance, holding out the hope drawn from our determination to decide consensual and global measures in meeting the concerns of millions of Africans.

I first wish to express my appreciation to His Excellency Maître Abdoulaye Wade, President of the Republic of Senegal, his Government and the entire population of Senegal, for their hospitality and generosity.

My sincere thanks also go to those responsible for the organization of the Ministerial Round Table, particularly the President of the African Development Bank Group and the Executive Secretary of the Economic Commission for Africa, who have enabled us to participate in this very significant international gathering.

I congratulate the ADB President, Dr. Donald KABERUKA, on the work accomplished since he assumed duty in 2005. He has succeeded in revitalizing this pan-African institution and meeting the challenges posed with regard to its restructuring.

To our development partners, our non-regional shareholders and all those accompanying us on the path to economic growth and poverty reduction, I reiterate my profound gratitude.

Their presence by our side within ADB as well as in the context of projects and cooperation programs attests their firm commitment to strive for a world of prosperity, peace and progress.

Your Excellencies Heads of State,
Honorable Governors of ADB,
Mr. President of ADB,
Ladies and Gentlemen

The financial crisis originating right at the heart of the international economic system entails, for our continent, increased economic, social and political difficulties.

Despite its limited involvement in the international markets, Africa is suffering the knock-on effect of the bank failures and the weakening of the western finance systems in which the parent companies of African banks operate.

Excellencies Heads of State,
Distinguished personalities,
Ladies and Gentlemen

The global recession will inevitably bring about a decline in our export revenues as a result of the dwindling demand but also of the falling prices of our commodities, for example cotton from Burkina Faso.

Its impact will further be felt with regard to tourist revenue, remittances to our countries, foreign direct investment and no doubt external aid.

The repercussions of these phenomena on national revenues are substantial and likely to compromise public spending programs.

Resources allocations to social sectors such as Health and Education which are essential to our poverty reduction efforts will without doubt be scaled down significantly.

This will raise our countries' domestic debt, with the result that businesses will encounter numerous difficulties in meeting their commitments to the banking system. Like those of the developed countries, our banks will require financial support which our governments will be unable to offer, given their resource constraints.

This situation poses a crucial challenge which our countries must urgently address. This is why I welcome the very pertinent theme: **"Africa and the Financial Crisis: An Agenda for Action"**.

More than just a topical slogan, it actually conveys our ambition to roll out an effective program of action for our continent, which is suffering the damaging effects of this financial crisis that jeopardizes the lives of our populations to the point that it could be termed a "human development crisis".

Clearly, this meeting must not be yet another or one just like the rest.

It speaks to our obligation to meet the African peoples' legitimate expectations, showing determination and creativeness in the quest for solutions to this crisis.

In that regard, we must exceed what we perceive to be our limits and demonstrate the type of leadership that Africa has always been able to maintain in the difficult moments of its history.

Mr. President of the African Development Bank,
Ladies and Gentlemen

What role should the African Development Bank play to support Member States in the face of a financial crisis that will greatly curtail the economic and social progress achieved? According to the analysts, the 2009 growth rate for Sub-Saharan Africa will be 1.7 %, compared to 6.7 % for the 2006 -2007 period. I therefore see the following action as extremely urgent:

- 1- Support growth by mobilizing additional resources, while ensuring macroeconomic stability. There is also need to ensure protection of vulnerable groups by financing and consolidating social safety net programs;
- 2- Support to the private sector, aid and technical assistance for trade, notably by allowing our competent enterprises access to African Development Bank resources. For their part, small and medium-size enterprises could receive lines of credit to finance their activities;
- 3- Finance transport, energy and water infrastructure as a means of supporting agricultural production and contributing to poverty reduction.

I therefore call on ADB to take ownership of all these initiatives and adapt them to the African socio-economic contexts.

There is also need to significantly increase allocations in favor of our countries and, in particular, facilitate their rapid mobilization.

Excellencies Heads of State,
Distinguished personalities

We must face the crisis with courage and lucidity so as to find the necessary solutions for ourselves.

The G20 countries have begun marking the path by adopting vigorous measures to restore financial market discipline and re-energize the International Monetary Fund by increasing its resources and broadening the scope of its responsibility pertaining to multilateral surveillance.

For a successful solution to the current crisis, the international community must involve the least developed countries and emerging countries in the debate and decision making.

In today's multipolar world, the emerging countries hold substantial resources that can significantly affect capital flows, the exchange rates of the major currencies and the financing of public deficits of industrialized countries, and help shape world affairs.

They must be active parties in the reflection initiated concerning a new international financial architecture.

In the face of financial and economic crisis, conflicts, terrorism, irregular migration, and climate change, only international solidarity can bring an enduring solution for global stability.

Your Excellencies Heads of State and Government,
Ladies and Gentlemen

The financial crisis should not be seen as a matter of fatality for Africa. Rather, it should be cause for self-assessment with a view to drawing all the useful lessons that should

enable us to calmly envisage the revival of our economies, since our continent has enormous potential to be developed.

This is an opportunity to consolidate the integration of our respective national economies, in order to offer them a more attractive regional market and enhance their inclusion in the global economy.

This period dominated by financial crisis should also be an occasion for us to not only envisage the diversification of our economies, but particularly undertake further processing of our raw materials.

Lastly, this crisis serves to remind us of the imperative need for our countries to strive for solidarity and peace, as preconditions for seeking answers to the African Governments' concerns.

The African Development Bank, our institution, should support member countries' efforts to further regional integration, to restore and maintain social stability.

In this respect, vigorous reforms are required, to allow for production diversification and the increased productivity, competitiveness and flexibility of our economies.

To gauge the progress made in their implementation, I suggest that a mechanism be formulated to follow up the agenda that we will be drawing up.

However, the success of our action will largely depend on the depth of our commitment to effectively operationalize the measures adopted, using appropriate consultation frameworks that allow for meaningful reflection.

Above all, it will be driven by our determination to establish the political credibility of our States and our commitment to promote worthy and responsible governance.

Thank you.