WE, the Governors, representing Member Countries of the African Development Bank and State Participants of the African Development Fund (the “Bank Group”), meeting in Busan, Republic of Korea for the 2018 Annual Meetings from 21st to 25th May 2018 under the chairmanship of His Excellency DONG YEON KIM, Governor for the Republic of Korea, Deputy Prime Minister, Minister of Strategy and Finance and Chairperson of the Boards of Governors:

1. Deeply appreciate the presence of The Right Honourable EDOUARD NGIRENTE, Prime Minister of the Republic of Rwanda, representing the Chairperson of the African Union His Excellency Mr. Paul Kagame, His Excellency Mr. SAADEDDINE EL OTHMANI, Head of Government of the Kingdom of Morocco, Mr. JAE MIN PARK, Vice Mayor for Administrative Affairs of Busan Metropolitan City, His Excellency Mr. JOHN DRAMANI MAHAMA, Former President of the Republic of Ghana, His Excellency Dr. IBRAHIM ASSANE MAYAKI, Chief Executive Officer of NEPAD, representing the Chairperson of the African Union Commission, Dr. JIM YONG KIM, President of the World Bank Group, Dr. VERA LUM SONGWE, Executive Secretary of the United Nations Economic Commission for Africa, Honorable Heads of Institutions of the Republic of Korea, Excellences, Ambassadors and Members of the Diplomatic Corps;

2. Endorse the statements by the Chairperson of the Boards of Governors, His Excellency DONG YEON KIM, and the Bank Group President, Dr. AKINWUMI A. ADESINA, in expressing gratitude to the Government and People of the Republic of Korea for hosting these Annual Meetings and, in particular the Government of Busan Metropolitan City, for their hospitality and immense contributions towards the success of the meetings;

3. Recall the historical ties between Africa and the Republic of Korea through increased economic, technical and social cooperation. In this connection, we commend the Government of the Republic of Korea for its contributions to the work of the Bank, including the Korea-Africa Economic Cooperation (KOAFEC) Trust Fund and General Cooperation Agreement (GCA);

4. Recognize the socio-economic challenges confronting the African Continent as well as the many opportunities. Commend the Bank for its contributions to the recent higher growth rates in the continent and in that respect, request that efforts be intensified to eradicate poverty, promote inclusiveness and job creation, and boost productivity and competitiveness;

5. Call on the Bank Group to step up its efforts to ensure debt sustainability of its Regional Member Countries (RMCs), while maintaining close dialogue with the Bretton Woods Institutions and all partners, including emerging donors;

6. Acknowledge the importance of sustainable infrastructure and particularly energy infrastructure, for achieving inclusive economic growth and transformative
industrialization; and encourage utilization of the opportunity afforded by renewable energy in this regard;

7. Note the statements made at the Governors’ Dialogue, including recognition of the need for: a strong, financially viable African Development Bank that is effective, efficient, accountable and results-focused; a strong African Development Fund, to sustain support to low-income countries with better clarity of the respective positioning of the ADB and ADF; continued focus on the climate agenda; mainstreaming gender across all operations; and enhancement of delivery capacity through attracting and retaining top talent;

8. Authorize the Governors’ Consultative Committee to launch the discussions regarding a General Capital Increase (GCI) designed to enable the Bank to meet its ordinary capital requirements in the future as well as achieve its developmental objectives. In this regard, we underscore the importance of a well-focused and strategic narrative regarding the role of the Bank Group as a whole in the context of the global development architecture and a review of the reforms to increase the Bank Group’s capacity to deliver on its objectives;

9. Acknowledge the intrinsic linkage of the Bank Group’s High 5 priorities to the global development agenda. In this regard and with a view to accelerating the drive towards achieving the Sustainable Development Goals in Africa as well as the objectives of the African Union Agenda 2063, we welcome the Bank Group’s efforts to increase co-financing, fine-tuning lending operations, and optimizing the balance sheet;

10. Welcome the ongoing institutional reforms and urge management to build a stronger performance culture, enhance accountability and efficiency, strengthen risk management, consolidate the Bank’s capacity to develop a robust projects pipeline, deliver high quality operations that have an impact on the ground and provide value for money.

11. Commend the Bank Group’s continued commitment to supporting the continent’s efforts to attain water security. We note the impressive performance of the sector for 2017 and its contribution to job creation, health, education and overall improvement in the quality of life.

12. Appreciate the progress made in the implementation of capacity building programs to support the African Union in driving the NEPAD agenda. In this connection, we commend the approval of a new regional integration strategy that affirms the leadership role of the Bank in innovative solutions for Africa’s continental and regional infrastructure development;

13. Consistent with the theme of the Annual Meetings - “Accelerating Africa’s Industrialization”, encourage the Bank to continue to work with other development partners to generate new ideas for developing finance and fast-tracking Africa’s economic transformation;

14. Recognize the value of deepening financial inclusion in Africa, including through digital financial services. In this connection, we encourage the Bank Group to expedite the implementation of the newly-established Africa Digital Financial Inclusion Special Fund (ADFI Special Fund);
15. Encourage the Bank Group to sustain its investments to the private sector in our RMCs, and, in coordination with other international financial institutions, support policy and regulatory reforms that foster a business friendly environment;

16. Recognize the importance of domestic resource mobilization and encourage the Bank Group to step up its efforts to: (a) assist RMCs to improve domestic resource mobilization, public financial management, and to curb illicit financial flows from the Continent; (b) promote access to finance and financial inclusion of individuals and firms; and (c) broaden the size and efficiency of domestically mobilized resources, by widening the tax base and promoting financial regulatory reforms that could attract institutional investments for the Continent;

17. Welcome the efforts of the Bank to encourage financial regulatory reforms that have the potential of attracting institutional investments, and to mobilize global financing towards Africa through the Africa Investment Forum. We encourage the Bank to work closely with other partners to make it a success;

18. Appreciate the Bank Group’s role in creating opportunities for the youth. Accordingly, we call for the speedy implementation of the Bank Group’s Jobs for Youth Initiative;

19. Encourage the Bank Group to continue to promote and support increased investments in countries in fragile and conflict situations. We call for strong commitment to achieving concrete, measurable impact, while working to better understand and address the drivers of conflict;

20. Further, encourage the Bank Group to continue to address gender inequality, which slows human progress and hinders structural transformation in RMCs. In this regard, we call on the Bank Group to expedite implementation of the Affirmative Finance Facility for Women in Africa (AFAWA);

21. Commend the Boards of Directors, Management and staff of the Bank Group for the operational and financial performance in 2017, in particular: the turn-around of the net operating income and the prudent management of financial and operational risks, which have enabled the highest transfer to reserves in the Bank’s history and thereby helped to assure its AAA rating by all global rating agencies;

22. Take note of the increased disbursements in 2017, the highest in the Bank's history. In that connection, we welcome the Bank’s achievements and encourage it to do more in terms of efficiency and development impact.

23. Welcome the unqualified opinion of the Bank Group’s external auditors on the financial statements ending 31 December 2017.

24. Look forward to the next Annual Meetings scheduled for 2019, in Malabo, Equatorial Guinea.