

THIRD AFRO ARAB SUMMIT

KUWAIT, NOVEMBER 19, 2013

MS. SRI MULYANI INDRAMATI

MANAGING DIRECTOR AND CHIEF OPERATING OFFICER, WORLD BANK

- Your Highness, Sheikh Sabah Al-Ahmad Al-Jaber Al-Sabah
 - Your Majesties
 - Dr. Nkosazana Dlamini Zuma, Chairperson of the African Union Commission
 - Dr. Nabil El Araby, Secretary General of the Arab League
 - Presidents, Prime Ministers, Ministers,
 - Ambassadors, Ladies and Gentlemen
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- Allow me first to express my sincere thanks to our host, His Highness Sheikh Sabah, as well as to the people of Kuwait for the gracious welcome we have received at this Third Afro Arab Summit.
 - It is a pleasure to be here today. This event is a key step toward a collective vision of integration and collaboration.
 - Africa and the Middle East and North Africa regions are forever bound together by history, geography, trade, and traditions. In both regions there is a deep belief that cooperation and integration will greatly strengthen both and bring benefits to all. **This Summit today embodies this belief.**

- These are times of historic changes. Many countries in the Middle East and North Africa are experiencing momentous social, political and economic transformations.
- Many of you face challenges I know too well from my own country, Indonesia, where the transition towards democracy and a united society took more than a decade. **I urge you to stay focused on your goals for more inclusion and resilience.**
- At the same time, in much of Africa, we still see very high rates of extreme poverty along vigorous growth rates. High commodity prices and improvements in governance and in macroeconomic management have turned Africa into a major destination for foreign direct investment. **But the fight against poverty needs to continue.**
- The World Bank Group recognizes your challenges but also your opportunities. We have set two ambitious goals: to end extreme poverty by 2030 and boost shared prosperity for the bottom 40% of the population.
- **These twin goals have direct relevance to all of you.** Nowhere is the goal of ending extreme poverty more relevant than in Africa, where 48% of the population live on 1.25\$ or less a day. And the Arab Spring showed just how critical it is to share the benefits of growth and prosperity by creating opportunities for all.

- By sharing your collective vision of integration and collaboration, African and Arab countries can address their problems, whether this is low intra-regional trade, the enormous infrastructure deficit, the challenges of climate change and desertification, insecurity or organized crime.
- Today, intra-regional trade in your regions is lower than anywhere else. So it will not only require actions and investments within each country, but much greater integration within and between regions - and with the rest of the world.
- When I was Minister of Finance in Indonesia, I experienced how integrating trade, as we had done under ASEAN, can reap huge benefits to all members of society in these countries.
- **There are real synergies in building regional infrastructure.** For example: Africa has the largest hydropower potential in the world. Together with our other partners we are supporting the development of the Inga hydroelectric dam, which will eventually provide enough electricity to serve about half of southern Africa. We see the potential of similar projects, especially through power pools and transport corridors, elsewhere.
- **In a globally interconnected world, information superhighways are critical.** So initiatives - such as the Libya-

Chad-Sudan fiber optic network – will link the Maghreb and Sahel while reducing costs and improving connectivity.

- **However, reaping the benefits from physical infrastructure requires also investing in the “soft” infrastructure.** Your leadership in reforming policies will strengthen the economy, enable you to deliver quality services, and further improve the investment climate. With sound institutions in place, private investors will stay and social inclusion will grow.
- Enhanced integration and collaboration require your common vision, strong leadership and relentless pursuit of win-win solutions. We at the World Bank Group are standing ready to work with you on getting there.
- We are committed to scaling up our engagement in African and Arab countries by providing finances. But we also bring the experience and knowledge of other regions to the table. Regions all over the world that have grappled with similar challenges and have found solutions.
- Our collaboration with Arab development partners is showing results. Through these efforts we have mobilized nearly \$8 billion in support of Yemen’s recovery, and are mobilizing much needed support to Lebanon and Jordan to help respond to the spillover from the Syria conflict.

- We have adopted regional approaches to development in the Great Lakes and the Sahel, and are preparing a regional initiative in the Horn of Africa.
- During President Kim's recent visit to the Sahel he announced over \$1.5 billion in additional funding for regional projects focusing on energy, agriculture, health services and connectivity. They will support peace, security and development.
- **The importance of the funds from the International Development Association, IDA, in supporting Africa and countries facing fragility cannot be overstated.** It has contributed significantly in the ongoing fight against poverty. It is also a sound investment in fast growing economies that will contribute to a higher goal of shared prosperity. Malaysia and Brunei used to borrow from IDA, this year they have pledged to be first time donors of IDA. We are grateful that some of the countries you are representing are generously contributing to this effort, while I also encourage others who are not yet IDA members to join this collective to support the global effort to end poverty.
- I would also like to take the opportunity to thank many of the countries here who have offered kind support to the relief efforts in the Philippines. Such displays of global solidarity reveal to

the world, the generosity, commitment, and leadership of the African and Arab community.

- Excellencies, distinguished guests,
- Poverty is not a destiny. Many countries have pulled themselves out of poverty and are shining examples of what is possible. I am convinced that with the collaboration exhibited here, with solid and meaningful reforms and policies, and with sound investment, ending poverty and sharing prosperity will be part of your shared future.
- I thank you.