African Women
Financing the Future

Dr. Donald Kaberuka
President

Lagos, Nigeria
12 July 2012
[I have the honour to read the statement of the President of the African Development Bank Group, Dr. Donald Kaberuka].

I would like to extend my sincere appreciation to the Government of Nigeria for hosting the Second Women’s Economic Summit.

I also wish to thank Graça Machel, founder of New Faces and New Voices, and a tireless advocate for women and children’s rights. Thanks to Graça’s advocacy, and that of other leaders of similar mettle across Africa, steady progress is being made.

We are here to re-energize and I hope we will leave this summit with concrete decisions and not just ideas about how to tap the full potential of the female talent in contributing to Africa’s economic growth.

We all are familiar with the facts that women account for half of Africa’s population. We are here to continue our task of harnessing that force for good. This is what inclusive economic growth is all about – ensuring that all citizens have equitable access to economic opportunities.

I take the opportunity to thank the many leaders in the world of finance who are here today, including central bankers, commercial bankers and fund managers. I commend your commitment, but note that in the area of finance more remains to be done. African women own 26% of small and medium sized businesses in Sub-Saharan Africa, but on average only 15% of women own land titles worldwide, with the figure even being much lower in Africa.

Most economically active women are still concentrated in micro- and small enterprises in the informal sector, with low productivity and returns. In fact the common picture we see is that of more women concentrated in economic activities with limited potential to grow.

Women will participate fully in Africa’s economies across various business sectors if their access to finance is wider. A woman’s access to financing is access to dignity, security for a family and for a generation.

These challenges are not new to any of us. We hear of them at every summit on women: the constraints that prevent women from accessing financial services, including lack of collateral; the fact that some banks do not recognize women’s creditworthiness although they receive high credit rating from micro-finance institutions; the out-dated customary laws and practices which constrain women’s property rights; the challenges some women face in registering their businesses.
Although some progress has been made in some societies, it is regrettable that these hurdles still exist for many women.

This summit must focus on concrete and measurable solutions that will tackle these age-old problems. We must move on from these rudimentary constraints to issues such as innovative financing opportunities, mentorships and partnerships for women in business. And as we deliberate on how to deepen women’s participation in finance, we must also turn our minds to strengthening their human development capacity. Without access to education and health, for instance, women will continue to lag behind.

Much more needs to be done to enhance the productivity of women in economic development. But the situation is not dismal. We are building upon previous achievements reflected in our collective presence in this room today.

Recent progress in reaching parity in primary education in Sub-Saharan Africa is encouraging. But we must step up efforts to expand the girl-child’s access to secondary and tertiary education, including business schools and science and technology education, for meaningful economic returns.

While there have been improvements in maternal mortality rates, it still remains that more than half of mothers who die during childbirth are on our continent – Africa.

The African Development Bank Group will continue to play its part in mainstreaming women into Africa’s economies.

[In his video message which you will receive after this statement, President Kaberuka will tell us about the Bank’s launch of the African Guarantee Fund at our Annual Meetings in Arusha. This fund should significantly increase the access of African Small and Medium Sized Enterprises to the financial sector, including firms owned by women.]

Let me turn to the Bank’s role in supporting the economic empowerment of women in Africa.

We are in the process of preparing our Long Term Strategy for the next 10 years. Inclusive, broad based growth is a key pillar of this strategy. In this regard, the Bank will continue to invest in infrastructure that unlocks the growth and development potential of the private sector and enhances community participation, including youth and women.
We have seen from our operations that increasing access to water has direct implication for women and girls as they travel an average four kilometers daily to fetch water. We are also aware that lack of household energy disproportionately affects women as the productivity of their home-based enterprises depends heavily on this. We will systematically pursue gender mainstreaming in our operations spanning infrastructure development, agriculture and private sector support, among others.

I am pleased to inform you that this year the Bank will adopt a new gender strategy which seeks to draw lessons from our experiences and that of others over the last decade. We plan on organizing broader stakeholder consultations at sub-regional levels to hear from as many of you as possible.

Provided we do the right things, Africa is poised to play an increasingly important role in the global economy in the years to come. But that is not automatic or preordained. One of the many right things we must do is to ensure that African women are central to this success story and collective efforts with all hands on deck. Each one of us here has a responsibility to use our position to create a sense of urgency and hope, and not accept inequities or inefficiencies as permanent or immune to change.

In conclusion, let me pledge the Bank’s support and commitment to this noble agenda.

Thank you for your attention.