

ORGANISATION DE COOPÉRATION ET DE DÉVELOPPEMENT É C O N O M I Q U E S



Meeting of the Strategy and Policy Group Sahel and West Africa Club (SWAC/OECD)

18 June 2009

Opening Speech Mr. François-Xavier de Donnea President of the SWAC

Dear Colleagues,

1) I would first like to share with you my perception of West Africa, a view greatly influenced by the SWAC's work.

Until recently West Africa was perceived through natural disasters and internal conflicts. Besides poverty reduction, no other major international issue was on the forefront. No one attempted to have significant political or economic influence over West Africa. Yet two great economic tremors shook the region at the beginning of the 21st century altering the playing field. New wealthy countries emerged on the scene and the prices of raw materials sky-rocketed.

Over the last few years, a growing number of actors have been competing over its oil, bauxite, uranium, iron and phosphates. Brazil, China and India among others are contributing to aid and investing in the regional market where the lack of consumer purchasing power is compensated by sheer volume.

These new actors impose fewer demands and restrictions than do the traditional partners. Their transactions times are shorter and they are building roads and airports faster for less money. West Africa's situation has thus changed. Brighter economic opportunities are redefining West Africa, opening up new horizons and allowing West Africans to negotiate from a position of strength. No one could have guessed these possibilities years ago.

Nigeria is gaining ground economically and politically. Its agriculture, industry and services are rapidly developing under pro-active public policies. Its restructured banks are seeking to conquer the West African and continental markets. Its ambitious telecommunications satellite programme has been successfully launched.

The events of 11 September 2001 and its aftermath also changed the region's geo-strategic position. It is no secret that the Sahel is home to active Al Qaeda-linked terrorist cells and the development of large-scale international drug trafficking.

The financial crisis along with the international economic crisis clearly impacted the region. We will have the opportunity to discuss further the weaknesses and dangers due to this crisis. I would like to emphasis a point that gains little attention: West African authorities are reacting lucidly despite their limited means. In particular, the two big central banks, the BCEAO for the Franc zone and the Central Bank of Nigeria, are quickly taking measures to guarantee bank liquidity. In some ways, the financial crisis has strengthened the UEMOA zone and Nigeria as the region's two large economic areas.

Finally, all the progress has not resolved the structural weaknesses such as food insecurity, democratic development, and climate change, among others.

2) This brief and incomplete overview of West Africa leads me to the conclusion that the SWAC must maintain its cardinal virtues of flexibility and adaptation to help its members understand the course of the issues and to take stock of new aspects of West African development. It seems to me that:

- The recent evolutions which I have just mentioned, such as climate change, affirms the need for those who are interested in the region to have access to permanent monitoring tools and analyses. The first issues of the SWAC's quarterly "West Africa Observer" is now available and we welcome your remarks and suggestions. We would also welcome your thoughts, comments and recommendations on the West African Information Gateway, which has been co-developed with ECOWAS.
- Although Nigeria does not receive much international aid and is not a preferential "client" of SWAC member co-operation agencies, it should be analysed and understood. What is happening and what will happen in Nigeria shall increasingly impact and influence the development of all other West African countries. I believe that the SWAC's analyses of Nigeria constitutes significant value added.
- The Franc zone, as an economic and monetary grouping, should be increasingly taken into account in the SWAC's work. This zone of 100 million inhabitants plays a key role in the West African regional integration process.
- The new players Brazil, China and India should progressively be associated with, even incorporated into, the work of the SWAC. It is important to better understand and monitor their strategies and actions to be able to engage them in dialogue.
- West African regional organisations should be able to rely on the SWAC to seek assistance in defining and implementing their strategies in order to face the effects of the global economic crisis. To this end, the Secretariat's programme of work should be able to adapt to respond to these requests.

• Because these issues are thus at the top of the agenda, security risks should be debated within the SWAC and incorporated into other development aspects.

3) Over these last few months, I can attest to the tremendous and useful work accomplished by the SWAC Secretariat as well as its specificity.

Its great value added lies in:

- The priority that it gives to the regional dimension of development of West Africa in the medium- and long-term.
- Its close co-operation with many international and regional organisations including the African Union, the CILSS, ECOWAS and the UEMOA.
- Its close relationship with research centres in the region and in developed countries.
- Its heightening of the role and voice of civil society in the region (political parities, youth, women, the media, private sector, associations such as ROPPA).
- Its insistence on the understanding of the region anchored in facts that can serve as references for decision-making and action.
- Its balanced perception of the region highlighting the dynamics and drivers of change.

I need not stress this further because I know that you are more familiar than I with this context as well as the SWAC Secretariat's qualities.

Allow me, as a Belgian politician, to quickly touch on the initiative on combating the worst forms of child labour on West African cocoa farms. I would like to underscore that this initiative, developed within the framework of the SWAC at the request of the Belgian Development Cooperation Agency, is in the process of formulating a common position for all the participating parties, international organisations, associations of large chocolate industries, donors, among others. Moreover, there are two reasons why all of these partners wanted to develop this common position within the SWAC framework:

- On one hand, the close connection the Secretariat has with West Africa notably with regional organisations which are for the first time providing political leadership to this initiative.
- On the other hand, its position within the OECD which provides it with indisputable institutional credibility.

4) I must also acknowledge and stress the close collaboration of the SWAC with other OECD Directorates. This partnership prevents duplication and assures effective complimenarity in terms of information, analyses and action. I am impressed by this outstanding collaboration that benefits all involved.

As you know, strategic thinking is underway on the synergies to be developed among all OECD structures working on development. On 25 May, the OECD Council placed this issue on its agenda. We should talk about the results of this discussion.

5) I would also like to speak about some concerns which I know we share.

<u>First</u>, we must make the SWAC better known. We will do our best to increase our visibility and the SWAC Secretariat has given the issue greater priority this year.

<u>Second</u>: the endurance of the SWAC's actions through supported and foreseeable financing. This issue was also examined at the last SPG meeting in December. I will have the opportunity to examine this issue regularly. This year, I intend to visit many of you in your respective countries, accompanied by Normand Lauzon, to give greater visibility to the SWAC as well as to discuss the SWAC's long-term financing. I also aim to enlarge the circle of financial contributors to the SWAC. I believe that we should make contact with new possible partners such as Brazil, China and India as well as a certain number of Middle East and North African countries, keeping in mind the OECD's "outreach" policy.

My third concern is that of assuring regular consultations and exchanges with you on the SWAC's strategic positioning, its long-term value added and thus the evolution of its mission and role in complementarity with other development actors at the local, national, regional, continental and international levels.

We will have the opportunity to have an exchange of views on these various points during this meeting. I would be grateful if you would share with us your comments, suggestions and recommendations to enable us to give greater priority to your points of view, recommendations and concerns.

Thank you.