



House of Commons  
International Development  
Committee

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**DFID and the African  
Development Bank:  
Government Response  
to the Committee's  
Seventh Report of  
Session 2007–08**

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**Sixth Special Report of Session  
2007–08**

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## International Development Committee

The International Development Committee is appointed by the House of Commons to examine the expenditure, administration, and policy of the Department for International Development and its associated public bodies.

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The staff of the Committee are Carol Oxborough (Clerk), Matthew Hedges (Second Clerk), Anna Dickson (Committee Specialist), Chlöe Challender (Committee Specialist), Ian Hook (Committee Assistant), Sarah Colebrook (Secretary), Alex Paterson (Media Officer) and Miguel Boo Fraga (Senior Office Clerk).

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## Sixth Special Report

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On 13 May 2008 the International Development Committee published its Seventh Report of Session 2007–08, *DFID and the African Development Bank*, HC 441-I. On 8 July 2008 we received the Government’s response to the Report. It is reproduced as an Appendix to this Special Report.

In the Government Response, the Committee’s conclusions and recommendations are in bold text. The Government’s Response is in plain text.

## Appendix: Government Response

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The Government welcomes the International Development Committee’s Report on our engagement with the African Development Bank (AfDB). We are pleased that the Committee has highlighted the progress the Bank has made, the influence the UK has, and its support for the increased contribution we are making to the African Development Fund (AfDF).

The AfDB should play a very significant role in Africa, helping to provide expertise and share experience on African development issues, and provide African perspectives in international discussions. The reform programme over the last decade has established strong foundations on which the AfDB can build, and the leadership provided by President Donald Kaberuka gives confidence that the AfDB will continue to increase its contribution and role.

As well as doubling our contribution to the African Development Fund, the Government is committed to helping the AfDB be as effective as possible. We are providing technical assistance in a number of key areas, including by seconding DFID staff. We work closely with other shareholders, particularly those in our constituency, to monitor the Bank’s progress and help it deliver on the commitments made in the last year—on accelerating economic growth, on helping fragile states more effectively, on improving regional integration and on addressing climate change. We continue to emphasise that the most important issue is bringing about change in the lives of poor people, and the particular importance of improving the lives of poor women and girls.

Our responses to the specific recommendations made by the Committee are given below.

### Infrastructure

**[Paragraph 16] We welcome the priority given to infrastructure in ADF 11, especially the focus on regional integration, a crucial factor in boosting economic growth in Africa. The AfDB is in a good position to co-ordinate international efforts in infrastructure due to its hosting of the Infrastructure Consortium for Africa and the African Water Facility, and its mandate to lead the New Partnership for Africa’s Development (NEPAD) agenda for regional integration. We recommend that DFID do all it can to support the AfDB in using the current replenishment to secure real**

**progress in building both ‘hard’ and ‘soft’ infrastructure that opens up markets within and between African countries.**

We welcome the Committee’s support for the Bank’s focus on infrastructure. During the AfDF 11 replenishment negotiations, we agreed that over 60% of total resources should be devoted to infrastructure activities, recognising its central importance for economic growth.

We agree with the Committee that the AfDB is well placed to lead on infrastructure issues within the continent. The UK Government has seconded an infrastructure specialist to help establish the Secretariat of the Infrastructure Consortium for Africa. In addition, the UK is looking to second another infrastructure expert to the Bank’s Regional Integration department to help them build capacity in this area.

**[Paragraph 18] We reiterate our recommendation from our 2007 Sanitation and Water report that consultation and capacity-building of local communities should form a vital part of AfDB-supported infrastructure projects, especially within the water sector where local operation and maintenance knowledge are crucial to sustainable usage of facilities. DFID should engage with the AfDB to ensure that current major investments of its funds—notably the Rural Water Supply and Sanitation Initiative—adhere to principles of consultation and inclusivity, so that their outcomes benefit poor communities.**

DFID is providing £6 million of technical assistance, over three years, to the AfDB’s Rural Water Supply and Sanitation Initiative. The first phase of this support funded a Capacity Needs Assessment Study that has just been completed. The Study recommendations focus on the need for the AfDB to improve the skills and expertise of their staff in key areas so that they can respond more appropriately to the needs of local communities. DFID support will help the AfDB to take forward these recommendations.

**[Paragraph 21] We believe that procuring goods and services to support infrastructure locally creates more sustainable outcomes and helps generate skills, income and employment. The use of foreign contractors is no guarantee of quality and militates against the development of local construction and operation industries. We recommend that the Bank should look again at its systems for procurement and ensure it is doing all it can to promote the use of local producers and suppliers for infrastructure projects in African countries, whilst continuing to harmonise its procurement processes with other donors in line with the Paris Declaration on Aid Effectiveness.**

The Bank has recently completed a major revision of its procurement rules which are now harmonised with those of the World Bank. This should reduce costs and delays for governments and help speed up project delivery.

The Bank’s procurement rules need to be financially tight, provide good value for money and ensure high quality goods and services. Over half of the contracts awarded in 2007 were under national tendering. This represents around 15% of the value of all contracts because the large contracts go to international bidding. Under international tendering, the AfDB’s rules allow preference to be given to national and regional bids, so there are already incentives in favour of developing local capacity.

The AfDB are increasingly including components in their private sector projects to encourage businesses to use local small- and medium-sized enterprises in sourcing their goods and services.

**[Paragraph 22] We agree that, in a climate of growing international concern over rising food prices, it is vital that multilateral agencies play to their individual strengths and co-ordinate carefully—especially in rural Africa where price rises are likely to hit the hardest. Accordingly we recommend that the AfDB should continue to centre its efforts on infrastructure to support agriculture such as irrigation, crop storage and rural road building. At the same time it should liaise closely with other multilateral agencies working on agriculture in Africa to ensure issues such as crop yields are addressed through appropriate technical assistance and implementation of research findings.**

We agree with the Committee that the AfDB's support for infrastructure, irrigation and other assistance means it can make an important contribution towards addressing the current food price crisis and improving the productivity of agriculture in Africa. In a recent statement, the Bank announced that it plans to:

- Commit an extra \$1 billion over the next three years directly to agriculture.
- Support regional infrastructure to boost regional trade and enable food to be moved more efficiently between countries. The Bank will also provide support to regional institutions to support more efficient functioning of regional markets.
- Scale up investments in irrigation infrastructure and water management. Working with partners, the Bank has estimated that it could invest some \$1.5 billion over the next three years in water resources benefiting 16 African countries.
- Build on its existing support to the Forum for Agricultural Research in Africa (FARA) to promote the use of science and technology to increase yields; it is estimated that yields could rise by 3% by 2015.
- Provide immediate assistance for countries facing fiscal difficulties in responding to the food crisis.

## **Governance and transparency**

**[Paragraph 24] We believe that DFID deserves credit for its leading role in securing the creation of the Fragile States Facility. The initiative presents the opportunity for the AfDB to offer rapid, comprehensive assistance to the large number of fragile states in Africa. We look forward to following the progress of the initiative and recommend DFID monitor its implementation closely.**

The Bank needs to be able to respond to the needs of all its member clients, including those that are emerging from conflict. We will be working closely with the Bank to support the effective implementation of the Fragile States Facility (FSF).

**[Paragraph 27] We believe that DFID deserves credit for helping build commitment within the AfDB to the Extractive Industries Transparency Initiative (EITI). However we were surprised that DFID was vague about the need for EITI compliance to be a**

**prerequisite for AfDB financing for extractive projects. It would be highly unsatisfactory for AfDB funds to which DFID has contributed so generously to undermine a transparency initiative spearheaded by the UK. We believe that DFID should push for the AfDB to implement the High Level Panel's suggestion that adhering to EITI principles should be a pre-requisite for any Bank private sector financing. The Department should encourage the AfDB actively to support the 13 African countries which have endorsed the EITI principles to implement it, and to advocate for all regional member countries to endorse the Initiative.**

DFID is fully committed to EITI. We note that EITI is a voluntary initiative and compliance with EITI principles is not a pre-requisite for the financing of extractive industry projects in AfDB, the World Bank Group or the Asian Development Bank. Nonetheless, the AfDB's private sector department has made EITI compliance a high priority in its recent extractive industry transactions. Since the creation of EITI in 2002, the Bank has financed five extractive industry transactions, of which four are in EITI countries (Niger, Zambia, Madagascar and DRC). The remaining one, in Mozambique, was agreed in 2003-04 before AfDB became an EITI partner. In the most recent mining transaction in DRC, the Bank incorporated an explicit clause to oblige the borrower to comply with EITI. The Bank has said that this type of clause will now be used routinely in EITI countries. Further, before agreeing new private sector operations, AfDB will insist on EITI compliance in any country where there are concerns about governance. All of the transactions in AfDB's active pipeline are in EITI countries.

DFID country offices already work closely with national governments to promote greater transparency through EITI and DFID supports capacity building through the World Bank Multi-Donor Trust Fund. The Trust Fund assists in setting up EITI processes within countries and provides capacity building and technical assistance. The EITI Secretariat works closely with the AfDB to promote the initiative.

**[Paragraph 28] We recommend that the AfDB should help improve transparency by empowering parliaments and citizens to hold governments and development institutions, including the Bank itself, to account. Supporting good public financial management of natural resource and other revenue sources is directly linked to boosting growth rates in African countries and should remain a major priority for the Bank.**

Governance is one of the key focal areas in AfDF 11, as well as a priority in the Bank's Medium Term Strategic Framework. The Board has recently approved a new governance strategy focussed on strengthening transparency and accountability in the management of public resources. As part of this strategy, the Bank will scale up its support to independent oversight institutions that hold government to account, including parliaments and civil society. The AfDB is using funds provided under the DFID Technical Cooperation Agreement to strengthen its work on governance.

## Private sector development

**[Paragraph 30] The AfDB is an important lender to the private sector, but it must ensure that its lending always ‘adds value’—whether in the form of technical assistance, social and environmental safeguards or mitigating risks that the private sector itself may not be able to take on single-handedly—compared to the lending which standard private sector lenders can offer.**

We agree that AfDB lending to the private sector should ‘add value’, and should not crowd out other private sector lending. AfDB’s Private Sector Strategy Update was approved by the Board in December 2007. It sets out the primary objective as financing high quality, catalytic projects that have a strong demonstration effect. AfDB has selection criteria to ensure that projects are chosen according to development impact and the Bank’s comparative advantages. The Bank has a key role to play in mitigating political and financial risks, helping to address environmental and social sustainability issues, as well as taking a long-term development perspective on projects, and using its balance sheet to attract other investors into the market.

**[Paragraph 33] We welcome the fact that gender will be one of three cross-cutting objectives for ADF 11. We were pleased to see that the objectives set out in the ADF 11 ‘Deputies’ Report include provision to employ more gender specialists within the AfDB. We urge DFID to monitor the achievement of this objective to ensure that the Bank is properly equipped to mainstream gender issues across its projects and investments. We were concerned that the objectives in the Deputies Report omit any measures addressing the need to empower women to participate in private sector development. Women are the driving force of many aspects of local markets yet remain economically disempowered in many African countries. We recommend that DFID support the Bank to acknowledge and promote the close links between women’s empowerment and private sector development in the updated AfDB Gender Plan of Action.**

We agree that the Bank’s capacity to mainstream gender issues needs strengthening, especially in key operational areas such as infrastructure and private sector operations, The Government will engage with the development and implementation of the new Gender Plan of Action, and emphasise its importance in discussions between Ministers and the Bank President.

We agree that women’s empowerment in the private sector is crucial to achieving the MDGs. We will encourage the Bank to enhance its support in this area.

## Climate change

**[Paragraph 38] We welcome DFID’s Technical Cooperation Arrangement with the AfDB under which support on climate change work will be provided over the next four years. However, we are concerned that DFID and the AfDB have divergent conceptions of the role the AfDB should play in international climate change efforts. DFID needs to be clear on whether it expects the Bank to play a leadership or partnership role, given the large amount of funds it is channelling through the institution. If DFID does envisage the AfDB becoming a leader for the African continent on climate change,**

**additional funds need to be identified so that additional human and other resources can be deployed. We reiterate the recommendation we made in our report on DFID and the World Bank that the overriding objective of multilateral development banks must be poverty reduction, and that climate change should be integrated into this objective, rather than risking compromising it by spreading existing resources too thinly.**

Climate change threatens to undermine years of development progress if it is not addressed. It is therefore imperative that the international community, including the multilateral development banks, take action to address the problem. Given the scale of the challenge, the Bank will need to work closely with other partners, as well as integrating climate change issues into its own operations. Its legitimacy and regional mandate mean the Bank has an important role to play both as an advocate for African interests and helping to build capacity in African countries to plan and make good policy choices. DFID is helping to build capacity in the AfDB by seconding three climate change experts.

Additional financial resources are being mobilised to address the global climate challenge. The Environmental Transformation Fund International Window (ETF-IW) is one way in which the UK is providing the additional resources needed to deliver change at the pace and scale required. We will help to capitalise the Strategic Climate Fund managed by the World Bank with money from the ETF-IW. The AfDB will be one of the implementing agencies for these funds. In addition, the Bank will also host the Secretariat of the Congo Basin Forest Fund, which is a component of the ETF-IW and to which the UK has committed £50 million. In this capacity the Bank will be playing an important role in climate change mitigation by helping to reduce deforestation through sustainable forest management.

## Debt

**[Paragraph 42] We commend the AfDB's participation in two recent debt relief initiatives, the Heavily Indebted Poor Countries (HIPC) initiative and the Multilateral Debt Relief Initiative (MDRI). These initiatives have released much-needed funds that African governments can now direct towards the achievement of the Millennium Development Goals. We believe that DFID deserves credit for its contributions so far towards reimbursing the AfDB and other multilateral banks involved in these initiatives. We agree that the AfDB has an important role to play in helping countries avoid future debt problems and urge DFID to support the Bank in this role.**

We are supporting the Bank to help countries avoid future debt problems. We are playing a leading role in two areas: supporting the Bank's actions to tackle vulture funds and its implementation of the Debt Sustainability Framework (DSF). We are pleased that the Board of the African Development Bank agreed in April to promote the establishment of an independent Legal Support Facility to advise countries on how best to tackle vulture fund activity. We strongly support the use of the DSF by both borrowing countries and creditors, to ensure that new borrowing takes account of countries' economic position and debt levels. We support the policy of the AfDF of providing grants or a mix of grants and concessional loans where countries' debt levels are, or are at risk of becoming, too high.

## Lending to low-income countries

**[Paragraph 45] It is reassuring that three-quarters of ADF 11 will be targeted at the 40 African countries with the lowest income. However, given DFID's commitment to spending just 10% of its budget in middle-income countries, we believe the 25% allocated to the 13 middle-income African countries under ADF 11 is too high. Widening the eligibility criteria for concessional lending beyond the measure of per capita income to encompass human development indicators, as recommended by the High Level Panel, might help ensure that countries which are currently restricted to non-concessional lending—for instance, Equatorial Guinea and Botswana, which have relatively high incomes but also high levels of inequality and considerable development needs—could also access concessional lending.**

In order to clarify the situation, we confirm that the African Development Fund provides grants and very concessional loans to Africa's poorest countries. It does not lend to creditworthy countries and only one middle income country benefits (Cape Verde).

We agree with the Committee's suggestion that the High Level Panel's recommendation regarding lending instruments merits careful consideration. DFID has offered support to the Bank to help them think through the issues related to having a set of differentiated products. We have urged the AfDB to make best use of its capital to support development and achievement of the MDGs.

## Partnerships with the World Bank, other donors and development partners in Africa

**[Paragraph 49] We welcome the strengthening relationship between the AfDB and the World Bank and the growing harmonisation of procedures. We encourage the Banks, together with the UK Government and other donors, to continue to look for new opportunities for joint working in line with the Paris Declaration on Aid Effectiveness.**

The World Bank and the AfDB are working increasingly together, both at HQ level and at country level. Further decentralisation in both institutions should improve country level coordination.

The recent food price crisis has seen increased joint working between the AfDB, the World Bank and other partners. We are encouraging the AfDB to take the lead on key issues affecting Africa in coordination with others.

**[Paragraph 51] We believe that the AfDB has a potentially crucial role to play in mediating partnerships between African countries and emerging donors such as China. The Bank, with DFID's support, should do all it can to increase Chinese engagement in AfDB activities. Securing Chinese membership of the Infrastructure Consortium for Africa would be a particularly good starting point given China's huge investments in African infrastructure. We urge the UK Government and DFID to continue to advocate for greater transparency on behalf of China in its engagement in Africa so that development partnerships are easier to form and manage.**

China's trade, investment and aid are positive for Africa and many lessons from China's experience are valuable for African countries. The UK is committed to working with China

to promote development in Africa and to encourage responsible lending. We welcome China's decision to increase its contribution to the AfDF by more than 50% in the last replenishment negotiations.

President Kaberuka recognises that there is an important role for the AfDB in working with China, given the large infrastructure investments both China and the Bank are making in the continent. China is not yet a member of the Infrastructure Consortium for Africa (ICA), but they do attend ICA meetings and also have agreed Memoranda of Understanding with both the World Bank and the AfDB.

## The Boards

**[Paragraph 55] The fact that the UK's constituency provides one-third of ADF 11 resources but is one of six non-regional representatives at the Board table—all of them lower contributors—is unsatisfactory. We believe the AfDB needs to re-visit and reconfigure the process by which non-regional members are represented at the Board so that contributions to the AfDB are taken into account. We recommend that the UK formally raises the configuration of non-regional chairs at the Board as soon as possible, preferably at the 2008 Annual Meetings in Maputo from 14–16 May.**

Constituencies have historically been determined by the size of shareholdings in the African Development Bank, not financial contributions to the African Development Fund. The UK has a relatively low shareholding but will be the largest contributor to AfDF 11 (although historically we will only be the fifth largest donor to the Fund after making our AfDF 11 contributions).

These arrangements are not static and there may be a case for adjusting the size of the Board or reconfiguring the constituencies. At the 2008 Annual Meetings in Maputo, we made it clear to President Kaberuka that the UK would welcome a discussion of these issues with other members of the Board.

**[Paragraph 59] We were surprised and concerned to learn that the UK, as the AfDB's largest bilateral donor, will rotate its Executive Director (ED) to Germany in July 2008 and will not be directly represented on the Board for the next six years. We believe it is crucial that the UK's leverage regarding the Bank's strategic direction is commensurate with its increasing contributions to the institution. We therefore recommend that the UK discusses with Germany and with the Board a revised approach to rotating EDs within non-regional constituencies that takes into account contribution as well as shareholding. Whilst we appreciate Germany's larger shareholding and do not doubt its strong contribution to the Constituency, we hope a more equitable rotation of the ED role between the UK and Germany can be agreed.**

We are pleased that the UK is part of such a like-minded constituency and note the very good relationship between Germany and the UK. This has helped us to work effectively with the Bank, in support of its efforts to improve its effectiveness. We worked very well together during the AfDF replenishment to secure good policy outcomes and help increase donor contributions. We are confident that this relationship will continue to flourish under the new German ED. We are in the process of discussing rotation arrangements with Germany.

**[Paragraph 61] We welcome the moves that are under way to re-configure the ADF Board to ensure that all African Executive Directors are represented on it and are able to exercise their individual voting rights rather than acting on behalf of the Bank. We encourage DFID to continue to press this issue and to ensure that a concrete proposal is put to the Board at the earliest opportunity.**

We agree. We will press management to bring a proposal to the Board as soon as possible.

## **Decentralisation and staffing issues**

**[Paragraph 62] We welcome the AfDB's decentralisation process and believe it can only enhance the Bank's ability to work in close partnership with its regional member countries and with other donors. However, decentralised offices will operate most efficiently when a system of meaningful delegation from headquarters is in place. We believe that sufficient autonomy and the responsibility to exercise the appropriate decision-making powers in relation to policy, operations and finance should be conferred upon the AfDB field offices as soon as possible.**

We agree with the Committee's assessment in this area. Decentralisation is key to the Bank being a more effective partner at the country level. To be effective, this will require more authority and capacity being delegated to the country level. DFID has made it clear that we want to see quick progress in this area, and that we are ready to share our experience in making decentralised approaches work effectively.

**[Paragraph 63] The implementation of the AfDB's new Human Resources Strategy appears to be going well and we welcome the boost to staff numbers. We encourage the Bank to continue to recruit high quality staff to fill all vacancies, and to do this with urgency so that ADF 11 has the optimal staffing complement from the outset.**

We agree. The quality of the Bank's work is primarily determined by the calibre of its staff. We have pressed the Bank to undertake a skills assessment in the next few months to compare skills needed with those in place. This is an important element in enabling the Bank to deploy its staff to best effect, as well as identifying gaps. In her speech to the Annual Meetings, the UK Governor placed particular importance on the Bank ensuring that they had adequate expertise on gender and climate change, and also ensuring there are the right people in the field. The Bank has undertaken to finalise the review during the summer months.

**[Paragraph 64] Clearly the decision on when to return to the Bank's permanent headquarters in Abidjan will be dependent on the security situation there. But uncertainty is helpful to no-one and having a plan in place for what will happen when conditions have improved is important. We encourage DFID to push for a clear plan of action regarding location at the Bank's Annual Meetings in Maputo on 14-16 May so that all staff are aware of current thinking on the Bank's location.**

The Ivory Coast remains the permanent host country of the Bank. We welcome the progress that has been made on re-establishing peace there under the Ouagadougou Accord. When a track record of peace and security has been established, we look forward to the Bank returning.

Governors considered the situation in the host country at the 2008 Annual Meetings and chose to maintain Ivory Coast as the host country, extending the Temporary Relocation Agency in Tunis for a further year. The UK recognises the value of more certainty for staff and management. We would have preferred to defer discussion of the location issue to 2010. However there is little support for this view.

## Monitoring and evaluation

**[Paragraph 67] We believe that DFID deserves credit for influencing the strong results focus of ADF 11. Rigorous monitoring and evaluation of AfDB projects and operations will be central to the implementation of a more output-focused approach. We welcome the measures the Bank has put in place to improve monitoring and evaluation but urge the institution to press ahead with their practical implementation during ADF 11. We strongly encourage DFID to maintain its engagement in the results agenda and to assess progress in implementing new monitoring and evaluation measures.**

We thank the Committee for its support. We will continue to engage with the Bank as it takes its results work forward.

**[Paragraph 68] We recommend that DFID continue to monitor its own objectives for the AfDB rigorously. We were encouraged to see that this year's constituency report reveals satisfactory progress against the four objectives set out in the UK's joint constituency strategy paper. We welcome the development of Key Performance Indicators under the new results framework for ADF 11 and the fact that progress against these is included in the UK's constituency joint annual report.**

The Joint Institutional Strategy (JIS) Paper has proved very useful in setting out joint objectives for the Bank. The constituency has agreed to update the JIS to continue to work together on focussing priorities.

## Ensuring common objectives

**[Paragraph 70] We recommend that the Bank look carefully at whether its capital reserves could be used for additional projects supporting the achievement of the MDGs. We encourage the Bank to draw on the advice issued in the recent reviews of the Bank's capital undertaken by Goldman Sachs and Citibank.**

We agree. It is important that the Bank uses its capital effectively in support of the MDGs, without compromising its financial sustainability.

**[Paragraph 72] The AfDB's central focus on building and improving infrastructure in African countries makes it a significant contributor towards achieving all eight MDGs. Infrastructure provides the development 'hardware'—roads, schools, clinics, water and sanitation—that acts as the foundation for progress across health, education, conflict prevention and poverty reduction. But as we heard repeatedly during this inquiry, the AfDB's capacity to implement projects and deploy financial resources are just two of its assets: its status as a Bank for Africa is another, possibly more significant, force. The institution's majority African ownership, its leverage with African governments and its**

ability to be the African “voice” on development all contribute to the Bank’s potentially central role in achieving the MDGs.

We agree.

**[Paragraph 74] We welcome the trend of moving away from the attachment of conditions to AfDB funding under the Bank’s reform process. However we believe the avoidance of using tied aid should be incorporated into general Bank practice. We recommend that a review of Bank conditionality policy is carried out sooner rather than later to explore the options for this.**

At the 2008 Annual Meetings, it was agreed that all procurement should be untied for all AfDB operations. Untying for Fund operations was agreed by the Board of Governors with strong support from most African chairs on the basis that this will reduce transaction costs and enable the Bank to participate in pooled funding operations.

A review of the Bank’s conditionality policy and practice is planned for 2008.

## **Conclusion**

**[Paragraph 76] We welcome the increasing DFID contributions to the AfDB and believe this trend should continue. We urge DFID to keep a watchful eye on the progress of the Bank’s reform process. AfDB support to infrastructure, governance and transparency and climate change has the capability to make a real difference to poor people’s lives. A potentially transformatory set of reforms has been put together by President Kaberuka and Bank staff, together with the support of influential donors such as DFID. It is crucial that the momentum to implement them is maintained and that the Bank realises its full potential as the driver of African development.**

We thank the Committee for their support and advice. We agree that the reforms undertaken by the Bank need to be sustained to ensure that the African Development Bank makes the best possible contribution to supporting economic growth, poverty reduction and the achievement of the Millennium Development Goals in Africa. The Government is committed to working closely with the AfDB to achieve this objective.