

Welcoming Remarks by Mr Rundheersing Bheenick, Governor, Bank of Mauritius as delivered on the occasion of the Official Launch of the Regional Technical Assistance Centre in Southern Africa (AFRITAC South), Port Louis, Mauritius, 17 October 2011

‘AFRITAC South ... the friendly neighbourhood face of Africa’

It is a singular honour for me and a privilege to welcome all of you at the Bank this morning on the occasion of the official launch of the AFRITAC South office. It is indeed a special occasion – it is the first time ever that such a large delegation from the International Monetary Fund (IMF) is visiting our shores. We did not have that privilege even in the bad old days at the turn of the 70s and early 80s when Mauritius was going through the throes of a Structural Adjustment Programme! The last time that the Bank actually welcomed a high-ranking IMF official goes back to mid-1999, when the then Deputy Managing Director, Alassane Ouattara, now President of the Ivory Coast, visited us. Some time around the same period the then Managing Director, Mr Michel Camdessus, also visited us on the way to some other country where he was going to deliver a major speech. I take this opportunity while we are talking about the IMF to record our thanks to Mr Rattan Bhatia, formerly Deputy Director of the African Department, who led the team working on Mauritius when we had our very successful Structural Adjustment Programme. Those were the days when we had reserves of about three days’ of imports. Now, our reserves are reckoned at nearly 42 weeks of imports. We have travelled a long way indeed.

I am also very pleased to extend a special welcome to Honourable Ministers and Their Excellencies, my fellow Governors present here this morning.

For those of you who might not be very familiar with the acronym AFRITAC, it stands for Africa Regional Technical Assistance Centre. AFRITAC is the friendly neighbourhood face of the IMF, far distant from the cold institution in Washington that so many developing countries love to hate. AFRITAC South is the fourth centre in Africa – we already have three other centres on the continent, namely AFRITAC Centre, AFRITAC East and AFRITAC West, headquartered respectively in Libreville, Dar es Salaam and Bamako. The office itself is the eighth regional technical assistance centre worldwide.

These centres find their origin in the African Capacity Building Initiatives of the World Bank in the early 1990s and the New Partnership for Africa's Development when African leaders sought IMF's support in capacity building to achieve the Millennium Development Goals in the continent. AFRITACs therefore encompass the philosophy of harnessing African resources, including its human capital, as well as partnerships amongst Africans, the global community, guided by a committed, innovative and decisive leadership, to advance the continent.

The centre, we have the honour of inaugurating this morning, is the culmination of a series of initiatives taken by the Government of Mauritius and the Bank of Mauritius. Let me walk you through very briefly the various stages that we went through. Mauritius had signified its intention to host AFRITAC South but the project only gathered momentum, in February 2009, when we formally requested to be assessed as a host country. Our candidature won the full support of a number of bodies, namely, the Indian Ocean Commission (IOC) and the Committee of Central Bank Governors of the Common Market for Eastern and Southern Africa (COMESA). We lobbied furiously to attract AFRITAC to our shores and our lobbying were so successful that the IMF at one time, when we were there for the Spring Meetings, told us that we have done a good job at lobbying to attract it here, can we help them to lobby the donors to line up the funding for AFRITAC South. I am glad to note that they do not need our lobbying because we have lined up quite some funding and I would like to thank all the donors who have contributed to this particular facility. Mauritius itself and the central bank are making a contribution as well, to the funding of this facility. The facility is housed on the 15th floor of the Tower. This is a temporary arrangement pending the refurbishment of the old Bank of Mauritius building. The Memorandum of Understanding for the establishment of the Centre was signed by the then Vice-Prime Minister and Minister of Finance, Hon. Pravind Jugnauth, and Ms Nemat Shafik, Deputy Managing Director of the IMF, during the last Spring Meetings.

I have no doubt that AFRITAC South will further consolidate the bilateral ties among the 13 member countries that AFRITAC would be serving. They run the whole gamut from A to Z, from Angola to Zambia through to Zimbabwe. We earned a really good return on our investment in regional cooperation when COMESA decided to establish its regional settlement facility called REPSS (Regional Payment and Settlement System) at the Bank here. We hope that just like AFRITAC South, we would cater for the capacity building needs for Sub-Saharan Africa, as we engage in discussion about harmonizing our regional cooperation agenda across the various regional blocks in our part of the world.

I am given to understand that AFRITAC South will not lose any time before it starts delivering on its mandate – the first course is scheduled to start in two weeks' time.

I would have liked to mention this morning the recent developments in the global economy and how we ourselves are coping – especially when we have such a distinguished *parterre* of IMF Officials, Ministers and Governors in our midst. Unfortunately, we do not have the time this morning to explore these subjects. But, we will have the opportunity to touch on these issues later this afternoon when Mr Zhu will be delivering a lecture at the Bank on the Evolving Role of the IMF against the current world economic outlook and the challenges confronting the world economy.

So, ladies and gentlemen, allow me to conclude by wishing good luck to AFRITAC South, to its staff members and to all those who will be coming from the region to benefit from the capacity building programmes. AFRITAC South constitutes a stepping stone in making Mauritius a regional knowledge hub. People coming for training will soon discover that Mauritius does not limit itself to be the destination to conduct business as the *World Bank's Ease of Doing Business Index* would like us to believe, but it is also a place which is vibrant, good place to live and a good place to make a contribution to the advancement of the common good.

I thank you for your kind attention.