

THE ESTABLISHMENT OF AN AFRICAN DEVELOPMENT FUND  
BY THE AFRICAN DEVELOPMENT BANK

The Council of Ministers of the Organization of African Unity, meeting in its Seventeenth Ordinary Session in Addis Ababa, Ethiopia, from 15 to 19 June 1971,

Taking note of the consultations between the African Development Bank, the Economic Commission for Africa, and the Secretary General of the OAU, together with the documents exchanged with regard to the establishment of the African Development Fund,

Bearing in mind the purpose of the African Development Bank, which is to contribute to the economic development and social progress of its members individually and jointly,

Recognizing that the ordinary capital resources of the Bank, which are to finance only these projects which can stand loans on conventional terms, are meager, considering the needs of its members, and that many of the foundation-laying and institution-building activities in the African countries need to be financed on soft loan terms,

Convinced of the need for making special financing arrangements for this purpose, and

Agreeing to the idea of setting up an African Development Fund;

Having regard to the agreement reached by the Executive Secretary of the Economic Commission for Africa, the President of the African Development Bank and the Secretary General of the Organization of African Unity during their meeting in Addis Ababa in June 1970, whereby the ADB and African financial institutions should be entrusted with the establishment of the African Development Fund,

RECOMMENDS OAU Member States and ECA Executive Secretary to give their full support to the Bank in the establishment of the Fund.