

# Africa's Promise

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## **Opening Remarks at the ADF 12 Review Meeting**

**Cristina Duarte**  
**Minister of Finance and Planning**

**Praia, Cape Verde**

**Chairperson**

**Governors of the African Development Bank**

**President Donald Kaberuka**

**Honored Guests**

**Distinguished Ladies and Gentlemen**

**LET ME BEGIN BY FIRST EXPRESSING OUR SINCERE APOLOGIES AS OUR PRIME MINISTER COULD NOT BE HERE FOR THIS OPENING SESSION. HE IS IN HIS WAY TO SINGAPURA.**

**IT IS WITH HONOR AND GREAT PLEASURE THAT WE THE PEOPLE OF CAPE VERDE AND THE GOVERNMENT WELCOME YOU ALL TO CAPE VERDE.**

**AS OUR DIVA CESARIA EVORA SANG PROUDLY, PETIT PAYS, WE ARE A SMALL COUNTRY IN THE MIDDLE OF THE ATLANTIC. WE ARE VERY SMALL AND WE ARE NOT THE DEFAULT HOST OR LOCATION FOR THESE KINDS OF INTERNATIONAL GATHERINGS.**

**THEREFORE, WHEN WE LEARNT THAT THE ADF REVIEW MEETING WILL BE HELD HERE WE WERE PLEASANTLY SURPRISED. WE SAW THIS AS THE RECOGNITION BY THE AFDB, ITS MANAGEMENT AND THE GOVERNORS OF THE BOARD THAT**

**WE HAVE TRAVELLED AS A COUNTRY SINCE OUR INDEPENDENCE IN 1975.**

**I WOULD LIKE TO HIGHLIGHT A FEW ISSUES IN THE TIME I HAVE THIS MORNING. THESE INCLUDE THE CONTINUED GLOBAL ECONOMIC CHALLENGES, WHAT I SEE AS AFRICA'S PROMISE, THE IMPORTANCE OF AFDB, AND CAPE VERDE'S MODEST ACHIEVEMENTS WHICH COULD BE AN EXAMPLE OF HOW AFRICA'S PROMISE CAN BE PURSUED.**

### **THE GLOBAL ECONOMIC CHALLENGES**

**CHANGE, UNCERTAINTY AND WEAKNESS ARE SOME OF THE TOP KEY WORDS THAT BEST DESCRIBE THE WORLD ECONOMY TODAY. SINCE THE MULTIPLE CRISES WHICH PLUNGED THE WORLD INTO A GLOBAL ECONOMIC DOWNTURN IN 2008 EFFORTS TO REVIVE THE WORLD ECONOMY AND RETURN TO PRE CRISIS GROWTH LEVELS HAVE NOT YIELDED EXPECTED RESULTS. GLOBAL ECONOMIC RECOVERY HAS BEEN ANEMIC; THE FAST ECONOMIC GROWTH AMONG THE BRICS HAS SLOWED DOWN, WHILE THE EURO ZONE IS STRUGGLING TO DEAL WITH FISCAL SUSTAINABILITY.**

**ACCORDING TO THE IMF'S WORLD ECONOMIC OUTLOOK PUBLISHED IN APRIL THIS YEAR (2012), STRONG POLICY RESPONSES SUCH AS THE ADOPTION OF A FISCAL COMPACT WHICH SHOWED THE COMMITMENT OF EU MEMBERS TO DEALING WITH THE CRISIS IS BEGINNING TO TURN THINGS AROUND. HOWEVER, THE SAME REPORT NOTES THAT (AND I QUOTE) "EVEN ABSENT ANOTHER EUROPEAN CRISIS, MOST ADVANCED ECONOMIES STILL FACE MAJOR BRAKES ON GROWTH. AND THE RISK OF ANOTHER CRISIS IS STILL VERY MUCH PRESENT AND COULD WELL AFFECT BOTH ADVANCED AND EMERGING ECONOMIES."**

**DESPITE THE RISKS, THERE IS A CAUTIOUS OPTIMISM ON THE PROSPECTS FOR THE WORLD ECONOMY. THE GLOBAL ECONOMIC CRISIS HAS NOT SPILLED OVER INTO AFRICA OR LEAD TO A BROADER ECONOMIC DECLINE ON THE CONTINENT. HOWEVER, THIS DOES NOT MEAN WE ON THE AFRICAN CONTINENT ARE NOT CONCERNED.**

**WE IN CAPE VERDE, AS A SMALL ISLAND NATION WITH A HIGHLY OPEN ECONOMY, FOR EXAMPLE, ARE QUITE CONCERNED ABOUT GLOBAL ECONOMIC PROSPECTS AND ESPECIALLY WHAT HAPPENS IN THE EURO ZONE. OUR ECONOMY IS HIGHLY EXPOSED TO EXTERNAL SHOCKS. IN FACT, OUR ECONOMIC PERFORMANCE IS SYNCHRONIZED WITH THAT OF THE EU COUNTRIES FOR MANY REASONS. OUR REMITTANCES, TOURISM AND THE RELATED CONSTRUCTION AND REAL ESTATE SECTORS, FOREIGN DIRECT INVESTMENT, AND DEVELOPMENT AID ARE HIGHLY DEPENDENT ON EUROPE.**

**FOR US, THE CURRENT SITUATION PRESENTS THE WORLD A UNIQUE OPPORTUNITY TO UNDERTAKE FUNDAMENTAL REFORMS. THE CHALLENGES MUST BE SEIZED AS OPPORTUNITIES TO ADDRESS THE UNDERLYING FACTORS THAT CAUSED THE CRISES IN THE FIRST PLACE. IT IS ALSO AN OPPORTUNITY TO DEEPEN THE STRUCTURAL REFORMS ALL AROUND THE WORLD. MOREOVER, WE WILL ALL HAVE TO PLACE RENEWED EMPHASIS ON EDUCATION, INNOVATION AND INCLUSIVENESS. WE MUST AND CANNOT CONTINUE WITH BUSINESS AS USUAL IF WE ARE TO RETURN THE WORLD TO HIGH GROWTH.**

## **AFRICA'S PROMISE**

**THE FACT IS THAT SO FAR AFRICA'S ECONOMY HAS BEEN RESILIENT IN THE FACE OF GLOBAL SLOWDOWN. THE CONTINENT HAS MANAGED TO CONTINUE TO RESIST THE**

**CONTAGION OF GLOBAL SLOWDOWN. ACCORDING TO THE FAMED ECONOMIST MAGAZINE, “OVER THE TEN YEARS TO 2010, SIX OF THE WORLD’S TEN FASTEST-GROWING ECONOMIES WERE IN SUB-SAHARAN AFRICA.” IMF FORECASTS THAT AFRICAN COUNTRIES WILL TAKE SEVEN OF THE TOP TEN PLACES IN TERMS OF ECONOMIC GROWTH OVER THE NEXT FIVE YEARS, WITH AN EXPECTATION OF 5.5 PERCENT GROWTH RATE FOR AFRICAN ECONOMIES IN 2012. SEVERAL OF THE BIG COUNTRIES ON THE CONTINENT ARE EXPECTED TO ACHIEVE 10 PERCENT GROWTH RATES.**

**RISING PRICES FOR COMMODITY EXPORTS HELPED PUSH THE GROWTH OVER THE LAST DECADE. HOWEVER, AS MCKINSEY GLOBAL INSTITUTE’S STUDY INDICATES RESOURCES ACCOUNTED ONLY FOR ABOUT A THIRD OF THE GROWTH, MORE IMPORTANT ARE THE INTERNAL STRUCTURAL CHANGES. AMONG THESE CHANGES, AS NOTED IN A PUBLICATION BY THE WORLD BANK, AFRICA’S PULSE, ARE:**

- **FIRST, ECONOMIC PERFORMANCE IN AFRICA WAS SPURRED BY A RECOVERY IN EXPORTS AND STRONG DOMESTIC DEMAND.**
- **SECOND IS THE INCREASING FOREIGN DIRECT INVESTMENT FLOWS TO SUB-SAHARAN AFRICA. FDI INTO THE REGION INCREASED BY 6 PERCENT IN 2010 AND WAS EXPECTED TO REACH A RECORD \$40.8 BILLION IN 2011.**
- **THIRD, INCREASED GOVERNMENT SPENDING ON INFRASTRUCTURE IS HAVING IMPACT ON A NUMBER OF COUNTRIES.**
- **FOURTH, THE AGRICULTURAL SECTOR HAS WITNESSED IMPROVEMENTS. IT IS THE LARGEST EMPLOYER IN MANY COUNTRIES. IN CAPE VERDE, FOR EXAMPLE, AGRICULTURAL OUTPUTS HAVE**

**GROWN OVER THE LAST DECADE WITH THE STRONG INVESTMENTS IN WATER DAMS AND DRIP IRRIGATION. IT HAS HAD IMPACT ON GROWTH AND CONTRIBUTED TO REDUCING POVERTY.**

**IN MY MODEST VIEW, THESE ARE NOT THE ONLY FACTORS. AFRICA HAS WITNESSED MAJOR CHANGES IN RECENT DECADES.**

**DESPITE THE TEETHING PROBLEMS, DEMOCRACY CONTINUES TO SPREAD. THE “DEMOCRATIC DIVIDEND” HAS INCLUDED ALMOST AN END TO MILITARY COUPS AND COUNTER COUPS. GROWTH AND DIVIDEND FROM GROWTH IS MORE WIDELY SHARED EVEN THOUGH MORE REMAINS TO BE DONE TO ENSURE INCLUSIVE GROWTH. ONE EFFECT HAS BEEN INCREASING CONSUMER SPENDING WITH A FAST GROWING MIDDLE CLASS WITH DISPOSABLE INCOMES. DEVELOPMENT IN TELECOMMUNICATION ESPECIALLY MOBILE TELEPHONY AND INTERNET IS ALSO CONTRIBUTING TO CHANGE AND IMPROVED PERFORMANCE.**

**THE EMPHASIS ON DEEPENING ECONOMIC REFORMS SINCE 1990S IS A KEY CONTRIBUTING FACTOR. MANY AFRICAN COUNTRIES EMBARKED ON REFORMS TO IMPROVE THE BUSINESS ENVIRONMENT, ATTRACT INVESTMENTS, AND TO PROMOTE EXPORTS. AFRICA TODAY IS A BETTER PLACE TO DO BUSINESS.**

**THE FACT IS AFRICA IS READY FOR BUSINESS.**

**LOOKING LONGER TERM, AFRICA’S DEMOGRAPHY COULD BECOME A CRUCIAL ADVANTAGE. WITH THE EXPECTED DECLINE IN POPULATION GROWTH RATES AND THE INCREASE IN THE SHARE OF THE WORKING AGE COHORT IN THE**

**POPULATION COMPARED TO ASIA OR OTHER REGIONS, AFRICA MAY REAP MAJOR DEMOGRAPHIC BENEFITS.**

**ALL AROUND THINGS HAVE IMPROVED ON THE CONTINENT. AFRICA'S EXTERNAL DEBT TO GDP IS NOW LESS THAN 20 PERCENT COMPARED TO 60 PERCENT IN THE 1990S WHILE DEBT SERVICE IS 12.5 PERCENT. THE SHARE OF TRADE WITH NEW PARTNERS SUCH AS CHINA HAS MORE THAN DOUBLED IN TEN YEARS. THE NUMBER OF PEOPLE IN POVERTY HAS DECLINED. IN TEN YEARS, POVERTY RATE DECLINED FROM 52 PERCENT TO 37 PERCENT. SIMILARLY, MATERNAL AND CHILD MORTALITY HAVE REDUCED SUBSTANTIALLY.**

**AS THE WORLD BANK NOTED IN ONE OF ITS REPORTS IN 2011, "AFRICA COULD BE ON THE BRINK OF AN ECONOMIC TAKE-OFF, MUCH LIKE CHINA WAS 30 YEARS AGO AND INDIA 20 YEARS AGO."**

**THE MILLION DOLLAR QUESTION THOUGH IS WHETHER OR NOT THE CURRENT GROWTH IS SUSTAINABLE OVER THE LONG TERM. AFRICA HAS WITNESSED GROWTH SPURTS BEFORE. AND, YES MANY CHALLENGES REMAIN. POVERTY CONTINUES TO BE HIGH. INEQUALITY IS A PROBLEM. THE CONTINENT CONTINUES TO LAG BEHIND IN PROVIDING ACCESS AND QUALITY UTILITIES FROM WATER, ENERGY, TRANSPORT, TO TELECOMMUNICATION. IMPORTANTLY, AFRICA CONTINUES TO LAG IN KEY GLOBAL INDEX AND RANKINGS WHEN IT COMES TO INNOVATION AND COMPETITIVENESS.**

**DESPITE THESE REALITIES, IN MY VIEW, THE CURRENT GROWTH SPURT IS UNLIKE BEFORE AND IT IS MORE LIKELY TO STAY IF WE CAN SIMPLY CONTINUE TO DEEPEN OUR REFORMS AND INVEST IN THE FUTURE.**

**IT IS IN THIS RESPECT THAT I SEE AFRICA AS A HOPE FOR THE WORLD. AFRICA HOLDS A LOT OF PROMISE FOR THE WORLD. AND, IN MY VIEW, AFRICA MIGHT SIMPLY BE THE WORLD'S**

**TICKET OUT OF THE CURRENT INTERNATIONAL ECONOMIC CRISIS. THE CONTINENT'S RESOURCES, YOUTHFUL AGE STRUCTURE AND GROWING WORKING POPULATION, AND INCREASING MIDDLE CLASS AND CONSUMERS ARE MAJOR RESOURCES FOR THE WORLD. THE CONTINENT CAN ALSO BE A SOURCE OF IDEAS AND INNOVATIVE SOLUTIONS.**

**AS SUCH, AFRICA MUST BE PLACED AT THE CENTER TO RESOLVE THE CURRENT INTERNATIONAL CRISIS.**

**IN THIS CONTEXT, THE AFRICAN DEVELOPMENT BANK IS PLAYING A CRUCIAL ROLE TO MAKE THE AFRICA'S PROMISE A REALITY.**

#### **THE AFRICAN DEVELOPMENT BANK'S ROLE**

**AFDB, ESTABLISHED ALMOST 50 YEARS AGO IS THE PREMIER DEVELOPMENT INSTITUTION IN AFRICA. WE SEE THE AFDB AS OUR DEVELOPMENT INSTITUTION AND A PARTNER IN AFRICA'S DEVELOPMENT AND TRANSFORMATION.**

**THE FACT IS THAT AFDB IS PLAYING A CRUCIAL ROLE IN ENSURING THAT AFRICA FULFILLS ITS PROMISE.**

- **FIRST, IS AFDB'S RESOURCE MOBILIZATION FOR DEVELOPMENT EFFORTS IN AFRICA. IN FACT, THIS IS WHY WE ARE GATHERED HERE. THIS IS A CRITICAL ROLE WHICH MUST CONTINUE AT A BIGGER SCALE TO HELP MOBILIZE FINANCIAL RESOURCES AND PROVIDE ACCESS TO FINANCE FOR DEVELOPMENT ACTIVITIES IN AFRICAN COUNTRIES. IN ADDITION, AFDB MUST CONTINUE TO DEVELOP NEW PRODUCTS AND NEW APPROACHES TO SUPPORT AFRICA'S PRIVATE SECTOR, ESPECIALLY SMES.**

- **SECOND, AFDB HAS STRIVED TO BECOME AFRICA'S KNOWLEDGE BANK. THIS IS CRITICAL FOR AFRICA. IN THE NEW WORLD OF TODAY, KNOWLEDGE, IDEAS, CREATIVITY AND INNOVATION MATTERS. AFRICA NEEDS TO INNOVATE IN ALL AREAS, INCLUDING IN POLICIES. AFDB'S LEADERSHIP AS A KNOWLEDGE INSTITUTION AND ITS SUPPORT FOR AFRICA IN THIS AREA WILL BE INSTRUMENTAL IN NURTURING CHANGE IN AFRICA. .**
- **THIRD, LINKED TO THE ISSUE OF KNOWLEDGE IS AFDB'S SUPPORT FOR POLICY REFORMS IN AFRICA. AFDB'S CONTINUED SUPPORT FOR AFRICAN COUNTRIES TO BUILD POLICY ENVIRONMENTS THAT ARE MORE DEVELOPMENT FRIENDLY AND THAT CAN FACILITATE STRUCTURAL TRANSFORMATION IS CRUCIAL. WE WILL NEED TO SUPPORT AFDB TO DEVOTE MORE RESOURCES TO RESEARCH, INFORMATION DISSEMINATION, POLICY DIALOGUE AND ADVOCACY FOR ROBUST POLICIES IN AFRICA. .**
- **FOURTH, WE MUST SUPPORT AFDB'S EFFORTS IN PROGRAM EXPERIMENTATION AND INNOVATION. THIS IS THE WAY TO TEST NEW IDEAS, TO SEE WHAT WORKS AND TO WORK WITH COUNTRIES ON THE CONTINENT TO LEARN FROM EACH OTHER'S EXPERIENCES. IT IS ALSO A WAY TO TEST FAR OUT AND HIGH RISK IDEAS WHICH COULD YIELD HIGH RETURNS IN BOTH THE PRIVATE AND PUBLIC SECTORS.**
- **FIFTH, WE MUST SUPPORT AFDB'S WORK ON REGIONAL INTEGRATION. COLLABORATION, COORDINATION AND SOLIDARITY ARE A MUST IF AFRICAN COUNTRIES ARE GOING TO BE ABLE TO**



**TRANSCEND THE EMERGING DEVELOPMENT CHALLENGES. AFDB, AS A CONTINENTAL INSTITUTION, HAS UNIQUE CAPABILITIES AND OPPORTUNITIES TO EMPLOY NEW APPROACHES TO PROMOTE REGIONAL INTEGRATION AND COLLABORATION. SUCH EFFORTS WILL INCLUDE CONTINUING FUNDING FOR REGIONAL INFRASTRUCTURE PROJECTS AND ALSO GO AS FAR AS SUPPORTING EFFORTS SUCH AS POLICY COORDINATION, REGIONAL INVESTMENT PROMOTION AND TRADE NEGOTIATION BY REGIONAL BLOCKS.**

**THESE ARE IDEAS WHICH I BELIEVE WILL BENEFIT MANY AFRICAN COUNTRIES LIKE MINE, CAPE VERDE. AFRICAN COUNTRIES AND OUR DEVELOPMENT PARTNERS MUST CONTINUE TO ENGAGE AND PUT THE NECESSARY TOOLS AT THE DISPOSAL OF OUR DEVELOPMENT INSTITUTION, AFDB, IN ORDER FOR IT TO BE ABLE TO HELP AFRICA FULFILL ITS LONG TERM PROMISE.**

**HONORED GUESTS, BEFORE I CONCLUDE, LET ME TALK BRIEFLY ABOUT OUR EXPERIENCE IN CAPE VERDE.**

### **OUR CAPE VERDEAN EXPERIENCE**

**CAPE VERDE IS IN A WAY A LIVING PROOF OF THE AFRICAN EXPERIENCE. WE STARTED OUR DEVELOPMENT JOURNEY IN 1975, WITH MANY PEOPLE, MANY CAPE VERDEANS INCLUDED, NOT BELIEVING THAT WE COULD SURVIVE ON OUR OWN AS A NATION GIVEN THE INITIAL CONDITIONS. WE ARE A VERY SMALL MICRO STATE WITH NO RESOURCES, LIMITED RAINFALL AND GEOGRAPHICALLY FRAGMENTED. THESE INITIAL CONDITIONS IMPOSED SIGNIFICANT COSTS ON US AND MAKE IT**

**A CHALLENGE TO BUILD A NATION, TO BUILD AN INTEGRATED MARKET AND TO COMPETE IN THE GLOBAL MARKETPLACE.**

**YET WE MOVED FROM A PER CAPITA INCOME IN 1975 THAT WAS LESS THAN 200 USD TO ABOUT 3500 USD PER CAPITA IN 2011. IN 2008, WE BECAME ONE OF THE VERY FEW COUNTRIES TO HAVE GRADUATED FROM THE UN LEAST DEVELOPED COUNTRIES' LIST SINCE IT WAS ESTABLISHED. WE HAVE BUILT A DEMOCRATIC NATION AND ACHIEVED ONE OF THE HIGHEST RANKINGS IN SOCIAL INDICATORS, FROM EDUCATION, HEALTH CARE AND ACCESS TO BASIC INFRASTRUCTURE, IN AFRICA. LIVING STANDARDS FOR THE POPULATION HAVE IMPROVED SIGNIFICANTLY SINCE INDEPENDENCE. IN FACT, WE ARE ON TRACK TO MEET OR SURPASS ALL THE TARGETS OF THE MILLENNIUM DEVELOPMENT GOALS (MGDS) BY 2015.**

**THE MAIN LESSON FROM OUR EXPERIENCE IS THAT POLICY DRIVEN DEVELOPMENT IS POSSIBLE. IMPORTANTLY, OUR CASE SHOWS THAT A NATION CAN DEVELOP WITHOUT NATURAL RESOURCES.**

**WHAT DID WE DO RIGHT?**

**FIRST AND FOREMOST, WE WERE LUCKY TO HAVE THE RIGHT LEADERS AND LEADERSHIP. LEADERS THAT WERE CONCERNED MORE ABOUT THE WELFARE OF THE POPULATION AND LEVEL HEADED ENOUGH TO FOCUS ON DEVELOPMENT.**

**SECOND, WE AS A NATION INVESTED IN HUMAN DEVELOPMENT. IT WAS CLEAR RIGHT FROM THE BEGINNING THAT WE HAVE TO INVEST IN OUR PEOPLE AS IT IS THE ONLY RESOURCE THAT WE HAVE AS A NATION. IT WAS CLEAR THAT IT IS THE CREATIVITY AND ENERGY OF OUR PEOPLE THAT WILL ENSURE OUR NATION'S DEVELOPMENT. THE AGENDA RIGHT FROM DAY ONE WAS TO DEMOCRATIZE EDUCATION AND PROVIDE ACCESS TO AS MANY PEOPLE AS POSSIBLE.**

**THIRD, WHETHER DURING THE DAYS OF ONE PARTY OR THE ERA OF MULTI PARTY DEMOCRACY, WE FOCUSED ON ENSURING GOOD GOVERNANCE AND SOUND MANAGEMENT OF THE STATE, ITS RESOURCES AND THE ECONOMY.**

**FOURTH, WE ENSURED SOCIAL AND POLITICAL STABILITY. WE MADE SURE THERE WERE NO DISCRIMINATION AND THAT THERE WERE EQUAL OPPORTUNITIES. WE WERE ABLE TO BUILD A NATION AND STATE INSTITUTIONS THAT OUR CITIZENS BELIEVED AND A STABLE ENVIRONMENT WHICH ALLOWED DEVELOPMENT TO TAKE ROOT.**

**FIFTH, WE SOUGHT ASSISTANCE AND USED THE GENEROSITY OF THE INTERNATIONAL COMMUNITY AS WELL AS OUR DIASPORA WELL. AID AND REMITTANCES WHICH WE RECEIVED WERE MAJOR SOURCE OF EXTERNAL FINANCING TO FUEL DEVELOPMENT, ESPECIALLY MAJOR CAPITAL INVESTMENTS AND ANTI-POVERTY POLICIES. THE WISE USE OF DEVELOPMENT ASSISTANCE CREATED GOODWILL AND CONFIDENCE THAT ENCOURAGED OUR PARTNERS TO CONTINUE TO SUPPORT OUR DEVELOPMENT EFFORTS.**

**SIXTH, WE HAVE ALWAYS HAD A VISION OF WHERE WE WANT TO GO AS A NATION WHILE REMAINING FLEXIBLE AND ADAPTABLE IN OUR ACTIONS. RIGHT FROM INDEPENDENCE, IT WAS CLEAR WHERE WE WANT TO GO AS A NATION. AND, FROM 2001/2002 WE REALIZED THERE IS A NEED FOR CHANGE. WE FORMULATED A NEW AGENDA FOR SOCIOECONOMIC DEVELOPMENT. THIS IS OUR AGENDA FOR TRANSFORMATION. THIS WAS DONE THROUGH A PROCESS THAT WAS STRATEGIC AND PARTICIPATORY. BY 2005/2006, WE EMBARKED ON A MAJOR AGENDA TO DEEPEN REFORMS AND TO MAKE CAPE VERDE A MORE FRIENDLY PLACE TO DO BUSINESS. ONE ELEMENT OF THIS IS OUR INVESTMENT IN ELECTRONIC GOVERNANCE TOOLS TO IMPROVE SERVICE DELIVERY BY THE STATE AND ENSURE THAT THE STATE IS CLOSER TO THE**

**CITIZENS. TODAY, THE LEADERSHIP OF THE COUNTRY AND THE NATION SUBSCRIBES TO THE TRANSFORMATION AND REFORM AGENDA. THEY ARE THE GUIDING PRINCIPLE FOR GOVERNANCE AND DEVELOPMENT MANAGEMENT.**

**OUR ABILITY TO BE FLEXIBLE AND ADAPTABLE IN FACE OF NEW REALITIES IS SOMETHING THAT WE MUST NURTURE ESPECIALLY IN THESE COMING YEARS. WE ARE NOW IN THE PROCESS OF RETHINKING HOW BEST TO ACCELERATE OUR TRANSFORMATION PROCESS IN LIGHT OF WHAT IS HAPPENING AROUND US AND THE NEED TO ENSURE THAT WE RAPIDLY MOVE FROM LOW MIDDLE INCOME TO BECOME A HIGH MIDDLE INCOME COUNTRY. AS SUCH, WE HAVE BEGUN A PROCESS OF DIALOGUE TO IDENTIFY CRITICAL CHALLENGES AND TO BUILD AN AGENDA FOR REFORMS THROUGH THE GROWTH AND POVERTY REDUCTION STRATEGY PROCESS. IT IS CLEAR WE WILL HAVE TO UNDERTAKE SIGNIFICANT REFORMS. THE TASKS BEFORE US NOW ARE TO OUTLINE THESE REFORMS, BUILD NATIONAL CONSENSUS AND BEGIN IMPLEMENTATION.**

**THESE ARE THE LESSONS FROM OUR EXPERIENCE. DESPITE OUR SIZE, WE BELIEVE THERE ARE THINGS THAT OTHER COUNTRIES IN AFRICA CAN LEARN FROM OUR EXPERIENCE.**

**INVESTING IN PEOPLE, FACILITATING GOOD GOVERNANCE AND STABILITY, USING INTERNATIONAL ASSISTANCE WISELY, ENGAGING THE DIASPORA AND ENSURING FLEXIBILITY AND ADAPTABILITY ARE ALL RELEVANT IN TODAY'S GLOBAL ENVIRONMENT.**

**CRITICAL ALSO IS THE NEED FOR A SHARED VISION AND GOALS. THEY PROVIDE THE GUIDE FOR DECISION MAKING AND FOR DEVELOPMENT. THE NEEDS TO CARRY THE PEOPLE ALONG, TO PROVIDE EQUAL OPPORTUNITIES, AND TO NOT DISCRIMINATE AGAINST GROUPS ARE CRUCIAL. THE ROLE OF**

**LEADERS AND LEADERSHIP CANNOT BE UNDERESTIMATED. HOWEVER, LEADERSHIP IS NOT ONLY THOSE ON TOP. THERE MUST BE A FRAMEWORK AND PROCESS TO ENGAGE THE PEOPLE AT LARGE IN LEADING AND ENSURING POSITIVE CHANGE.**

## **IN CONCLUDING**

**I WOULD LIKE TO SAY WE CAN REALIZE AFRICA'S PROMISE IF EACH ONE OF THE ACTORS PLAY THEIR PART. AFRICAN COUNTRIES AND PEOPLES WILL HAVE TO TAKE THE LEAD. WE WILL NEED A STRONG SUPPORT OF OUR DEVELOPMENT PARTNERS, AND INSTITUTIONS LIKE THE AFDB WILL HAVE TO BE STRENGTHENED TO MEET THEIR MANDATE. MOREOVER, AFRICA WILL HAVE TO BE PLACED AT THE CENTER OF THE GLOBAL DEVELOPMENT AGENDA. IN MANY WAYS, AFRICA'S ABILITY TO FULFILL ITS PROMISE WILL GO A LONG WAY IN ENSURING SUSTAINED GLOBAL RECOVERY AND A BETTER WORLD.**

**I WOULD LIKE TO THANK YOU ALL ONCE AGAIN FOR ALLOWING US TO HOST THIS AUGUST GATHERING IN PRAIA, CAPE VERDE.**

**WE WISH YOU A PLEASANT STAY, FRUITFUL DELIBERATIONS AND HOPE THAT YOU WILL SPEND SOME EXTRA TIME VISITING OUR LOVELY ISLANDS AND DISCOVERING THE HOSPITALITY (OR WHAT WE LIKE TO CALL THE MORABEZA) OF OUR PEOPLE.**

**THANK YOU.**