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## **Opening Session**

Check Against Delivery  
Seul le texte prononcé fait foi  
Es gilt das gesprochene Wort

**Consultative and Experience Sharing Forum on Remittances  
Leverage for Development**

**African Union Commission, Addis Ababa, 7-8 July 2011**

Deputy Chairperson Mwencha, Commissioner Gawanas, your Excellencies, Ladies and Gentlemen, good morning.

It is an honour to join you for this Consultative Forum.

I want to thank the African Union Commission for hosting this Forum, and the Department of Social Affairs of the African Union and the World Bank for organizing it.

Most of all I want to thank the representatives of the Ministries of Finance and National Banks of African countries for the opportunity to be with you and to discuss policy issues on remittances, and to contribute to recommendations that would lead to a concrete action plan for the establishment of the African Institute for Remittances.

### **Background JAES/First Action Plan**

Let me begin by giving you a little background on the Africa-EU partnership in relation to remittances.

The EU-Africa Summit in Lisbon in December 2007 marked the beginning of a new era in the relationship between Africa and the European Union. The Joint Africa-EU Strategy was adopted with the objectives of reinforcing and elevating the Africa-EU political partnership to address issues of common concern, such as migration, sustainable economic development, human rights and peace and security.

Together with this Joint Strategy the first Action Plan for 2008-2010 was adopted which provided for concrete actions in order to achieve progress in the strategic areas of common concern. The Strategy is divided into eight partnerships of which one focuses on Migration, Mobility and Employment.

### **Second Action Plan**

At the third Africa-EU Summit in Tripoli in November last year, the second Action Plan for 2011-2013 was adopted. One of the initiatives within the Migration, Mobility and Employment Partnership focuses on the AIR.

Within the framework of this initiative Africa and the EU aim to develop and implement concrete strategies and operational instruments to enhance the potential development impact of remittances for Africa. As you all know the amount of remittances sent to Africa greatly exceeds the amount of official development aid provided to Africa. In addition, the costs to send remittances to or within Sub-Saharan Africa are among the highest in the world.

In this context a need was expressed to build capacity and forge institutional relationships and partnerships among African States and other stakeholders to put in place mechanisms for better leveraging remittances, and other diaspora resources, for the development of Africa. An AIR could be the vehicle to provide this.

The commitment of the European Commission to the successful implementation of this initiative is obvious. It has provided almost €1.7 million for the project that will lead to the establishment of the AIR.

The preparatory phase of the project started in June 2010. The technical track of the project is implemented by the World Bank while the consultative track is led by the African Union Commission. These two tracks come together in this Consultative Forum.

Furthermore, together with the World Bank, the African Union Commission, the International Organization of Migration (IOM) and the African Development Bank, the European Commission actively participates in the Steering Committee – led by the African Union Commission – that oversees the preparatory process leading to the establishment of the AIR as well as the various activities contributing to it.

In order for the African Union Commission to be able to support the Steering Committee and to carry out the consultation process under its leadership, the European Commission will also fund, through its support program for the African Union Commission, the temporary secretariat to be established in Addis Ababa.

In addition, the European Commission participates in the Technical Committee – led by the World Bank – which provides a forum for consultation on technical issues related to the project.

### **Way forward**

Looking at the agenda for the coming two days and taking into account the number of participants from the African States, EU Member States, international partners, and the private sector, I think you will receive very useful information on the existing practices and policies of remittances. But more important I think will be the discussions tomorrow where you will discuss very important elements related to the AIR such as its organisational structure, its roles and functions and the way it should be sustainably financed.

The discussions over the next two days should result in recommendations that will lead to a concrete action plan for the establishment of the AIR. I assume that one element of this Action Plan will be the AIR's legal framework. I can inform you that the European Commission under its support program for the African Union Commission will also provide funds for the development of this legal framework.

However, we should keep one thing in mind: the main goal for setting up an AIR is to serve the African people, who send money back home to their families, so that they can send their money more easily, cheaper, safer and hopefully be more productive for the development of their family and their broader community.

I wish you fruitful discussions during these two days and I thank you for your attention.