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President: Mr. Munir (Vice-President) . . . . (Pakistan)

Contents

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In the absence of Mr. Shava (Zimbabwe), Mr. Munir (Pakistan), Vice-President, took the Chair.

The meeting was called to order at 10.10 a.m.

Agenda item 8: Integration segment (*continued*)

Panel discussion: "Eradicating poverty in Africa"

1. **Mr. Hamam** (Director, Office of the Special Adviser on Africa), moderator, said that the session was timely, as it had convened against the background of intensified efforts by the United Nations and the African Union to implement the 2030 Agenda for Sustainable Development and the African Union's Agenda 2063: The Africa We Want, both of which called for the eradication of poverty in all its forms and both of which promoted a people-centred approach. As the implementation of those Agendas moved forward, the silo approach was no longer an option for eradicating poverty.

2. In order to realize the goal of leaving no one behind, success must be achieved in Africa, the continent that faced the world's greatest development challenges. Africa was the only region of the world that had not achieved Millennium Development Goal 1 of halving poverty, and, according to the World Bank, half of the world's poor lived in Africa. Hundreds of millions of Africans had no access to adequate sanitation or safe drinking water. In addition, drought, desertification and other climate issues continued to have a severe impact on food and security.

3. Socioeconomic progress had nevertheless raised hopes that Sustainable Development Goal 1, eradicating poverty, could be achieved. Sound micro- and macro-economic management and an improved business environment through political stability had contributed to unprecedented economic growth on the continent. Furthermore, the middle class was growing and there were efforts to improve natural resource management and promote industrialization with a view to driving economic transformation and expanding economic opportunities, especially for women and youth.

4. Poverty eradication was being mainstreamed into national policy and there were ongoing efforts by the African Union, the regional economic communities and the United Nations system to integrate both Agendas into national development strategies. The First Ten-Year Implementation Plan of Agenda 2063 placed a priority on improving the standard of living of all Africans through job creation, agricultural development and food security. The Implementation Plan also aimed to reduce the 2013 poverty level and the proportion of the population suffering from hunger by 2023. The importance of international support for such national efforts could not be overemphasized, and funding should be obtained through official development assistance (ODA) and other commitments, including those related to curbing illicit financial flows.

5. **Mr. Lehohla** (Statistician-General, South Africa), panellist, said that there were development success stories in Africa, one of which had taken place in South Africa. Universal access to electricity and good access to water had been achieved by 2016, and multidimensional poverty had been reduced in various municipalities, including Msinga municipality. However, poverty intensity was a stubborn problem that remained to be solved even though the number of individuals in poverty had been reduced. Increasing unemployment posed a key challenge to integrated poverty reduction. It had also proven difficult to increase years of schooling, which meant that it would be difficult and perhaps impossible to transform the youth bulge into a demographic dividend in South Africa.

6. There had been discussion of leveraging development partners, but Africa must first leverage itself. The first step would be to stimulate trade in Africa. Data on price levels showed geographical discrepancies, with levels in the south several times higher than the South African national average. Such discrepancies should be rationalized based on an examination of the data, which should also be used to rationalize trade blocs. The trade blocs that existed in 2017, such as the Southern African Development Community and the Common Market for Eastern and Southern Africa led to higher prices because of differences across tariff regimes. Data from the International Comparison Program, led by the African Development Bank, was unfortunately not being used by African countries or organizations such as the African Union. That data compared the prices of thousands of products including millet meal, rice and health consumption, and could point to areas where production should be increased.

7. Poverty could not be alleviated without planning, and planning required statistics. Planning departments must start to adopt modelling based on sound data. Africa had adopted the Strategy for the Harmonization of Statistics in Africa, and among its key priorities was a focus on measuring governance, peace and security. Another African initiative had been the creation of the Africa Symposia on Statistical Development in 2005, which focused on civil registration and vital statistics. Agenda 2063 could only be successful if credible and

accurate data existed. In 2010, 50 out of 54 African countries had carried out a census, but there were fears that the momentum would not be sustained. Nigeria, for example, had postponed its 2016 census.

8. **Ms. Ovonji-Odida** (Chair, International Board of ActionAid International and member of the High-level Panel on Illicit Financial Flows from Africa), panellist, said that in discussions of African issues, the solutions proposed were internal to Africa. However, it was also important to consider Africa's situation in terms of relationships and exogenous factors and examine how those impacted Africa. From speaking to citizens, there was a sense that the system was not broken, but rather, the system delivered what it was meant to deliver. Africa presented a paradox in that the continent was rich in resources but home to the poorest people on the planet. Given that Africa was blessed with great natural endowments such as minerals, land and water, it was pertinent to wonder why it was at the bottom of the heap.

9. There should be a change in the narrative, with Africa's problems reconceived in terms of impoverishment instead of poverty, and with an examination of the systems, practices and policies that led to the prevailing situation. The narrative should shift from discussions of wealth to discussions of exploitative relationships. The issue of illicit financial flows provided an example in that regard, because when the drivers of that phenomenon were examined, systemic patterns emerged that generated wealth in certain places but impoverishment in others. Discussions of impoverishment should address its root causes, including massacres and gender-based violence aimed at displacing residents so that their resource-rich land could be exploited.

10. Mechanisms for alleviating poverty were available at various levels, including United Nations tools such as the Stolen Asset Recovery Initiative for combating illicit financial flows. Such mechanisms could be used to reduce imbalances, but the system itself must also be addressed. The United Nations system could be used to support ethical norms that promoted fair taxation and to ensure that the global financial system did not impoverish poorer countries.

11. Governments should be urged to adopt and implement the recommendations of the Report of the High-level Panel on Illicit financial Flows from Africa, which had been commissioned by the African Union and unanimously adopted by the African Union summit. However, implementation had been carried out largely in non-State spaces. Therefore, Governments must go beyond rhetoric and take effective action on issues such as managing and controlling the leakage of natural resources. Statistics and data could play a role in controlling and regulating the practices of multinational corporations, and parliaments must have the ability to exercise oversight so as to protect the interests of citizens.

12. **Ms. El Bakri** (Member, High-level Panel on Illicit Financial Flows from Africa and member, the Inspection Panel of the World Bank), panellist, said that a lack of resources was one of the key challenges for integrated policy-making for poverty eradication in Africa. Traditional sources of development finance were shrinking for a number of reasons, and a financing model that could address future reductions in funding was urgently needed.

13. While the African economy showed signs of recovery, with a slight increase in projected growth for 2017 over 2016, growth remained below the population growth rate. Furthermore, that growth was uneven, differing from country to country. Commodity prices, especially for extractives, had fallen to extremely low levels. While inflation had decelerated and exchange rates had stabilized, fragility and conflict continued to pose major threats. Climate challenges had brought major droughts and famine back to East Africa.

14. In order to reduce poverty, resources were needed in three particular areas. First, growth in labour-intensive activities should be fostered. Second, investment was needed in education and health care. Third, mechanisms should be created to prevent people from falling back into poverty. There had been improvements in East Africa, for example, but the famine meant that people were falling behind.

15. Public spending should be made more efficient in order to safeguard those resources. A sound environment for private sector investment should be created, particularly through de-risking of African countries. Policies should favour inclusive and sustainable growth, with a greater emphasis on the agricultural sector. Domestic resource mobilization should be strengthened, policies should be enacted to combat illicit financial flows, and special attention should be paid to situations of fragility, conflict and violence, with an emphasis on preventive measures. Resources should come from a variety of sources, including official development assistance and new development partners, especially philanthropic organizations. Resources could also be obtained by reversing illicit financial flows and from the domestic and international private sector.

16. Illicit financial flows from Africa had increased threefold between 2001 and 2012. Such flows had an

impact on development because they represented lost tax revenue, savings and investment in various economic sectors in Africa. The nature of the actors involved in such illicit flows and the cross-border nature of the phenomenon meant that they were a politically important issue requiring coordination at the highest level. Most African countries were constrained in their ability to track illicit financial flows because they lacked accurate data and because of ineffective legislative, regulatory and institutional frameworks. Better coordination was needed globally to address illicit financial flows, especially across United Nations processes.

17. **Mr. Mmari** (Executive Director, Policy Research for Development and member, Southern Voice), panellist, said that Sustainable Development Goal 1 was broad, addressing issues of social protection, equity in education and health, the right to economic opportunities and ownership of key assets such as land. Strengthened resource mobilization was critically important for the realization of that Goal in Africa. Official development assistance should not be cut as a result of the strong gross domestic product (GDP) growth seen in some countries: that indicator was misleading and cutting that funding would set Africa back for a long time.

18. The prosperous Africa envisioned in Aspiration 1 of Agenda 2063 was very much in line with Goal 1 of the 2030 Agenda, and the prospects for achieving those aims were favourable. Southeast Asia in particular could be used as a model. That region had achieved high productivity within three decades and had undergone industry-led structural change and a significant reduction in poverty, particularly in Viet Nam and China. Some parts of Africa, such as Ethiopia and Tanzania, had likewise witnessed high growth momentum while uncertainty and declining growth rates were experienced elsewhere in Africa and the world.

19. Many challenges nevertheless remained. Structural transformation in Africa had been slow, as most of the population had been locked into the low-productivity agricultural sector and the informal economy. Changing demographics had resulted in a youth bulge that would not necessarily lead to a demographic dividend because of low investment in skill development. Technology and infrastructure gaps still needed to be addressed.

20. When addressing poverty in Africa, the first strategic consideration should be acceleration of agricultural and rural transformation. Farm-level productivity should be improved to ensure that smallholders had access to new technology. Agricultural markets needed to be strengthened and producers should be integrated into global value chains, which were increasingly driven by buyers located in advanced economies. Economic diversification should be prioritized, and smallholders should be encouraged to move into value-added areas of agricultural production. The second strategic consideration was industrialization. Certain countries, like Tanzania, aspired to industrialization-driven economic transformation and promoted adding value over the export of raw materials. Supportive trade policies were needed, as standing policies did not facilitate the access of African-made goods to lucrative global markets.

21. The informal sector was a major component of African economies, which had seen a move away from agricultural production. That labour was being channelled into the informal sector, however, and not into industry. Therefore efforts should be made to raise informal sector productivity, to reduce its risks, to eliminate biases toward it and to help it formalize organically. Investment in skill development was critical to transforming the informal economy, and political governance should be more responsive to informal sector operators.

22. **Mr. Monthe** (Observer for Cameroon), speaking on behalf of the African Group, said that over half of the population in 46 African countries suffered from acute multidimensional poverty. The task of eradicating such poverty was becoming more difficult in the face of extreme economic inequality and climate change, and legitimate concerns were being raised about financial commitments to Africa’s development efforts.

23. African countries were devising their own strategies to eradicate poverty. Agenda 2063 aimed at ensuring that no part of the continent was left behind, an effort that would require the structural transformation of African economies. The most effective way to strengthen the manufacturing sector was to focus on value-added commodities rather than continuing to export raw materials. Africa’s regional trading architecture was being transformed in order to exploit economic complementarities and economies of scale, and a Continental Free Trade Area was being pursued.

24. Inadequate infrastructure was a major impediment to productivity in African economic sectors, and infrastructure flagship projects therefore must be fast-tracked. Energy development in Africa had not kept pace with rising demand, which had

placed a strain on household, industry and business productivity across the continent. There was also a dire need to strengthen Africa's institutions and its data-collection and statistical systems, and the entrepreneurial capacity of the private sector, including smallholder farmers, should be nurtured.

25. Sustainable development and structural economic transformation should be human-centred. Human capital development and capacity building were critical, cross-cutting and multidimensional issues. By 2050, Africa would have the largest and most youthful workforce and must immediately begin promoting education, science and technology research and innovation, job creation and health and social services.

26. The effects of climate change on the continent had been devastating. The onset of drought, desertification and land degradation severely curtailed and derailed development prospects, and even threatened to roll back the gains of the previous two decades.

27. **Mr. Dennis** (Observer for Liberia) said that the Report of the High-level Panel on Illicit financial Flows from Africa was the key to Africa's development and industrialization. Although African leaders had adopted the report, they were unfortunately not taking any action to implement it. African experts and leaders could draw on widely available development data and on the histories of other countries and continents to help formulate a new narrative for Africa's development around issues such as trade. In recent years, international trade had facilitated development, but that was no longer the case.

28. Given that Africa was a large continent, its development would be difficult, requiring strong international relations, cooperation, good governance and transparency. The international community must help Africa, and African leaders and experts must bring about a new narrative to ensure development through agricultural transformation and industrialization. Although some African economies were growing, that growth was not yet strong enough to eradicate poverty or reduce unemployment.

29. He asked what Africa could do to change mentalities — which formed the bedrock of the 2030 Agenda — in order to ensure meaningful change. Stopping corruption in Africa would lead to transformations in other sectors such as education, health and capacity-building. As they were closer to policymakers, he asked the panellists to comment on how African attitudes towards trade, which no longer contributed to development, could be modified.

30. **Ms. Saran** (South Africa) said that poverty eradication was compulsory for the achievement of the 2030 Agenda and had likewise been reaffirmed as a top priority by the 2017 high-level political forum on sustainable development. However, the ever-changing global context posed a number of challenges that must be taken into account, especially the worldwide economic downturn, climate change and the resource constraints caused by the depletion of natural resources, environmental degradation and pollution.

31. The recognition in the 2030 Agenda that the highest poverty rates continued to exist in sub-Saharan Africa resonated well with the roadmap for African development, Agenda 2063: The Africa We Want. The Sustainable Development Goals were being implemented concurrently with the first 10-year implementation plan for Agenda 2063 and supported at the regional level by the Programme for Infrastructure Development in Africa as well as the regional economic commissions.

32. With regard to determining what policies would best eradicate poverty and what obstacles might prevent or decelerate sustainable development, she underscored the importance of ODA . The fight against illegal financial flows from Africa must be at the forefront of international efforts for development financing.

33. To implement both the 2030 Agenda and Agenda 2063, timely and reliable data and statistics were essential for Governments and other relevant stakeholders to take appropriate actions. The Cape Town Global Action Plan for Sustainable Development informally launched at the United Nations World Data Forum in January 2017 addressed the need for the enhanced capacity-building of a national statistics offices and the importance of examining the role of global governance and statisticians-general.

34. She asked the panellists to describe the degree of cooperation between African Governments and United Nations agencies that published statistics on social and economic issues on the continent and what elements Africa should prioritize to change its development narrative. Joint collaboration was needed among all African States. The United Nations must appropriately channel support towards the 2030 Agenda and Agenda 2063.

35. **Mr. Hamam** (Director, Office of the Special Adviser on Africa) said that although domestic resource mobilization was important, the necessary resources were not where they were supposed to be. The root cause of the problem was known and yet the world was not acting to recoup the funds lost through

illicit financial flows, which would be greater than current ODA levels. Although growth was high and sustained in many African countries, unemployment remained a problem. African countries were rich in land and resources and yet were home to the highest poverty levels in the world.

36. **Mr. Lehola** (Statistician-General, South Africa) said that Africans were good at value creation but not at value appropriation; others were appropriating the value created in Africa. When seismic changes occurred externally, they left Africans poorer and facing even larger political problems. African leadership must seek to understand the role of planning and integration, especially with regard to trade policies and countering illicit financial flows.

37. All countries that had progressed with regard to poverty eradication had utilized data to improve their development planning. He hoped that all Africans would be counted during the 2020 World Population and Housing Census Programme. In previous iterations of the census, many countries on the continent had not provided data.

38. **Ms. Ovonji-Odida** (Chair, International Board of ActionAid International and member of the High-level Panel on Illicit Financial Flows from Africa) said that in feminist spaces, it was often argued that whatever was not counted did not count. That applied not only to the unpaid care economy but across the board. Africans must be counted by the census so that they would factor into plans, projects and models.

39. Africa must transition from producing documents, reports and policy statements to actually applying polices on the ground. Africa had been on the receiving end of many economic and development theories, which often did not reflect the actual path to development used by rich countries. It was necessary to determine which trade, fiscal, and taxation policies had in fact permitted the industrialization and economic growth of developed countries and whether those same policies could still be relevant. The development model for African countries should be informed by what had been done in other countries rather than relying on theories.

40. There were currently a number of good initiatives for regional integration across Africa. The challenge was that other processes sometimes threatened those initiatives. When deciding whether to sign up for economic partnership agreements, African countries must consider any potential conflicts with their national and regional agendas.

41. The primary drivers of illicit financial flows were commercial malpractice, such as transfer pricing, trade misinvoicing and unfair concessionary agreements in the extractive industries. It was estimated that $ 60 billion were lost each year in those illicit flows, with some studies even putting the figure at $ 1 trillion. There had been much emphasis placed on domestic resource mobilization and ODA. However, emphasizing those two sources of revenue without plugging the leak in the system that illicit financial flows represented was pointless. It was necessary to look at African countries' treatment of foreign investment and multinational corporations on its territory. Criminal practices (including drug and human trafficking) accounted for about 30 per cent of all losses; some of that activity was linked to commercial malpractice. African countries should change their priorities to address that issue.

42. In the past, African Governments had applied certain development approaches that led to positive development and inclusive growth, with great potential for the future. However, the current situation called for congruence between words and actions, as well as political leaders who were willing to put the development of the collective first, even at the cost of personal and political gain.

43. Meanwhile, it was necessary to support the mobilization of workers and other actors whose interests were directly affected by such issues and whose commitment was thus absolute. Direct stakeholders could act as a bridge and buttress Government attempts to engage the international system. Conflicting interests in international trade had led to the undermining of institutions like the United Nations. African Governments must therefore work with citizens, recognize such conflicts and clarify their own agenda.

44. **Ms. El Bakri** (Member, High-level Panel on Illicit Financial Flows from Africa and member, the Inspection Panel of the World Bank) said that according to the Report of the High-level Panel on Illicit Financial Flows from Africa, actions must be taken at many different levels to combat illicit financial flows. As the issue of illicit financial flows involved Governments, international partners and various cross-border elements, it should first and foremost be treated as a political matter. However, weak regulatory environments and institutions as well as limited capacities in terms of data collection made it easier for illicit financial flows to occur in the first place; thus, specific national situations must also be taken into account. The fact that resources in Africa mainly came from the extractive sector made it easier

for illicit financial flows to take place, compared to agriculture, for instance. Combatting such flows must take different forms at the country, regional and international levels. Corruption meant that many African leaders were not taking the report as seriously as they should. However, the report should still be promoted in various forums.

45. **Mr. Hamam** (Director, Office of the Special Adviser on Africa) asked whether a follow-up mechanism would examine the implementation of the recommendations contained in the Report of the High-level Panel on Illicit Financial Flows from Africa.

46. **Ms. Ovonji-Odida** (Chair, International Board of ActionAid International and member of the High-level Panel on Illicit Financial Flows from Africa) said that unfortunately, the African Union, which had unanimously adopted the report, had not included a requirement for annual follow-up by Governments. Discussions on the matter were generally occurring outside of State spaces; the United Nations Economic Commission for Africa was attempting to promote the report. More systematic reporting on illicit financial flows should be undertaken at the African Union level, so that national Governments would be galvanized to prioritize the issue.

47. **Mr. Lehola** (Statistician-General, South Africa) said that within the statistics community, much was happening at the Organization for Economic Cooperation and Development (OECD) level. One of the priorities was creating mirror accounts for all exports.

48. **Mr. Mmari** (Executive Director, Policy Research for Development and member, Southern Voice) said that it was important to implement accountable, inclusive and people-centred governments in Africa that would promote inclusive development. While Africa was witnessing increasing levels of intraregional trade, it was still too low with regard to the total trade potential in the region. Poor intraregional infrastructure meant that it cost more to fly from Tanzania to Senegal than to fly from Europe to Africa.

49. The international community must change how it addressed development issues: trade policies, strategic alliances and financing conditions in particular must support rather than undermine African efforts at becoming competitive. As long as highly industrialized countries provided massive subsidies to their producers to protect their industries, Africa would never be able to compete. Therefore, an attitude change must occur on both sides of the trade relationship.

50. **Mr. Vestrheim** (Norway) said that curbing illicit financial flows held great potential for domestic resource mobilization and was a prerequisite for an integrated approach to poverty eradication. Domestic resource mobilization was the primary source of development finance and the most important vehicle to eradicate poverty by 2030. In that regard, well-established tax systems, solid regulations, good governance and transparency were crucial.

51. The international community was increasing its efforts in Africa, in particular with regard to domestic resource mobilization and taxation. More help in combating illicit financial flows was needed, however. Multilateral financial institutions were conducting important work on international taxation and illicit flows, including through the inter-agency Platform for Collaboration on Tax, which provided valuable coordination at the global level.

52. He asked how the panellists envisioned the illicit financial flows agenda moving forward in Africa, what the most efficient measures to accelerate that agenda were, and how the international community and multilateral institutions could best contribute.

53. **Mr. Sanfey** (Ireland) said that his country focused its development efforts on sub-Saharan Africa. Mentioning the fact that certain African leaders had been in power since the late 1970s, he asked for the panellists' views on political term limits as a way to improve leadership and accountability. With regard to the desire for labour-intensive growth in Africa he wondered whether that went against the shift towards robotics observed in Western countries. Reacting to the issue of unproductive trade blocks in Africa and drawing on his previous work on the economic partnership agreements, he sought input on how the latter should be reconstituted.

54. It was necessary to learn from other national experiences. Japan was a fascinating case of a country that did not have many geographical assets or natural resources, but which had relied on the literacy of its people as a valuable resource for development.

55. With regard to the difficulties involved in intra-African transit, he asked why a budget airline like those in Europe had not been launched, even despite differences in national context.

56. **Mr. Mabhongo** (Observer for the International Atomic Energy Agency (IAEA)) asked how feasible it was for Africa to continue to invest in labour-intensive activities to drive growth, given the rise of robotics, automation, and artificial intelligence. In South Africa, when labour strikes occurred, some companies

threatened to bring in robots to perform the jobs normally performed by union members. The sectors that could offer opportunities for labour-intensive growth should be identified.

57. **Mr. Mebarki** (Nigeria) said that the global economic and financial system had been rigged against Africa for over a century. The different countries across the continent moreover had different experiences that influenced their economic and political status and their pace of development. The role of the United Nations and international cooperation was to ensure that no one was left behind. There should be a radical approach to correcting the current imbalance. Although both the African Union and the United Nations had made great efforts in implementing the report of the High-level Panel on Illicit Financial Flows from Africa, multinationals continued to deliberately undermine African development and pit Africans against each other. Political solutions were needed that went beyond just Africa. The nature of diplomacy meant that a problem in any country or region was a global problem: the United Nations and the Economic and Social Council must therefore work together to address African issues.

58. **Mr. Bolaji** (Algeria) said that the constant prioritization of domestic resource mobilization at all costs was problematic. Although Africa was rich as a continent, its resources were unevenly distributed. He challenged the notion that domestic resource mobilization was possible everywhere. National financing capacity could only be envisioned when there was sustainable growth. International trade had variable effects on economic growth, and did not always support budding industries; in fact, in many cases, international trade had a negative impact on national industries and employment. Africa could also be called a poor region, on account of its massive financial losses through illicit financial flows. The way that many of the region's problems were addressed was sometimes biased.

59. **Mr. Lehohla** (Statistician-General, South Africa) said that statisticians were not currently fulfilling their role as technocrats well enough. They had not yet created platforms that policymakers could appropriate in trade policies.

60. Although the global imbalance against Africa was not new, it had not yet been addressed. There would be dire consequences if no multilateral actions were taken to ensure that the value created in Africa was also appropriated there. The Paris Declaration for Aid Effectiveness was being violated every day by parallel structures and pan-African institutions were powerless to act. Africans had a greater responsibility to take action.

61. More in-depth analysis was needed to organize trade blocs. While variable geometry did sometimes occur in global value chains, geographical contiguity had repeatedly proven to be a core driver of industrial development. Lack of coherence and contradictions with regard to economic partnership agreements were also a problem.

62. The African Peer Review Mechanism stood out for its significant influence on peace and security indicators. Africans did not currently realize the value that it could bring to the table.

63. **Ms. Ovonji-Odida** (Chair, International Board of ActionAid International and member of the High-level Panel on Illicit Financial Flows from Africa) said that Africa needed individual leaders that could drive and champion processes on systemic issues and development growth.

64. Although illicit financial flows disproportionately affected Africa, they were nonetheless a global problem; a framework to combat base erosion and profit shifting had therefore been developed by OECD. However, the BEPS framework had not been developed through an inclusive process, and many of the solutions reflected only the interests of OECD countries. The multilateral system must include more open and democratic processes, so that African countries were included. International financial institutions must support the multilateral system.

65. Multinationals accounted for about 60 per cent of illicit financial flows; more regulation and transparency were therefore needed, including about where companies were registered. Business regulations must be beneficial to both developed and developing countries.

66. The system was not broken: it was merely performing the way it was built to perform. To change trade, finance and tax rules, countries must focus on shared longer-term benefits rather than on their short-term competing agendas. North and South Governments did in fact share common interests, as all problems were now interconnected.

67. Periodic changes in leadership and term limits were necessary to regenerate political ideas and institutional capacities. It was necessary to invest in the continent's youth, which was a source of wealth rather than a problem to be solved.

68. **Ms. El Bakri** (Member, High-level Panel on Illicit Financial Flows from Africa and member, the

Inspection Panel of the World Bank) said that investment in labour-intensive growth should also be accompanied by skills development for the poor and measures that would prevent people from falling back into poverty. Taken together, those three dimensions could address the issue of automation and find a sustainable path out of poverty.

69. Multilateral development banks and international financial institutions should undertake to support national capacity-building, with a view to developing better data collection systems, stronger institutions and stricter regulatory environments.

70. **Mr. Sanfey** (Ireland) asked whether it was the fault of Western countries that intra-African travel remained costly and inefficient.

71. **Mr. Mmari** (Executive Director, Policy Research for Development and member, Southern Voice) said that there had been many attempts to solve the problem of intra-African travel through the use of both private and State-owned airlines. However, air travel was an industry that relied heavily on volume and was very sensitive to the global economic cycles of boom and bust. Throughout the world the airline industry had witnessed much consolidation in recent years, with major airlines grouping together to take advantage of their shared volumes. As African travel volumes remained low, many African airlines found it difficult to break even. The question of intra-African travel was incredibly complex but would no doubt be solved in time.

72. **Mr. Lehohla** (Statistician-General, South Africa) said that Africa must reimagine itself: the world would not admit that it owed Africa anything. Africa had more responsibility than the West to ensure that no one on the continent was left behind.

73. **Ms. Ovonji-Odida** (Chair, International Board of ActionAid International and member of the High-level Panel on Illicit Financial Flows from Africa) said that Africa had many available resources but it needed leaders that respected priorities and combined political and technical solutions.

74. **Mr. Mmari** (Executive Director, Policy Research for Development and member, Southern Voice) said that in order to eradicate poverty, Africa needed accountable and responsive governments supported by strong cooperation from the international community.

75. **Mr. Hamam** (Director, Office of the Special Adviser on Africa) said that the multidimensional nature of poverty must be addressed through an integrated, comprehensive approach. Accurate, timely data were necessary for good planning to tackle poverty and related challenges like unemployment. Africa must change its narrative, moving away from a discussion of poverty to addressing impoverishment, including as a result of illicit financial flows. Leadership and commitment were crucial to integrating poverty eradication objectives into policymaking. A lack of resources was one of the main challenges to integrated policymaking. A sustainable model of financing was needed that could foster the growth of labour-intensive activities, support investments in health and education, and prevent individuals from falling back into poverty. Domestic resource mobilization must be maximized by promoting intra-African trade. African countries and their development partners must implement the recommendations of the report of the High-level Panel on Illicit Financial Flows from Africa and mainstream it into national development plans.

76. **The President** said that as with the Sustainable Development Goals, implementation was a crucial component of all attempts at poverty eradication.

The meeting rose at 12.50 p.m.