



**UNITED NATIONS
ECONOMIC AND SOCIAL COUNCIL
ECONOMIC COMMISSION FOR AFRICA**

Forty-fifth session of the Economic Commission for Africa

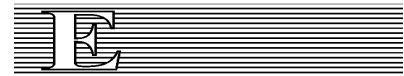


**AFRICAN UNION
COMMISSION**

Seventh session of CAMEF

5th Joint Annual Meetings of the AU Conference of Ministers of Economy and Finance and ECA Conference of African Ministers of Finance, Planning and Economic Development

Addis Ababa, Ethiopia
26–27 March 2012



Distr.: GENERAL

E/ECA/CM/45/5/Rev.1
AU/CAMEF/EXP/Rpt(VII)/Rev.1
27 March 2012

Original: ENGLISH

**REPORT OF THE COMMITTEE OF EXPERTS OF THE FIFTH JOINT
ANNUAL MEETINGS OF THE AU CONFERENCE OF MINISTERS OF
ECONOMY AND FINANCE AND ECA CONFERENCE OF AFRICAN
MINISTERS OF FINANCE, PLANNING AND ECONOMIC
DEVELOPMENT**

Introduction

1. The meeting of the Committee of Experts of the fifth Joint Annual Meetings of the African Union (AU) Conference of Ministers of Economy and Finance and United Nations Economic Commission for Africa (ECA) Conference of African Ministers of Finance, Planning and Economic Development was held in Addis Ababa, Ethiopia, from 22 to 25 March 2012.

2. Opening remarks were made by Mr. Abdoulaye Touré, the Chairperson of the outgoing Bureau of the Conference, Mr. Maxwell Mkwezalamba, AU Commissioner for Economic Affairs, and Mr. Abdoulie Janneh, United Nations Under-Secretary-General and Executive Secretary of the Economic Commission for Africa. The meeting was opened on behalf of H.E. Mr. Sufian Ahmed, Ethiopian Minister of Finance and Economic Development, by Mr. Admasu Nebebe, a Director in the Ministry of Finance and Economic Development.

A. Attendance

3. The meeting was attended by representatives of the following member States: Algeria, Angola, Benin, Botswana, Burkina Faso, Burundi, Cameroon, Chad, the Comoros, Côte d'Ivoire, Democratic Republic of the Congo, Djibouti, Egypt, Equatorial Guinea, Eritrea, Ethiopia, Gabon, the Gambia, Ghana, Guinea, Kenya, Lesotho, Liberia, Libya, Madagascar, Malawi, Mali, Mauritania, Mauritius, Morocco, Mozambique, Namibia, the Niger, Nigeria, Republic of the Congo, Rwanda, Sao Tome and Principe, Senegal, Sierra Leone, South Africa, South Sudan, the Sudan, Swaziland, Togo, Tunisia, Uganda, United Republic of Tanzania, Zambia and Zimbabwe.

4. The following regional economic communities (RECs) were represented: Common Market for Eastern and Southern Africa (COMESA); East African Community (EAC); Economic Community of Central African States (ECCAS); Economic Community of West African States (ECOWAS); Intergovernmental Authority on Development (IGAD) and Southern African Development Community (SADC).

5. Also present were the African Development Bank (AfDB); NEPAD Planning and Coordinating Agency (NPCA); Bank of Central African States (BEAC) and Central Bank of West African States (BCEAO).

6. The following United Nations bodies and specialized agencies were represented: Economic and Social Commission for Western Asia (ESCWA); Food and Agriculture Organization of the United Nations (FAO); International Fund for Agricultural Development (IFAD); International Labour Organization (ILO); International Monetary Fund (IMF); International Organization for Migration (IOM); International Telecommunication Union (ITU); Joint United Nations Programme on HIV/AIDS (UNAIDS); Office of the Special Adviser on Africa (OSAA); Regional Commissions New York Office (RCNYO); the World Bank; United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women); United Nations Office for the Coordination of Humanitarian Affairs (OCHA) African Union Liaison Office; United Nations Development Programme (UNDP); United Nations Educational, Scientific and Cultural Organization (UNESCO); United Nations Environment Programme (UNEP), United Nations

Children's Fund (UNICEF), Office of the United Nations High Commissioner for Refugees (UNHCR); United Nations Industrial Development Organization (UNIDO); United Nations Population Fund (UNFPA); World Food Programme (WFP) and World Meteorological Organization (WMO); World Health Organization (WHO).

7. Observers from the following Member States of the United Nations were present: Belgium, Canada, France, Germany, Italy, Japan, United States of America.

8. Observers were present from the following organizations: Africa Governance and Monitoring Project; African Advisory Board; African Capacity-Building Foundation (ACBF); African Centre for Development Capacity-Building; African Centre For Applied Research and Training in Social Development (ACARTSOD); African Export Import Bank; African Forum and Network on Debt and Development (AFRODAD); African Health Economics and Policy Association (AfHEA); African Monitor (African Voices for Africa's Development); Association of African Central Banks (AACB); Centre for Constitutional Governance; Central Organization of Trade Unions (COTU); Collaborative Africa Budget Reform Initiative (CABRI); Columbia University;; Congress of African Economists; Coalition for Dialogue on Africa (CODA); Development Consulting Associates (DEV-CAS); Dukes Transnational; ECOWAS Federation of Business Women and Entrepreneurs (ECOWAS-FEBWE); Ethiopian Tourist Trading Enterprise (ETTE); European Union (EU); Federation of Unions of South Africa (FEDUSA); Federation of West African Chambers of Commerce and Industry (FEWACCI); Femmes Africa Solidarité; Global Coalition for Efficient Logistics (GCEL); Helpage International Ethiopia; Institute for African Alternatives (IFAA); Institute for Security Studies (ISS); International Organization of Employers (IOE); Japan International Cooperation Agency (JICA); JIC-Développement, Kale Hiwot Church; League of Arab States; New African Magazine; Organization for Economic Cooperation and Development (OECD); Observatoire économique et statistique d'Afrique subsaharienne (AFRISTAT); One Campaign; One Laptop per Child; Oxfam International Liaison Office with the African Union; Pan-African Chamber of Commerce and Industry (PACCI); Pan-African Policy Research; Pan-African Postal Union; Save the Children; Smart Entertainment; Tax Justice Network-Africa; The Tony Elumelu Foundation; Third World Network Africa; West African Economic and Monetary Union (UEMOA); United Nations Millennium Campaign in Africa; University of Lille; University of Lomé; University of Cairo; University of Nigeria-Nsukka; University of Gambia; and UPBEAT Marketing.

B. Adoption of the Agenda and Election of the Bureau

9. The following agenda was adopted by the Committee:

1. Opening of the meeting
2. Election of the Bureau
3. Adoption of the draft agenda and programme of work
4. Overview of recent economic and social developments in Africa

5. Assessment of progress on regional integration in Africa
6. Review of progress towards the Millennium Development Goals and the development agenda in Africa beyond 2015
7. Follow-up to the outcomes of major United Nations and African Union conferences and summits, including the 2011 Joint Annual Meetings of AU and ECA
 - *Progress report on the implementation of the Monterrey Consensus on Financing for Development*
 - *Mutual Review of Development Effectiveness report*
 - *Progress report on United Nations support to the African Union and its NEPAD programme: Report of the twelfth session of the Regional Coordination Mechanism of United Nations Agencies and Organizations Working in Africa (RCM-Africa)*
 - *Climate change and development in Africa: Report on the outcomes of the seventeenth session of the Conference of the Parties to the United Nations Framework Convention on Climate Change; and briefing note on the outcomes of the Africa Regional Preparatory Meeting for Rio+20*
 - *Progress report on the implementation of the Comprehensive Africa Agriculture Development Programme (CAADP)*
 - *Report on follow-up to the decisions and recommendations of the 2011 Joint Annual Meetings of the African Union Commission (AUC) and ECA*
8. Presentation and discussion on the issues paper on the theme of the Conference: *Unleashing Africa's potential as a pole of global growth*
9. Statutory issues
 - *Proposed Biennial Programme Plan for ECA for the period 2014-2015*
 - *ECA Annual Report 2012*
 - *Progress report on the establishment of the African Institute of Remittances*
 - *Information note on upcoming major conferences of the AUC and ECA*
10. Any other business
11. Consideration and adoption of the draft report of the Committee of Experts and draft resolutions

12. Closing of the meeting.

Election of the Bureau

10. The following officers were unanimously elected by the Committee to form the new Bureau:

Chairperson:	Gabon
First Vice-Chairperson:	Libya
Second Vice-Chairperson:	Swaziland
Third Vice-Chairperson:	Eritrea
Rapporteur:	Côte d'Ivoire

C. Account of Proceedings

Opening Addresses

11. The Chairperson of the outgoing Bureau of the Conference, Mr. Abdoulaye Touré, thanked the Government of Ethiopia for its warm hospitality and commended the AUC and ECA for organizing the meeting. He also commended his colleagues in the outgoing Bureau for their accomplishments in executing key decisions. Noting that the theme of the Conference was critical in the context of Africa's anticipated transformation, he highlighted Africa's remarkable economic achievements, with notable growth rates despite global financial and economic difficulties, even as the eurozone crisis threatened European stability. Those results certainly underscored Africa's role as the next global growth pole. With only three years remaining for the attainment of the MDGs, African countries should strengthen economic management, transparency and good governance, and should sustain the momentum in liberalizing their markets and increasing private sector participation in economically significant projects and programmes.

12. The AUC, AfDB and ECA had provided exceptional support to assist African countries in their efforts to reach the MDG targets; to build effective partnerships through flagship publications, such as the *African Statistical Yearbook* and the *Economic Report on Africa*; to provide capacity-building for the private sector through the African Institute for Economic Development and Planning (IDEP); to provide capacity-building for AU and its New Partnership for Africa's Development (NEPAD) programme; to assist African countries to deepen their capabilities in science and technology; and to provide capacity-building to African countries on climate change mitigation and adaptation. They had also organized a preparatory meeting for Rio+20 in October 2011. Highlighting the importance of the State and civil society in Africa's transformation, he urged African Governments to heighten their domestic resource mobilization efforts in order to finance social development and infrastructure projects. While donors were invited to honour their pledges, African countries should seek to raise their own resources, and also to maintain macroeconomic stability while consolidating the gains achieved in recent years.

13. In his opening remarks, Mr. Maxwell Mkwezalamba, AUC Commissioner for Economic Affairs, welcomed the participants on behalf of the Chairperson of AUC, and expressed gratitude to the Government and people of Ethiopia for hosting the Conference. He commended the

excellent collaboration between ECA and the AUC in responding to Africa's development challenges, including jointly producing flagship publications such as the *Economic Report on Africa*, the *African Statistical Yearbook*, the "Report on progress in achieving the Millennium Development Goals in Africa 2012" and the "Overview of developments in regional integration in Africa". The two institutions had successfully supported member States at major international conferences - testimony of their visionary leadership and commitment in addressing the social and economic challenges of the continent.

14. The theme of the Conference was of special significance and timeliness in the context of the effects of the current eurozone debt crisis and the emergence of African economies from the global financial and economic crisis. Africa was faced with an opportunity for economic growth, with its gross domestic product (GDP) having grown by an average of 4.8 per cent and 3.7 per cent in 2010 and 2011 respectively. Indeed, GDP was expected to grow by 5.8 per cent in 2012.

15. Several challenges stood in the way of realizing Africa's potential as a pole of global economic growth, including the infrastructure gap, good governance issues, limited private sector involvement, insufficient engagement of the State and issues pertaining to regional integration. He expected the Conference to exchange ideas on three carefully selected topics: Africa in 2050, the euro debt crisis and its implications for Africa and the proposed framework for Africa's development agenda beyond 2015.

16. Mr. Abdoulie Janneh, United Nations Under-Secretary-General and Executive Secretary of ECA, welcomed participants to the meeting, which he described as the leading venue where expert opinion on key topics in Africa was formulated, and commended the AUC on its commitment to the partnership with ECA.

17. Africa could realize its potential and become a pole of global growth by having a clear vision of what needed to be done. In that respect, IDEP was providing support to member States in reinstituting development planning frameworks in their economic management. Articulating a development agenda for reaching the MDGs in the period after 2015 remained central for Africa, but a new development framework should build on existing strengths and address perceived inadequacies, while generating employment, especially for young people, who made up the bulk of Africa's population, but had not benefited from the recent economic growth.

18. Adequate financial resources were necessary to maintain growth momentum, and domestic resource mobilization and remittances would remain crucial, but so would financing for development, as the successful forum held in May 2011 had demonstrated. A high-level panel on illicit financial flows mandated by last year's Conference had commenced work under the leadership of former South African President Mbeki.

19. Africa's success rested squarely on the implementation of its regional integration agenda and efforts to close its infrastructure gaps. A concerted effort was required to implement the Programme for Infrastructure Development in Africa (PIDA) in support of the proposed continental free trade area, and the African Trade Policy Centre would continue supporting that work.

20. The international environment remained important for Africa's development, and the African Climate Policy Centre was currently supporting African negotiators. ECA had also hosted the African preparatory meeting for the Rio +20 negotiations.

21. Recognition of the importance of proper management of natural resources stood behind the adoption of the Africa Mining Vision, which was also guiding the establishment of the African Minerals Development Centre. The Eighth African Development Forum, scheduled to take place in October 2012, would be on the topic "Governing and harnessing natural resources for African development".

22. The strategic use of partnerships continued to define the work of ECA. The AUC, ECA and AfDB had set up a Joint Secretariat Support Office, while the following bilateral partners had shown strong support for the ECA Business Plan for 2010–2012: Canada, Denmark, the European Union, Finland, Norway, Sweden and the United Kingdom.

23. Mr. Admasu Nebebe, a Director in the Ethiopian Ministry of Finance and Economic Development, welcomed the delegates to Addis Ababa on behalf of the Government and people of Ethiopia, and thanked the AUC and ECA for organizing the meetings.

24. Turning to the theme of the Conference, he noted that in recent years, Africa had been registering solid economic performance underpinned by sound macroeconomic management, good economic and political governance, capable management of government business and a growing private sector, leading many observers to see Africa as the next growth pole. However, Africa's growth rate had been volatile and had been insufficient to enable the MDGs to be reached; stimulating faster and sustainable economic growth in Africa was essential for poverty reduction, while financing the implementation of poverty reduction strategies would require both domestic and external resources.

25. Consistent policies that ensured sustained prudent public expenditure, the scaling up of infrastructure development, macroeconomic stability, stronger resilience to external shocks, the increased use of public-private partnerships and peace and security were essential for Africa to become a global growth pole. African countries needed to rethink their strategies for development and focus on the promotion of regional integration, including intra-African trade. However, high oil prices and the current eurozone crisis might cause a downturn in the trade flows of some African countries and lead to the drying up of trade finance.

26. He then declared the meeting of the Committee of Experts officially open on behalf of the Government of Ethiopia.

**Overview of recent economic and social developments in Africa [Agenda item 4]
(E/ECA/COE/31/2, AU/CAMEF/EXP/2(VII))**

27. The secretariat presented a document entitled "Overview of economic and social conditions in Africa in 2011". The presentation highlighted four key messages.

28. First, developments in the global economy in 2011 had presented major challenges to African countries, including risks and vulnerabilities that had weakened global growth to 2.8 per cent in 2011 from 4 per cent in 2010. In particular, the escalation of the eurozone sovereign debt crisis had increased the risk of another global recession, which could affect African countries on several fronts. It could reduce demand for exports and lead to a contraction of external sector positions; hit Africa's service sectors, especially tourism; reverse capital flows to the continent, including foreign direct investment (FDI) and remittances; and undermine Africa's financial markets. Nevertheless, Africa was better positioned to deal with global shocks than before, as the continent had deepened domestic sources of growth and was strengthening trade ties with emerging markets in Asia and Latin America – away from the epicentre of the crisis in Europe.

29. Second, Africa's recovery had weakened in 2011, with growth slowing to 2.7 per cent from 4.6 per cent in 2010, because of democratic transition in North Africa and continued indirect effects of the 2007-2009 global economic crisis. However, many African countries had sustained strong growth, and prospects in 2012 and beyond were positive. Growth was driven by higher domestic demand and incomes, increased commodity exports owing to higher prices and strong export demand, and a recovery in FDI inflows, in response to improving economic and political governance. Nevertheless, it was a matter for concern that FDI continued to flow into extractive industries, and efforts needed to be directed at diversifying such inflows to other sectors.

30. Third, progress towards social and human development goals remained slow. High unemployment, especially among the youth, remained a concern. Poverty remained high, accompanied by high levels of inequality, because of the narrow sources of economic growth and weak social protection. Many African countries were unlikely to attain the Millennium Development Goal of halving the proportion of people living in extreme poverty by 2015.

31. Fourth, addressing Africa's existing and emerging development challenges required both short-term and long-term policy responses. In the short term, policymakers needed to maintain well-designed countercyclical economic policies that supported and sustained growth and social protection. In the long term, African policymakers needed to vigorously pursue economic diversification and structural transformation to achieve inclusive growth with decent jobs.

32. In the ensuing discussion, participants applauded continued steady economic growth in Africa, but noted that the continent was still largely dependent on the export of primary commodities. Concerted efforts were needed to generate economic dynamism by promoting macroeconomic stability, protecting property rights, and encouraging competitiveness. Other points raised were as follows:

(a) The report emphasized the impact of democratic transition in North Africa on the continent's economic performance in 2011; and

(b) Clarification was sought on the term "decent jobs" used in the report to describe the kind of youth employment required, as well as the sectors in which such jobs could be created. The secretariat indicated that decent work had been defined by the International Labour Organization as work that was performed in conditions of freedom, equity and dignity, where the employer treated

workers with fairness. Such jobs could be generated in the formal sectors, particularly in the public sector, manufacturing and services.

33. In the light of the discussions, the Committee made the following recommendations:

(a) ECA should undertake in-depth analyses of the impact of the democratic transition in North Africa on socio-economic conditions prevailing in the affected countries, including its impact on the rest of the continent;

(b) African countries should strengthen laws, improve governance, increase access to financial resources, eliminate infrastructure deficits and, most importantly, encourage the protection of human rights, which are essential to the proper functioning of the market mechanism;

(c) Greater attention should be given to agriculture, environmental sustainability and social development, particularly education and health, because of their impact on poverty reduction. Women's empowerment, including women's access to land, should also be given greater attention in view of the contribution of women to development in Africa;

(d) Entrepreneurs should be encouraged and offered support to improve their competitiveness;

(e) Efforts should be intensified to mobilize resources to address humanitarian crises such as those in the Horn of Africa and Saharan regions; and

(f) In the light of current global developments, African countries should enhance South-South cooperation, mainly through learning how such relationships could help promote economic reform at home and the kind of structural transformations that can best create jobs.

**Assessment of progress on regional integration in Africa [Agenda item 5]
(E/ECA/COE/31/9, AU/CAMEF/EXP/9 (VII))**

34. Under this agenda item, the secretariat made a presentation which focused on the progress made by the regional economic communities (RECs) in the implementation of the regional integration agenda. The achievements of each REC in keeping with the Abuja Treaty were highlighted.

35. The AUC had taken some initiatives in close collaboration with the RECs in relation to the four pillars of the AU Strategic Plan: peace and security; integration, cooperation and development; shared values; and strengthening of institutional capacity. Some of the projects being implemented under each pillar were highlighted, including the African Peace and Security Architecture, the Programme for Infrastructure Development in Africa, the Minimum Integration Programme, the African Charter on Democracy, Elections and Governance, and the establishment of pan-African financial institutions.

36. Despite the progress made on the regional integration agenda, challenges affecting its implementation included inadequate financing of integration programmes and projects, a

reluctance on the part of member States to cede sovereignty to regional and continental bodies, a lack of physical and institutional infrastructure and barriers to the free movement of persons. Recalling that the last AU Summit had decided to devote one of its ordinary sessions to development and integration issues, the secretariat called on member States and other stakeholders to address the challenges urgently in order to achieve the objectives of the Abuja Treaty.

37. It was noted that the AUC had established a high-level panel on financing regional integration activities chaired by former President Olusegun Obasanjo of Nigeria. The outcome of the panel's work would be presented to the next AU Summit. Emphasis was placed on the need to expedite the adoption of an alternative source of financing of integration so as to make the AUC less dependent on external funding sources.

38. During the ensuing discussion, participants emphasized the need to strengthen the drivers of Africa's growth performance. It was noted that global shocks potentially constrained the advancement of regional integration. However, the meeting was of the view that Africa should place greater emphasis on addressing internal constraints to regional integration before insisting on duty-free quota-free market access so as to reap existing opportunities in the continent.

39. Given the traditional economic and trading relationship between Europe and Africa, the eurozone debt crisis could have a negative impact on the latter. Weakness in the European economy had the potential to reduce the demand for Africa's goods and the flow of development assistance to the continent. To mitigate the negative effects of the eurozone crisis and other external shocks, the participants indicated the need for Africa to accelerate the pace of regional integration without any adjustments to the Abuja Treaty.

40. Participants underscored the positive impact of the ongoing tripartite arrangement between EAC, COMESA and SADC to establish a grand free trade area on accelerating the implementation of the Abuja Treaty. The meeting called on other RECs to establish similar arrangements so as to accelerate the establishment of a single common market and the eventual creation of an African Economic Community. It was noted that a major part of the AU programme budget came from external sources, which had a negative impact on the implementation of activities and projects.

41. In the context of trade, participants stressed the need for Africa to give greater attention to South-South cooperation as a means of enhancing its development and its integration into the global economy. Such relationships were bound to play a bigger role in unleashing Africa's growth potential in the future. It was important to analyse the intensification of those relations, which could serve as a springboard for structural transformation and provide jobs so as to secure sustained livelihoods and poverty reduction.

42. The Committee recommended that member States should deepen and consolidate their regional integration agenda in order to be more resilient to external shocks and crises; and that the AUC should accelerate the establishment of a self-financing mechanism, which was necessary to mitigate external shocks, taking into account the successful experiences of some RECs. In addition, other RECs in other parts of Africa should emulate the tripartite arrangement so as to speed up the attainment of the continental integration agenda.

Review of progress towards the Millennium Development Goals and the development agenda in Africa beyond 2015 [Agenda item 6]
(E/ECA/COE/31/8, AU/CAMEF/EXP/8(VII))

43. The secretariat made a presentation based on a report entitled “Progress in achieving the Millennium Development Goals in Africa 2012”. Some progress had been made towards all the MDGs, but the rate was too slow to make it possible to reach most of the targets. The greatest progress was being made in areas such as education, gender parity and HIV/AIDS, whereas indicators for child and maternal health in particular were lagging. The quality of services and equity of access were also areas of concern.

44. With 2015 drawing near, it was time for Africa to look at progress made, lessons learned and emerging challenges as the cornerstones of the development agenda beyond 2015. It was considered that the MDGs focused too much on outcomes and not enough on enablers of development. The following three areas had emerged during consultations with stakeholders as critical components for Africa: promoting economic growth and structural transformation; education and technological innovation; and human and social development.

45. A key theme that emerged from the discussion, featuring key issues on the MDGs and suggestions for the development agenda beyond 2015, was that domestic resource mobilization and alternative funding, such as natural resource revenues, were critical in reaching the MDGs and should be a central part of the agenda beyond 2015. Furthermore, domestic resource mobilization was considered to be an important factor in ensuring ownership and accountability.

46. Several participants identified the need for sustained, high-level and inclusive growth. Countries must bear in mind that inequality was a key factor in determining the pace and character of growth. In that regard, rural populations and women were highlighted as groups to be targeted. Collection and disaggregation of data at the subnational and community levels was also suggested as a means to measure progress among marginalized groups and contribute to inclusive social and economic development.

47. Concern was raised over access to public service delivery and the quality of services, examples being financial inclusion and the quality of education and health. Participants questioned how member States could ensure quality and equal services for all.

48. Africa’s current economic position provided a unique opportunity to influence the debate on the broad contours of the development agenda beyond 2015. Participants urged that sustaining gains made towards the original MDGs should be part of moving forward.

49. The Committee made the following recommendations:

(a) The African Charter on Statistics offers an opportunity for harmonization in order to adequately measure the realization of targets;

(b) African countries are invited to draw up clear action plans and timelines to ensure that they meet most of the MDG targets by 2015;

(c) Reviewing MDG implementation should be closely aligned to structural transformation and using resources more effectively;

(d) Mobile technologies should be used as a means to develop financial services for rural populations, as has been done in some countries;

(e) Efforts to articulate an African position on the development agenda beyond 2015 must make use of a participatory approach that takes into consideration the viewpoints of all stakeholders, in particular young people; and

(f) Sustaining gains made towards the MDGs and harnessing Africa's position in the global economy should inform the development agenda beyond 2015, which should draw on the frameworks offered by other national, regional and continental visions, such as those of the RECs.

Follow-up to the outcomes of major United Nations and African Union conferences and summits, including the 2011 Joint Annual Meetings of the AU and ECA [Agenda item 7]

**(i) Progress report on the implementation of the Monterrey Consensus on Financing for Development
(E/ECA/COE/31/10, AU/CAMEF/EXP/10(VII))**

50. The secretariat made a presentation based on "Financing for development: A progress report on the implementation of the Monterrey Consensus". Performance in that regard had been mixed. While substantial advances had been made in international resource mobilization, debt sustainability and external debt relief, progress had been slow in domestic resource mobilization, development assistance and international trade, as well as in addressing systemic issues. The fragility of the current global economic environment threatened to reverse the progress made to date. Two key post-Monterrey developments were the growing importance of South-South cooperation and innovative financing mechanisms. Both elements provided opportunities to expand sources of development finance and should be fully incorporated into the new global development cooperation framework. Performance was lagging behind in the area of aid flows and effectiveness; Africa also remained underrepresented in the decision-making organs of international institutions.

51. In the ensuing discussion, the Committee was updated on the upcoming African conference on innovative sources of financing for development, which would be hosted by the Government of Guinea from 4 to 5 September 2012. The objectives of the conference, which had been proposed by Guinea and endorsed by African Heads of State and Government, were to develop appropriate strategies for mobilizing innovative sources of financing for development in Africa and to contribute to the implementation of the Programme of Action for the Least Developed Countries for the Decade 2011-2020 (Istanbul Programme of Action). The Committee also highlighted the importance of the linkages among the various areas of concern set out in the Monterrey Consensus and the strengthening of South-South cooperation. It noted that official development assistance (ODA) commitments were not consistently met by developed countries, and that FDI inflows to Africa were still low despite the numerous incentives offered by African Governments, the

continent's robust and steady economic growth, its huge potential in natural and mineral resources and its low labour costs.

52. The Committee stressed the need for Africa to consider alternative sources of funding, as ODA commitments were not regularly met. It also recommended that African countries should design and harmonize incentives and frameworks for attracting FDI to avoid unnecessary competition among themselves. With regard to domestic resource mobilization, the Committee stressed the negative impact of corruption, implying that African Governments could enhance the fiscal process by improving governance and strengthening democracy. Lastly, it recommended that, in order to mobilize more resources for sustainable and inclusive development, African countries should enhance the capacity of their national Governments to improve domestic resource mobilization and put in place mechanisms to implement and/or monitor the implementation of the commitments made at the Fourth High-Level Forum on Aid Effectiveness in Busan.

(ii) Mutual Review of Development Effectiveness report

53. The secretariat presented the 2011 Mutual Review of Development Effectiveness (MRDE) in Africa. The MRDE was an exercise in mutual accountability, jointly undertaken by ECA and the Organization for Economic Cooperation and Development (OECD) under a mandate from NEPAD Heads of State and Government. The report highlighted four critical questions which were put to the Committee for consideration, namely, what the main commitments made by Africa and its development partners were, whether those commitments had been met, what the results had been, and what the key future priorities were. The report described the progress made in Africa in the areas of sustainable economic growth; education, health, food security and gender; good governance; and financing for development, as well as highlighting particular challenges. It called on African Governments to maintain the momentum of political and economic reform, deepen regional integration, mobilize domestic resources and foreign investment and use available resources to accelerate progress towards meeting the MDGs. It also urged development partners to deepen cooperation in key areas of economic governance, such as international tax cooperation and the tackling of illicit capital flows, and called on them to continue to resist protectionist pressures, redouble efforts to liberalize multilateral trade, set out a clear timetable to meet commitments on increasing ODA, and facilitate Africa's enhanced participation in any new arrangements for global governance.

54. The Committee took note of the report presented by the secretariat.

(iii) Progress report on United Nations system-wide support to the African Union and its NEPAD programme: Report of the twelfth session of the Regional Coordination Mechanism of United Nations Agencies and Organizations Working in Africa (RCM-Africa) (E/ECA/COE/31/14, AU/CAMEF/EXP/14(VII))

55. The secretariat made a presentation on United Nations system-wide support to the African Union (AU) and its NEPAD programme, the objectives of which were essentially linked to those of the Regional Coordination Mechanism in Africa (RCM-Africa), which was created to enhance United Nations system-wide coherence, coordination and cooperation at regional and subregional

levels, and to those of the Ten-Year Capacity-Building Programme for the African Union (TYCBP-AU), aimed at enhancing the capacity of the AUC and African subregional organizations to act as effective United Nations partners in addressing Africa's development challenges. A key achievement of the United Nations system was the development of a comprehensive work programme for accelerating the implementation of TYCBP-AU, which provided a clear action plan for building the capacity of the AUC. RCM-Africa clusters had also jointly designed and implemented activities in support of AU and its NEPAD programme. In addition, subregional coordination mechanisms (SRCMs) had been established and now provided a framework for coordinating United Nations activities at the subregional level. In terms of challenges, the African Union's ownership and leadership of RCM-Africa still had to be strengthened, and United Nations capacity-building support had to be extended beyond the AUC to include all AU organs. The recommended way forward was for member States to support the implementation of AU/NEPAD programmes at the national level; and for them to fully participate in the Intergovernmental Committees of Experts (ICEs) organized by ECA subregional offices, as well as to use the ICEs as a bridge to link United Nations support at the national and subregional levels.

56. The Committee took note of the report presented by the secretariat.

**(iv) Promoting science, technology and innovation for development in Africa
(E/ECA/COE/31/15, AU/CAMEF/EXP/15(VII))**

57. The secretariat presented a report entitled "Promoting science, technology and innovation for development in Africa". The presentation underscored the role of science, technology and innovation (STI) in unleashing Africa's potential as a pole of global growth. It emphasized that special attention should be paid to the promotion of innovation in the education system and society at large. Other areas needing attention included the financing of experimental development; technology transfer and commercialization of research outputs; and support for monitoring and tracking of STI performance. In addition, Governments should strive to attain the agreed funding allocation of at least 1 per cent of GDP for research and development (R&D), and offer special grants, loans and guarantees for start-ups and new firms. The programmes and initiatives of ECA to promote innovation and entrepreneurship in the continent, including the African Innovation Framework; the African Network for Drugs and Diagnostics Innovation; Engineering Expertise for Improved Healthcare Outcomes in Africa; the African Technology Development and Transfer Network; the African Inter-Parliamentary Forum on Science, Technology and Innovation; and the Innovation Prize for Africa (IPA) were also presented.

58. During the discussions that followed, the Committee acknowledged that skilled human capital was important in the acquisition, generation and diffusion of new knowledge and technologies. In a global economy where the technological literacy of society at large had become increasingly important, more widespread and better-quality higher education in science, engineering and technology training was required to foster the rapid economic and social development of Africa in order to unleash Africa's potential as a pole of global growth.

59. The Committee commended the leadership of ECA and the AUC in maintaining the Science with Africa conference as the leading forum for policy and technical discussion as well as interaction among scientists, policymakers and the private sector. It also recognized that the

Innovation Prize for Africa was a key vehicle for creating a platform to stimulate innovation across Africa in the main sectors that were critical to the continent's sustainable development. The Prize also promoted the pursuit of science, technology and engineering as rewarding and noble career options for young people, as well as encouraging entrepreneurs, innovators, funding bodies and business development service providers to exchange ideas and explore innovative business opportunities.

(v) Climate change and development in Africa: Report on the outcomes of the seventeenth session of the Conference of the Parties to the United Nations Framework Convention on Climate Change, and briefing note on the outcomes of the Africa Regional Preparatory Meeting for Rio+20 (E/ECA/COE/31/23, AU/CAMEF/EXP/23 (VII))

60. The secretariat made a presentation that drew on the report entitled "The Durban Climate Conference: Review of agreements and outstanding issues." The presentation highlighted the background to the international climate change negotiations and Africa's preparations for those negotiations in Durban, South Africa, from 23 November to 13 December 2011.

61. One of the main outcomes of the Durban Climate conference was the Durban Platform, which provided an agreement on a new round of negotiations as well as a decision on operationalizing the Cancun Agreements, including the Green Climate Fund. Other outcomes were the decisions on a second commitment period of five or seven years to commence on 1 January 2013, and decisions on mitigation commitments by developed countries as well as Nationally-Appropriate Mitigation Actions by developing countries. It was highlighted that not much progress had been made on the enhanced Reducing Emissions from Deforestation and Degradation of Forests programme (REDD+).

62. The discussions underscored the importance for Africa of continuing to effectively engage in climate change negotiations and ensuring that Africa's concerns and priorities were reflected in their outcomes. Bearing in mind the failure of the developed countries to meet their ODA commitments under the Monterrey Consensus, the Committee expressed serious concern that countries might not deliver on their commitments to the Green Climate Fund.

63. The Committee recommended that the AUC, in collaboration with ECA, AfDB, UNEP and other United Nations agencies should continue to provide strong and coherent support to African countries in order to strengthen their capacity for unified and effective negotiations on climate change and to follow up the implementation of the outcomes of the negotiations.

64. Turning to the Africa Regional Preparatory Process for the United Nations Conference on Sustainable Development ("Rio+20"), which had been spearheaded by ECA jointly with the AUC and AfDB, in strong partnership with the regional economic communities (RECs), UNEP and UNDP, the presentation firstly highlighted the objective and themes of the Rio+20 Conference, mandated by the United Nations General Assembly and scheduled to take place from 20 to 22 June 2012 in Rio de Janeiro, Brazil. The Africa Regional Preparatory Process, which entailed the active engagement of Africa's political leadership at the level of Heads of State and Government, had culminated in the Africa Regional Preparatory Conference for Rio+20, held in October 2011. At

that Conference, Ministers had adopted the Africa Consensus Statement to Rio+20, which was approved at the Eighteenth Ordinary Session of the Assembly of the African Union Assembly in January 2012. The presentation highlighted the key messages of the Consensus Statement and the way forward.

65. In the ensuing discussions, the experts underscored the need for Africa to effectively participate in Rio+20 and follow up on its outcomes. The Committee recommended that adequate resources should be mobilized to ensure such effective participation, bearing in mind the need for national delegations, as far as possible, to include ministries in charge of the economic, social and environmental pillars of sustainable development, as well as the governance dimension. It also recommended that the AUC, in collaboration with ECA, AfDB and other development partners, should put in place an effective mechanism to disseminate and follow up the Rio+20 outcomes, as well as support their effective implementation at the regional, subregional and national levels.

**(vi) Study on the cost of hunger in Africa
(E/ECA/COE/21/22, AU/CAMEF/EXP/22(VII))**

66. The secretariat made a brief presentation of a study on “The cost of hunger in Africa: social and economic impact of child undernutrition”. The multi-country and multidisciplinary study was being carried out in 12 countries jointly by the AUC, ECA, the World Food Programme and the United Nations Economic Commission for Latin America and the Caribbean (ECLAC). It was aimed at quantifying the social and economic impacts of hunger in Africa with a view to distilling effective and pragmatic policy recommendations for eradicating hunger in Africa, for consideration by the Ministers. The report also examined the key drivers of hunger in Africa and addressed the obstacles and constraints involved in efforts to alleviate hunger. The results of the study were expected to form an important component of advocacy efforts toward creating policy frameworks and catalysing investment to help avert unnecessary hunger-induced losses of human and economic potential on the continent. The preliminary findings of the study indicated that hunger imposed a high cost on health systems. The preliminary results also pointed to large losses in GDP as a result of reduced productivity. Data collection and analysis and dissemination of results would continue in a further seven countries.

67. In the ensuing discussion, it was agreed that the issue of food and nutrition insecurity had become increasingly serious. Emphasis was placed on the challenges of data collection, decentralization and harmonization in relation to the study, and the need to strengthen statistical systems. Concerted efforts on the part of various stakeholders, given the multisectoral nature of the issues involved, were also required. The Committee recommended that the study should be extended beyond the pilot stage.

**(vii) Status of the implementation of the African Charter on Statistics and the Strategy for the Harmonization of Statistics in Africa
(E/ECA/COE/31/19, AU/CAMEF/EXP/19(VII))**

68. The report on this topic was introduced by the secretariat. Twenty two member States were reported to have signed the African Charter on Statistics, but only 5 of them had ratified it. The AUC had organized missions designed to speed up the ratification process. The AUC, ECA and

AfDB had prepared an action plan for the implementation of the Strategy for the Harmonization of Statistics in Africa and some of its sectoral activities. Progress was highlighted in the key areas of governance, peace and security; labour market information system coordination and harmonization; science, technology and education; civil registration and vital statistics; an action plan for agricultural and rural statistics; and the external sector.

69. In the ensuing discussion, the Committee commended the AUC, ECA and AfDB for their efforts to improve statistics in Africa and underscored the need to harmonize statistics, particularly in the areas of public finance, and youth and women's employment, so as to address inconsistencies between statistics from various national, regional and international sources.

70. The Committee also pinpointed the importance of decentralizing statistics for effective planning. It stressed the significance of civil registration systems, especially in relation to improving governance and compiling development indicators at the community level. It recognized the importance of involving the RECs in the process, as well as the need to adapt international norms and standards to African realities in the statistical harmonization process. It also acknowledged that, while ECA, AUC and AfDB had made considerable efforts to develop systems of vital statistics, which African countries could adopt, they needed support in strengthening their capacity to expand their work and meet demands from member States.

71. The Committee recommended that ECA and the AUC should strengthen their efforts to harmonize data collection; that member States should acknowledge the mandate of ECA and the AUC to harmonize data on the continent with international standards; and that member States and international organizations should support the programme for the acceleration of civil registration and vital statistics systems. In addition, the AUC should coordinate efforts to harmonize data collection and ensure consistency in collaboration with the RECs and other specialized regional organizations.

72. The Committee also recommended the strengthening of regional, subregional and national capacities related to demographic statistical activities.

**Presentation and discussion on the issues paper on the theme of the Conference: Unleashing Africa's potential as a pole of global growth [Agenda item 8]
(E/ECA/COE/31/3, AU/CAMEF/EXP/3(VII))**

73. The secretariat presented an issues paper introducing the theme of the Conference, "Unleashing Africa's potential as a pole of global growth". The presentation indicated that the continent had emerged in the twenty-first century as the second fastest-growing region in the world. After long periods of stagnation in the 1970s and 1980s, Africa grew at 5.6 per cent between 2002 and 2008, mainly owing to improved governance, better macroeconomic management, rising domestic demand and capital inflows, and increased commodity prices and exports. However, the continued slowdown in the global economy, driven by persistent macroeconomic imbalances, ineffective global policy coordination, and high sovereign debt in developed economies threatened economic growth on the continent. Furthermore, high inequality and unemployment remained a major concern. Nevertheless, Africa had the potential to be part of the solution to the problem of low growth and global imbalances.

74. Key factors underpinning the continent's potential included the improved political, economic and corporate governance and business environment, the reduction in the cost of doing business, abundant natural resources, a young population and rapidly expanding labour force, and a huge untapped regional market.

75. Unleashing Africa's potential and building on the gains of recent years required commitment by African leadership to implement necessary reforms and agreed commitments on several fronts. That included promoting visionary leadership, strong institutions and good governance; investing in infrastructure; developing human capital; transforming agriculture and promoting rural development; promoting technology transfer and innovation for structural transformation and value addition; addressing the challenges of climate change; mobilizing internal and external resources to meet Africa's financing gaps; promoting trade and accelerating regional integration; and strengthening partnerships, including South-South cooperation.

76. The Committee commended the presentation by the secretariat and the quality of the issues paper. Most speakers noted that Africa had the potential to become a pole of global growth. However, a number of challenges remained to be addressed. First, the discussions highlighted the need for African countries to vigorously pursue a path of economic diversification and structural transformation. Second, emphasis should be placed on agriculture as it remained the most important sector in terms of its contribution to employment and economic growth. Third, bearing in mind the growing size of Africa's young population, it was particularly important to develop strategies to tackle the challenges facing young people, in order to equip them with the skills they needed and provide a suitable environment and conditions for job creation. African countries also needed to diversify their economies. The discussions also underscored the need for a significant shift and reallocation of resources to growth-enhancing sectors. Furthermore, a lack of adequate and reliable statistics led to a gap in economic policy analysis.

77. A quantitative assessment of Africa's development potential and priority areas at the subregional and continental levels, based on its competitive advantages, should be carried out, taking note of intensifying competition in the global market. Development strategies should also be focused on regional niches with the aim of unleashing regional potential and emphasis should be placed on intensifying South-South cooperation, not only through trade but also through technology and knowledge transfer supported by policies or strategies built on lessons learned from emerging and developed economies. In the same vein, participants underscored the need to accelerate policy harmonization and regional integration. The current slow pace of regional integration in Africa was a limiting factor in the continent's efforts to unleash its development potential. Furthermore, there was a need for Africa to have a coherent policy with regard to its strategic partners in developed and emerging economies, as a counterpart to their policies vis-à-vis Africa. The Committee expressed concern that Africa's development agenda was still discussed from a non-African perspective. The disconnect between policy dialogue at the continental and global levels meant that the rapid changes occurring in Africa were rarely presented properly at the global level.

78. The Committee underscored the importance of leadership, good economic and political governance and a favourable investment and business climate, all of which remained weak in

many African countries. With regard to political governance, Africa needed visionary leadership that built national consensus around a common development agenda. As for economic governance, the Committee noted that capital flight and corruption continued to pose a serious challenge to Africa's economic and social development and that strong and effective regulatory frameworks were therefore required. Weak domestic resource mobilization and low savings and investment rates were also key impediments to economic transformation in Africa. Fiscal policy decisions had a direct impact on growth and future generations and countercyclical fiscal policies that promoted sustainability, intergenerational equity and stability were therefore needed.

79. In the light of the above discussions, the Committee recommended that African countries should:

(a) Carry out a comprehensive diagnostic analysis to help identify their respective training and skills development needs, as well as implement measures to link human capital development to labour market demand and foster innovation and competitiveness;

(b) Create a more effective institutional framework for Africa to unleash its development potential, enhance governance and achieve inclusive pro-poor growth. To that end, they should learn from best practices within Africa and from emerging economies on other continents;

(c) Step up efforts to accelerate industrialization through value addition, agro-processing, and the creation of industrial clusters and special economic zones in the framework of inclusive development plans;

(d) Exert stronger efforts to tackle corruption and capital flight and secure the repatriation of stolen assets;

(e) Bridge information gaps and strengthen analysis of the contribution of the informal sector to African economies and employment generation, with a view to integrating it into the formal economy;

(f) Create a conducive environment to support private sector development so that it can effectively play its role as an engine of growth. That must involve establishing the necessary frameworks to support young entrepreneurs; creating jobs, especially for the youth; and sharing experience on public-private partnerships (PPP);

(g) Improve domestic resource mobilization by creating institutions and incentives to increase domestic savings, expand the tax base, improve tax administration systems and leverage remittances for social and economic development;

(h) Adopt sound fiscal policies guided by sustainable countercyclical measures that incorporate intergenerational fairness whilst also achieving a shift from consumption-based expenditure to increased savings and productive investments;

(i) Fast-track regional integration and policy harmonization as a matter of priority to enhance intra-African trade and free movement of factors of production;

(j) Take charge of intellectual and policy dialogue on Africa at the global level to avoid misrepresentation of the continent's development progress and agenda;

(k) Establish an appropriate mechanism to enhance the leadership capacity of African policymakers and increase their awareness of emerging policy issues affecting the continent, with former eminent leaders serving as role models;

(l) Establish an appropriate mechanism for strengthening Africa's engagement with emerging partners within the framework of South-South cooperation; and

(m) Endeavour to execute the overdue reforms and agreed actions at the national, subregional and continental levels that are needed to unleash the continent's economic and development potential and mainstream those actions in their long-term development plans and strategies.

Statutory issues [Agenda item 9]

80. A representative of the Regional Commissions New York Office made a presentation on the background and findings of an independent study sponsored by the five United Nations regional commissions (Economic Commission for Africa (ECA), Economic and Social Commission for West Asia (ESCWA), Economic Commission for Latin America and the Caribbean (ECLAC), Economic and Social Commission for Asia and the Pacific (ESCAP) and Economic Commission for Europe (ECE)) on the regional dimension of development and the United Nations system. The study highlighted the increasing importance of the regional dimension of development and accelerating regionalism in many parts of the world. It had two main objectives: (a) to examine the key issues driving the "new regionalism"; and (b) to suggest ways as to how the United Nations system, including the regional commissions, could better support member States within the changing context and add value to the process of regionalism.

81. The study analysed the new regionalism and highlighted its implications on regional and global policy-making and governance architecture. It further examined the engagement of the United Nations system in regional processes and brought to the fore the need for improved horizontal and vertical cooperation and coordination to ensure coherence and synergies in terms of engagement with and United Nations support to regional intergovernmental bodies and entities. The role of regional commissions was stressed in light of the importance of South-South cooperation and exchange of best practices.

82. In conclusion, member States were called upon to endorse the findings of the study and provide guidance to United Nations system organizations in its implementation.

83. The Committee commended the United Nations regional commissions for the initiative to undertake the study and made a few observations as follows:

- The study should help curb duplication; enhance complementarities and synergies; decentralize decision-making; strengthen capacities; and secure adequate resources at

the regional level. Coherent and coordinated engagement by the United Nations system should improve the impact of its work and optimize the use of available resources at the regional level. However, the benefits of undertaking such efforts should not be undermined by any reduction of resources; and

- Addressing regional crises such as cross-border crimes required coordinated efforts. The United Nations response to regional crises could not be effective unless accompanied by support to and/or partnership with the regional entities and intergovernmental organizations.

84. Based on the discussions, the Committee recommended that the findings of the study should ensure that the importance given to increased regionalism was translated into a more coherent and effective United Nations response in addressing the needs and priorities of member States.

85. Under the same agenda item, the secretariat presented: (a) the ECA Annual Report 2012 (ECA/COE/31/21); (b) the draft Strategic Framework and the Proposed Biennial Programme Plan for ECA for 2014-2015 (ECA/COE/31/20); (c) the establishment of the African Minerals Development Centre; (d) the follow-up to the decisions and recommendations of the 2011 Joint Annual Meetings; (e) the information note on major upcoming conferences of ECA; and (f) the request from the Republic of South Sudan to be admitted as a member of the ECA subregional office for East Africa.

86. In the context of the ECA Annual Report 2012, the presentation highlighted the major activities and achievements of the Commission. It noted that ECA had addressed themes that were broadly consistent with the major development challenges faced by African countries, as follows: the role of the State in economic transformation; climate change and sustainable development; governance and public administration, including illicit financial flows; support to planning activities in member States; information and science and technology for development, trade and regional integration, gender and women in development, supporting subregional activities for development and statistics. Other programmes included the United Nations support to the African Union and its New Partnership for Africa's Development (NEPAD). The Committee's attention was also drawn to several important flagship publications, including the *Economic Report on Africa 2012, Assessing Progress in Africa toward the Millennium Development Goals (MDGs Report 2011)* and *Assessing Regional Integration in Africa*.

87. The draft Strategic Framework and Proposed Biennial Programme Plan for ECA for 2014-2015 was also presented. The document included the objectives, expected accomplishments and strategies under each of the 10 subprogrammes that constituted the ECA programme of work. It was the first step in putting forward budget proposals for 2014-2015, with particular emphasis on issues related to (a) food security and sustainable development; (b) employment creation; (c) infrastructure development and access to energy; (d) youth development; (e) gender equality; (f) migration; (g) ICT; and (h) statistics.

88. The presentation on the establishment of the African Minerals Development Centre (AMDC) at ECA provided an overview of the main objectives and rationale of the proposed centre. In February 2009, the AU Heads of State and Government, at their Summit held in Addis Ababa, adopted the Africa Mining Vision, which included an action plan with nine core programme

clusters. The proposal for the establishment of the AMDC was approved by the Second Conference of African Ministers Responsible for Mineral Resources Development held in Addis Ababa in December 2011. A business plan for the AMDC was under preparation and should be finalized by the end of May 2012.

89. The secretariat also presented a report on progress made with regard to the decisions and recommendations of the Fourth Joint Annual Meetings of the AU Conference of Ministers of Economy and Finance and the ECA Conference of African Ministers of Finance, Planning and Economic Development held in March 2011. The presentation highlighted progress made under the following key resolutions: (a) 879 (XLIV) on governing development in Africa: the role of the State in economic transformation; (b) 881 (XLIV) on enhancing United Nations support towards accelerating the implementation of the Ten-Year Capacity-Building Programme for the African Union and the programme of the New Partnership for Africa's Development; (c) 885 (XLIV) on health financing in Africa; (d) 886 (XLIV) on illicit financial flows; and (e) 889 (XLIV) on the African Institute for Economic Development and Planning (IDEP).

90. Under resolution 886 (XLIV) on illicit financial flows, the secretariat reported the launch of the High-Level Panel on Illicit Financial Flows from Africa. The inauguration of the panel, chaired by H.E. Thabo Mbeki, former President of South Africa, and composed of nine other members, took place on 18 February 2012 in Johannesburg, South Africa.

91. In the same vein, under resolution 889 (XLIV) on the African Institute for Economic Development and Planning, the Secretariat reported an almost three-fold increase (from some \$480,000 to \$1,300,000) in the annual allocation to IDEP (effective January 2012) from the United Nations General Assembly.

92. The secretariat also informed member States about the main events which the AUC and ECA planned to organize from April to December 2012. The information note was prepared to bring only the meetings that required participation by member States to the Committee's attention.

93. The secretariat presented the request submitted by South Sudan, which was a member of IGAD, to join the ECA subregional office for East Africa. The Committee unanimously approved the request.

94. In the discussions that followed, ECA was commended for its support to member States in the areas of governance, statistics, trade, ICTs and regional integration. Participants recognized the work that had been done in the area of illicit capital outflows from Africa, including the launch of a high-level panel. Guinea had proposed the setting up of the High-Level Panel on Illicit Financial Flows at the Lilongwe meeting but was not included as a member of the panel. It was clarified that membership was not on the basis of political representation by member States and that members of the High-Level Panel were chosen in their individual capacities, while also ensuring broad subregional representation.

95. ECA was also applauded for leading efforts to bring back planning frameworks to national development planning on the continent. The achievements of ECA subregional offices in the

implementation of the multi-year programmes of cooperation with corresponding regional economic communities were also noted.

96. Fully recognizing the role of the extractive industry in accelerating social and economic development, member States reiterated their support for the establishment of the African Minerals Development Centre.

97. The Committee called on ECA and the AUC to review the structure of the meeting's sessions so as to devote adequate time for discussions and debate.

98. Following extensive deliberations, the Committee recommended that ECA should put in place structures to implement the outcomes of the work on illicit financial outflows in order to prevent the adverse impact on the stability of the financial sector.

99. Noting the progress made in the area of statistics, particularly in the social and economic spheres, member States recommended that more work needed to be done to address existing data gaps in the areas of environment, governance and fragile States; and harmonization of statistical systems. Furthermore, member States put forward the proposal that the ECA Annual Report should also present challenges faced during programme implementation in the various thematic areas of its work, in addition to documenting its programmatic achievements.

100. Moreover, the Committee urged that ECA should further strengthen the capacity of civil society organizations to undertake the monitoring and evaluation of policies and programmes in the public and private sectors.

101. Recognizing the limitations of GDP per capita as an indicator to gauge the well-being of communities, the Committee recommended that ECA should develop new social indicators and that IDEP should take into account the social dimension in its research and training programmes.

102. The secretariat made presentations on four statutory issues namely: (a) financing of the Programme for Infrastructure Development in Africa (PIDA); (b) the establishment of the African Institute of Remittances (AIR); (c) the establishment of the African Risk Capacity (ARC) as the third pillar of the Comprehensive Africa Agriculture Development Programme (CAADP); and (d) the African Women's Fund.

103. Regarding the PIDA, the secretariat briefly presented that continent-wide programme for the development of priority regional and continental infrastructure in transport, energy, transboundary water and ICT. It then highlighted the funding and implementation modalities for PIDA and recalled that it was an initiative undertaken by the AUC, AfDB and NPCA within a collaborative framework involving the RECs, member States, ECA, specialized agencies and development partners. On the funding modalities, the secretariat mentioned that African countries were expected to fund 60 per cent of the PIDA programme and 80 per cent of related preparation costs. PIDA investments were estimated at \$360 billion up to 2040, with investments for the PIDA Priority Action Plan (PAP) up to 2020 being \$67.9 billion and the project preparatory costs estimated at \$500 million.

104. With regard to the African Institute of Remittances (AIR), the secretariat indicated that it was an initiative of the African Union undertaken in partnership with the European Commission, the International Organization for Migration, the World Bank and the African Development Bank. It aimed to reinforce the capacities of various stakeholders with a view to adopting concrete strategies and putting into place operational instruments that would make it possible for remittances to serve as instruments of development and poverty reduction in Africa. A project proposal had been developed in that regard and consultations were ongoing with member States and other stakeholders. In particular, the Executive Council of the Union had recognized the pertinence of the initiative and had recommended that the AUC should submit the report proposal to the Conference of African Ministers of Economy and Finance. The report proposal had been presented to the Committee with a view to eliciting the comments and inputs of experts.

105. The secretariat discussed the establishment of the third pillar of CAADP, the African Risk Capacity. The African Union Commission, with technical assistance from the World Food Programme, had initiated the African Risk Capacity (ARC) project to design and establish a pan-African risk pool. ARC was envisaged as an African-owned financial entity that would provide African Governments with timely, reliable and cost-effective contingency funding in the event of a severe drought or other natural hazards by pooling risk across the continent.

106. The presentation noted that in light of climate change and the rising potential for climate variability, the development of mechanisms that prevented the escalating impact of extreme weather events remained an urgent priority. Designed to improve the efficiency of current responses to drought and other potential natural hazards, ARC would enable countries to provide more timely assistance to affected vulnerable populations, protecting development gains and reducing the short- and the long-term costs of assistance. The key benefits would be to speed the early flow of funds to a country, based on objective triggers, enabling Government response actions that would reduce dislocation and the negative impact of a disaster on the lives and livelihoods of the vulnerable.

107. With regard to the establishment of an African Women's Fund, the secretariat explained that the decision for its establishment had been taken by the Assembly of Heads of State and Government in January 2010 and that it was being piloted by the AUC.

108. In the ensuing discussions, delegates commended the secretariat for the new initiatives proposed, which had the potential to facilitate the attainment of Africa's development goals, including its emergence as a pole of growth. Follow-up actions were imperative to ensure that the initiatives were fully implemented.

109. The experts recognized and emphasized the importance of infrastructure connectivity across Africa and the need to upgrade and modernize the continent's infrastructure to respond to Africa's social, economic and developmental needs as well as enhance competitiveness and act as a catalyst to unleash growth on the continent. They therefore welcomed the PIDA initiative: (a) expressed their satisfaction with the collaborative framework in which the PIDA had been elaborated, in particular, with regard to the involvement of RECs; (b) noted the focus of the Priority Action Plan on integrative projects, the evaluation of existing initiatives in a bid to take advantage of best practices, and the establishment of monitoring and evaluation mechanisms; (c) discussed the

establishment of a binding funding mechanism by the member States and voluntary contributions for the implementation of PIDA; and (d) agreed on the need for African countries to own the PIDA initiative and reverse the trend for African infrastructure projects to be funded by international partners. The Committee also noted that the projects identified in the context of PIDA were unevenly distributed both sectorally and geographically.

110. Regarding the African Institute for Remittances, the Committee noted that substantial funds were channelled in the form of remittances by Africans in the diaspora and that such funds should be used for development programmes on the continent. To that end, the Committee expressed its full support for the establishment of AIR, and took note of the offer by Mauritius to host the AIR secretariat, as well as the interest of Egypt, Djibouti, AfDB and AACC in hosting it.

111. During discussion of the item, a legal review was presented to the Committee recommending the creation of the ARC as a specialized agency of the African Union, with the intention of convening a meeting of Government experts followed by a meeting of plenipotentiaries to allow African States to adopt the ARC Establishment Agreement.

112. Following rich discussions, the Committee recommended that: (a) in the context of PIDA, an environmental assessment should be undertaken and local communities should be involved in the preparation and implementation of infrastructure projects; a review mechanism should be set in place to assess progress and implementation of the priority action plan; and projects should not produce any negative impacts on any member country and should indicate clear benefits; (b) the establishment of AIR should be fast-tracked and its organization structure should be lean and sustainable; (c) a resolution should be adopted by the Ministers on the ARC, the organizational structure of which should also be lean and sustainable; and (d) the involvement of RECs in regional development projects should be strengthened.

Any other business [Agenda item 10]

113. There was no other business.

Consideration and adoption of the draft report of the Committee of Experts and draft resolutions [Agenda item 11]

114. Under this agenda item, the Committee considered the draft report of its meeting (as contained in the document E/ECA/COE/31/L,AU/CAMEF/EXP/Draft/Rpt(VII)) together with 17 draft resolutions for consideration and adoption by the fifth Joint Annual Meetings of the AU Conference of Ministers of Economy and Finance and the ECA Conference of African Ministers of Finance, Planning and Economic Development. Several delegations made comments and proposed amendments to the report and draft resolutions. After extensive discussions by participants, the Committee adopted the present report together with the 17 draft resolutions submitted to it. The last resolution on the African Risk Capacity: Sovereign Disaster Risk Solutions was adopted. The draft resolutions, as amended by the Committee, are attached to this report for consideration by the fifth Joint AU-ECA Conference of Ministers.

Closing of the meeting [Agenda item 12]

115. The Deputy Executive Secretary of ECA, Mr. Abdalla Hamdock, and the AUC Commissioner for Economic Affairs, Mr. Maxwell Mkwezalamba, thanked the participants for their useful contributions to the discussion. They both emphasized the need for member States to ensure that the decisions and recommendations of the meeting were implemented and to scale up efforts to mobilize the necessary resources to finance their development priorities. They also thanked the Government of the Federal Democratic Republic of Ethiopia for its hospitality in hosting the meeting. They further thanked the staff of the two organizations, including all the support staff who made the meeting a success. In his closing remarks, the Chairperson of the Bureau of the Committee of Experts thanked all delegations for their support, contribution and commitment during the deliberations of the Committee. He also expressed gratitude to the AUC and ECA for organizing a productive meeting.

116. He then declared the meeting closed.

RESOLUTIONS

Resolution 890 (XLV)

Unleashing Africa's potential as a pole of global growth

The Conference of Ministers,

Acknowledging that Africa's robust and resilient economic performance in recent years, which is underpinned by improved political and economic governance, improved macroeconomic management, along with its vast natural resources and untapped regional markets, position Africa as a potential pole of global growth,

Recognizing that in order to unleash its potential as a pole of global growth, Africa needs to effectively address challenges and constraints, including the need to continually improve political and economic governance, scale up investment in human capital, accelerate investment in infrastructure, promote local entrepreneurship, boost productivity in agriculture and accelerate regional integration,

1. *Calls on* African Governments to continue to improve their political and economic governance and pursue their efforts to build developmental States and ensure an enabling environment for private initiatives and investment to flourish;
2. *Urges* African Governments to scale up investments in quality education, applied research and development, human capital and infrastructure to enhance productivity and growth;
3. *Also urges* African Governments to promote innovation and technology transfer for increased value added, industrialization and structural transformation;
4. *Further urges* African Governments to scale up their efforts in mobilizing internal and external resources for financing development and for addressing humanitarian crises, particularly in the Horn of Africa and Sahel regions;
5. *Urges* African countries to take advantage of efforts to address the daunting challenge of climate change as an opportunity to pursue green growth, embark on a green revolution in agriculture, and create jobs;
6. *Calls on* African countries to accelerate regional integration, promote intra-African trade and harness partnerships with traditional and emerging partners, with the assistance of the African Union, the Economic Commission for Africa and the regional economic communities;
7. *Calls on* the African Union Commission and the Economic Commission for Africa to develop a coherent approach that will guide Africa's engagement with developed and emerging countries within the framework of South-South cooperation;

8. *Acknowledges* the importance of financing post-conflict reconstruction and development activities to support reintegration of displaced populations; and
9. *Urges* development partners to cancel the debt of the heavily indebted African countries as the debt burden is a constraint on unleashing resources for growth and development.

Resolution 891(XLV)

Accelerating regional integration and boosting intra-African trade

The Conference of Ministers,

Conscious of the need for and the importance of accelerating the process of regional integration and boosting trade among African countries,

Cognizant of African Union Assembly decision 394(XVIII) endorsing the Action Plan for Boosting Intra-African Trade and the Road Map and Architecture for Fast-tracking the Establishment of the Continental Free Trade Area by 2017,

1. *Commends* the efforts of the Economic Commission for Africa, the African Union Commission and other collaborating partners that contributed to the adoption of the landmark decision 394(XVIII);
2. *Urges* member States to deepen and consolidate their regional integration agenda by harmonizing regional and subregional initiatives in order to be more resilient to external shocks and crises;
3. *Also urges* member States to implement decision 394(XVIII) expeditiously and fast-track the establishment of a continental free trade area;
4. *Further urges* member States to mainstream various other initiatives, such as the Minimum Integration Programme and the Programme for Infrastructure Development in Africa, in national plans, strategies and budgetary allocations;
5. *Welcomes* the initiative by the Common Market for Eastern and Southern Africa, the East African Community and the Southern African Development Community to establish a grand free trade area, and urges other regional economic communities to do likewise so as to speed up implementation of the continental integration agenda;
6. *Expresses appreciation for* the role played by the Economic Commission for Africa, the African Union Commission, the African Development Bank and the regional economic communities in supporting member States in their efforts to implement regional integration programmes, and calls on development partners to continue their support to the Economic Commission for Africa and the African Union Commission;
7. *Commends* the African Trade Policy Centre for providing technical support to member States and regional economic communities on advancing the continent's trade agenda; and

8. *Acknowledges* the existing support provided by development partners to the Centre, and calls on them to enhance their support in order to ensure its continued and sustainable operation.

Resolution 892(XLV)

Establishment of an African Institute for Remittances

The Conference of Ministers,

Recognizing that remittances, if well harnessed and formalized, could contribute to growth and development in Africa,

Appreciating the increasing contribution of remittances to economic and social development in Africa,

Recognizing that the establishment of an African Institute for Remittances could be leveraged for economic and social development,

Recalling decision EX.CL/Dec.683(XX) adopted by the Executive Council of the African Union at its twentieth session, held in Addis Ababa in January 2012, in which the Council requested the African Union Commission to submit to the Ministers of Finance recommendations pertaining to establishment of the Institute,

Welcoming the report of the African Union Commission on the Preparatory Project for the Establishment of an African Institute for Remittances and the recommendations contained therein,

1. *Takes note* of the decision of the Executive Council (EX.CL/Dec.683(XX)) on the establishment of an African Institute for Remittances as a specialized technical office of the African Union Commission;
2. *Requests* the African Union Commission to submit the mandate of the Institute, and its organizational structure, which should be lean and sustainable, to the African Union Permanent Representatives Committee through its relevant subcommittees; and
3. *Welcomes* the offer made by Mauritius to host the Institute as well as the interest of Djibouti, Egypt and Kenya in hosting it, and requests the African Union Commission to examine the offer of Mauritius and the interest expressed by the other countries in line with the established criteria governing the hosting of organs of the African Union.

Resolution 893(XLV)

The regional dimension of development

The Conference of Ministers,

Recognizing that the regional dimension of development is critical for an effective and coordinated response to an ever-growing number of transboundary issues, and that regional responses are of increasing importance as a buffer against global shocks and crises,

Emphasizing the importance of the regional and subregional levels as an essential building block of effective global governance, as it provides the critical link between the global and national levels, especially in the context of the ongoing discussions on an integrated approach to sustainable development and the development agenda beyond 2015,

Stressing the important role played by the regional commissions as part of the institutional landscape in each region through norm-setting, dissemination and analytical functions, and as important forums for articulating regional and subregional perspectives on global issues and building consensus within each region,

Recalling General Assembly resolution 62/208 of 19 December 2007, in which the Assembly, inter alia, encouraged the United Nations development system to strengthen collaboration with regional and subregional intergovernmental organizations and regional banks, as appropriate and consistent with their respective mandates, and requested the regional commissions to further develop their analytical capacity to support country-level development initiatives at the request of member States and to support measures for more intensive inter-agency collaboration at the regional and subregional levels,

Recalling further the Conference of Ministers resolution 881 (XLIV) of 29 March 2011, in which the Conference, inter alia, called on the Economic Commission for Africa and the African Union Commission to ensure that support to the Ten-Year Capacity-Building Programme for the African Union from the United Nations and other partners was within the framework of the Regional Coordination Mechanism and the subregional coordination mechanisms,

Taking note of the independent study on the “The regional dimension of development and the UN system” sponsored by the regional commissions,

1. *Commends* the Economic Commission for Africa and other regional commissions for sponsoring the study on “The regional dimension of development and the UN system”; and calls on the Economic Commission for Africa to disseminate the findings and recommendations of the study to its member States;
2. *Endorses* the recommendations of the independent study, and invites the United Nations system organizations working at the global and regional levels to support their implementation;

3. *Requests* the Economic Commission for Africa, working through the Regional Coordination Mechanism for Africa, and in consultation with other regional and subregional organizations, in particular the African Union and the African regional economic communities, to ensure implementation of the recommendations so that United Nations system engagement with regional and subregional organizations is coherent and strategically coordinated, and fits into a larger comprehensive strategy in support of regional integration efforts; and
4. *Also requests* the Economic Commission for Africa to report to the Conference at its forty-sixth session on the implementation of this resolution.

Resolution 894(XLV)

The Millennium Development Goals and the development agenda beyond 2015

The Conference of Ministers,

Recognizing the progress being made by the continent towards attaining the targets set out in the Millennium Development Goals,

Conscious of the challenges that still remain in efforts to attain all the Goals by 2015,

Recalling the decisions of the Assembly of Heads of State and Government of the African Union requesting the African Union Commission, in collaboration with the United Nations Economic Commission for Africa and the African Development Bank, to submit to the Assembly annual status reports and related statistics on Africa's progress towards the Goals,

Commending the efforts being made by the African Union Commission, the Economic Commission for Africa and the African Development Bank to provide African countries with a continental strategy on the Goals in order to coordinate, standardize and harmonize statistical activities and create harmonized databases at the subnational, national and continental levels,

Cognizant of the efforts made by the African Union Commission, the Economic Commission for Africa, the African Development Bank and the United Nations Development Programme in monitoring progress towards the Goals,

1. *Takes note* of the "Report on progress in achieving the Millennium Development Goals in Africa 2012" (E/ECA/COE/31/8-AU/CAMEF/EXP/8(VII)) and recommends its adoption by the Assembly of Heads of State and Government in July 2012;
2. *Urges* African countries to strengthen their statistical systems and institutions in order to produce reliable and timely statistics for the monitoring of progress towards achieving the Millennium Development Goals in Africa;
3. *Also urges* African countries to commit adequate resources to implementation of the recommendations in the Report, including those on maternal health, HIV and AIDS and young people and women's participation in wage employment;
4. *Mandates* the African Union Commission, the Economic Commission for Africa and the African Development Bank, in close consultation with member States, regional economic communities and all other stakeholders to identify Africa's priorities for the development agenda beyond 2015;

5. *Welcomes* the proposal to create an African Task Force on South-South cooperation, whose objective will be, in the long run, to form a South-South Coalition for the African continent in view of achieving the Millennium Development Goals and implementing the Istanbul Plan of Action, and which will also collaborate with existing initiatives on South-South cooperation to avoid duplication of efforts; and invites the Government of Guinea in collaboration with the African Union Commission, the Economic Commission for Africa, the African Development Bank, the United Nations Development Programme and the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States to take the necessary measures for the promotion of these initiatives; and
6. *Urges* development partners to fully implement the target of committing 0.7 per cent of gross national product to aid flows and to fulfil their commitments within the development effectiveness framework.

Resolution 895(XLV)

Improving and strengthening South-South cooperation

The Conference of Ministers,

Recognizing the growing importance of South-South cooperation for Africa in various aspects of development,

Realizing that there is great potential in improving and strengthening South-South cooperation to serve the development agenda of African countries, especially in an era marked by global economic uncertainty and the rise of the emerging economies and the developing world as a whole,

Recognizing the need for African countries to develop well-oriented and well-designed strategies for South-South cooperation, enhance coordination at the regional level and strengthen institutional and governance capabilities to govern the cooperation process,

Calls on African countries to adopt the following specific actions:

(a) Mainstream South-South cooperation into country development strategies, align South-South cooperation with country development priorities and take ownership of the direction and process of the cooperation;

(b) Build up institutional and governance capacities and well-designed cooperation frameworks to manage South-South cooperation activities effectively, including establishing a mechanism for monitoring and evaluation;

(c) Improve understanding of the different national interests and comparative advantages of both African countries and their partners in the South, and tailor strategies and policies to approach those partners accordingly;

(d) Play a more proactive role in the partnership by leveraging advantages in negotiations, identifying and channelling resources to key sectors, and creating linkages between investment from the South and the domestic economy; and

(e) Strengthen knowledge-sharing among African countries in the process of South-South cooperation and push forward further regional collaboration and integration in Africa on this issue.

Resolution 896(XLV)

Illicit financial flows from Africa

The Conference of Ministers,

Recalling resolution 886 (XLIV) on illicit financial flows adopted at the Fourth Joint Annual Meetings of the African Union Conference of Ministers of Economy and Finance and the Economic Commission for Africa Conference of Ministers of Finance, Planning and Economic Development, providing for action to be taken to address the problem of such flows,

1. *Commends* the establishment and inauguration of a High-Level Panel on Illicit Financial Flows from Africa headed by Mr. Thabo Mbeki, former President of South Africa, assisted by nine other members;
2. *Reiterates* that illicit financial flows constitute a major development challenge for Africa, draining the continent of needed financial resources, causing economic distortions and perpetuating poverty;
3. *Calls on* the Economic Commission for Africa to provide the necessary technical backstopping for the Panel;
4. *Invites* the Panel to work actively in addressing the problem and report to the next Conference of Ministers; and
5. *Urges* the different stakeholders including Governments, civil society organizations, the private sector and regional and international organizations to fully support the work of the Panel.

Resolution 897(XLV)

Implementation of the African Charter on Statistics and the Strategy for the Harmonization of Statistics in Africa

The Conference of Ministers,

Recognizing the importance of statistical information for the formulation, monitoring and evaluation of development programmes and policies and the economic and political integration of Africa,

Noting the progress made by the African Union Commission, the Economic Commission for Africa and the African Development Bank, among others, in developing strategies aimed at supporting the African integration agenda,

Expressing appreciation for the ongoing work to incorporate existing statistical initiatives and programmes into the Strategy for the Harmonization of Statistics in Africa,

Concerned at the slow progress made with the signing and ratification of the African Charter on Statistics,

Recognizing the need to speed up the implementation of ongoing and future activities under the Charter and the Strategy, and to secure a corresponding and improved financing climate for statistical activities,

Recognizing further the importance of implementing the Africa Programme on Accelerated Improvement of Civil Registration and Vital Statistics Systems,

Aware of the need to set up labour market information systems to monitor and evaluate the implementation of employment strategies,

1. *Commends* countries which have signed and ratified the African Charter on Statistics, and calls on those which have not done so to sign and ratify it as expeditiously as possible;
2. *Invites* countries to incorporate the principles of the Charter into statistics law and into national strategies for the development of statistics;
3. *Calls on* countries to ensure the effective participation of heads of national statistical offices in future meetings of the Conference of Ministers;
4. *Also calls on* countries and regional economic communities to incorporate the Strategy for the Harmonization of Statistics in Africa into national and regional strategies for the development of statistics, and invites all stakeholders to mobilize resources for implementation of the Strategy and its sectoral strategies;

5. *Recommends* that the Assembly of Heads of State and Government of the African Union consider the institutionalization of a biennial meeting of African Ministers Responsible for Civil Registration within the framework of a relevant Specialized Technical Committee of the African Union;
6. *Invites* the African Union Commission, the Economic Commission for Africa, the African Development Bank and partners to strengthen the civil registration and vital statistics secretariat to enable it to respond to the ever-growing demand for assistance in improving civil registration and vital statistics systems in Africa;
7. *Urges* member States to allocate adequate resources to institutions dealing with labour statistics to facilitate the implementation of a harmonized framework for labour market information systems and to conduct annual labour force surveys;
8. *Urges* the African Union Commission to coordinate all activities on labour market information systems at the continental level and to reinforce its capacity with suitable staffing and adequate resources, and calls on the Economic and Statistical Observatory for sub-Saharan Africa, the Economic Commission for Africa, the African Development Bank, the African Capacity-Building Foundation, the United Nations Development Programme, the Organization for Economic Cooperation and Development, the European Union, the International Labour Organization, and other partners, to support this effort;
9. *Requests* the African Union Commission, the Economic Commission for Africa, the African Development Bank and the United Nations Children's Fund to mobilize the required resources for operationalization of the AfricaInfo database initiative and provide the necessary support to enable countries to develop effective data management and dissemination systems aimed at enabling full public access to official statistics; and
10. *Recommends* that Economic Commission for Africa, African Union Commission and African Development Bank follow up the work of other statistical institutions on strengthening the capacity of national and regional training centres, and supports empowerment of the African Group on Statistical Training and Human Resources and its secretariat, to coordinate statistical training programmes in Africa.

Draft resolution 898(XLV)

The cost of hunger in Africa: social and economic impacts of child undernutrition

The Conference of Ministers,

Recognizing that cutting hunger and thereby achieving food and nutrition security in Africa is not only one of the most urgent means of reducing the vulnerability and enhancing the resilience of national economies, but also one of those which produces the highest returns for broader social and economic development,

Noting that if more progress had been made against hunger in Africa in recent years, the continent's recent solid growth performance would have been even more impressive, with potentially strong impacts on poverty reduction,

Noting further the negative impacts on Africa's growth prospects of recurrent but avoidable episodes of acute hunger, including large and destabilizing displacements of human populations,

Stressing the urgent need for policies and investment by member States to prevent such episodes of acute hunger, and also to address the causes and consequences of chronic hunger,

Appreciating the fact that the African Union's African Regional Nutrition Strategy and Comprehensive Africa Agriculture Development Programme provide robust frameworks for policy and action to address both acute and chronic hunger in Africa,

Noting that the Strategy and the Programme identify child undernutrition as one of the most damaging dimensions of chronic hunger in Africa,

Affirming that eradicating child undernutrition constitutes an effective investment in high-quality human capital, which is widely recognized to be a critical requirement for sustainable growth and development,

Commending the efforts of member States to collect and disseminate comprehensive data about undernutrition at the individual and community levels, with special emphasis on child undernutrition,

Recognizing the continued lack of clear data on the aggregate social and economic costs of child undernutrition, and the aggregate social and economic benefits of eradicating it,

Recognizing further the critical need for such data to raise awareness among the general public, policymakers and development partners about those aggregate costs and benefits, and to guide relevant policies and investments,

1. *Urges* member States to intensify their efforts and investments to address acute and chronic hunger, applying the principles and priorities put forward in the African Regional Nutrition Strategy and Comprehensive Africa Agriculture Development Programme;
2. *Requests* the African Union Commission and the Economic Commission for Africa to intensify their support for these efforts and investments by member States;
3. *Welcomes* the multi-country study on the cost of hunger in Africa being led by the African Union Commission and the Economic Commission for Africa, in collaboration with the World Food Programme, to quantify the aggregate social and economic impacts of chronic hunger in Africa;
4. *Anticipates* that the study will lead to increased understanding among key national and regional policymakers of the depth and breadth of child undernutrition on the continent, and its aggregate social and economic consequences, and thereby establish a firmer foundation for policies and investments to cut hunger in Africa;
5. *Commends* the consultative process through which the study is being implemented, in particular the technical oversight role of the African Task Force on Food and Nutrition Development;
6. *Notes* that the African Task Force on Food and Nutrition Development has endorsed the methodology being applied in the study;
7. *Acknowledges* the technical support for the study being provided by the United Nations Economic Commission for Latin America and the Caribbean, as an excellent illustration of South-South cooperation;
8. *Takes note* of the preliminary results of the study indicating potentially large aggregate social and economic impacts of child undernutrition in African contexts;
9. *Requests* the African Union Commission and the Economic Commission for Africa, in collaboration with the World Food Programme, to expedite the successful completion of the study, including wide dissemination of the results at country and regional levels; and
10. *Urges* member States and partners participating in the study to provide the necessary resources for the successful completion of the study.

Resolution 899(XLV)

Africa in 2050: The making of a global pole

The Conference of Ministers,

Noting with satisfaction that Africa has recorded remarkable growth and improved governance since the start of the new millennium,

Conscious of the opportunity that this development offers to African peoples and their leaders, and of the need to sustain this momentum in order to improve livelihoods in Africa significantly and enable the continent to play a major role in global affairs,

Mindful of the challenges associated with keeping pace with this momentum and of the need for African nations to tackle looming local, regional and global problems collectively,

Stressing in particular the need for African countries to begin refining and elaborating strategies to capitalize on the recent growth momentum and ensure that all parts of the continent maintain economic headway and skirt the pitfalls lying ahead so that the continent takes its place as a major bloc in the emerging multipolar world economy,

Taking note of the initiative by the Economic Commission for Africa and the Emerging Markets Forum to prepare a background paper for the Conference entitled “Africa in 2050: the making of a global pole” with a view to undertaking a long-term perspective study on Africa,

Emphasizing that the purposes of the perspective study should be to inform the highest authorities of the opportunities for and risks to stable and sustainable growth in Africa over the long term, in terms of politics, governance and the global economy and scenarios relating to action to actualize opportunities for the continent to become and remain a pole of global growth, and to mitigate the associated risks; to pay particular attention to how the emerging megatrends such as the shift to a multipolar world, demographic transitions, climate change, digitalization and other emerging issues will affect or influence Africa’s long-term prospects; and to report on realization of the commitment to regional integration in Africa in a way that will boost peace and security and competitiveness,

1. *Calls on* the Economic Commission for Africa, in collaboration with the Emerging Markets Forum, to expeditiously pursue preparation of the perspective study on Africa in 2050;
2. *Urges* member States and the regional economic communities to support the conduct of the study by publicizing it and providing access to data, information and other documents;
3. *Calls on* the private sector, civil society and other State and non-State actors to actively participate in the study; and
4. *Calls on* development partners to lend their support to realization of the study.

Resolution 900(XLV)

Large-scale acquisition of land in Africa

The Conference of Ministers,

Taking into account the High Level Forum on Foreign Direct Investment in Land in Africa, which was held in Nairobi, Kenya, on 4 and 5 October 2011, attended by representatives of African Governments, Members of Parliament, traditional leaders, participants from the private sector and civil society and other stakeholders,

Recalling declaration Assembly/AU/Decl.1 (XIII) Rev.1 by the Assembly of the African Union at its 13th Session in Sirte, Libya in July 2009 which provide a framework for the management of land issues and challenges in Africa,

Affirming the importance of developing land policies in synergy with other sectoral frameworks and policies at the national, regional and pan-African levels, including the Comprehensive Africa Agriculture Development Programme,

Noting the increasing investment opportunities in agriculture driven by new global markets, the growing demand in Africa itself and the resulting increases in the value of land, water and other natural resources,

Noting also with deep interest the recent rise of large-scale land acquisitions, also known as "land-grabbing", and the impact of domestic and foreign direct investment on land, water and related natural resources in Africa,

Acknowledging the efforts made under the Land Policy Initiative jointly launched by the African Union Commission, the Economic Commission for Africa and the African Development Bank in assisting member States to tackle their land issues, and recognizing the need for further assistance to member States using the African Union's Framework and Guidelines on Land Policy to develop comprehensive national land policies that address the issues posed by land deals entered into by both foreign and domestic investors,

Taking note of the policy messages emanating from the Policy Forum on Foreign Direct Investments in Land in Africa organized by the Land Policy Initiative and the Coalition for Dialogue on Africa in Lisbon in June 2011,

1. *Calls on* the African Union Commission, the Economic Commission for Africa, the African Development Bank and member States through the Land Policy Initiative:
 - (a) To work in close consultation with Governments, parliaments, regional economic communities, the private sector, traditional leaders, civil society, development partners and other stakeholders to promote alternative land-based investment models;
 - (b) To prepare by 2013 an assessment report on large-scale, land-based investment in Africa;
 - (c) To develop principles and guidelines on large-scale, land-based investment in Africa, to be approved by member States in 2013;
 - (d) To develop and implement in 2013 a monitoring and evaluation framework and mechanism for tracking large-scale, land-based investment;
 - (e) Prepare a capacity-building programme to facilitate fair, transparent negotiations which will ensure that investment in land takes into account the expected impacts on neighbouring countries and the region as a whole; and
 - (f) To facilitate identification of a high-level panel of African champions to support the African Union Declaration on Land Issues and Challenges in Africa and the Nairobi Action Plan;
2. *Invites* the African Union Commission, the Economic Commission for Africa and the African Development Bank, together with member States and their development partners, to support the Land Policy Initiative in order to expand the capacity to implement the African Union Declaration on Land Issues and Challenges in Africa.

Resolution 901(XLV)

Promoting an innovation society for Africa's social and economic transformation

The Conference of Ministers,

Recalling General Assembly resolution 64/212 of 21 December 2009, in which the Assembly emphasized the vital role that science and technology can play in the achievement of the internationally-agreed development goals, including the Millennium Development Goals,

Recalling also the Addis Ababa Declaration on Science, Technology and Scientific Research for Development, adopted by the Assembly of the African Union in January 2007 (Assembly/AU/Decl.5(VIII)), which underscored the role of scientific research and innovation in development,

Recalling further its resolution 887 (XLIV) of 29 March 2011 on enhancing science and technology for development in Africa,

Recalling further its resolution 856 (XLI) of 2 April 2008 on strengthening research and development and innovation for Africa's socio-economic development,

Noting with appreciation the significant initiatives launched as a result of resolution 887 (XLIV), inviting African Governments and the private sector to facilitate pan-African initiatives in support of African innovators and inventors, including the Innovation Prize for Africa and the biomedical engineering programme,

Mindful that the Innovation Prize for Africa is a key vehicle for encouraging entrepreneurs, innovators, funding bodies and business development service providers to exchange ideas and explore innovative business opportunities,

Appreciating the significance of the holding of the second Science with Africa conference in June 2010, as well as that of the African Innovation Framework, the African Inter-Parliamentary Forum on Science, Technology and Innovation and the African Network for Drugs and Diagnostic Innovation,

1. *Commends* the leadership of the Economic Commission for Africa and the African Union Commission for sustaining the Science with Africa conference as the leading forum for policy and technical discussion and interactions among scientists, policymakers and the private sector;
2. *Requests* the Economic Commission for Africa to strengthen its collaboration with the African Innovation Foundation and other partners in ensuring the sustainability of the Innovation Prize for Africa so as to support African innovators and inventors, particularly women and young people;

3. *Invites* African Governments and the private sector to contribute to financing the African Science, Technology and Innovation Endowment Fund and the Innovation Prize for Africa;
4. *Requests* the Economic Commission for Africa, African member States and policymakers to support the creation of engineering skills, innovation and entrepreneurship capacity on the continent;
5. *Calls on* African member States to eliminate administrative barriers, reduce the cost of doing business, improve the quality and governance of the education system and its relevance to national needs, enhance intellectual property regimes, put innovation infrastructure in place and enhance the interactions between industry, academia, the public sector and government;
6. *Urges* development partners to provide the necessary support to ensure the sustainability of the Innovation Prize for Africa, the African Network for Drugs and Diagnostic Innovation and the African Technology Development and Transfer Network; and
7. *Welcomes* the holding of the third Science with Africa conference and urges the African Union Commission and the Economic Commission for Africa to support innovators and inventors.

Resolution 902(XLV)

Establishment of the African Mineral Development Centre

The Conference of Ministers,

Aware of the enormous and untapped natural resource endowments of Africa and the importance of improving the management and governance of these resources,

Recognizing the important role that mineral resources play in fostering broad-based development and structural transformation of African economies,

Recalling decision EX.CL/Dec.471(XIV) taken by the Executive Council of the African Union at its fourteenth session in Addis Ababa in January 2009 and endorsed by the Assembly of the African Union at its twelfth session in February 2009 in Addis Ababa, which encourages the use of the Africa Mining Vision as the main framework for sustainable development of the continent's vast mineral resources,

Recalling further the decision by the African Ministers Responsible for Mineral Resources Development at its Second Conference, held in Addis Ababa in December 2011, to establish the African Mineral Development Centre,

1. *Takes note* of the establishment of an African Mineral Development Centre;
2. *Urges* the African Union Commission, Economic Commission for Africa and African Development Bank to expedite the establishment of the Centre and to submit a report to the next Joint African Union-Economic Commission for Africa Conference of the Ministers;
3. *Calls on* the African Union Commission, Economic Commission for Africa and African Development Bank to prepare a Business Plan for the African Mineral Development Centre and submit it to member States for examination;
4. *Requests* member States to mainstream the Africa Mining Vision in their national development plans and policies, through appropriate laws and regulations; and
5. *Calls on* the African Union Commission, Economic Commission for Africa, African Development Bank and development partners to support and provide resources for the African Mineral Development Centre when it is established.

Resolution 903(XLV)

Draft Strategic Framework: Proposed Biennial Programme Plan for the Economic Commission for Africa 2014-2015

The Conference of Ministers,

Recalling General Assembly resolution 41/203 of 19 December 1986 and subsequent relevant resolutions on programme planning,

Recalling further resolution 844 (XXXIX) of 15 May 2006 of the Conference of African Ministers of Finance, Planning and Economic Development on repositioning ECA to better respond to Africa's priorities,

Taking note with appreciation of the ECA Annual Report (E/ECA/COE/31/21), which highlighted the significant results achieved by the Commission in all its programme areas, namely macroeconomic analysis, finance and economic development; food security and sustainable development; governance and public administration; information and science and technology for development; trade, economic cooperation and regional integration; gender and women in development; subregional activities for development; development planning and administration; statistics; and social development,

Noting with satisfaction the Commission's intention of scaling up the support it provides to member States in improving capacity to formulate and implement development policies at the national and regional levels; and to provide stronger and more coherent support to member States in advancing South-South cooperation to complement existing North-South cooperation mechanisms,

Welcoming its goal of strengthening support to member States to achieve sustainable development goals, in line with the commitments of the 2012 United Nations Conference on Sustainable Development (Rio+20), designing strategies for poverty reduction after expiry of the Millennium Development Goals in 2015, creating employment, developing infrastructure, including the promotion of access to energy for all, and advocating for youth development,

Welcoming further the Commission's continued efforts to support the achievement of cross-cutting outcomes and results throughout its work programme, especially by addressing the socio-economic dimensions of climate change across subprogrammes; strengthening capacity for natural resources management; addressing issues related to migration; and deepening its work on enhancing the role of the State in development, including efforts to revive development planning,

Encouraging the Commission to continue its support to member States, the African Union Commission and its New Partnership for Africa's Development programme, and the regional economic communities in addressing current and emerging challenges,

Noting with appreciation the Commission's continued efforts to build partnerships and to secure additional resources to supplement its regular budget with a view to enabling it to deepen its work

in identified priority areas and giving it the flexibility to respond adequately to emerging issues that cannot be covered under the regular programme of work,

Having examined the “Draft Strategic Framework: Proposed Biennial Programme Plan for the Economic Commission for Africa 2014-2015” (E/ECA/COE/31/21),

1. *Endorses* the draft Strategic Framework and proposed Biennial Programme Plan for the Economic Commission for Africa 2014-2015; and
2. *Calls on* the Committee for Programme and Coordination to support the Biennial Programme Plan for the Economic Commission for Africa 2014-2015, and ensure that the necessary resources are made available for its implementation.

Resolution 904(XLV)

Admission of South Sudan as member of the United Nations Economic Commission for Africa subregional office for Eastern Africa

The Conference of Ministers,

Having welcomed South Sudan as the newest independent State in the world,

Taking note of its request for membership in the United Nations Economic Commission for Africa subregional office for Eastern Africa,

Cognizant of the membership of South Sudan in the Intergovernmental Authority on Development, which is covered by the subregional office for Eastern Africa,

Recalling the discussion of the Committee of Experts of the Fifth Joint Annual Meetings of the African Union Conference of Ministers of Economy and Finance and the Economic Commission for Africa Conference of African Ministers of Finance, Planning and Economic Development,

1. *Endorses* the request of South Sudan for membership in the subregional office for Eastern Africa;
2. *Urges* the United Nations Economic Commission for Africa to take the necessary steps to ensure full membership of South Sudan in the subregional office for Eastern Africa; and
3. *Urges* all regional and continental bodies to integrate South Sudan upon request.

Resolution 905(XLV)

African Risk Capacity: Sovereign disaster risk solutions

The Conference of Ministers,

Recognizing that, owing to the escalating impact of extreme weather events driven by climate change, developing mechanisms for sovereign level risk management remains an urgent priority,

Acknowledging that the current system of ad hoc unpredictable funding for disaster response causes the depletion of critical assets and the reallocation of Government resources from planned investment in times of crisis, slowing economic growth and creating significant setbacks to development,

Recalling resolution 877 (XLIII) adopted by the Third Joint African Union Conference of Ministers of Economy and Finance and Economic Commission for Africa Conference of African Ministers of Finance, Planning and Economic Development, held in Lilongwe, Malawi, in March 2010 to “support efforts to enhance national and regional capacities to mitigate exposure to disaster risk through institutionalizing effective financial and other instruments such as strategic grain reserves, budgeted contingency funds as well as through sharing risk across regions”;

Recalling also the declaration of the Second African Ministerial Conference on Disaster Risk Reduction held in Nairobi, Kenya, on 16 April 2010 (EX.CL/589(XVII)) “calling upon Member States to explore the feasibility of continental financial risk pooling in working towards the creation of an African-owned Pan-African disaster risk pool, building on existing and emerging tools and mechanisms for financing disaster risk reduction”;

Taking note of the Agreement on the African Risk Capacity Special Arrangement between the African Union Commission and the World Food Programme signed in June 2011 pursuant to the January 2011 decision of the Executive Council requesting the Commission “to put in place the necessary administrative arrangements,” (EX.CL/Dec.607(XVIII));

Recalling the decision taken by the Fourth Joint African Union Conference of Ministers of Economy and Finance and ECA Conference of African Ministers of Finance, Planning and Economic Development, held in Addis Ababa, Ethiopia in March 2011 relating to the implementation of the resolution for the Establishment of the Joint Africa-Arab Fund for Disaster Response (Assembly/Africa-Arab/Res.2 (II)) adopted at the Second Africa-Arab Summit in Sirte, Libya, on 10 October 2010 “to establish a fund for disaster response, the Statutes, objectives and modalities of which are to be defined by the AUC and the League of Arab States”;

Taking note of extensive ongoing consultations with the competent sectoral ministers at the country, regional and continental levels on the technical aspects of the proposal,

Taking note further that the innovative financial strategy for the African Risk Capacity to achieve solvency and sustainability would include initial donor contributions and ongoing premium payments from member States that participate on a voluntary basis, allowing for use of modern financial tools without direct impact on the national budgets of non-participating States,

Recognizing that while drought is a major threat to food insecure populations, coverage of other naturally occurring hazards such as floods, earthquakes and cyclones would facilitate the participation of more countries and should be modelled and incorporated into the facility;

1. *Welcomes* the progress report of the Commission on the establishment of the African Risk Capacity;
2. *Stresses* the urgent need for a continental disaster risk management system as essential to protect development gains, particularly in light of climate change;
3. *Endorses*, in principle, the proposal to establish the African Risk Capacity;
4. *Requests* that the Commission elaborate a legal agreement for the establishment of the African Risk Capacity;
5. *Recommends* that the African Risk Capacity should be established as a specialized agency of the African Union and accorded the privileges and immunities specified in the General Convention on Privileges and Immunities of the Organization of African Unity;
6. *Requests* the Commission to convene a meeting of Government experts and subsequently a conference of plenipotentiaries before the end of the year to consider and adopt the Establishment Agreement;
7. *Urges* all African Union Member States to actively participate in the aforementioned process; and
8. *Calls on* development partners and partner institutions to support this endeavour of critical importance to food security on the continent.

Resolution 906(XLV)

Africa's candidate for the presidency of the World Bank

The Conference of Ministers,

Welcoming the nomination of Dr. Ngozi Okonjo-Iweala, Coordinating Minister for the Economy and Minister of Finance of Nigeria, as Africa's sole candidate for the presidency of the World Bank,

Recognizing the many achievements of Dr. Okonjo-Iweala and the major contributions she has made to development in the world and Africa,

Convinced that Dr. Okonjo-Iweala is the most eminently qualified candidate for the presidency of the World Bank,

1. *Unanimously endorses* Dr. Okonjo-Iweala as Africa's candidate for the position of President of the World Bank; and
2. *Calls on* the Executive Board of the Bank to elect Dr. Okonjo-Iweala as President of the Bank at its next meeting in April 2012.