



Statement By

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At the

**African Legal Support Facility – Pan African Lawyers Union
Capacity Building Northern Regional Seminar on Complex International
Commercial Transactions, in Tunis, Tunisia**

on

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Good Morning Distinguished Ladies and Gentlemen,

1. On behalf of the President of the African Development Bank, Dr. Donald Kaberuka, I would like to welcome you to this seminar on Complex International Commercial Transactions. As a Member of the Governing Council of the African Legal Support Facility (“ALSF” or “The Facility”), I am privileged to also welcome you on behalf of the Governing Council of ALSF and would like to thank the Government of Tunisia for hosting this Seminar on Complex International Commercial Transactions. It is worth recalling that Tunisia is a founding member of the Facility as is also the African Development Bank (“AfDB”).
2. I would also like to acknowledge the important partnership between the African Legal Support facility and the Pan-African Lawyers' Union (“PALU”) – partnership that we hope will grow from strength to strength to the benefit of both organizations, its members and Africa.
3. Allow me to make a very brief retrospective review, to share with you a few words on how far the ALSF has come since the idea of establishing the Facility was initiated.

In June 2, 2003, a Declaration of the Conference of African Ministers of Finance called for the creation of a legal and technical facility that could help highly indebted countries to face the growing challenges posed by cases of vulture funds. Vulture funds are speculators who buy the debts, deemed to be irrecoverable, of distressed nations, at low prices on the secondary market, of course with the intent of profiting substantially later through recovery at substantially higher prices from the debtors. Indeed, the G8 acknowledged that legal proceedings of vulture funds represent an obstacle to the program of debt relief obtained at the Gleneagles Summit. The call by the Conference of African Finance Ministers was supported in 2005 by the Commission for Africa.

4. In 2007, a Resolution of the African Ministerial Conference in Addis Ababa encouraged the creation of a legal facility that could help African countries to negotiate complex commercial contracts and create a stable environment especially for the natural resources sector.
5. The Bank took on the responsibility to promote the creation of the Facility, culminating in the approval on April 30, 2008 by the Board of Directors of the African Development Bank. In that regard, I wish to acknowledge the presence here this morning by certain members of the Board of Directors of the Bank. The ALSF became operational in March 2010, with the following objectives:
 - (a) to assist AfDB's Regional Member Countries (RMCs) address litigation brought against them by vulture funds (and other such entities) which creates obstacles to obtaining the full benefits of debt relief available;
 - (b) to create an avenue for regional members of the AfDB to access technical advice when negotiating complex commercial transactions particularly in the extractive resource industry and infrastructure development; and
 - (c) to invest and organize capacity building for African lawyers and to equip them with the necessary legal expertise.
6. This Seminar, the third so far following the seminars in Kigali and Cape Town last year, constitutes part of the package of measures and actions to realize the third objective described above.
7. Distinguished ladies and gentlemen, allow me to share with you some of the accomplishments of ALSF during this short period (less than 2 years) since it became operational. The Management Board of ALSF has approved 6 projects to support African Countries in the following areas:
 - a) Vulture Fund Litigation;
 - b) Negotiation of a PPP Agreement for a port concession;

- c) Negotiation of Concession Agreements for five Agriculture projects;
 - d) Capacity building on Sovereign Asset recovery;
 - e) Capacity Building on managing and negotiating PPPs in the mining and energy sectors; and
 - f) Capacity Building for African lawyers, on a sub-regional basis, on negotiation of complex commercial transactions and dealing with vulture funds.
8. The list above is only a beginning. There is clearly continued and increasing demand from African Countries for the services of ALSF - evidence of the great wisdom on the part of those, including Mr. Kalidou Gadio, General Counsel of the African Development Bank, who worked tirelessly to create the ALSF.
9. The ALSF is an autonomous international organization and seeks pursue its mandate in an expeditious and business-like manner. The structure of the Facility includes a Governing Council representing 12 of the participating members, a Management Board, and a small technical staff headed by a Director.
10. As of today, forty two (42) countries and four (4) organizations (the African Development Bank, the Organization for the Harmonization in Africa of Business Law, the African Union and the West African Development Bank) have signed the Agreement establishing the African Legal Support Facility. It is my hope that all African countries will sign the agreement and I believe that efforts are well under way to that effect.

Distinguished Ladies and gentlemen,

11. The brief account this morning by Mr. Mohammed Jmour, Vice President for Northern Africa for the Pan African Lawyers Union (PALU), of the frustrations encountered in late 2010 in the efforts to organize this seminar in Tunis gives special significance to the gathering here today. It is therefore appropriate that this event – bringing together eminent lawyers from across North Africa - is taking place here in Tunis at a time of celebration of the first Anniversary of the Arab Spring. We salute the efforts to ensure the Rule of Law, democratic transition and good

governance and accountability – efforts that hopefully will translate into an improved business climate, increased investments and more employment opportunities for the youth.

12. To conclude, on behalf of the President of the African Development Bank, I would once again like to thank the Government of Tunisia, the Pan African Legal Union and the African Legal Support Facility for making this seminar possible. We are keen to learn about the outcome of this seminar and about how, working together, we can ensure that African Countries optimize the resources with which they have been so richly endowed, for the maximum benefit of all its people.

13. I wish you all a very successful seminar.

Thank you.