



AFRICAN DEVELOPMENT BANK GROUP

Talking Points

**Launching of the Africa Solidarity Initiative (ASI) in Support
of Post-Conflict Reconstruction and Development in Africa**

Addis Ababa, 13th July, 2012

Chair, Excellencies, Ministers, Ambassadors

1. Introduction

I will begin by welcoming this initiative being launched today.

In the last fifty years, Africa has been home to many of the world's post-cold war armed conflicts.

Some countries have experienced recurring conflicts, slipping in and out of mayhem, while others that had been relatively peaceful, like Mali now, face threats to peace and security.

Somali children born twenty years ago have not seen a day of tranquility.

We should also not forget chronic low level instability in countries such as Guinea Bissau.

2. Addressing Insecurity, Economic Decline and Poverty

2.1 Instability, needless to say, is a major poverty driver with negative long-term economic and social effects that undermine development prospects within the countries themselves.

2.2 And conflicts have huge neighbourhood effects. When countries are in conflict, more than half the costs are carried by neighboring states, which are in the context of massive

refugee flows, cross-border crime, disruption of transport and communication links, loss of business confidence, capital flight, and the spread of contagious disease.

2.3 These spillovers have a dampening effect on the economies in their sub-regions, and can undo years of development.

2.4 The African continent is not the only region to have experienced conflicts, but it is where conflicts have become chronic in some areas and exacted the highest price.

2.5 Two months ago, I visited the Central African Republic.

2.6 There, I saw clearly that the emergence from conflict also carries vast hope and opportunity, provided the new leadership can access sustained, timely, relevant, and coordinated support.

2.7 The reverse is also true when such support is not timely and sustained; slippage back into conflict is real.

2.8 That is why, five years ago, the Bank created the Fragile State Facility.

2.9 We must salute the African Union and Regional Economic Organisations for the work done in addressing this problem. In some regions, these efforts have paid off handsomely.

3. Time for the African Support Initiative (ASI):

- 3.1 The Bank welcomes the African Solidarity Initiative as a vehicle for mobilizing the kind of support for reconstruction and development that is needed for countries emerging from conflict.
- 3.2 And the African Development Bank is prepared to actively support and work with the initiative.
- 3.3 We were involved in the preparation of the African Union's Post Conflict Reconstruction Policy and look forward to effective partnership in its implementation.
- 3.4 Let me take a minute to explain to you our Fragile State Facility.
- 3.5 This is a 600 million US\$ facility created in 2007 and has since been replenished in 2010. It has been quite effective in providing the much needed three-way support to countries emerging from conflict. Countries include Liberia, Sierra Leone, DRC, Central Africa Republic, Burundi, Ivory Coast, Guinea Bissau and South Sudan.
- 3.6 The Facility has provided reconstruction funds to kick start the economies, repair vital infrastructure, rebuild state capacity and institutions.

- 3.7 In addition, it has contributed to clearing the external debt arrears thereby enabling these countries to re-engage with the International Financial Institutions.
- 3.8 The Bank's experience is that effective and sustainable recovery and development in post-conflict situations requires flexibility, risk taking and above all, speed.
- 3.9 Effective coordination between regional institutions, each within their respective mandates, is critical in generating quick and lasting results.
- 3.10 We have learned that there are no distinct phases between peace building, state building, reconstruction and development.
- 3.11 They come together and have to be addressed as such. The development challenges in post-conflict countries span the peace, security and development domains, and no single institution would have the capacity, the mandate or the competences to engage across the wide spectrum.
- 3.12 Further, the implementation of a layered approach is critical, given that some problems can best be addressed at the country level, while others need to be addressed at a regional level.

4 Conclusion

4.1 Let me conclude:

4.2 At this time, the lexicon is of a resilient continent making headway. I consider this initiative to be “let no one be left behind”.

4.3 Post-conflict countries are in regions where poverty rather than decline is increasing.

4.4 None is on track in achieving the Millennium Development Goals (MDGs). They require a special effort and we are prepared to play our part.

4.5 I understand this initiative to promote peer-learning, sharing best practices in post conflict reconstruction. This is the precise *raison d'être* of one of the pillars of the Bank's Fragile State Facility.

4.6 As the AU rolls out this initiative, the experience and track record of the Fragile State Facility in building institutions is one you may wish to take a closer look at, as how it can help in the endeavor.

4.7 Thank you for this opportunity.