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Abbreviations and Acronyms

| | |
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| AAU | Association of African Universities |
| ABSA | Advisory Board on Statistics in Africa |
| ACGD | African Centre for Gender and Development |
| ACP | African Caribbean and Pacific Countries |
| ADF | African Development Forum |
| AEC | African Economic Community |
| AfDB | African Development Bank |
| AFREF | African Reference Framework |
| AGDI | African Gender and Development Index |
| AGF | African Governance Forum |
| AGR | African Governance Report |
| AISI | African Information Society Initiative |
| ALG | Autorité du Liptako Gourma |
| APRM | African Peer Review Mechanism |
| ARAPKE | African Regional Plan of Action on the Knowledge Economy |
| ARIA | Assessing Regional Integration in Africa |
| ARN | Academia Research Network |
| ARCT | Ageing Research Computational Tools |
| ASARECA | Association for Strengthening Agricultural Research in Eastern and Central Africa |
| ATCP | African Trade Policy Centre |
| AU | African Union |
| AUC | African Union Commission |
| AVLAC | African Virtual Learning Academy |
| AVLIN | African Virtual Library Information |
| AWDR | African Water Development Report |
| AWICH | African Water Information Clearing House |
| AWR | African Women's Report |
| BADEA | Arab Bank for Economic Development in Africa |
| BDEAC | Banque de Développement des Etats de l'Afrique Centrale |
| BPFA | Beijing Platform for Action |
| CAADP | Comprehensive African Agricultural Development Programme |
| CCA | Common Country Assessment |
| CEDAW | Convention on the Elimination of all Forms of Discrimination Against Women |
| CD-ROM | Compact Disk Read only Memory |
| CEEAC | Communauté Economique des Etats d'Afrique Centrale |
| CEMAC | Central African Monetary and Economic Community |
| CEN-SAD | Community of Sahel and Sahara States |
| CHDCS | Committee on Human Development and Civil Society |
| CIPS | Committee on Industry and Private Sector |
| CODI | Committee on Development Information |
| CPC | Committee for Programme and Coordination |
| CRCI | Committee on Regional Cooperation and Integration |
| CSD | Committee on Sustainable Development |
| CWGD | Committee on Women, Gender and Development |

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| CILSS | Comite Inter-Etats de lutte contre la Sécheresse au Sahel |
| CLEAR | Centre for Land, Economy and Rights |
| COMESA | Common Market for Eastern and Southern Africa |
| CRNEPADAC | The Sub-regional Committee for Central Africa on the NEPAD |
| CSOs | Civil Society Organizations |
| CWD | Committee on Women in Development |
| DA | Development Account |
| DESA | Department of Economic and Social Affairs |
| DRC | Democratic Republic of Congo |
| EAC | East African Community |
| ECA | Economic Commission for Africa |
| ECCAS | Economic Community of Central African States |
| ECLAC | Economic Commission for Latin America and Caribbean countries |
| ECLAC | Economic Commission for Latin America and Caribbean countries |
| ECOWAS | Economic Community of West African States |
| EMA | Ethiopian Mapping Authority |
| ENEA-DSD | École nationale d'économie appliquée Département de la statistique et de la démographie |
| EPAs | Economic Partnership Agreements |
| ePol-Net | Global Electronic Policy Resource Network |
| ERA | Economic Report on Africa |
| ESCAP | Economic and Social Commission for Asia and the Pacific |
| ESCWA | Economic and Social Commission for Western Asia |
| ESPD | Economic and Social Policy Division |
| EU | European Union |
| FASDEV | Forum on African Statistical Development |
| FDI | Foreign Direct Investment |
| G-8 | Group of Eight |
| GA | General Assembly |
| GDP | Gross Domestic Product |
| GTZ | Deutsche Gesellschaft für technische Zusammenarbeit (German Agency for Technical Cooperation Ltd.) |
| HIV/AIDS | Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome |
| ICE | Intergovernmental Committee of Experts |
| ICP | International Comparison Programme |
| ICRAF | International Centre for Research in Agroforestry |
| ICT | Information and Communication Technology |
| IDRC | International Development Research Centre |
| IDEP | Institute for Economic Development and Planning |
| IGAD | Intergovernmental Authority on Development |
| IGOs | Intergovernmental Organizations |
| IHSN | International Household Survey Network |
| ILO | International Labour Organization |
| IMF | International Monetary Fund |
| IS | Information Society |
| ITCA | Information Technology Centre for Africa |
| ITES | International Trade Education System |
| ITU | International Telecommunication Union |
| JPOI | Johannesburg Plan of Implementation |
| KSIM | Knowledge Sharing and Information Management |
| LAC | Latin America and the Caribbean |
| LCBC | Lake Chad Basin Commission |
| LDC | Least Developed Country |
| MDGs | Millennium Development Goals |
| MDRI | Multilateral Debt Relief Initiative |
| MoU | Memorandum of Understanding |
| MRU | Mano River Union |

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| MP | Member of Parliament |
| NBA | Niger Basin Authority |
| NCEMA | National Centre for Economic Management and Administration |
| NEPAD | New partnership for Africa's Development |
| NGO | Non-Governmental Organization |
| NICI | National Information and Communications Infrastructure |
| NSDI | National Spatial Data Infrastructure |
| NSOs | National Statistical Offices |
| OECD | Organization for Economic Cooperation and Development |
| OIOS | Office of Internal Oversight Services |
| OPC | Office of Policy and Programme Coordination |
| OSISA | Open Society Institute for Southern Africa |
| PARIS21 | Partnership in Statistics for Development in the 21 st Century |
| PDCT-AC | Plan Directeur Consensuel des Transports en Afrique centrale |
| PICTA | Partnership of ICTs in Africa |
| PPR | Programme Performance Review |
| PRSs | Poverty Reduction Strategies |
| PRSP-LG | African Learning Group on the Poverty Reduction Strategy Papers |
| RBO | River Basin Organization |
| RCMRD | Regional Centre for Mapping of Resources for Development |
| REC | Regional Economic Community |
| RIM | Regional Implementation Meeting |
| RPTC | Regular Programme of Technical Cooperation |
| RRSF | Regional Reference Strategic Framework |
| RBM | Results-Based Management |
| SSA | Sub-Saharan Africa |
| SADC | Southern African Development Community |
| SAIIA | South African Institute for International Affairs |
| SDC | Swiss Development Cooperation |
| SDI | Sustainable Development Index |
| SMART | Sustainable Modernization of Agriculture and Rural Transformation |
| SROs | Subregional Offices |
| SSATP | Sub-Saharan Africa Transport Programme |
| STCs | Statistical Training Centres |
| TIIP | Technology, Infrastructure, Institutions and Policies |
| UEMOA | Union Economique et monétaire ouest africaine |
| AMU | Arab Maghreb Union |
| UN | United Nations |
| UNCTAD | United Nations Conference on Trade and Development |
| UN-DESA | United Nations Department of Economic and Social Affairs |
| UNEG | United Nations Evaluation Group |
| UNIFEM | United Nations Development Fund for Women |
| UNDP | United Nations Development Programme |
| UNEP | United Nations Environment Programme |
| UNIDO | United Nations Industrial Development Organization |
| UNESCO | United Nations Educational, Scientific and Cultural Organization |
| UNGIWG | United Nations Geographic Information Working Group |
| UN-OHRLLS | United Nations of the High Representative for the Least Developed |
| UNSD | United Nations Statistical Division |
| WAMU | West Africa Monetary Union |
| WSIS | World Summit on the Information Society |
| WSSD | World Summit on Sustainable Development |
| WTO | World Trade Organization |

Introduction

The present annual report of the Economic Commission for Africa covers the period from 16 May 2005 to 15 May 2006. It has been prepared in accordance with paragraph 18 of the Commission's terms of reference and was unanimously adopted by the Commission on 15 May 2006.

CHAPTER I

Issues Calling for Action by the Economic and Social Council or Brought to its Attention

At the thirty-ninth session of the Commission/Conference of African Ministers of Finance, Planning and Economic Development held in Ouagadougou, Burkina Faso from 14 to 15 May 2006, the Conference adopted three resolutions and a Ministerial Statement and decided to submit them to the Economic and Social Council for its attention. The resolutions and Ministerial Statement are listed below (for the full text see annex I of this report).

844(XXXIX) Repositioning ECA to better respond to Africa's priorities

845 (XXXIX) Achieving the Millennium Development Goals in Africa

846 (XXXIX) African Institute for Economic Development and Planning

(XXXIX) Ministerial Statement

CHAPTER II

Major Achievements in 2006 Regular Programme of Work

Facilitating economic and social policy analysis

1. The objective of ECA's work under this subprogramme is to strengthen the capacity of member States to design and implement appropriate economic and social policies and strategies to achieve sustained economic growth for poverty reduction. To this end, particular emphasis was placed on monitoring and tracking Africa's economic performance; conducting research and policy analysis on macroeconomic, financial and social issues; and strengthening the statistical capacities of African countries for monitoring progress towards the MDGs.
2. ECA engages in tracking regional and country economic performance in order to provide timely and accurate information, analysis and options for short-term policy design in the context of implementation of the objectives of poverty reduction strategies and other nationally-owned development programmes. Activities in this area include the provision of in-depth analyses showing macroeconomic trends and variables to serve policy makers and other end-users in the region; workshops; studies; and dialogue with regional stakeholders.
3. *The Economic Report on Africa*, which is the annual flagship publication of the Commission, offers a comprehensive review of economic and social developments in Africa, promotes understanding of key development issues and facilitates policy-making. Preparation of the 2006 edition of the report was a key activity under this subprogramme during the period under review. In view of Africa's low savings and investment rates, and the need to mobilize additional resources for meeting the MDGs, *ERA 2006* focused on the theme, *Capital Flows and Development Financing in Africa*. The report brings the issue of capital flows to the centre of the debate on development financing and examines how increased capital flows can help African countries to accelerate growth and achieve the MDGs. The report also examines the impact of capital flows on economic transformation, the role of macroeconomic policy and the institutional environment in attracting capital flows, constraints to capital inflows including absorptive capacity, and strategies for better management of capital flows to maximize their positive effects on growth and minimize their potential destabilizing effects.
4. The aim of the report is to contribute to the adoption by member States of policy measures for attracting capital flows as an integral part of their development and structural transformation strategies. The analysis in the report also draws on lessons from other developing countries in the area of management of capital flows, thus providing a valuable input to national policies for managing the process of integration into the global economy. Other activities undertaken by the secretariat aimed at strengthening capacity for attracting capital flows for development included an ad hoc experts group meeting on capital flows and current account sustainability (Accra, Ghana, September 2005), which identified policies with respect to trade, capital flows and debt that could increase current account sustainability in African countries.
5. The year under review also saw the publication of a major research report entitled, *Unleashing the Private Sector in Africa*. The report covered a wide range of issues ranging from conditions for firm entry and growth, encouraging innovations, the use of ICT and the role of FDI and the African Diaspora in private sector development. In particular, the report underlined the role of African governments in promoting the development of the private sector by addressing the constraints to private sector growth and development, including strategies for increasing FDI flows to the region and maximizing the contributions of the African Diaspora to the continent's development.
6. With 34 out of the world's 50 Least Developed Countries (LDCs) in Africa, addressing the special needs of this group of countries remains a priority area for ECA's work. In preparation for the global

mid-term review of the Brussels Programme of Action to be held in September 2006, the ECA secretariat, together with the United Nations Office of the High Representative for Least Developed Countries, Landlocked Developing Countries and Small Developing Island States (UN-OHRLLS) and UNDP Africa Bureau, jointly organized the African Regional preparatory meeting in February 2006. The meeting agreed on a set of actions to accelerate progress towards attaining the targets and commitments of the BPoA. The African outcome document also informed discussions at the Asia and Pacific Regional review meeting.

7. The work of the secretariat in the area of social policy and poverty analysis during the year focused on activities in support of the efforts of member States in achieving the goals of NEPAD and the Millennium Declaration. For instance, the secretariat submitted to the Commission's session in 2005, an issues paper which identified the main challenges in meeting the MDGs in Africa and provided policy recommendations on how these can be addressed. In preparation for the thirty-ninth session of the Commission in May 2006, where issues of employment and poverty reduction strategies are on the agenda, an issues paper has also been prepared highlighting the centrality of employment in achieving poverty reduction.

8. ECA's contribution to the development of comprehensive national development strategies for achieving the MDGs was also enhanced by convening the *African Plenary on Poverty Reduction Strategies (PRSs) and the Implementation of the Millennium Development Goals (MDGs)* in March 2006 in Cairo, Egypt. The Plenary provided a forum for sharing national experience and best practices including identifying weaknesses in the design and implementation of PRSs, and charting the course for the development of the second generation of African PRSs. The meeting also provided an opportunity for African policy makers to examine the options for achieving the MDGs and reducing poverty through structural transformation. A major outcome of the meeting was the launch of an Internet-based PRS Knowledge Network which links PRS practitioners and scholars on the national and international levels. The meeting was organized in collaboration with the African Union Commission (AUC) and UNDP.

9. In addition, ECA provided substantive support to the *Tackling Poverty Together* project, an initiative of the United Nations Youth Unit of the Department of Economic and Social Affairs (DESA) aimed at facilitating youth participation in the implementation of poverty reduction programmes and activities in their

countries at both community and national levels. In this regard, ECA participated in a meeting of youths in Lusaka, Zambia in September 2005 and helped youths from seven countries in developing action plans to ensure that their inputs are taken into account in the formulation and implementation of national poverty reduction programmes. The main premise of this project is that youths constitute a major proportion of the poor and should be an active part of the process of dealing with the problem.

10. Despite growing awareness of the crucial role of indicators and statistics in achieving development outcomes and the overall monitoring of development goals, the lack of quality of socio-economic and environmental statistics remains a major challenge in Africa. To address it, the secretariat undertook a number of activities aimed at strengthening the statistical capacities of its member States for informed decision-making as well as for tracking progress towards the achievement of the MDGs and other development goals. A major achievement in this area was the development and implementation of a prototype model for the ECA regional statistical database, following a comprehensive data needs assessment conducted during the third quarter of 2004.

11. The second Forum on African Statistical Development (FASDEV II) was held in Addis Ababa from 9 to 10 February 2006 to review and endorse the *Regional Reference Strategic Framework (RRSF)* for African statistical development, which provides an action framework for Africa's statistical development over the next 10 years. FASDEV was launched in 2005 to (i) set up a permanent system for monitoring statistical development in Africa; (ii) strengthen collaboration and coordination in the field of statistics by leveraging on the comparative advantage of the various partners; and (iii) provide an overview of statistical activities, including technical assistance and training in Africa. The organization of FASDEV II is an excellent illustration of the cooperation between ECA, the African Development Bank (AfDB), the Partnership in Statistics for Development in the 21st Century (PARIS21) and the World Bank.

12. In February 2006, ECA joined forces with the United Nations Statistical Division (UNSD) and the Statistics Office of South Africa to organize a meeting on the theme, *2006 Africa Symposium on Statistical Development: The 2010 Round of Population and Housing Censuses* in Cape Town. The meeting underscored the need to strengthen the linkage between the MDGs and national censuses. The symposium was particularly timely and its outcome would help expand awareness of the modern techniques used in

national population censuses as many African countries prepare for their national censuses in 2006 and beyond. The secretariat also organized a series of training workshops and expert group meetings aimed at enhancing the capacity of African countries in the harmonization, compilation, analysis and dissemination of reliable, timely and standardized statistical information in line with the criteria of the International Comparison Programme (ICP).

Fostering sustainable development

13. The 2005 World Summit Outcome reaffirmed the importance of environmental sustainability as the foundation on which strategies for achieving all the other MDGs must be built. Nowhere is the importance of the environment as a foundation for development more obvious than in Africa where many countries continue to face unique challenges in terms of natural resources management. In response to these challenges, the work of ECA under this sub-programme aims to promote awareness of the environmental foundations of sustainable development, with particular emphasis on integrating environmental sustainability into national development processes and poverty reduction strategies so that economic and social development is not undermined by environmental degradation.

14. In support of this broad objective, the activities undertaken focused on the following three inter-related areas: (a) strengthening national capacities to design institutional arrangements and implement national policies and programmes that reinforce the linkages among the nexus issues of food security, population, environment and human settlements in order to achieve sustainable development; (b) improving stewardship of the natural resource base by strengthening capacities for sustainable exploitation, management and effective utilization of mineral, energy and water resources; and (c) contribute to building capacity of African countries to utilize science and technology, including biotechnology in achieving sustainable development.

15. Through a variety of activities which built on those of previous years, ECA continued to advocate and increase awareness of policy makers of the need to integrate the three dimensions of sustainable development into national development frameworks and planning processes. A number of meetings, seminars, and training workshops were organized with a view to strengthening stakeholder capacities in addressing critical sustainable challenges.

16. Promoting agriculture and food security are central to ECA's mandate. To this end, ECA prepared various reports, undertook advisory missions, organized meetings and participated in high-level meetings that were in direct support of CAADP or were carried out within the NEPAD framework. ECA participated in five Regional Implementation Meetings (RIM) and a Summit in Accra, Ghana in May 2005 which resulted in the adoption of Accra Plan of Action to advance the implementation of the CAADP agenda at regional and country levels.

17. Analytical studies and reports were conducted and disseminated on developments in the region with regard to sustainable development issues. Addressing the critical sustainable development challenges was the focus of the inaugural issue of the *Sustainable Development Report on Africa*. The important publication highlights as well as significant environmental trends in the region with a view to increasing awareness of innovative ways for mainstreaming environment and sustainable development issues into national planning instruments. It covers a wide range of issues including land-based resources; land policy and resources; management of water resources for food security; management of energy resources for harnessing land-based resources; and management of mineral resources.

18. The report shows that the journey towards sustainable development is beset with stagnant or worsening status indicators, and called for concerted efforts in all countries to aggressively adopt and implement policies, programmes and strategies that aim to achieve the international sustainable development goals and targets in the medium and long-term. The report also emphasizes the need for a holistic and integrated treatment of the various dimensions of sustainable development given that policies tend to have a sectoral perspective without any attempt to harmonize them. The report recommends the need for harmonized development policies, programmes and strategies. National councils for sustainable development that are in place in most countries are expected to take on the role of facilitating this process.

19. Activities in the field of energy included preparation of a series of studies and reports on power sector reforms. A study, *Power Sector Reform in Africa: Making Africa's Power Sector Sustainable*, was prepared in collaboration with United Nations Environment Programme (UNEP) within the framework of United Nations Energy/Africa. The study provides an in-depth analysis of the economic, social and environmental impacts of power sector reforms. Among its findings are that while reforms helped achieve some institutional efficiency, preliminary assessments indi-

cate a low level of interest by the private sector in improving electricity access levels as well as an unwillingness to commit the levels of investment needed to increase generation capacity and improve transmission networks. The report concludes that overall, reforms have not been enough to ensure the sustainability of the power sector. The study underlined the need to refocus reforms to ensure increased electricity access for the majority of poor people.

20. Similarly, activities undertaken in the area of science and technology were aimed at enhancing awareness of the role and contribution of S&T in achieving sustainable development. In this context, ECA provided technical assistance to Rwanda, South Africa and Ghana in reviewing, restructuring, and updating their science, technology and information systems and policies. ECA also participated in the eighth session of the UN Commission on Science and Technology for Development in Geneva in May 2005 where it sponsored a resolution on making science and technology work for the poor and the African Green Revolution which was adopted by the UN General Assembly in September 2005. In a related initiative, the ECA Executive Secretary was invited to join a Group of Eminent Persons on the African Green Revolution by President Olusegun Obasanjo of Nigeria, during his tenure as Chair of the African Union.

21. Another highlight of the year was ECA's work on trade and environment which seeks to promote sustainable development by enhancing capacity of governments, businesses and civil society to integrate environmental considerations into trade and financial policies and practices. To this end, a Regional Workshop on Capacity-Building in Trade and Environment was organized at the ECA headquarters in Addis Ababa in February 2006 to discuss the nexus between trade and sustainable development. The meeting underlined the relevance of environmental issues for trade, and noted with concern that environmental issues have not been taken as seriously as they should have been in trade negotiations within the WTO framework, due to the weak negotiating capacities of African countries. In this connection, the meeting called for awareness raising and advocacy among African leaders regarding the importance of environment issues and the need to allocate more resources to the sector.

22. ECA's work under this subprogramme has led to increased awareness of the need to integrate environmental considerations into mainstream national economic policies and plans for achieving the MDGs and poverty reduction. The impact in member States

is reflected in the increase in the number of countries that are redefining their national strategies to include an environmental component.

Strengthening development management

23. The central role of good governance in building a capable State and achieving sustainable development and poverty reduction is now widely recognized. A system of good governance is also required for all sectors of society to participate and contribute to the development process, as well as for the implementation of New Partnership for Africa's Development (NEPAD) and achieving the MDGs. Addressing the challenge of establishing and sustaining good governance practices for broad stakeholder participation in the development process and strengthening the foundations for sustainable development in Africa remains the central objective of ECA's work under this subprogramme. Particular emphasis was also placed on addressing the challenges identified in the Consensus Statement adopted at the fourth African Development Forum (ADF-IV) which was held in October 2004 on the theme, *Good Governance for a Progressing Africa*.

24. Activities in support of the above objective during the year under review included meetings, seminars and workshops to facilitate the exchange of experience and improve stakeholder capacity in the area of governance (political, economic and corporate, including strengthening public financial management).

25. In the area of political governance, ECA provided support to the APRM Secretariat as one of the key strategic partner institutions. In addition, ECA also provided technical assistance to several member States in various stages of their review process and participated in several country support missions. Crucially, the African Governance Report (AGR) country case studies served as inputs into the APR country self-assessment since about 50 percent of the countries involved have also acceded to the APRM.

26. ECA published and launched the first annual *AGR* during the period under review. A major press conference was held at the ECA headquarters in Addis Ababa in March 2006 to formally launch the report. The press conference was attended by several media agencies from within and outside Africa. The report received unprecedented worldwide media coverage and has become one of ECA's best known publications as reflected by the number of requests received so far for copies of the report from various African

and non-African institutions. However, even before the report was formally launched in March 2006, it had been used by several regional and subregional institutions to support their work on governance, and was extensively quoted in several conferences, studies and websites. For example, during the *Forum on Governance in Africa* organized by the African Union in November 2005, the South African Institute for International Affairs (SAIIA) made a presentation using the results of the ECA governance study as well as the country surveys on Botswana, Lesotho, Mozambique, South Africa, Swaziland, Zambia and Zimbabwe (SAIIA, 2005). The forum noted that publications such as the AGR had immense value in crucial governance areas such as linking and promoting synergies between different categories of actors, and giving priority to implementation issues, and supporting dialogue processes on governance issues. At the country level, some of the partner national research institutions have already published their own national governance reports based on the country profiles in the AGR.

27. The report is intended to promote consensus-building on key issues and to develop, sustain and internalize the norms of good governance in Africa. Indicators developed for the first report covered 27 countries and focused on issues of political representation, institutional effectiveness, and economic management and corporate governance. The report provided a significant input to the APRM process in several countries.

28. In the area of economic and corporate governance, ECA organized a series of subregional workshops on *Codes and standards for economic and corporate governance in Africa*. These workshops were organized in collaboration with the five ECA Subregional Offices (Central Africa, East Africa, North Africa, Southern Africa and West Africa). The objective of the workshops is to provide a forum for experts and policy makers, including representatives of governments, civil society organizations, academic institutions and the private sector from the five subregions to review economic and corporate governance practices in member States; identify the main challenges, strategies and good practices and provide recommendations to enhance economic and corporate governance in the region. Each subregional workshop ended with the adoption of a Plan of Action aimed at initiating and reinforcing specific programmes and campaign of advocacy and sensitization for promoting better corporate governance in the public and private sectors. Five background papers were prepared and presented at the subregional workshops by the ECA secretariat. In addition, a technical publication on promoting

codes and standards of good economic and corporate governance is currently being prepared.

29. A number of ad hoc experts group meetings and workshops were organized to review the results of various research, analytical studies and publications prepared by the secretariat on a wide range of governance issues. These included an ad hoc experts group meeting on best practices in participatory development; ad hoc experts group meeting on public financial management and accountability in the context of budget transparency in Africa; and a workshop on the role of Africa's civil society in the implementation of the APRM. In 2005, two publications were also produced on partnership modalities for enhancing good governance and regulatory governance and infrastructure development. One issues paper, prepared for the joint ECA-ADB annual symposium in May 2005 explored the issue of capacity-building for achieving the MDGs in Africa. In addition, ECA is planning to organize the sixth African Governance Forum (AGF) in collaboration with United Nations Development Programme (UNDP) and ADB under the theme, *Implementing the African Peer Review Mechanism-challenges and opportunities* in May 2006.

30. As part of its ongoing reforms, ECA plans to establish strategic partnership initiatives with various institutions in the member States in order to promote cooperation in the area of governance and provide its work with a strong country-level dimension.

Harnessing information for development

31. The overall objective of the subprogramme is to further strengthen the growth of a sustainable information society (IS) in Africa that better addresses the continent's development challenges. To that end, ECA's work under this subprogramme focused on three broad interrelated areas as follows: *Harnessing Information Technology for Development – implementing the African Information Society Initiative (AISII); Strengthening Geo-information systems for sustainable development; and Improving access to information and knowledge through enhanced library services.*

32. Activities undertaken in the area of harnessing information for development were aimed at strengthening the capacity of member States to create an enabling environment for harnessing ICTs to achieve accelerated growth and development. Key to the attainment of this objective is the promotion of National Information and Communications Infrastructure (NICI) policies and plans which articulate

long-term policy, infrastructure, regulatory, content and application strategies as an integral part of overall national development programmes.

33. A major accomplishment in this area is the increase in the number of countries that have either developed or implemented NICI policies and plans with ECA's assistance during the year. As a result of ECA's assistance, NICI's plans were initiated, formulated or implemented in 13 additional countries during the period under review - Chad, the Democratic Republic of Congo, Gabon, the Gambia, Malawi, Niger, Nigeria, Sierra Leone, the Sudan, Swaziland, Rwanda, Tanzania, and Togo (which received assistance in finalizing its second NICI). ECA also assisted Ethiopia and Uganda in launching their sectoral plans in the area of health.

34. In order to bridge the digital divide and strengthen the application ICTs in the economic sectors, ECA launched an ICT, Trade and Economic Growth initiative in March 2006 in partnership with the Government of Canada to support the use of ICTs in economic performance and growth, build competitiveness as well as increase growth in traditional and emerging sectors of African economies and increase Africa's export base in IT-enabled Services (ITES).

35. During the period under review, ECA also continued to actively support the objectives of NEPAD through assistance to the Regional Economic Communities (RECs) in the development and implementation of subregional policies and plans in order to ensure improved connectivity and unification of standards between member States. In December 2005, an e-government strategy was completed for the East African Community (EAC). Since September 2005, the Economic Community of West African States (ECOWAS) and ECA have been working together to create an ICT policy framework for the subregion which would address the challenges of building the information society including harmonizing national ICT policies and plans. In North Africa, a study is being undertaken in collaboration with the Arab Maghreb Union (AMU) on the status of e-commerce development in the subregion to examine the feasibility of launching a subregional e-commerce platform, which will facilitate business activities among member States. The draft ICT strategy for the Common Market for Eastern and Southern Africa (COMESA) was presented and discussed in February 2006 at an experts group meeting. Also in 2006, ECA will be supporting the Communauté Economique des Etats d'Afrique Centrale (CEEAC) and Central African Monetary and Economic Community (CEMAC) to implement the e-CEMAC 2010 initiative.

36. In response to the need for measuring the impact of ICTs in various sectors, ECA continued to implement its initiative, SCAN-ICT, which is aimed at building and strengthening the capacity of member States in the development of indicators and benchmarks for monitoring and assessing information society trends. The SCAN-ICT initiative entered its second phase in June 2005 with the launch of activities for collecting core ICT for development indicators in five countries (Cameroon, the Gambia, Ghana, Mauritius, and Rwanda). The countries will begin developing web-based resources and databases as a result of the indicators in late 2006. The regional IS indicators database for Africa will eventually be integrated into a global database to allow for comparison. The development efforts for the two systems are being carried out concurrently. This has necessitated extensive collaboration between ECA and other UN regional commissions, international agencies and national statistical offices in developing harmonized and standardized information society indicators at the global, regional and national levels.

37. An important aspect of ECA's national policy formulation is the development of national geoinformation policies, as well as their integration into national e-strategies. During the period under review, ECA assisted Burkina Faso, Liberia and Rwanda in integrating National Spatial Data Infrastructures (NSDI) into their NICI process, and is currently undertaking a review of SDI activities in Senegal. With assistance from ECA, six countries (Botswana, Burundi, Ethiopia, Mali, Nigeria and South Africa) formally established a National Spatial Data Infrastructure (NSDI) or framework. Efforts are also currently underway to support the African Union Commission in developing a multi-modal transportation master plan for Africa; and to Ethiopia, in building the capacity of the Ethiopian Mapping Authority (EMA) to develop a web-based digital gazetteer that better utilizes spatial database and digital technology.

38. The ECA secretariat also continued to play its role as a major geoinformation knowledge hub, by maintaining a clearing house system for researchers and decision makers, providing the space for member States to publicize their metadata holdings. Data sets for six countries were completed, and five more updated, bringing the number of African countries with complete data sets to 19. In collaboration with the International Cartographic Association, ECA prepared and disseminated a draft report on fundamental data sets to relevant stakeholders to facilitate agreement by member States on a common terminology and consistent fundamental spatial data sets for Africa. Efforts to increase the awareness of policy and

decision makers of the importance of geoinformation for economic development was also delivered through a workshop in March 2006 for West African countries on the African Reference Framework (AFREF). In addition, the ECA secretariat is currently compiling, editing, and verifying the second level administrative boundaries of African countries as part of a worldwide initiative.

39. In the area of information and knowledge development, the ECA Library is currently undertaking a baseline survey to measure the level of readiness among regional, national and special libraries to participate in a regional network aimed at facilitating the sharing of development knowledge resources. The survey was developed on the basis of the recommendations of the Advisory Committee of the African Virtual Library Information Network (AVLIN) from the AVLIN which is hosted by the ECA Library. The ECA Library also continued to serve and provide technical inputs to the work of the Steering Committee on the Modernization and Harmonization of United Nations System Libraries and Inter-Agency Group on Knowledge Sharing and Information Management (KSIM). Other outreach materials and services produced by ECA to help promote public awareness on ICTs for development issues included a series of policy briefs and publications, which were launched during the WSIS in Tunis in November 2005. In addition, two video programmes were produced to highlight the challenges and opportunities ICT present to Africa. Various initiatives in enhancing the availability and utilization of content have been undertaken such as Varsity Net and Academia Research Network (ARN) projects, and AISI Media Awards.

40. During the period under review, ECA member States were engaged in the preparation for the second phase of the World Summit on the Information Society (WSIS-2) which was held in Tunis in November 2005. Through a series of ECA activities, African countries were able to actively participate in the global decision-making processes and reflect Africa's common concerns and perspectives in their outcomes based on the African Regional Plan of Action on the Knowledge Economy (ARAPKE), adopted by African ICT Ministers in September 2005. ECA also organized or participated in a number of side events during the Summit. These included a symposium, *Building Regional Partnerships for the Information Society*, which was jointly organized with other Regional Commissions, and chaired by President Paul Kagame of the Republic of Rwanda; a special panel event on *Financing Knowledge in Africa* which had the President of the African Development Bank (ADB), and the ECA Executive Secretary, as well as several African

Ministers as panelists; and a parallel event on measuring the information society, organized by the Partnership on Measuring ICT for Development.

41. During the Summit, ECA worked with a group of African journalists to produce a newspaper entitled, *WSIS Tunis Agenda*, as well as radio coverage of the Summit events. In addition, as a follow-up to WSIS-2, ECA organized a conference, *WSIS Follow-up Conference on Access to Information and Knowledge for Development*, which brought together librarians from African countries and other information professionals to develop and agree on an action framework, which will serve as a blueprint for the implementation of the WSIS recommendations in Africa.

42. Capacity-building activities remain central to ECA's mission of promoting awareness of the importance of harnessing and exploiting ICTs for socio-economic development. Through the activities of the Information Technology Center for Africa (ITCA), an ICT-focused exhibition and learning center at ECA, a significant number of government agencies, national parliaments, academic and research institutions and NGOs in the region have benefited from training in the use and application of ICTs. Since August 2005, ECA has been providing training support to 100 Ethiopian Customs officers on application development and network management. The African Virtual Learning Academy (AVLAC) provides ITCA with additional means to address training needs and provide online capacity-building training to policy and decision makers, while the ECA-IDEP initiative which started in September 2005 is developing online training for policy makers on economic development and planning. Other online courses are available on internet governance (<http://www.uneca.org/itca/vlac>). Capacity-building workshops have been organized for Members of Parliament in the Gambia and Niger (June 2005) leading to the creation of Members of Parliament ICTs for development networks as well as an ICT Parliamentary Standing Committee in Niger. Similar workshops were held in March 2006 in Swaziland and similar requests have been received from the Parliaments of Kenya, Uganda and the SADC Parliamentary Forum to assist in building the capacities of parliamentary staff as well as Members of Parliament in the use of ICTs. These requests will be addressed in the course of 2006.

43. In the course of the year, ECA continues to leverage on a number of bilateral and multilateral partnership mechanisms to carry out its activities. It continues to provide the secretariat for the *Partnership for ICTs in Africa (PICTA)*, an informal group of partners working to leverage resources and expertise

to build Africa's Information Society. ECA also serves as the Africa Regional Focal Point for the *Global Knowledge Partnership (GKP)*, and plays an important role in ensuring African stakeholders' participation in GKP activities on resource mobilization, poverty reduction, access to knowledge and education. ECA is also active in the work of the *Partnership on Measuring ICT for Development*, a global partnership initiative comprised of International Telecommunication Union (ITU), Organization for Economic Cooperation and Development (OECD), United Nations Conference on Trade and Development (UNCTAD), United Nations Educational, Scientific and Cultural Organization (UNESCO), Institute for Statistics, ECA, Economic Commission for Latin America and the Caribbean (ECLAC), Economic and Social Commission for Asia and the Pacific (ESCAP), Economic and Social Commission for Western Asia (ESCWA), UN ICT Task Force and the World Bank, aimed at defining and collecting a set of common ICT indicators for countries to produce information society statistics.

44. Bilateral partnerships continued to be strengthened during the year. For example, cooperation between ECA and Finland was strengthened focusing on policy formulation and implementation, telecommunication regulatory issues and research and innovation; with the Government of Canada on the *Global Electronic Policy Resource Network (ePol-Net) project*, of which ECA acts as the African regional node to support e-policy formulation and implementation. Other bilateral support has been for outreach and building stakeholdership for the Information Society from the Swiss Development Cooperation (SDC) and the Gesellschaft für Technische Zusammenarbeit (GTZ); and on land information policies and other geoinformation initiatives from the Governments of Korea and Canada. In addition, as part of the Interoperability Task Group of the United Nations Geographic Information Working Group (UNGIWG), ECA is collaborating with UNEP to pilot an innovative spatial data interoperability platform.

Promoting trade and regional integration

45. The overall objective of this subprogramme is to accelerate the effective integration of Africa into the global economy and strengthen the process of regional integration on the continent through promoting intraregional and international trade as well as physical integration, with particular emphasis on the transport sector.

46. The activities undertaken towards realizing the above objective can be grouped into three broad areas, namely, trade promotion and multilateral trade negotiations; facilitating and enhancing the process of regional economic integration; and transportation infrastructure development. The efforts under each of the three areas were underpinned by enhanced support to the regional economic communities (RECs), the building blocks for achieving the African Economic Community.

47. In the area of trade promotion and multilateral trade negotiations, the two key processes currently taking place are the World Trade Organization (WTO) negotiations and economic partnership agreement (EPA) negotiations between the European Union and African countries. During the period under review, African countries were engaged in preparations for the sixth WTO Ministerial meeting which was held in Hong Kong in December. ECA worked closely with other partners in supporting the member States in their preparation. In this regard, ECA, in collaboration with the African Union (AU) organized a meeting of African Ministers of Trade in Arusha, Tanzania to enable them define and synchronize their negotiating positions. ECA made technical presentations at the meeting, using detailed research and policy analyses that it undertook. ECA was also represented at the Hong Kong Ministerial and met daily with the Africa Group of negotiators to analyze developments and propose negotiation strategies.

48. Despite the failure of the Hong Kong Ministerial to reach agreement on key issues, Africa was able to successfully defend its position, particularly on the key issues of agriculture, where there was agreement to eliminate various farm support measures by 2013. As many of the key decisions have been deferred to the negotiators at Geneva, ECA is supporting the Africa Group in Geneva on a continuous basis. In another collaboration with the AU, ECA organized a post-Hong Kong brainstorming meeting for African negotiators in Geneva to analyse the Hong Kong Ministerial text and develop strategies for future negotiations. ECA continues to monitor the negotiations and supports African countries on a daily basis with technical advice and assistance in making proposals at the negotiations.

49. As the Economic Partnership Agreements (EPAs) negotiations between the EU and ACP countries entered a crucial new phase in 2005, ECA increased its support to member States in building a coherent strategy for the negotiations. Although, the EPAs are expected to generate enormous benefits to ACP countries, their implementation will pose enormous chal-

lenges such as: managing the expected loss of fiscal revenue; coping with more competition expected as a result of the reciprocity entailed; ascertaining net benefits from the EPAs, especially for LDCs; and enhancing the limited capacity for negotiations in most African countries.

50. In response to these challenges, ECA undertook a comprehensive impact assessment of EPAs, on which Africa can build an effective strategy for negotiations with the EU. ECA organized three subregional Expert Group Meetings during the period under review (in West Africa, East Africa and Southern Africa) to examine the main challenges of the ongoing negotiations and the potential implications of the EPAs on the respective subregional economies. ECA presented the results of its technical studies, which highlight the potential impact of concluding an EPA as proposed by the EU, and made recommendations on how Africa should respond.

51. The subregional meetings were followed by a regional meeting where lessons and experiences from the various regions were shared and the way forward on EPAs agreed. One important outcome of the meeting was a request for ECA to examine how African countries can mitigate against some of the possible impacts of an EPA with the EU. In response to the request, ECA conducted studies on African countries that have concluded free trade agreements with the EU (Egypt, Morocco, South Africa and Tunisia) and distilled lessons for other African countries. In addition, ECA is currently undertaking country specific studies on the likely impact of EPAs. So far, studies have been completed for Djibouti, Ethiopia, Gabon, Mali, Rwanda, Senegal and Seychelles. For all the country studies, ECA cooperates with national governments and research institutions in order to ensure that national institutions gain the experience and skills necessary to conduct future studies.

52. ECA's work of building sustainable trade capacities of African countries was further enhanced through the capacity-building activities of the African Trade Policy Centre (ATPC) which was established in 2004 with support from the Government of Canada to strengthen ECA capacity on trade-related issues. During the period under review, the Centre continued to deliver on its mandate of providing advisory services and training to African countries on trade-related issues and regularly publishes analytical and policy-relevant research to assist member States in developing their negotiating positions. In February 2006, the Centre conducted a training session for African embassies based in Addis Ababa on international trade negotiations. The workshop served to

inform the embassies, and through them the member States, on the details of the ongoing trade negotiations in Geneva, and the role ECA continues to play. This information seminar is an important objective of ECA as trade is not the preserve of the trade ministry alone, but part of a broader objective to mainstream trade in national development plans of our member States. The Centre is also conducting a far-reaching study on mainstreaming trade and its results will be published in June this year.

53. ECA, in collaboration with the African Union completed the second edition of its flagship report, *Assessing Regional Integration in Africa (ARIA II)* during the period under review. One of the key recommendations of ARIA I, which was published in 2004 was that Africa needed to rationalize the institutional setting for the pursuit of the African Economic Community. The issue of rationalization of RECs was thus the theme of ARIA II. Since the AU has designated the RECs as building blocks for the AEC, ARIA II is a study on how these institutions can be rationalized and made more effective. ECA visited all African RECs and several member States in conducting the study. The report will be launched at the next AU Heads of State and Government Summit scheduled to be held Banjul, the Gambia in July 2006. The Summit will be dedicated to rationalization issues. The report examined the long-standing issue of proliferation of RECs and their overlapping mandates and memberships and the challenge that this poses for Africa's integration, and presents several options that African leaders can pursue in order to rationalize and strengthen the RECs.

54. Many of the impediments to effective integration in Africa come from the lack of transport infrastructure. ECA's work on trade facilitation shows how inadequate infrastructure and non-physical transport barriers are key contributors to high trading costs and supply side constraints. Thus, an important objective of ECA's work in the area of infrastructure development is to help establish an efficient, integrated and affordable transport and communications system as a basis for the physical integration of Africa and to facilitate national and international traffic.

55. ECA is part of the sub-Saharan Africa Transport Programme (SSATP), along with the World Bank, 33 African countries and African Regional Economic Communities. In 2005, the SSATP published a report titled, *Transport and the Millennium Development Goals*. The report outlines transport targets and corresponding indicators aimed at contributing to the achievement of the MDGs. These targets and indica-

tors were subsequently adopted by African Ministers of Transport and Infrastructure in the form of a Declaration.

56. In the area of air transport facilitation, African Ministers responsible for the sector adopted a resolution on the implementation of the Yamoussoukro Decision liberalizing air transport in Africa. ECA is co-organizing a high-level meeting of African airlines with the AU and the African Development Bank. This is part of a process to help African countries implement the Yamoussoukro Decision, which was adopted in 2000. ECA also provided assistance to the East African Community (EAC) and Common Market of Eastern and Southern Africa (COMESA) to establish airline competition rules, which is one of the areas delaying the adoption of the Yamoussoukro Decision.

57. ECA as part of SSATP, co-organized the meeting of African Ministers of Transport, which was attended by over 200 participants including 18 Ministers responsible for Transport and Infrastructure in sub-Saharan African countries in Bamako, Mali in November 2005. The Ministers adopted a declaration in which they committed to integrating regional corridor treaties and relevant international transport conventions into national legislation, and remove all non-physical barriers to transport. The mainstreaming of gender in transport development also emerged as an important outcome of the meeting. Recommendations made in this regard included the creation of a women's network and capacity-building of female stakeholders in the transport sector.

58. ECA is undertaking a study on the current status of transport development in Africa. Findings of this study would feed into a symposium on *Financing Transport Infrastructure Development in Africa* which will be organized jointly with ADB in May 2006 in Ouagadougou. In addition, ECA is undertaking preparatory activities for the fourth African Road Safety Congress that it will organise in 2007, as well as for the first United Nations Global Road Safety Week also scheduled for 2007.

Promoting the advancement of women

59. The overall objective of this subprogramme is to mainstream gender into development policies, programmes and structures of ECA member States, in order to ensure parity in the distribution of resources and enable women to participate in strategic decisions with respect to economic and social development.

60. Activities undertaken during the period under review in support of this objective included: (i) refining and operationalizing the various tools and instruments developed in the previous biennium for gender mainstreaming and monitoring progress towards the goal of gender equality. These tools include the African Gender and Development Index, the Guidebook on Statistics and the Gender Aware Microsimulation Model; (ii) promoting the implementation of the *Outcome and Way Forward* document that was adopted by the seventh African Regional Conference on Women in October 2004 (Beijing + 10), to ensure implementation of the Dakar and Beijing Platforms for Action; (iii) strengthening the capacity of ECA Divisions and SROs in mainstreaming gender in ECA's activities and outputs.

61. During the period under review, the secretariat completed work on the development of the following tools and instruments for gender mainstreaming: *the Easy Reference Guidebook on Mainstreaming Unpaid Work and Household Production in National Statistics, Policies and Programmes; the Gender Aware Macroeconomic Model and the African Gender and Development Index (AGDI)*, and assisted member States in operationalizing their plans of action.

62. To raise the awareness of member States on the importance of unpaid work and household production in African economies as well as its implications for policy making, six subregional workshops were organized for statisticians, planners and gender policy experts during the period covered by this report. The main objective of these workshops was to assist member States in operationalizing the Easy Reference Guidebook and build their capacities on the concepts, tools and methodologies for mainstreaming unpaid work and household production into national statistics, policies and budgets through the effective use of the Guidebook in their respective countries. Overall, 123 participants from 39 countries were trained on how to mainstream unpaid work into national planning instruments.

63. Member States are now aware of the rationale of recognizing and valuing unpaid work and household production as well as the policy implications. As a result, they elaborated action plans and requested more assistance from ECA to effectively apply the Guidebook at the national level. The workshop evaluations showed that there had been increased awareness amongst the participants of the policy implications of gender issues in economic policies and the need to use sex and gender disaggregated data to inform economic policy formulation. Plans are underway to provide national level support for

the implementation of these tools and guide economic and social policies.

64. As a complement to the Guidebook, ECA took steps to increase the use of time-use surveys to measure and integrate women's unpaid work into national planning instruments as a step towards poverty reduction. During the year, ECA embarked on the process of introducing a new round of regular time-use surveys in six countries - Cameroon, Djibouti, Ghana, Morocco, Uganda and Zambia - with the aim of generating new, timely and more accurate gender disaggregated statistics that address the MDGs.

65. ECA, continues to develop and refine the gender-aware model to evaluate the impact of policies on poverty reduction and implementation of MDGs in African countries. The model is a step further in making national planning and evaluation processes gender responsive. To operationalize the model, South Africa was used as a pilot country to evaluate the impacts of the ongoing trade liberalization in South Africa. The policy simulations of the South African economy demonstrated that impacts of policy shocks such as trade liberalization have differential impacts on men and women's market work, unpaid work, wage, income and welfare. The initial simulations revealed that in order to reduce time burden on women, the Government needs to consider designing complementary policies through measures that save time or improve productivity of time use such as women's access to education, land, finance, information and technology. The National Treasury of South Africa endorsed the model for use in its economy-wide policy making and planned to carry out more evaluation using the model on different policy variables of priority to the country. The replication of the model has already begun in Djibouti where the process of time-use survey has also commenced.

66. To address the lack of a proper monitoring mechanism to track progress towards gender equality and women's advancement, ECA developed the African Gender and Development Index (AGDI). The tool combines a quantitative assessment of gender inequality in the social, economic and political sectors, and a qualitative measurement of the extent to which member States have effectively implemented the conventions on gender equality and women's rights they have ratified at regional and international levels. Ministers and experts endorsed the AGDI during the seventh African Regional Conference on Women (Beijing + 10). The AGDI is also recognized by African policy makers as a tool to help streamline reporting on various regional and international conventions and protocols on gender and women's rights.

67. In 2005, the results of the pilot studies of the AGDI in 12 countries - Benin, Burkina Faso, Cameroon, Ghana, Egypt, Ethiopia, Madagascar, Mozambique, South Africa, Tanzania, Tunisia, and Uganda - were produced. The 12 countries collected gender-disaggregated data in the social, economic and political areas and also reported on their achievements in reducing gender disparities and promoting the advancement of women. The field studies on the AGDI have revealed that the social sector has witnessed critical milestones in gender equality. For instance, in the area of education, major progress has been made in school enrolment at primary and secondary levels. Of the 12 AGDI pilot countries, three have already achieved gender parity in primary and secondary enrolment (South Africa, Tunisia and Madagascar) with a female to male ratio of net enrolment rates superior to 1. Four other countries (Cameroon, Egypt, Tanzania and Uganda,) are close to reaching parity in primary enrolment rates with a female to male ratio superior to 0.9. Girls' school dropout in primary education has also slowed down as evidenced in eight of the 12 AGDI countries studied, where school dropout ratios are higher for boys than for girls in primary education. However, major gaps persist in tertiary education with some countries achieving complete gender equality (Tunisia and South Africa) while others (five countries) scored very low on the female to male ratio of net enrolment. The results of the field trials will be published in the African Women's Report (AWR) which is currently being finalized.

68. During the period under review, the subprogramme strengthened an institutional culture, system and practice of gender mainstreaming into its activities and outputs to member States. Following a capacity-building needs assessment exercise conducted in 2004, six divisional gender mainstreaming workshops targeting professional staff of ECA's substantive divisions and the Office of Policy and Programme Coordination (OPC) were undertaken in January and February 2006 to sensitize them on the importance of gender mainstreaming into ECA's work and outputs as well as their impacts on the socio-economic development of its member States.

69. The capacity of ECA staff in gender mainstreaming was built through these workshops. The workshops led to strengthening of divisional ownership of the process of gender mainstreaming into ECA outputs and advisory services to member States. As a result of the training workshops, divisional staff members are more cognisant of the critical need to mainstream gender into their work and are better equipped to address gender equality concerns in their outputs to member States. Each division has designated a gender focal person and ACGD has also assigned

focal persons to divisions to provide more systematic backstopping on gender mainstreaming.

Supporting subregional activities for development

70. The activities under this subprogramme were implemented by ECA's five SROs, located in Kigali (East Africa), Lusaka (Southern Africa), Niamey (West Africa), Rabat (North Africa) and Yaounde (Central Africa). The activities were primarily aimed at promoting the harmonization of national policies in support of integration efforts and at consolidating RECs in the overall framework of the AU as well as facilitating the attainment of the goals set by NEPAD in the subregions.

71. In providing a subregional dimension to ECA's analytical work in the articulation of development strategies and policies and in the implementation of regionally and globally agreed initiatives, the SROs not only serve as the operational arms of the Commission, but also as facilitators of subregional economic cooperation and integration and centres for policy dialogue, through workshops, training, data collection and knowledge sharing to strengthen ECA's outreach. In addition, the SROs collaborate with other UN agencies in their respective subregions within the context of the United Nations Resident Coordinator system and the CCA/UNDAF in the implementation of operational activities at the national level.

72. A major priority in the work of the SROs during the period under review related to providing support to member States and the RECs in translating the priorities and objectives of NEPAD into concrete projects and programmes at the country and subregional levels, particularly in the areas of trade, infrastructure, human capacity development, gender mainstreaming, agriculture, food security and the environment. The following section highlights the major achievements of each of the SROs during the period under review.

ECA-North Africa

73. During the period under review, ECA Office for North Africa (SRO-NA) focused its policy support to its member States and their intergovernmental organizations on assessing the economic performance and competitiveness of the subregion in the global economy; progress in the water and environment sector; and the consolidation of regional integration.

74. As requested by the 20th meeting of its Intergovernmental Committee of Experts (ICE) held in

April 2005 (Tangiers, Morocco), the Office organized a Round Table on the *Evolution of North Africa Economic Structures*. The meeting discussed seven country studies, drew conclusions and made recommendations related to the methodology, statistical database and sectoral opportunities for further economic diversification and increased regional integration. The recommendations made to member States requested to focus the development strategic approach on the economy of knowledge, namely by deepening the use of information and communication technologies and by upgrading and adjusting educational systems. The experts stressed the importance of cross-cutting issues such as governance, gender equality, ICT and human capital.

75. The Office also organized an ad hoc expert group meeting on *Designing Codes and Implementing Standards for Corporate Governance*. The meeting, held from 5 to 7 December 2005 in Rabat, Morocco, focused on codes and norms harmonization. The participants identified major challenges to adhering to corporate governance and suggested a set of recommendations together with an Action Plan proposing activities aimed at strengthening corporate governance in the subregion.

76. In assessing progress in the water and environment sector, the Office and the UN-Water Africa group organized on 17 April 2005 in Cairo, Egypt, a meeting of about 40 experts from the region to review the draft national and regional water development reports prepared as part of the 2004-2005 work programme of the Office. Subsequently, the reports were finalized and produced as major publications of the Office. These publications are designed to serve as a mechanism for monitoring progress in the implementation of the African Water Vision 2025 and for providing decision makers with a basis for managing North Africa's water resources.

77. To follow-up on these publications, SRO-NA organized a three-day seminar from 21 to 23 February 2006 in Tunis, to discuss specific regional dimensions on water and environmental management and their impact on development objectives of Northern Africa countries. The seminar, which was organized in collaboration with UN-Water-Africa and the Observatory of Sahara and Sahel, brought together some 50 high level experts, practitioners and policy makers in the field of water, environment and remote sensing from member States, regional and international organizations and institutions, academics and civil society. The seminar adopted elements of a Regional Action Plan on "Water, Environment and Development" which is being finalized by experts who partici-

pated in the seminar. It is expected that the challenges identified and the strategies recommended in the final Action Plan will guide all stakeholders in their efforts to implement sound national and regional policies and programmes for a sustainable management of water and environment.

78. Monitoring progress in the area of subregional integration was constrained by many factors, including institutional weaknesses, lack of subregional indicators on integration and weak networking among stakeholders. It was in the light of the foregoing, that the 2005 ICE meeting of SRO-NA agreed to the setting up by SRO-NA of an Observatory for regional integration in North Africa. The overall objective of the Observatory is to create a knowledge-base network, which will make it possible to monitor regional integration processes for their reinforcement. The Observatory will collect, analyze, develop, and disseminate information related to regional integration. A first version of the Observatory has been presented to the 21st meeting of the intergovernmental committee of experts held from 4 to 6 April 2006 in Rabat, Morocco.

79. In the context of NEPAD, the Office participated in two support missions to Algeria following the accession of this country to the African Peer Review Mechanism (APRM). As part of the implementation of the self-assessment process, the first mission in July 2005 allowed in-depth consultations with the government, political parties, Members of Parliament and representatives of organizations of the civil society. Mechanisms for coordination were put in place and a programme of work for the preparation of the national report on self-assessment and the Action Plan was agreed upon. The second mission contributed to furthering the process by establishing a dialogue between the executive and members of the National Evaluation Commission on ongoing policies, programmes and projects in the various ministries within the framework of the implementation of the investment programme for the medium-term (2001-2004) and (2005-2009). The National Evaluation Commission is expected to align these policies, programmes and projects with the Action Plan under development.

80. SRO-NA has undertaken a number of initiatives to enhance its contribution to the economic and social development of its member States and their IGOs and improve its visibility as a strategic partner in the subregion, especially in view of the meeting held recently with the Secretary-General of AMU who decided to give new impetus to the collaboration with ECA. The Office relocation from Tangier to Rabat, made possible by the government

of Morocco during the last quarter of 2005 will, unquestionably, result in increased synergies with North African governments, AMU, the UN system and other partnering organizations.

ECA-West Africa

81. During the period under review, the ECA Office for West Africa (SRO-WA) focused its work on the completion of planned activities for the biennium 2004-2005 and preparatory work for the implementation of core activities included in its approved programme budget for the biennium 2006-2007. Emphasis was given to technical cooperation with member States and major RECs of the subregion. The clusters of activities of the Office included: (i) policy initiatives and programme development towards the achievement of the MDGs and the implementation of NEPAD; (ii) advocacy for peace-building; (iii) strengthening of the operational capacity of the ECOWAS Secretariat and UEMOA Commission; and (iv) provision of advisory services to other IGOs, including the Niger Basin Authority (NBA), *Autorité du Liptako Gourma (ALG)* and Inter-States Committee on Fight Against Drought in the Sahel (CILSS).

82. Core activities carried out by the Office served as follow-up policy advocacy to the African Union's Action Plan for Poverty Reduction through Employment Generation (2004). It is in this respect that the thematic part of the 2005 report on economic and social conditions in West Africa assessed the situation of employment and formulated bold policy recommendations on the expansion of a productive middle class as a strategy for the consolidation of the democratic process and peace-building. In the same vein, the 2006 report addressed the issue of the creation of decent jobs through the facilitation of the transition of the enterprises network from informal to formal. The two ad hoc expert group meetings organized during the period under review were devoted to the economic implications of conflicts in the subregion and on macroeconomic framework conducive to employment generation.

83. In pursuance to the objective of enhancing the capacities of the ECOWAS Secretariat, SRO-WA remained a key partner of the ECOWAS Secretariat, UEMOA Commission, as well as with a number of international and regional development agencies that are also supporting the economic integration process in Africa. The work of the Office addressed an array of institutional issues that impinged the progress of economic integration of the subregion. Specifically, it concentrated on: (i) building institutional capacity for enhanced conceptualization, planning and man-

agement of economic integration programmes, with particular reference to subregional infrastructure development; (ii) facilitating policy dialogue, especially in macroeconomic policy harmonization and convergence, trade liberalization and economic partnership arrangements (EPAs) and monetary cooperation; (iii) advocating for best practices in cross-cutting areas such as ICTs, gender and environment sustainability; (iv) supporting peace-building and post conflict reconstruction; and (v) promoting good corporate governance and investments. The Office also pursued its assistance in the re-launching of economic cooperation within the framework of the Mano River Union through the strengthening of the MRU Secretariat.

84. SRO-WA enhanced its outreach capabilities and, as a result, significantly improved communication with its major partners in the subregion, including ECOWAS, UEMOA, CEN-SAD, universities and research institutions, government ministry departments, civil society organizations and private sector organizations. The success of the workshop on *Corporate Governance* and that of the *West Africa Investment Forum* both held in Bamako, Mali in February 2006 attested to the effectiveness of the partnership arrangements between the Office and key development actors in the subregion.

85. As part of its active involvement in the work of the UN Country Team in Niger, under the UN Resident Coordinator system, the Office undertook a number of joint operational activities. Specifically, and in the context of monitoring the implementation of the poverty reduction strategy of its host country, Niger, the Office undertook in partnership with UNDP to develop a low-cost methodology for the assessment and monitoring of poverty incidence, based on access to basic needs, and to conduct the field survey in Niger for the validation of the methodology. SRO-WA was also active in the evaluation of the UNDAF of Niger and participated as major contributor to the UN joint programme on gender mainstreaming for that country.

86. A major challenge confronting the subregion that will require special consideration during the current biennium is the recurrence of humanitarian crises in the subregion, brought about by drought, conflicts and possibly the bird flu. This suggests that the Office pays special attention to the subregional dimension of these issues.

ECA-Central Africa

87. During the period under review, ECA Office for Central Africa (SRO-CA) focused its policy interven-

tions on supporting the implementation of NEPAD in the subregion; facilitating the operationalization of subregional integration and cooperation schemes; and strengthening cooperation with member States, especially in the area of capacity-building. These activities complemented the Office survey of the economic and social conditions in Central Africa. In addition, SRO-CA participated in the UN Coordination System activities, so as to strengthen cooperation between the UN system and Cameroon, the host country.

88. In the context of NEPAD, the subregional institutions and the SRO-CA have been entrusted with the responsibility of managing the implementation of the "Plan Directeur Consensuel des Transports en Afrique centrale (PDCT-AC)" - the Operational framework for the consensual transport plan for Central Africa - which was endorsed in January 2004 by the Heads of State and government of the Economic Community of Central African States (ECCAS). Following the recommendation of the *CRNEPAD-AC* - the Subregional Committee for Central Africa on the NEPAD - at its meeting of March 2005 in Libreville, Gabon, to convene a PDCT-AC projects prioritization meeting, SRO-CA, in collaboration with the *Communauté économique et monétaire des Etats de l'Afrique Centrale* (CEMAC) and the *Banque de Développement des Etats de l'Afrique Centrale* (BDEAC) organized a ministerial meeting, in Libreville in October 2005, preceded by the experts meeting. In implementing the ensuing road map for the PDCT-AC, a sensitization mission on PDCT-AC to donor institutions took place in January 2006 with a view to mobilizing financial resources followed by the visits in February 2006 of a Joint ECCAS/CEMAC/BDEAC/SRO-CA Team to the ADB, in Tunis, Tunisia, the EU in Brussels, Belgium and to the Yaounde-based World Bank Office.

89. Further support of SRO-CA in advancing the implementation of the PDCT-AC was the organization of an ad hoc expert group meeting on regional infrastructure programme and facilitation in transit corridors. The meeting, which was held from 17 to 18 March 2006 in Yaoundé brought about 40 experts together from the sub-region and outside, including Angola, Burundi, Democratic Republic of Congo and Rwanda. The meeting recommended the merger of the various facilitation initiatives into a single transport facilitation programme for the subregion, and called for the setting up of a Follow-up Committee to coordinate, with the assistance of SRO-CA, the preparation of such programme.

90. In supporting regional integration and cooperation in general and the RECs in particular, SRO-CA assisted ECCAS and CEMAC in their efforts to

increase efficiency and effectiveness, especially by encouraging them to harmonize several competing sectoral programmes and activities. In this regard, the Office developed a consultative framework for the two RECs through a result-bound Memorandum of Agreement, which was adopted and signed by both parties and extended to SRO-CA. The MoU clearly spells out SRO-CA support to ensuring enhanced coordination in the implementation of both ECCAS and CEMAC decisions at the national level and identify priority areas for cooperation. The Office also organized on 13 October 2005 in Libreville, Gabon, a meeting on coordination and harmonization of programmes, which resulted in the adoption of a mechanism on cooperation among various stakeholders concerned with the harmonization of selected sectoral programmes. The Office is currently assisting the two RECs, work out a cooperation framework in the field of ICTs for development, which is among the priority areas.

91. Still in support of regional integration and cooperation, SRO-CA initiated the organization of a Forum on Investment in Central Africa. The outcome of this Forum will be the establishment of a subregional investment guarantee mechanism, local savings mobilization instruments as well as measures to support investors. An investment climate assessment in Central Africa has already been carried out for advocacy purposes on the need for the establishment of the guarantee mechanism.

92. In strengthening cooperation with member States, especially in the area of capacity-building, the Office organized three workshops drawing on some of the policy research work undertaken different Divisions of ECA. These workshops covered the following areas: (i) a training workshop on the application of "Easy Reference Guide" to engender national accounts and budgets in December 2005 in Douala, Cameroon. It aimed at reinforcing the capacity of member States to produce gender disaggregated data; (ii) a workshop on governance of micro-finance institutions, held in January 2006 in Douala, Cameroon, with the main objective of enhancing the capacity of Civil Society Organizations (CSOs) in the subregion; and (iii) a workshop on SCAN-ICT on 5 January 2006 in Yaoundé, Cameroon, to assist Cameroon in training staff to collect data on ICT environment.

93. Direct technical assistance was provided to selected countries in the subregion. In particular, the Office assisted Congo for undertaking its peer review (in the framework of NEPAD) with an advisory mission to assist the team in charge of the assessment process. Another advisory mission contributed

to strengthen capacity at the Ministry in charge of Social Affairs to design poverty reduction projects for special groups. The Office is also finalizing a study on the cost and benefits of regional integration for Congo. During the period under review, the Office hosted through its internship programme four students from Universities in Cameroon. These interns were from Cameroon, the Democratic Republic of Congo and Mali.

ECA-East Africa

94. During the period under review, the activities of ECA Office for East Africa focused on the regional integration process, support to NEPAD, gender mainstreaming and poverty reduction. These issues are indeed interrelated in that their ultimate objective is the realization of sustainable socio-economic development in the subregion. The Office also continued to provide technical support to its member States and major RECs on policy convergence for regional integration, infrastructure development, trade development and poverty reduction policies and programmes.

95. As part of its contribution to conflict resolution and post-conflict reconstruction efforts in the subregion, SRO-EA launched the Great Lakes Initiative. This Initiative, which revolves around thematic areas, was articulated and supported by subregional networks of experts. The outcome of the work carried out under the Initiative provided inputs to UN/AU sponsored International Conference on the Great Lakes process. The Office prepared analytical documents and a compendium of programme activities for transport and communications, energy and water infrastructure, which were submitted to the Conference.

96. SRO-EA carried out surveys of social and economic conditions in the subregion and prepared reports on the subject as well as reviews of Poverty Reduction Policies and Programmes, analysis of regional cooperation processes and support programmes (financing). Review reports have also been completed on Beijing+10 and manuals on gender-budgeting prepared and tested at special workshops held in cooperation with East African Gender-budgeting Initiative.

97. The Office provided advisory services to RECs within the context of Great Lakes International Conference, International Conference of Transport and Telecommunications Infrastructure Development for LDCs, Northern Corridor Transit Transport arrangements, to which technical papers were presented and discussed.

98. Increasing awareness of the need for PRSPs to evolve into second generation on the basis of MDGs. Various corridor development programmes including southern corridor have emerged and communication development initiatives such as ESSAY, the establishment of regulatory agencies and forum of high-level policy makers. National information and communication infrastructure plans have been prepared (Rwanda, Kenya, Tanzania) and IT initiatives launched by COMESA and EAC.

99. Proposals have been made to address soil fertility depletion and natural resources management and subregional/regional institutions working group established involving ICR, ASARECA, ARCT and RCMRD.

100. Gender-budgeting manuals have been completed and land rights for women are now being recognized examples are Ethiopia, Rwanda and Eritrea.

ECA-Southern Africa

101. Activities and concerns of SRO-SA during the past year were targeted at key activities related to regional priorities aimed at shaping the integration process of the SADC region. Within this framework, a number of activities were undertaken. These activities include survey of economic and social condition of the Southern Africa region, which marked major economic and social trends, developments and draw lessons for the future.

102. With respect to regional priorities, the main issues of concern for SRO-SA remained to be addressing regional priority issues in the economic and social fields. SADC is a region rich in energy and still experiences inadequate capacity in water resources management. The issue of water resources and their augmentation and water legislation are being studied by the Office.

103. Efforts continued to be made in developing the transport systems of Southern African member States in order to meet the economic, social, and political objectives underlying the implementation of NEPAD. SRO-SA lead agency role in this area is well appreciated and its contribution to the preparation of the terms of reference of the feasibility study on the Shire-Zambezi Waterway Project will result in the exploitation of the Shire-Zambezi waters for transportation purposes between Malawi and the Mozambique Channel and accrue multiple benefits to the countries associated with the project. This project is expected to enhance the development of Malawi, Mozambique, Tanzania and Zambia through the integration of infra-

structure. It is also expected to reduce input costs for investment in export oriented agriculture, agro-processing, tourism, mining and industrial development and promote cross-border trade in goods and services among COMESA/SADC countries thereby deepening regional economic integration. The TOR for the study has been submitted for funding considerations by ADB, the lead agency on NEPAD Infrastructure projects, with a view to executing it as a Public-Private-Partnership project.

104. It is a region very appreciative of the benefits of economic integration, which cannot be achieved without the coordination of various sectoral policies and the harmonization of norms, standards and legislative instruments. Hence, SRO-SA's proposed regional programmes, plans and policies in the areas of gender, transport, ICT, renewable energy and mining contributed to building consensus amongst the countries of the subregion.

105. SRO-SA in addressing the issues on HIV and AIDS from the perspective of poverty alleviation generated a new perspective, increased the sensitivity of policy makers to the broader dimensions and on the need to provide interventions to mitigate the devastating effects of HIV and AIDS and its impact on both economic and social developments. Approaching HIV and AIDS from the broader dimensions has also expanded the scope for promoting increased partnership between the State and institutions of civil society in studying its effects on smallholder agriculture; and assisting member States in defining intervention measures.

106. Another major outcome in the area of policy harmonization was the framework for harmonizing mining policies, standards, legal and regulatory frameworks presented to an *ad hoc* meeting of Ministers responsible for Mining in the SADC region held in Antananarivo, Madagascar, from 16 to 20 March 2006. The meeting adopted the framework, highlighting major policy issues related to the operationalization of the framework.

107. Increasingly, the linkage between socio-economic progress and governance, especially corporate governance is quite apparent. This presents a major challenge to find the right balance between corporate profit and private sectors contribution to overall development. One of the key concerns is the negligible effect of corporate activities on the local communities. SRO-SA, in responding to this challenge to find the right balance, engaged experts in a consultative process on how to place corporate governance at the heart of economic development beyond the financial and regulatory aspects. The overall objective of the consul-

tation was on striking the right balance between corporate profit motives, national economic and social goals, and individual expectations. The recommendation to approach the promotion of corporate governance as part of the broader objective to spur faster economic growth and reduce poverty introduced the elements of corporate social responsibility and corporate citizenship to important principles to ensure the private sector's contribution towards achieving MDGs in Southern Africa.

108. Partnership with cooperating partners continued to be an important mechanism for leveraging on the comparative advantages of partners to address issues of concern to the subregion. The establishment of REC transport coordinating committees (SADC, COMESA, SRO-SA and SSATP) has created a forum for establishing observatories to assess and quantify delays at border crossings, and the development of the one stop border concept at border crossing points such as Chirundu between Zambia and Zimbabwe. Modalities for developing guidelines for implementing vehicle overload control are also underway in Southern African transit transport corridors.

109. Leveraging on partnership was also quite evident in activities promoting women's movement, in addressing women's access to land and in addressing job creation in Southern Africa. On the promotion of women's movement, the operational collaboration with the Open Society for Southern Africa (OSISA), in the pioneering work of "Reinvigorating Women's Movement in SADC Region" is ongoing. Vibrancy of the women's movement is an essential catalytic driving force in achieving gender equality including job creation for women. The initiative conceived in June 2005 involved a series of activities leading to conceptualization of the causes and effects of the vibrancy of the women's movement in a defined period. This initiative has received the recognition and support of leading women activists and other stakeholders in the subregion. To that end, a round table meeting was convened at the end of March 2006 which, building on the conceptual framework presented and interrogating on it, designed a fully-fledged actionable programme to reinvigorate the women's movement in the SADC region.

110. Land being a vital production asset among most women in Southern Africa, SRO-SA initiated a process to facilitate addressing women's land rights through a regional integration approach. Partnership with the Center for Land, Economy and the Rights of Women (CLEAR) in Eastern Africa was quite useful in addressing the various dimensions of gender concerns. To this end, the Platform for Women and

Water Rights for Southern Africa was operationally linked with the Center for Land, Economy and the Rights of Women (CLEAR) in Eastern Africa.

111. On the issue of job creation, partnership with ILO in defining the job creation issues and in facilitating the discussion at the meeting of the 12th ICE contributed to the quality of the policy tools and measures recommended to boost productivity and accelerate the expansion of decent employment opportunities. The two institutions hope to build on this partnership and are already exploring further collaboration for implementing the recommendations from the ICE.

Development planning and administration

112. The objective of this subprogramme, which is implemented by the African Institute for Economic Development and Planning, is to enhance national capacity for the formulation and implementation of development policies and economic management through training. To that end, during the period under review, IDEP contributed to strengthening the technical and analytical skills of experts in the public and private sectors of member States who perform the essential functions of strategic economic planning and management through a range of activities which included training, seminars, workshops, conferences, library acquisition, documentation, networking, and policy-oriented research.

113. During the period under review a total of 105 experts comprising mid-career and senior officials from regional organizations as well as the public and private sectors of member States were trained in the fields of economic policy and management, regional economic integration in Africa, applied econometrics for economic policy-making, debt management and agricultural policies. These courses were organized in collaboration with several regional, continental and international institutions including the African Union (AU), the Arab Bank for Economic Development in Africa (BADEA) and the Government of the Netherlands, the Institute provided. During the period under review, four short courses. There was an exceptionally wide range of participation in these courses, with all the regions of the continent represented including a high rate of female participation which accounted for 43 per cent of the total course participants.

114. The Masters degree programme in economic policy and management enrolled 14 trainees and 22 theses covering different areas of socio-economic interests. Areas covered by the theses included pov-

erty alleviation, fiscal policy, budgetary adjustment, informal sector, economic growth, sources of growth, financial liberalization, private investment, external trade, energy and inflation. Forty training seminars were organized internally for the second year MA trainees with the aim of getting further inputs that will help improve their research outputs. The Institute hosted seven interns as part of its general internship programme. In addition, as part of its collaborative efforts with other academic institutions, IDEP played host to two renowned economists as visiting scholars: Professor Mike I. Obadan of the University of Benin, Nigeria, and Former Director-General of the National Centre for Economic Management and Administration (NCEMA), Ibadan, Nigeria; and Professor Francis Kern of the University of Strasburg, France. The two visiting scholars participated actively in all the Institute's training and research activities including teaching courses in the MA programme.

115. In the period under review, IDEP staff members undertook six research studies on various policy related issues which were presented at various international conferences; and the trainees produced 44 theses and graduate research papers. Four conferences/workshops were organized during the reporting period: a methodological workshop on the *Impact of Higher Education*, an IDEP-AAU collaborative research effort, a conference on *Africa's Growth and Development* held in Cairo in collaboration with the Egyptian Institute of National Planning, a conference on *NEPAD and the Future of Economic Policy in Africa*, and a training programme on debt management for officials from the Democratic Republic of Congo (DRC). These efforts have led to increased collaboration between IDEP and other ECA Divisions as well as institutions like the AAU and IDRC.

116. With regard to library acquisition and documentation, the library stock increased to 1,644 items during the reporting period. About 722 new books were acquired, an increase of 53 from the previous period. In addition, 30 new periodical titles were added in the same period with 140 issues received. The number of CD-ROMs was 30, while about 300 periodical titles and 600 records were acquired through the gifts and exchange programme. During the reporting period, two issues of *IDEP e-Newsletter* were published and distributed worldwide.

117. IDEP activities during the past year has contributed to strengthening the capacity of African countries for the formulation and adoption of sound economic policies and programmes as reflected in the positive feedback received from trainees and sponsoring institutions.

Technical Cooperation

118. Technical cooperation activities complement the regular work of the Commission, promote economic and social development, and foster regional cooperation and integration through national capacity-building. Such activities are classified according to their funding sources under the following headings:

- a. The Regular Programme of Technical Cooperation (RPTC)
- b. The Development Account

119. In order to strengthen delivery of technical cooperation and better respond to request from member States, ECA is in the process of developing a new strategy that would allow for greater flexibility and effectiveness in addressing many of the region's emerging challenges; and in addressing measures for improved programming, oversight, reporting and performance evaluation of technical cooperation activities as part of the ongoing reforms in the UN. Improved programmatic collaboration with other partners will also be pursued for achieving greater impact in the delivery of technical assistance.

Regular Programme of Technical Cooperation

120. The Regular Programme of Technical Cooperation, funded by the United Nations regular budget, is an important supporting instrument for implementing the ECA core programme activities described in the previous section of this report. RPTC, which takes the form of on-demand regional advisory services, training workshops, seminars, fellowships and field projects are aimed at building and strengthening the capacities of ECA member States and their institutions in addressing clearly defined policy and technical challenges in different sectors with particular focus on achieving MDGs and other regional priorities.

121. As part of its effort to promote policy change and strengthen institutional capacities, ECA organized 20 workshops and seminars involving over 500 participants and provided advisory services to 22 countries related to internationally recognized standards and best practices in selected sectors during the period under review. These activities contributed to strengthening the capacity of member States in policy formulation; implementation and programme monitoring with particular focus on such areas as social policy, poverty reduction and achieving MDGs; development of statistical capacities for tracking progress towards development goals; integrated water

resources management and sustainable development; harnessing information and communication technologies for development; regional integration and trade with emphasis on WTO-related issues; and gender mainstreaming into national development policies and programmes.

122. During the period under review, RPTC activities in the area of social policy and poverty reduction were aimed at strengthening the capacity of member States in the design, implementation and monitoring of pro-poor and gender sensitive policies and programmes consistent with MDGs and the priorities of NEPAD, with particular emphasis on issues that are central to the successful design and implementation of the Poverty Reduction Strategies (PRSs). In this regard, technical advisory missions were undertaken to Mozambique, Ghana, Ethiopia and Liberia; and also, inputs have been provided to a workshop on poverty measurement and monitoring in Kenya. These countries have started to put in place comprehensive poverty reduction policies and strategies that incorporate social issues and MDGs as a result of these activities.

123. To meet the growing demand for robust, reliable and comprehensive data from member States, much effort was devoted during the period under review to promoting the adoption and implementation of The Reference Regional Strategic Framework for Statistical Capacity Building in Africa (RRSF), which will serve as the reference document for all African countries and their development partners in the formulation and implementation of National Strategies for the Development of Statistics (NSDS). All African countries are required to adopt NSDSs in 2006 and begin implementing them by 2007. In this context, ECA provided technical assistance to several National Statistical Offices (NSOs), Statistical Training Centres (STCs) and Regional Economic Communities (RECs) in the elaboration of their strategic plans for statistical development. Burundi, Chad, Cameroon, Comoros, Congo, DR Congo, Gabon, Niger, Senegal, and Togo were among beneficiaries of such assistance. In addition, a group-training workshop on organization and management of statistical systems was organized in February 2006 for students of the Dakar-based Regional Statistical Training Center (ENEA-DSD). These activities contributed to the increase in the number of countries adopting NSDSs and strengthened capacity for the implementation of comparable national accounts.

124. In support of Africa's sustainable development needs and in response to the needs of nearly 300 million Africans who lack access to safe water, ECA continues

to assist its member States, river basin organizations and RECs to develop integrated water management strategies and plans that concentrate on irrigation, domestic water supply and sanitation, and innovative financing mechanisms. It also advises countries on developing treaties and protocols on shared water, which will address such issues as water quality and utilization, hydropower generation, flood management, and conflict resolution. A major achievement in this area during the period under review was the publication and launch of the final edition of the African Water Development Report (AWDR) to serve as a monitoring mechanism for measuring progress made in achieving the targets of the African Water Vision 2025 and other water-related targets of MDGs and NEPAD. This was based on reports from 25 countries and two subregional reports. The report was launched at the fourth World Water Forum held in Mexico City, Mexico, in March 2006. The period under review also saw the operationalization of the African Water Information Clearing House (AWICH) as an instrument for accessing information on water resources in Africa.

125. Advisory services provided to member States and River Basin Organizations (RBO) contributed to strengthening their capacity for effective policy formulation and programme development including equitable management and utilization of shared water resources as a key to sustainable development. In this regard, ECA organized a workshop in Cairo, Egypt, in October 2005, which drew participants from seven countries of the North African subregion: Egypt, the Sudan, Tunisia, Libya, Algeria, Morocco and Mauritania to discuss and make recommendations on cross-cutting water resources related issues such as water allocations on transboundary water courses, management of transboundary aquifers, rainfall variability in the subregion, virtual water trade, wastewater reuse, cost-benefit analysis of water projects, inter-basin water transfer, water economy and demand management, sustainability and groundwater mining. In a similar way, ECA also provided assistance to the Lake Chad Basin Commission (LCBC) in reviewing projects in its master plan for the development of environmentally sound management of the Lake Chad Basin, which was presented at a donors conference held in Abuja, Nigeria, during 2005.

126. RPTC activities in the area of harnessing information and communication technologies (ICTs) for development continued to be aimed at strengthening capacities for the formulation and implementation of National Information and Communication Infrastructure (NICI) plans and strategies, with particular focus on the application of ICTs in key social and eco-

conomic sectors such as health, education, governance, and agriculture. Services were rendered to several member States in this area. As a complement to activities at the national level, assistance was also provided to a number of RECs (COMESA, EAC, ECOWAS, SADC and WAMU) in the development and implementation of regional information and communication plans which articulates policy, infrastructure, content and application strategies at the subregional level, including the harmonization of national and subregional policy and regulatory frameworks.

127. Other capacity-building activities undertaken in the area of ICTs for development included the organization of seminars and workshops which addressed the following issues: development and use of open source software, e-government, e-strategies, and capacity-building for research and development in African universities through an initiative known as VarsityNet, which is supported by the Ford Foundation. In addition, the ECA secretariat organized or participated in a wide range of activities aimed at preparing member States for participation in the second phase of WSIS which was held in Tunis, Tunisia, in November 2005.

128. In the area of promoting the advancement of women, advisory services were focused on two main areas: promoting women's human and legal rights and strengthening economic empowerment of women. Within the context of promoting women's legal and human rights, the Secretariat organized several national and regional workshops to assist member States, IGOs, and NGOs in the implementation of their National Action Plans on promoting the legal status of women, and enhancing awareness of international and national human rights instruments. These workshops contributed to strengthening national capacities in the use of tools and instruments for monitoring progress in the implementation of the Convention on the Elimination of all Forms of Discrimination Against Women (CEDAW).

129. With the aim of increasing the capacity of policy makers to mainstream a gender perspective in national policies and programmes, and reduce gender inequalities, the Regional Adviser on promoting economic empowerment of women organized a series of gender training workshops during the period under review, and developed a national gender training manual. Assistance in these areas were provided on request to the Governments of South Africa, Namibia and Seychelles. These activities have contributed to increased awareness, among policy makers and development planners, of the link between gender equality and achievement of national development

goals including MDGs. This has in turn enhanced member State capacity for gender mainstreaming, an important prerequisite for gender planning and for progressing towards the promotion of gender equality and empowerment of women, itself an important objective of MDGs.

130. In the area of promoting trade and regional integration, advisory services focused mainly on the following: analyzing the impact on trade liberalization of the Economic Partnership Agreements currently under negotiation between EU and African countries, impacts of the EU Common Agricultural Policy or subsidies and health standard regulations of the EU on the trade in agriculture with African countries as well as implications of the EPAs on regional integration. RPTC activities in the area of trade also contributed to strengthening the capacity of national policy makers and trade negotiators for effective trade negotiations by helping them understand the emerging issues of relevance to Africa in the context of the WTO agreements and other trade-related multilateral initiatives. Three regional economic communities (RECs): COMESA, EAC and IGAD also received assistance in designing their strategic plans for enhancing economic integration and development as well as in promoting a better understanding of the implications of the EPAs to the regional integration process.

Development Account

131. The development account constitutes a second funding window for ECA technical cooperation activities. The Under Secretary-General for the Department of Economic and Social Affairs acts as Programme Manager of the Account. Overall guidance on its use is provided by the General Assembly. Projects submitted for funding must adhere to criteria established by the General Assembly and be in conformity with a theme proposed for the specific tranche.

132. ECA has steadily increased its participation in projects funded under the DA. During the period under review, ECA prepared and submitted two projects for approval: Strengthening the capacity of African statistical systems to generate gender-disaggregated data to support policies to promote gender equality and empowerment of women, and Sustainable modernization of agriculture and rural transformation in Africa. Both projects have been approved under the fifth tranche for implementation during the 2006-2007 programme cycle.

133. The first project is intended to help African Governments to improve gender policy formulation,

programme targeting, including public expenditure programmes, and monitoring progress towards gender equality and empowerment of women. The project will be implemented jointly with the UN Department of Economic and Social Affairs (UN-DESA) and the Economic and Social Commission for Asia and the Pacific (ESCAP). The second project is part of ECA efforts to enhance the capacity of member States in the design of sustainable modernization of agriculture and rural transformation (SMART) to help Africa move towards self-sufficiency in food, reduction of hunger and eradication of poverty. SMART components include technology, infrastructure, institutions and policies (TIIP). The project will be implemented jointly with ESCAP, ECLAC and ESCWA.

134. During the period under review, ECA was also involved in three ongoing DA projects, which address needs in key areas such as capacity building for the promotion of capital market in Africa, knowledge sharing to support the poverty reduction process and knowledge networking and sharing in a South-South partnership framework. The status of implementation of these projects can be summarized as follows:

135. Project on capacity-building for the promotion of capital market in Africa: The main objective of this project financed under the third tranche is to promote capital markets development in Africa at national and regional levels, including support to building capacity of member States related to the adoption of policies and establishment of the necessary regulatory framework and institutions for sustained development of capital markets. National training workshops organized as part of the project have provided stock exchange operators and policy makers in several countries with additional skills for developing national stock exchanges and mobilizing resources to fight poverty. The project was reformulated in 2005 and activities under the reformulated project have already commenced with the completion of a training manual on stock exchanges. A training workshop for stock exchange practitioners in Anglophone West Africa was also held in December 2005 in Abuja, Nigeria, with 21 trainees from Nigeria, Ghana, Gambia, Sierra Leone and Liberia. A similar workshop for stock exchange practitioners in Francophone Central and West Africa is planned for mid of 2006. The project will culminate in a regional forum on capital market development.

136. Project on enhancing knowledge sharing to support the poverty reduction process in Africa: The project is designed to complement the activities of the ECA-initiated African Learning Group on the Poverty Reduction Strategy Papers (PRSP-LG) through

virtual and interactive interaction and peer learning among PRSP country teams. The project will nurture African perspective to ensure the relevance of the PRSPs to Africa. Consistent with the PRSP-LG, the areas of the focus for the project include the policy content of national strategies for growth and poverty reduction, the financing issues associated with these strategies, the depth and process of ownership and participation, and the nature and type of partner support. While the Learning Group will continue to meet periodically, the Knowledge Sharing Project will offer a mechanism for electronically enhanced continuous engagement among PRS country teams around issues related to PRSPs and the MDGs.

137. Preparatory activities are now completed to launch the electronic discussions this year so as to build strong linkages between PRS country teams and in-country as well as regional and research institutions and networks towards more demand-driven research on poverty reduction. The themes to be covered in these discussions include: ownership, leadership and accountability; growth, poverty reduction and the implementation of the MDGs; capacity needs for achieving the MDGs; and the emerging aid architecture implications for Africa. The project has identified 75 participants in 20 countries to be registered for the electronic discussions. This is a closed discussion involving persons with direct involvement in national strategies for growth, poverty reduction, and the implementation of the MDGs.

138. Project on knowledge networking and sharing in a South-South partnership framework: This project, which has not started as yet, will be implemented in collaboration with the Economic Commission for Latin America and the Caribbean (ECLAC). It aims at strengthening policy-making processes, content and outcomes in Africa by bridging policy makers' information and knowledge gaps drawing on demand driven research output by Africa's knowledge organizations and best practice cases in the research and policy community of Latin America and the Caribbean (LAC). The project will allow selected research institutions, policy institutes, civil society organizations and private sector entities in Africa to share information and knowledge resources with their counterparts in LAC and generate research output focused on addressing key development policy challenges so as to enable policy makers to make informed policy choices. The substantive thematic areas in which capacity development effort is to focus are: macroeconomic management and growth; trade and regional integration; employment and poverty; and enhancing provision of infrastructure services.

Other Programme

United Nations support to NEPAD

139. As the implementation of NEPAD gathers momentum, the UN system has emerged as one of the major pillars of international support for the initiative. The nature and scope of that support has broadened in the past year. The support of the UN system encompasses a variety of activities, including technical assistance for institutional development, capacity building, project development, resource mobilization and advocacy. The regional consultation meeting of UN agencies working in Africa, convened by ECA, is the mechanism for providing support at the regional level. The regional consultation has established seven thematic clusters around which UN support for NEPAD is organized. These clusters, which broadly correspond to the policy priorities and strategies of NEPAD are: infrastructure development; governance, peace and security; agriculture, trade and market access; environment, population and urbanisation; human resources development, employment and human immunodeficiency virus/acquired immunodeficiency syndrome (HIV/AIDS); science and technology; and communication, advocacy and outreach.

140. At the global level, the UN Headquarters-based Office of the Special Adviser on Africa (OSAA) engaged in many information-sharing activities to enable the various stakeholders to understand the complex interdependency of the different aspects of the NEPAD agenda. For example, the Office has been successful in raising the awareness of the link between peace and development in Africa and encouraging wider support of NEPAD through the global community as indicated by the very high number of recommendations of the Secretary-General's 2005 consolidated report on NEPAD, which was supported by member States in GA resolutions. Furthermore, a series of formal and informal briefings and meetings on the Secretary-General's report have helped to increase international understanding and support for the objectives of NEPAD, and contributed to building consensus on the key actions needed to support Africa's development in areas such as debt relief for least developed countries, cutting agricultural subsidies, and opening markets to African exports. Also, by maintaining an informative, up-to-date website, the Office endeavours to inform the wider community, those who are not involved in intergovernmental or national machineries, of the key aspects and developments pertaining to NEPAD.

141. A recent poll of the two largest web sites that post *Africa Renewal (AR)* material published by DPI, namely, Afrik.com (which receives about 700,000 hits each month and is reprinted in 20 Francophone daily papers) and *allAfrica.com* (which in November 2005 had 14.5 million page views) considered AR to be an exceptional source of information that would be difficult to obtain elsewhere. As the material is less dated than other sources, it can be posted for longer periods of time thereby allowing access to a larger number of people and greater availability to policy makers, academic institutions, the media and activists.

142. On the regional front, the UN joint action through regional consultations is meant to enhance coherence, coordination and cooperation among its agencies, through increased joint activities and programmes. Consistent with its mandate to coordinate UN activities at the regional level in Africa, ECA has convened six sessions of the annual consultations to date and achieved considerable progress in agreeing on a work programme and collaborative arrangements through the seven thematic clusters established for that purpose. An assessment carried out over the past year has shown that significant progress had been made by all seven thematic clusters, ranging from identifying areas of common concern in their work to drawing up plans of action, mobilizing resources, working with African regional and subregional organizations as well as the NEPAD Secretariat, and actual implementation of projects and activities.

143. In spite of the progress made, the United Nations system faces a number of challenges and constraints in supporting NEPAD at the regional level. First, increased financial commitment by the United Nations system for NEPAD programmes will much depend on whether the agencies receive additional resources for these programmes. Second, a closely related problem is that, while the organizations of the UN system are currently working together in many areas, the lack of additional financial resources limits the scope and flexibility in undertaking any additional joint activities. Third, if further progress is to be made, the entities of the UN would need to deepen their collaboration to achieve greater operational coherence in their various programmes in support of NEPAD using existing coordination mechanisms at the regional level.

144. In addition to the collective activities undertaken by UN entities in support of NEPAD, specific assistance was offered by individual entities to advance the work in the various thematic clusters. For example, ECA actively supports the implementation of the African Peer Review Mechanism. It helped develop

some of the Mechanism codes and standards, provides country economic and governance data to the Mechanism secretariat and has participated in the support missions fielded by the Mechanism secretariat to nine countries: Ghana, Rwanda, Mauritius, Kenya, Uganda, Nigeria, Algeria, South Africa and Benin. In addition to participating in the country review missions, ECA also supported the APR process in reviewing APRM-related documents (country self-assessment reports, country program of action) and in contributing to the preparation of documents (country profiles, background papers, issues papers, and final review report). ECA has also collaborated closely with United Nations system agencies and other partners, in particular ADB and the regional economic communities, in supporting NEPAD infrastructure development.

145. Harnessing Information Technology for Africa's Development is another area in which the Commission has made notable progress. With the African Information Society Initiative (AISI) as its core framework, most of ECA activities have been informed by the recommendations and decisions of the NEPAD Short-term Action Plan (STAP) section on "Pro-

gramme to Enhance Africa's Participation in the Global ICT Policy and Decision-making Forums" and the WSIS Plan of Action. ECA support in these areas included group training activities such as capacity-building workshops and seminars, convening and facilitating several meetings of the UN sub-cluster on ICTs, supporting the RECs in the development of subregional e-strategies and e-government strategies, etc.

146. ECA has supported NEPAD in a number of other ways. In response to NEPAD emphasis on partnerships, ECA continued its work with the OECD Secretariat in the development of a framework for mutual accountability and policy coherence, which will form the basis for a new relationship between African countries and their development partners. This effort will potentially yield dividend in the form of increased aid effectiveness.

147. In addition, ECA supports the implementation of NEPAD priorities, most of which are at the core of its mandate, through its analytical work and technical assistance in various areas, which are also consistent with the objectives of NEPAD and the MDGs.



CHAPTER III

Meetings of Subsidiary Bodies, Including the ICEs of ECA Offices in the Subregions (SROs)

148. This chapter contains a summary of outcomes of those policy-making organs and subsidiary bodies, which held meetings since the last session of the Commission in May 2005.

149. The intergovernmental machinery of the Commission is composed of the following organs:

Organs dealing with overall development issues

- (i) *The Conference of African Ministers of Finance, Planning and Economic Development*: The Conference meets annually in accordance with the decision of its thirty-fourth session held in Algiers, Algeria, in May 2001. A Committee of Experts meets prior to the Conference and provides technical support to the Conference.
- (ii) *Intergovernmental Committee of Experts (ICEs)*: ICEs of the five ECA subregional offices meet annually and report to the Commission through the Conference Committee of Experts.

Subsidiary/Sectoral bodies

These comprise:

- (i) The Committee on Regional Cooperation and Integration;
- (ii) The Committee on Women, Gender and Development;
- (iii) The Committee on Development Information;
- (iv) The Committee on Human Development and Civil Society;
- (v) The Committee on Sustainable Development;
- (vi) The Committee on Industry and Private Sector.

150. The above sectoral bodies meet in ordinary session once every two years with the exception of the Committee on Industry and Private Sector Committee. Since the last session of the Commission in May 2005, the following meetings of ICEs and subsidiary

bodies have been held. The discussions, decisions, resolutions and major recommendations adopted by these meetings are summarized below.

The Twenty-fourth Meeting of the Intergovernmental Committee of Experts (ICE) for Central Africa

151. The twenty-fourth ICE meeting for the Subregional Office in Central Africa (SRO-CA) was held from 20 to 21 March 2006 in Yaoundé, Cameroon. The Committee discussed the economic and social development in Central Africa, particularly in relation to promoting private investment, the links between poverty reduction policies and gender mainstreaming, and the harmonization of integration programmes and activities in the subregion. The Committee also reviewed two reports from ECA headquarters on the rationalization of regional economic communities and United Nations support to the implementation of NEPAD.

152. In respect of poverty reduction efforts in the subregion, the Committee underscored the need to anchor policies and strategies on MDGs. To this end, the Committee reached consensus on the need to develop a subregional framework for developing poverty reduction strategies. This would ensure greater policy harmonization and programme coherence. The subregional PRSs, should emphasis greater public and private investment into employment generating sectors, good political and economic governance coupled with an equitable redistribution of revenues, gender mainstreaming and a greater utilization of labour intensive technologies. The Committee called for the establishment of a subregional investment guarantee scheme to boost resource mobilization and job creation in the subregion. In order to gain a better understanding of the magnitude and dynamics of poverty in the sub-region, the Committee further called on the member States to develop reliable poverty related databases to guide decision-making.

153. In view of the renewed commitment made by the Heads of State and Government of the Economic and Monetary Union of Central Africa (CEMAC) Summit held in March 2006 in Bata, Equatorial Guinea, the Committee requested the SRO-CA to assist CEMAC member States, whenever called upon, in developing and implementing institutional and structural reform instruments to further integration efforts in the sub-region. The Committee further requested assistance from the SRO-CA in building capacities of national administrations in managing regional cooperation mechanisms and instruments, especially within the context of accelerating the implementation of the ECCAS free trade area. As part of efforts to operationalise the tripartite MoU signed between ECA, CEMAC and the Economic Community of Central African States (ECCAS), the Committee encouraged the SRO-CA to extend its support for subregional initiatives to all member countries that are mentioned in the ECA/CEMAC annual collaborative report on Central African economies.

The Ninth Meeting of the Intergovernmental Committee of Experts (ICE) for East Africa

154. The ninth ICE meeting for the Subregional Office in East Africa (SRO-EA) took place in Kigali, Rwanda from 14 to 18 March 2005 under the theme "*Accelerating poverty reduction and creating better socio-economic conditions in Eastern Africa*". The Committee reviewed the social and economic conditions prevailing within the subregion, with special reference to issues relating to agriculture and food security, and youth employment. The Committee also discussed cross-cutting issues such as gender, HIV/AIDS, outcomes of international conferences on the Great Lakes and inter-relationships between the various development cooperation programmes in the subregion.

155. On the subregional socio-economic conditions, the Committee recommended that the macroeconomic definition of the Poverty Reduction Strategies (PRSs) be brought into line with the MDGs, and that the preparation of the PRSs continue to be participatory and inclusive of all the different sections of the population. The Committee expressed concern on the negative impact of conflicts and the resulting population displacement. It recommended that issues relating to good (political) governance and conflict prevention be integrated into poverty reduction strategies.

156. With respect to agricultural development and food security, the Committee stressed the need to integrate science and indigenous knowledge into the

Africa Green Revolution. In this regard, ECA was requested to assist member States acquire technical skills and resources to prepare MDG business plans for scaling up existing agricultural and agro-processing technologies. ECA was further requested to establish forums for sharing information and knowledge on natural resource management and food security, best practices in extension services and technologies that reduce post harvest losses.

157. A major recommendation on youth employment was that ECA should formally convene a working group on youth employment and poverty alleviation alongside the annual ICE meeting of the SRO-EA.

The Twenty-first Meeting of the Intergovernmental Committee of Experts (ICE) for North Africa

158. The twenty-first Meeting of the Intergovernmental Committee of Experts for North Africa was held in Rabat, Morocco, from 4 to 6 April 2006. The Committee reviewed the economic and social conditions in the countries of the subregion, in addition to trade, water, environment and sustainable development.

159. In reviewing the social and economic conditions in North Africa, the Committee noted that despite the negative impact of the climatic conditions and the increased prices of oil on some countries of the subregion the economic growth rate was maintained at five per cent. While taking note of the high unemployment rates in the subregion, the Committee also took note of the faster growth that has been achieved in foreign trade compared to intra-regional trade. To redress some of these challenges the Committee recommended establishing national stabilization funds by member States to mitigate the effects of exogenous shocks and to extend them beyond the energy sector to include the strategic products; integrating the social aspects including employment, in the economic programs and annual assessment of countries' performances; and implementing systems that foster job creation for the young and for women.

160. Having reviewed trade and assessed the regional integration potential in the subregion, the Committee reaffirmed the importance of trade as an instrument for enhancing economic growth and as a pillar for regional integration. To speed up regional integration in the subregion, the Committee recommended to reinforce universities' capacities and research centres to carry out works on regional integration; speed up the implementation of a regional infrastructure project based on public-private partnership within

NEPAD. Furthermore, after reviewing the potential of e-commerce, the Committee stressed that e-commerce offers the countries of the subregion genuine opportunities to improve their competitiveness and to fight poverty. The Committee recommended promoting, at the national level, ICT use in trade transactions, government and banks. The Committee agreed that the 2006 Secretariat's activities will gear around the issue of trade and recommended to organize a regional forum on trade. The issue of migration was also addressed.

161. The Committee took note of the activities carried out by the SRO-NA as a follow-up and assessment of the implementation by the countries of the African Vision of water 2005. The Committee recommended developing regional cooperation to address all issues related to cross-border water resources; in addition to implementing a regional action plan on water and environment in order to ensure an optimum use of resources.

Ninth Meeting of the Intergovernmental Committee of Experts (ICE) for West Africa

162. The ninth ICE meeting for the Subregional Office for West Africa (SRO-WA) took place from 27 to 29 March 2006 in Lome, Republic of Togo, under the theme of "Macroeconomic Framework for Employment Generation for Youth and Women in West Africa". The Committee reviewed the economic and social conditions in West Africa in 2005, with special reference to issues related to growth, macroeconomic convergence policies and greater utilisation of information technologies in development activities. The Committee also reviewed the future orientation of the work programme of ECA and SROs in response to ongoing reforms and an evolving NEPAD.

163. The review of economic and social conditions and growth performance revealed that the macroeconomic framework adopted by countries helped to stabilize the macroeconomic environment and stimulate growth. However, growth was not sustained as the sectoral distribution was mainly driven by low labour absorption and services sectors largely dominated by informal activities. Most importantly, it was shown that agriculture has been sidelined in terms of the benefits of the economic strategies adopted. The consequences of these have been the rise in unemployment and underemployment levels. In view of the situation, the Committee recommended that necessary actions be taken to fully transform agriculture for it to be the engine of growth and employment creation. The

Committee further urged policy makers to formulate and implement appropriate sustainable rural development strategies as the majority of the work force lives in rural areas. The Committee recognized the importance of the informal sector as a real provider of living to majority of population; but recommended that necessary actions be taken for it to rapidly evolve into a more productive sector in order to harvest its employment generation potential.

164. After a critical examination of macroeconomic performance in West Africa, the Committee noted that the economic policies, which were modeled on the Structural Adjustment Programmes, form the bases of the PRS and the convergence mechanisms in our countries today. It also noticed that those policies failed to curb the growing unemployment, which they for the most part generated. The committee therefore made recommendations for countries to adopt macroeconomic strategies with better fiscal incentives, and which can favour the creation of a more sustained employment generation. The Committee explored different monetary integration approaches in West Africa and progress made in the application of macroeconomic convergence criteria in relation to the creation of a single monetary zone in the subregion. Although progress has been made in some countries, the Committee noted that the overall performance in convergence falls short of expectations. The Committee took note of progress made on the implementation of the African Information Society Initiative (AISI) within West Africa over the past decade, including national ICT policies and strategies. To this end, it expressed concerns on the need to harmonize regulatory frameworks at subregional level.

165. The Committee took note of the UN system to support NEPAD as well as the ongoing UN reforms, which could influence programmes and implementation modalities. While recognizing the soundness of ECA work, the Committee recommended that the design of its medium and long-term strategic plans be done in close collaboration with the RECs and the Joint ADB/ECA Secretariat.

Twelfth Meeting of the Intergovernmental Committee of Experts (ICE) for Southern Africa

166. The twelfth ICE meeting for the Subregional Office for Southern Africa (SRO-SA) took place from 10 to 12 April 2006 in Manzini, Swaziland. The meeting was convened under the theme "Job Creation

for Poverty Reduction". In formulating workable and integrated regional strategies aimed at addressing job creation for poverty reduction in the Southern Africa region, the meeting took into reference the 2004 Ouagadougou Declaration on employment and poverty alleviation in Africa, adopted at the Extraordinary Summit of AU Heads of States and Governments.

167. On the particular issue of job creation for poverty reduction, the meeting noted the need to place emphasis on cross-cutting thematic issues to ensure a multidimensional and comprehensive approach. The harmonization of policies addressing job creation should encompass issues of HIV/AIDS pandemic, gender, youth, domestic and foreign investment, information and corporate governance. Furthermore, job creation programmes should be cognizant of the impact of globalization.

168. Building on the ongoing country initiatives and taking into account the diversity of the challenges, the meeting recommended an all-encompassing and integrated strategy that addresses education and skills for career development and responds to the needs of the labour market; improves access to resources and markets; provides supportive policy environment to business. These strategies should be anchored on sectors such as agriculture with its backward and forward linkages to value addition and manufacturing, services, tourism, mining and others with a potential to drive job creation from the supply and demand sides. The process for formulating the regional policy and strategy should be participatory and inclusive to ensure ownership by all key stakeholders in particular the private sector, labour unions, central and local governments, rural communities and the broad civic society.

169. On the way forward, the meeting suggested a number of actions to be undertaken within two to five years. These actions include priority setting of development issues to constitute the policy framework; preparation of an integrated, holistic and comprehensive job creation policy framework, that is in line with NEPAD; and creation of a database and indicators for monitoring and evaluation of job creation. The meeting stresses the important factor of the ratification of regional agreements and commitment to the implementation of the policy framework.

170. The meeting urged Governments to be creative and innovative in providing a supporting and enabling environment to SMEs development and graduation of the informal sector into the formal sector. Furthermore, the meeting called on ECA and ILO as well as other cooperating partners such as UNDP, UNIDO

and other UN agencies; World Bank; IMF; WTO; bilateral agencies and so on to support member States, SADC and COMESA in this effort that seeks to develop and implement a regional framework for employment creation and poverty reduction and to document and disseminate best practices/models in this area.

The Committee on Sustainable Development (CSD)

171. The fourth meeting of the Committee on Sustainable Development (the Africa Commission on Sustainable Development (CSD-4)) was held from 24 to 28 October 2005 in Addis Ababa, Ethiopia. The meeting adopted the theme "Managing Land-based Resources for Sustainable Development," in line with the thematic issues for the global CSD16-17 cycle, which will focus on agriculture, rural development, land, drought, desertification and Africa. The theme also took into account Africa's priorities for sustainable development as reflected in the Sirte Declaration, on the Challenges of Implementing Integrated and Sustainable Development on Agriculture and Water, adopted at the 2nd Extraordinary Summit of the African Union and the AU/NEPAD programmes, particularly CAADP, Infrastructure and Environment. The meeting was attended by 33 African countries as well as representatives from UNEP, UNIDO, UN-DESA, ESCAP, the World Bank, the African Union, ECOWAS, and the European Union. The meeting also served as the Regional Implementation Meeting (RIM) for the fourteenth session of the UN Commission on Sustainable Development (CSD-14) to be held in New York in 2006.

172. The Committee reviewed the implementation of ECA programme of work for the 2004-2005 biennium, within the context of its recommendations from CSD-3. The Committee further reviewed the implementation and follow-up of the outcomes of the World Summit on Sustainable Development, and discussed the challenges of managing land-based resources for sustainable development in Africa, as well as emerging issues on science and technology for sustainable development. The meeting further considered ECA programme for promoting biotechnology in the region and the Sustainable Development Report on Africa.

173. Regarding the work programme and the implementation of CSD-3 recommendations, the Committee recommended that ECA provides technical assistance to member States, through interagency groups like UN Energy Africa, to exploit the region's

significant hydro electric potential. To enhance the capacity of member States to implement WSSD and the JPOI, as well as recommendations from other international conferences, the Committee recommended that ECA works closely with the member States to build capacities as well as identify focal points to provide for continuity at the member State level. The Committee further recommended that ECA assists member States develop sustainable development monitoring tools and indices. In relation to managing land based resources for sustainable development, the Committee recommended that a thorough analysis of costs and benefits of alternative land rights be undertaken before embarking on land reforms.

174. The Committee expressed concern at the role of multinational companies in natural resources management. It recommended that ECA reviews this and recommend appropriate policy actions. To this end, the Committee emphasised the participation of stakeholders in natural resources management with a view to an equitable sharing of benefits. In respect of science and technology, the Committee called for increased applied research and the need to strengthen science, technology and innovation in overall development policies and in PRSPs.

175. With respect to the regional implementation meeting (RIM), an overall review of progress was undertaken by the Committee, including the identification of opportunities, challenges and implementation constraints that African countries face. While the Committee noted some progress, it also highlighted the inability of some African countries to meet their goals and targets in sustainable development. The Committee adopted an African position on the cluster of issues to be discussed at the fourteenth session of the UN Commission on Sustainable Development. These are energy for sustainable development, industrial development, air/atmosphere pollution and climate change. With respect to energy for sustainable development, the Committee noted the need for institutional capacity building in energy planning, analysis and modelling to inform decision-making. It emphasised the need for policies, strategies, legal and regulatory frameworks that include rural areas and provide incentives for investment into the energy sector. It further called for regional integration of energy projects and programmes and emphasised the centrality of NEPAD Energy Action Plan and the participation of Regional Economic Communities in energy development.

176. In respect of industrial development, the African position called for a broader adoption by industry of values consistent with corporate social and envi-

ronmental responsibility, such as those embodied in the Global Compact. There was also need to promote cleaner production technologies in the region. With regard to air/atmosphere pollution, the position called for an increase in the roles played by governments and industry in adopting policies to reduce air and atmospheric pollution. To this end, there is need to scale up data collection and best practices while research capacity needs to be built-up in Africa. With regard to climate-change, the position underscored the need to incorporate climate-change mitigation in development policy and PRSPs. There is also need to increase access of African countries to funds from the Kyoto Mechanisms, while at the national level, incentives should be introduced for the private sector to invest in climate-change mitigation programmes.

177. The African position also reaffirmed the commitment of African countries to achieving sustainable development through implementing Agenda 21, the Millennium Declaration, the JPOI and recommendations from other international conferences. It also reaffirmed NEPAD as the sustainable development framework for Africa and expressed appreciation of the role played by the UN family and other development partners in mobilising resources and building capacities for sustainable development. The Committee endorsed the position of RIM for presentation to the fourteenth session of the Commission for Sustainable Development to be held in May in New York.

The Committee on Women in Development (CWD)

178. The tenth meeting of the Committee of Women and Development (CWD) was held from 13 to 14 October 2005 in Dakar, Senegal, at the invitation of the Government of the Republic of Senegal. It was attended by representatives from 37 African member States, Intergovernmental Organizations, UN agencies as well as NGOs.

179. The Committee reviewed a report entitled, *Follow-up Strategy for the Implementation of the Outcome and Way Forward*, which was adopted by the Seventh African Regional Conference on Women on the Decade Review of the Implementation of the Dakar and Beijing Platforms for Action (Beijing +10). The Committee further reviewed modalities for staying abreast of the status of gender issues in the subregions. It also discussed and endorsed ECA work programme and priorities in the area of promoting gender equality for the 2006-2007 biennium, as well as modalities for making its inputs into the programme.

180. With regard to the *Follow-up Strategy for the Implementation of the Outcome and Way Forward*, the Committee welcomed the recommended follow-up actions to the Decade Review of BPFA and the resolve to remain action-oriented and focused on the national priorities of each country. It emphasized the importance of preparing decision makers in each country to understand their responsibility in integrating gender into their ministerial sectors as a strategy for promoting sustainable development. The Committee

endorsed the planned subregional workshops aimed at assisting member States to define and operationalise plans of action to implement the *Strategy for the Implementation of the Outcome and Way Forward*.

181. The Committee is strongly committed to supporting ACGD in its work and further urged ECA to strengthen collaboration with the Gender Directorate of AU.

CHAPTER IV

Thirty-ninth Session of the Commission/Conference of African Ministers of Finance, Planning and Economic Development

A. Attendance

182. The thirty-ninth session of the Commission/Conference of African Ministers of Finance, Planning and Economic Development was held in Ouagadougou, Burkina Faso, from 14 to 15 May 2006. The meeting was formally opened by His Excellency, Mr. Youssouf Ouedraogo, Minister of State for Foreign Affairs and Regional Cooperation of Burkina Faso. Statements were delivered at the opening session by the honourable Minister of Finance of the Federal Republic of Nigeria, Dr. Ngozi Okonjo-Iweala, outgoing Chairperson of the Bureau of the Commission, Mr. Abdoulie Janneh, Executive Secretary of the United Nations Economic Commission for Africa (ECA), Mr. Maxwell Mkwezalamba, Commissioner for Economic Affairs at the African Union Commission and Mr. Donald Kaberuka, President of the African Development Bank.

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

184. The African Union (AU), the African Development Bank (ADB) and NEPAD Secretariat were also represented.

185. The following United Nations bodies and specialized agencies were represented: Department of Economic and Social Affairs (DESA), International Fund for Agricultural Development (IFAD), International Labour Organization (ILO), International Monetary Fund (IMF), Least Development Countries (LDCs), LLDCs and SIDSs), Office of the Special Adviser on

Africa (OSAA), Regional Commissions New York Office (RCNYO), Joint United Nations Programme on HIV/AIDS (UNAIDS), United Nations Conference on Trade and Development (UNCTAD), United Nations Development Programme (UNDP), United Nations Environment Programme (UNEP), United Nations Fund for Population Activities (UNFPA), United Nations Industrial Development Organization (UNIDO), United Nations Children's Fund (UNICEF), United Nations High Commission for Refugees (UNHCR), Universal Postal Union (UPU), The World Bank (WB), World Meteorological Organization (WMO), World Food Programme (WFP), World Health Organization (WHO), World Intellectual Property Organization (WIPO), and World Trade Organization (WTO).

186. Observers from the following member States of the United Nations were present: Austria, Canada, Denmark, Finland, France, Germany, Greece, Ireland, Japan, Netherlands, Portugal, Spain, Sweden, Switzerland, United Kingdom, and United States of America.

187. The following African Central Banks and Financial Institutions were represented: Banque de Développement des Etats de l'Afrique Centrale (BDEAC), African Export Import Bank (AEIB), Bank of Sierra Leone (BSL), Bank of Uganda (BU), Bank of Zambia (BZ), Banque Centrale de Mauritanie (BCM), Banque Centrale de Comoros (BCC), Banque d'Algérie (BA), Banque des Etats de l'Afrique Centrale (BEAC), Banque Nationale du Rwanda (BNR), Banque Centrale des Etats de l'Afrique de l'Ouest (BCEAO), Banque des Etats de l'Afrique Centrale (BEAC), Banque Ouest Africain de Développement (BOAD), Central Bank of Nigeria (CBN), and Central Bank of Swaziland (CBS).

188. Observers were present from the following intergovernmental organizations: Common Market for Eastern and Southern Africa (COMESA), East African Community (EAC), Economic Community of West African States (ECOWAS), Southern

African Development Community (SADC), Union économique et monétaire ouest africaine (UEMOA), Communauté des Etats Sahelo-Sahariens (CEN-SAD), Economic Community of Central African States (ECCAS), Organization internationale de la francophonie (OIF), European Commission Delegation (ECD), and Organization for Economic Cooperation and Development (OECD).

189. Observers were present from the following non-governmental organizations: African Capacity Building Foundation (ACBF), African Economic Research Consortium (AERC), Ghana Institute of Management and Public Administration (GIMPA), Institute for Democracy in South Africa (IDASA), Macroeconomic and Financial Management Institute (MEFMI), All Africa Conference of Churches (AACC), All African Students Union (AASU), Commission for Africa (CA), Structured Credit International Corporation (SCIC), Transparency International (TI), Centre for Environmental Resources and Sustainable Ecosystems (CERASE), Earth in Balance (EB), Initiative for Community Development (ICD), Inter-African Committee (IAC), LEAP Africa (LEAPA), National Youth Council (NYCN), African Center for Applied Research and Training in Social Development (ACARTSOD), Curry Limited Zambia (CL), Lagos State University (LASU), Shonga Steel Limited Zambia (SSL), Uganda Civil Society (UCS), Uganda Consult House (UCH), Université de Kinshasa (UNIKIN), and Nigerian Association of Chambers of Commerce, Industry, Mines and Agriculture (NACCIMA).

B. Adoption of the agenda and election of the Bureau

190. The Conference adopted the following agenda.

1. Opening of the Meeting
2. Election of the Bureau
3. Adoption of the draft agenda and draft programme of work
4. Consideration of the report and major recommendations of the twenty-fifth meeting of the Committee of Experts of the Conference of African Ministers of Finance, Planning and Economic Development
5. Presentation and ministerial debate on the theme of the Conference – Meeting the Challenge of employment in Africa
6. Information session on the avian flu

7. Consideration and adoption of the draft Ministerial Statement
8. Any other business
9. Closure of the Session

Election of the Bureau

191. The following officers were unanimously elected by the Conference to form the new Bureau:

| | |
|--------------------|----------------------|
| Chair: | Burkina Faso |
| First Vice-Chair: | Republic of Congo |
| Second Vice-Chair: | Libya |
| Third Vice-Chair: | Burundi |
| Rapporteur: | Kingdom of Swaziland |

C. Account of proceedings

Opening Addresses

192. In her opening statement, the outgoing Chair of the Commission, Dr. Ngozi Okonjo Iweala, Honourable Minister of Finance of the Federal Republic of Nigeria, noted that the past year had been momentous, especially in the degree of attention Africa received from the international community. She reviewed some of the positive and significant developments at the international level during the preceding year that were of direct relevance for the continent's development. These included the G-8 commitment at the Gleneagles Summit to cancel the debt of 18 of the world's most resource constrained countries, 14 of which are in Africa; the UK Commission for Africa which advocated a large increase in aid to Africa; the re-affirmation by world leaders at the 2005 UN Special Summit of their commitment to continue to pay attention to meeting Africa's special needs; and the new proposals for scaling up aid to Africa. She noted that this renewed attention to Africa must not be viewed merely as a response by the international community to the continent's rising poverty, but also as a recognition by the development partners that Africa is, once again, doing many things right, both on the economic and political fronts.

193. The Minister congratulated Mr. Abdoulic Janneh on his appointment as the Executive Secretary of ECA. She assured him of Nigeria's unflinching support and commended his vision for taking steps to reposition ECA to make it more responsive to the needs of its member States. Dr. Okonjo-Iweala also congratulated the incoming Chair of the Commission, His

Excellency, Mr. Seydou Bouda, Minister of Economy and Development of Burkina Faso and applauded the leadership role played by Burkina Faso since last year in placing employment creation at the core of ongoing social and economic reforms in Africa.

194. In reviewing the continent's recent growth performance, the Minister observed that a combination of positive political changes and improvements in the economic management had resulted in sustained positive economic growth in many African countries. These encouraging results were also buttressed by an increase in the number of countries endowed with oil and other internationally tradeable minerals. However, she lamented the fact that the positive economic growth in most African countries had not translated into significant job creation and poverty reduction. She, therefore, urged African governments to consider employment creation, meaningful and decent jobs, as a big economic as well as social and political problem that the continent must address.

195. In concluding, she recalled her statement at the 2005 session of the Commission in Abuja in which she stressed the need for Africans to take the lead in finding solutions for the continent's problems rather than ceding it to others, who for too long, have used the continent for experimenting ideas never tried anywhere else. To achieve that, African leadership would need to be innovative and bold in their thinking.

196. In his opening remarks, Mr. Abdoulie Janneh, Executive Secretary of ECA, welcomed the current focus on Africa within the international arena, as well as the recent changes in the regional institutional landscape and the latest reforms currently underway within the United Nations system in response to the 2005 World Summit Outcome, all of which have clearly dictated a need for ECA to reposition itself.

197. He observed that the year 2005 saw a consolidation of the momentum built over the past 18 months to bring about concrete change for improving Africa's development prospects. Notable developments included the recognition by both Africa and its development partners of the need to scale up financial and other resources to address Africa's development challenges; as emphasized during the UN High-Level Dialogue on Financing for Development in June 2005 and translated in the package of concrete actions and increased resources to Africa pledged by the world's richest industrialized nations at the G8 Summit in Gleneagles, Scotland, in July 2005. This renewed commitment from the international community led to a reaffirmation of the goals of the Millennium Declaration for addressing the world's development

priorities in general and those of Africa, in particular, as reflected in the section on *Meeting the special needs of Africa* of the World Summit Outcome Document.

198. On the part of Africa's leadership, he highlighted some positive steps forward towards the implementation of several commitments made at various international forums. One such step was the consultative meeting of African Ministers of Finance held in November 2005 in Tunis, Tunisia that discussed a "Pan-African Needs Analysis" and a framework for the coordinated implementation and follow-up to the World Summit Outcome. Also of particular importance was the establishment of the Infrastructure Consortium for Africa, which is a major donor effort to accelerate progress in meeting urgent infrastructure needs on the continent. The meeting also sent a strong message from African Ministers of Finance on the need for an enhanced debt sustainability framework as well as the possibility for non-HIPC regional member countries facing special economic difficulties to benefit from debt relief. In this context, the forthcoming African Ministerial Conference on Financing for Development jointly organized by the Government of Nigeria, ECA and the ADB would be important in moving the agenda forward. The meeting, scheduled to take place in Abuja from 21 to 22 May 2006 will also constitute a major regional follow-up to the 2002 Monterrey Conference and review progress on the pledges of increased financial support to Africa made especially by the G8 Summit in 2005.

199. On other positive developments at the regional level, the Executive Secretary made particular reference to the Forum for Statistical Development (FASDEV), the African Least Developed Countries (LDCs) review conference and the High Level Plenary on Poverty Reduction Strategies and the MDGs, which was convened jointly by ECA, the Government of Egypt and UNDP in Cairo in March 2006.

200. Mr. Janneh indicated that it was in light of these developments, and in response to calls from several member States of the Commission about the urgency of meeting the changing needs and demands of the continent in a rapidly changing global environment, that he established a Task Force in March 2006 to advise on how best to reposition and strengthen ECA to enable it meet the new challenges. The Task Force is chaired by an independent international expert and its membership is composed of both external experts as well as some ECA staff.

201. The Executive Secretary went on to outline some of the preliminary findings and initial recommenda-

tions of the Task Force. These included the need for ECA to further refine the Commission's programme priorities to avoid duplication, promote complementarities, eliminate inconsistencies and address emerging issues of priority to member States. In that regard, he underlined the two main pillars around which ECA work will revolve, namely: (i) promoting regional integration; and (ii) meeting Africa's special needs and challenges; to support the Africa Union and to help in achieving the NEPAD priorities.

202. While maintaining its analytical and knowledge-sharing capacity across the full range of development themes and sectors, ECA will continue to build stronger partnerships and more dynamic networks with key stakeholders. Further effort will also be made to focus ECA's "operations" on a more consolidated set of priorities and themes where its competence and contribution are widely acknowledged. For this to work, the Executive Secretary recognized the critical role of productive partnerships, especially among the main regional institutions, in advancing the African development agenda. In this connection, he commended the leadership of both the African Union Commission and the African Development Bank for agreeing to a series of measures to improve collaboration and to revitalize the joint AUC/ADB/ECA secretariat, which will have a vital role to play in advancing the partnership agenda.

203. In concluding his remarks, the Executive Secretary called on the Conference to help ECA build on its achievements since establishment in 1958 by endorsing the proposals for reforms and providing the necessary resources to enable it respond effectively to Africa's current challenges and priorities.

204. In his opening remarks, Mr. Maxwell Mkwelalamba, the AU Commissioner for Economic Affairs, noted that unemployment and underemployment rank among the most pressing economic and social challenges facing the continent, and a direct cause of poverty. He, however, observed that generating high levels of employment is an important avenue for achieving higher economic growth and reduce poverty. In this regard, he underlined the need for more determined and sustained efforts through appropriate policies to meet the challenges of employment promotion and poverty reduction in Africa.

205. Mr. Mkwelalamba further noted that women and youth employment constituted an enormous development potential which, if properly utilized, could contribute effectively to poverty reduction and

meeting the MDGs in Africa. He observed that the high rate of youth unemployment was a major cause of political instability, civil unrest and crime in many African countries. In this respect, he called on African governments to put more emphasis on youth employment through the creation of large and competitive markets to attract investment in the productive sectors, and strengthen the role of small and medium scale enterprises in employment creation.

206. The President of the African Development Bank, Mr. Donald Kaberuka, in his opening address, congratulated Mr. Abdoulie Janneh, on his appointment as the new head of ECA and assured him of the full support of the Bank in fulfilling his mission. He welcomed the theme of this year's conference because it places the issue of employment and growth at the centre of the African development agenda.

207. Mr. Kaberuka noted with satisfaction the efforts made in recent years by many African countries in deepening economic reforms and achieving macroeconomic stability despite the harsh international environment in which they had to operate. These efforts had resulted, in 2005, in higher growth rates in both oil and non-oil producing economies and improved macroeconomic management. He observed that for the fifth straight year running, economic expansion has continued with real GDP growth at its highest level in several years, at 5.5%. More specifically, Africa registered an average economic growth of 5% with oil and mineral producing countries growing at an average 8% and the non-oil producing countries registering growth rates of about 4.5 percent. According to the ADB President, while these results do not suggest that Africa is getting nearer to meeting the MDGs, they clearly demonstrate that the conditions are getting better.

208. While noting the encouraging economic developments, Mr. Kaberuka cautioned on the need for further management transparency and improved economic and physical infrastructure. In his view, Africa's infrastructure gap has been and continues to be a major impediment to private sector development - a vital sector for job creation and improving Africa's poor employment records.

209. Referring to the theme of the conference, the ADB President indicated that the issue of employment must be addressed from a regional perspective, if Africa has to pull millions of people out of poverty on a scale similar to what had been achieved in China, India and other Asian countries. To realize this objective in Africa, he underlined the need to strengthen

regional integration and policies that would allow the free movement of people, goods and services.

210. In his opening address to the Conference, His Excellency Mr. Youssouf Ouedraogo, Minister of State for Foreign Affairs of Burkina Faso, extended a warm welcome to all the delegates attending the session on behalf of the Government and people of Burkina Faso. The Minister thanked ECA for organizing the conference and commended its efforts in support of the economic and social development of Africa.

211. The Minister of State for Foreign Affairs of Burkina Faso reminded participants that employment represented a determining factor in the business climate and in the levels of growth and development, especially since employment was central to the production and distribution functions and, consequently, to wealth creation. For that reason, employment was at the heart of macroeconomic and sectoral policies and, in particular, at the heart of policies aimed at promoting growth and alleviating poverty. Thus, the theme of the conference – *Meeting the challenge of employment in Africa* – seemed particularly appropriate because it emphasizes the links between employment and poverty alleviation.

212. The Minister noted that the theme of the conference, which was being held two years after the AU Extraordinary Summit on Employment and Poverty Alleviation in Africa, held in Ouagadougou in September 2004, provided an opportunity to take stock of progress in the implementation of the Declaration and Plan of Action of the Extraordinary Summit. He thus invited conference participants to assess the progress made in achieving the goals of the Ouagadougou Summit and establish a framework that would promote their realization.

213. The Minister also noted that the present session of the Conference of Ministers represented an important opportunity to discuss in depth the further repositioning of ECA in a rapidly changing African and international environment which included the African Union and NEPAD and the globalization of economic and social activities. The Minister thus invited African countries to work together to support ECA and strengthen its capacity in responding to key development challenges such as poverty and unemployment.

214. The Minister then declared the 39th session of the Commission officially opened and wished the conference participants successful deliberations.

Consideration of the report and major recommendations of the twenty-fifth meeting of the Committee of Experts of the Conference of African Ministers of Finance, Planning and Economic Development

215. The Chairman of the twenty-fifth meeting of the Committee of Experts presented the report of the Committee together with three draft resolutions as contained in document E/ECA/CM.39/8 for consideration and adoption by the Conference. The Chairman indicated that the report contained the major observations and recommendations covering the issues on the agenda of the Committee's meeting, including the theme of the Conference and the proposals of the Executive Secretary to reposition ECA.

216. With regard to the deliberations of the Committee on the theme of the Conference, he said that the Committee had noted with satisfaction the attention being given to employment issues in the poverty reduction efforts of by African countries within the context of the continent's development agenda. This was consistent with the provisions of the 2004 Ouagadougou Declaration adopted by the special session of African Union Heads of State and Government. He indicated that the deliberations of the Committee led to the adoption of three major recommendations, namely; the need to for increased technical and financial assistance by international institutions to address the training needs of member States; the mobilization of domestic as well as foreign resources in order to enable member States achieve the MDGs; and the institution of legal reforms as well as the allocation of adequate financial resources to improve the operations of national statistical agencies.

217. The Chairman also highlighted the Committee's observations on the proposals of the new Executive Secretary, Mr. Abdoulie Janneh, to reposition ECA in order to better respond to the continent's development challenges. In this regard, he said the Committee commended the Executive Secretary for his vision and welcomed his plan to continue to pursue its mandate of promoting the social and economic development of Africa by focusing on two priority areas, namely, strengthening regional integration and addressing the special needs of Africa and the global challenges it is currently facing.

218. He indicated that the Committee had recommended three draft resolutions to the Conference for its

consideration and adoption. The resolutions cover the proposed repositioning of ECA; the achievement of the Millennium Development Goals; and strengthening the capacity of the United Nations African Institute for Economic Planning and Development (UNIDEP).

219. He then invited the Conference to consider and adopt the report of the twenty-fifth meeting of the Committee of Experts together with the three draft resolutions annexed to the report.

220. The Conference took note of presentation and commended the Committee for the quality of the report. In considering the report, the Conference made several specific and general observations on some aspects of the report.

221. A few delegations raised some concern about the appropriateness of considering and adopting a resolution on the African Institute for Economic Development and Planning (IDEP) on the grounds that the issue of IDEP was not on the agenda of the Committee of Experts and the draft resolution was recommended in the absence of any supporting document. However, many other delegations felt that, in spite of not been an agenda item of the experts meeting, the rationale for the resolution could be found in the continued quest of the Conference to address the critical situation of the institution. It was recalled in this regard that the 2002 session of the Conference took some bold decisions to strengthen the Institute by integrating it into the ECA programme structure and providing it adequate resources, but failed to follow through during its subsequent sessions. It was further noted that the successes recorded by a similar institution in Latin America should encourage Africa to support IDEP.

222. In responding to the concerns raised, the Executive Secretary gave the background to draft resolution. He acknowledged the need for the rationalization of key African regional organizations/institutions and explained that his plea for assisting UNIDEP was motivated by the encouraging performance and past achievements of the Institute, in spite of the difficult situation it was facing. This situation, he observed, was brought about by the dwindling resource base of the Institute over the years as a result of the decline in members States' contributions and the modest level of resources that ECA could avail to the institute through the UN regular budget.

223. In his view, IDEP had reached a critical juncture in its existence, and unless urgent interim measures were taken to keep it afloat, it may not survive its current financial crisis.

224. After prolonged discussion on the issue, the Conference agreed to consider the draft resolution and to amend it to reflect the proposal by some member States requesting the Executive Secretary to undertake a review of IDEP's activities and submit a report thereon to the Commission at its next session in 2007.

225. The Conference endorsed the report of the Committee of Experts and the resolutions contained therein in the light of its own comments, observations and amendments. The full report, as originally adopted by the Committee is attached to the present report as *annex II*.

Presentations and ministerial debate on the theme of the Conference – Meeting the Challenge of Employment in Africa

226. The discussion under this agenda item was led by a panel composed of representatives from ECA, ILO, UNDP, AU, and the Government of Burkina Faso. The session featured presentations on a range of issues related to employment, including among others, the nexus between growth, employment and poverty reduction in Africa; the relationship between macroeconomic policy and labour market policies; the challenge of youth and women employment; and the challenges of creating a conducive policy environment for full, productive and decent work for all. The presentations also highlighted the contributions of the various agencies towards the objective of mainstreaming employment in national development policies and programmes and supporting the implementation of the Ouagadougou Plan of Action.

227. In the discussion that followed, the Conference picked up on a number of issues raised in the presentations. It acknowledged both the magnitude and complexity of the employment challenge in Africa, and stressed the need to adopt a balanced approach in addressing it.

228. There was consensus that employment and decent work needs to be at the centre of economic and social policies of African countries if they are to achieve the central MDG of halving poverty by 2015. The Conference also emphasized the need for high, sustained and broad-based growth for job creation and poverty reduction. In this regard, it was noted with concern that the recent high growth in many African countries had not translated into high rates of employment and poverty reduction because it was not sufficiently broad-based and concentrated in a few, mainly capital-intensive extractive or export-oriented

sectors - a trend which some participants cautioned could lead to the so-called "Dutch disease" in some countries as a consequence of the recent favourable prices of commodities, thus further undermining sustainable growth and development.

229. The Conference identified a number of priority actions that could be taken by the State in partnership with other actors to create a conducive environment for equitable growth and employment creation. These included the adoption of comprehensive national development plans and programmes with clearly articulated microeconomic policies supported by a sound and stable macroeconomic framework; creation of a business-friendly environment; development of adequate physical and service infrastructures; *developing sectoral policies that target specific sectors which are labour-intensive and have a broader positive impact on employment creation*; and strengthening regional and subregional cooperation and integration aimed at boosting employment opportunities and enhancing labour mobility.

230. The Conference recognized the important role of the informal sector in generation in Africa. Although the informal sector accounts for around three-quarters of non-agricultural employment, it is characterized by low incomes and poor working conditions and lack effective social protection schemes. The Conference underlined the need for public policies targeting the development of the sector to support job creation and decent work. Relevant policies proposed in this regard include improving access to credit for micro, small- and medium-sized enterprises including providing finance on favourable or concessionary terms; supporting microfinance institutions; education and training programmes designed to enable workers to upgrade and adapt their skills to changing labour market conditions; and developing social protection systems targeted at the informal sector. Similarly, to reduce the high cost of doing business in Africa and *enable the private sector play its role as the engine of growth and employment creation*, the Conference called for measures to *improve the business environment, including strengthening the legal and regulatory framework*.

231. Many participants shared their countries experiences in mainstreaming employment in their national development plans and programmes within the framework of the Ouagadougou Plan of Action. They indicated that higher priority is being given to employment issues in the formulation and implementation of their national development policies and strategies. They had also put in place measures to ensure that the macroeconomic framework encour-

ages job creation and stimulates entrepreneurship development at all levels, especially among the youth and women. In many countries, these measures had been complemented by policies to encourage growth of sectors that stimulate employment such as agriculture, infrastructure, ICT, textile and tourism as well as upgrade employment and job opportunities in those sectors in which the poor work, mainly the rural and the informal economy.

232. Based on the various country experiences, there was a consensus that the Ouagadougou Plan of Action and the various national action plans on employment creation provide the framework for job creation and addressing the employment challenge in Africa. In this regard, the Conference emphasized the need to mobilize key stakeholders including governments and civil society organisations, among others, to ensure a concerted and collective effort towards the implementation of these plans. The Conference further suggested that the annual Meeting of African Ministers of Finance, Planning and Economic Development could serve as a forum for reviewing progress in the implementation of the Ouagadougou commitments, including sharing of experiences and distilling best practices in successful national policies and strategies for employment creation and poverty reduction.

233. Given that several African countries are emerging from conflicts and therefore have huge unemployment problems, the Conference urged regional organizations such as the AU, ECA and Africa's development partners to scale up their assistance to such countries in the areas of conflict resolution, and capacity and institutional building. Of particular importance in this regard is the need for reconstruction and peace-building programmes to have employment components that include public works and targeted skill training programmes for demobilised soldiers, particularly the youth.

234. The Conference recognised the importance of adequate and timely data for proper economic planning. It, however, observed that most African countries lacked such data, and in this regard, called on the AU, ECA, and the ADB to continue with their efforts to promote the development of a reliable and updated database for the continent which would support of an adequate labour market information system for tracking progress in employment, wages and other key indicators.

Information session on the avian flu

235. Under this agenda item, three presentations were made to the Conference by representatives of the Geographic Institute of Burkina Faso, World Health

Organization (WHO) and the Food and Agriculture Organization (FAO) with the aim of sensitizing delegations to the spread of the avian flu virus in Africa and its potential economic and social impact in order to prompt a more effective and coherent response at the national, subregional and regional levels.

236. All three presentations recalled the discovery and evolution of the avian flu since 1996 to date with different intensities, impact and virulence. The presentations noted that the scope of the avian flu is universal and called for urgent measures to address it. With regard to Africa, the presenters indicated that it was important to establish contingency plans at national, sub-regional and regional and to enhance information sharing and networking to combat the spread of the virus.

237. The representative of the Geographic Institute of Burkina Faso briefed the Conference on the initiatives taken by the Government of Burkina Faso to respond to the emergency. He indicated that an Inter-Ministerial Committee had been established for the management and control of the disease. The Committee has set up an information system which takes into account three major variables, namely identification of water points; control of the movements of migratory birds to identify risk zones and prepare a map of wild bird migration and areas of birds husbandry. He also mentioned that the Government of Burkina Faso has put in place, with the assistance of ECA, measures to follow and control areas of avian flu incidence. These measures include the development of a database, the establishment of data collection and analysis centres, and an integrated information and communication system.

238. According to the representative of WHO explained that the avian flu does not affect only birds but also has an impact on human beings, although the transmission to human beings has not yet been established. However, this transmission could become a dreadful reality in the event of a mutation of the virus. He informed the Conference that WHO has adopted coordinated approach with other UN agencies such as FAO, UNFPA, and the UNDP in supporting national partners in fighting the disease. In this respect, a number of meetings have been organized, which resulted in the adoption of the Brazzaville Declaration and Plan of Action which is being implemented at national level, as well as the distribution of drugs to affected countries. He also indicated that WHO has a contingency plan to assist national partners in countries where the disease has been detected. In addition, WHO assists countries in capacity building for laboratory experts and technical experts, preparation

and dissemination of information kits, and awareness campaigns and resource mobilization.

239. The representative of the FAO indicated that preventive measures have been taken by FAO to manage the impact of the disease. These measures consist of the establishment of an emergency centre at FAO Headquarters, publication and dissemination of brochures, press releases, websites, and funding for specific programmes at country level such as capacity building, information dissemination, setting up of laboratories, and awareness campaigns. He also indicated that among the seven African countries that had been affected so far, human casualties have been registered only in one. In addition, he informed the Conference that FAO had prepared a project to set up a Global Fund for control and eradication of the disease which would be aimed at building capacity for surveillance and oversight, and called on African Governments to support the Fund.

240. In the discussions that followed the presentations, the Conference commended ECA for its initiative in including the information session on the agenda of the meeting. It noted with concern the fact that Africa had been and continued to be severely affected by a wide range of diseases such as malaria, HIV/AIDS, tuberculosis, as well as poverty, unemployment and malnutrition. It was also noted with concern that these diseases have had a severe impact on the continent's capacity to meet its development challenges and achieve its priorities. The main message that emerged from the discussion was that there is still an opportunity to prevent the avian flu from becoming a pandemic, provided immediate action is taken to control the spread of the virus at source, that is, in animals. For this to happen, international collaboration through strong and effective multilateral system was deemed indispensable.

241. The Conference noted that the spread of Avian flu was clearly a risk for the successful fight against poverty and the achievement of the Millennium Development Goals. It also took note of the various initiatives taken by different African countries to better respond to the emergency. Despite these efforts, however, there was a consensus that most countries remain unprepared to respond effectively to the spread of virus, or worse, to a pandemic. More is required to ensure that African countries, which are most vulnerable, are adequately supported. In this context, the Conference highlighted the need for member States to set up early warning systems; effective responses; safeguard, containment and prevention measures to minimize the impact of the disease should it occur. Specifically, the Con-

ference called on member States to strengthen their capacities through the establishment of geographical information systems, networking and information sharing. It also called on UN agencies to deepen their research to promote better understanding of the disease and strengthening the coherence of their activities in support of national efforts.

Consideration and adoption of the draft Ministerial Statement

242. Under this agenda item, the Conference considered and adopted the draft Ministerial Statement which reflected the main consensus and outcome of the meeting.

243. The draft Ministerial Statement was introduced by the Rapporteur of the Bureau of the Conference, Honourable Majozi V. Sithole, Minister of Finance of the Kingdom of Swaziland. In his presentation, he highlighted the main sections of the draft statement, which includes a preamble and seven parts which outlined actions on various issues related to job creation strategies and policies for poverty reduction. These included mainstreaming employment in national development strategies and policies; unleashing the potential of the private sector; harnessing regional integration and globalization; targeting disadvantaged segments of society; building human and institutional capacities; strengthening cooperation for job creation; and repositioning ECA to meet Africa's challenges.

244. The Ministers commended ECA for the comprehensiveness and quality of the statement and went on to consider it in detail. In considering the draft Statement, several delegations made comments on a number of important issues in various sections of the draft statement which they wanted the secretariat to incorporate in the final version of the statement. These included the need for: (i) greater rationalization of African regional and sub-regional organizations to avoid unnecessary duplication and overlaps and ensure optimal utilization of scarce resources; (ii) taking into account the special needs of countries in conflict or emerging from conflict; (iii) African Ministers to consider active participation in the forthcoming high-level meeting of the UN General Assembly on international migration to be held in September 2006; and (iv) ECA to take the lead in the process of strengthening statistical as well as institutional capacities in Africa.

245. The Conference adopted the Ministerial Statement with the amendments mentioned above. ECA was requested to ensure that the Ministerial State-

ment is transmitted to the AU Summit of African Heads of State and Government in July 2006 to inform their deliberations. (A full text of the statement as amended is attached to the present report as Annex 1b).

Any other business

246. No issue was raised under this agenda item.

Closure of the session

247. In his closing remarks, the Executive Secretary of ECA expressed his appreciation to the Government and people of Burkina Faso for hosting the meeting. He thanked the Ministers for their continued guidance and the sense of purpose with which they had considered the issues on the agenda of the meeting. He noted that this was the first session of the Commission he was attending as Executive Secretary, adding that the session was a watershed in many ways because the Conference endorsed his proposals to reposition ECA within the context of the reforms currently underway in the United Nations. He thanked the Ministers for their overwhelming support and endorsement of the reform proposals, and assured them that the ECA secretariat, in collaboration with the AU and ADB would continue to support the efforts of member States in meeting their development challenges within the framework of NEPAD. In this regard, he emphasized the need to strengthen the ECA subregional offices to provide effective outreach for the Commission's activities.

248. On the issue of statistics and building statistical capacities, the Executive Secretary assured the Conference that the secretariat would continue to give special attention to the development of statistics to enable African countries have access to reliable data in real time and build their capacity in that area. He said he would soon be appointing a coordinator to follow-up on the statistical development programme.

249. Noting that ECA was the only United Nations institution based in Africa and exclusively at the service of the continent, he encouraged the Ministers to support ECA's efforts to mobilize resources to carry out its activities.

250. In his closing remarks, the Chairperson of the Conference thanked all the participants for their active contribution to the discussion on the theme of employment which was central to Africa's development challenge, and noted that a repositioned ECA would play an important role in helping Afri-

can countries address this challenge. He thanked the Ministers for their support and commitment which had facilitated his work during the session.

251. On behalf of all the participants, the outgoing Chairperson, Dr. Ngozi Okonjo-Iweala, Honourable Minister of Finance of the Federal republic of Nigeria moved a motion expressing deep and sincere apprecia-

tion to the President, the Government and people of Burkina Faso for their hospitality and the excellent arrangements made to ensure the success of the conference.

252. The Chairperson then declared the meeting closed.

ANNEX I

Resolutions and Ministerial Statement adopted by the Commission at its thirty-ninth session

A. Resolutions

844(XXXIX) Repositioning ECA to better respond to Africa's priorities

The Conference of Ministers

Recalling the terms of reference of the Commission as adopted by the Economic and Social Council in resolution 671A (XXV) of 29 April 1958 and amended by its resolutions 974 D.1 (XXXVI) of 5 July 1963, 1343 (XLV) of 18 July 1968 and 1978/68 of 4 August 1978;

Bearing in mind General Assembly resolutions 45/177 of 19 December 1990, 45/264 of 13 May 1991 and 46/235 of 13 April 1992 on the restructuring and revitalization of the United Nations in the economic, social and related fields, in which the call was made for the regional commissions to be enabled fully to play their role under the authority of the General Assembly and the Economic and Social Council, and that for those located in developing countries to be strengthened in the context of the overall objectives of the ongoing restructuring and revitalization process;

Taking into account The Economic and Social Council Resolution 1998/46 Annex III through which the Council emphasised the role of the Regional Commissions as United Nations outposts in their respective regions and as part of their regional institutional landscape;

Noting with appreciation the concerted global partnership for Africa's development and the momentum generated by the 2005 World Summit in order to operationalize and implement, at all levels, the commitments in the outcomes of the major international and United Nations conferences and meetings, including the G-8 Summit and the World Summit;

Recognizing the significant progress that has been registered in the Poverty Reduction Strategy (PRS)

process in African countries and taking into account the important groundbreaking Paris Declaration on Aid Effectiveness;

Emphasizing the need for concerted efforts and continued support to fulfill the commitments to address the special needs of Africa notwithstanding progress made in African countries towards achieving several of the Millennium Development Goals (MDGs) by 2015;

Stressing the important contribution that the ECA subregional offices (SROs) are making towards supporting the efforts of the regional economic communities of Africa to implement Africa's priorities including regional integration and meeting special needs of their respective member States in each of the five subregions;

Recalling the General Assembly resolution of 18 December 2005 on the Report of the Office of Internal Oversight Services (OIOS) on the inspection of the programmes and administrative management of the subregional offices (SROs) of ECA, which requests the Secretary-General to present to the sixty-first session of the General Assembly a comprehensive plan of action to strengthen the SROs, based on the recommendations of the OIOS, with timelines and clear lines of managerial accountability in the context of the Action Plan to ensure that adequate resources are provided to ECA and its SROs to enable them to continue their support for NEPAD and the RECs, as well as to ensure the full implementation of the recommendations of the OIOS; and

Having examined in depth document E/ECA/CM.39/7 entitled "Repositioning ECA to better respond to Africa's priorities";

1. *Recognizes* the fundamental role that ECA, including its SROs, continues to play in the promotion of subregional, regional and international cooperation for Africa's development, as evidenced by the provision of its normative services (analysis, consen-

sus-building, advocacy) and operational activities that have been mutually complementary and supportive to the member States, the African Union (AU) and NEPAD, and the subregional economic communities (RECs), as well as, its team leadership and responsibility for coordination of the United Nations system for greater coherence at the regional and subregional levels;

2. *Welcomes* the Note by the Secretariat;

3. *Commends* the Executive Secretary for taking this timely and major initiative;

4. *Endorses* the strategic direction, the guiding principles and proposals for repositioning ECA to better respond to Africa's priorities as contained in the Note;

5. *Requests* the Executive Secretary to take the necessary measures to implement these proposals in order to reflect them in the Commission's Biennial Programme Plan for the period 2008-2009, and realign its intergovernmental, programme and organizational structures in order to enhance the secretariat's management and business processes for greater results; and

6. *Invites* the United Nations Secretary-General to support the efforts of the Commission's renewal and reform process by providing ECA, including its SROs, with adequate resources in order to scale up their operations both at the subregional and regional levels through enhanced support to member States and strengthen its partnership with the African Union and NEPAD, and the RECs for promoting regional integration and meeting Africa's special needs and challenges.

845 (XXXIX) Achieving the Millennium Development Goals in Africa

The Conference of Ministers

Recalling the guiding principles of the Millennium Declaration and Millennium Development Goals (MDGs) adopted by the World Millennium Summit in 2000;

Mindful that these guiding principles and objectives are shared by the New Partnership for Africa's Development (NEPAD) that was adopted in 2001 as the African leadership vision framework;

Deeply concerned by the prospects for African countries not meeting some or all of the MDGs by 2015,

Noting that most African countries are engaged in the preparation and implementation of poverty reduction strategies (PRS) in collaboration with the international financial institutions (The World Bank and the International Monetary Fund), in the framework of the Highly-Indebted Poor Countries (HIPC) Initiative, or similar national action plans;

Recalling the Abuja Ministerial Statement of 15 May 2005 which has reaffirmed the vital importance of the MDGs as a framework for achieving poverty reduction and advancing development in Africa;

Taking into account the outcome of the 2005 Millennium Summit and the Cairo African Plenary on PRS and implementation of the MDGs, especially in respect to the need for African countries to align their national PRS or similar national action plans with the MDGs so as to bring coherence into the various planned actions aimed at achieving those goals by 2015;

Noting with appreciation that African countries have already taken steps to align their second generation of PRS with the MDGs and have elaborated comprehensive implementation plans;

Noting that African national efforts could be supported by an active mobilization of domestic resources and appropriate aid architecture, especially to ensure the effective implementation of national priority programmes for the achievement of the MDGs;

Noting also with concern the persistent view expressed by Africa's development partners, including the international financial institutions, on the lack of absorptive capacities of African countries to accommodate an increased inflow of aid;

Cognisant of the fact that aid conditionalities often deter the utilisation of aid inflows and, consequently, the attainment of development goals;

Stressing the importance of reliable statistics and data to plan, monitor and evaluate progress in the achievement of the MDGs;

Having examined document E/ECA/CM.39/5 entitled "Progress and Challenges in Aligning Poverty Reduction Strategies with The Millennium Development Goals"

1. *Encourages* African countries to pursue their efforts in the alignment of their respective second generation PRS or similar national action plans with a strong commitment to achieve the MDGs;

2. *Invites* African Governments to establish a conducive environment that would promote broad-based stakeholder participation and, in particular, strengthen the role of the private sector in the mobilization of domestic resources for translating national development policies and programmes into concrete action;

3. *Invites* Africa's partners, especially the international financial institutions, to assist African countries in the alignment of their poverty reduction strategies to the Millennium Development Goals and their integration into their national macroeconomic framework;

4. *Encourages* those development partners, including the multilateral finance institutions, to align development assistance to national priority programmes for better utilization of national implementation capacities;

5. *Requests* the secretariat of the ECA to assist African countries to strengthen their capacities in the area of data collection and statistical analyses in order to develop performance indicators and statistics for MDG tracking.

846 (XXXIX) African Institute for Economic Development and Planning

The Conference of Ministers

Expressing its appreciation to the African governments and bilateral partners that have made or pledged financial and other contributions to the Institute;

Noting with concern that training request from African countries are growing and that the contributions of those countries to the general operating budget of the Institute still remain low;

Recalling Commission resolution 839 (XXXV) of 20 October 2002 that has implications on the mandate and operations of the African Institute for Economic Development and Planning (IDEP);

Taking note of the appeal made by the Executive Secretary of the Economic Commission for Africa (ECA) and several member States for the urgent need to support the Institute;

Welcoming the recent progress made by the Institute in its various programmes and activities, including the improved cooperation that has been established with the African Union, the Regional Economic Communities (RECs) and with other national, subregional and regional institutions;

Noting that the bulk of the resources contributed to the Institute are directed mainly to support the delivery of training programmes rather than to its general operating budget, and stressing the need to address that unbalanced situation;

Noting also that while IDEP, as an integral part of the Commission's programme structure, provides training programmes to all African countries free of charge, the Institute only receives a limited grant from the United Nations regular budget, while similar United Nations institutions such as the Latin American Institute for Economic and Social Planning (ILPES) are provided with substantial resources from the United Nations regular budget; and

Reiterating that training activities should be accorded a more visible and larger role in support of the management of African economies and in scaling up the efforts of capacity building within member States by ECA;

1. *Reaffirms* the importance of a coordinated, comprehensive approach to Africa's research and training agenda based on an effective coherent strategy and a results-oriented division of labour among the major regional organizations and other training institutions on the continent;

2. *Also reaffirms* the relevance of the IDEP for undertaking demand-driven training activities for African Governments, public organizations and the private sector in view of the growing importance of capacity building for member States and the relevance of training-related research activities by the Institute within its mandate;

3. *Stresses* the need for the Institute to strengthen further its cooperation with other United Nations institutes and relevant national, regional and international training institutions;

4. *Welcomes* the progress made in integrating IDEP in ECA's work programme and in building partnerships between the Institute and major Pan-African institutions, the RECs and other bodies of the United Nations system in respect to the training programmes, and, in this context, underlines the need to develop further and to expand the scope of such part-

nerships, in particular at the country level, with a view to ensuring that the Institute continues to remain a centre of excellence for training in Africa;

5. *Encourages* the Governing Council of IDEP to continue its efforts to resolve the critical financial situation of the Institute, in particular with a view to broadening its donor base and increasing the contributions made to the general operating budget of the Institute;

6. *Emphasizes* the need for member States to strengthen their support for the Institute by paying their assessed contributions regularly;

7. *Requests* the Executive Secretary of ECA, in consultation with the United Nations Secretary-General, to make proposals for alleviating the Institute's current financial difficulties, which are aggravated by the current provision of a grant instead of adequate United Nations regular budget resources, taking into account that similar United Nations training institutes enjoy such a privilege; and

8. *Requests further* the Executive Secretary to report to it at the fortieth session of the Commission/Conference of African Ministers of Finance, Planning and Economic Development on the implementation of the present resolution, including the report on the status of contributions to and the financial situation of the Institute.

B. Ministerial Statement

1. We, African Ministers of Finance, Planning and Economic Development, meeting in Ouagadougou, 14-15 May 2006, under the auspices of the United Nations Economic Commission for Africa (ECA), reaffirm the centrality of employment for poverty reduction and development.

2. We take note of the commitments made at the 2004 Extraordinary Summit of the African Union (AU) Heads of State and Government on Employment and Poverty Alleviation in Africa as contained in the Ouagadougou Declaration and Plan of Action.

3. We recall the Ministerial Statement of the Conference of African Ministers of Finance, Planning and Economic Development held in Abuja in 2005 underlining the need "to develop strategies for generating decent and productive work for men and women as well as youth in Africa, and to explicitly address employment generation issues in national poverty reduction strategies."

4. We take note of the first AU Biennial Report on the Ouagadougou Outcome (2006), reviewing

progress made in fulfilling the recommendations of the 2004 Ouagadougou Plan of Action, and are concerned that: implementation so far has not been comprehensive; employment has not been adequately embedded in national development strategies; and sub-regional and national coordination has not been strong enough as a consequence of human, fiscal and institutional capacity constraints. Overall, we recognize the need to further refine and accelerate implementation strategies at all levels.

5. We also take note of the outcomes of the March 2006 African Plenary on National Poverty Reduction Strategies and the Implementation of Millennium Development Goals (MDGs), as well as the April 2006 Declaration on Financing Employment and Poverty Alleviation in Africa of the Fourth Ordinary Session of the AU Labour and Social Affairs Commission, both in Cairo, Egypt.

6. Acknowledging the diversity in economic, social and political conditions in Africa, we stress the need to design country-specific policies and programmes that are consistent with national priorities, with particular attention to the special needs of in-conflict and post-conflict economies and least developed countries (LDCs).

7. We reaffirm our commitment to regional integration as a major driver of economic development and job creation as underscored by the Abuja Treaty (1991) *Establishing the African Economic Community* and the New Partnership for Africa's Economic Development (NEPAD, 2001).

8. While pleased with the strong overall growth performance on the continent, we recognize that more efforts are required to ensure that a majority of Africans will benefit from improved macroeconomic conditions. We note in particular the need to harness economic growth to generate more decent jobs for our people, reduce the number of working poor, maximize the potential of our labour force, and eliminate the barriers to the entry of women and youth into the labour market.

9. Based on the above considerations, we hereby recommend as follows:

Mainstreaming employment in national development strategies and policies

10. It is our firm belief that the way forward in creating decent jobs in Africa lies in mainstreaming employment in the development agenda. We therefore

commit to explicitly incorporate employment objectives in national development strategies and policies.

11. Given the importance of poverty reduction strategies (PRSs) as the framework for national budget allocation and official development assistance, we acknowledge the necessity of aligning the various processes towards realizing economic and social objectives in our countries, especially the MDGs. We also note the need to integrate the goal of decent employment into the design, implementation and monitoring of the second generation PRSs.

12. To increase employment generation, we commit to further embedding employment criteria in investment promotion policies.

13. In support of the above, we commit to increase our efforts towards domestic resource mobilization, and call upon our development partners to honour their aid commitments to African countries. We also urge our development partners to fully implement and expand the 2005 G8 Multilateral Debt Relief Initiative.

14. Recognizing the critical role of government and the public sector on employment creation, we commit to improve the quality of public finance management, alongside the development of accurate statistical and information systems to monitor impact of policies.

Addressing the special needs of post-conflict countries

15. Acknowledging the particularly fragile situation of African countries emerging from conflict, we request ECA, in close collaboration with AU and ADB, to set up a Technical Capacity Building Forum and a funding initiative with relevant stakeholders to support employment generation and reestablish economic development management systems. In this regard, we call upon all partners to provide a special "window of opportunities" that would enable post-conflict societies to access resources needed for critical recovery and reconstruction activities.

16. Recognizing the urgent situation of post conflict countries, we recommend that the Forum consults closely with the recently established United Nations Peacebuilding Commission. We also request that the Forum presents its findings and recommendations at the next Commission/Conference of African Ministers of Finance, Planning and Economic Development, or, if need be, in an extraordinary session that would take place within the next six months.

Unleashing the potential of the private sector

17. In recognition of the increased role and responsibility of the private sector in employment generation, and the central role of the State in creating a conducive environment, we commit to take measures to improve the operations of the private sector: infrastructure improvement, elimination of unnecessary and costly regulations, provision of affordable credit, greater investment in research and development. Where appropriate, we will explore public-private partnerships, especially in the areas of health, education and skills development.

18. To stimulate structural transformation and diversification, we shall: adopt growth oriented macro and micro-economic policies; identify and promote labour-absorbing sectors; enhance labour mobility in tandem with reallocation of investments; exploit ICTs as a productivity enhancing tool; and pursue an integrated rural development approach involving both the agricultural and non-agricultural sectors.

Harnessing regional integration and globalisation

19. We recognise that strengthening regional integration can stimulate employment creation. To this end, we commit to ratifying bilateral and regional protocols on free cross-border movements of people and goods. To accelerate this process, we strongly support the ongoing study by ECA and AU on the rationalization of the Regional Economic Communities (RECs) and commit to strengthening their secretariats and programmes.

20. In addressing the global challenges and their impacts on employment, we take note of the AU Migration Policy Framework and Common African Position on International Migration. We welcome the efforts that have been undertaken with a view to establishing a common African position on international migration, including the high-level Experts' Meeting on Migration and Development held in Algiers in April 2006. This common position will inform the high-level discussions that are due to be held at the United Nations in September 2006. We therefore commit to participate actively in the shaping of the UN Secretary General's initiative on international migration and call on the International Labour Organization (ILO), International Organization for Migration (IOM) and other regional entities to assist Member States in this regard.

21. We also urge our development partners to level the playing field for African countries in trade relations, including removing constraints imposed by Trade-Related Intellectual Properties (TRIPs) and Trade-Related Investment Measures (TRIMs).

Targeting disadvantaged segments of society

22. To increase employment opportunities, particularly for women, youth, people with disabilities, internally displaced persons, refugees and returnees, we recognise the need to embed their special needs in employment creation and development policies, including the provision of micro-credit, micro-insurance, safety net, promotion of informal sector development and training.

23. In addition to providing a safety-net, public works programmes can assist disadvantaged groups such as young men and women in rural areas in gaining access to the labour market. We therefore encourage the use of these programmes, especially for post-conflict countries, in such areas as urban sanitation, rural forestation and soil conservation, food security and agriculture, and road construction and maintenance as a means of employment creation.

Building human and institutional capacities

24. We recognise that education and training are key stepping stones towards to the generation of decent employment. We encourage the adoption of an integrated human resource development programme, which also requires a regional approach in terms of: harmonising education policies; developing curricula; and establishing regional access to digital resources.

25. We acknowledge that weak institutional capacities and the lack of reliable statistics hinder countries from formulating sound and effective employment policies, and tracking progress in job creation. We also acknowledge that accountability depends on the availability of accurate and timely data, and that this problem is directly linked to the lack of human and financial resources. Accordingly, we commit to increasing resources to strengthen capacities to formulate, implement and monitor employment policies. In this regard, we invite our development partners to join us in these efforts. Accordingly, we strongly commit to the strengthening of national statistical offices and legislative reforms that ensure their ability to generate timely, reliable and gender disaggregated statistics. Together with regular censuses, we also rec-

ommend Member States to undertake other innovative and cost-effective statistical surveys to elicit a better understanding of the labour market and the impact of government expenditure and policies.

26. We also resolve to commit resources to support African institutions involved in capacity building activities, such as the African Institute for Economic Development and Planning (IDEP). In addition, we welcome ongoing capacity building support from our development partners.

Strengthening cooperation for job creation

27. We welcome the focus of the next High-Level Segment Meeting of ECOSOC to be held in Geneva, 3-5 July 2006, on "*Creating an environment at the national and international levels conducive to generating full and productive employment and decent work for all and its impact on sustainable development*", and we commit to a strong African partnership and support to the forthcoming discussion and international partnership.

28. We are especially pleased to see ECA's commitment to partnering with the African Union and NEPAD, African Development Bank, International Labour Organization (ILO), the RECs and other key stakeholders in promoting employment generation strategies in Africa. In particular, we recommend that ECA, in collaboration with ILO and African regional institutions, establish a regional employment forum of technical experts and policy facilitators to assist Member States in developing capacity and facilitate learning and sharing of country-specific experiences. In this regard, we also call on ECA to take leadership in the development and coordination of statistical activities on the continent, such as the Reference Regional Strategic Framework (RRSF), in collaboration with AU, ADB and the RECs.

29. We recognize ECA's key role in promoting economic and social development on the continent, but we also acknowledge that increased resources will be needed for the fulfilment of ECA's mission. We therefore urge Member States to support ECA's efforts by generously contributing to the United Nations Trust Fund for Africa.

Repositioning ECA to meet Africa's challenges

30. We welcome the initiative of the Executive Secretary of ECA and commend his vision and the bold-

ness of the proposals he has advanced for repositioning ECA to improve the delivery of its services to Member States in response to the 2005 World Summit Outcome.

31. In this regard, we encourage the Executive Secretary to pursue the proposal to refocus ECA's work around two pillars of: promoting regional integration; and meeting Africa's special needs and the global challenges faced by the continent, as well as strengthening statistics and addressing gender equality issues and women's empowerment. We also support the proposal to strengthen ECA's Sub-Regional Offices. We trust that such reform will enable ECA, working with its partners, to better assist African countries to meet their economic and social development challenges, including that of employment generation. Furthermore, we strongly encourage ECA to pay attention to the special needs of conflict and post-conflict countries. In that regard, ECA should make peace, security

and post-conflict recovery, reconstruction and rehabilitation one of its major areas of work.

32. We welcome the recent revitalization of the Joint AU/ADB/ECA secretariat by the leaders of the three institutions and encourage further strengthening of cooperation among them. We strongly recommend rationalization of programmes and activities of the regional institutions in order to enhance synergies and avoid unnecessary and costly duplication.

33. In conclusion, we thank ECA for successfully convening the thirty-ninth session of the Commission/Conference of African Ministers of Finance, Planning and Economic Development. We are grateful to Burkina Faso for excellent leadership during our deliberations. We wish also to thank His Excellency, Mr. Blaise Compaoré, and the people of Burkina Faso for their generosity and warm hospitality accorded us during our stay in Ouagadougou.

ANNEX II

Report of the twenty-fifth meeting of the Committee of Experts of the Conference of African Ministers of Finance, Planning and Economic Development

A. Attendance

1. The twenty-fifth meeting of the Committee of Experts of the Conference African Ministers of Finance, Planning and Economic Development was held in Ouagadougou, Burkina Faso, from 10 to 13 May 2006. Mr. O.O.O Ogunkua, Permanent Secretary of the Ministry of Finance of the Federal Republic of Nigeria, who chaired the opening session, made some brief welcoming remarks. This was followed by opening statements delivered by Mr. Abdoulie Janneh, Executive Secretary of the Economic Commission for Africa (ECA) and Mr. Seydou Bouda, Minister of Economy and Development of Burkina Faso, who opened the meeting.

2. The meeting was attended by representatives of the following member States: Algeria, Benin, Botswana, Burkina Faso, Burundi, Central African Republic, Congo, Egypt, Ethiopia, Gabon, Gambia, Ghana, Guinea, Kenya, Madagascar, Mali, Morocco, Mozambique, Namibia, Niger, Nigeria, Rwanda, Senegal, Somalia, South Africa, Swaziland, United Republic of Tanzania, Togo, Tunisia, Uganda and Zimbabwe.

3. The representative of the African Union also took part in the deliberations of the Committee.

4. The following United Nations bodies and specialized agencies were also represented: International Labour Organization (ILO); International Monetary Fund (IMF); Joint United Nations Programme on HIV/AIDS (UNAIDS); United Nations Development Programme (UNDP); Office of the United Nations High Commissioner for Refugees (UNHCR); United Nations Population Fund (UNFPA); World Bank (WB); World Food Programme (WFP); and World Health Organization (WHO).

5. Observers were present from the following organizations: African Centre for Applied Research and Training in Social Development (ACARTSOD); Banque de Développement des Etats de l'Afrique

Centrale (BDEAC); Banque Ouest Africaine de Développement (BOAD); Central African Economic and Monitoring Community (CEMAC); Common Market for Eastern and Southern Africa (COMESA); Regional Economic Commissions (RECs) and Union économique et monétaire ouest africaine (UEMOA).

B. Adoption of the Agenda and Election of the Bureau

6. The Committee adopted the following agenda.

1. Opening of the Meeting
2. Election of the Bureau
3. Adoption of the Draft Agenda and Draft Programme of Work
4. Presentation and discussion of the *Survey of economic and social conditions in Africa 2005 and prospects for 2006*
5. Presentation and discussion on the theme of the Conference – *Meeting the challenge of employment in Africa*
6. Presentation and discussion of the Report on Progress in Aligning Poverty Reduction Strategies with the Millennium Development Goals
7. Statutory Issues:
 - Consideration of the Annual Report on the work of the Commission, 2006
 - ECA's response to the 2005 World Summit Outcome
 - Other issues
8. Any other business
9. Consideration and adoption of the Report of the Committee of Experts and draft resolutions

10. Closing of the meeting

7. The programme of work was approved with a recommendation to address the key developmental and cross-cutting issues raised by the Executive Secretary of ECA and the Minister of Finance of Nigeria in their opening statements.

Election of the Bureau

8. The following Officers were unanimously elected by the Committee to form the new Bureau:

| | |
|--------------------------|----------------------|
| Chairperson: | Burkina Faso |
| First Vice-Chairperson: | Republic of Congo |
| Second Vice-Chairperson: | Libya |
| Third Vice-Chairperson: | Burundi |
| Rapporteur: | Kingdom of Swaziland |

C. Account of Proceedings

Opening addresses

9. In his capacity as Chairperson of the outgoing Bureau, Mr. O.O.O Ogunkua, Permanent Secretary of the Ministry of Finance of the Federal Republic of Nigeria extended a warm welcome to those attending the session, and expressed his appreciation to the Government and People of Burkina Faso for hosting the meeting. On behalf of the Government of Nigeria, he congratulated Mr. Abdoulie Janneh on his recent appointment as Executive Secretary of ECA, and assured him of the Committee's cooperation and support in his new assignment.

10. Turning to the theme of the Conference, Mr. Ogunkua noted that despite Africa's relatively strong economic growth performance of many African countries in 2005, growth in employment creation and poverty reduction had not shown a commensurate improvement. Indeed, the level of poverty had increased in recent years, driven in part by high population growth rates and the very narrow base of recent growth, concentrated as it has been in the extractive sector. Mr. Ogunkua also attributed the poor employment performance of many African countries to weak reflection of employment issues in the poverty reduction strategies and other national development plans. He, therefore, challenged the Committee to be innovative and bold in proposing measures for addressing the issues of employment creation and poverty reduction, as these would be critical to progress towards the MDGs and the goals of NEPAD.

11. In his opening statement to the meeting, the Executive Secretary of ECA, Mr. Abdoulie Janneh, expressed his deepest gratitude and appreciation to the Government and people of Burkina Faso for hosting this year's Conference of Ministers. He said he looked forward to having productive and meaningful interactions with the Committee and the Ministers over the next few days on how best the ECA secretariat could assist its member States in defining priorities and designing policies that will help them achieve the MDGs and improve the quality of life of their people.

12. Referring to the various commitments made by the international community in 2005 in support of meeting the special needs of Africa, the Executive Secretary observed that 2006 must be seen as the year of action in support of those commitments. In this regard, he informed the Committee of ECA's work during the past year in support of advancing the continent's development agenda in several key areas. He cited as examples, the Forum for Statistical Development (FASDEV), the Least Developed Countries (LDCs) regional meeting, the African Plenary on Poverty Reduction Strategies and the MDGs, and the Climate Change experts meeting, which were organized during the course of the year.

13. In reviewing some of the key items on the agenda of the present meeting, the Executive Secretary noted that the theme of this year's conference was also in direct response to the commitment made by the ECA Conference of Ministers in its *Ministerial Statement* of 2005 which called for *strategies for generating decent and productive work in Africa* within the context of national poverty reduction strategies in line with the 2004 AU Summit Declaration on Employment and Poverty Alleviation. To that end, he said he expected the outcome of the present meeting to lead to the development of an action plan that integrates employment generation policies in the development policies, strategies and plans of African countries.

14. As part of its efforts to carry forward the outcome of the conference and implement the Ouagadougou Plan of Action, Mr. Janneh informed the meeting that ECA intends to establish a regional employment forum of technical experts and policy facilitators, drawn from the AU, ADB, ILO, Regional Economic Communities (RECs), to assist member States in developing capacity and facilitate learning and sharing of country-specific experiences.

15. Turning to another important item on the agenda of the meeting, the Executive Secretary informed the Committee of the steps taken by ECA under his leadership to respond to the 2005 World Summit outcome and other important developments at the regional level. As an important first step, he told the Committee that he had already set up a Task Force to review the current and emerging needs of Africa and to propose changes that would enable ECA to respond more effectively to the needs of its member States and enhance the impact of its work. The work of the Task Force has been informed by the consultations undertaken with a wide range of stakeholders, including member States, key partners such as the AU Commission, AfDB, the RECs, and other Agencies of the UN System as well as ECA staff. These consultations have shown that overwhelming support exists for repositioning and renewing ECA. The process has also benefited from consultations. The Executive Secretary then went on to review some of the initial findings and recommendations of the Task Force with the Committee.

16. Among the key recommendations of the Task Force is the proposal to focus ECA's future work on two broad areas reflecting Africa's priorities, namely promoting regional integration, where ECA proposes to scale up its support to strengthen the institutions that are driving the regional integration agenda, namely the AU Commission and the RECs; and meeting Africa's special needs and the global challenges faced by the continent. Within these two broad priority areas, the work programme will concentrate on addressing six core themes as follows: social development, food security and sustainable development, trade, globalisation and economic development, information and communication technologies (ICTs), science and technology as well as good governance and development management. Statistical development, and promoting gender equality and the empowerment of women would be cross-cutting themes to underpin work in these areas.

17. The Executive Secretary noted that the thematic areas identified responds to very clear mandates from member States and entails the need to strengthen cooperation with the AU, the ADB and other regional and subregional organizations to achieve the objectives of NEPAD. He further noted that the Commission's organizational structure, resource allocation and skills mix will have to be aligned with the new strategic priorities and thematic areas of focus, including the institutionalization of a human resource and work environment that leads to improved staff motivation and performance.

18. The Executive Secretary concluded his statement by inviting the Committee of Experts to discuss the proposals in-depth when that agenda item is considered on the next day of the meeting, and provide appropriate guidance and endorsement.

19. In his preliminary remarks, His Excellency, Mr. Seydou Bouda, Minister of Economy and Development of Burkina Faso welcomed participants to the meeting, and commended ECA for the constant support it provided to the Government of Burkina Faso in organizing the current meeting.

20. Mr. Seydou Bouda emphasized how timely the current meeting was in providing an opportunity for the African countries and the international community to work together to address development challenges, especially those having to do with unemployment and poverty which were glaring in Africa. In that regard, he stressed that poverty had not been impacted by economic growth partly because most people had no secure employment or source of income. While regretting that little progress had been made in implementing the September 2004 Ouagadougou Declaration adopted by the special session of African Union Heads of State and Government, he commended the relevance of the Declaration in laying the groundwork for concerted action in matters of employment. Accordingly, he exhorted the Committee of Experts to give pride of place to employment in their quest to reduce poverty. He hoped participants would come out with a global framework which would impart a significant lease of life to employment creation based on firm national policy commitment.

21. Among other things, he recommended that member States should institute coherent national employment creation frameworks taking into account the imperative need for fine tuning implementation strategies at national, sub-regional and regional levels. He strongly recommended that the Committee's work should enable the Conference of Ministers to reaffirm how vital employment was to poverty reduction and development in Africa. The Conference should formulate a framework for implementing the Ouagadougou commitments regarding employment and poverty reduction, propose partnership strategies for implementing the Ouagadougou commitments and mandate ECA secretariat to organize, at the regional level, an expert forum to consider and propose appropriate strategies for effectively implementing the Ouagadougou Declaration.

Presentation and discussion of the survey of economic and social conditions in Africa in 2005 and prospects for 2006

22. The Committee had before it the document entitled "Survey of Economic and Social Conditions in Africa 2005" (E/ECA/CM.39/3/Rev.1). The Committee commended the secretariat for the quality and comprehensive nature of the document. The Committee was informed that African countries continued to benefit from good economic performance, with real GDP growth increasing from 5.2 per cent in 2004 to 5.3 per cent in 2005. Among the key drivers explaining this performance are the improved macro-economic management framework in several countries, and the continued rise in key commodity export prices, in particular oil. In addition, increased agricultural production in a number of countries also contributed to higher economic growth, especially in the East Africa sub-region. These factors are expected to continue to support growth in 2006.

23. However, the Survey also pointed out that aggregate growth figures mask a wide diversity across countries and regions, and did not translate into sufficient job creation. As a result, poverty levels and social conditions in the region did not show significant signs of improvement. In most cases, growth remains insufficient and volatile for African countries to reach the MDGs by 2015. To address this issue, the Survey recommended African policymakers to: promote economic diversification; ensure reliable supply of energy; provide adequate infrastructure; intensify efforts towards regional integration; and make employment central in macroeconomic policies.

24. During the discussion, it was noted that current developments in the region are encouraging. However, this good performance is largely driven by increased global demand and not sufficiently by regional economic fundamentals. It was further noted that savings and investment rates have remained low. To better exploit their comparative advantages, it was proposed that African countries tackle capacity needs, encourage economic diversification, and further efforts to improve governance. The Committee also acknowledged that peace and security were prerequisites for countries to achieve growth and sustainable development, as evidenced by the number of post conflict countries which had joined the group of Africa's fastest growing economies in 2005. Overall, a key message that emerged from the discussions was the need for national development strategies to emphasis employment creation and its key determinants-namely capacity building of institutions and human resources.

25. The Committee encouraged the adoption of integrated policies and dynamic development strategies that target employment generation and poverty

reduction especially. To this end, it was recognized that African countries needed to better understand the sources of growth and identify sectors that have more potential to create jobs for the poor. However, investing in such sectors is particularly challenging in light of the increasing dependency on technology and capital-intensive production processes. To implement the required policies, the Committee stressed the need to mobilize additional resources and use them more efficiently. In this respect, countries need to encourage both domestic and foreign investments particularly in sectors with high potential for employment creation. One of the key strategies to reach this objective is to develop human capital through better access to education and enhanced training programmes. To further this agenda, the meeting recommended the creation of a regional forum to share experiences and good practices as well as define concrete policy actions based on country-specific conditions.

26. The Committee observed that there were additional factors involved in meeting the challenges of employment, including an increase in the level of development assistance, increased market access and an improved international trading system. To reap the benefits of globalisation, the Committee stressed the importance of fostering regional integration, which could contribute to improving the adoption of common positions on issues such as international trade negotiations.

27. The Committee felt that the Survey had not paid sufficient attention to the social dimension of development and accordingly encouraged the secretariat to consider, in future editions, social development issues (more particularly the impact HIV/AIDS) as well as climatic shocks and development financing.

28. Noting that the data used in the Survey were not always consistent with the official statistics in some countries, the Committee encouraged the ECA secretariat to enhance its partnership with member States in order to obtain accurate and timely information on economic and social developments in Africa.

Presentation and discussion on the theme of the Conference – Meeting the Challenge of Employment in Africa

29. Under this agenda item, the secretariat presented the paper on the theme of the conference entitled "Meeting the Challenge of Employment in Africa" (E/ECA/CM.39/4). The presentation underlined the centrality of employment for social development, and

hence, the achievement of the MDGs in Africa. To further employment creation in Africa, the Ouagadougou Declaration with its Plan of Action, adopted by African Heads of State and Government in 2004, calls for employment to be placed at the centre of development policies and programmes of member States. The paper, therefore, reviewed progress made in the implementation of the Plan of Action and elaborated on the constraints faced by member States in this process.

30. To accelerate the implementation of the Ouagadougou Declaration and its Plan of Action, the Issues Paper outlined a six-pillar action framework: (1) mainstreaming employment in national development programmes including macroeconomic frameworks underlying poverty reduction policies and programmes; (2) promoting structural transformation and diversification to expand the base of employment, especially intensifying linkage between agriculture and other sectors of the economy; (3) promoting governance for private sector and social development, particularly, strengthening social and public-private sector partnerships; (4) harnessing regional integration and globalization, with a focus on broadening the demand base for local business expansion and minimizing the adverse effects of international migration; (5) implementing integrated human resources development programmes that strengthens the linkage between the real economy and the education sector as well as reduce skills mismatch in the labour market; and (6) strengthening institutional capacities including the provision of timely, reliable and accurate employment statistics and improving the level of utilization of employment specialists in national development planning.

31. Within the proposed framework, the paper also identified specific strategies that member States would need to consider, such as: intensifying the role of ICTs in employment generation and mobilizing financial resources for employment generation activities. In addition, the paper recommended the establishment of a regional forum of technical experts and policy facilitators comprising key stakeholders – AU, ILO, ECA and RECs as well as appropriate ministries, private sector, labour, youth and women at the country level. This forum would support member States in the development of national employment generation strategies and operational framework in line with the Ouagadougou Plan of Action.

32. In the discussions that followed, the Committee emphasised the fact that employment is central to the African development agenda, as acknowledged by the 2004 Summit of Heads of State in Ouagadougou.

The Committee overwhelmingly agreed that the creation of employment, and especially decent employment, is a challenge that requires the concerted efforts of key stakeholders at all levels. They also echoed the need for the formulation of common strategies for employment generation based on best practices and lessons learnt. The experts further stated that employment should be considered as a cross-cutting issue in all development strategies and policies to meet the MDGs. To this end, it was underlined that countries should target pro-poor growth policies that would lead to generating additional employment.

33. The Committee highlighted the need to formulate well-focused employment programmes, especially targeting disadvantaged social groups such as youth and women as well as internally displaced persons. In particular, the experts were of the view that concerns of the youth should be properly addressed, including providing them with the required type of entrepreneurial, business and self-employment skills, job attachment and internships. Furthermore, the meeting highlighted the need to strengthen training institutions to produce skills required by the labour market, build capacity of networks for youth entrepreneurs, and provide micro-finance for small scale agro-industries.

34. The Committee further emphasised the strategic importance of addressing the challenges facing women such as discrimination in employment, the allocation of business and financial credit, access to other productive resources, including land, and limitations emanating from cultural traditions and practices.

35. The Committee also stressed that the private sector should be fully involved in the employment policy process through enhanced public-private sector partnerships since the private sector is the major engine of job creation. To re-enforce these partnerships, the experts were of the view that social dialogue among business, government, and labour is required. In this connection, the experts underscored long-term solutions for sustainable job creation through, for example, small scale rural agro-industrial processing and structural agricultural transformation.

36. Given the size of African economies, the experts also expressed the need to integrate employment considerations in the regional integration process. They noted that in spite of the efforts of the RECs to implement harmonised trade and investment protocols, high tariff and non-tariff barriers still remain.

37. On the issue of delineating roles and responsibilities of various stakeholders, including member

States, RECs, civil society and other regional and sub-regional organisations, the experts stressed the need to adopt clear guidelines and principles for the implementation of the Ouagadougou Plan of Action. It was noted that so far only few countries have attempted to put in place the necessary institutional mechanisms. The experts, however, deplored the lack of reliable and timely statistics to have a clear picture of the employment situation in their countries which makes it difficult to design and formulate policies. In addition, the lack of data constrains the monitoring and evaluation of progress achieved in implementing these policies and strategies.

38. In summary, the Committee agreed on four key points: 1) employment is of primary importance for African countries to further their economic and social objectives, a challenge that requires cross-sectoral approaches supported by strong regional partnerships; 2) some countries have attempted to develop strategies that incorporate the Ouagadougou Plan of Action. 3) the challenge at implementation has country-specific aspects. For example, in some countries the promotion of youth and graduate employment remains very difficult, while the lack of statistics is a common challenge to all countries; and 4) mechanisms for promoting further implementation of the Ouagadougou Plan of Action should include institutional partnership arrangement at all levels, increased resource mobilization, and strengthened regional integration for long-term employment generation. To this end, the Committee strongly indicated the need for a regional employment forum of experts to assist member States to formulate and implement adequate employment policies and programmes.

39. On the basis of the above, the meeting recommended the following: a) convening of a regional employment forum under the joint auspices of ECA, AU, ILO and ADB for the operationalisation of the Ouagadougou Plan of Action; b) strengthening national statistics offices for reliable and timely data generation; c) establishing skills-development systems at all levels to match labour market requirements; and d) developing strong public-private partnerships to further accelerate job creation.

Presentation and Discussion on the Report on Progress in Aligning Poverty Reduction Strategies with Millennium Development Goals

40. Under this agenda item, the Secretariat presented a report entitled, *Progress and Challenges in Aligning Poverty Reduction Strategies with Millennium*

Development Goals (E/ECA/CM.39/5). The report reflects work undertaken by ECA and UNDP on the alignment of poverty reduction strategies (PRSs) and Millennium Development Goals (MDGs). It also incorporates the outcomes of the recent *African Plenary on National Poverty Reduction Strategies and the Implementation of MDGs* jointly convened by ECA, the African Union Commission and UNDP in Cairo in March, 2006.

41. The report indicates slow progress towards meeting the MDGs in Africa with most targets remaining elusive for the region. In this respect, the report underscored the importance of aligning PRSs with the MDGs. This will subsequently create synergies in policy formulation and provide opportunities to embed these objectives in public expenditure frameworks and monitor progress.

42. The Secretariat informed the Committee of three instruments/strategies for Member States to achieve alignment between the PRSs and MDGs. These are: 1) the MDGs Report; 2) the MDGs Needs Assessment; and 3) the subsequent revenue mobilization, implementation and monitoring framework. The report highlighted good experiences from three African countries, namely: Ethiopia, which had aligned both policy content and implementation; Tanzania, which has clustered goals in their PRS around the MDGs; and Uganda, which has taken a dynamic approach to adapting their PRS. To address alignment constraints, the presentation underscored three dimensions: improving ownership, leadership and accountability; furthering country-level capacities to implement MDG-based PRSs; and promoting longer-term and more effective aid flows.

43. Following the presentation by the ECA, UNDP provided a brief overview of the PRS process in African countries, covering both the first and second generation of PRSs. Based on UNDP's findings, the following policy issues were highlighted: the ineffectiveness of a detailed sectoral Needs Assessment in the absence of resources to carry out the activities; the difficulties linking the needs assessment, a longer-term instrument, with the medium-term expenditure framework and the annual budget cycle; and finally, the lack of human and financial capacity in member States. In order to address these issues, African countries need extra financial and technical resources and fiscal space. UNDP also noted that strategic partnerships with the ECA and ADB will contribute to supporting African governments. Moreover, collaboration with African-based research institutions would assist Member States in these areas.

44. During the discussions that followed the above presentations, several participants observed that national development strategies including the PRSs in most countries were not aligned with the MDGs and other development plans. Participants pointed out several challenges faced by member States in their efforts to align PRSs and other national development strategies with the MDGs. Key among the challenges was how to incorporate the PRSs and MDGs into the national macroeconomic and development framework. This was seen as a huge challenge given the fact that most countries have had limited ownership of their macroeconomic policies due to externally imposed conditionalities. Participants recognized that many African countries had achieved varying degrees of alignment of their PRSs to the MDGs, however, the rate of implementation and progress towards achieving the MDGs remained low, mainly due to three factors, namely: lack of capacity at the country level, lack of financial resource and lack of adequate statistics.

45. During the discussions, some participants pointed out several difficulties of methodology encountered by member States in aligning their PRSs and other national development strategies with the MDGs. They proposed that ECA should address the issue of methodology and provide expertise on an appropriate approach.

46. Regarding the lack of financial resources, the meeting noted that there is need for African countries to improve the mobilisation of internal financial resources. The meeting also observed that external financial flows were vital in ensuring the implementation of the MDGs-based PRSs, while additional financial resources were not forthcoming despite the commitments made by development partners.

47. Participants deplored the lack of accurate statistical data in most African countries. It was noted that in most countries the lack of adequate statistical data was a major obstacle to meaningful analysis, design, implementation, and monitoring the MDGs. A presentation from the Bureau of Statistics "Friends of the ECA" underscored the importance of statistics for planning, monitoring and evaluation of development programs, including the PRSs and the MDGs. It reminded the participants about the decisions made at the Cape Town Symposium on Statistical Development regarding the coordinating role of ECA to strengthen statistical activities in Africa. In this regard, the Committee welcomed ECA's renewed efforts to develop robust and reliable statistical databases for tracking the continent's economic performance.

48. In light of the above, the Committee made the following recommendations:

- a) Regional and international institutions, including the Bretton Wood institutions, should continue to provide technical assistance, and training, including discussion forums for sharing of experiences to member States to build and enhance their technical capacity for policy design, implementation and monitoring;
- b) Member States should increase their capacity for resource mobilization both foreign and domestic and with the assistance of regional institutions such as the AU, ECA and ADB, they should continue dialogue with development partners to increase their financial and technical support to African countries for the latter to effectively implement and monitor the MDGs. In particular, ECA, in collaboration with UNFPA, should assist member States to undertake preparatory activities towards the 2010 round of Population and Housing censuses highlighting the importance of poverty mapping in the analysis of their second generation PRSPs.
- c) African countries should adopt legislative reforms and allocate adequate financial resources to improve the operations of their national statistical offices particularly with respect to data collection and analysis for decision making and accountability.

Statutory issues

- **Consideration of the Annual Report on the work of the Commission, 2006**

49. Under this agenda item, the secretariat presented a document entitled, *Annual Report 2006* (E/ECA/CM.39/8). The report covered the major activities undertaken by the Commission including its subsidiary bodies during the period since the last session of the Commission in May 2005.

50. The secretariat highlighted the major accomplishments of ECA in supporting the development of its member States during the past year and made a presentation covering activities under each of ECA's eight substantive subprogrammes. During the period under review, ECA addressed the issue of poverty reduction under its sub-programme on facilitating economic and social policy analysis while the sub-programme on fostering sustainable development to continue to focus on the nexus issues of food security and sustainable development. Similarly, other sub-programmes

further addressed the issues of promoting good governance practices for broad stakeholder participation; harnessing information technologies for development; accelerating regional integration through intraregional and international trade as well as physical integration; promoting the advancement of women; supporting sub-regional activities for development through the Commission's five sub-regional offices; and enhancing national capacity for economic policy formulation and implementation through training programmes.

51. In the discussion that followed, the Committee commended ECA for its work in support of member States, particular in strengthening capacity for the implementation of the NEPAD priorities. However, the experts underscored the need for the Commission to strengthen its sub-regional offices and enhance coordination of its activities with those of other organizations working towards Africa's development, such as the AU, the ADB and UNDP, especially in the context of the MDGs.

52. The Committee took note of ECA's work in the area of international trade negotiations and called on the secretariat to continue to provide assistance to African countries in that regard. In particular, it called on ECA to undertake more work on the potential impacts of Economic Partnership Agreements (EPAs) and other WTO-related agreements, noting that uncertainties in the outcome of such agreements had made some countries reluctant to pursue negotiations. It was stressed that when entering trade negotiations, African countries should keep the focus on potential benefits that could be derived from the process.

53. Given the important role of African Embassies based in Addis Ababa in building African common positions around key strategic issues, the Committee emphasized the need for ECA to strengthen its working relationships with these diplomatic missions and engage them on substantive issues.

54. The Committee also stressed the importance of private sector development and highlighted the need for ECA to strengthen its policy research and advocacy in that area. This was seen as key to ensure a successful transformation of African economies, especially in the effective diversification of the continent's production base.

55. Peace and security remain critical in Africa as some countries on the continent emerge from conflict. In this regard, the Committee called on the secretariat to strengthen its work in the areas of conflict resolution, post-conflict reconstruction and institutional building.

56. The Executive Secretary of ECA took the opportunity to thank the experts for their guidance and support in furthering the work of the Commission. He paid tribute to his distinguished predecessor, Mr. K.Y. Amoako, who initiated many of the accomplishments reported. He noted that ECA has a rich pool of human resources that could be put to use in advancing Africa's development agenda. He indicated that ECA is bracing itself to cover new grounds, especially in the area of post-conflict reconstruction and rehabilitation. On capacity building, he underscored the importance of knowledge institutions, such as IDEP, and appealed to the Committee to endorse a resolution committing member States to provide moral and financial support to the institution.

57. In the light of the above observations and recommendations, the Committee took note of the report.

- **ECA's response to the 2005 World Summit Outcome**

58. Under this agenda item, the Executive Secretary made a presentation based on two notes prepared by the secretariat entitled, "*Follow-up to the 2005 World Summit Outcome: ECA's Response*" (E/ECA/CM.39/6); and "*Repositioning ECA to better respond to Africa's priorities: Note by the Executive Secretary*" (E/ECA/CM.39/7). The document outlined the actions taken by ECA in response to the 2005 World Summit Outcome, including notably, the recent initiative taken to reposition ECA to improve the delivery of its services to member States. This item was included on the agenda of the meeting in order to provide an opportunity for member States to offer their views on and seek endorsement of the reform proposals presented by the Executive Secretary.

59. The Executive Secretary briefed the Committee about the actions taken by ECA in response to the World Summit Outcome, in particular the background as well as rationale for the reform initiatives launched recently. The Committee was informed that ECA has been closely involved in a number of UN-wide initiatives as a follow-up to the World Summit Outcome, including preparations for a review of mandates; review of programmes and priorities by UN economic and social entities coordinated by the Executive Committee of Economic and Social Affairs (EC-ESA); and the Secretary-General's proposals on management reforms. In addition to its involvement in these global level reform efforts, ECA also launched self-driven initiatives to respond to the policy guidance contained in the World Summit Outcome. These include, most notably, the establishment of a Task Force to review ECA's priorities and articulate a

new strategic orientation for its work. The Task Force will propose recommendations in other key areas including strengthening partnerships with other organizations within and outside the UN system, such as, the African Union (AU) and African Development Bank (ADB); and strengthening management and other organizational processes towards a more results-oriented programme of work in support of the development efforts of member States.

60. The Committee was informed that the actions taken so far have resulted from expert diagnostic studies carried out by some of the best external resources that ECA could identify around the world. It was also the result of extensive consultations with various stakeholders – African governments, regional and subregional organizations, including the AU and ADB, agencies of the UN system, and other external partners. The feedback from these consultations revealed strong support for a renewed and strengthened ECA with the capacity to adapt and respond effectively to the changes taking place in Africa and the world at large.

61. The Committee was informed that the reform process would entail the refocusing of ECA's work programme around two broad regional priorities as follows:

- i. Promoting regional integration; and
- ii. Meeting Africa's special needs and the global challenges faced by the continent.

62. The first pillar would involve supporting the work of the AU Commission, the regional economic communities (RECs) and other African inter-governmental organisations (IGOs) to achieve the African Economic Community, while the second pillar aims mainly at providing comprehensive support for the implementation of the NEPAD programme with emphasis on the following core themes which reflect the priorities of NEPAD: Social development, food security and sustainable development, trade, globalisation and economic development, information and communication technologies (ICTs), science and technology as well as good governance and development management. Statistical development, and promoting gender equality and the empowerment of women would be cross-cutting themes underpinning work in these areas.

63. The above priorities will be pursued by exploiting ECA's comparative advantage as a regional institution within the UN system established to promote the social and economic development of Africa through research, policy-oriented analyses, advocacy and con-

sensus-building, knowledge production and management, and capacity-building. The priorities identified will be also achieved through enhanced collaboration with other partners, from within and outside the UN system in order to avoid unnecessary duplication and ensure complementarities for enhanced programme results.

64. The Committee was informed that the reforms would also entail a review of ECA's organisational structures, resource allocation and skills mix to align it to the new strategic orientations once endorsed. This would be accompanied by a change in organizational culture and strengthening of management processes within a results-based management framework.

65. The Executive Secretary concluded his presentation by inviting the Committee's views and endorsement of the strategic orientations. On the next steps forward, he noted that more work would need to be done by ECA to concretize the proposals further once the Conference endorsed the strategic orientations, and assured the Committee of his commitment to continue with the consultation process he had already initiated.

66. The Committee welcomed the initiatives of the Executive Secretary and commended his vision and the boldness of the proposals he advanced for repositioning ECA to better serve the needs of member States. Several comments were made to enrich the proposals presented by the Executive Secretary. Key among these were the following:

- Some participants saw the reforms as an opportunity to review and strengthen the role of the Conference of Ministers as the principal legislative and priority-setting organ of the Commission. In this regard, suggestions were made for improving the format of the meetings of the Commission, to make them more interactive forums for sharing national experiences and achieving substantive outcomes. In addition, it was proposed that the reform exercise should be conducted with broader and deeper consultation of member States.
- The Committee noted that infrastructure development and economic and corporate governance should be included as additional priority areas in the new orientation. Other priority areas identified by participants include energy, where ECA was requested to deepen its work;
- The Committee also stressed the importance of timely and up-to-date statistics and information

for member States. In this regard, the Committee particularly welcomed the initiative by ECA to mainstream quantitative and timely statistics in its future work, and requested ECA to pay special attention to strengthening national statistical capacities for monitoring and tracking progress towards achieving development goals.

67. In the light of the above observations and recommendations, the Committee took note of both reports.

Any other business

68. There was no issue raised under this agenda item.

Consideration and adoption of the Report of the Committee of Experts and draft resolutions

69. Under this agenda item, the Committee considered the draft report of its meeting (as contained in document E/ECA/COE.25/L) together with three draft resolutions for consideration and adoption by the Conference of African Ministers of Finance, Planning and Economic Development. The Rapporteur introduced the report by briefly reviewing the three parts into which the report is divided, and invited the Committee to consider and adopt it.

70. The Committee adopted the report together with two of the draft resolutions with amendments, and requested the secretariat to finalize the report as appropriate.

71. With regard to the draft resolution on the African Institute for Economic Development and Planning (IDEP), one delegation strongly opposed the inclusion of the resolution on the grounds that the issue had not been discussed by the meeting, and suggested that the matter could be taken up by the next meeting of the Committee in 2007. Many other delegations did not share this view, and noted that paragraph 56 of the draft report adopted by the Committee explicitly referred to the appeal made by the Executive Secretary for the Committee *"to endorse a resolution committing member States to provide moral*

and financial support to the institution." Moreover, it was explained that the Commission has been seized with issue of IDEP since 2002 when it adopted a resolution calling for increased support for the Institute (as reflected in the preamble of the resolution under consideration). After prolonged discussion on this issue, a consensus was reached to consider the resolution.

72. The Committee, then went ahead to consider and unanimously endorsed the draft resolution on IDEP and recommended its adoption by the Conference of African Ministers of Finance, Planning and Economic Development with no amendments.

Closure of the meeting

73. The Committee adopted the present report together with the draft resolutions contained in the annex attached to this report for consideration by the Conference of African Ministers of Finance, Planning and Economic Development.

74. On behalf of the Executive Secretary, the Acting Deputy Executive Secretary of ECA, Ms. Josephine Ouedraogo, expressed gratitude to all the participants for their contributions in making the meeting a success. She thanked the Government and People of Burkina Faso for their hospitality and the facilities put in place for the meeting. She said she was particularly impressed with the quality and richness of the discussions, and appealed to member States to find ways of ensuring that the outcomes of the meeting is reflected into their national policies and programmes.

75. In his closing remarks, the Chairman of the Committee of Experts, Mr. Ly K. Bassirou, Permanent Secretary, Minister of Economy and Development of Burkina Faso expressed gratitude for the opportunity given to him to chair the meeting, and thanked all the participants for their support and hard work. He commended the ECA secretariat for its work in preparing for this meeting as reflected in the high quality of the documents presented at the meeting.

76. The Chairman then declared the meeting closed.

ANNEX III

List of documents submitted to the Commission at its thirty-ninth session

1. *E/ECA/COE.25/1/Rev.1* Draft Agenda
2. *E/ECA/COE.25/1/Add.1/Rev.1* Draft Annotated Agenda
3. *E/ECA/COE.25/Inf.1/Rev.1* Draft Programme of Work
4. *E/ECA/CM.39/1/Rev.1* Draft Agenda
5. *E/ECA/CM.39/1/Add.1/Rev.1* Draft Annotated Agenda
6. *E/ECA/CM.39/Inf.1/Rev.1* Draft Programme of Work
7. *E/ECA/CM.39/Inf.2* Information for Participants
8. *E/ECA/CM.39/2* Annual Report 2006
9. *E/ECA/CM.39/3/Rev.1* Survey of Economic and Social Conditions in Africa 2005
10. *E/ECA/CM.39/4* Meeting the Challenge of Employment in Africa - *An Issues Paper*
11. *E/ECA/CM.39/5* Progress and Challenges in Aligning Poverty Reduction Strategies with Millennium Development Goals
12. *E/ECA/CM.39/6* Follow-up to the 2005 World Summit Outcome: ECA's Response
13. *E/ECA/CM.39/7* Repositioning ECA to BETTER Respond to Africa's Priorities: Note by the Executive Secretary
14. *E/ECA/CM.39/8* Report of the Twenty-fifth Meeting of the Committee of Experts of the Conference of African Ministers of Finance, Planning and Economic Development
15. *E/ECA/CM.39/9/Rev.1* Ministerial Statement
16. *E/ECA/CM.39/CRP.1* Joint Report of the Economic Commission for Africa, African Union Commission and United Nations Development Programme on the: Proceedings of the African Plenary on National Poverty Reduction Strategies and the Implementation of the Millennium Development Goals (MDGS)
17. *E/ECA/CM.39/CRP.2* Outcome Statement - African Plenary on National Poverty Reduction Strategies and the Implementation of the Millennium Development Goals (MDGS)
18. *E/ECA/CM.39/CRP.3* African LDCS' Strategy Paper for the FURTHER Implementation of the Programme of Action for the Least Developed Countries for the Decade 2001-2010