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Acronyms

AACB	Association of African Central Banks
ACB	African Central Bank
ACPC	African Climate Policy Centre
ACS	African Centre for Statistics
AfDB	African Development Bank
AFFM	Africa Fertilizer Financing Mechanism
AFRODAD	African Forum and Network on Debt and Development
AGDI	African Gender and Development Index
AGR	African Governance Report
AIB	African Investment Bank
AMESD	African Monitoring of the Environment for Sustainable Development
AMF	African Monetary Fund
APRM	African Peer Review Mechanism
ARAPKE	African Regional Action Plan on the Knowledge Economy
ARIA	Assessing Regional Integration In Africa
ATPC	African Trade Policy Centre
AUC	African Union Commission
AWR	African Women's Report
CAADP	Comprehensive Africa Agricultural Development Programme
CARMMA	Campaign for Accelerated Reduction of Maternal Mortality in Africa
CEMAC	Central African Economic and Monetary Community
CFSSD	Committee on Food Security and Sustainable Development
CHR	Centre for Human Rights
COMAI	Conference of African Ministers of Integration
COMESA	Common Market for Eastern and Southern Africa
CSD	Commission on Sustainable Development
CWD	Committee on Women and Development
DA	Development Account
DISTMS	Department of Information Systems and Technology Management Services
EAC	East African Community
ECA	Economic Commission for Africa
ECCAS	Economic Community of Central African States
ECOWAS	Economic Community of West African States
EPA	Economic Partnership Agreement
ERA	Economic Report on Africa
EU	European Union
FAO	Food and Agriculture Organization of the United Nations
FDI	Foreign Direct Investment
FSSDD	Food Security and Sustainable Development Division
FTA	Free Trade Area
GDP	Gross Domestic Product
GESNET	Gender and Statistics Network
GIS	Geographic Information System
ICE	Intergovernmental Committee of Experts

ICPD	International Conference on Population and Development
ICT	Information and Communication Technology
IDEP	Institute for Economic Development and Planning
IGAD	Intergovernmental Authority on Development
ILO	International Labour Organization
IMF	International Monetary fund
IMO	International Maritime Organization
IOM	International Organization for Migration
ITU	International Telecommunications Union
JEG	Joint Expert Group
JICA	Japan International Cooperation Agency
LAS	League of Arab States
LDC	Least Developed Country
MDG	Millennium Development Goal
MIP	Minimum Integration Plan
NAMA	Non-Agriculture Market Access
NEPAD	New Partnership for Africa's Development
NICI	National Information and Communication Infrastructure
NPCA	NEPAD Planning and Coordinating Agency
NSDS	National Strategy for the Development of Statistics
OATUU	Organization of African Trade Union Unity
ODA	Official Development Assistance
OECD	Organization for Economic Cooperation and Development
OHRLLS	Office of the High Representative for Least Developed, Land Locked and Small Island Developing States
OIF	Organisation Internationale de la Francophonie
OIOS	Office of Internal Oversight Services Home Page
OSAA	Office of the Special Adviser on Africa
PARIS21	Partnership in Statistics for Development in the 21st Century
PIDA	Programme for Infrastructure Development in Africa
PPB	Proposed Programme Budget
PRS	Poverty Reduction Strategy
PSOD	Peace Support Operations Division
R&D	Research and Development
RCM	Regional Consultation Meeting
RCNYO	Regional Commissions New York Office
RIM	Regional Implementation Meeting
RPTC	Regular Programme of Technical Cooperation
S&T	Science and Technology
SADC	Southern African Development Community
SMART	Sustainable Modernization of Agriculture and Rural Transformation
SNA	System of National Accounts
SPAS	Staff Performance Appraisal System
SRCM	Subregional Coordination Mechanisms
TFG	Somalia Transition Federal Government
TWN	Third World Network

UBOS	Uganda Bureau of Statistics
UEMOA	Union économique et monétaire ouest africaine
UN	United Nations
UNAIDS	United Nations Programme on HIV/AIDS
UNCTAD	United Nations Conference on Trade and Development
UNDESA	United Nations Department of Economic and Social Affairs
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNESCO	United Nations Scientific and Cultural Organization
UNFPA	United Nations Population Fund
UNHCR	United Nations Office of the High Commissioner for Human Rights
UNICEF	United Nations International Children's Fund
UNIDO	United Nations Industrial Development Organization
UNOG	United Nations Office at Geneva
UNSD	United Nations Statistics Division
USAID	United States Agency for International Development
WB	World Bank
WFP	World Food Programme
WTO	World Trade Organization

Introduction

The present Annual Report of the Economic Commission for Africa (ECA) covers the period from June 2009 to March 2010. It has been prepared in accordance with paragraph 18 of the Commission's terms of reference and was adopted unanimously by the Commission on 30 March 2010. As mandated by Commission resolution 861 (XLI) adopted at the Fortieth Session in April 2008 and subsequently endorsed by the Economic and Social Council, ECA organized its annual session as part of the joint meetings of the African Union Conference of African Ministers of Economy and Finance and the ECA Conference of African Ministers of Finance Planning and Economic Development.

CHAPTER I

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

The forty-third session of the Commission/Third Joint Annual Meetings of the African Union Conference of Ministers of Economy and Finance and the ECA Conference of African Ministers of Finance, Planning and Economic Development, which was held in Lilongwe, Malawi, from 25 to 30 March 2010, adopted twelve resolutions and a Ministerial Statement, which are brought to the attention of the Council. The resolutions and Ministerial Statement are listed below (for the full text see Annex I of the present report):

Resolutions

- 867 (XLIII) Assessment of Progress on Regional Integration in Africa
- 868 (XLIII) Review of Progress towards Achieving the Millennium Development Goals in Africa
- 869 (XLIII) Africa Regional Review of the Implementation of the Brussels Programme of Action for the Least Developed Countries for the Decade 2001-2010
- 870 (XLIII) Climate Change and Development in Africa
- 871 (XLIII) Strategy for the Harmonization of Statistics and Implementation of the African Charter on Statistics
- 872 (XLIII) Promoting High-Level Sustainable Growth to Reduce Unemployment in Africa
- 873 (XLIII) Proposed ECA Strategic Framework/Biennial Programme Plan for the Biennium 2012-2013 and ECA Business Plan 2010-2012
- 874 (XLIII) Strengthening the Subregional Offices of the United Nations Economic Commission for Africa
- 875 (XLIII) Repositioning of the African Institute for Economic Development and Planning (IDEP)
- 876 (XLIII) Establishment of African Financial Institutions
- 877 (XLIII) Towards Realizing a Food-secure Africa
- 878 (XLIII) Initiatives for Africa's Development

Ministerial Statement

XLIII Ministerial Statement

CHAPTER II

Major Activities Undertaken by the Secretariat since the Forty-second Session

1. This chapter highlights the major achievements of ECA under the 10 subprogrammes around which the work of the Commission was organized, including the main challenges and lessons learnt during the past year. It also highlights the major achievements under the other programmes implemented by ECA, in particular: the regular programme of technical cooperation; the United Nations Development Account; and the progress made by the United Nations system in support of the African Union (AU) and its New Programme for Africa's Development (NEPAD), at the regional level.

A. Regular programme of work

Trade, finance and economic development

2. The objective of ECA under this subprogramme is to contribute to the achievement of higher and sustained economic growth through enhanced capacity for macroeconomic and sectoral policy analysis, international trade and finance. Accordingly, the Commission's work during the reporting period was articulated around macroeconomic policy analysis, financing for development, and trade.

3. The preparation of the 2010 edition of the *Economic Report on Africa* was one of the major activities of ECA in the area of macroeconomic policy analysis. The report, on the theme "Promoting high-level sustainable growth to reduce unemployment in Africa", was jointly prepared with the African Union Commission (AUC) and will be launched at the joint annual meetings of the AU-ECA Conference of Ministers in Lilongwe, Malawi, in March 2010.

4. The first part of the report provides an overview of recent developments in the world economy and examines recent growth performance in African economies as well as prospects for the medium term. It also explores trends and patterns in regional disparities and discusses the factors behind the observed disparities.

5. The second part of the report addresses the challenges of reorienting growth strategies for the continent to promote high and sustained long-term growth rates to reduce unemployment, with special attention to vulnerable groups. It examines the factors that underpinned the largely jobless growth experienced by many African countries prior to the recent global financial and economic crisis, the challenges and opportunities associated with the crisis, and proposes a reformulation of the development policy framework. It is envisaged that ERA 2010 will contribute not only to the dialogue on growth and employment policy design but also on how policies could be implemented and the roles of various State and non-State stakeholders in the process. ECA also prepared an issues paper on "Promoting high-level sustainable growth to reduce unemployment" with the view to stimulating discussion among experts and participants on the theme of the joint 2010 annual meetings of the AU-ECA Conference of Ministers.

6. In addition, ECA prepared a policy report on macroeconomic policies, productive capacity and economic growth in Africa. The report assesses the role of macroeconomic policies and productive capacity in promoting medium- to long-term economic growth on the continent and highlights the crucial link between macroeconomic policies and economic growth. It also analyses the impact of macroeconomic frameworks on medium- to long-term economic growth in Africa. The report

concludes that given the diversity observed in terms of resource endowments, political systems, exchange rate policy regimes, capital account policies, vulnerability to droughts, and access to the sea, among other factors, policies to promote economic growth must be based on individual country assessments.

7. In November 2009, ECA and the African Development Bank (AfDB) jointly organized the African Economic Conference in Addis Ababa on the theme: “Fostering development in an era of financial and economic crises”. The conference provided a forum for cross-fertilization and dialogue among researchers, economists and policy-makers on the theme. The conference made recommendations on ways of addressing the challenges facing Africa as a result of the global economic crisis. The *African Economic Outlook* was also launched at the Conference. The report, jointly published by ECA, AfDB and the Organization for Economic Cooperation and Development (OECD), reviewed the recent economic situation and made predictions on the short-term prospects of the African economy in the context of recent developments in 47 African countries. The 2009 edition of *African Economic Outlook* focused on innovation and information and communication technology (ICT) in Africa, presenting a comprehensive review of ICT proliferation and use.

8. In the area of financing for development, the work of ECA focused mainly on the global financial and economic crisis which threatened to reverse recent economic growth in Africa. In this context, ECA actively supported member States to cope with the impacts of the crisis. It undertook a regional assessment of the impact of the crisis, which served as an input to the consolidated United Nations report, *The Global Economic and Financial Crises: Regional Impacts, Responses and Solutions*. The report, which was jointly produced by the five United Nations Regional Commissions, contributed to discussions at the General Assembly High-level United Nations Conference on the World Financial and Economic Crisis and its Impact on Development which took place in New York in June 2009. ECA also presented a paper on “The impact of the global economic crisis on trade and investment in Africa” at the meeting of the Committee of Ten African Finance Ministers and Bank Governors held on 14 July 2009, in Abuja, Nigeria. The meeting provided an opportunity to review the impact of the global financial and economic crisis on trade and made policy recommendations for an appropriate response.

9. At the Economic Partnership Agreement (EPA) negotiations, ECA, in partnership with AUC and the African Trade Policy Centre (ATPC), prepared an EPA negotiations template. The template responded to calls by the various statutory bodies of AU as well as the ECA Conference of African Ministers of Finance, Planning and Economic Development for harmonization and coordination by African countries in the EPA negotiations. The EPA template has been endorsed by the African Ministers of Trade, as the guidelines used by the African EPA negotiators and regional economic communities (RECs) in negotiations with the European Union (EU) towards comprehensive EPA agreements. AUC has since convened two important meetings, the last of which was held in Gaborone, Botswana, in July 2009, where the template was used as its benchmark to coordinate EPA negotiation positions among the RECs.

10. ECA also undertook a number of trade-related activities through ATPC. In the area of Aid for Trade (AfT), ECA worked with the RECs and the African Group in Geneva to ensure that African expectations of AfT are included in regional and global mechanisms. One good example is the North-South Corridor Aid for Trade Pilot Project that was spearheaded by the COMESA-EAC-SADC Tripartite Summit. ECA also contributed to the second AfT global review in July 2009, which has resulted in a Global Work Programme on AfT for the period 2009-2011. Another contribution by ECA to the AfT agenda was the assistance provided in conducting a feasibility study for the establishment

of dry ports in Ethiopia. The report of the study is already being used as a tool for resource mobilization. As part of the process of validating the feasibility study, the draft report was reviewed by international key stakeholders in Ethiopia at a workshop organized by ECA in Addis Ababa in November 2009.

11. As part of its support to the Southern African Development Community (SADC), ATPC also assisted in organizing two workshops on the SADC Free Trade Area and Non-Tariff Barriers in Johannesburg and Durban, South Africa, in November 2009. Similar workshops were organized for government officials and the private sector in Malawi and Lesotho in December 2009. The workshops featured presentations on the SADC Rules of Origin, Customs Documentation and Procedures and the non-tariff barriers online reporting mechanism for the Common Market for Eastern and Southern Africa (COMESA), the East African Community (EAC) and SADC. Participants were trained to use the basic elements of the mechanism, including raising complaints, complaints reporting forms and browsing reports.

Food security and sustainable development

12. Under this subprogramme, ECA continued to pursue its objective of strengthening the capacity of member States to formulate and implement policies, strategies and programmes that take into account the synergies between agriculture and the environment with a view to fostering sustainable development in Africa. Accordingly, the main activities carried out under this subprogramme were focused on providing policy support in the implementation of Africa's climate change agenda, promoting food security and agricultural development, and enhancing capacity for land management in Africa.

13. In the run-up to the United Nations Climate Change Summit held in Copenhagen in December 2009, ECA organized a series of preparatory activities throughout 2009 to help inform Africa's common negotiating position and build a coalition around the continent's main concerns and expectations from the Summit and beyond. ECA support was guided by relevant decisions and resolutions of the AU Summit and other relevant African ministerial bodies, most notably, the African Ministerial Conference on the Environment and the Joint AUC-ECA Conference of African Ministers of Finance. At the Copenhagen Summit, the ECA secretariat interacted regularly with Africa's climate change negotiators and policymakers and provided substantive inputs to a number of other related meetings and side events.

14. The outcomes of the Copenhagen Summit of relevance to Africa include: (a) agreement on the continuation of the Kyoto Protocol; (b) the urgent need to enhance action and international cooperation on adaptation to reduce the vulnerability of developing countries, especially the least developed countries (LDCs), small island developing states and Africa; and (c) the recognition that new and additional, predictable and adequate funding as well as improved access should be provided to developing countries to enable and support enhanced action. ECA will continue to be active in the follow-up to the Copenhagen commitments, in particular in supporting the negotiation of a comprehensive international climate change regime beyond the Kyoto Protocol and the development of a comprehensive framework for African climate change programmes. In this regard, a programme of work is being developed for the new African Climate Policy Centre (ACPC), to carry forward post-Copenhagen work and provide African countries with appropriate technical assistance to address the challenge of climate change.

15. In the area of food security and agricultural development, ECA, in close partnership with the Food and Agriculture Organization of the United Nations (FAO), carried out several activities to follow up on the Declaration on investing in agriculture that was adopted by AU Heads of State and Government at their meeting in Sirte, Libya, in July 2009, aimed at accelerating the development of strategic agricultural commodity value chains within the framework of the Comprehensive Africa Agricultural Development Programme (CAADP). Special emphasis in this regard was given to supporting agribusiness and agro-industrial development. For example, ECA and FAO completed a joint study on “Oilseeds value chains development in East Africa”, the findings and recommendations of which will be used to elaborate a subregional agricultural development plan. Furthermore, ECA is collaborating with AUC, FAO, United Nations Industrial Development Organization (UNIDO), the African Development Bank (AfDB) and the International Fund for Agricultural Development (IFAD) in the publication of a compendium of best practices in public-private partnerships (PPPs) in agro-industry and agribusiness in Africa, and in the launching of the African Agribusiness and Agro-industries Development Initiative in 2010.

16. In the area of land policy management, several activities were carried out during the past year to follow up on the successful launch of a pan-African Land Policy Framework and Guidelines, a joint initiative of the AUC, ECA and AfDB. Five subregional multi-stakeholder workshops were held during the year to review the draft framework before it was adopted by the AU Summit in July 2009. The Land Policy Initiative has raised the profile of African land issues at the subregional, regional and global levels. Improved land management is also a key strategy for climate change adaptation and mitigation, improved ecosystem management and poverty reduction in most African countries. The initiative has contributed to the drafting of a new land bill in Kenya. At the request of other member States, a second phase of the initiative is also being worked on, which will include: (a) the further development and maintenance of the Virtual African Land Policy Administration Facility; (b) the development of benchmarks and indicators for monitoring progress on land reforms; and (c) capacity building, advisory services and technical assistance in land administration and policy formulation and implementation.

Governance and public administration

17. The objective of ECA under this subprogramme is to improve and sustain progress towards good governance in Africa and ensure popular participation in the governance and development process to strengthen the foundations of sustainable development.

18. In support of this objective, ECA undertook a wide variety of activities for advancing good governance in Africa, with particular focus on strengthening public administration and public sector management for effective service delivery; promoting private sector development; enhancing the role and capacity of civil society; and providing support to the African Peer Review Mechanism (APRM) process to strengthen governance practices in Africa. The activities undertaken included research, meetings, seminars and workshops to facilitate the exchange of experiences and improve stakeholder capacity in the area of governance.

19. The ECA secretariat published and launched the second edition of the *African Governance Report* in 2009. The report, which assesses and monitors the progress of governance in Africa, is the most comprehensive periodic report of its kind on the continent. It focuses on political and economic governance, development of the private sector and corporate governance, checks and balances in political power, institutional effectiveness and accountability of the executive, human rights and the rule of law, corruption and institutional capacity building. The second edition of the report covers 35

African countries. The main finding of the report is that, within the last five years, Africa recorded marginal progress on governance with mixed gains on political governance. While the scope for political representation and competitive electoral politics, human rights and the observance of the rule of law have improved, party and electoral systems remain weak and poorly institutionalized, with elections emerging as a conflict trigger, rather than a conflict resolution mechanism. The accountability of the executive is on a slight increase, with countervailing checks from the other governance actors and institutions - State and non-State.

20. In the economic sphere progressive strides have been witnessed. Economic governance, public sector management, private sector development and corporate governance have been marked by progressive policies leading to a steady growth in the economies of many African countries. However, major challenges abound. The management of the tax system is poor, service delivery to most segments of the population remains unsatisfactory, and corruption is a major challenge to sustainable economic progress and development in Africa. Corruption undermines Africa's capacity to realize its full development potentials. Sustaining the modest progress on governance in Africa requires continuous capacity enhancement in key areas. Such capacity development should be inward looking, regionally and nationally based, and tap into Africa's rich human capital in the diaspora.

21. The *African Governance Report* – launched in the 35 countries surveyed – is a major flagship product of ECA resulting from its field project, “Monitoring and measuring progress towards good governance in Africa”, which was launched in 2000. The overarching rationale of the project is the emerging consensus that in order for Africa to meet the internationally agreed development goals and sustain recent progress in economic growth, African countries will have to create an enabling environment of good governance practices. Although it is too early to record policy impacts, some interesting uses of the report have been noted. For example, findings and recommendations of the first edition of the report underpinned the APRM process in many African countries. The project also provides a valuable framework on which to implement the governance agenda that has been adopted by the Heads of State Implementation Committee of NEPAD.

22. In the area of public sector management, several reports and analytical studies were prepared and disseminated during the period under review, which served as technical background papers for some of the meetings organized by the secretariat. These included a technical publication on innovations and best practices in public sector reforms-based country case studies from Ghana, Kenya, Nigeria and South Africa. Building on its ongoing research work in the area of anti-corruption, ECA also continued to provide support to advancing Africa's anti-corruption agenda through preparation of a Regional Anti-Corruption Programme, to be jointly implemented with the AUC and the United Nations Development Programme (UNDP), including providing technical support to the newly established AU Board on Anti-Corruption.

23. With respect to the APRM, ECA continued to play a role as a strategic partner institution by providing technical support to the Mechanism's panel of eminent persons, the APRM secretariat and the participating countries at each of the five stages of the review process ranging from country support missions to drafting of background documents, country review visits, and drafting and publishing country reports and national programmes of action. The continued engagement of ECA is crucial to ensure the independence, credibility and integrity of APRM. In this regard, advisory services were rendered to four APRM participating countries during the past year – United Republic of Tanzania, Mali, Mozambique, Lesotho and Mauritius – on various aspects of the APRM process.

24. Other forms of support provided to the APRM process included assistance to member States to build and maintain a database of information, including providing access to data sources; sharing of information and experiences; and advocacy and sensitization workshops to deepen the understanding of different stakeholders of their respective roles in the process. In particular, ECA assisted African civil society organizations and networks of non-governmental organizations in strengthening their participation in the APRM process, considering that their involvement is essential in enhancing democratic governance and socio-economic development in Africa.

25. For the achievement of the MDGs by 2015, one of the greatest untapped resources is the private sector. The work of ECA in the area of private sector development is designed to make a substantial contribution to strengthening public-private partnerships and supporting the development of small and medium enterprises. In recognition of the complementary roles of the public and private sectors in sustainable development, the ECA secretariat organized a series of activities aimed at scaling up private sector participation in key strategic sectors such as infrastructure, energy, agriculture and agro-industry, and public service delivery.

26. Specifically, ECA undertook several activities during the past year, including research, technical studies and meetings to share best practices on strategies and approaches for promoting private sector development in Africa. These activities were mainly aimed at enhancing the competitiveness of small and medium enterprises through the promotion of policies and programmes that allow them wider access to finance, technology and manpower. For example, ECA and the Government of the Republic of Korea organized the Korea-Africa Investment Conference in December 2009 on promoting investment opportunities in infrastructure and the energy sector. The conference was attended by 120 companies from the Republic of Korea and several high-level representatives from the African public and private sectors. The immediate benefits of the forum to African countries included identification of viable projects and businesses for investment and financing by companies of the Republic of Korea and institutionalization of networking among Republic of Korea and African businesses. To help small and medium enterprises to address some of the constraints they face, such as access to finance and technology, ECA is also supporting the development of networks and business linkages at the regional and subregional levels.

27. The exponential growth of African civil society organizations in recent years, the emergence of new trends, such as proliferation of specialized civil society networks, and the establishment of subregional non-governmental organization networks, calls for a renewed framework to guide the work of ECA in support of civil society organizations and other non-State actors to enable them to play a meaningful role in the development process. As part of efforts to define a structured process of engagement between ECA and civil society organizations (CSOs), the African Centre for Civil Society was resuscitated in 2009 to promote popular participation and strengthen the capacity of CSOs in Africa. The Centre also serves as a repository of relevant and timely information on issues related to civil society in development and governance, and facilitates effective and programme-based linkages between African CSOs and the international development community.

28. During the period under review, ECA organized several meetings and workshops on issues relevant to the development of civil society and its mainstreaming in the policy process in Africa. These included a brainstorming workshop on reviving the African Centre for Civil Society in December 2009; consultations to examine the role of African CSOs in Peace and State Building held in Juba, Sudan, in December 2009; a workshop on climate equity, organized in collaboration with the Pan-African Climate Justice Alliance to prepare African CSOs for their participation in the meeting of the African Ministerial Conference on the Environment in October 2009; and a workshop to share best

practices on strengthening citizens' demands for good governance and enhancing participatory governance and social accountability, organized jointly with the Overseas Development Institute. The ECA secretariat also undertook a study to assess the impact and effectiveness of African CSOs on the development and governance process in six African countries (Ethiopia, Ghana, Mozambique, Senegal, South Africa and Uganda), which resulted in the distillation of best practices for enhancing the contribution of CSO networks.

Information and science and technology for development

29. The ECA work under this subprogramme aims at strengthening and sustaining an African information society, as well as developing capacity for the formulation, adaptation and implementation of appropriate science and technology policies and programmes.

30. During the period under review, ECA continued to strengthen the capacity of member States to formulate, implement and evaluate strategies and plans in the area of information for development. With critical support and assistance from ECA, seven countries (Benin, Burkina Faso, the Gambia, Niger, Nigeria, Ivory Coast and Rwanda) made progress in the implementation of their national information and communication infrastructure plans and policies during the past year by adopting strategies for the application of ICT in various sectors, including health, government, commerce, education and agriculture. At the subregional level, the e-SADC initiative, aimed at defining a framework for the implementation of the information society in the subregion, was launched in collaboration with the SADC secretariat. The objectives of the initiative include promoting regional harmonization of ICT policies, strengthening capacity in the area of e-applications and promoting public-private partnerships. Botswana, Lesotho, Mauritius, Mozambique, South Africa, United Republic of Tanzania and Zambia have adopted the framework and will begin implementation in 2010.

31. An important component of ECA work in the area of ICT policy formulation and implementation is the development of national geoinformation policies, including their integration into national information and communication infrastructure plans and policies. ECA provided technical assistance to several member States in the development of spatial databases of fundamental and thematic datasets, including: the Transport Infrastructure Database; the Second Level Administrative Boundaries Database; the Programme for Infrastructure Development in Africa database, used to develop and implement infrastructure master plans for member States; the MDG Mapper; the agricultural commodity value chain database, which helps countries to identify potential areas for the cultivation of specific crops; and a GIS health database developed for Ethiopia and being used in all health centres in the country, enabling speedy and accurate access to medical personnel and facilities in case of emergency.

32. In February 2010, ECA launched the African Innovation Framework to guide the development of science, technology and innovation in Africa. The Framework document titled "Unlocking Africa's future: towards an African innovation framework", grew out of the work of ECA in carrying forward the outcomes of the Science with Africa Conference held in March 2008. The Framework identifies several priority areas for action in the development of science, technology and innovation in Africa, including strategic vision, planning and governance; education primary, secondary, tertiary, technical and vocational; specific policies and enablers; and media and public awareness. The Framework will form the basis for the continued advice and support of ECA to member States in developing national science, technology and innovation strategies.

33. On the basis of the African Innovation Framework, 10 countries (the Congo, Ethiopia, the Gambia, Ghana, Malawi, Mali, Nigeria, Rwanda, Swaziland, and Zambia) have embarked on a process to adapt the Framework to their national science, technology and innovation systems). In addition, the Government of Mozambique received assistance in operationalizing its science, technology and innovation strategy. Other accomplishments in this area included the establishment of an African innovation endowment fund; the launch of the *African Science to Business Challenge* project, which aims to enhance the linkages between the scientific and business communities; the *Access to Scientific Knowledge in Africa* web portal to enable access to scientific knowledge; and the development of guidelines for health research in Africa.

34. ECA also provided technical and financial support to member States in the preparation of the 2010 AU Heads of State Summit on the theme “Information and communications technologies in Africa: challenges and prospects for development”. As an example, ECA and AUC jointly organized the extraordinary Conference of African Union Ministers in charge of Communications and Information Technologies, held in Johannesburg, South Africa, in November 2009. The meeting adopted the Oliver Tambo Declaration, which commits African countries to the development of ICT within the framework of the African Information Society Initiative and the Global e-Policy Resource Network. The Declaration also calls on ECA and AUC to work jointly in the preparation of a draft regional convention and regulatory framework for cyber activities, including electronic transactions, cyber security and personal data protection, to be adopted before the end of 2012. In addition, ECA supported the participation of over 20 African journalists and winners of the Technology in Government in Africa awards at the AU Summit.

Economic cooperation and regional integration

35. The objective of ECA work under this subprogramme is to promote effective economic cooperation among member States and to strengthen the process of regional integration in Africa through enhanced intra-African trade and physical integration, with particular emphasis on infrastructure and natural resources development in line with the AU vision.

36. During the period under review, ECA continued to support the process of African integration through the biennial flagship publication Assessment of Regional Integration in Africa, which is jointly produced with AUC. Together with AfDB, ECA and AUC embarked on the preparation of the fourth edition in 2009. Building on the success of the previous three editions of the report which addressed critical thematic challenges related to regional integration, the fourth edition will address the theme of intra-African trade and provide policy options for overcoming the challenges and constraints.

37. The report will examine a diverse range of topics and issues, including supply constraints; intra-African trade potential; trade facilitation with a focus on the peculiar problems of landlocked countries and the operations of corridor management institutions; infrastructure and bottlenecks and the attendant costs of doing business; and payment systems. Through selected case studies, the fourth report will also examine the nature and scope of trade in the informal economy and the gender dimensions of intra-African trade. The report is expected to make a substantial contribution to policymaking in support of intra-African trade and regional integration at the national, subregional and regional levels.

38. ECA also continued to encourage member States to mainstream and implement the protocols and agreements of the RECs and AU on regional integration at the national level. In that context, the

ECA secretariat through its subregional office in Lusaka, organized a forum on mainstreaming regional integration and SADC law in national development plans, held in Maputo, Mozambique, in May 2009. The forum, which was attended by representatives of the Governments of Lesotho, Mauritius, United Republic of Tanzania, Zambia and Mozambique, and of AUC and SADC, led to the adoption of a framework for mainstreaming regional integration and SADC law into the national policies and plans of SADC member countries. ECA also developed a knowledge network for SADC, which will serve as a hub for discussion between member States and their partners on regional integration issues.

39. To facilitate the monitoring and tracking of progress in regional integration in Africa, ECA developed a web-based Observatory on Regional Integration. The Observatory forms part of the Commission's knowledge management platform and has become a primary source of information for policy-makers in RECs and member States, as well as other stakeholders. It provides timely and relevant information on progress, challenges and other issues concerning regional integration in Africa. It also provides a platform for interactive dialogue and exchange of ideas on Africa's regional integration process.

40. In the context of the implementation of its multi-year programme of support with COMESA, ECA facilitated two technical meetings of national task teams on regional trade policy and sensitive products during the past year. Through these technical meetings, the 19 member States of COMESA reached consensus on a harmonized regional trade policy and sensitive products lists, which eventually led to the successful launching of the COMESA Customs Union in 2009. Under the Customs Union, COMESA countries agreed to implement the harmonized regional trade policy, which includes the adoption of one common external tariff and harmonized trade nomenclature and customs documentation, all geared towards enhancing intra-COMESA trade in particular and intra-African trade in general.

41. In the area of transport development, ECA, in collaboration with AUC and *Federation Internationale de L'Automobile*, organized a conference on road safety in Dar es Salaam, United Republic of Tanzania, in July 2009. Over 100 policy-makers and experts from African ministries in charge of transport, infrastructure, health, education, safety and traffic law enforcement, as well as representatives from the private sector and civil society organizations attended the events. Participants exchanged experiences and best practices on road safety drawing on country case studies from Cameroon, Ethiopia, Morocco, Niger, United Republic of Tanzania and Zambia. A number of recommendations to improve road safety in Africa were also adopted for implementation by member States.

42. In the area of energy development, ECA organized a study tour in June 2009 for 15 policy-makers and experts from Mali, Mauritania, Senegal, the Democratic Republic of Congo, Rwanda and Burundi. The objective of the study tour was to enhance the participants' understanding of the operations and management of regional electricity markets and to share best practices in energy management and usage. ECA also launched a study on a self-financing mechanism for the Central African Power Pool as a means of addressing the difficulties of mobilizing contributions from member utility services to its operating budget. The proposed mechanism involves a levy on electricity sales to help create a sustainable source of funding for the operating budget of the Central African Power Pool.

43. In November 2009, ECA also organized a capacity-building workshop on the preparation of power purchase agreements for participants from members of the East African Power Pool. The main objective of the workshop is to empower members of the East African Power Pool in contract

negotiations relating to power purchase agreements. The event was organized in partnership with the Division for Sustainable Development of UNDESA as part of its development account project on capacity-building for interregional electricity access and supply in Africa.

Gender and women in development

44. Supporting member States to achieve gender equality through gender mainstreaming and empowerment of women continued to be a defining aspect of the work of ECA under this subprogramme, in addition to strengthening the capacity of member States for monitoring and reporting on progress in the implementation of globally and regionally agreed plans and strategies for the advancement of women. In support of these objectives, ECA undertook several activities during the reporting period, including organizing the African regional review of the Beijing Platform for Action; launching the 2009 edition of the *African Women's Report*; preparation and operationalization of a guidebook for mainstreaming gender in macroeconomic policies; capacity building on gender statistics; and operationalization of the African Women's Rights Observatory.

45. In the context of its work on the follow-up to major global conferences and summits, ECA organized the Eighth Africa Regional Conference on Women (Beijing+15) in November 2009. Hosted by the Government of the Gambia in Banjul, the conference brought together nearly 1,000 delegates, including ministers in charge of gender and women's affairs, gender experts, civil society groups and other stakeholders, to take stock of progress achieved in Africa since the Beijing Conference on Women 15 years ago, identify pending challenges in the implementation of the 12 critical areas of the Beijing Platform for Action, and propose key actions that Africa needs to focus on in the next five years.

46. The ministerial declaration adopted at the end of the conference focused on seven key areas, identified as critical for African women: (a) economic empowerment of women through poverty reduction, employment creation, social protection and ICT; (b) peace, security and development; (c) violence against women; (d) representation and participation of women in all areas of decision making; (e) sexual and reproductive health and HIV and AIDS; (f) climate change and food insecurity; and (g) financing for gender equality. The Banjul Declaration will form the basis for the plan of action to be implemented by member States at country, subregional and regional levels, and served as Africa's input into the global review of the Beijing Platform for Action which took place at the Commission on the Status of Women in New York from 1 to 12 March 2010.

47. During the period under review, ECA also completed work on the 2009 edition of the *African Women's Report*, which was launched in Banjul at the Beijing+15 Conference. The report reviews the state of gender equality in Africa and highlights the difficulties countries are facing with respect to the full realization of women's rights due to the persistence of negative cultural and religious beliefs and attitudes toward women. Based on the African Gender and Development Index (AGDI), the report uses both qualitative and quantitative means of data collection and analysis as a framework for measuring gender inequality. The AGDI is divided into three "blocks" which reflect all aspects of human development: the social block (capabilities) which includes education and health issues; the economic block (opportunities) which assesses access to production resources; and the political block (agency) which deals with women's representation in decision making in public and civil society arenas. The Index was piloted in 12 countries and the findings make up the bulk of the report. The pilot will be extended to an additional 23 countries in 2010.

48. During 2009, ECA launched the *Guidebook* for mainstreaming gender in macroeconomic policies developed during the previous biennium. The *Guidebook* is a compendium of methodologies and tools, which utilize time-use data, gender aware modelling and gender budgeting to measure and integrate women's unpaid work in national planning instruments and macroeconomic policies. The time-use data collection manual is being tested in Djibouti and Ghana to improve the skills of statisticians, national accountants and policy analysis experts in collecting, analysing and integrating gender-disaggregated micro and macroeconomic statistics into national planning policies and instruments. In addition, three subregional workshops were organized in 2009 (in Ghana, Cameroon and Zambia) to enhance the capacity of African national statistical offices and gender machineries in the collection, processing, analysing and dissemination of gender-disaggregated data. More than 82 national experts from 32 countries benefited from the workshops and six countries have already submitted their plans of action for preparing national household surveys. This will be followed up with technical advisory support in 2010.

49. The African Women's Rights Observatory, which was launched in August 2008 to facilitate outreach and information sharing among member States, became fully operational in 2009. Through its website (<http://awro.uneca.org/>), newsletter and other publications, the Observatory serves as a comprehensive source of data and information on research findings, best practices and events on women's rights in Africa. It also tracks the progress of African countries in the area of women's human rights.

Supporting subregional activities for development

50. Tackling the particular development challenges facing different parts of Africa often calls for a subregional focus, which in ECA is provided by the five subregional offices located in each of the five subregions of the continent, namely Rabat for North Africa, Niamey for West Africa, Yaounde for Central Africa, Kigali for East Africa and Lusaka for Southern Africa. The work of each of the five subregional offices is defined by the specific needs and priorities of each subregion. However, a major priority for all five offices is to promote and accelerate the process of regional integration at the subregional level, by spearheading the delivery of operational activities targeted at the specific priorities of each of the five subregions, within the overall framework of the implementation of NEPAD and achievement of the MDGs.

51. During the period under review, the subregional offices continued to enhance their support to member States and RECs in strengthening their capacity to formulate and implement harmonized national policies in the areas of trade, infrastructure, human capacity development, gender mainstreaming, agriculture and food security. To this end, the subregional offices organized and serviced various meetings and workshops, including the annual session of the Intergovernmental Committees of Experts (ICEs); they participated in meetings of the policy organs of the major RECs; and provided technical assistance, on request, to member States, RECs and other intergovernmental organizations on institutional and sectoral issues in support of integration efforts.

52. The subregional offices also compiled and disseminated reports and studies on various economic and social issues, which were submitted to the ICEs. In addition, the subregional offices continued to enhance their collaboration with other United Nations agencies and increase their participation in the activities of the United Nations country teams in support of the achievement of internationally agreed development goals, including the MDGs. Furthermore, the subregional offices have taken steps to enhance coordination of United Nations activities at the subregional level by convening subregional coordination meetings of United Nations agencies as mandated by the Regional

Coordination Mechanism (RCM), and implementing joint activities agreed by the thematic clusters of the RCM at subregional level.

53. Across the board, a major priority of the subregional offices during the past year was the operationalization of the multi-year programme of cooperation agreed between the subregional offices and their respective RECs. The following section highlights some of the concrete results achieved by each subregional office in the context of the implementation of the multi-year programmes.

i) Subregional Office for North Africa

54. In implementing the 2009 work programme the Subregional Office for North Africa (SRO-NA) focused mainly on: enhancing the capacity of member States for, developing various social and economic development policies and programmes, with special attention to gender equity; strengthening the work of the Arab Maghreb Union (AMU) and partnerships at the subregional level to support policy advocacy, policy-making and implementation; and enhancing knowledge networks.

55. A workshop held in December 2009 took a hard and critical look at the achievements of the multi-year programme for 2008-2009 with AMU and drew lessons for defining and implementing the 2010-2012 multi-year programme activities jointly agreed around selected priority areas of agriculture, trade and investment. The implementation of the programme has helped to strengthen the AMU general secretariat and the capacity of member States to collaborate in the joint formulation of subregional policies, particularly in the areas of food security and promoting dialogue between policy-makers and professional associations. SRO-NA also undertook several activities during the year focusing on promoting education and job creation, a major priority identified by member States in 2009. The activities included an expert group meeting on education and capacity building for job creation in North Africa; the North Africa Development Forum; two sessions on the economic and financial crisis in North Africa; a meeting on gender mainstreaming in development policies and processes in the subregion; and a training course on the development of statistics on the information economy.

56. The 2009 North Africa Development Forum (<http://www.northafricaforum.org>) was organized in collaboration with the World Trade Organization (WTO) and universities from the Maghreb and France with the theme “Emerging economies and human capital”. The round table organized on the sidelines of the forum also gave the participants an opportunity to reflect on ways and means of accelerating economic growth and social development through investment policies based on human capital development, including relevant training and increased research activities. The discussions focused on strategies aimed at promoting full employment and strengthening the competitiveness of the economies in the subregion and addressing existing gaps between training curricula and labour-market requirements.

57. As the subregional node for knowledge management in North Africa, the SRO continued to enhance the effectiveness of the Observatory for Regional Integration in North Africa as a tool for monitoring and assessing progress in achieving regional integration in the subregion. It was also instrumental in the establishment of *Le Centre de Jeunes Dirigeants* in Algeria, Morocco and Tunisia, which will soon be expanded to other countries of the subregion.

ii) Subregional Office for West Africa

58. The Subregional Office for West Africa (SRO-WA) devoted significant efforts during the past year to the operationalization of the multi-year programme of collaboration with the Commission of the Economic Community of West African States (ECOWAS), providing technical assistance to member States, major intergovernmental organizations and non-governmental organizations, including strengthening their capacity in policy formulation and harmonization and programme implementation.

59. In the context of the implementation of the multi-year programme, SRO-WA collaborated with the ECOWAS Commission on a number of joint undertakings, including meetings, group training activities and advisory services to member States. Key among these were the second West African business forum in February 2009 and preparatory activities for the third forum; preparations for the sixth ECOWAS trade fair to be held in September 2010; organization of an expert group meeting to review implementation of the multi-year programme; and organization of a workshop to review the draft framework report on mining regimes in Africa in November 2009.

60. In November 2009, SRO-WA organized an experts group meeting in collaboration with the ECOWAS Commission to review progress with implementation of the multi-year programme. The meeting took note of the accomplishments of the SRO in implementation of the programme and identified a number of challenges to be addressed to ensure an effective collaboration framework, including: limited awareness of the multi-year programme within some ECOWAS directorates; ad hoc internal collaboration and coordination mechanisms in both institutions; competing activities of other development partners; and inadequate funding for programmed activities. A key recommendation was the need to establish a committee to develop a multi-year programme implementation framework to identify priority areas for future programmes, develop resource mobilization strategies and develop a monitoring and evaluation framework for the programme. A further experts group meeting organized in collaboration with the ECOWAS Commission focused on energy-related insecurity in West Africa. The meeting highlighted the causes of low energy supply and underscored the need for greater private sector involvement in the energy sector to increase energy supply in the subregion. The meeting also underscored the need to exploit alternative sources of clean energy - hydroelectricity, solar and nuclear - to address the energy crisis in the subregion.

61. Technical assistance was provided to member States and the ECOWAS Commission in addressing various technical and development challenges. For example, the advisory services provided by the ECA advisor on secondment to the Commission have helped to coordinate the process towards establishment of the ECOWAS Project Preparation and Development Unit by filling an important capacity gap in the Commission's structure and interventions in the area of infrastructure.

iii) Subregional Office for Central Africa

62. In the period under review, the Subregional Office for Central Africa (SRO-CA) continued to build the capacities of its member States and RECs, intergovernmental organizations, the private sector, non-governmental organizations, universities and research institutes, and to strengthen its partnerships at subregional and country levels to support policy advocacy, policy-making and implementation of subregional integration programmes. These focused particularly on infrastructure development, air transport, trade policies, free movement of people, financing for development, ICT for development, private sector development, and post-conflict reconstruction.

63. The SRO prepared several technical reports and publications during the year, including its flagship publication *Les Economies de l'Afrique Centrale*; progress reports on regional integration in Central Africa and on the implementation of NEPAD and the MDGs in the subregion; and the report on the financing gaps of the Central Africa transport master plan. It also produced several outreach materials including quarterly magazines and weekly newsletters. It organized a number of meetings and events during the period under review, including, among others, the 2009 session of its Intergovernmental Committee of Experts (ICE) with the theme, "Economic recovery in post-conflict countries"; a round table on fiscal policy and mobilization of domestic resources; an experts group meeting on the financing gaps for the implementation of the Central Africa transport master plan; a forum on post-conflict recovery, rehabilitation and economic development in Central Africa; and an experts group meeting to assess the multi-year programme of ECA, the Economic Community of Central African States (ECCAS) and the Economic and Monetary Union of Central Africa (CEMAC). The meetings resulted in the following achievements:

- The multi-year programme, bringing SRO-CA, ECCAS and CEMAC together under a single umbrella, contributed to rationalization of the regional integration programmes in the subregion. The programme framework resulted in the adoption of 55 priority projects and is also gaining wide donor support, with mobilization of over \$US 1 million;
- The forum on post-conflict recovery, which was organized in partnership with ECCAS and AfDB, brought together high-level officials, parliamentarians, experts and civil society leaders, and provided the first subregional discussion platform on how to better prevent crisis in Central Africa and on the priorities of an ECCAS post-conflict programme;
- The two consultative meetings with United Nations agencies led to adoption of the common indicative programme and establishment of a subregional coordination mechanism, which brought all United Nations agencies in the subregion together, and with AfDB, to support implementation of the AU-NEPAD programme in Central Africa.

64. Other notable achievements in the context of implementing the multi-year programme with ECCAS and CEMAC included the following:

- Four new activities were initiated in 2009 covering priority areas such as trade, development of transit corridors and harmonization of customs codes. Several advisory missions, seminars and workshops on regional integration were carried out in order to provide more institutional support to RECs;
- At the request of CEMAC, ECA developed a macroeconomic framing model which allows economic forecasting and macroeconomic framing as well as a quantitative evaluation of the impact of the CEMAC Regional Economic Programme;
- In support of the development and harmonization of the norms and instruments of the two free trade areas, namely CEMAC and ECCAS, ECA undertook a study for CEMAC on trans-border informal trade to enhance the understanding of RECs and member States on intra-regional trade within the Central Africa subregion;

- In the area of infrastructure and transport services development, a study on harmonization of standard norms in road construction was completed at the request of ECCAS, and a study tour was organized on facilitation along transit corridors in Central Africa;

65. SRO-CA also launched the “Integration Days in Central Africa” (*Journées d’Intégration d’Afrique Centrale*) – an annual event to publicize the key achievements and challenges and the prospects for the regional integration process in the subregion. In addition, it produced a quarterly magazine, *Les Echos d’Afrique Centrale*, and a weekly newsletter, *Highlights*, which showcase the various reports and studies carried out by the subregional office.

66. The SRO actively participated with the United Nations Country Team in the follow-up review of the Common Country Assessment and United Nations Development Assistance Framework for Cameroon, and contributed to the design of the assessment and framework for Equatorial Guinea. In addition, the two consultative meetings it organized with ten other United Nations agencies enlarged the partnership and opportunities for supporting ECCAS, CEMAC and their specialized institutions in implementing their subregional integration programmes in line with the AU agenda.

iv) Subregional Office for East Africa

67. In the period under review, the ECA Subregional Office for East Africa (SRO-EA) continued to focus much of its policy support and operational activities on fostering the regional integration process in East Africa by strengthening the capacity of member States and RECs in the formulation and implementation of harmonized macroeconomic and sectoral policies. SRO-EA also continued to deepen partnerships with member States, major RECs and other intergovernmental organizations in addressing their development priorities and the challenges of the subregion, with particular emphasis on macroeconomic convergence, food security and sustainable development, and ICT for development, trade and transport facilitation.

68. ECA played a key role in the relaunching and repositioning of the Economic Community of the Great Lakes Countries and contributed to defining its policy and programme priorities. In this context, ECA provided support to formulation of the Community’s strategic plan for the period 2010-2014. The SRO also provided technical assistance in: formulation of the national information and communication infrastructure plan (NICI) for the Democratic Republic of Congo; the design of Rwanda’s mining strategic plan; the identification of investment opportunities in the port and railways sector for the Port Management Association of Eastern and Southern Africa; the development of transport strategies for the Northern Corridor Transit Transport Coordinating Authority; the formulation of strategies for business start-ups in Rwanda; and the launch of the Academy of ICT Essentials for Government Leaders in Africa in Rwanda.

69. In support of knowledge management and sharing, the Observatory on Regional Integration established and hosted by the SRO contributed to monitoring and tracking of progress on regional integration in the subregion. Relevant instruments of regional integration (treaties, protocols, and conventions) are periodically posted on the Observatory. The platform helps to monitor how these instruments are being implemented, adapted and mainstreamed into national legal and regulatory frameworks. It also helps to assess the progress made towards achieving agreed regional targets and convergence criteria.

70. With regard to partnerships, joint undertakings and multi-year programmes, SRO-EA to date has agreed and concluded four multi-year programmes with the Intergovernmental Authority on Development, the International Conference on the Great Lakes Region, the Economic Community of the Great Lakes Countries and the Indian Ocean Commission. Discussion with EAC is under way and should lead to the signing of a multi-year programme. These joint undertakings have helped the SRO and its partners to realize economies of scale and enhance focus and impact in programme delivery. SRO-EA also helped partners to fashion common positions on key development issues affecting the subregion, such as peace and security, trade and macroeconomic policies, natural resources management, social development policies, transport and infrastructure development, industrial development and ICT applications.

71. During the period under review, the SRO continued to enhance its participation in the work of the United Nations Country Team in Rwanda. It contributed to various activities leading to the rollout of the One United Nations programme in Rwanda, and to the work of two thematic groups, the environment theme group and the sustainable growth theme group. This has led to increased visibility of ECA in Rwanda and strengthened its partnerships with other United Nations agencies, particularly UNDP and UNEP; and also resulted in adoption of a new agenda on regional integration under the One United Nations programme. As part of efforts to strengthen coordination among United Nations agencies working in the subregion, the SRO is currently leading discussions on establishment and operationalization of a subregional coordination mechanism in support of the implementation of NEPAD in Eastern and Southern Africa.

v) Subregional Office for Southern Africa

72. The work of the Subregional Office for Southern Africa (SRO-SA) during the past year was geared towards strengthening the capacities of member States and the SADC secretariat to formulate and implement harmonized macroeconomic and sectoral policies in several target areas. These activities aimed to enhance regional integration, with particular emphasis on achieving social development and integration objectives in the subregion.

73. The main strategy for programme delivery has revolved around a multi-year programme of activities agreed with the SADC secretariat in 2008 as the main vehicle of support for speeding up regional integration in the subregion. Other modalities included advocacy, research, workshops and seminars, advisory services and capacity building for policy harmonization and regional integration.

74. While the economic aspects of regional integration have been a developed area of work for the SRO, this has not always been the case with regard to social development. The period under review saw renewed focus on the social perspectives of regional integration. SRO-SA undertook several activities geared towards raising awareness of the importance of human and social development, including strengthening capacities to mainstream social development issues into national planning processes. A major outcome of these efforts was the subregional *Human Development Report* for SADC, jointly prepared by SRO-SA and the SADC secretariat.

75. The report reviews the state of human and social development in the subregion and highlights the challenges as well as actions that need to be taken to meet social development objectives in SADC countries. The report is intended to serve as a repository of timely information and best practices on policies and strategies for promoting human and social development in the subregion. ECA also provided assistance to the SADC secretariat in development of a regional gender monitoring tool – an instrument designed and adapted to monitor implementation of the SADC Gender and Development

Protocol. The tool was adopted for use by SADC Ministers responsible for Gender and Women's Affairs in October 2009.

76. Within the context of the multi-year programme with SADC, the e-SADC initiative was finalized and launched during the period under review. The initiative, jointly developed by ECA, SADC and the Open Society Initiative for Southern Africa, aims to address convergence issues and harmonization of ICT policy, infrastructure, services and indicators, and to promote ICT usage for regional economic integration. Regional harmonization, capacity building and implementation of e-strategies are at the core of the programme. The programme also addresses major aspects of e-applications including e-government, such as e-policing in SADC countries; e-parliaments, including strengthening the role of the SADC parliament; e-commerce, e-education, e-health, and e-agriculture, while also encouraging PPPs. Other significant achievements in the context of the multi-year programme included assistance to SADC in implementing its programmes on macroeconomic and institutional convergence; assistance in the development of a framework for regional financial integration towards the establishment of a monetary union in the SADC subregion; and the development of an action plan for harmonization of mining policies, standards and regulatory frameworks in Southern Africa.

Statistics

77. The objective of ECA work under this subprogramme is to improve the production, dissemination and use of key demographic, social, economic and environmental statistics, including the MDG indicators, in accordance with internationally agreed standards and good practices. Accordingly, the Commission's work during the reporting period was articulated around the following priorities: promoting, coordinating, and advocating for statistical activities in Africa; building a data hub at ECA for provision of development data on Africa; implementing the 1993 System of National Accounts in Africa; supporting statistical training programmes; establishing a regional programme for population and housing censuses; and providing technical assistance in various areas of statistics.

78. In the area of promoting, coordinating and advocating for statistical activities in Africa, ECA organized the fifth Africa Symposium on Statistical Development, held in Dakar, Senegal, in November 2009, on the theme "Information and communication technology in data dissemination: bringing suppliers and users closer in the 2010 round of population and housing censuses". The Symposium adopted the Gorée Island Declaration which commits African countries to undertake a census in the 2010 round within five years, using the most effective ICT tools to collect and process census data. On the margins of the Symposium, the African Statistical Coordination Committee met and took stock of progress made in the work of various working groups, including the African Group on National Accounts which presented a draft strategy for adoption and implementation of the 2008 System of National Accounts.

79. The 2009 African Statistics Day was celebrated on 18 November under the theme "Strengthening civil registration and vital statistics systems in support of national development and the MDGs in Africa". To ensure that all African countries participated in the celebration, advocacy materials for the event were prepared and disseminated in four languages, English, French, Arabic and Portuguese. ECA also disseminated a special memorandum encouraging national statistical offices to organize the celebrations jointly with line ministries responsible for civil registration, resulting in African stakeholders taking necessary measures to improve civil registration and vital statistics systems on the continent. Publication of the *African Statistical Journal* was another major initiative aimed at facilitating exchange of technical information and best practices among statistical

practitioners and other stakeholders. ECA is co-editor of the journal, the publication and distribution of which are funded by AfDB. Similarly, ECA continued to disseminate statistics-related news through its *African Statistical Newsletter* on a quarterly basis.

80. In order to facilitate provision of harmonized data series, a repository of data from African countries was established under the aegis of the African Statistical Coordination Committee. This repository has data aggregated at the continental, subregional and national levels. Similarly, in collaboration with AfDB and AUC through a data collection mechanism, a first-ever joint *African Statistical Yearbook* was produced in 2009. This collaborative effort resulted in significant reduction in the data-reporting burden on countries and helped to avoid publication of conflicting information on African countries.

81. In connection with the System of National Accounts, and in order to assist African countries to move to the 2008 System, a strategy for its adoption and implementation was developed through the African Working Group on National Accounts. This strategy was finalized, submitted and approved by the second session of the Statistical Commission for Africa, held in Addis Ababa in January 2010. Partners were called upon to contribute to its implementation and to ensure that all African countries adopted and implemented the 2008 System of National Accounts. As part of technical capacity-building in this area, a workshop on industrial classification was held in collaboration with the United Nations Statistics Division.

82. In view of the importance of training for the production and use of quality statistics, several related activities were undertaken during the reporting period. ECA prepared a comprehensive strategic programme on human resources development and training in statistics. The proposal on the re-establishment of the Statistical Programme for Africa is being shared with partners for funding purposes. ECA also supported capacity building in member States by developing statistical training modules in some universities. The Commission was also involved in organizing the Forum on Statistical Training and Human Resources in Africa in Bujumbura, Burundi, in June 2009. The Forum brought representatives together from African statistical training centres, statistics departments of selected universities, national statistical offices, and subregional, regional and international organizations with special interest in statistical training and human resources development in Africa. The Forum assessed problems facing statistical training centres and made recommendations regarding revitalization of the Statistical Programme for Africa. Also, importantly, establishment of the African Group on Statistical Training and Human Resources was endorsed by the second session of the Statistical Commission for Africa.

83. Another area in which ECA made notable contribution was that of population and housing censuses, where it continued to: advocate for the comprehensive 2010 round of population and housing censuses; support countries at different stages of the process; prepare and disseminate manuals and handbooks to stakeholders; and facilitate exchange of best practices among member States. So far, 19 African countries have undertaken their censuses. Based on the current trend, it is envisaged that the participation of African countries in the 2010 round will exceed that of 2000, when only 37 countries undertook a census. This is a result of strong advocacy through the Africa Symposium on Statistical Development, and could also be partly attributed to a number of activities in which ECA was involved, including the organization of an expert group meeting on census data processing, held in Dakar, Senegal, in November 2009. The meeting was aimed at reviewing and endorsing the *Handbook on Census Data Processing*, a non-recurrent publication developed by ECA with contributions from other experts.

84. During the period under review, ECA also provided technical assistance in various areas of statistics, including prices, trade, education, health, agriculture, gender, civil registration and vital statistics, and in database management. ECA, together with AfDB, Partnerships in Statistics for the 21st Century and the World Bank, jointly undertook missions to assist countries in the design and implementation of national strategies for the development of statistics. Angola, Burundi, the Democratic Republic of Congo and Djibouti, among others, benefited from these missions. As a result of these missions, Angola has committed to undertake its census, using national resources to meet 95 per cent of the total funds required for the process. The Democratic Republic of Congo has also committed to undertake its census and the Government has adopted a census decree to that end, following an ECA mission. The Government of Djibouti also approved a national strategy for the development of statistics after a series of technical advisory missions aimed at mainstreaming statistics into the National Development Plan of the country.

Social and human development

85. The objective of ECA work under this subprogramme is to strengthen the capacity of member States to formulate policies and programmes for poverty reduction and promote social inclusion and integration to ensure equity and improved quality of life for all segments of society in line with internationally agreed development goals, including the MDGs. The activities carried out under the subprogramme were also aimed at assisting member States in monitoring and tracking progress in the implementation of international and regional commitments made on social development, including the MDGs, the International Conference on Population and Development (ICPD) and the World Summit on Social Development, held in Copenhagen, Denmark, in 1995.

86. A good example of ECA monitoring and reporting efforts in 2009 was the 15-year review of the implementation of the ICPD Programme of Action, which was jointly organized with AUC and the United Nations Population Fund in Addis Ababa, in October 2009. The Conference brought about 300 participants together, representing African governments, international, regional and subregional organizations, civil society and youth to review the progress made in implementing the programme of action, share experiences and identify actions to accelerate progress. The review highlighted the achievements made at the national, subregional and regional levels so far, as well as the slow progress in the areas of poverty reduction, maternal and child health, gender equity and equality, HIV and AIDS, tuberculosis, malaria and youth employment. Among other things, the review also brought to the fore the linkages between population, sustainable development and the MDGs. The meeting resulted in renewed commitment by member States to further implementation of the ICPD Programme of Action, originally agreed in Cairo 15 years earlier. Member States were called upon to intensify efforts to mobilize the necessary resources, improve national-level strategies and enhance institutional and human resources to accelerate achievement of the goals of the ICPD Programme of Action and the MDGs within the next five years.

87. Also in October 2009, ECA organized the first meeting of the Committee on Human and Social Development. The meeting drew over 130 participants from 49 African countries including representatives of international, regional and subregional organizations and civil society to review recent trends and progress in human and social development in Africa. The meeting emphasized the need to scale up efforts to achieve the MDGs and the ICPD Programme of Action, and in this regard, requested ECA to continue to provide assistance to member States in design and implementation of MDG-consistent PRSs. The Committee also endorsed the ECA work programme in the area of human and social development over the next two years with particular focus on: undertaking analytical work in under-researched social development areas such as the linkages between gender, population and

climate change; enhancing data collection; strengthening and expanding existing information sharing and peer learning between and among member States; developing an effective communication strategy to ensure wider dissemination of ECA work; and improving the capacity of member States to formulate and implement effective redistributive policies.

88. ECA produced two significant reports in 2009, aimed at informing and stimulating discussion on social development issues. The first, entitled *The African Youth Report 2009: Expanding Opportunities for and with Young People in Africa*, drew attention to the many challenges that African youth continue to face despite recent progress. The report noted that young Africans continued to face formidable hurdles such as access to quality education, finding decent jobs and maintaining good health, particularly given their vulnerability to HIV and AIDS. In all these areas, young women, in particular, faced heightened barriers and vulnerabilities across the continent. The findings of the report contributed to development of the draft AU Plan of Action for Youth Development, 2009-2018. Another important publication in the past year was the report, *International Migration and Development in Africa: Human Rights, Regional Integration and Impacts of the Financial Crisis*, which took a hard and critical look at the varied migration dynamics on the continent and proposed measures for enhancing the integration of international migration issues into regional and subregional development policies and frameworks.

89. The year 2009 also saw the launch of the ECA HIV and AIDS Learning and Resource Service, to provide up-to-date information on HIV and AIDS prevention and care, based on lessons learned from the Treatment Acceleration Programme, a multi-year pilot project funded by the World Bank with ECA and the World Health Organization (WHO) as technical partners. The Treatment Acceleration Programme was piloted in three African countries - Burkina Faso, Ghana and Mozambique. It generated crucial lessons in voluntary testing and counselling, drug resistance, prevention of mother-to-child transmission, PPPs and socioeconomic determinants of adherence to HIV treatment. The programme also contributed to the evidence base that informed revision of HIV and AIDS treatment policies, guidelines and protocols in pilot countries, including risk mitigation and management modalities for antiretroviral scale-up in the area of prevention. The new platform will be used as an electronic discussion forum by development practitioners, policy-makers and the general public, including people living with HIV and AIDS, to share information and ideas on a wide range of issues related to HIV and AIDS prevention, mitigation and treatment.

90. As part of efforts to help build regional consensus in the area of public health, a consultative meeting with African Parliamentary Committees on Health and Development Financing was organized in September 2009. The meeting was a joint initiative of ECA, AUC, WHO and the regional non-governmental organization, Africa Public Health Financing-15% Campaign. Among the results of the meeting was a commitment by parliamentarians to support the scaling-up of resources and increase in national health budgets to 15 per cent of total national budgets in line with the Abuja Plan of Implementation.

B. Other programmes

i) United Nations support to AU and its NEPAD programme (RCM), including ECA support to the APRM process

91. ECA continued to leverage partnerships based on comparative advantage and pooling of resources to maximize its impact on Africa's development. The Commission enhanced its collaboration with a broad range of partners within and outside Africa. ECA core partners during the

period under review included the two main pan-African institutions – AUC and AfDB, as well as the RECs, United Nations agencies, bilateral and multilateral partners, and other continental development institutions.

92. During the period under review, ECA continued to work closely with other United Nations agencies working in Africa to enhance and optimize the United Nations system support to the AU and its NEPAD programme in the context of the Regional Consultation Meeting (RCM). In this regard, ECA convened the tenth meeting of the RCM-Africa in Addis Ababa from 5 to 6 November 2009. The Deputy Secretary-General opened the meeting, which was also addressed by the ECA Executive Secretary, the Deputy Chairperson of AUC, and the Chief Executive Officer of the NEPAD secretariat. The participants deliberated on several issues, achievements and challenges: United Nations support to climate-related actions at the regional level; linkages between RCM and the Regional Directors Team; emerging institutional and structural changes in AU and NEPAD; and review of the 10-Year Capacity-building Programme of the AU. More than 190 participants attended the meeting.

93. Overall, the RCM has come a long way since its establishment as an inter-agency consultative meeting to a mechanism for providing coherent and coordinated support to the African development agenda. Over the years, the mechanism has been strengthened through its cluster system. The AU, NEPAD secretariat and RECs - the beneficiaries - have now taken centre stage and become part of the RCM for Africa. Numerous reviews have resulted in transforming RCM as a process-oriented coordination mechanism to one focused on substantive actions and results.

94. The “Delivering as One” concept has gained increased acceptance with agencies rethinking their way of working and moving to a collective approach in programme delivery in support of Africa’s development. The RCM clusters, in varying degrees, have aligned their activities with the priorities of the AU and its NEPAD programme. Likewise, clusters have intensified their efforts to interact more regularly and establish business plans to embark on inter-agency joint programming and joint implementation of specific projects. In this regard, the support of the United Nations to AU and its NEPAD programme has increased significantly. This includes providing technical and capacity-building support, undertaking advocacy, policy analysis, consensus building, and normative and analytical studies to assist with vision and policy setting, these being the areas of focus of AU and its NEPAD programme.

95. Through the RCM secretariat established for coordination of United Nations support to AU and its NEPAD programme, ECA is providing more strategic coordination and support to RCM. The coordination of clusters has been strengthened with an increasing number of jointly implemented programmes leading to tangible results. In addition, steps are being taken to establish subregional coordination mechanisms to provide more coherent support to RECs and to complete the missing link between the regional and country levels. Such a mechanism is already operational in Central Africa through the efforts of SRO-CA. Similar efforts are underway in East and Southern Africa to establish a subregional coordination mechanism to support the RECs adequately and improve synergy between the RCM and the Regional Directors Team.

96. In addition to the collective activities undertaken by the United Nations in support of NEPAD, specific assistance was offered by individual entities to advance work in the various thematic clusters. ECA supported implementation of NEPAD priorities, most of which were at the core of its mandate, through its analytical work and technical assistance in different areas of socioeconomic development.

97. During the past year, ECA, in consistence with its mandate, embarked on efforts to scale up its technical support to AUC in support of the AU vision and mission. Recent formulation of the AUC Medium-Term Strategy boosted the strong partnership between ECA and AUC in support of Africa's development agenda. In that regard, the ECA Business Plan 2010-2012, prepared in 2009, is substantially aligned with AUC strategy. Ongoing collaboration with AUC, particularly in the areas of trade, gender, ICT, science and technology, governance and public administration, land policy and climate change, was streamlined and strengthened. Various joint initiatives in support of knowledge generation and dissemination such as publication of the *Economic Report on Africa, Assessing Regional Integration in Africa*, and the *Millennium Development Goals Report*, as well as joint implementation of activities such as the Conference of Ministers of Finance, Planning and Economic Development were continued in 2009.

98. ECA also continued to provide support to implementation of APRM. Missions were undertaken to eight countries: Cameroon, Guinea, Lesotho, Mauritius, Mozambique, Sierra Leone, Togo, and United Republic of Tanzania. Some of these were follow-ups to previous missions while others were used to organize peer learning and sensitization workshops for CSOs. ECA continued support to the APRM process has contributed to the increasing capacity of member States to conduct the APRM, with the continental secretariat of APRM based in Midrand, South Africa, to manage the process better, and increase the participation of the various stakeholders engaged in the process. A practical demonstration of these joint efforts is that more countries have acceded to the APRM process while others are completing it.

ii) Coalition for Dialogue in Africa

99. The Coalition for Dialogue on Africa is a joint initiative of the AUC, AfDB, and ECA aimed at forging strong partnerships for dialogue and building consensus around key issues and challenges of concern to Africa. It was established as an institutionally independent forum for free discussion among State and non-State actors. It aimed to leverage the convening power of the three pan-African institutions and their access to African leaders and policy-makers. Based on the recommendations of the inaugural meeting held in Addis Ababa on 6 to 7 March 2009, the Coalition will initially focus on (a) Africa's response to the global financial crisis; (b) addressing the impact of climate change; (c) advancing regional economic integration; and (d) scaling up democratic governance.

100. The Coalition convened a two-day seminar in Abuja, Nigeria, in October 2009, in partnership with the United Nations Office of Drugs and Crime and the ECOWAS Commission to discuss the threat of transnational crime and options for effectively scaling up national, regional and international responses. The seminar, attended by 25 participants, provided a unique opportunity to discuss the threat posed by transnational trafficking networks and operations to political stability and the rule of law in Africa, and to consider proposed measures for a more coherent and inclusive response to this threat by African governments and institutions as well as by the international community. The participants agreed that transnational crime was a global phenomenon which could not be addressed in isolation within national boundaries but should be tackled globally. It was also agreed that national and regional ownership, as well as leadership by State actors, was fundamental in the fight against transnational organized crime. Furthermore, it was recognized that transnational crime was a direct threat to the development and political stability of African States and that the problems of drugs and crime would not be dealt with effectively without improvements in governance and development.

101. The Coalition also convened a multi-stakeholder dialogue on Africa's Response to the Global Financial Crisis held in Tunis, Tunisia, in November 2009, to discuss the impact of the global

financial crisis on Africa and agree on innovative solutions for a coherent regional response to the crisis. The meeting was attended by representatives from academia, governments, legislatures, think tanks, trade unions, civil society, the private sector and the media. A key outcome of the meeting was the recommendation for general capital increase and replenishment of AfDB Group resources to enable the institution to respond effectively to the impact of the crisis on African countries.

102. The second Coalition for Dialogue on Africa advisory board meeting took place in November 2009 under the chairmanship of Mr. Festus Mogae, former President of the Republic of Botswana, at which activities undertaken in 2009 and plans for 2010 were discussed. A special session to discuss a Coalition-commissioned report on the status of economic integration in Africa was also held. The report included a mapping of ongoing initiatives and activities in regional economic integration, identified the main players and defined priorities for Coalition advocacy work. Board members agreed to play a role in advocating for and promoting the regional integration agenda both at local and international levels.

iii) Regular Programme of Technical Cooperation

103. During the period under review, the Regular Programme of Technical Cooperation (RPTC) continued to serve as an important instrument for building and strengthening the capacities of member States in addressing clearly defined policy and technical challenges in various development sectors with particular focus on meeting the MDGs and other regional development priorities within the context of NEPAD. Specifically, RPTC funding was used to meet the needs of member States for specialized advice and training in such areas as the design and implementation of MDG-based poverty reduction strategies and programmes; trade capacity building and trade negotiations; integrated water resources management; statistics; gender mainstreaming, including enhancing women's legal and human rights; harnessing ICTs for development; infrastructure development; governance and public administration; support to post-conflict reconstruction and support in the implementation of NEPAD. The programme also provided ECA with the means and operational flexibility to respond to new and emerging development challenges in such areas as climate change mitigation and adaptation.

104. In the area of trade, ECA contributed to enhancing the knowledge and analytical capacity of African trade officials and trade negotiators on trade-related issues, including the WTO processes and systemic issues. This is evidenced by African countries' enhanced participation in bilateral and multilateral trade negotiations. ECA also contributed to the meetings of the African Group in Geneva to discuss developments in the WTO negotiations. Assistance was provided in mapping out and formulating negotiation strategies for the African Group in the different areas including agriculture, and non-agriculture market access (NAMA). ECA organised an Experts Group meeting on enhancing Africa's participation in the WTO process in Nairobi in September 2009. The outcome of the meeting, which was attended by focal points of the African Group in the WTO and other negotiators, was a working document that informed the preparations for the informal meeting of the African Ministers of Trade in October 2009 in Cairo. The Cairo meeting, in turn, resulted in a communiqué which adopted Africa's common position for the 7th WTO Ministerial Conference held in December 2009 in Geneva.

105. In the area of integrated water resources management, ECA technical assistance contributed to strengthening the capacities of the Nile Basin (9 countries) to formulate strategies for implementing integrated water resources management strategies; Volta Basin (6 countries) in the establishment of an observatory on water resources and associated ecosystems; SADC (15 countries) on trans-boundary water-management; and Zambezi Basin (8 countries) in flood forecasting and early warning. ECA also

provided technical assistance in the establishment of the Observatory of Volta- Hydrological Cycle Observing System.

106. In the area of governance and public sector reforms, ECA provided technical assistance to the AU Commission in the design and validation of: (a) its human resource management reform and development framework; (b) its integrated Performance Management and Accountability Framework and (c) up-grading of the Staff Performance Appraisal System (SPAS). ECA is also in the process of finalizing a comprehensive results-based management and accountability framework of the Commission and a capacity development programme for transforming the AU Commission. In addition, ECA is also providing on-going technical assistance to the Somalia Transition Federal Government (TFG), through the IGAD Office of the Facilitator for Somalia Peace and Reconciliation, in the re-establishment of public sector institutions in Somalia for the transitional period and beyond. Similarly, ECA is currently providing technical assistance to the Government of Sierra Leone in the elaboration of its public sector development programme.

107. Advisory services and workshops have contributed to strengthening the capacity of member States to harness and utilize ICT for development during the year under review. In this regard, advisory services were provided, upon request, to Benin, Burkina Faso, Gambia, Mali, Niger and Nigeria to support development of NICI plans and sectoral application strategies. As a result of the assistance, six countries - Benin, Burkina Faso, Gambia, Mali, Nigeria and Niger - are now engaged in the process of developing sectoral e-strategies as part of their NICI implementation plans. Nigeria has also completed the development of a comprehensive implementation plan for its ICT policy as part of the country's Vision 20-20-20; and the Government of Mali has created a National Agency on Telemedicine. With technical assistance from ECA, the African Union Ministerial Conference on ICTs development adopted a harmonized framework and 11 flagship projects to be implemented under the African Regional Action Plan on the Knowledge Economy (ARAPKE). As part of the ARAPKE flagship projects, youth knowledge networks have produced a pan-African youth development project that has been adopted by African Union Ministerial Conference on ICTs.

108. With funding from RPTC, four reports on information society trends were produced during the year aimed at improving policy processes in specific areas: (a) "*ICT Standards for African Teachers Training Institutions: Needs Assessment*", which will guide member States and regional educational organizations on how to integrate ICTs into teaching and learning processes; (b) "*The Development of Business Model for S&T Institutions*", which includes best practices, policies and strategies for aligning the goals of S&T institutions with the socioeconomic goals of countries, and represents an innovative tool for promoting private sector investment in R&D, science start-ups and youth employment; (c) "*Status of Private Sector Support Investments for ICT Research and Development in Africa*", which recommends a vision, goals and activities that ECA should use to harness such investments; and (d) "*Harnessing ICT for Youth Development in Africa*", which recommends policies and strategies for empowering youth through ICT.

109. During the year, ECA also responded to a number of requests for advisory services and technical assistance from regional institutions and member States on a broad range of NEPAD-related issues. In this regard, notable contributions have been made in the development of a framework for the African Union Peace Support Operations Division (PSOD) Business Plan; the development of policies for addressing peace and security issues in the continent, particularly in the Greater Horn of Africa and on harmonizing the subregional peace and security structures; the development of policy recommendations for post conflict reconstruction and development in areas and countries emerging

from conflict, with particular emphasis on Darfur; and development of a common position by Darfur armed groups.

110. During the period under consideration, the technical assistance provided to the ECOWAS Commission facilitated the joint Meetings of the Ministers for Transport, Infrastructures, Civil Aviation, Finances and the chairmen of the Airline companies in Yamoussoukro in June 2009. The meeting considered the setting up of a regional fund for infrastructure development, the construction of the juxtaposed border checkpoints for transport facility, among other things. Subsequently, ECA assisted in drafting the Terms of Reference for the Feasibility study of the Fund and a road map document to be considered by all stakeholders. As a result, the ECOWAS Commission has established a \$10 million infrastructure fund, and the Spanish Government pledged some 15 million Euros to support the work of the PPDU over a five year period. ECA also provided technical assistance to the ECOWAS Commission in the development and adoption of a harmonized ICT legal framework for the subregion, which has become a model for other RECs and provides a basis for a future continental convention.

111. In the area of statistics and statistical development, ECA capacity-building workshops continued to target officials of the national statistical systems (NSSs) of member States, and representatives of African subregional organizations and Statistical Training Centres (STCs). These workshops provided member States with the tools and skills needed to formulate and implement strategies to develop their national statistical systems. In this regard, ECA, together with AfDB, the PARIS21 Secretariat and the World Bank, is assisting the Democratic Republic of Congo to re-launch its NSDS elaboration process and advocate for implementation of Population and Housing Census. Advisory services were also provided to Botswana and Djibouti in the development of their National Strategy for the Development of Statistics (NSDS).

iv) Development Account

112. The United Nations Development Account constitutes a second funding window for the Commission's technical cooperation activities. Within the framework of the Development Account, ECA organized five subregional workshops to disseminate methodologies and tools for the production and use of gender responsive data developed by the Commission. These workshops not only helped in understanding these methodologies but also encouraged adoption and implementation of the related tools; consequently improving the availability of gender sensitive information, as evidenced by production and utilization of the African Gender and Development Index (AGDI) in increasing number of countries, and availability of relevant data for the publication of the African Women's Report 2009. Other accomplishments include: establishment of a working group on gender statistics; creation of a forum for dialogue through the African Gender Statistics Network (GESNET) portal; increased awareness and interest through advocacy in gender statistics by National Statistical Offices resulting in appropriate surveys by the Djiboutian, Ghanaian and South African governments; production of a manual on engendering population and housing censuses; and development of partnerships on Gender statistics with AfDB, IWENT and others.

113. ECA organized a regional workshop on Civil Registration and Vital Statistics Systems in Africa in Dar-es-Salaam, Tanzania from 29 June to 3 July 2009, with the long-term objective of promoting and strengthening the capacities of national civil registration offices, and NSOs in producing accurate, reliable and timely registration based statistics and indicators for measuring development progress and social changes in countries. The workshop was attended by representatives of African countries, regional STCs, subregional, regional and international organizations. ECA,

AfDB, and UNSD, in close collaboration with AUC and the Uganda Bureau of Statistics (UBOS), also jointly organized a Regional Data Management Workshop in Kampala, Uganda from 26 to 28 October 2009. The workshop was attended by representatives from countries, subregional, regional and international organizations. The main objective of the workshop was to promote and strengthen the statistical data management practices in Africa and to provide a forum for exchange of information on statistical data management practices.

114. Another DA project entitled *Interregional cooperation to strengthen social inclusion, gender equity and health promotion in the Millennium Development Goals* (involving all five regional commissions), helped in identifying supplementary MDG indicators to improve the inclusion of gender equality; youth; older persons; persons with disabilities; people living with HIV/AIDS; health equity; and sexual and reproductive health. The main outcome of this project on the ECA side is the analytical report, which lays out additional targets/indicators that need to be included in the current MDG framework to ensure that it is inclusive of all the vulnerable people. It is expected that these new indicators and targets will help identify emerging social issues, especially those affecting the socially excluded groups and in developing policies and interventions to address social exclusion. The activities scheduled under this project were successfully completed December 2009.

115. In order to enhance the knowledge and the capacity of African member countries to formulate and implement appropriate programmes, strategies and policies towards Sustainable Modernization of Agriculture and Rural Transformation (SMART), ECA has been implementing a Development Account project on SMART. Within the framework of this project, ECA, in collaboration with UNDESA/UNPOG, convened a validation and synthesis expert group meeting on indicators for assessment of SMART readiness and potential. Using value chain approach, SMART best practices were assessed for selected African strategic commodities which are cassava and rice in West Africa, palm oil in Central Africa and milk and maize in southern Africa. A report on each selected commodity was produced; including videos capturing the success and lessons learned from the assessment. The videos constitute advocacy and awareness building materials that will be used widely to guide the advancement of Green Revolution in Africa. Further, using the findings from the assessment including lessons learned, three SMART training workshops were carried out respectively in Ibadan for West Africa, Pretoria for Southern Africa and Yaoundé for Central Africa on the appropriate formulation and application of SMART – related programmes, strategies and policies. These activities are expected to facilitate and guide the replication and/or up-scaling of the documented best practices/SMART. This project successfully concluded December 2009.

116. Also, within the DA framework three new projects started during the second half of 2009, which are still in early stage of implementation, include: (i) component of the inter-regional project, on Enhancing capacities to eradicate violence against women through networking of local knowledge communities in Africa; strengthening African capacity to prepare MDG-consistent poverty reduction strategies (PRSs); and capacity-building in support of land policy reforms in African countries for achieving sustainable development.

117. The major lesson learned through implementation of these projects is that the DA projects must be appropriately linked to if not derived from the aims/outcomes hierarchy of the Commission's approved programme of work; it should address an identified priority area and must be relevant to the ECA member States. Activities implemented under these projects fully complement other regular budget activities and contribute to increasing the visibility of work of the Commission in the respective areas. This has also resulted in the requests for capacity-building technical assistance and joint work in the region.

CHAPTER III

Meetings of Subsidiary Bodies, including the ICEs of ECA Subregional Offices

118. This chapter provides an overview of the main outcomes of the meetings of the subsidiary bodies, including the meetings of Intergovernmental Committee of Experts of the subregional offices which have been held since June 2009. In particular, the chapter highlights key issues and developments requiring attention or action by the Commission at its forty-third session.

Sixth Session of the Committee on Trade, Regional Cooperation and Integration

119. The Sixth Session of the Committee on Trade, Regional Cooperation and Integration was held from 13 to 15 October 2009 at ECA headquarters in Addis Ababa. The main focus of the meeting was to consider matters pertaining to ECA activities in advancing the AU continental agenda on economic cooperation and integration, as well as the promotion of trade within and outside Africa. The meeting examined progress made with regional integration in Africa and reviewed developments in intra-African trade. It also examined the latest developments in the international trade arena, particularly within the context of WTO negotiations and Africa's EPAs with Europe. The Committee examined the issue of mainstreaming regional integration at the national level and made recommendations for enhancing the implementation of Africa's regional integration agenda accordingly. It also reviewed the major activities undertaken during the 2008-2009 biennium and work priorities for 2010-2011.

120. The meeting was attended by more than 140 representatives from 39 member States, 4 observer countries and 15 regional and international organizations and other institutions.

121. Several recommendations were made by the Committee on the main focus areas of the meeting. On regional integration, member States were encouraged to take action to integrate the Minimum Integration Programme in their national planning, as recommended by the Fourth Conference of African Ministers of Integration, held in Yaoundé in May 2009. Member States which have yet to establish structures to coordinate regional integration programmes were also urged to do so, in accordance with the decision of the AU Executive Council. In addition, they were urged to popularize the continental integration agenda at the grassroots level within their countries. In that regard, AU, ECA, the RECs, AfDB and other institutions were urged to assist member States to organize sensitization seminars, workshops and conferences on regional integration.

122. With regard to the Observatory on Regional Integration developed by ECA, member States and RECs were urged to designate focal points responsible for constantly providing information for updating its content.

123. In terms of trade facilitation and international trade negotiations, member States and RECs were encouraged to implement measures to reduce high transaction costs, for example by improving transport infrastructure, removing non-tariff barriers and reducing delays along transit corridors and at border posts. They were also encouraged to make effective use of the EPA template prepared by AU in collaboration with ECA; and to develop appropriate mechanisms to ensure effective use of resources under the AfT programme. ECA and its ATPC were requested to undertake, resources permitting, studies on the impact of AfT in recipient countries. ECA was also urged to continue its technical collaboration with AUC, RECs and member States on international trade negotiations. In that regard, ECA was requested to provide technical support to AUC in its mandate to coordinate the

WTO and EPA negotiations, in order to ensure a common African voice, and to ensure that the outcome of the negotiations supports Africa's development agenda.

124. The Committee also urged ECA and AUC to harmonize their meetings and programmes on trade and regional integration. ECA was called upon to explore the possibility of aligning its Committee on Trade, Regional Cooperation and Integration with the AU Conference of Ministers in charge of Regional Integration.

Second Session of the Statistical Commission for Africa

125. ECA organized the second session of the Statistical Commission for Africa (StatCom-Africa II) from 18 to 21 January 2010 in Addis Ababa. Representatives from national statistics offices, statistical training centres, statistical associations and development partners and young statisticians attended the session. The session discussed several emerging issues in the area of statistics and statistical development, including the 2010 round of population and housing censuses, civil registration and vital statistics, global strategic plans to improve agricultural statistics, environment statistics and climate change as well as joint technical advisory missions by ECA and AfDB. The meeting also reviewed and considered progress reports on the activities of the StatCom-Africa working groups on data management, development indicators, gender statistics, harmonization of statistics in support of economic integration, the informal sector, statistical training and national accounts. Awards were also given to four persons in tribute to their contributions to statistical development in Africa.

126. The meeting adopted key recommendations on data management, development indicators, the informal sector, national accounts, harmonization of statistics in support of economic integration, civil registration and vital statistics, agricultural statistics, environmental statistics and climate change, poverty reduction, geography and statistics, and social inclusion and protection.

127. In addition to the above areas of statistical application, the recommendations also highlighted statistical training infrastructure and coordination as priority areas needing sustained development. ECA was requested to coordinate the various initiatives on statistical training and establish a programme to that effect. The meeting also endorsed the establishment of the African Group on Statistical Training and Human Resources, to be hosted by ECA, and requested the African Statistical Coordination Committee to explore funding modalities for the permanent secretariat. ECA was further requested to provide technical assistance to enable countries to develop environment statistics and indicators, and to continue to organize training workshops in that area.

First Meeting of the Committee on Governance and Popular Participation

128. ECA organized and serviced the first meeting of the Committee on Governance and Popular Participation in December 2009. The Committee was created in 2007 following the ECA repositioning, which resulted in a review of the intergovernmental machinery to align it with the new ECA programme structure. The Committee serves as a forum for discussion of issues related to the promotion of good governance and participatory development in Africa. It oversees the work of ECA in the areas of areas of governance and public administration, private-sector development, engagement by civil society and support to the APRM.

129. The meeting brought together representatives from governments, civil society and the private sector to address governance issues and discuss the new Committee's operations. The objectives of the

two-day meeting were to review ECA work in the area of governance and public administration from the 2008-2009 biennium and propose priorities for the 2010-2011 biennium. The meeting also considered two parliamentary documents, on governance and the fight against corruption and on private-sector development in Africa.

130. The Committee approved the programme of work of the ECA Governance and Public Administration Division for the next biennium, as well as a list of recommendations regarding the Division's work over the coming two years. These recommendations included a continued close working relationship with the AUC to help member States ratify and domesticate the African Charter on Democracy; commissioning an in-depth study of countries where corruption perception is low, to find lessons learnt that could inform best practices in countries where corruption perception is high; and contributing to peace processes via analytical work on social and economic dynamics so as to better inform the overall efforts for pre-conflict and post-conflict resolution and peace-building.

Sixth Session of the Committee on Women and Development

131. The sixth session of the Committee on Women and Development (CWD) was held in Banjul in November 2009 to consider the new structure of the Committee; review the accomplishments of ECA in the areas of gender and the advancement of women during the 2008-2009 biennium and provide guidance on the work priorities for the 2010-2011 biennium.

132. The statutory meeting was organized as an experts meeting to prepare for the Eighth African Ministerial Regional Conference on Women (Beijing+15) held immediately afterwards. In this context, the meeting also provided an opportunity to review the synthesis of the Beijing+15 report prepared by ECA, which highlighted the findings of the survey carried out to review the progress made by African countries in implementing the Beijing Platform of Action (BPfA) since 2004.

133. The Ministerial Declaration adopted at the end of meeting statement called on Governments, AU and UN system organizations to take the following actions:

(a) Governments to allocate adequate resources to accelerate the implementation of the Dakar and Beijing Platforms for Action; (b) Governments to adopt and implement a multi-sectoral plan to address gender-based violence, within the framework of the United Nations Secretary-General's *UNite to End Violence against Women and Girls* campaign, with particular emphasis on its Africa component, (c) international partners, including organizations of the UN system, to provide adequate technical and financial support in line with the Accra Agenda for Action on Aid Effectiveness; (d) the AU Commission, the UN system, AfDB and the RECs to strengthen their coordination and harmonization processes with regard to implementation of the priorities identified in the Ministerial Declaration, including that of facilitating South-South collaboration and exchange of experiences and best practices; (e) AUC and ECA to monitor and report on progress made in implementing the relevant development programmes and plans, and to ensure that the follow-up to the Dakar and Beijing Platforms for Action is included in the work plan of the Committee on Women and Development; and (f) the United Nation's Secretary-General to implement General Assembly resolution A/RES/63/311 on establishment of the new gender entity.

Sixth Session of the Committee on Food Security and Sustainable Development

134. In October 2009, ECA convened the sixth session of the Committee on Food Security and Sustainable Development (CFSSD-6) under the theme: *Sustainable Consumption and Production for Sustainable Growth and Poverty Reduction*. CFSSD-6 reviewed implementation of the 2008-2009

work programme of the ECA Food Security and Sustainable Development Division (FSSDD) and provided guidance on the work programme for the 2010-2011 biennium.

135. On the main theme of the meeting, the Committee made the following recommendations: (a) promoting traditional, underutilized crops and, therefore changes in eating habits; (b) improving livestock contribution to food security, strengthening the livelihoods of pastoral communities and rehabilitating marginal lands; (c) controlling trans-boundary pests and diseases that affect production and marketing of both crop and livestock products; (d) providing affordable credit to small holders in order to boost production. This is to be considered alongside provision of subsidized inputs; (e) studying the role of strategic food reserve as a stop gap measure for emergencies; (f) establishing a well connected early warning system in the region and food emergencies preparedness mechanisms; (g) documenting and assessing initiatives such as weather-based insurance schemes, which are ongoing in Ethiopia, Malawi, South Africa; and (h) supporting research, monitoring, evaluation and extension services of agricultural and related institutions involved in food security-related work.

136. The meeting of the Committee also provided a platform for the Africa Regional Implementation Meeting (RIM) in preparation for the 18th Session of the United Nations Commission on Sustainable Development (CSD-18). The RIM was organized in collaboration with the United Nations Department of Economic and Social Affairs (UN-DESA), the United Nations Environment Programme (UNEP) and the United Nations Industrial Development Organization (UNIDO). The RIM reviewed progress in the implementation of Agenda 21, the Programme for the Further Implementation of Agenda 21 and the Johannesburg Plan of Implementation (JPOI) commitments related to the thematic areas of transport, chemicals, waste management, mining, and the 10-year framework of programmes on sustainable consumption and production. The meeting adopted the RIM Outcome Document as Africa's input to the global CSD to be held in May 2010.

Intergovernmental Committee of Experts of the Subregional Office for West Africa

137. The twelfth meeting of the ICE for West Africa took place in November 2009 in Ouagadougou, Burkina Faso, under the theme "Food Security in West Africa". In addition to discussing the economic and social conditions in West African countries during the period 2008-2009, the meeting also considered a number of statutory issues relating to the performance of SRO-WA in 2008-2009 and its programme of work for 2010-2011. Other topical issues included agricultural transformation and mining policy development. Delegates also participated in a round table organized alongside the ICE meeting to discuss the challenges of developing a mining policy framework in West Africa. The Committee's recommendations, designed to strengthen strategies aimed at enhancing food security, will help fine-tune the future programmes of the office, especially in the context of the multi-year programme signed between the SRO-WA and ECOWAS.

138. To improve food security in the subregion, the Committee stressed the need for member States to increase the level and quality of public expenditure in agriculture in accordance with the Maputo objectives of allocating at least 10 per cent of public expenditure and directing more public investment towards water control, land tenure, capacity building in the agricultural sector and the establishment of an incentive framework for commercial agriculture.

139. In the ensuing discussions on Millennium Development Goal 8 in West Africa, the Committee requested ECA to collect and provide member States with best practices in the area of reducing tax evasion in order to assist them to improve the fiscal space and hence mobilize domestic resources for development, and to advise member States on strategies for enhancing the skills of young people.

140. The discussion on mining policy development changes highlighted capacity challenges faced by member States in negotiating mining contracts with investors and emphasized the need for ECA to provide them with technical assistance in developing such capacity and devising policies which will ensure that mining activities contribute effectively to sustainable development. Following these discussions, the Committee recommended development of harmonized regional policies with respect to environmental and social issues in mining communities, enhancement of the skills and capacities of government departments to monitor compliance with environmental regulations, capacity building to enable member States to negotiate contracts effectively and development of a platform to share experience, as well as efforts to enhance synergies around shared technical skills and best practices in mining policies.

141. On the programme of work of SRO-WA for 2010-2011, the Committee recommended that ECA should take into account the importance of mining issues in the subregion and develop programmes to enhance the capacity of member States to negotiate mining contracts. ECA was also requested to mobilize resources for the organization of a forum on exchanges among land-locked and coastal countries. Finally, ECA was encouraged to ensure convergence between its approved programme of work and the ECOWAS work programme to ensure greater synergy.

Intergovernmental Committee of Experts of the Subregional Office for Southern Africa

142. The subregional office held the fifteenth meeting of its ICE from 23 to 25 June 2009 in Lusaka, under the theme “Enhancing domestic resource mobilization: challenges and opportunities for Southern Africa”. This theme was in line with that of the second joint annual meetings of the AU Conference of Ministers of Economy and Finance and ECA Conference of Ministers of Finance, Planning and Economic Development. The theme sought to address the negative economic impacts of the global financial crisis, such as reduced investment and aid flows. The Committee also reviewed reports on economic and social conditions in Southern Africa, especially in the light of the global crisis; the work of the SRO; United Nations system-wide support to AU and its NEPAD programme; and mainstreaming regional integration into national development plans.

143. The Committee observed that, although Southern Africa was rich in natural and human resources, the public sector had not been effective in mobilizing and managing financial resources. The tax base was narrow, little value was added to mineral resources, and capital flight from the subregion was significant.

144. The Committee recommended a review of fiscal policy to improve revenue collection and expenditure. Such a review should include the broadening of financial intermediaries to under-served markets, such as the informal sector, while the banking regulatory frameworks should be improved to stimulate domestic savings. The Committee further recommended building capacities to better manage the exploitation of mineral resources through improved mineral regimes and by negotiating mineral contracts that enhance local content and value addition to mineral products.

145. To facilitate the mainstreaming of regional integration into national development plans, the Committee underscored the need to raise awareness through emphasis on the benefits of regional integration, and requested ECA to assist member States to develop harmonized policy frameworks in support of regional integration. The Committee noted that several countries had requested assistance from ECA to mainstream regional integration into their national development plans.

Preview of the ICE meetings in 2010

(a) North Africa

146. The twenty-fifth meeting of the ICE for North Africa took place from 16 to 19 March 2010 in Rabat. The meeting assessed the economic and social performance of the economies of North African countries in 2009 against the backdrop of international and regional developments, including the recent global financial and economic crisis, and proposed appropriate action to accelerate development of the subregion. In addition to discussing statutory issues relating to the implementation of the 2008-2009 multi-year programme with AMU in the context of activities jointly undertaken, the SRO-NA programme for 2010-2011 and the ECA strategic framework for the period 2012-2013, the meeting will also address other issues of interest to the subregion such as growth and employment, with a focus on unemployed young people and women, and on monitoring the impact of climate change using appropriate tools and indicators for assessing the economic and social performance of the subregion.

147. The main results expected from the meeting will be a set of recommendations on:

- The impact of the crisis on economic and social conditions and the financial crisis in North Africa;
- Monitoring the impact of climate change on economic and social conditions;
- Strengthening support to the Arab Maghreb Union secretariat and regional integration;
- Mechanisms for monitoring the implementation of the ECA-Arab Maghreb Union multi-year programme;
- Strengthening partnerships between the Maghreb region and the rest of Africa and scaling up South-South cooperation;
- The Maghreb region and the international agenda;
- Achieving the MDGs in the context of the recent financial crisis;
- Partnerships and resource mobilization for effective global collaboration;
- Strengthening partnerships between the private sector and civil society; and
- Policy measures for employment-generating growth.

(b) West Africa

148. SRO-WA held the thirteenth meeting of its ICE in Dakar from 16 to 19 March 2010 under the theme "Youth self-employment and development in West Africa". The Committee will review reports on: economic and social conditions in West Africa; progress in regional and international development, including NEPAD and other special initiatives in the subregion, with particular focus on the MDGs; the work of SRO-WA, including the multi-year programme with ECOWAS; and implementation of the recommendations of the twelfth session of the ICE. The meeting will also review the work of the committee tasked with preparation of a subregional plan of action on adaptation to climate change.

149. The main expected outcomes of the meeting are a set of recommendations on the following:

- Challenges to be addressed in the light of recent economic and social trends in West Africa;
- Policy measures for employment-generating growth;

- Revamping the primary agricultural sector and ensuring enhanced inter-sectoral linkages to the rest of the economy;
- Policy measures for improved public financial management through good political and economic governance; and
- Strategies for consolidating efforts to secure political and social stability for greater economic and social development in the subregion.

(c) Central Africa

150. The 2010 meeting of the ICE was held in March 2010 in N'djamena, Chad, under the theme "Domestic resources mobilization and economic diversification in Central Africa".

151. The meeting examined macroeconomic trends in 2008-2009 and forecasts for 2010, social development in 2009, the status of regional integration in Central Africa, progress achieved by member States within the framework of the implementation of NEPAD, the MDGs and other special initiatives in the subregion, and progress with implementation of the recommendations made at its last session.

152. The expected outcomes will be a set of decisions and recommendations on:

- Pursuing the implementation of sound economic and fiscal policies, with particular emphasis on capital expenditure, the monitoring of risks and the vulnerability of the financial sector in Central Africa;
- Policies aimed at supporting strategies for resource mobilization and diversification of the economies in Central Africa;
- Implementation by CEMAC and ECCAS of the revised and harmonized rules of origin and agreement procedures for the subregional preferential tariff regimes;
- Establishment of a subregional integrated database on formal-sector enterprises for the operationalizing the free movement of persons (CEMAC passport); and
- Relaunching the negotiation process for the adoption of unified tools for the customs union between CEMAC and ECCAS.

(d) Eastern Africa

153. The fourteenth meeting of the ICE that took place from 15 to 18 March 2010 in Kigali, Rwanda, aimed at enhancing understanding of existing socio-economic conditions in the Eastern African subregion, including the key drivers of economic growth, the level of intraregional trade and the status of food security; knowledge of and agreement on the processes and mechanisms to foster regional integration in the subregion; and partnerships and compacts between SRO-EA, RECs, intergovernmental organizations, member States and other stakeholders that contribute to implementation of the programme of work of SRO, as well as respond to the needs and priorities of the RECs, intergovernmental organizations and Eastern African member States. SRO-EA presented two reports.

154. One was the report on "Tracking progress made in macroeconomic and social development in Eastern Africa", which analysed economic and social conditions in East African countries and the whole subregion. It highlighted progress made, challenges, strengths and prospects.

155. The other, a progress report on the implementation of regional and international agendas, including NEPAD, the MDGs and other special initiatives in the subregion, was designed to inform ECA member States in the subregion about United Nations system-wide support to AU and its NEPAD programme and major activities in pursuit of the MDGs. The report also highlighted the outcomes of the last meeting of the ECA-led United Nations Regional Coordination Mechanism (RCM), as well as issues and recommendations relating to the implementation of the multi-year programmes signed between the subregional office, RECs and intergovernmental organizations in Eastern Africa.

156. The thematic segment of the meeting will be devoted to in-depth discussions on various topics and issues related to food security in Eastern Africa. Under this segment, the Committee will discuss key emerging issues of concern in member States such as land policy, agri-business development and value chains, and environmental security.

157. During the meeting, the subregional office will also organize three expert group meetings. The first meeting will be on the theme “Economic modelling and forecasting for EAC central banks”. The objective is to assess existing potentials and gaps in macroeconomic modelling and forecasting as well as discussing the need for capacity-building for central banks in the EAC region. This should enable EAC member States to strengthen their capacities in economic modelling and forecasting and to meet international requirements in line with the recent recommendations of the Community’s Monetary Affairs Committee and Central Bank Governors.

158. The second meeting, on “Microcredit, poverty reduction and stability in the Great Lakes region”, will discuss the main challenges to developing a regional microfinance framework for the subregion, and the way forward in this respect. The third meeting is on the theme “Assessment of the impact of the current global and financial and economic crisis on remittances in Eastern Africa”, and will make policy recommendations on strategies and the way forward towards enhancing countries’ capacities in this area.

(e) Southern Africa

159. The sixteenth meeting of the ICE will be held in Lilongwe, Malawi, in March 2010, under the theme “Responses to the impacts of the global financial and economic crisis in Southern Africa”. Southern Africa is primarily a mineral-commodity exporting subregion. With the collapse of most mineral commodity prices during the recent global economic crisis, many of the economies in the subregion experienced greatly reduced export earnings, rising inflation, weakened exchange rates and rising unemployment, as mines were either put under care and maintenance or closed altogether. The reduced domestic and foreign earnings constrained national budgets and reduced both public and private expenditure. This led to negative impacts on social service delivery in some countries. The meeting will provide member States with a platform to assess the impact of the crisis on their national economies, share national mitigatory responses and collectively explore measures to insulate themselves against future financial and economic crises.

160. The Committee will also review economic and social conditions in the subregion, especially as it emerges from the global financial and economic crisis; the Regional Gender Monitoring Tool and Protocols, especially in relation to budgetary implementation challenges; progress achieved by member States in the implementation of NEPAD, the MDGs and other special initiatives in the subregion; and the performance of the subregional office, especially with regard to the implementation of the recommendations made at the last ICE meeting, which focused on domestic resource

mobilization, and a general review of the achievements of the subregional office during the year. These relate to strengthening of the capacities of the RECs, including harmonization of their sectoral policies and programmes, especially under the multi-year programme approach with SADC, as directed by the General Assembly at its sixty-first session.

161. The main results expected from the meeting will be a set of recommendations on policy measures to mitigate likely adverse impacts of future external shocks on the regional economy. The Committee will, in addition to the report of the meeting, prepare a policy brief reflecting consensus in the form of broad policy recommendations, which will serve as guidelines for action by the member States.

CHAPTER IV

Forty-third Session of the Commission/Conference of African Ministers of Finance, Planning and Economic Development

A. Attendance

162. The Third Joint Annual Meetings of the AU Conference of Ministers of Economy and Finance and ECA Conference of African Ministers of Finance, Planning and Economic Development was held in Lilongwe, Malawi from 29 to 30 March 2010. The Conference was formally opened by H.E. Ngwazi Dr. Bingu Wa Mutharika, President of the Republic of Malawi and Chairman of the African Union.

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

164. The following regional economic communities were also represented: Common Market for Eastern and Southern Africa (COMESA), the East African Community (EAC), Economic community of Central African States (ECCAS); Economic Community of West African States (ECOWAS); the Southern African Development Community (SADC); and the Union économique et monétaire ouest africaine (UEMOA).

165. The following United Nations bodies and specialized agencies were also represented: African Development Bank (AfDB), Food and Agriculture Organization of the United Nations (FAO), International Labour Organisation (ILO), International Monetary Fund (IMF), International Maritime Organization (IMO), International Organization for Migration (IOM), International Telecommunications Union (ITU), Office of the High Representative for Least Developed, Land-Locked and Small Island Developing States (OHRLLS), Office of the Special Advisor on Africa (OSAA); Regional Commission New York (RCNYO); Joint United Nations Programme on HIV/AIDS (UNAIDS), United Nations Children's Fund (UNICEF), United Nations Development Programme (UNDP), United Nations Educational, Scientific and Cultural Organization (UNESCO), United Nations Population Fund (UNFPA), United Nations High Commissioner for Refugees (UNHCR), United Nations Industrial Development Organization (UNIDO), the World Bank (WB), World Food Programme (WFP), and the World Health Organization (WHO).

166. Observers were also present from Member States of the United Nations, namely: China, Japan, Norway, Russia, and the United States of America.

167. Observers were also present from the following organizations: African Monitor, AFRINIC Limited, African Forum and Network on Debt and Development (AFRODAD), Centre for Human Rights (CHR), Department Of Information Systems and Technology Management Services (DISTMS), European Union (EU), ICT Association of Malawi, Japan International Cooperation Agency (JICA), League of Arab States (LAS), Malawi Congress of Trade Unions, Malawi ISP Association, MTL Malawi, NOKIA, NEXT, Organisation Internationale de la Francophonie (OIF), Organization of African Trade Union Unity (OATUU), OXFAM International, Third World Network

Africa (TWN Africa), United States Agency for International Development (USAID), and ZAIN Malawi.

B. Adoption of the agenda and election of the Bureau

168. The Conference adopted the following agenda:

Theme: Promoting high-level sustainable growth to reduce unemployment in Africa

1. Opening of the Conference
2. Election of the Bureau
3. Adoption of the agenda and programme of work
4. Overview of recent economic and social developments in Africa
5. Ministerial policy debate on the theme of the Conference: *Promoting high-level sustainable growth to reduce unemployment in Africa*
 - Introduction of the theme of the Conference by Dr. Maxwell Mkwezalamba, Commissioner for Economic Affairs, AU Commission
 - Panel presentations and discussions on: *Promoting high-level sustainable growth to reduce unemployment in Africa*
 - Panel presentations and discussions on: *The impact of the global financial and economic crisis on employment and poverty reduction in Africa*
6. Launch of the Economic Report on Africa, 2010 (Brief remarks followed by a press conference by the Chairperson of the AUC and the Executive Secretary of ECA on ERA 2010 and other topical issues)
7. Ministerial policy dialogue on: *Towards realizing the vision of a food secure Africa*
8. Ministerial Policy Dialogue on: *Illicit Financial Flows from Africa: Hidden Resources for Development*
9. Status report on the establishment of the pan-African financial institutions
10. Consideration of the report and major recommendations of the Committee of Experts of the Joint Annual Meetings of the AU Conference of Ministers of Economy and Finance and ECA Conference of Ministers of Finance, Planning and Economic Development
11. Any other business
12. Consideration and adoption of the draft Ministerial Statement and draft resolutions
13. Closing of the Conference

Election of the Bureau

169. The following member States were unanimously elected by the Conference to form the new Bureau:

Chairperson:	Malawi	- Representing Southern Africa
First Vice-Chairperson:	Sierra Leone	- Representing West Africa
Second Vice-Chairperson:	Rwanda	- Representing East Africa
Third Vice-Chairperson:	Cameroon	- Representing Central Africa
Rapporteur:	Morocco	- Representing North Africa

C. Account of proceedings

Opening of the Conference

170. In his opening statement on behalf of the outgoing Bureau, Mr. Hany Kadry Dimian, Deputy Minister of Finance of the Arab Republic of Egypt, representing the Minister of Finance and Chairperson of the Bureau, H.E. Dr. Youssef Boutros-Ghali, welcomed participants to the Conference. He thanked the Minister of Finance of Malawi, Mr. Ken Kandodo and the Government of the Republic of Malawi for hosting the 2010 Conference of Ministers. He also thanked H. E. Mr. Jean Ping, Chairperson of the African Union Commission and Mr. Abdoulie Janneh, United Nations Under-Secretary-General and Executive Secretary of ECA, for their leadership in preparing for the Conference. He conveyed the apologies of the Minister of Finance of Egypt, Mr. Boutros-Ghali and Chairperson of the outgoing Bureau, for not being able to attend the Conference. He recognized the presence of Central Bank Governors whom he said would enhance the deliberations of Conference.

171. Mr. Dimian noted that the theme of the Conference was timely and appropriate as it would provide an opportunity for policy makers to reflect on, and chart a vision for long-term sustainable growth in Africa. He summed up the main elements of such a growth vision as follows: “*Invest Africa, Educate Africa, Train Africa and Voice Africa.*” In his view, achieving the vision would require a change in the mindset and structure for economic policy formulation in African countries; better utilization of the continent’s human capital and natural resource endowments for the benefit of African people; and a stronger voice and representation in the new global order to ensure a better, more equitable system that would be beneficial to all, especially the poorest and most vulnerable.

172. In his opening remarks, Mr. Cheick Sidi Diarra, Under-Secretary General and Special Adviser for Africa and High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, expressed profound gratitude to the Government and the people of Malawi for the warm welcome and their generous hospitality in hosting the Conference. He commended the organizers of the Conference for the appropriateness and timeliness of the theme of the Conference.

173. Mr. Diarra noted that meeting the challenge of unemployment was crucial if Africa was to make a significant dent on poverty reduction. He informed the Conference that the Africa Regional Preparatory meeting for the Fourth United Nations Conference on Least Developed Countries (LDCs), which was held in Addis Ababa recently concluded that despite improved economic growth in African LDCs during the past decade, progress towards poverty reduction had been limited. This was attributed to the fact that much of the growth had been driven capital intensive extractive industries

with limited employment creation, and was not accompanied by sufficient diversification and structural transformation. Mr. Diarra also noted that the agriculture sector, the mainstay of most African LDCs, was characterized by underinvestment and low productivity, leading many job seekers to seek employment outside agriculture in services and manufacturing in cities, and leading, in turn, to high urbanization and associated problems. The regional review meeting identified the lack of progress towards the development of productive capacities as one of the major factors limiting the impact of growth on employment creation and poverty reduction. The review also showed that the recent modest gains by African LDCs towards achieving the MDGs were rapidly being eroded by the global financial and economic crisis and the effects of climate change.

174. In light of the challenges facing African LDCs, Mr. Diarra indicated that the future programme of action for LDCs to be developed in 2011 should aim at strengthening and enhancing global partnership for LDC development in the next decade. The programme should mark a significant turning point in the lives of poor people in the poorest countries of the world. He highlighted some of the elements essential for the development of LDCs over the next decade endorsed by the African Regional Review meeting, which would inform Africa's position at the Istanbul Conference in 2011: strengthening African LDCs' resilience through productive capacities development, diversification and technological upgrading; improving capital formation through increased domestic resource mobilization; attracting high quality FDI in targeted productive sectors; prioritizing agricultural development through increased funding as envisaged by the L'Aquila initiative adopted by the G-8 Summit in Italy in 2009; predictable trade and enhanced market access for products from LDCs coupled with diversification of their product base.

175. While reviewing the preparatory process for LDC-IV, Mr. Diarra indicated that with the completion of the national and regional preparatory processes, his Office, in collaboration with other UN agencies and international organizations, would organize a series of thematic pre-conference events starting in January 2011 to translate the priorities into a draft outcome document for negotiation and adoption at the Istanbul Conference in 2011. He appealed to the Ministers to remain fully engaged in the LDC-IV process to advocate for and defend the continent's priorities as established in the Addis Ababa Outcome.

176. In his opening statement, Mr. Abdoulie Janneh, UN Under-Secretary-General and Executive Secretary of ECA expressed his deepest gratitude and appreciation to the Government and people of Malawi for the warm hospitality extended to all the participants. He paid tribute to His Excellency, President Bingu wa Mutharika of Malawi for his exemplary and inspiring leadership for the socioeconomic development of Africa. He also commended the ongoing close collaboration between ECA and the AUC, and thanked His Excellency, Jean Ping, the Chairperson of the African Union Commission for his commitment to strengthening the partnership. He pledged ECA's continued support to the continent's development efforts.

177. Mr. Janneh recalled that the 2009 Ministerial Conference resolved to use the opportunity of the global financial and economic crises to reorient Africa's development trajectory to focus on the growth, employment and poverty reduction nexus. Despite the rebound in economic growth from 1.6 per cent in 2009 to a projected 4.3 per cent in 2010, Africa still needed to grow at a much faster rate if the objective of halving poverty by 2015 was to be met. Given the fragility of the global recovery and Africa's vulnerability to external shocks, Mr. Janneh underscored the need to remain vigilant and imbibe the hard lessons of the global financial and economic crisis. Achieving higher growth would require action to address Africa's development needs and challenges, resilience to external shocks and a stronger African voice in global forums, including the international financial institutions. The

benefits of a united Africa were clearly demonstrated during the Copenhagen Climate Change Conference last December, when Africa's common position contributed to shaping the outcome of the negotiations for a post-Kyoto climate change regime.

178. The ECA Executive Secretary noted the continued need for donor financial support as per the Copenhagen Accord, more FDI, and fairer international trade. However, he stressed that sustainable development would gain from robust domestic resource mobilization that takes into account new perspectives particularly as regards the potential for using the combined volume of Africa's foreign exchange reserves and the often neglected accumulated pension. Keen attention should also be paid to fashioning suitable policies to accelerate the socio-economic development of the continent, including meeting the MDGs.

179. Turning to theme of the Conference, the Executive Secretary observed that while a direct link was often drawn between growth and poverty reduction, the critical role of employment in increasing household earnings and contributing to increased output was sometimes overlooked. Hence, he concluded that our collective exertions to promote growth and development will begin to show desired results when the vast majority of Africans are gainfully employed.

180. Mr. Janneh argued that for Africa to overcome the challenges of jobless growth, the continent would need to increase agricultural productivity and manufacturing value-added, adding that with good leadership as shown by Malawi, and the right mix of policies, backed by an appropriate use of science, technology and innovation, this objective was achievable. He highlighted the important role of the private sector, as a source of innovation and competitiveness, in creating employment and enhancing productivity in these sectors. Additionally, he said, Africa's development efforts could receive a significant boost from an accelerated programme of regional integration and deeper intra-Africa trade - areas that could further insulate the continent from the severest impacts of external shocks.

181. Mr. Janneh noted that the attainment of all the above socio-economic objectives would, however, be dependent on better governance and the capacity to formulate and implement required policies, including capable and dynamic state structures that provide a coherent vision, promote social cohesion and drive economic transformation. In this regard, he informed the meeting of ongoing efforts to reposition the African Institute for Economic Development and Planning (IDEP) aimed at providing more effective support to member States in strengthening capacities for economic planning and management.

182. In concluding, the Executive Secretary, informed the meeting of ECA's recent efforts to consolidate its repositioning exercise initiated in 2006 to improve service delivery. He also indicated that the ECA Business Plan covering the period 2010-2012 would build on earlier successes and continue to align ECA's programmes to the priorities of the African Union. Providing support to the regional economic communities would continue to take centre stage. For added relevance, an independent evaluation report to enhance ECA's subregional offices support to RECs had been commissioned and the recommendations would be presented to the current session of the Conference of Ministers for approval.

183. The Executive Secretary thanked President Mutharika again for his presence and continued support and assured the Conference that ECA would remain engaged in close partnership with the African Union Commission to generate knowledge and stimulate debate on issues on the African development agenda.

184. In his opening statement, His Excellency, Dr. Jean Ping, Chairperson of the African Union Commission saluted His Excellency, Dr. Bingu wa Mutharika, President of the Republic of Malawi and Chairman of the African Union for his presence, which was proof of his commitment to the search for solutions to Africa's economic and social challenges. He highlighted President Mutharika's exceptional leadership and vision in successfully guiding Malawi towards a path of food security, which would inspire discussions at the current Conference of Ministers. He further expressed gratitude to the people of Malawi for their warm hospitality and the excellent arrangements made for the Conference. He commended the ECA Executive Secretary for his unwavering commitment and partnership in organizing the joint conference, which had taken the cooperation between the two institutions to new heights.

185. Dr. Jean Ping expressed concern that nearly two years since the onset of the global financial and economic crisis, its effects were still being felt in Africa, particularly in the form of increasing unemployment and underemployment. While GDP growth had begun to recover, the outlook for employment was yet to brighten. He recalled that the Plan of Action adopted by the Extraordinary Summit of Heads of State and Government on Employment and Poverty Alleviation in Ouagadougou in 2004, had delivered less than desired results, partly because there was still no genuine dynamic for speeding up the transformation and growth of African economies, for creating new job opportunities and containing the scourge of unemployment, all of which were compounded by the undiversified nature of African economies.

186. The AUC Chairperson underscored the importance of regional integration for accelerating Africa's growth and development, and indicated in this regard, the priorities of the continent endorsed by the February 2010 AU Summit of Heads of State and Government – regional infrastructure development, including roads, rail roads, ICT; energy; and food security. To this end, the AUC had developed in cooperation with the regional economic communities the Minimum Integration Programme and fully integrated the NEPAD programme into the work of the Commission.

187. The Chairperson said the AUC is also pursuing the creation of the three African financial institutions, namely; the African Investment Bank, the African Central Bank and the African Monetary Fund, as envisaged in the Constitutive Act of the African Union. Due to the lack of adequate resources to fund infrastructure and other productive investments in Africa, the Chairperson appealed to the member States to speed up the signing and ratification of the Protocol of the African Investment Bank as an additional funding source for infrastructure development. He further appealed for support in expediting the establishment of the other two financial institutions. In this regard, he indicated that various initiatives were being pursued by the RECs parallel to the effort of the AUC, which must now be coordinated.

188. In his opening address to the Conference, H.E. Ngwazi Dr. Bingu Wa Mutharika, President of the Republic of Malawi and Chairman of the African Union welcomed participants to the Conference and admonished them to consider issues of poverty reduction and food security as part of their discussion on the theme of the Conference.

189. The President argued that Africa was not a poor continent, rather African people were because they had not been able to exploit and utilize the abundant natural resources of the continent for their benefit. He, therefore, tasked the Ministers to produce a concrete action plan that would accelerate growth and take Africans out of the poverty trap. To this end, he emphasized the need to fast track implementation of the decisions of the Conference to make Africa change for the better.

190. President Mutharika underscored the need to launch every African country on a path of sustainable growth and prosperity. In this regard, he observed that development policies imposed on African countries such as the Washington Consensus failed to yield the desired results because of its emphasis on macroeconomic stability at the expense of growth. He explained that what needed at this stage in its development was not macroeconomic stability but a rapid and sustainable level of economic growth within a stable political and economic environment. Political stability would be ensured through democratic governance, rule of law, respect for human rights and holding regular, fair and credible elections. Economic stability, on the other hand, required government to maintain low interest and inflation rates and stable exchange regime. To this end, the President underscored the need for African countries to develop and implement home grown development policies and requested the World Bank and other development partners to support an African-owned and led development agenda.

191. The President recalled that the February 2010 Summit of the AU Assembly of Heads of State and Government had accepted his proposal to make agriculture and food security top priorities on the continent's development agenda over the next five years if the continent was to escape from the vicious cycle of poverty. To this end, he further proposed that food security should be conceptualized in a regional context through investments in the production of major food crops to ensure that no single child in Africa died of hunger, malnutrition or starvation within the next five years. This would require a comprehensive inventory of staple diets of major ethnic groups and strong regional structures for agricultural development and food security. It would also require investments in the transport infrastructure to move food products from areas of surplus to areas of deficit; and a significant increase in the continent's energy supply and generation capacities.

192. The President stated that he opposed the Washington market liberalization paradigm because it prevented Africans to subsidize their agriculture. He encouraged the Ministers to consider the issue of increasing investment in agricultural subsidies for poor farmers in order to produce more food beyond subsistence, learning from the success story of Malawi. In this regard, he welcomed the G8 L'Aquila decision to support Africa not through the traditional food aid but by increasing food production capacity, noting that this would ensure job creation and poverty reduction especially in rural areas. In concluding, the President reiterated his earlier call to Ministers to define a clear path for Africa's development through an ambitious plan of action which would help Africa to get out of poverty.

193. The President, then, declared the Third Joint Annual Meetings of the AU Conference of Ministers of Economy and Finance and ECA Conference of African Ministers of Finance, Planning and Economic Development, officially opened and wished the participants successful deliberations.

Overview of recent economic and social developments in Africa (*agenda item 4*)

194. Under this agenda item, a representative of the secretariat presented a document entitled, *Overview of economic and social conditions in Africa in 2009 (E/ECA/COE/29/AU/CAMEF/EXP/2(V))* highlighting the three main messages contained in the document. First, that the recent global financial crisis took a heavy toll on economic activities, employment and social conditions in Africa; second, that growth was expected to pick up in 2010, although haltingly; and third, that the prospects of achieving social development and the overall

objectives of NEPAD could be compromised unless bold actions were taken to ensure that African countries embark on a path of high, sustainable and employment-generating growth.

195. On the impact of the global financial crisis on African economies, the presenter noted that inflationary pressures had receded, except in a few countries; and export and government receipts dropped and external capital flows to the continent had dried up, resulting in a deterioration of fiscal and current-account balances. With the slowdown in real sector activities, the unemployment and poverty situation worsened, as more people lost their jobs and income. However, the overall aggregate growth picture masked disparities across countries and subregions, with oil-exporting countries growing more strongly than the oil-importing countries, and East Africa recording the fastest economic growth among all subregions.

196. The presenter noted that progress on social development was mixed, with little overall progress in reducing poverty, eradicating hunger, maternal mortality and addressing gender disparities. However, important strides were made towards on some social development indicators such as increased primary school enrolment, vaccination against some communicable diseases and the use of insecticide-treated bednets as well as reductions in HIV prevalence rates in some countries. The presenter highlighted the linkage between the dire unemployment situation and rising poverty in much of Africa, and emphasized the urgent need for diversification of production and export bases as a means for achieving high, sustainable and employment-creating growth. In addition, the need for policy measures that target the poor and other vulnerable groups was also emphasized.

197. The Conference took note of the presentation and commended the quality of the document. Several important observations and comments were made in the discussions that followed. Some participants noted that there were discrepancies between the data on GDP and inflation used in the report and the data currently available at country level. It was further observed that some data, particularly on current-account balances, were missing for some countries. The Conference observed that some sectors such as the mining sector, which accounted for a significant share of GDP in some African countries were particularly hit hard by the financial crisis. Similarly, the Conference noted that the crisis had a negative impact on the banking system in some African countries as the number of non-performing loans increased, leading to a contraction in bank credit and investment in the real sector.

198. On the prospects of growth recovery in Africa, the Conference noted that past experience had shown that global economic recovery did not automatically transmit to African countries. In this regard, a quick recovery in Africa would require countries to continue implementing bold stimulus packages and countercyclical policies to mitigate the effects of the crises and set countries on a path of sustainable growth. The Conference noted with satisfaction the resilience of most of all African economies during the crises, which was attributed to good initial macroeconomic conditions, characterized by healthy foreign exchange reserves and low fiscal deficits.

199. At the end of the discussion, the Conference emphasized the need for African countries to draw lessons from the latest crises and reorient their national development policies and strategies to enhance diversification of their production and export bases in order to reduce dependence on commodity markets fluctuations. The Conference also emphasized the need for countries to promote backwards and forward linkages between sectors within countries, including promoting regional integration to enhance productivity in Africa.

Ministerial policy debate on the theme of the Conference: *Promoting high-level sustainable growth to reduce unemployment in Africa (agenda item 5)*

200. Under this agenda item, two high-level panels were organized to address key issues related to the theme of the Conference. The first panel featured presentations and discussions focusing on the theme of the Conference: *Promoting high-level sustainable growth to reduce unemployment in Africa*; and the second panel focused on *the impact of the global financial and economic crises on employment and poverty reduction in Africa*. The panel discussions were moderated by Honourable Ken Kandodo MP, Minister of Finance of the Republic of Malawi.

- **Panel presentations and discussions on: *Promoting high-level sustainable growth to reduce unemployment in Africa***

201. The panel discussion on the theme of the Conference was introduced by Dr. Maxwell Mkwezalamba, Commissioner for Economic Affairs of the African Union Commission. In his presentation, Dr. Mkwezalamba noted that the focus on the theme of growth and employment was timely in view of the high unemployment rates across the continent. He attributed the high unemployment situation to the failure of past economic policies to give sufficient priority to employment creation as a key to poverty reduction, despite the high economic growth rates the continent witnessed. To underscore the magnitude of the unemployment problem, Dr. Mkwezalamba noted with concern that even though growth rates averaged around 5.3 per cent in Africa between 2004 and 2007, average unemployment rates averaged between 8 and 10 percent in 2008, with some countries registering much higher unemployment rates. Majority of African countries were unable to expand growth in employment generating sectors such as manufacturing and agriculture, which had been on a decline in recent years owing to the structural changes taking place in the economies of African countries.

202. Dr. Mkwezalamba highlighted the impact of the financial and economic crisis on African economies, in particular, the weakened demand for and prices of exports, increased budget deficits, reduced remittances and decline in ODA. These factors, combined, had the effect of lowering growth rates and increasing unemployment in many African countries and further reduced the prospects for attainment of the MDGs. He also highlighted the wide range of responses to the crisis undertaken at the global, continental and country levels, including notably, the African Union Summit of Heads of State and Government, Meetings of African Ministers of Finance and Central Bank Governors, G20 and G8 Summits. Among other things, these policy responses had emphasized the need to maintain sound macroeconomic policies, increasing Africa's role and voice in the design of a new international financial architecture, strengthening regional integration, and promoting domestic resources mobilization.

203. Dr. Mkwezalamba argued that the effect of growth on poverty reduction depended mainly on the extent to which growth led to employment creation. This could be facilitated by mainstreaming employment in national development policies and strategies. In order to create productive employment, the Commissioner identified some basic requirements, including the need to focus on priority sectors with a high potential for job creation such as manufacturing, agro-processing, mining and tourism, coupled with investment in human capital and technology. He also underscored the need for a conducive policy environment marked by peace and security, good infrastructure, good governance and private sector support.

204. The discussions that followed the presentation was led by a panel of distinguished experts composed of Mr. Benno Ndulu, Governor of the Central Bank of Tanzania and Mr. Hany Kadry Dimian, Deputy Minister of Finance of the Arab Republic of Egypt.

205. Dr. Benno Ndulu picked up on some of the issues highlighted in the opening address by President Mutharika on the need to reflect on the elements of comparative strategies for growth in Africa. In his view, African countries should explore their comparative advantages in primary commodities and exploit the vast underutilized areas of arable land and water resources that the continent was endowed with. He went further to emphasize the need to transform and modernize the agricultural sector and add value to primary commodities, while creating links with other sectors for wealth and employment generation. He called upon African Governments to create an enabling environment for investments from emerging developing countries in labour intensive industries in Africa.

206. In his intervention, Mr. Hany Kadry Dimian underscored the need for Africa to brand its products in order to get a better price in international markets. As a pre-requisite, Africa should address various gaps in terms of legal infrastructure, mismatch between supply and demand in the labour markets, savings propensity, and disposable income. In this context, Mr. Dimian noted that the *Invest Africa* initiative being promoted by the Government of Egypt would provide a forum for African countries, financial institutions, and investors, to explore investment opportunities for addressing the continent's huge infrastructure and energy deficits. He further stated that growth must be based on stable, solid and sustainable institutional and economic fundamentals, and in this regard highlighted three essential elements for achieving sustainable growth: Education, training and enhancing Africa's position in the world.

207. In the ensuing discussions, the Conference acknowledged the magnitude and complexity of the employment challenge in Africa. It also recognized the importance of strengthening the link between growth, employment and poverty reduction, including the need to make employment creation an explicit and central objective of poverty reduction strategies in Africa. It was, however, noted that many of the issues identified in issues paper and subsequent discussions were recurrent issues, which required urgent attention. The Conference, therefore, stressed the need for commitment to implement agreed policies and plans of action undergirded by capable states that are development-oriented.

208. The Conference underscored the need for the continent to start pursuing inward-looking policies that would enhance intra-African trade while also revitalizing regional infrastructure. Inward-looking policies also called for the development of transport infrastructure that links various parts of a country, a region and a continent as a practical way to deepen inter- and intra-country trade. Furthermore, the continent should utilize its water-ways as part of developing its transport infrastructure. The Shire-Zambezi water ways was cited as an innovative project in this regard. The Conference also underlined the need for economic diversification and regional integration as a strategy for achieving sustainable development and accelerating Africa's integration into the world economy. In this regard, the regional economic communities (RECs) were encouraged to speed up the elimination of all the barriers to intra-Africa trade and promote regional integration as well as regional value chains.

209. In recognition of the critical role of agriculture in promoting broad-based growth and generating employment, the Conference underscored the need for stimulating structural transformation and diversification, including promoting investments in agriculture, rural infrastructure, research and extension services to ensure sustainable food security and poverty eradication. Similarly, the

Conference urged African countries to identify and promote investments in other sectors and products with a positive multiplier effect on growth and job creation such as value-addition agro-industries and agribusiness, manufacturing and service industries, which also required a regional approach.

210. The Conference acknowledged the role of the informal sector as a key engine of growth and employment creation, and underlined the need for policies targeting the development of the sector to support job creation and ensure its transformation into the mainstream enterprises with proper legal recognition, rights and responsibilities. Relevant policies proposed in this regard included the need to enhance access to credit and financing for micro, small- and medium-sized enterprises; 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 schemes targeted at the informal sector. In this regard, the Conference welcomed the *Guide for the Promotion of Microfinance*, adopted by the AU organs earlier this year, and urged member States to ensure its implementation.

211. The Conference reiterated the strategic role of the state in stimulating employment-intensive investments, particularly in the aftermath of the recent global recession. In this regard, it was noted that the huge investment by the state in the education system and skills development will be instrumental in addressing the gap between supply and demand in the labour market and producing a labour force with the relevant skills and training that matches current market needs.

212. The Conference noted that for employment-focused growth strategies to be effective, they must be based on measurable targets mainstreamed in national development plans and receive sufficient budget allocations. These targets must be regularly monitored and assessed by all stakeholders. In this regard, the Conference emphasized the need for the AUC and ECA to strengthen synergies and linkages between the various themes of the Conference and facilitate the review of progress of the commitments made by the Conference on various issues.

213. In an effort to develop a common and shared vision for achieving robust growth towards job creation in Africa, the Conference also provided a platform for sharing experiences and distilling best practices in successful policies and strategies for promoting growth and creating employment. To this end, several Ministers shared their countries' experience in addressing the triple challenge of growth, employment and poverty reduction using an integrated approach.

214. Following the discussions and the sharing of country experiences, a consensus emerged on the key elements of an effective strategy for achieving employment-creating growth and poverty reduction. Experience had shown that achieving the integrated approach between growth and employment and the policies for poverty reduction would require a sustainable development strategy that transforms the fruits of economic growth into tangible improvements in the quality of life of people.

215. The way forward for Africa hinges on commitments by all stakeholders to implement a common and shared vision for high-level sustainable and employment-intensive growth to reduce poverty. Country-specific growth and employment strategies should be inclusive and particularly sensitive to the needs of vulnerable groups - women, the youth, the elderly, the disabled and the rural poor. This calls for channelling investment to productive sectors with a high potential for the twin objective of productivity growth and employment creation. It also requires a focus on a number of key areas, including trade; regional integration; infrastructure development; agricultural and rural

development; private sector development, including support to micro, small and medium enterprises; and scaling up investment in human development, including education and science and technology.

- **Panel presentations and discussions on: *The impact of the global financial and economic crisis on employment and poverty reduction in Africa***

216. The panel discussion on this sub-theme was introduced by Ms. Bience Gawanas, Commissioner for Social Affairs of the African Union Commission. In her presentation, Commissioner Gawanas noted with concern that in spite of the adoption of the *Ouagadougou Declaration and Plan of Action on Employment Promotion and Poverty Alleviation* in 2004, African countries continued to face the challenge of jobless growth. She argued that the main issue was to find the best approach for linking economic growth with job creation as high growth alone did not necessarily translate into less unemployment and poverty reduction.

217. On the impact of the recent global financial and economic crisis, she said that experience had shown that poor people and vulnerable groups - women, youth, migrant workers and disabled people commonly bore the brunt of such crises in terms jobs and income losses. To address this, she emphasized the need to place employment at the centre of development policies and programmes, targeting people in vulnerable employment and the working poor in the informal economy.

218. Considering that the majority of the African labour force was concentrated in the informal economy and the agricultural sector, she underscored the need for African Governments to recognize the centrality of these sectors in the development process and support skills improvement and social protection in the sectors. She noted that the *Productivity Agenda for Africa for 2010-2016 and the Program on Upgrading the Informal Economy 2009-2015* adopted by the AU, provided a framework for promoting the development of micro, small and medium enterprises, the rural and agricultural sectors. She further underscored the need for active labour market policies based on labour market information, skills and training, and better matching of labour supply to market demand in order to achieve higher employment, including adopting a holistic approach to ensure synergies and coordination between finance, economic and social issues.

219. The discussions that followed the presentation was led by a panel of distinguished experts composed of Mr. José Manuel Salazar, Deputy Director, International Labour Organization (ILO) and Mr. Tegegnetwork Gettu, Regional Director, United Nations Development Programme (UNDP) Africa Bureau.

220. In his intervention, Mr. José Manuel Salazar, observed that African countries had embraced a new policy vision of placing employment at the centre of their development agenda. He, however, noted with concern that Africa had not been to industrialize and diversify its economy; indeed, he noted that the continent had been de-industrializing. He called for a balanced approach to addressing the issue of jobless growth in Africa as past policies in this direction contained positive elements as well as mistakes.

221. Mr. Salazar noted that despite the new policy vision of African leaders enshrined in the Ouagadougou 2004 Declaration and Plan of Action, social protection and other aspects of decent work were missing components of the growth-employment-poverty nexus. He, therefore, urged African countries to learn from experiences of Asian and Latin American countries which had built their success on investment in local skills and capable States. He further highlighted the imperative to

identify and target policies to labour-intensive sectors of the economy, supported by updated and reliable labour statistics to monitor and track performance of such sectors.

222. In his intervention, Mr. Tegegnetwork Gettu noted that the long-term consequences of the recent global recession on the poorest and employment required short, medium and long-term strategies to address. He also noted that the crisis was an opportunity to design and implement effective social protection policies to mitigate the impact of the crises on employment and poverty. He argued that well designed social protection schemes and programmes could promote better risk management, asset building and accumulation, and human capital development. He underscored the need to preserve fiscal space to generate jobs during shocks as had been the case in some countries during the recent crises. He said a big push was necessary to meet the challenges of the MDGs and climate change. In this regard, he informed the Conference that the UNDP, ILO, AfDB, ECA and other UN agencies were currently engaged in a process to document effective strategies for achieving the MDGs.

223. In the general discussions that followed, the Conference reiterated a number of issues highlighted in the previous panel discussions on the theme of the Conference. In particular, the Conference stressed the need to address the challenge of jobless growth in Africa by strengthening the linkage between high growth and employment creation in policy making. The Conference also highlighted the importance of high population growth, nutrition and diseases such as malaria as important parameters for promoting economic policy and employment in Africa.

224. A number of key elements in promoting high economic growth and employment creation were underlined, including training labour force, combating corruption, developing infrastructure to integrate domestic markets, promoting financial literacy, equitable income distribution, safety nets and judicial reforms. The Conference noted that it was crucial to put in place spatial targeting social protection mechanisms so as to cushion the impact of the global crisis on vulnerable groups in terms of protecting and maintaining jobs. The Conference also emphasized the need for country-specific strategies targeting the economic sectors where the poorest are concentrated such as agriculture and the informal economy. Women empowerment was also recognized as a critical factor for achieving economic transformation in Africa.

225. Based on the discussions and the various country experiences, there was a consensus that a holistic approach to the employment-growth-poverty reduction nexus was needed to ensure a linkage between growth and employment and between these and the policies for poverty eradication, including ensuring that the social economy and market economy worked in tandem. The Conference also underscored the need to increase the job intensity of growth, with a focus on public and private investments in job-intensive sectors such as health, education, infrastructure and productive sectors. In this regard, the Conference urged member States to take action for effective implementation of the *AU Productivity Agenda for Africa* and its programme on upgrading the informal economy, including devising innovative policies to generate employment, based on the principle of decent work and strong social protection systems.

Launch of the Economic Report on Africa, 2010 (Brief remarks followed by a press conference by the Chairperson of the AUC and the Executive Secretary of ECA on ERA 2010 and other topical issues) (agenda item 6)

226. Under this agenda item, a press event was organized to launch the 2010 edition of the Economic Report on Africa (ERA), jointly published by the AU Commission and ECA. The theme of ERA 2010 is: *Promoting High-level Sustainable Growth to Reduce Unemployment in Africa*. The report is organized in two parts. The first part, consisting of chapters 1 to 3, reviewed current trends in the global economy and their implications for African economies. The second part, covering chapters 4 to 6, focused on the theme of the report and deals with how to use the challenges created by the recent global economic crisis as an opportunity to develop and implement policies that lead to the structural transformation of African economies. The report was presented to the Conference of Ministers by Dr. Maxwell Mkwezalamba, AU Commissioner for Economic Affairs and Mr. Emmanuel Nnadozie, Director of the Economic Development and NEPAD Division of ECA.

227. The theme of the report, which was also the theme of this year's Conference, was timely for Africa as recent high growth rates did not translate into significant employment opportunities for most Africans. In addition, the recent global economic and financial crisis had an impact on the continent's growth and development. The report, therefore, noted that the recent crisis offered African countries an opportunity to lay the foundation for sustainable, employment intensive, high economic growth rates and broader social development objectives. The report argued for structural transformation and economic diversification as the means for achieving these aims. The report added that appropriate investment in infrastructure and human capital, renewed and creative efforts at domestic resource mobilization, factor market reforms, incentives to support private-sector employment and efforts to increase productivity and incomes in the informal sector were needed to translate high growth rates to meaningful development. Special attention should also be paid to reducing unemployment among vulnerable groups such as the youth, women and persons with disabilities.

228. ERA 2010 also reviewed the performance of African economies and finds that GDP growth in Africa declined from 4.9 per cent in 2008 to 2.4 per cent in 2009, but was expected to grow by 4.8 per cent in 2010. However, the report noted that there were considerable regional variations in growth in 2009 across African regions and countries. Growth was highest in West Africa at 5.5 per cent, partly as a result of a boost in oil output in the Delta region of Nigeria following the reduction in hostilities. East Africa also posted a healthy 4.3 per cent, much higher than the earlier estimate of 3.9 per cent. North Africa posted a GDP growth rate of 3.6 per cent. The worst hit region was Southern Africa where GDP declined by 1.1 per cent, followed by Central Africa with a paltry 1.8 per cent growth rate.

229. The report also highlighted climate change as a major challenge facing Africa and noted that agricultural output was likely to decline by 50 per cent in the continent unless the phenomenon was checked. In addition, the report stressed that the health burden and conflicts resulting from climate change as populations fight over dwindling resources would increase. To address this challenge, the report underscored the need for effective adaptation and mitigation strategies and urged the international community to support African countries in this regard.

Ministerial policy dialogue on: *Towards realizing the vision of a food secure Africa (agenda Item 7)*

230. H.E. Dr. Maxwell Mkwezalamba, AU Commissioner for Economic Affairs presented a paper: *Towards Timely and Concrete Implementation of Africa's Vision of Food Security Within Five Years (AU/CAMEF/MIN/(III))* which covered several areas: a) increased access to yield-enhancing inputs; b) market stabilization measures; c) local producer incentives; d) protection of African markets from subsidized imports; e) risk management to protect agricultural gains and livelihoods; f) local purchase of food assistance supplies and establishment of grain reserves; g) nutrition enhancement programmes.

The paper emanated from a high level task force of RECs, experts and partner organizations convened by the AU Commission to draft an implementation plan that included several “quick wins”, in support of the vision of a food secure Africa within five years articulated by the AU Chairperson, H.E. President Bingu wa Mutharika in his acceptance speech at the AU Summit in January 2010.

231. Two elements of the plan at the heart of the Commission’s work were given particular emphasis. First, a potentially important mechanism for boosting Africa’s agricultural productivity is the Africa Fertilizer Financing Mechanism (AFFM), whose creation was decided by African Heads of State and Government at the Africa Fertilizer Summit in Abuja, Nigeria in June 2006. The specific objective of the AFFM was to increase average fertilizer use in Africa from the current 8kg/ha to 50kg/ha by 2015, thereby facilitating rapid enhancement of agricultural productivity and production. The AFFM would require \$10 million to become operational.

232. Second, a Pan African Disaster Risk Pool for Food Security is key to protecting gains in agricultural production and livelihoods. Weather risk management systems at the country level such as strategic grain reserves, budgeted contingency funds and sharing risk across regions can significantly enhance national capacities to mitigate exposure and prepare financially for natural disasters should they occur. Such a facility would provide participating member States immediate cash in the event of an extreme drought, flood or cyclone. Preliminary findings indicate a 50 per cent savings from diversification of drought-related losses across Africa. This means that if African countries were to pool their drought risk, the pool’s capital requirement would be half the sum required if each country had to create its own reserve – making a Pan-African Disaster Risk Pool an attractive financing mechanism in support of African food security.

233. The Conference welcomed the presentation and agreed that the policy dialogue was timely and crucial given the high number of people that continue to suffer from hunger in Africa. There was general consensus that the continent had no lack of policy instruments but rather, there was lack of commitment to implement the instruments. In this regard, the need to agree on an action plan to attain food security was emphasized. This would require prioritization and sequencing of actions to be undertaken, particularly in the framework of Comprehensive Africa Agriculture Development Programme of NEPAD (CAADP-NEPAD). Further, some delegations suggested that if the commitment to allocate 10 per cent of national budgets to the agricultural sector was met as outlined in the 2003 Maputo Declaration on Agriculture and Food Security, food security would be easily attained as demonstrated by the results achieved in Malawi. This should also be maintained in order for the international community to match their contribution to agricultural development in Africa.

234. The Conference also suggested that in the short term, farmers would need to be supported through subsidies for fertilizer and seed as well as crop zoning to ensure food security. However, it was agreed that food security should be viewed as a short to medium term objective and that agriculture in Africa should be developed beyond food security. Consideration would have to be given to the length of time to keep subsidies in place, given the heavy burden they place on national budgets, and what initiatives should be taken to reduce the cost of production. In this regard, the Conference recognized the need to develop effective seeds and seedlings through research. The Conference further recognized the need to undertake research on animal and crop diseases. These would also enable African countries to compete in global markets, taking into account their comparative advantage and enhance value addition.

235. The Conference noted with concern the rate at which Africa was destroying the environment leading to soil degradation and posing a threat to attaining food security. It was noted that even though

livelihoods depended on cutting forests, it was necessary to preserve forests in order to protect the ozone layer. Although commercialization and mechanization of agriculture were viewed as crucial in the drive towards food security, some delegations found the land tenure systems in African countries to be an impediment to commercial agriculture. In order to fully commercialize and mechanize agriculture, it would be necessary to train young farmers and equip Africans to manufacture agricultural machinery. This, coupled with agro-industries and agri-business, would assist the continent move beyond food security and also create employment. The Conference further recognized that infrastructure development was critical to support agricultural development and enhance intra-African trade in agriculture. The need for regional infrastructure pools was underscored in this regard.

Ministerial Policy Dialogue on: *Illicit Financial Flows from Africa: Hidden Resources for Development (agenda item 8)*

236. Under this agenda item, a Ministerial policy dialogue was organized to discuss the outcome of a high-level side event on illicit financial flows from Africa held on 29 March 2010. The side event was jointly hosted by ECA, AUC and the Government of Norway (current Chair of the Global Task Force on Financial Integrity and Economic Development). The Government of Norway was represented by the State Secretary for Foreign Affairs, Ms. Ingrid Fiskaa, joined by a distinguished panel of experts who led the discussions.

237. The side event had proposed several priority actions for stemming illicit financial flows out of Africa, including curtailment of mispricing in trade imports and exports; country-by-country accounting of sales, profits, and taxes paid by multinational corporations; confirmation of beneficial ownership in all banking and securities accounts; automatic cross-border exchange of tax information; harmonization of predicate offenses under anti-money laundering laws – each one focusing on transparency; and the formulation of an African Convention on Transparency. (*The report of the side event was prepared and distributed separately*).

238. The Conference welcomed the initiative of organizing the side event on such an important topic and applauded the organizers for their efforts. The Conference called for an expanded definition of governance to embed ethical values and transparency ethos as such a broadened definition would help distinguish between tax avoidance and tax evasion. As a major governance issue, it was proposed that measures to stem illicit financial flows be included in the APRM process. Furthermore, given that over two thirds of illicit financial outflows related to overpricing and price distortion, the Conference suggested that agriculture subsidies provided by the developed countries to their farmers be included in a broadened definition of illicit flows.

239. The Conference discussed at length the development impact of illicit flows by noting that - the economic implications of this outflow included: increased inflation, decline in tax revenues, undermines trade and investment, and drains hard currency reserves. The Conference also underlined the importance of curtailing illicit trading by highlighting - the loss of domestic savings, which leads to lower levels of internally funded investment, and the loss of tax revenues flowing from those savings that leads to lower revenues available for public spending on health, education and public infrastructure, including the MDGs.

240. The Conference attributed the problem of illicit financial flows from Africa to lapses in oversight and poor accountability mechanisms, both in the private and public sectors. In particular, the Conference expressed concern at the unwillingness of many countries to “name and shame” companies involved in illicit activities. For example, the common practice of overpricing and

corruption in delivering infrastructure projects in Africa, especially from developed countries' companies, was condemned with a call for greater transparency and fairplay on the part of those involved in infrastructure development in Africa. Addressing the problem required concerted efforts by both African countries and the developed countries. The outflow from Africa and the absorption into the economies of the developed countries deserved equal attention. Through greater transparency in the global financial system, illicit outflows can be substantially curtailed, thereby enhancing growth in African countries and at the same time stabilising the economies of richer countries.

241. There was a wide consensus among participants at the Conference that poverty alleviation and employment creation required drastic measures to curtail illicit financial flows through improved transparency and accountability mechanisms in the global financial system. Key steps to curtailing illicit financial flows discussed by the Conference included: the creation of financial intelligence units, the establishment of a common basis for the fight against money laundry, as well as a wide dissemination of country reports on illicit financial flows.

242. The Conference also called for greater political commitment in stemming illicit flows by intensifying the fight against corruption, including devising ways to repatriate ill-gotten wealth back to Africa, improving conditions of service in the public sector and entrenching transparency and accountability in public procurement systems, as well as strengthening reporting mechanisms, adopting measures to improve the investment climate in the region, and enacting effective anti-money laundering laws. Several Ministers emphasized the importance of combating corruption and supported it with firsthand experience from their countries' efforts in fighting corruption and money laundering. The recent Nigerian experience was particularly highlighted as a good practice in this regard. However, it was cautioned that unless there was reciprocal action taken abroad the effectiveness of such efforts could be undermined.

243. At the end of the discussion, Ministers committed to implement strong economic and governance measures to curtail illicit flows from their countries, and requested the AUC, ECA and AfDB to undertake further analytical work on the subject, including preparing a declaration to be considered by the next AUC-ECA Conference of Ministers.

Status report on the establishment of the pan-African financial institutions (*agenda item 9*)

244. Under this agenda item, Dr. Maxwell Mkwezalamba, AUC Commissioner for Economic Affairs provided an update on progress towards the establishment of the African financial institutions. He said that substantial progress had been made on the African Investment Bank (AIB), with the Protocol and Statute adopted by the AU Assembly of Heads of State and Government. However, of the 14 countries that had signed the instruments, only one had ratified. He called on member States to work with AUC to ensure that the 15 ratifications needed to allow the instruments to enter into force were obtained.

245. On the African Central Bank (ACB), the Conference was informed that a joint AUC/Association of African Central Banks (AACB) strategy would be prepared by a team of technical experts identified by both institutions. In addition, a technical Steering Committee for establishment of the ACB would be set up with experts from each of the five regions of the continent. This would lead to the establishment of an African Monetary Institute as precursor to the ACB, consistent with the criteria for achieving macroeconomic convergence, a pre-condition for the establishment of a continental central bank.

246. On the African Monetary Fund (AMF), the Commissioner said that a Steering Committee for its establishment was already in place and commenced work, which was expected to be completed within a year. The Commissioner noted that funding for the work towards establishing the financial institutions was a major challenge and called upon the Ministers to lend their support in resource mobilization. In this regard, he commended the Government of Nigeria for the support it had been providing towards setting up the ACB. The Central Bank of Nigeria had provided US\$200,000 to implement the joint strategy and further pledged to pay salaries of five members of the Steering Committee for the establishment of the ACB.

247. In the ensuing discussion, the Conference underlined the need to establish a common monetary policy with a common currency prior to setting up an African Central Bank. The need for synchronizing the establishment of the Central Bank and the Monetary Fund was also stressed, as the shape of the African Central Bank would have a bearing on the type of African Monetary Fund to be established.

248. The Conference noted that the process of setting up the Central Bank would take time because of the required macroeconomic convergence. In this regard, it was indicated that while the work on setting up the three institutions could proceed in parallel, the main focus should be on the establishment of the proposed African Monetary Fund to provide balance of payment support to countries in need.

Consideration of the report and major recommendations of the Committee of Experts of the Joint Annual Meetings of the AU Conference of Ministers of Economy and Finance and ECA Conference of Ministers of Finance, Planning and Economic Development (*agenda item 10*)

249. The Chairperson of the Committee of Experts presented the report of the meeting of the Committee, as well as the draft resolutions it recommended for adoption by the Conference, as contained in document *E/ECA/CM/43/2 and AU/CAMEF/EXP/Rpt(V)*. The Chairperson gave a brief summary of the outcome of the discussions under each of the agenda items discussed by the Committee together with the key recommendations on each item for consideration and endorsement by the Conference as follows: the theme of the Conference, overview of recent economic and social developments in Africa, assessment of progress in regional integration in Africa, review of progress towards the MDGs, follow-up to the outcomes of major UN and AU conferences and summits, and several statutory issues related to the work of AU Commission and the ECA secretariat, including the organizational changes proposed by the Executive Secretary. The Chairperson then invited the Conference to consider and adopt the report of the Committee together with twelve (12) draft resolutions annexed to it.

250. The Conference took note of the presentation and commended the Committee for its work. In considering the report for adoption, the Conference made some general and specific observations and comments, which are highlighted below:

- a) The lack of policy commitment highlighted as an impediment to progress on regional integration was considered by one delegation as inaccurate. In the view of that delegation, there was sufficient political will on the continent;
- b) One delegation disagreed with the recommendation for affirmative action policies in employment targeting vulnerable groups. It was the view of that delegation that such

action was not necessary. Rather, emphasis should be on expanding the scope and growth of economies to create new jobs for all;

- c) A number of delegations expressed concern over the setting of specific targets for budgetary allocation to specific sectors, arguing that such targets could undermine the credibility of budgeting processes of member States;
- d) Some delegations proposed that the outcome of the deliberation on the ministerial agenda items “*Towards realizing the vision of a food secure Africa*” as well as “*Illicit Financial Flows from Africa: Hidden Resources for Development*” should be reflected in the Report;
- e) Under the agenda item on climate change and development (paragraph 43), it was stated that “*the presentation underscored the need for African countries to take note of the provision of the Copenhagen Accord.*” One delegation informed the Conference that the wording in that text should be amended to reflect the position taken by the AU Heads of State and Government on the matter.

251. In the light of the above comments, observations and amendments, the Conference of Ministers endorsed the report of the Committee of Experts, including all the recommendations contained therein. The full report, as originally adopted by the Committee is attached to the present report as *Annex II*.

252. Following the adoption of the report of the Committee, the Conference separately considered the twelve draft resolutions annexed to the report. The draft resolutions covered the following issues discussed by the Committee: (1) Assessment of Progress on Regional Integration in Africa; (2) Review of Progress Towards Achieving the Millennium Development Goals in Africa; (3) Africa Regional Review of the Implementation of the Brussels Programme of Action for the Least Developed Countries for the Decade 2001-2010; (4) Climate Change and Development in Africa; (5) Strategy for the Harmonization of Statistics and Implementation of the African Charter on Statistics; (6) Promoting High-Level Sustainable Growth to Reduce Unemployment in Africa; (7) Proposed ECA Strategic Framework/Biennial Programme Plan for the Biennium 2012-2013 and ECA Business Plan 2010-2012; (8) Strengthening the Subregional Offices of the United Nations Economic Commission for Africa; (9) Repositioning of the African Institute for Economic Development and Planning (IDEP); (10) Establishment of African Financial Institutions; (11) Towards Realizing a Food Secure Africa; (12) Initiatives for Africa’s Development

253. The Committee adopted the twelve draft resolutions in light of its own comments, observations and amendments. The twelve resolutions, as amended, are attached to this report as part of *Annex I*.

Any other business (agenda item 11)

254. Under this agenda item, the delegations from two member States: Zambia and Uganda, contested some of the figures and statements in the Economic Report on Africa, 2010 concerning their countries. The delegation of Zimbabwe, on the other hand, commended the positive statement in the report regarding the improvement in some indicators such as the inflation rate in Zimbabwe during the past year. In response to these concerns, the Executive Secretary of ECA, apologized for the errors and assured the two delegations that their observations would be taken on board in revising the report before the launch of the report in other locations.

255. Under this item, a vote of thanks was delivered by the delegation of Algeria on behalf of the Conference of Ministers to the President of the Republic of Malawi, the Chairperson of the African Union Commission and the Executive Secretary of ECA for organizing a successful Conference.

Consideration and adoption of the draft Ministerial Statement and draft resolutions (*agenda item 12*)

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

257. The draft Ministerial Statement was introduced by H.E. Mr. John Rwangombwa, Minister of Finance and Economic Planning of Rwanda. The Minister read out the draft ministerial statement in full, which includes a preamble with one main section on the theme of the Conference and nine sub-sections on various issues and actions required to address the challenge of jobless growth in Africa as follows: Realizing the vision of a food-secure Africa; supporting African least developed countries (LDCs) and African countries emerging from conflict; accelerating regional integration; addressing the impact of climate change; paying attention to the development of statistics; combating illicit financial flows; establishing pan-African financial institutions; leveraging the support of Africa's key partners; and mobilizing additional support for a further enhancement of the role of the repositioned IDEP.

258. The Ministers commended the AUC and 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 and suggestions for amendments to improve the draft statement. Most of the comments and suggestions revolved around the need for member States to continue to promote and sustain a conducive environment for domestic and foreign investments; and the central role of planning and capacity building, including the need to reposition and strengthen the African Institute of Economic Development and Planning (IDEP). Under the sub-section on realizing the vision of a food-secure Africa through the implementation of the Maputo AU Summit Decision, the Conference agreed to drop the reference to 10 per cent budgetary allocation to the agricultural sector for consistency with other parts of the report.

259. The Conference adopted the Ministerial Statement with amendments. (*A full text of the Ministerial Statement as amended is attached to the present report as part of Annex 1*).

Closing of the Conference (*agenda item 13*)

260. The Executive Secretary of ECA, Mr. Abdoulie Janneh delivered a joint closing statement on behalf of ECA and the AU Commission. In the joint statement, the Executive Secretary expressed profound gratitude to the Government and people of Malawi for hosting the Conference. He also expressed his sincere personal gratitude to the President of Malawi and Chairman of the African Union, H.E. Dr. Bingu wa Mutharika for his leadership and participation which contributed to the success of the Conference.

261. The Executive Secretary, on behalf of the Chairperson of the AU Commission and himself, also expressed gratitude to the Ministers for their contribution to the discussions and thanked them for endorsing the reports and documents presented at the Conference. He highlighted some of the key messages from the Conference, including the need for regional integration in meeting the continent's employment challenges; the role of the state, improved governance and the importance of

development planning and capacity building. He called on the Ministers to show decisive commitment in implement the decisions of the Conference and pledged the support of ECA and the AU Commission in this regard.

262. In concluding the joint statement, the Executive Secretary informed the Conference of the impending retirement of two senior staff members of the ECA secretariat, Ms. Jennifer Kargbo, Director of the ECA Subregional Office for Southern Africa and Mr. Hachim Koumare, Director of the ECA Subregional Office for Central Africa. He commended both Directors for their immense contribution to strengthening the process of regional integration through their work in support of the regional economic communities (RECs). The Conference took note of the commendations and gave a round of applause to the two retiring Directors.

263. The Executive Secretary also informed the Conference of the proposal to hold the next joint meetings of the AUC-ECA Conference of Ministers in Addis Ababa, Ethiopia.

264. In his closing remarks, the Chairman of the third Joint Meetings of the AUC and ECA Conference of Ministers and Minister of Finance of Malawi, Honourable Ken Kandodo said it had been an honour and privilege for his country to host and chair this year's meetings. He expressed his sincere gratitude to his fellow Ministers, Central Bank Governors and all the other participants for their participation and contribution to the discussions. He noted with satisfaction that the annual joint meetings of the AU and ECA Conference of Ministers had been driven by a shared conviction that Africa's challenges required home-grown African solutions – a message that President Mutharika reiterated in his opening address to the Conference. In this regard, he emphasized the need to anchor the implementation of the outcomes of the Conference in coherent country-owned strategies and policies.

265. The Chairman commended the Chairperson of the AU Commission and the Executive Secretary of ECA for their leadership and commitment to work closely together in support of the development efforts of member States. He also thanked the staff of the two institutions for their hard work and for rising up to the demands of the current challenges facing Africa. He further expressed gratitude and appreciation to all those who had contributed to making the Conference a success – staff of the various Malawi government departments, translators, interpreters, the staff of the hotels and drivers.

266. The Chairman then declared the third Joint Meetings of the AU and ECA Conference of Ministers closed.

Annex 1

A. Resolutions adopted by the joint conference

867 (XLIII) Assessment of Progress on Regional Integration in Africa

The Conference of Ministers,

Mindful of the Treaty establishing the African Economic Community,

Recalling the Minimum Integration Programme (MIP) adopted by the 13th Assembly of Heads of State and Government of the African Union as the reference framework for the gradual integration of the African continent,

Recognizing the importance of peace, security and good governance as prerequisites for the advancement of the continental integration agenda,

Noting the important role played by infrastructure in facilitating the physical integration of and factor flows on the continent,

Taking note of the substantial contribution made by the ECA African Trade Policy Centre in building capacity for trade policy analysis and trade negotiations among member States, Regional Economic Communities (RECs) and Intergovernmental Organizations (IGOs),

1. Welcomes the substantial progress made by the RECs and IGOs in advancing the continental integration agenda;
2. Urges member States, the African Union and the United Nations to take the necessary measures to find solutions to the conflicts affecting African countries, in order to speed up the integration process on the continent;
3. Calls upon member States, RECs and IGOs to address the challenges constraining the acceleration of regional integration on the continent;
4. Commends the work of the ECA African Trade Policy Centre and the renewed political commitment of member States to continue to pursue programmes and activities on regional integration;
5. Also calls upon member States to accelerate the implementation of the recommendations of the Conference of African Ministers of Integration (COMAI), which have been adopted by the African Union Summit, especially those relating to the free movement of persons and the financing of integration;
6. Encourages member States to mainstream the Minimum Integration Programme (MIP) into their national development programmes and, in this regard, calls upon the AU, the RECs, ECA, AfDB and development partners to scale up their support for the implementation of the MIP and domestication of regional integration instruments into national policy, legal and regulatory frameworks;

7. Further encourages member States to continue to support ECA, AUC and AfDB in publishing the report on *Assessing regional integration in Africa (ARIA)*, which contains a comprehensive analysis and assessment of progress in regional integration on the continent;
8. Requests member States to take the necessary steps to facilitate effective participation by landlocked and transit countries in the process of regional integration, by removing all forms of physical and non-physical barriers to trade and by providing maximum support to transport and transit corridor management mechanisms;
9. Invites member States to take up the opportunities offered by the ECA African Trade Policy Centre (ATPC) in their preparations on international trade negotiations and the promotion of intra-African trade;
10. Commends the work of ATPC and calls upon member States and development partners to continue to provide support for its work with a view to strengthening its capacity to support the trade agenda on the continent;
11. Also urges member States to prioritize and upscale investments in infrastructure, including through the utilization of innovative financing mechanisms, channelling of remittances and increasing domestic resource mobilization and harnessing the potential of private-public partnerships.

868 (XLIII) Review of progress towards achieving the Millennium Development Goals in Africa

The Conference of Ministers,

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

Further recalling decision No Ex.CL/DEC.504 (XV), Rev.2 adopted by the Executive Council of the African Union in July 2009 requesting the AUC, ECA and AfDB to assist Africa in preparing for the 2010 United Nations System-wide Mid-term review of progress towards the MDGs and to hold regional consultative meetings to review such progress, inviting countries to support this initiative,

Also recalling United Nations General Assembly resolution 64/184, inviting the United Nations regional commissions to hold regional consultations during the first half of 2010 to provide inputs to the preparations for the September 2010 High-Level Plenary Meeting and inviting the regional commissions to consider initiatives in support of the High Level Plenary Meeting and its preparatory process,

Recognizing the progress being made by the continent towards attaining the MDG targets,

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

Commending the efforts that the AUC and UNECA are making to provide African countries with a strategy for the harmonization of statistics in Africa as a key initiative for better statistical coordination and harmonization and strengthening of the African statistics system,

Calls upon African countries to:

1. Adopt the proposed African Common Position on the MDGs and recommend its adoption by the Assembly of Heads of State and Government in July 2010;
2. Strengthen their statistical systems and institutions and implement the Strategy for the Harmonization of Statistics in Africa;
3. Explore innovative ways of mobilizing funds to support MDG-related programmes and activities;
4. Support the Campaign for Accelerated Reduction of Maternal Mortality in Africa;
5. Commit to take steps to implement the recommendations contained in the proposed African Common Position; and calls upon development partners to fulfill their ODA commitments to enable Africa to meet the MDGs by the target date;
6. Submit the African Common Position to the High-Level Summit in September 2010 and invite the African group at United Nations Headquarters in New York to support and promote the position during the preparatory process and High-Level Plenary Meeting; and
7. Request the AUC, in close collaboration with ECA and AfDB, to begin reflections on the period beyond 2015.

869 (XLIII) Africa Regional Review of the Implementation of the Brussels Programme of Action for the Least Developed Countries for the Decade 2001-2010

The Conference of Ministers,

Noting with concern that overall progress towards the goals and targets of the Programme of Action for the Least Developed Countries for the decade 2001-2010 has been limited,

Noting with appreciation the efforts made by African least developed countries in implementing their commitments contained in the Programme of Action for the Least Developed Countries for the decade 2001-2010,

Recognizing the progress made by African least developed countries towards meeting the goals of the Programme of Action for the Least Developed Countries for the decade 2001-2010,

Cognizant of the fact that the gains made by African least developed countries are being eroded by the converging food and energy crises and the ongoing global financial and economic crises,

Having considered document E/ECA/COE/29/21-AU/CAMEF/EXP/21(V) entitled “Outcome document on the implementation of the Brussels Programme of Action for the Least Developed Countries in Africa”,

1. Welcomes and endorses the outcome of the Africa Regional Preparatory meeting for the Fourth United Nations Conference on the Least Developed Countries adopted on 9 March 2010;
2. Calls for a renewed and strengthened global partnership for the development of the least developed countries in the context of the Fourth United Nations Conference on the Least Developed Countries;
3. Invites African least developed countries to remain fully engaged in the preparatory process for the Conference, particularly the Preparatory Committee meetings;
4. Requests the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, ECA and UNDP to provide the necessary support, including financial and technical support, to African least developed countries to enable them to participate actively in the Fourth United Nations Conference on the Least Developed Countries and its preparatory processes;
5. Calls on development partners to make financial contributions to the LDC Trust Fund to support their participation in the conference and its preparatory activities.

870 (XLIII) Climate Change and Development in Africa

The Conference of Ministers,

Recognizing that climate change poses unprecedented challenges for attaining the MDGs and achieving sustainable development in Africa,

Aware of the need for African countries to address these challenges by mainstreaming climate change concerns into development policies and frameworks,

Noting with appreciation the progress made towards the establishment of the ECA-based African Climate Policy Centre (ACPC) under the AUC/ECA/AfDB Climate for Development in Africa (ClimDev-Africa) Programme,

Concerned about the over-dependence of the ECA climate change and development work on extra-budgetary resources,

1. Appreciates the notable support provided by development partners for the implementation of the ClimDev-Africa Programme and its ACPC and calls upon them to continue their support to these key initiatives;
2. Requests ECA to continue to work closely with the African Union Commission, the African Development Bank and other organizations in strengthening the capacity of

member States and their inter-governmental organizations to address climate-related issues, including providing technical support to African countries in the on-going negotiations for a new international climate change regime.

871 (XLIII) Strategy for the Harmonization of Statistics and Implementation of the African Charter on Statistics

The Conference of Ministers,

Considering that statistical information is vital for decision-making by all segments of the society, particularly policy-makers and economic and social players, and is therefore essential for the continent's integration and sustainable development as well as tracking progress towards the attainment of the Millennium Development Goals (MDGs),

Aware of the fact that all commitments to implement development programmes and combat poverty should be based on clear evidence and therefore require a robust statistical data system which is relevant, reliable, comprehensive, harmonized and responsive,

Noting that the quality of African statistics depends on the use of internationally-recognized standards adjusted to African specificities and compliance by statisticians with the African Charter on Statistics and the fundamental principles of official statistics,

Welcoming decision ASSEMBLY/AU/DEC. 210 (XII) on the African Charter on Statistics adopted by the African Union Heads of State and Government calling on all member States to sign and ratify the Charter as expeditiously as possible so as to enable it to enter into force and thus provide a regulatory framework for coordinating the development of harmonised statistics on the continent,

Commending the arrangements jointly made by the African Union Commission (AUC), the United Nations Economic Commission for Africa (UNECA), the African Development Bank, regional economic communities, and African countries to develop a draft strategy for the harmonization of statistics in Africa,

1. Commends countries that have signed and ratified the African Charter on Statistics and calls upon those which have not done so to sign and ratify it as expeditiously as possible;
2. Adopts the draft Strategy for the Harmonization of Statistics in Africa (SHaSA) as well as its first pillar, the African Strategy for the Implementation of the 2008 System of National Accounts (SNA), and recommends them for adoption by the Assembly of Heads of State and Government in July 2010;
3. Calls upon member States, RECs, the AUC, UNECA and AfDB and their partners to support and implement these initiatives and develop the other pillars of the SHaSA;
4. Calls upon the AUC to elevate its statistical function by transforming its Statistics Unit into a Division to enable it to effectively play its expected role in the joint monitoring of the implementation of the SHaSA.

872 (XLIII) Promoting high-level sustainable growth to reduce unemployment in Africa

The Conference of Ministers,

Recalling the 2004 Ouagadougou Declaration and Plan of Action on Employment and Poverty Alleviation in Africa adopted by African Heads of State and Government, as well as the deliberations of the Conference of Ministers of Finance, Planning and Economic Development in 2005 on meeting the challenges of unemployment in Africa within the context of the New Partnership for Africa's Development (NEPAD) and the Millennium Development Goals (MDGs),

Concerned about the overall limited progress made in reducing unemployment and poverty rates despite relatively high growth rates achieved during the decade prior to the recent economic crisis and the fact that the majority of Africans are subject to vulnerable employment /or under employment,

Noting the importance of special employment and social protection measures to assist vulnerable groups – women, youth, the elderly, the disabled and the rural poor – who are most affected by unemployment and the crisis,

Recognizing the importance of promoting high-level sustainable growth and reducing unemployment for the continent so as to alleviate poverty in the aftermath of the recent global financial and economic crises,

Aware of the central role of the State in designing, implementing and monitoring inclusive development plans to strengthen the growth/employment/poverty eradication nexus as a means to creating decent jobs,

1. Reaffirms that the global financial and economic crises pose challenges to Africa's growth and development including their adverse impact on employment and poverty eradication;
2. Recognizes that the recent crises provide African countries with an opportunity to develop strategies to counter the problems that have arisen and at the same time promote sustainable structurally diversified employment-intensive, high-growth economies ;
3. Encourages African governments to adopt or strengthen employment and social protection policies that are specifically targeted to reduce unemployment and poverty among vulnerable groups;
4. Stresses the need to enhance the mobilization of domestic resources as the major source of development financing by increasing private saving rates, raising the efficiency of tax collection, expanding the tax base, and deepening financial and capital markets;
5. Calls upon African countries to enhance the role of counter-cyclical fiscal policies that focus on expanding infrastructure, human capital formation and development as well as the provision of social services as mechanisms for job creation in the short run;
6. Encourages Governments to pursue long-term structural transformation policies that involve investing commodity revenues in labour-intensive non-primary resource sectors; increasing the resources available to priority sectors; making intensified efforts to attract

FDI in non-resource extraction sectors; and improving the business environment;

7. Calls upon Governments to encourage private-sector investment and development, focusing on high labour-intensive sectors, including agro-industry, green-industries, labour-intensive manufacturing and service industries, with special attention to addressing the needs of the informal economy;
8. Encourages efforts by African Governments to promote increased productivity through such policies as technology transfer using non-resource FDI, a serious and credible commitment to research and development, promotion of the knowledge economy and provision of better infrastructure, and continuous improvements in micro and macro-economic management in the framework of social dialogue;
9. Stresses the need to adopt and deepen reforms to ensure adequate labour market flexibility and to remove distortions that encourage capital-intensive production techniques at the expense of labour-intensive ones;
10. Invites African countries to speed up regional integration and intra-African trade to promote employment-intensive investment, given the small size of individual African economies, and to intensify efforts, together with development partners, to conclude the Doha round of trade negotiations;
11. Encourages African governments to design and implement effective employment-generating growth strategies through employment mainstreaming and employment targeting based on accurate and timely employment data that are regularly collected and analyzed;
12. Requests Africa's development partners to fulfill their commitments to increase Official Development Assistance(ODA) and take measures to encourage Foreign Direct Investment (FDI) flows, including providing technical assistance to African countries in achieving the strategies, policies and measures recommended above;
13. Also requests African countries to allocate an adequate share of their national budgets to agriculture to increase productivity and incomes, and reduce poverty, especially in rural areas, in line with the Maputo commitments;
14. Urges African governments and the RECs to accelerate the implementation of the Ouagadougou Declaration and Plan of Action on Employment Promotion and Poverty Alleviation, and mobilize the required resources;
15. Calls upon African Governments to implement the Global Jobs Pact adopted in 2009, which reiterates the need for the promotion of full employment and decent work for all;
16. Also calls upon African Ministers of Labour to consider the resolution and coordinate its implementation with African Ministers of Finance, Planning and Economic Development at the national, subregional and continental level.

873 (XLIII) Proposed ECA Strategic Framework/Biennial Programme Plan for the Biennium 2012-2013 and ECA Business Plan 2010-2012

The Conference of Ministers,

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

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

Taking note with appreciation of ECA's Programme Performance Report (E/ECA/COE/29/9), which has highlighted the significant results achieved by the Commission in all its programme areas, namely knowledge generation, sharing and networking, advocacy and consensus-building, and advisory services and technical cooperation,

Encouraging ECA to continue its support to member States, AUC and its NEPAD Programme, and RECs in addressing the impacts of the global financial and economic crises and other emerging challenges, notably unemployment and climate change,

Welcoming initiatives taken by ECA to develop Business Plans and *noting with appreciation* the Commission's continued efforts to secure additional resources to supplement its regular budget with a view to enabling it to deepen its work in identified priority areas and giving it the flexibility to respond adequately to emerging issues that cannot be covered under the regular programme of work,

Having considered the proposed strategic framework/biennial programme plan for the biennium 2012-2013 (E/ECA/COE/29/10) and Business Plan 2010-2012,

Endorses the proposed strategic framework/biennial programme plan for the biennium 2012-2013 and the Business Plan 2010-2012.

874 (XLIII) Strengthening the Subregional Offices of the United Nations Economic Commission for Africa

The Conference of Ministers,

Recalling, the United Nations Secretary-General's report (A/61/471) to the 61st session of the General Assembly and the comprehensive plan of action to strengthen the Subregional Offices (SROs) of the Economic Commission for Africa contained therein,

Further recalling, paragraphs 9 and 12 of General Assembly resolution 60/235 which requests the Secretary-General to ensure that adequate resources are provided to ECA and its SROs to continue their support for NEPAD and the Regional Economic Communities (RECs) of Africa,

Appreciative of the continuing support given by the Secretary-General towards the strengthening of the SROs by providing additional posts and non-post resources through ECA's regular budget and the

supplementary resources within the context of the strengthening of the United Nations Development Pillar,

Noting with satisfaction continued efforts by ECA to develop a markedly stronger subregional presence by empowering its subregional offices to play an enhanced role in the delivery of its work programme, and *appreciative* of the significant results achieved by the SROs, notably in the context of the implementation of Multi-Year Programmes (MYPs) signed with all AU/NEPAD implementing RECs and major African inter-governmental organizations,

Having considered document E/ECA/COE/29/12 on the independent external evaluation of the subregional offices of the Economic Commission for Africa and *taking note* of the report on the programme performance of ECA for the biennium 2008-2009,

1. Commends the Executive Secretary for commissioning an independent evaluation of the SROs with a view to assessing the implementation of the Secretary-General's comprehensive plan of action on strengthening the SROs and the related organizational improvements undertaken by the Commission;
2. Endorses the recommendations of the independent external evaluation of the subregional offices of ECA and requests the Executive Secretary to implement the necessary measures to further strengthen the programme delivery capacities of the SROs;
3. Reaffirms the need for the SROs to continue to facilitate subregional economic cooperation and regional integration by strengthening collaboration with the RECs, the African Union Commission and its NEPAD programme and in partnership with United Nations agencies within the framework for promoting system-wide coherence at the subregional level as recommended by the eighth, ninth, and tenth meetings of the RCM;
4. Calls on donors and ECA partners, within the context of the ECA-AUC Partners Forum, to scale-up efforts to provide adequate financial resources through a multi-year revolving fund to enable ECA and its SROs to enhance programme delivery towards the achievement of tangible results in the field;
5. Commends the United Nations Secretary-General for the efforts made to strengthen the subregional offices of the Economic Commission for Africa and requests his continued support of the ECA work programme and priorities within the context of operationalizing the multi-year programmes of the SROs with the RECs as well as within the framework of the new mandate for SROs as strategic coordinators of the subregional coordination mechanisms (SRCM).

875 (XLIII) Repositioning of the African Institute for Economic Development and Planning

The Conference of Ministers,

Having received with satisfaction, an updated report on the considerable progress made to reposition the Institute, particularly with regard to its vision, mission, strategy and programme of work,

Appreciative of the renewed and increased engagement of member States with the work of the Institute, and *encouraging* them to sustain their commitment by paying all outstanding annual assessed contributions,

Welcoming the strategic choice of more deeply interfacing the work of the Institute with the overall programmatic orientation of the United Nations Economic Commission for Africa with a view to ensuring that IDEP and other ECA substantive divisions deliver services to African countries as one coherent entity,

1. Commends the Governing Council of the Institute and the new management for successfully piloting the repositioning exercise and bringing it to a satisfactory conclusion on the basis of a long-term vision which it endorses;
2. Endorses the request made by the IDEP Governing Council for a significant increase in the United Nations annual grant to the Institute, and calls upon the African Group at United Nations Headquarters in New York to work towards this end;
3. Requests the IDEP Governing Council to continue to furnish it with updated reports on the progress of the work of the Institute for information and further guidance as may be deemed necessary;
4. Also requests IDEP to take steps to involve the AU Commission and the RECs in its overall programme development and implementation.

876 (XLIII) Establishment of African Financial Institutions

The Conference of Ministers,

Recalling Article 9 of the African Union Constitutive Act establishing the three African financial institutions, namely the African Central Bank, the African Monetary Fund and the African Investment Bank,

Recalling also the adoption by the African Union Conference of the Protocol and Statutes as well as the annexes to the Statutes relating to the establishment of the African Investment Bank by decisions Assembly/AU/Dec.212(XII) dated 3 February 2009, Assembly/AU/Dec.(XIII) dated 3 July 2009 and Assembly/AU/Dec.286(XIV) Rev.1 dated 2 February 2010,

Considering the extreme urgency for the three Financial Institutions to be established with a view to supporting strong and sustainable economic growth that would generate employment,

1. Commends the countries hosting the African Central Bank (Nigeria) and the African Monetary Fund (Cameroon) for the remarkable efforts they have made towards the establishment and operation of the Steering Committees responsible for the preparatory work of establishing both institutions;

2. Invites member States of the African Union to speed up the signing and ratification of the Protocol and the Statute of the African Investment Bank so that it can quickly begin its operations as a development finance institution;
3. Encourages Member States, Regional Economic Communities, the United Nations Economic Commission for Africa, the African Development Bank and African Central Banks to extend their support to the aforementioned Steering Committees in the discharge of the task entrusted to them.

877 (XLIII) Towards realizing a food secure Africa

The Conference of Ministers,

Recognizing the potential that agriculture has in promoting high-level sustainable growth and creating employment opportunities in national economies and in Africa in general, and acknowledging that both the capacity and the responsibility to realize such a potential lies first and foremost with African countries,

Noting with appreciation the *Vision of a food-secure Africa*, articulated by Dr. Bingu Wa Mutharika, President of the Republic of Malawi and current Chairperson of the African Union, which aims at ensuring food security and food sufficiency in Africa within the next five years, including putting an end to hunger and malnutrition;

1. Reiterates its commitment to enhance investment in agriculture to realize its potential, particularly to accelerate the implementation of CAADP and the Maputo 2003.
2. Fully supports the vision of a food-secure Africa within five years and commits to its realization through supporting strategies and measures that will provide incentives, including targeted subsidies to small-scale farmers and market stabilization measures as well as mainstreaming food security in all sectoral policies and programmes;
3. Recognizes the need to accelerate land reforms in our countries in order to ensure equitable access and security of tenure, especially for smallholders and women;
4. Supports the promotion of full and decent employment in the agricultural sector coupled with balanced pricing mechanisms within value chains to ensure that African farmers get a fair share of the market, including fair prices for their products;
5. Calls on African countries and their development partners to deposit the necessary instruments of commitment with the African Development Bank for a speedy operationalization of the Africa Fertilizer Mechanism;
6. Also calls on the Regional Economic Communities to take steps to contain the spiralling costs of food imports by pursuing and strengthening their policies, strategies and investments, to facilitate increased access to yield-enhancing inputs, particularly fertilizers, seeds and pesticides, and enhance intra-regional and inter-regional trade in agricultural products;

7. Further calls on the Regional Economic Committees for a policy commitment from African Governments and their development partners to ensure that food aid supplies are home-grown and sourced from domestic rather than imported food supplies, accompanied by the establishment of strategic grain reserves stocked with food products grown in Africa. We commit to support policies and programmes to improve the nutrition of the most vulnerable social groups, based on home-grown food items;
8. Supports efforts to enhance national and regional capacities to mitigate exposure to disaster risk by institutionalizing effective financial and other instruments such as strategic grain reserves, budgeted contingency funds as well as through risk sharing across subregions.

878 (XLIII) Initiatives for Africa's Development

The Conference of Ministers,

Recognizing the importance of promoting sufficient sustainable investments to provide new job opportunities in Africa to reduce unemployment,

Noting such impediments to promoting investments and income growth in most African countries as infrastructure and energy deficits, relatively fragmented and fragile economic institutions and weak economic structures, underdeveloped financial and private sectors, weak legal and regulatory frameworks and significant investments-savings gaps, underdeveloped educational and vocational systems that hinder Africa's ambitions to reduce poverty and achieve growth and stifle its voice through under-representation at most international forums including international financial institutions and main country groups,

1. Welcomes and takes note of the proposed "*Invest Africa*" initiative to be convened by Egypt in collaboration with the African Union Commission in 2011, aimed at attracting investments, especially for closing infrastructure gaps in Africa;
2. Also welcomes and takes note of other proposed initiatives to help Africa to achieve the Millennium Development Goals (MDGs) and promote high sustainable growth rates: "*Educate Africa*", to help modernize education systems in Africa; "*Train Africa*" to promote vocational education systems and help close a significant supply-demand mismatch in Africa's labour markets; and "*Voice Africa*" to help increase Africa's voice and representation in international bodies and forums, main country groups, and in promoting African interests in formulating global economic policies.

B. Ministerial Statement

1. We, the African Ministers of Finance, Planning and Economic Development, met in Lilongwe, Malawi, on 29 and 30 March 2010 for the Third Joint Annual Meetings of the African Union (AU) Conference of Ministers of Economy and Finance and the United Nations Economic Commission for Africa (ECA) Conference of African Ministers of Finance, Planning and Economic Development.

2. We acknowledge that the theme of the Third Joint Conference- *Promoting high-level sustainable growth to reduce unemployment and poverty* - is both timely and pertinent, especially in

scaling up efforts to meet the Millennium Development Goals (MDGs) in the aftermath of the global financial and economic crises.

3. We note that 10 years since the adoption of the Millennium Declaration, progress towards the MDGs in Africa has been mixed. We take note with satisfaction, of progress towards meeting some of the targets, especially in the areas of net primary school enrolment, childhood immunization, combating the spread of HIV/AIDS and tuberculosis and gender parity. However, we remain concerned about the limited progress made in achieving the health-related MDGs and in reducing poverty and hunger.

4. We recognize that without strong policy responses, including those aimed at achieving food security and reducing unemployment, the continent will not achieve most of the MDGs by 2015. We call for the adoption of the African common position as our input into the United Nations High-Level Plenary Meeting on the MDGs scheduled for September 2010. In addition, we recognize the importance of having in place countercyclical and social protection measures to address the impact of global crises, especially on vulnerable groups.

Promoting high-level sustainable growth to reduce unemployment and poverty

5. We note that despite the continent's notable growth performance prior to the recent global financial and economic crises, growth rates in many African countries have remained below the level required to achieve the MDGs. We note also that this growth has not been accompanied by a comparable reduction in poverty, as it has not created enough decent jobs. Therefore, we underscore the need to promote broad-based and sustainable growth that leads to employment generation and poverty eradication.

6. We note the disproportionately high level of youth unemployment, and the impact of external shocks on vulnerable groups - women, the youth, the elderly and the rural poor – as many of our countries lack effective social safety nets and mechanisms to protect these groups. We stress, therefore, the need for special employment and protection measures for vulnerable groups. In particular, we emphasize the need to promote youth employment and gender equality in the labour market as a means to enhance long-term growth and promote political stability.

7. We note that the challenge before us now is how to restart, accelerate and sustain growth and ensure that this growth creates decent jobs resulting, ultimately, in poverty eradication on the continent. We therefore recognize that although the global financial and economic crises seriously threaten development in Africa, they also present an opportunity that we must seize to reassess the way we have been doing business in order to create genuine economic diversification and structural transformation in Africa.

8. While we recognize that there are many ways of reducing poverty, employment is the vehicle through which growth can translate into poverty eradication. Hence we emphasize and call for efforts to strengthen the linkages among growth, employment and the eradication of poverty.

9. We will develop and implement growth strategies tailored to the specific realities of our countries in order to address the paradox of jobless growth and the persistence of poverty, by igniting the engines of high-level, job-creating and sustainable growth to promote diversification; paying attention to the drivers of growth, especially human capital, physical capital and technology,

knowledge and innovation; and reinforcing the enablers of growth, particularly good governance, strong institutions, infrastructure development and sound policies. We will promote employment through planning, employment targeting and employment mainstreaming, learning from successful experiences in African and other countries and building strategic partnerships to support our growth strategies.

10. We stress the critical role of private-sector investment and development in promoting high-level sustainable growth and decent employment, and therefore emphasize the need to pursue policies that foster private investment, particularly in agriculture and value-addition agro-industries and agri-business, labour-intensive manufacturing, ICTs and service industries. We also reiterate the need to continue to promote and sustain a conducive business environment for domestic and foreign direct investment.

11. We recognize the need to pay particular attention to development finance, diversify the sources of development finance and intensify our domestic resource mobilization efforts. We commit ourselves to seeking innovative and more effective ways to raise private savings, widen the tax base and increase tax revenue, improve the management of revenue from natural resources and leverage the impact of remittances on development. We affirm our commitment to formulate and enforce an efficient and equitable tax regime and effective financial rules and regulations.

12. We note the importance of development planning and the need for our countries to adopt and implement well-articulated and coherent plans to promote economic transformation and foster economic and social development. In this regard, we salute the laudable efforts that have been made to fully reposition the African Institute for Economic Development and Planning as an apex African capacity development institution for economic management and development planning, and we request the Institute to continue to provide support to African countries in order to strengthen capacity in development planning.

13. We also welcome the on-going efforts to more closely align the capacity development work of the Institute with the programmes of the substantive divisions of ECA. In the same vein, we call on the Institute to incorporate a closer collaborative relationship with the AU Commission and other organs of the AU in its overall programme development and implementation strategy.

14. We acknowledge the importance of human capital development and labour market reforms in stimulating employment-intensive investment. In this regard, we call for improved coordination and policy coherence across ministries and departments to ensure that educational systems produce a labour force with the skills needed in the labour market.

15. Finally, we recognize that the non-implementation of existing policies and commitments has constrained progress towards meaningful economic transformation, job creation and poverty eradication in many of our economies. Hence we commit to effectively implement agreed plans of action taking into consideration the following contributing factors:

- a) ***Realizing the vision of a food-secure Africa*** by recognizing the central role of agriculture in promoting broad-based sustainable growth and the reduction of unemployment. We therefore fully commit ourselves to the vision of a food-secure Africa within five years, especially by means of policies and strategies that provide incentives to farmers (particularly smallholders), agro-industries and agri-business

enterprises to enable them to respond to the growing demand for food in regional and global markets. We commit to accelerate the implementation of the Maputo AU Summit decisions. We call on the RECs to harmonize their policies, strategies and investments to facilitate and enhance intra-African trade in food and agriculture

- b) ***Supporting African least developed countries*** (LDCs) and African countries emerging from conflict by addressing the special challenges involved in reducing unemployment, building capacity and providing policy support. We endorse the outcome of the regional review meeting on the Brussels Programme of Action for African LDCs, held in Addis Ababa in March 2010, in preparation for the Fourth United Nations Conference on LDCs in Turkey in 2011, and urge African LDCs to remain fully engaged in the preparatory process for the Conference. We call for a renewed and strengthened global partnership for the development of LDCs.
- c) ***Accelerating regional integration*** as a strategy for achieving sustainable socio-economic development by mainstreaming regional integration in our national programmes, including scaling up investment in regional infrastructure within the framework of the Programme for Infrastructure Development in Africa (PIDA) and the AU Minimum Integration Programme. We shall also intensify our efforts to promote intra-African trade by removing all barriers to trade, and address the special needs of our 15 landlocked countries. We commend the efforts of the RECs and other intergovernmental organizations in advancing the continental integration agenda, particularly the decision of COMESA, SADC and EAC to create a tripartite free-trade area, and call on other RECs to follow suit.
- d) ***Addressing the impact of climate change*** by integrating climate change in our growth, employment and poverty eradication strategies. We urge our development partners to provide financial, technological and capacity-building assistance to enable African countries to address climate change challenges, in particular, by putting in place effective adaptation strategies as a priority, as well as appropriate mitigation actions.
- e) ***Paying attention to the development of statistics to*** support the formulation, implementation and monitoring of development plans and strategies, as well as in monitoring development outcomes and progress towards the MDGs and the objectives of NEPAD. We call upon the AUC, ECA and AfDB to intensify their efforts in supporting the development of statistical capacity across the continent. We commend the countries that have signed and ratified the African Charter on Statistics, and call on the remaining countries to do so.
- f) ***Combating illicit financial flows*** by addressing the scale and magnitude of illicit financial flows into and from Africa and their impact on the development process, and call upon recipient countries to take effective oversight and regulatory actions to address the problem. We commit ourselves to implement strong economic and governance measures to curtail illicit flows. We also request the AUC, ECA and AfDB to conduct further analytical work on the subject and prepare a declaration to be considered by the next ministerial conference.

- g) ***Establishing pan-African financial institutions***, namely the African Investment Bank, the African Central Bank and the African Monetary Fund. We note that all the legal instruments (the Protocol, the Statutes and the annexes defining the distribution of capital and voting rights) for the launch of the African Investment Bank have been adopted by the AU Heads of State and Government, and recognize the need for our countries to sign and ratify these instruments promptly. We call on member States, RECs, ECA and AfDB to provide the necessary support to the steering committees in charge of the establishment of the other two institutions.
- h) ***Leveraging the support of Africa's key partners***, in particular, the United Nations system, through its RCM, in providing support to Africa's development agenda. We call for the strengthening of the RCM and the building of formal linkages between it and the RECs through the establishment of subregional coordination mechanisms.
- i) ***Mobilizing additional support from African member States, the United Nations system, and international development partners*** for a further enhancement of the role of the repositioned IDEP in building and renewing capacities for economic management and development planning in Africa at a time when long-term development planning has come to occupy a central role in the strategy of our Governments to overcome poverty and achieve accelerated socio-economic development.

Vote of thanks

16. We thank the Government of Malawi for hosting the Conference and for the excellent facilities made available to us, and the people of Malawi for their generosity and warm hospitality. We especially thank His Excellency President Bingu wa Mutharika for gracing the occasion with his presence, and Hon. Ken Kandodo, Minister of Finance of Malawi, for his effective leadership.

17. Finally, we are grateful to AUC and ECA for successfully convening the Third Joint Annual Meetings of the AU Conference of Ministers of Economy and Finance and the ECA Conference of African Ministers of Finance, Planning and Economic Development.

Annex II: Report of the Twenty-ninth Meeting of the Committee of Experts of the ECA Conference of African Ministers of Finance, Planning and Economic Development

A. Attendance

1. The Committee of Experts of the Third Joint Annual Meetings of the AU Conference of Ministers of Economy and Finance and ECA Conference of African Ministers of Finance, Planning and Economic Development was held in Lilongwe, Malawi from 25 to 28 March 2010. Mr. Yasser Sobhi, who chaired the opening session, delivered an opening statement on behalf of the Deputy Minister of Finance of the Arab Republic of Egypt and outgoing Chairperson of the Committee of Experts of the AU Conference of Ministers of Economy and Finance and ECA Conference of African Ministers of Finance, Planning and Economic Development. Opening statements were also made by Dr. Maxwell Mkwezalamba, Commissioner for Economic Affairs of the African Union Commission (AUC) and Mr. Abdoulie Janneh, United Nations Under-Secretary-General and Executive Secretary of the Economic Commission for Africa (ECA). The meeting was formally opened by Honourable Ken Kandodo, Minister of Finance of the Republic of Malawi.

2. The meeting was attended by representatives of the following member States: Algeria, Angola, Burkina Faso, Burundi, Cameroon, Chad, Côte d'Ivoire, Democratic Republic of Congo, Djibouti, Egypt, Ethiopia, the Gambia, Ghana, Guinea, Kenya, Lesotho, Malawi, Mauritania, Mauritius, Morocco, Mozambique, Namibia, Niger, Nigeria, Rwanda, Senegal, Sierra Leone, South Africa, Sudan, Swaziland, Tanzania, Togo, Tunisia, Uganda, Zambia and Zimbabwe.

3. The following regional economic communities were also represented: Common Market for Eastern and Southern Africa (COMESA), the East African Community (EAC), the Southern African Development Community (SADC); and the West African Economic and Monetary Union (WAEMU).

4. The following United Nations bodies and specialized agencies were also represented: African Development Bank (AfDB), Food and Agriculture Organization of the United Nations (FAO), International Labour Organisation (ILO), International Monetary Fund (IMF), International Maritime Organization (IMO), International Organization for Migration (IOM), International Telecommunications Union (ITU), Office of the High Representative for Least Developed, Land-Locked and Small Island Developing States (OHRLLS), Office of the Special Advisor on Africa (OSAA), Joint United Nations Programme on HIV/AIDS (UNAIDS), United Nations Children's Fund (UNICEF), United Nations Development Programme (UNDP), United Nations Educational, Scientific and Cultural Organization (UNESCO), United Nations Population Fund (UNFPA), United Nations High Commissioner for Refugees (UNHCR), United Nations Industrial Development Organization (UNIDO), the World Bank, World Food Programme (WFP), and the World Health Organization (WHO).

5. Observers were also present from Member States of the United Nations, namely: China, Japan, Norway, Russia, and the United States of America.

6. Observers were also present from the following organizations: African Monitor, AFRINIC Limited, African Forum and Network on Debt and Development (AFRODAD), Centre for Human Rights (CHR), Department of Information Systems and Technology Management Services (DISTMS),

European Union (EU), ICT Association of Malawi, Japan International Cooperation Agency (JICA), League of Arab States (LAS), Malawi Congress of Trade Unions, Malawi ISP Association, MTL Malawi, NOKIA, NEXT, Organisation Internationale de la Francophonie (OIF), Organization of African Trade Union Unity (OATUU), OXFAM International, Third World Network Africa (TWN Africa), United States Agency for International Development (USAID), and ZAIN Malawi.

B. Adoption of the agenda and election of the Bureau

7. The following proposed draft agenda and programme of work were adopted without amendment:

1. Opening of the meeting
2. Election of the Bureau
3. Adoption of the agenda and programme of work
4. Overview of recent economic and social developments in Africa
5. Assessment of progress in regional integration in Africa
6. Africa regional review of progress towards the Millennium Development Goals
7. Follow-up to the outcomes of major United Nations and African Union conferences and summits, including the 2009 Joint Annual Meetings of the AU and ECA
 - a. *Report on the outcome of the Africa regional review of Progress in the implementation of the Brussels Programme of Action for the Least Developed Countries for the decade 2001-2010;*
 - b. *Progress report on the implementation of the Monterrey Consensus on Financing for Development;*
 - c. *Progress report of the 10th Regional Consultation Mechanism of United Nations agencies working in Africa in support of the African Union and its NEPAD programme;*
 - d. *Climate change and development;*
 - e. *Progress report on the implementation of the 2004 Ouagadougou Declaration on Employment and Poverty Alleviation and similar commitments;*
 - f. *Strategy for the harmonization of statistics and implementation of the African Charter on Statistics.*
8. Presentation and discussion on the theme of the Conference: *Promoting high-level sustainable growth to reduce unemployment in Africa*
9. Statutory issues
 - a. *Presentation and consideration of the ECA Annual Report, 2010;*
 - b. *Presentation and consideration of the ECA proposed biennial programme plan, 2012-2013 and ECA Business Plan, 2010-2012;*

- c. *Presentation and consideration of the ECA Programme Performance Report for the biennium 2008-2009;*
 - d. *Note by the Executive Secretary on recent organizational changes in ECA;*
 - e. *Independent external evaluation report on the ECA subregional offices;*
 - f. *Report on the repositioning of the African Institute for Economic Development and Planning;*
 - g. *Review of progress in the implementation of the Africa-EU Joint Strategy and First Action Plan.*
10. Any other business
 11. Consideration and adoption of the draft report of the Committee of Experts and draft resolutions
 12. Closing of the meeting

Election of the Bureau

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

Chairperson:	Malawi	- Representing Southern Africa
First Vice-Chairperson:	Sierra Leone	- Representing West Africa
Second Vice-Chairperson:	Rwanda	- Representing East Africa
Third Vice-Chairperson:	Cameroon	- Representing Central Africa
Rapporteur:	Morocco	- Representing North Africa

C. Account of Proceedings

Opening addresses

9. In his opening statement, Mr. Yasser Sobhi, speaking on behalf of the Deputy Minister of Finance of Egypt and Chairperson of the outgoing Bureau of the Committee of Experts, said that the meeting provided an excellent opportunity for sharing of experiences and exploring new ideas to steer the continent on the path to prosperity. He recalled the outcome of the previous Conference held in Cairo, Egypt in June 2009, on the theme, *Enhancing the effectiveness of fiscal policy for domestic resource mobilization* and the recommendations made at the time on addressing the negative impacts of the global economic and financial crises on African countries. As the Finance Minister of Egypt had said at the Cairo meeting, growth must be based on stable, solid, and sustainable institutional and economic fundamentals, not on external aid. Hence, fiscal policy should target the promotion of growth and encompass enabling tax policy, expenditure programmes, and business and trade environments.

10. To underscore the significance of this year's theme, Mr. Sobhi reminded the meeting of the high rates of unemployment across Africa and the fact that projected GDP growth rates were insufficient to create adequate jobs for new entrants in the job market as well as those already unemployed or underemployed. He called for diversification of economies, which would ensure private sector-led growth and real and sustainable job opportunities. Equally important were education

and training and the need to pursue bold reforms to put African economies on a sound footing to face the challenges of global competition. He concluded by underscoring the significant potentials of the continent, with a huge market of nearly one billion consumers and a rich natural resource base, which had led to the continent's increasing attractiveness to foreign investors.

11. In his opening statement, Dr. Maxwell Mkwezalamba, AUC Commissioner for Economic Affairs noted that the theme of the Conference, "Promoting high-level sustainable growth to reduce unemployment in Africa" was both timely and relevant in view of the current outlook for Africa's growth in 2010 and 2011, which, according to forecasts, would remain below the levels required to achieve the MDGs. The economic and financial crises had led to a slowdown in economic growth and exacerbated unemployment and poverty. The problem was partly due to the exposure of African economies owing to their inability to produce and diversify their exports. To diversify risks and attain broad-based growth, export orientation must be supported with strategies to promote domestic markets, assist Small and Medium Enterprises (SMEs) and enhance regional integration.

12. The Commissioner further stressed the need to increase the flexibility of macroeconomic frameworks to ensure that fiscal and monetary policies were effectively coordinated to deliver real benefits to people; examine options for growth other than exports and Foreign Direct Investment (FDI), in particular by developing domestic and subregional markets and reducing reliance on foreign markets; and by enhancing subregional and continental integration efforts which will eventually lead to greater levels of intra-Africa trade. He referred, in that regard, to the Minimum Integration Programme (MIP), developed by the AUC in collaboration with the RECs, and called on member States to fully participate in the consultations scheduled for later on in the year. Member States were also urged to sign and ratify the Protocol and Statutes of the African Investment Bank as well as the African Charter on Statistics, in view of the importance of the Bank and statistical development in the socio-economic development of the continent. Finally, he invited the meeting to examine the MDGs Africa Report for 2010 and the draft African Common Position on MDGs, and also make recommendations for realizing the vision of African leaders.

13. In his opening statement, Mr. Abdoulie Janneh, Executive Secretary of ECA, underscored the significance of the joint annual meetings, which were providing the opportunity for Africa's leading development experts to exchange views on the continent's progress over each preceding year, on what ECA had done in pursuit of its mandate during that period, while creating an opportunity to review a broad range of issues of development interest. The global food, fuel and financial crises that had beset the world in the past two years took a heavy toll on African economies, particularly poor households whose purchasing power was affected and who had to contend with lower incomes due to rising unemployment and reduced remittances.

14. ECA had embarked on a series of initiatives to help the continent design appropriate and coherent policy responses to mitigate the impacts of the crises and related challenges. Among them were actions to support the Committee of Ten Ministers of Finance and Governors of Central Banks charged with articulating Africa's common response to the crises and working with partners to explore innovative options for domestic resource mobilization. Another key area of focus was climate change. In that regard, ECA had continued to support African countries in their participation in various global processes, such as the Copenhagen Climate Change Conference. Convinced that the financial commitments made in Copenhagen could be met, the Executive Secretary stressed the need to take adequate steps to disburse a significant proportion of such funds to African countries. Furthermore,

Africa had to continue to speak with one voice to ensure that its interests and concerns were taken into account in global processes.

15. Highlighting the conclusions of the 2010 report on “Assessing Progress in Africa towards the MDGs”, the Executive Secretary noted that new evidence suggested that poverty in Africa was falling faster than the conventional wisdom that Africa was not on track to achieve its poverty-reduction goals. However, the unemployment situation on the continent continued to be a cause for concern. The economic crisis provided an opportunity to pursue policies that would not only mitigate the prolonged effects of the global downturn but also steer the continent to a path of high, sustainable and employment-friendly economic growth. The unemployment challenge could be addressed through innovative thinking by harnessing opportunities that existed in key sectors such as agriculture, industry and ICT. Also important was the need to pursue higher value addition in global trade, the deepening of regional integration, the provision of greater access to finance, the improvement of national capacity to deliver services and implement policies for good governance and for maximizing benefits from partnerships.

16. In his opening statement, Honourable Ken Kandodo, Minister of Finance of the Republic of Malawi, described the theme of the meeting, “Promoting high-level sustainable growth to reduce unemployment in Africa” as timely, especially against the backdrop of the recent global economic and financial crises. He expressed the hope that the deliberations of the Committee of Experts would contribute to accelerating Africa’s growth recovery. There was a close link between growth, employment creation and poverty reduction and it was a paradox that the impressive economic growth could not create new jobs. Governments ought to strengthen capacities in order to provide the necessary enabling conditions for private sector-led growth, by ensuring better regulation and functioning of markets, exercising fiscal prudence in pursuit of better economic governance, and promoting transparency in public financial management. Issues critical to attaining high-level sustainable growth in Africa, included national and regional planning, given the link to the promotion of regional economic integration and development of robust regional financial and capital markets; agriculture and climate change which required heavy investments to increase productivity and effectively address issues of food security and nutrition; and infrastructure development which was needed to unlock economies of scale, increase competitiveness and enhance intra-regional trade, all of which would contribute to economic growth.

17. The Minister expressed concern over Africa’s vulnerability to external shocks, attributable partly to excessive dependence on primary commodities with very limited value addition. Hence, he called for the adoption and implementation of effective long-term policies and strategies that could promote economic transformation through high-level sustainable growth, create decent jobs and alleviate poverty. Such policies and strategies must be sensitive to the needs of vulnerable groups such as women, youth, the elderly and people with disabilities. Of equal importance was intra-African trade for promoting agro-industries and manufacturing and increasing competitiveness. In that regard, the RECs should be encouraged to speed up the elimination of all barriers within Africa while promoting regional integration and regional value chains.

Overview of recent economic and social developments in Africa [Agenda item 4]

18. The Committee considered a document entitled “Overview of recent economic and social developments in Africa in 2009” highlighting the three main messages. First, the crisis had taken a heavy toll on economic activity, employment and social conditions in Africa. Second, growth was

expected to pick up in 2010 although at a slower pace. Third, the prospects of achieving social development and the overall objectives of NEPAD and MDGs would be compromised unless bold actions were taken to ensure that African countries embarked on a path of high, sustainable and employment-focused growth.

19. The presenter provided an assessment of the impact of the crisis on the African economy in 2009. Inflationary pressures had receded, except in a few countries, export and government receipts as well as foreign capital inflows to the continent had declined. As a result, fiscal and current-account balances had deteriorated. As real activity slowed down, the employment situation, particularly among vulnerable groups, had worsened, as had poverty rates. However, the overall growth picture in 2009 masked disparities across subregions and countries, with oil-exporting countries growing more strongly than oil importers and East Africa recording the fastest growth rate among all subregions.

20. Turning to social development trends, the presenter highlighted the limited progress made in reducing poverty, eradicating hunger and maternal mortality and addressing gender disparities. On the other hand, important strides had been made towards increasing primary school enrolment, measles vaccination and the use of insecticide-treated bed nets, as well as in reducing the prevalence of HIV in some countries. The dire employment situation had had a bearing on poverty in much of Africa. The diversification of production and export bases held the key to high and sustainable growth and employment generation. For broader economic and social development to happen, the concerns of vulnerable groups should be put at the forefront of the development agenda in Africa.

21. In the ensuing discussion, the Committee took note of the good quality of the report. However, experts from some countries perceived discrepancies between the 2009 data on GDP and inflation used in the report and those currently available at country level. Also, some data, particularly on current-account balances were missing for some countries, and more country-specific analysis on the real-sector and current-account balances were needed. Participants also highlighted the impact of the economic crisis on mining activity, which accounted for a significant share of GDP in some countries. The recent crises had increased the number of non-performing loans in the banking system, leading to deterioration of the balance sheets of commercial banks. That, in turn, could negatively affect the ability of banks to extend credit, thus hampering private investment and economic growth. The deterioration of commercial bank balance sheets and contraction in bank credit should be considered important downside risks threatening the short-term economic prospects of some countries.

22. Experience had shown that global economic recovery might not automatically transmit to African countries. Consequently, a quick recovery in Africa would require countries to continue to implement bold stimulus packages to mitigate the effects of the crises and set themselves on a path of high and sustainable growth. The Committee highlighted the resilience of most African economies during the recent crises, attributing that to good initial macroeconomic conditions, such as substantial foreign exchange reserves and low fiscal deficits.

23. The following key recommendations emerged from the discussion:

- (a) African countries should learn from the crises and revisit their national development policies and other strategies so as to move away from their heavy dependence on primary commodities;

- (b) African governments should promote backward and forward linkages between sectors and within countries. Regional integration constituted a means to achieve this objective and such structural changes would lead to productivity improvements in Africa.

Assessment of progress in regional integration in Africa [Agenda item 5]

24. The Committee took note of a report presented on the status of regional integration in Africa, highlighting in particular, the various stages reached by the eight RECs recognized by the African Union in line with the Abuja Treaty establishing the African Economic Community.

25. Most of the RECs had currently reached the stage of free-trade areas (FTA) while one of them was at the customs union stage. A tripartite Summit of COMESA, SADC and EAC had agreed to establish a tripartite Free Trade Area.

26. Several challenges impeded the progress of regional integration in Africa; they included inadequate implementation of the related protocols and funding of regional integration processes. Among the initiatives taken to address those challenges were the ongoing process of transforming the AUC into an Authority; the establishment of an African Investment Bank, African Monetary Fund and African Central Bank; the ratification of the African Charter on Statistics; the implementation of the Programme for Infrastructure Development in Africa (PIDA) and the MIP. The success of the MIP would depend on its ownership by all stakeholders and the degree to which it was integrated into national development plans and the programmes of RECs, AU and other development partners.

27. In the ensuing discussion, participants emphasized the importance of regional integration in achieving sustainable development in Africa and called upon member States to reaffirm their commitment to the integration process. In that regard, they needed to strengthen peace, security and stability, and to facilitate the free movement of people and factors of production.

28. The Committee endorsed the following recommendations to support and accelerate regional integration efforts:

- (a) Member States should renew their commitment to regional integration;
- (b) Member States, the AU, the United Nations and development partners should work together to find solutions to the conflicts holding back the continent's integration and development;
- (c) Member States should strive to implement the decisions and recommendations of the Conference of African Ministers of Integration (COMAI) endorsed by the AU Heads of State and Government, especially the recommendations relating to free movement of people and the funding of integration;
- (d) In its implementation, the MIP should be mainstreamed into national development plans, including support from the AU, RECs, ECA, AfDB and other development partners;
- (e) Member States should continue to support the work of ECA, AUC and AfDB in the area of regional integration including the preparation of the report on *Assessment of regional integration in Africa (ARIA)*, which provides a comprehensive analysis and assessment of progress made in integration in the continent, and informs policy making on integration issues;
- (f) Measures should be taken to facilitate the effective participation of landlocked and transit countries in the process of regional integration by eliminating physical and non-physical

barriers to trade and providing support to transport corridor management mechanisms;
and

- (g) Member States should take advantage of the opportunities offered by ATPC at ECA in the field of trade-related capacity building and promotion of intra-African trade.

Africa regional review of progress towards the Millennium Development Goals

[Agenda item 6]

29. The Committee considered the progress report on the MDGs in Africa and a draft African Common Position on the MDGs. That was the fourth progress report jointly prepared by ECA, AUC, AfDB, and UNDP. The Committee was informed that the outcome of the present review would feed into the Ministerial Statement and, in turn, inform the upcoming General Assembly high-level review on the MDGs scheduled to take place in September 2010.

30. Progress towards the MDGs over the past ten years had been mixed. Africa had made rapid progress on several fronts, including in primary education and in fighting malaria, HIV/AIDS and other diseases, but still faced significant challenges in the delivery of public services, including infrastructure, governance, poverty and hunger eradication, child and maternal mortality reduction. The overall assessment, however, masked disparities across countries and targets.

31. Achieving the MDGs would require scaling up interventions in health, education, basic infrastructure and social services. The continent's slow progress in achieving some of the goals was particularly in those sectors, particularly health. There was also the need for additional resources in meeting the MDGs. In that regard, robust domestic resource mobilization must be complemented by timely and predictable financing from development partners to support national strategies for development. Resources should be targeted at promoting shared growth to facilitate job creation, improve infrastructure and reduce inequalities, including gender disparities. In view of the limited time remaining to 2015, it was also stressed that African countries needed to look well beyond 2015 to attain the MDGs.

32. The Committee was informed that recent work by UNDP had shown that policy and institutional innovations had significantly contributed to progress towards the MDGs in some countries. Two types of innovations were identified: those that were cross-sectoral and those that were sector-specific. Obviously, with the right policies, institutions and international support, attainment of the MDGs was still possible.

33. While welcoming the quality of the report, the Committee expressed concern over some aspects, notably sources of data and statistics. A number of participants noted that some of the data used in the report were not up to date, while others highlighted the usual discrepancies between United Nations data and national data. The Committee also expressed concern about the tendency to focus on universal primary education at the expense of the quality of education. To address that problem, the Committee underscored the need to improve the generation of quality statistics for tracking the MDGs.

34. A draft African Common Position on the MDGs was also presented by a representative of the secretariat. The common position had been prepared on the basis of the recommendations in the 2010 Africa MDG Report. The common position underscored the need for Africa to speak with one voice and define its priorities based on a common and coherent continental development agenda. The Committee was invited to consider the draft common position and recommend it to the Ministers for adoption.

35. The Committee was also of the view that the Africa MDG report had not adequately covered the maritime transport sector, which was deemed crucial for the attainment of the MDGs on poverty reduction, gender equality, combating of HIV/AIDS, environmental sustainability and global partnerships. The Committee noted that the recent global financial and economic crises had adversely affected the ability of most African countries to attain the MDGs.

36. A few delegations strongly opposed any mention of the commitments by African Heads of State and Government on budgetary allocations and targets to various sectors in the statement of a common position on the MDGs, on the grounds that it could undermine the budget reforms undertaken in some countries. Several other delegations did not share that view because the Committee could not reverse a decision already made by Heads of State. After extensive discussions without reaching a consensus, the Committee recommended that the matter should be brought to the attention of the Conference of Ministers for a decision.

37. At the end of the discussions, the following recommendations were made:

- (a) Statistics and statistical systems should be strengthened;
- (b) Innovative financing mechanisms (including proposals for an African task force to prepare a study on the feasibility of introducing special levies on air tickets) should be instituted to meet health-related MDGs;
- (c) The Campaign for Accelerated Reduction of Maternal Mortality in Africa (CARMMA) should be launched and/or sustained;
- (d) The draft common position should be submitted for review and adoption to the Conference of Ministers and, subsequently, to the Heads of State and Government in July 2010, and efforts made to encourage countries to speed up progress towards the MDGs.

Follow-up to the outcomes of major United Nations and African Union conferences and summits, including the 2009 Joint Annual Meetings of the AU and ECA [Agenda item 7]

38. The Committee considered six presentations highlighting progress achieved by African countries in the implementation of (i) the Brussels Programme of Action (BPoA) for Least Developed countries (LDCs) for the decade 2001-2010; (ii) the Monterrey Consensus on Financing for Development; (iii) the Regional Consultative Mechanism of United Nations Agencies working in Africa in support of the African Union and its NEPAD programme; (iv) Climate Change and Development; (v) the 2004 Ouagadougou Declaration on Employment and Poverty Alleviation; and (vi) the African Charter on Statistics. The reports identified progress, challenges and gaps in the achievement- of set goals and targets. A number of constraints were identified, requiring urgent action with regard to policies and strategies as well as the mobilization of additional resources to scale up intervention in various areas.

- (a) ***Report on the outcome of the Africa regional review of progress in the implementation of the Brussels Programme of Action LDCs for the decade 2001-2010***

39. With regard to implementation of the BPoA for LDCs, the Committee took note of the outcome document emanating from the recent Africa Regional Preparatory Meeting for the Fourth United Nations Conference on LDCs to be held in Istanbul, Turkey in 2011. Given the limited

progress in the implementation of the BPoA in Africa, the regional preparatory meeting had underscored the importance of developing a critical mass of productive capacities in agriculture, manufacturing and services to enhance structural diversification and reduce the vulnerability of African LDCs; enhance efforts to mobilize increased domestic resources and implement both the Paris Declaration on Aid Effectiveness and the Accra Agenda for Action; address the debt problem of Highly Indebted Poor Countries (HIPC) and support African LDCs to adapt to climate change by providing adequate and sustainable financing.

40. The Committee was also informed that, prior to the Istanbul Conference, a series of thematic pre-conference events would be organized to prepare a draft outcome document for negotiation and adoption in Istanbul. In that context, African LDCs should be constructively engaged in the process in order to ensure that their positions and interests were reflected in the global review.

(b) Progress report on the implementation of the Monterrey Consensus on Financing for Development

41. The Committee took note of progress made by African countries in the six core areas of the Monterrey Consensus: domestic resource mobilization; international resource mobilization; international trade; international assistance; debt relief and systemic issues. Both the presentation and discussion acknowledged the recent progress in mobilizing resources for development, particularly in terms of the modest increase in Official Development Assistance (ODA), foreign direct investment (FDI) and additional debt relief for some African countries. However, it was noted that wide gaps still remained between commitments and achievements. In that regard, urgent action was required by African countries and their development partners to accelerate progress in meeting the continent's financing needs. In particular, efforts must be scaled up to enhance domestic resource mobilization by broadening the tax base while maintaining macroeconomic stability.

42. The Committee took note of steps taken to enhance progress in the implementation of the Monterrey Consensus, including the strengthening of institutional frameworks and financial markets; the stepping up of technical support and training for national capacity building; the increasing of Africa's voice and representation in international financial, monetary and trade institutions; the harmonization of national, regional and international efforts and the pursuit of policy coherence in line with the Paris Declaration and Accra Plan of Action on Aid Effectiveness.

(c) Report of the Tenth Regional Coordination Mechanism of United Nations agencies working in support of the African Union and its NEPAD Programme

43. The Committee was informed of the outcomes of the Tenth RCM of United Nations agencies in support of the AU and its NEPAD Programme. The mechanism had recently been transformed and strengthened as a mechanism for providing coherent multisectoral support to African regional and subregional organizations within the context of the ten-year capacity-building programme of the AU. The RCM now included AUC, the NEPAD Planning and Coordinating Agency (NPCA), and the RECs. In line with the decisions of the Tenth Meeting of the RCM, the work of the RCM and its various clusters was aligned to AU/ NEPAD strategic plans and priorities. In addition, progress had been made towards establishment of the SRCMs to strengthen coordination of United Nations agencies at the subregional level as mandated by the General Assembly. In that regard, a subregional mechanism for the Central Africa subregion has become operational, and efforts are underway to establish a similar mechanism for Eastern and Southern Africa based on a harmonized multi-year

programme of collaboration with the main RECs in both subregions. Greater commitment and action on the part of stakeholders were needed to improve the efficiency and effectiveness of the RCM.

(d) Climate change and development

44. The presenter on climate change and development provided an update on ongoing efforts and initiatives being undertaken in support of Africa's climate change and development agenda, including the Climate for Development in Africa (ClimDev-Africa) Programme, African Monitoring of the Environment for Sustainable Development (AMESD) Programme, the Great Green Wall for the Sahara and Sahel Initiative. The presenter also highlighted some of the activities undertaken to prepare African countries for their participation in the United Nations Conference on Climate Change held in December 2009 in Copenhagen. It was important for African countries to take note of the outcomes and provisions of the Copenhagen Accord and strengthen existing coordination and consultation mechanisms for a common position at the next United Nations Conference on Climate Change to be held in Mexico in December 2010.

(e) Progress report on the implementation of the 2004 Ouagadougou Declaration and Plan of action on Employment and Poverty Alleviation and similar commitments

45. The Committee took note of progress made in the implementation of the decisions of the Ouagadougou Declaration adopted by the AU Extraordinary Summit of September 2004, which had called on member States to place employment at the centre of their national development policies and programmes. The presenter noted that despite the strong economic growth experienced by African countries from 2004 to 2008, unemployment and poverty remained high in Africa. Given the shortcomings of the policies pursued so far, African countries and their regional and continental organizations were urged to revisit their strategies and policies to develop measures better adapted to the context of the continent's economies and the needs of its people.

46. In the ensuing discussions, the Committee noted that unemployment remained high, affecting mostly youth and women, and leading to social exclusion and political instability in some countries. There was the need for strong political commitment to address the issue of unemployment on a permanent and long-term basis. Vocational training and skills development should also be promoted as a way of addressing the unemployment problem.

(f) Strategy for the harmonization of statistics and implementation of the African Charter on Statistics

47. The Committee took note of progress made in the implementation of the African Charter on Statistics and the strategy for the harmonization of statistics in Africa. The African Charter on Statistics, adopted by Heads of State and Government in February 2009, was aimed at promoting the production of quality and harmonised statistics to inform evidence-based planning and policy formulation in Africa. To date, the Charter had been signed by 18 countries and ratified by only one country. Considering the need to make it available for African statisticians, planners, decision-makers and other stakeholders, the Committee called upon all member States to sign and ratify the Charter, for it to enter into force as soon as possible.

48. The Committee was also informed about the draft African Strategy for the Harmonization of Statistics in Africa (SHaSA) and the draft African Strategy for the Implementation of the 2008 System of National Accounts, two key framework documents developed jointly by the AUC, UNECA, AfDB, RECs, and member States submitted for adoption by the current Conference of Ministers and, subsequently, by the Assembly of Heads of State and Government. Importantly, the implementation of the 2008 SNA would allow for the comparability of data with the rest of the world. The presenter recommended that adequate resources should be provided to strengthen the statistical activities of AUC, including upgrading of its Statistics Unit into a Division.

49. In the ensuing discussions, the Committee was informed about the progress being made by the ECA African Centre for Statistics, established as part of the ECA repositioning exercise conducted in 2006 to help build the capacity of African countries in the area of statistics. Several activities had been developed and undertaken by ACS with regard to the harmonization of statistics on the continent and would contribute to the implementation of the SHaSA. The Committee commended AUC, UNECA and AfDB for their efforts in providing the continent with a framework for statistical development, harmonization and coordination. The Committee took note of the proposals made by the secretariat to fast-track the implementation of the various initiatives and recommended them for endorsement by the Conference of Ministers.

Presentation and discussion on the theme of the Conference: Promoting high-level sustainable growth to reduce unemployment in Africa [Agenda item 8]

50. The Committee considered an issues paper on the theme of the Conference, “*Promoting high-level sustainable growth to reduce unemployment in Africa*” which showed that despite positive growth experiences in Africa over the past decade, such growth had not translated into employment creation and poverty reduction. Accordingly, African governments should mainstream employment in their national developmental strategies.

51. While the global financial and economic crises had exposed the vulnerability of Africa to external shocks, they also presented an opportunity for the continent to re-launch, accelerate and sustain growth that would lead to poverty reduction. Decent jobs constituted the channel through which growth could translate into poverty reduction.

52. Lessons from emerging countries included the creation of country-specific employment-friendly policies, labour and capital market reforms and economic diversification through increased investment in labour-intensive sectors. The presenter emphasized the need for countries to learn from one another and described the role of various stakeholders in designing, implementing and monitoring employment-friendly strategies, particularly employment targeting and the implementation of commitments. All that called for good governance, underpinned by strong institutions and policies.

53. In the ensuing discussion, the Committee found the theme covered by the issues paper both timely and relevant and stressed the role of monetary policy in promoting price stability and supporting growth and employment generation.

54. The Committee was of the view that the analysis on the recent jobless growth could benefit from a consideration of the nature of the growth engines in most African countries, which were mostly capital intensive. It was also noted that the tax systems in place, in particular exemptions extended to companies in the mining sector, coupled with the privatization of most companies in that sector might

have lessened the propensity of growth to translate into significant employment creation and poverty reduction.

55. The Committee expressed concern over the risk of “a race-to-the-bottom” (beggar-thy-neighbour) policies that might emanate from national attempts to revert to competing tax exemptions as a way to attract foreign direct investment. That could have an adverse impact on growth and employment creation. Also, the aggregate analysis presented in the report posed a risk of falling into the trap of “one-size-fits-all”. Since economic and institutional structures varied across Africa, the analysis and policy recommendations should take account of those differences.

56. The Committee noted with appreciation the recent efforts to strengthen planning in many African countries as evidenced by the growing number of countries that had formulated and implemented medium-term national development plans. Those plans were supported by sectoral strategies.

57. Several participants shared their experiences in promoting employment and poverty reduction in their respective countries. Most speakers said that bold commitments and active government policies, including redistributive policies, made a difference and underscored the importance of the quality of public spending and the multiplier effects of the additional spending on the domestic economy.

58. The Committee noted that inadequate infrastructure remained a constraint to the development of the private sector, which could play a pivotal role in investment and job creation. In particular, inadequate infrastructure and limited access to finance and other supporting services prevented informal businesses from graduating to the formal sector.

59. The Committee noted the relatively small share of public expenditure allocated to the agriculture sector in many African countries, despite its high potential in terms of growth and job creation, especially in the rural areas.

60. Deepened regional integration would induce economies of scale, better harness regional financial, natural and human resources, and strengthen Africa’s voice in international forums. In that regard, it welcomed the initiative taken by EAC, COMESA and SADC to harmonize their respective regional integration agendas. Such harmonization would strengthen efforts to revitalize national and regional infrastructure (cross-border trade, roads, waterways and power) as one of the drivers of job creation.

61. Good political and economic governance was a necessary prerequisite for African countries, through efficient and transparent allocation of resources, to achieve job-creating growth.

62. Since the issues paper had been aimed at stimulating discussions among the experts on the nexus of growth, employment and poverty reduction, the lively ensuing discussions suggested that that objective had been achieved. All the comments and suggestions were considered pertinent. However, while macroeconomic stability was important, monetary policy should give adequate attention to the objective of employment and wealth creation.

63. The Committee took note of the issue of high youth unemployment and underemployment in Africa, which worsened as more and more young people entered the job market. That situation

threatened political stability on the continent and contributed to the high rate of crime. Four key lessons were identified based on the successful experience of some countries: the importance of having a development-oriented State, the development of human capital, the promotion of policies that encouraged both public and private savings and improvement in the allocative efficiency of public spending.

64. The Committee also took note of some of Africa's growth and employment challenges. First, the implementation of commitments had not always been accompanied by effective action. Second, small and medium-sized enterprises needed support in order to play an active role in diversification processes. Third, the capacities of governments influenced the policy space available to countries in negotiating with multilateral organizations, including international financial institutions. Fourth, overall policy coherence was held back by limited coordination among government agencies. Fifth, the issues paper suggested a set of policy options. Countries should choose those relevant to their specific situations, in particular those that addressed the binding constraints to their growth and structural transformation.

65. Noting that the discussion had not adequately explored the role of the private sector, in spite of its important contribution to employment creation, the Committee stressed the need to promote local enterprises as a sustainable way to reduce poverty and create employment, and praised South Africa's Black Economic Empowerment programme, arguing that it had the potential to address issues of injustice and engage previously isolated groups in mainstream economic activity.

66. The Committee further noted that no nation had developed without focusing on developing human capital as a motor of sustainable development. Measures to enhance human capital such as increased public budget allocations for education and technical skills development were therefore of paramount importance.

67. The Committee welcomed the tripartite EAC-COMESA-SADC initiative to harmonize the respective subregional integration agendas. Such harmonization would energize efforts to revitalize national and regional infrastructure (cross-border roads, waterways and power), boost growth, productivity and employment. Accelerating regional integration would also induce economies of scale, better harness regional financial, natural and human resources, and strengthen Africa's voice in international forums.

68. The Committee made the following recommendations for adoption by the Ministers for member States to:

- (a) Pursue fiscal policies that promote labour-intensive investment in infrastructure and other sectors. Meanwhile, monetary policies should pay attention to growth and employment while pursuing price stability;
- (b) Promote good political, economic, corporate and social governance as a way to ensure that macroeconomic policies delivered pro-poor and employment-friendly growth. That would not only require political will and courage but also hold the key to the implementation of decisions taken at the national, regional and global levels;
- (c) Exert coordinated efforts at the global and regional levels to ensure coherence in development policy, particularly in the areas of trade, infrastructure development aid and foreign direct investment;

- (d) Encourage knowledge-sharing among African countries on the growth, employment and poverty reduction nexus. That could be achieved through research and exchange of experience within Africa and with other developing regions;
- (e) Promote a harmonized and coordinated labour market information system in Africa in support of the planning, implementation, monitoring and evaluation essential for a better understanding of labour market dynamics and how they related to growth and poverty reduction;
- (f) Undertake institutional, legal and other labour market reforms, to enhance employment and growth, ensure the inclusion of vulnerable groups, and create and strengthen social dialogue institutions and mechanisms at national and regional levels;
- (g) Enhance the productivity of African economies, including that of the public sector, in pursuit of a “development-oriented and competent” public administration;
- (h) Align educational systems, training and skills development with the needs of local labour markets. That could be achieved through the provision of technical and vocational education and training;
- (i) Consider policies and programmes in employment that target vulnerable groups (youth, women, and people with disabilities, etc.) at national and regional levels;
- (j) Promote domestic resource mobilization and economic diversification for the creation of decent job opportunities and the eradication of poverty;
- (k) Encourage private-sector development, to create employment and eradicate poverty. This could be achieved by means of better access to credit and other capacity-building interventions. Countries should seize job opportunities generated by the green and clean industries in the context of climate change and the development of ICT;
- (l) Accelerate regional integration and intra-African trade to exploit economies of scale, harness regional financial, natural and human resources, expand markets and create meaningful decent jobs;
- (m) Promote internal policy coordination among ministries and other State agencies in policy development to enhance coherence, efficiency and effectiveness in mainstreaming employment in development plans and programmes;
- (n) Allocate an adequate share of government expenditure to the agricultural sector, in view of its significant contribution to economic growth, job creation and poverty eradication; and
- (o) Adopt and implement special employment measures as well as social protection schemes for vulnerable groups.

Statutory issues [Agenda item 9]

69. Under this agenda item, the Committee was invited to consider a number of statutory issues and reports related to the work of AUC and the ECA secretariat.

(a) *Presentation and consideration of the ECA Annual Report, 2010*

70. The Committee took note of the ECA Annual Report, 2010 which highlighted the main activities undertaken by the ECA secretariat, including the activities of the subsidiary organs of the Commission during the period from June 2009 to March 2010. ECA had made significant progress on several fronts during the period covered by the report. Among its notable achievements were the advisory services and technical assistance provided to member States, RECs and AUC in the following areas: Economic Partnership Agreement (EPA) negotiations; climate change negotiations in

Copenhagen; and the African Union January 2010 Summit, held on the theme “Information and communication technologies in Africa: challenges and prospects for development”. Major conferences had been organized to review progress in Africa in the 15 years since the Fourth United Nations World Conference on Women and the Cairo ICPD. Other achievements included support for member States’ efforts to achieve the MDGs and implement the NEPAD programmes, facilitating meetings of the Coalition for Dialogue on Africa, and development of civil society and its mainstreaming in the policy process in Africa.

71. Several publications were published and launched during the period, including: the *Economic Report on Africa*, the *African Governance Report*, the *African Women’s Report*, the *Assessing Regional Integration in Africa report* and the *African Youth Report*, all in collaboration with AUC; a report on *Progress towards the MDGs*, in collaboration with AUC, AfDB and UNDP; and the *African Economic Outlook*, together with AfDB and OECD. Expert group meetings had also been organized as part of the ECA peer review mechanism to improve the quality and relevance of its knowledge resources.

72. The ECA repositioning initiated in 2006 had enhanced the role and mandate of its SROs. Additional financial and human resources had been provided to help the SROs improve delivery of their activities. Among the main achievements of the SROs were the multi-year programmes signed with all RECs responsible for implementing AU/NEPAD activities, and the meetings of the Intergovernmental Committee of Experts, the outcomes of which were submitted to the present Conference of Ministers for attention. Regional and subregional training activities and workshops had also been organized in an effort to strengthen the capacity of member States, RECs, IGOs and other institutions in the areas of trade, financing for development, climate change, statistics, infrastructure, good governance, human capacity development, gender mainstreaming, agriculture and food security.

73. Efforts continued during the past year to enhance resource mobilization and management; and integrated programme planning and monitoring and evaluation, ECA had designed a donor portal for purposes of reporting on activities under ECA Trust Funds and other donor funds. A second Business Plan covering the period 2010-2012 was launched jointly with the AUC in December 2009 in an effort to secure extrabudgetary funding for additional ECA activities stemming from new mandates given to the Commission and to enable it to meet the specific needs and the growing expectations from member States and partner institutions.

74. Among the challenges was the need to increase the capacity of ECA and its five SROs to ensure effective programme performance and results as well as to disseminate and share knowledge and best practices across the region.

75. In the ensuing discussion, clarification was sought on the effects of the reported high vacancy rate on the smooth functioning of ECA. The Committee was informed that, in an effort to enhance the performance of all departments of the United Nations, the General Assembly had provided additional financial resources under the United Nations Development Pillar, which included new posts for ECA - hence the apparent increase in the ECA overall vacancy rate. However, with assistance from Headquarters, the plan of action developed in 2009 to help fast-track the recruitment process at ECA was likely to help bring its vacancy rate within the normal range.

76. The Committee endorsed the report and recommended that member States should assist in disseminating ECA research outcomes, and should fully support the SROs and utilize the services and training programmes they provided.

(b) *Proposed ECA work programme for the biennium 2012-2013 and the proposed ECA Business Plan, 2010-2012*

77. The Committee considered a document entitled, "ECA's Proposed Strategic Framework for the period 2012-2013" providing the main policy directions for the work of ECA for the biennium 2012-2013 and articulating the objectives to be pursued during that period at the subprogramme level, together with the expected results and indicators of achievement. The Committee was informed that in developing the Strategic Framework, efforts had been made to reflect the vision of the Commission, including linkages to the MDGs, outcomes of global conferences and NEPAD objectives. The Strategic Framework also reflected the lessons learnt from the ECA Repositioning exercise as well as new and emerging challenges confronting member States. The Committee further noted that the overall strategy of ECA would continue to be anchored around the two key pillars of the ECA repositioning exercise, namely, promoting regional integration and helping Africa to meet its special needs, including the MDGs.

78. In reporting on the ECA Business Plan, the Committee was informed that ECA had developed, in November 2009, a second Business Plan covering the period 2010-2012 consistent with the AUC Medium-Term Strategy. While the bulk of the resources required to implement the 2012-2013 Business Plan would be provided through the regular budget of ECA, partners were expected to make a substantial contribution in order to help ECA to scale up its support to AUC and the RECs.

79. In the discussions that followed, the Committee observed with concern that the issue of population and development were not given due attention in the Strategic Framework at a time of increased international attention on population issues. In response, the Committee was informed that it was in recognition of the importance of the population-growth-social development nexus that ECA had decided to place, as part of its repositioning exercise, the implementation of the subprogramme on gender and women in development with that of the social development subprogramme under a single Division so as take on board the population dimension in all aspects of its work.

80. In light of the above comments and observations, the Committee endorsed the proposed Strategic Framework of ECA for the period 2012-2013 and the ECA Business Plan 2010-2012. The Strategic Framework would be transmitted to the Committee for Programme Coordination along with the Committee's comments.

(c) *Report on the programme performance of ECA for the biennium 2008-2009*

81. In considering the programme performance report of ECA for the biennium 2008-2009, the Committee was informed that the report responded to increasing demands by ECA member States for a results oriented, accountable and more effective secretariat able to meet their needs despite current resource constraints. The Committee was further informed that the 2008-2009 activities had been implemented against the backdrop of the repositioning of ECA undertaken in 2006, and had achieved significant results across all its main service lines comprising: knowledge generation, sharing and networking; advocacy and consensus building, and technical cooperation services.

82. Knowledge outputs largely comprised flagship publications, including the annual Economic Report on Africa (ERA), the third report on Assessing Regional Integration in Africa (ARIA III), the African Governance Report (AGR), and the first edition of the African Women's Report (AWR). Joint reporting with other partners had included the Sustainable Development Report on Africa, collaboratively undertaken with other United Nations agencies, and the African Economic Outlook produced in collaboration with the AfDB.

83. In the area of advocacy and consensus building, new milestones had been reached through the joint annual ECA Conference of African Ministers of Finance, Planning and Economic Development and the African Development Forum. The Coalition for Dialogue on Africa, jointly launched with AU and AfDB, currently provided a new platform for advocacy and consensus building around key continental issues and challenges.

84. Technical and capacity building remained an important modality for delivering assistance to member States. In that regard, ECA continued to assist member States to develop their capacities to design and implement development policies through advisory services, workshops and seminars. In 2008-2009, a total of 51 advisory missions had been mounted to 23 member States and over 500 participants from a total of 38 countries benefited from workshops and seminars. In recognition of the critical role of the SROs in building the capacities of RECs to implement AU and NEPAD priorities, ECA significantly scaled up the capacities of its SROs as called for in the Secretary-General's action plan for strengthening the SROs. This had greatly improved the capacity of the SROs to provide effective support to the RECs in the context of their multi-year programmes.

85. Notwithstanding the successes achieved, the ECA secretariat faced a number of challenges in the implementation of its work programme. Notably, ECA still needed to build on its capacity to ensure more effective programme performance assessment, and improve its generation of knowledge and dissemination, which tended to limit the impact of its work. It also needed to ensure that its outputs were of the highest quality while increased availability of resources would enhance capacity to address new and emerging issues of concern to member States on global and continental issues. Accordingly, key lessons related to strengthening knowledge sharing and dissemination activities, improving resource mobilization, improving quality assurance, enhancing partnerships and working more closely with member States to develop their awareness, and improve their human capital.

86. The Committee took note of the significant progress made in the delivery of most of the ECA service lines. However, a few concerns about the quality of some of the Commission's activities were expressed. In that regard, the Committee requested the ECA secretariat to ensure the highest quality possible for all its activities, including all meetings, both in format and content.

(d) Note by the Executive Secretary on recent organizational changes in ECA

87. The Committee took note of a document entitled "Recent organizational changes in the ECA secretariat: Note by the Executive Secretary", which highlighted the outcome of the recent comprehensive review and assessment of ECA programmes. The review resulted in some minor organizational and programmatic adjustments aimed at strengthening and realigning the changing needs and priorities of member States. Those changes had included the reconfiguration of some Divisions to sharpen the focus of their work and programmes such as those on trade, linkages to NEPAD and MDGs/BPoA, water management, library and e-applications, including geo-information and statistical database coordination.

88. The organizational changes had been meant to address the observed fragmentation of responsibility in some key areas of ECA's work such as trade and the environment, as well as specific issues under such development frameworks as NEPAD, the MDGs and the BPoA for LDCs. The knowledge-management initiative and management-support processes such as planning, budgeting, utilization of resources and recruitment of staff had also been streamlined for enhanced organizational effectiveness.

89. As organizational reforms were a continuous process, ECA would continue to review and reorient its work programme to enable it to respond more effectively to the changing needs and priorities of its member States. In the meantime, the ECA secretariat would revise its programme budget for the biennium 2010-2011 to reflect the outcome of the review and the resulting organizational changes.

90. In the light of the above information, the Committee endorsed the organizational changes proposed in the note by the Executive Secretary.

(e) Independent external evaluation report on the subregional offices of ECA

91. The Committee considered the report on the independent external evaluation of the subregional offices of the Economic Commission for Africa. The background, justification and major findings and recommendations were submitted to the Committee for review and consideration. In line with its terms of reference, the evaluation team had sought, in particular, to gauge the functionality and adequacy of the processes, systems and operational modalities of the SROs and to assess if any further improvement or fine-tuning was necessary. To that end, the evaluation team had looked at the effectiveness of the implementation of the recommendations of the report of the Secretary-General on enhancing the role of the ECA subregional offices (A/61/471, 2006) against the findings of the inspection carried out in 2004 by OIOS on programme and administrative management of the SROs.

92. The available evidence confirmed that the strengthening of the SROs started in 2006 had largely succeeded. However, to ensure that recent improvements and achievements of those offices were sustained in the various subregions, ECA should look again into the possibility of expanding regular and extra-budgetary resources. It should set up a rapid-response fund (trust fund), while United Nations Headquarters continues its support in the context of operationalizing multi-year programmes that the SROs had signed with major RECs/IGOs responsible for implementing the NEPAD programme, as well as within the framework of the new mandate of the SROs as strategic coordinators of the SRCMs. United Nations system support should translate into more additional staff posts and non-staff resources under the regular budget in order to enable the SROs to make a significant impact on the development agenda of their respective subregions.

93. The Committee commended the evaluation team for its work and endorsed the report in the light of the foregoing information.

(f) Report on the repositioning of the African Institute for Economic Development and Planning

94. The Committee took note of a report on the repositioning of the African Institute for Economic Development and Planning (IDEP) which had been necessitated by shifts in the global and regional

environments of IDEP, leading to the emergence of new national and regional priorities. The presenter recalled various related measures such as the commissioning of an independent external evaluation of the institute and revamping the management and programme of the Institute. Further measures since the 2009 Conference of Ministers had included the formulation of a detailed strategic plan, organizing outreach missions and, from January 2010, initiating the decentralization of programme delivery to different parts of Africa. The process to secure the fuller integration of IDEP into ECA as its arm for capacity development had also commenced. The next steps would be securing a significant upward review of the annual grant from the United Nations to the Institute, institutionalizing the annual outreach programme and enhancing ownership of the Institute by African member States.

95. The Committee observed that while the restructuring of IDEP had been going on for a few years, the Institute had now undergone a revival since the appointment of the new Director. Its work had become more relevant to Africa's development, as exemplified by the introduction of a range of new programmes, including one on post-conflict development planning. The Committee also welcomed the needs assessment missions that the Institute would be carrying out in different subregions of the continent.

96. The Committee requested clarification on the modalities for accessing programmes and whether the appeals to donors to upscale their assistance to the Institute had borne fruit. The Director explained that access to the programmes of the Institute remained open and free to member States, and was not in any way conditional on the status of the payment of assessed contributions. The Institute had signed partnership agreements with the Governments of the Netherlands and Sweden, as well as the Ford Foundation for multi-year funding of its programmes.

97. The Committee appealed to member States to pay their contributions on time in order to lift payments from member States beyond the current level of 60 per cent. In light of further discussions, the Committee also considered and recommended a draft resolution to the Conference of Ministers, to increase the Institute's annual regular budget from the United Nations.

(g) *Review of progress in the implementation of the Africa - EU Joint Strategy and First Action Plan*

98. The Committee took note of a document entitled "The Africa-EU Joint Strategy: State of Play and Way forward", highlighting the long history of relations between Africa and the European Union (EU) and the milestones achieved within the Joint Strategy. The Joint Strategy was based on four principles of unity of Africa, interdependence between Africa and EU, ownership and joint responsibility, and equality. The First Action Plan was based on eight partnerships on peace and security; democratic governance and human rights; trade and regional integration; MDGs; energy; climate change; migration, mobility and employment; and science, information society and space. It was reported that all eight Joint Expert Groups (JEGs) set up to deal with the various partnerships under the current Action Plan had held several meetings and prepared assessment reports. However, the level of performance had varied across partnerships.

99. Several challenges facing the Joint Strategy were brought to the attention of the Committee, including respecting the principles agreed in the Joint Strategy, full involvement of all stakeholders, capacity of the JEGs to deliver, lack of adequate financial resources for the architecture and implementation of projects/activities, lack of effective communication, and uncertainty on what the new Lisbon Treaty held for Africa.

100. On the way forward, the Committee was informed of options for improving implementation of the Joint Strategy with the possibility of a second Action Plan. The success of the Joint Strategy depended on adequate financing and shared responsibility between Africa and the EU and on providing the right technical expertise to service the JEG meetings.

101. The Committee took note of the report and agreed that the partnership held significant potential for both Africa and the EU. For the partnership to succeed in reaching its objectives, however, member States would have to commit resources for implementation of the Joint Strategy.

Any other business [Agenda item 10]

102. Under this agenda item, some delegations sought clarification on the work of the Committee of Ten African Ministers of Finance and Central Banks set up in Tunis to help African countries to assess the impact of the global financial and economic crises on African economies and agree on policy responses. More specifically, the experts sought to know the status and reporting line of the Committee. Following clarifications provided by two members of the Committee present at the meeting, namely Nigeria and South Africa, as well as from the secretariat, the Committee expressed the wish to be informed in future, of progress made by the Committee of Ten.

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

103. The Committee considered the draft report of its meeting (as contained in document E/ECA/COE/29/L, AU/CAMEF/EXP/Draft/RptV), together with ten draft resolutions for consideration and adoption by the third Joint Annual Meetings of the AU Conference Ministers of Economy and Finance and ECA Conference of African Ministers of Finance, Planning and Economic Development. Several delegations made comments and observations and proposed amendments to the report. After constructive discussions by participants, the Committee adopted the present report together with the ten draft resolutions, attached as annex, as amended for consideration by the session of the Conference of Ministers.

Closing of the meeting [Agenda item 12]

104. The Commissioner for Economic Affairs of AUC thanked the Committee and its Bureau for their hard work and concrete recommendations which would help the Ministers to address the theme of the meeting, as well as the many other issues on their agenda. He hailed the excellent collaboration between ECA and AUC, which underpinned the success enjoyed by the annual ministerial meetings. He commended the Government of Malawi for hosting the meeting, and thanked the Chairman and the Bureau for the efficient conduct of the meeting and the secretariat staff for their hard work.

105. The Deputy Executive Secretary of ECA expressed appreciation for the constructive spirit of the debate on what were clearly challenging issues for African development. She noted that the discussions had been lively and enriching, and the recommendations substantive. She thanked participants for their commitment during the meeting and challenged them to remain engaged during the Ministerial meeting. She thanked the Chairperson and the Bureau for leading the meeting to a successful conclusion.

106. The Chairperson thanked ECA and the AUC for a productive meeting. He personally had found the meeting enriching, and he thanked participants for the depth of the debates and their commitment, which augured well for the success of the Ministerial meeting. He then declared the meeting closed.

Annex III:
List of Meetings of the Commission's Subsidiary Bodies Held since the Forty-second Session

Committee on Trade, Regional Cooperation and Integration	October 2009
Statistical Commission for Africa	January 2010
Committee on Governance and Popular Participation	December 2009
Committee on Women and Development	November 2009
Committee on Food Security and Sustainable Development	October 2009
Intergovernmental Committee of Experts of the Subregional Office for West Africa	November 2009
Intergovernmental Committee of Experts of the Subregional Office for Southern Africa	June 2009