



GE

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Foreign Affairs, Defence and Trade Committee
Department of the Senate
PO Box 6100
Parliament House
Canberra ACT 2600

RE: African Development Bank Bill 2013

General Electric (GE) welcomes the opportunity to comment on the *African Development Bank Bill 2013*, which implements the Australian Government's August 2012 announcement to pursue membership of the African Development Bank and the African Development Fund.

As GE understands the Australian Government's membership would total around AUD\$249 million, payable from 2014-15 to 2016-17, and support Australia's efforts to overcome poverty and achieve the Millennium Development Goals in Africa.

GE commends the Australian Government on its commitment to date and an enhanced commitment through membership of the African Development Bank (AfDB) Group.

Just as GE has built long-standing partnerships in Australia since commencing work here in 1896, GE has forged relationships in Africa over more than a century. GE is working across the continent, including in Algeria, Angola, Egypt, Ghana, Kenya, Nigeria, and South Africa, and we have built long-standing relationships with the region's leading organizations to deliver advanced technology solutions for regional challenges.

For instance, GE signed a Country-to-Company agreement with the Federal Government of Nigeria in 2009, aimed at forging a strategic partnership on high growth opportunities and investment in support of Nigeria's transformation objectives. Last month, a ground-breaking ceremony was held at the site for a new GE manufacturing and services facility in Calabar. GE has cited the Vision 2020:20 strategy that aims to position Nigeria among the world's top 20 economies for its investment. This initiative is aligned to the Country Partnership Strategy,

jointly prepared by the World Bank, AfDB, United States Agency for International Development and the Department for International Development.

In his Second Reading Speech on May 30, The Honourable Bernie Ripoll MP - Parliamentary Secretary to the Treasurer and Minister for Small Business – stated:

“Membership of the group will place Australia in a good position to participate in and positively influence Africa's development as a continent through a respected and credible regional institution. Australia is well placed to develop a strategic, distinctive and productive partnership with the African Development Bank Group”.

Specifically, Mr Ripoll referred to the Group activities over the 2012-14 period were expected to include over 17 million people with improved access to transport, over 13 million people with better access to health services, almost 18.5 million people with new or improved access to water and sanitation, and over 10.5 million people benefiting from new electricity connections.

On these points, GE Chairman and CEO Mr Jeff Immelt said, following the announcement of the Power Africa initiative, during President Obama's visit to Africa this month, that:

“With seven in ten people in Africa still lacking access to modern electricity, reliable power is critical to unlocking the region's economic and human potential. GE supports the Power Africa Initiative which provides leadership in addressing this vital need—a win for economic development in both Africa and the U.S. GE is committed to continuing to deepen our engagement and investment in Africa's future in critical sectors like power-generation, transportation, and healthcare.”

GE welcomes the Australian Government's commitment to pursue membership of the AfDB.

Specifically, GE would highlight to the Senate Committee the importance of capacity building for AfDB's work, particularly in the area of government procurement and developing the policies, processes and competencies. Prioritising capacity building by AfDB is consistent with the approach by AusAID, which regards the:

“Lack of capacity in developing countries [to be] a major constraint to sustainable development and poverty reduction. Capacity building is the process of developing competencies and capabilities at the individual, organisation or country level, in ways that will lead to sustained and self-generating performance improvement. It involves a long-term investment and commitment”.

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