

# **ECONOMIC COMMISSION FOR AFRICA**

## **ANNUAL REPORT, 2013**

**Economic and Social Council  
Official Records, 2013  
Supplement No. 18**



**UNITED NATIONS**



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## Introduction

1. The present annual report of the Economic Commission for Africa (ECA) covers the period 30 March 2012 to 27 March 2013. It was prepared in accordance with paragraph 18 of the Commission's terms of reference and adopted unanimously by the Commission on 26 March 2013. As mandated by the Commission's resolution 861 (XLI) adopted at its fortieth session in April 2008 and subsequently endorsed by the Economic and Social Council, the forty-sixth session was organized as part of the joint annual meetings of the African Union (AU) Ministers of Economy and Finance and ECA Conference of African Ministers of Finance, Planning and Economic Development.

## CHAPTER I

### A. Matters calling for action by the Economic and Social Council

2. At its forty-sixth session, the Commission adopted six resolutions and a ministerial statement addressing various topics on the agenda of its meeting. One of the resolutions (908 (XLVI)) endorsed the New Strategic Direction of the Economic Commission for Africa as well as the revised Strategic Framework and related Proposed Programme Budget for the Biennium 2014-2015. The resolution also endorsed the updated statutes of the ECA African Institute for Economic Development and Planning (IDEP) as the specialist training institution responsible for economic policy design and management and development planning, monitoring and evaluation, and requested the Executive Secretary of ECA to transmit it to the Economic and Social Council to ensure its effective implementation. The same resolution has been transmitted to the United Nations Headquarters for submission to the Committee for Programme and Coordination, at its fifty-third session, to consider changes to the Strategic Framework/Biennial Programme Plan for 2014-2015. The full text of the resolution is set forth below:

#### **908 (XLVI) Refocusing and recalibrating the Economic Commission for Africa to support Africa's structural transformation**

##### **The Conference of Ministers,**

*Recalling* the decision of the African Union Assembly of Heads of State and Government (Assembly/AU/

Dec.450 (XX)), which endorses the strategic reorientation and refocusing of the Economic Commission for Africa to support the accelerated structural transformation of Africa,

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

*Cognizant* of General Assembly resolutions 45/177 of 19 December 1990, 45/264 of 13 May 1991 and 46/235 of 13 April 1992, which call for the role of the United Nations regional commissions to be strengthened,

*Further cognizant* of General Assembly resolution A/RES/66/288, the Outcome Statement of Rio+20, which invites the regional commissions and other regional organizations to support developing countries to achieve sustainable development and poverty reduction as well as promote a balanced integration of the economic, social and environmental dimensions of sustainable development in their respective regions,

*Taking note* of General Assembly resolution 67/266 on the Quadrennial Comprehensive Policy Review, which mandates the regional commission to under-

take operational activities for development at the national, subregional and regional levels,

*Noting* with appreciation the consultative process being undertaken in the African region on the Post-2015 Development Agenda and stressing that the priorities of the agenda should include structural economic transformation and inclusive growth, innovation and technology, gender equality and human development,

*Welcoming* efforts by African countries to embark on broad structural transformation and achieve middle-income status, which is anchored on the promotion of good governance, sound macroeconomic policymaking and management, better planning of the economy, effective management of natural resources and climate change, harnessing the potential of its demographic dividend, boosting domestic resource mobilization, achieving gender equality and investing in physical infrastructure and human capital,

*Taking note* of the paper by the Executive Secretary entitled “ECA new strategic directions for the transformative development of Africa” (E/ECA/COE/32/10); the Revised Strategic Framework/Biennial Programme Plan for the period 2014-2015 (E/ECA/COE/32/15); the Proposed Programme Budget for the period 2014-2015 (E/ECA/COE/32/12) and the Statutes of the African Institute for Economic Development and Planning (E/ECA/COE/32/14),

1. *Calls* on the Commission to enhance its capabilities in evidence-based policy research, generating high quality and real-time data and statistics and providing enhanced advisory services and capacity development to member States;
2. *Mandates* the Executive Secretary to realign the programmes and priorities of the Commission to the new strategic orientation, with a view

907(XLVI) Industrialization for an emerging Africa

909 (XLVI) Realizing and harnessing demographic dividend in Africa

910 (XLVI) African common position on the post-2015 development agenda

911 (XLVI) Statistics and statistical development

912 (XLVI) Extraordinary African Union Conference of African Ministers of Economy and Finance

XLVI Ministerial Statement

to supporting the transformative development agenda of the African Union;

3. *Endorses* the revised Strategic Framework and related Proposed Programme Budget for the Biennium 2014-2015;
4. *Also endorses* the updated statutes of the African Institute for Economic Development and Planning as the specialist training institution responsible for economic policy design and management, and development planning, monitoring and evaluation; and requests the Executive Secretary of the Commission to transmit it to the Economic and Social Council of the United Nations towards the issuance of the appropriate administrative advice to ensure its effective implementation;
5. *Calls upon* the Secretary-General of the United Nations to provide the required support to ECA to enhance its work in accordance with Africa’s priorities and in line with the decision of the African Union Heads of State and Government.

## **B. Matters brought to the attention of the Economic and Social Council**

3. In addition to the resolution calling for action by the Council, the Commission also adopted five other resolutions on various topics on the agenda of its meeting. The resolutions will have no additional cost implications for the regular budget of the United Nations. Extrabudgetary resources will be sought for the implementation of the activities under the resolutions. Annex I of the present report contains both the Ministerial Statement and the full text of the resolutions listed below:



## CHAPTER II

### Work of the Commission since its forty-fifth session

#### A. Activities of subsidiary bodies

4. During the period under review, the secretariat prepared for and serviced meetings of various subsidiary bodies of the Commission, including the meetings of the intergovernmental committee of experts of the five subregional offices. The outcomes of these meetings, including the dates and venues are contained in chapter III of the present report.

#### B. Other activities

##### Regular programmes

##### Macroeconomic analysis, finance and economic development

5. ECA work under this subprogramme continued to focus on policy research to enhance the capacity of member States to mainstream and integrate macroeconomic and sectoral policies into national development strategies for higher growth, sustainable development, employment generation and poverty reduction in support of the Millennium Development Goals (MDGs). Accordingly, the work of the subprogramme was organized around three main areas: macroeconomic analysis; finance, industry and investment, and monitoring of MDGs and Least Developed Countries (LDCs).

6. In the area of macroeconomic analysis, the secretariat undertook policy research and analysis, prepared reports and organized or contributed to several high-level conferences and capacity-building workshops during the period under review. The leading flagship publication of the Commission, the Economic Report on Africa, was prepared under this subprogramme. The report, which is jointly prepared with the African Union Commission (AUC), is targeted at policymakers, technical experts, academics and researchers; and informs economic policymaking

at the national, subregional and regional levels. The 2013 edition of the report, on the theme “Making the most of Africa’s commodities: industrializing for growth, jobs and economic transformation”, examines how Africa’s commodity endowments can be used to promote value addition and enhance growth, employment and economic transformation. The report also provides an overview of recent developments in the world economy and examines the recent growth performance of African economies as well as prospects for the medium term. The report was officially launched at the meetings of the ECA Conference of African Ministers of Finance, Planning and Economic Development and the AU Conference of Ministers of Economy and Finance, held in March 2013, in Abidjan.

7. As in previous years, ECA also contributed to other important economic reports on Africa, including World Economic and Social Prospects, published by the United Nations Department of Economic and Social Affairs (UN-DESA), and the 2013 edition of African Economic Outlook, a joint annual publication of the African Development Bank (AfDB), the Organisation for Economic Co-operation and Development (OECD), ECA and the United Nations Development Programme (UNDP).

8. ECA continued to work in collaboration with AUC, AfDB and UNDP to produce and disseminate the Africa Regional Report on the MDGs. The thematic focus of the 2012 report was the post-2015 development agenda. The report provides a regional assessment of progress towards the MDGs and also discusses the framework for the post-2015 development agenda in Africa. The report has gained increased recognition over the years and has been acknowledged by the Nordic Africa Institute as a credible source of information and policy advice on the MDGs in Africa. Also deriving from the report was a policy brief which highlighted the key MDG issues and trends for the region. The policy brief provides a set of policy options to sustain and fast track

MDG implementation in Africa, which is particularly useful for LDCs.

9. With the MDG target year of 2015 fast approaching, ECA spearheaded a series of initiatives at the global, regional and national levels to reflect on measures to accelerate progress and define Africa's position on the post-2015 development agenda. In this regard, ECA, in partnership with AfDB, AUC and UNDP, facilitated a series of regional and sub-regional consultations aimed at articulating an African common position on the post-2015 development agenda, in line with the mandate of the AU Heads of State and Government. Three subregional meetings were held in Accra, November 2011; Mombasa, Kenya, October 2012; and Dakar, December 2012. They were complemented by an online survey to elicit views from various stakeholders in the region and identify Africa's priorities for the post-2015 agenda. In the same vein, ECA responded to a request by President Johnson Sirleaf of Liberia, co-chair of the United Nations Secretary-General's High-level Panel on the post-2015 development agenda, to provide technical backstopping to the work of the panel's secretariat.

10. In the area of LDC monitoring, ECA contributed to the first annual progress report of the Secretary-General on the implementation of the Istanbul Programme of Action (IPoA) for the Least Developed Countries. The report analyses progress over the past year, examines activities undertaken by LDCs and other relevant stakeholders and provides policy recommendations to facilitate a smooth transition and graduation from LDC status.

11. A major activity under this subprogramme was the African Economic Conference, jointly organized with AfDB and UNDP. The 2012 Conference was held in Kigali, Rwanda, from 30 October to 2 November 2012 on the theme, "Inclusive and sustainable development in an age of economic uncertainty". It brought together senior policymakers from member States as well as researchers and development experts to discuss and share views on some of the key challenges facing Africa. The discussions underscored the importance of good governance, infrastructure and private sector development and domestic resource mobilization in addressing many of the challenges that Africa faces. The annual conference has now become a premier forum for discussion and exchange of ideas among policymakers and development practitioners on Africa's development issues, thus serving as a bridge between knowledge generation and policy-making for the continent.

12. To strengthen development planning capacity in Africa, a development planners' workshop was organized in September 2012, in Mombasa, Kenya, leading to the establishment of a network of development planners. ECA also responded to several requests for technical assistance in medium-to long-term development planning and capacity-building. Assistance was provided to the Governments of the Gambia, Ghana, the Niger, South Sudan and Togo to develop or revise their national development plans and strategies.

13. Activities undertaken in the areas of finance, industry and investment continued to focus on assisting African countries to address the impact of the global financial and economic crises; and enhancing the capacity of member States to develop and implement industrial policies to improve the continent's international competitiveness. In 2012, a major research study was undertaken on financing solutions for small- and medium-scale industries in Africa. The study examined the gender dimension of financing such industries. ECA also undertook sectoral policy activities in macroeconomic forecasting and policy design, industrialization, promoting South-South cooperation and capital market development.

#### **Food security and sustainable development**

14. ECA work under this subprogramme continued to focus on assisting member States in achieving food security and sustainable development whilst addressing the challenge of climate change.

15. The subprogramme focused on preparations for and follow-up to the United Nations Conference on Sustainable Development (Rio+20). ECA worked closely with AUC, AfDB and other regional and international organizations to spearhead a bottom-up and multi-stakeholder regional preparatory process for the Rio+20 conference, held in June 2012, in Rio de Janeiro, Brazil. Working through an inter-agency steering committee, ECA provided technical support to the African group of negotiators at the Conference to ensure that the continent was adequately represented at the political and technical levels. Several side events such as Africa Day and joint exhibitions were held. Also, advocacy materials such as the Africa Consensus Statement to Rio+20 and brochures and leaflets on Africa's perspectives on the conference were widely distributed. As a result of these efforts, the Rio+20 outcome document, "The future we want", largely addresses and reflects Africa's concerns and priorities.

16. To kick-start the process of operationalizing the Rio+20 outcomes, ECA convened the Africa Regional Implementation Meeting, in collaboration with AfDB, AUC and the UN-DESA from 19 to 21 November 2012 in Addis Ababa. The outcome of the meeting represents Africa's collective input to the twentieth session of the United Nations Commission on Sustainable Development and the Open Working Group on Sustainable Development Goals. It articulates Africa's position and recommendations on the follow-up and implementation of the main outcomes of Rio+20, including the establishment of a high-level political forum on sustainable development, sustainable development goals and the green economy.

17. ECA finalized the fourth issue of the Sustainable Development Report on Africa, on the theme, "Managing Africa's natural resource base for sustainable development", and started preparing the fifth issue of the report on the theme, "Achieving sustainable development in Africa through inclusive green growth". As part of the process, ECA has developed a comprehensive set of indicators on various aspects of sustainable development, crucial for assessing progress towards sustainable development in Africa. The identification, development and analysis of sustainable development indicators carried out as an integral part of preparing the Sustainable Development Report significantly contributed to informing Africa's deliberations for Rio+20.

18. Several activities were undertaken to further policies and strategies for climate change adaptation and mitigation in Africa. The second annual "Conference on Climate Change and Development in Africa" was held on 19 and 20 October 2012, in Addis Ababa on the theme, "Advancing knowledge, policy and practice". The conference adopted recommendations aimed at scaling up and catalyzing effective climate change adaptation and mitigation policies and actions at various levels in Africa. ECA also provided technical support to Africa's lead negotiators at the eighteenth session of the Conference of the Parties to the United Nations Framework Convention on Climate Change to articulate Africa's common position for the Doha conference on climate change held from 26 November to 7 December 2012.

19. ECA organized a workshop on capacity development in disaster risk reduction and disaster risk management in June 2012, in Addis Ababa, with the aim of building capacity for mainstreaming disaster risk reduction, disaster management and climate change adaptation into development strategies within the context of the Hyogo Framework for Action and the Africa Regional Strategy on Disaster Risk Reduc-

tion. The workshop was held in collaboration with the World Bank's Global Facility for Disaster Risk Reduction, the United Nations Economic Commission for Latin America and the Caribbean, the World Food Programme, the United Nations International Strategy for Disaster Risk Reduction and AUC. Over 50 policymakers and experts from various regional organizations participated in this workshop on building policymaking capacity in disaster risk reduction and management and disaster damage and loss assessment. In addition, ECA undertook various capacity-building activities for climate change adaptation and mitigation in 12 countries, including preparation of concept notes on the impact of climate change on the water resources of the Congo, Nile and Zambezi river basins.

20. ECA work on promoting strategic food and agricultural value chains focused on enhancing the capacity of African policymakers to mainstream policy measures for agricultural value chain development and promotion into agricultural policies, within the context of the Comprehensive Africa Agriculture Development Programme (CAADP). A workshop was organized to help raise awareness and improve knowledge of policymakers and other stakeholders on the potential benefits of the regionalization of the livestock, maize and rice value chains in the Common Market for Eastern and Southern Africa (COMESA) and the Economic Community of West African States (ECOWAS). In addition, three strategic partnerships were established to provide technical support to member States and the regional economic communities (RECs) on value chain development. Participants in the partnerships include: the AU Inter-African Bureau for Animal Resources; the African, Caribbean and Pacific European Union Technical Centre for Agricultural and Rural Cooperation; and the Consultative Group on International Agricultural Research Consortium of International Agricultural Research Centres (which includes the Africa Rice Centre, the International Institute for Tropical Agriculture and the International Livestock Research Institute).

21. In recognition of the important role played by land and land policy in sustainable development and Africa's transformation, ECA undertook activities to support the implementation of the AU Declaration on Land issues and Challenges in Africa. These included a study on large-scale land-based investment and the establishment of strategic partnerships for resource mobilization with development partners such as UN-Habitat the Global Land Tool Network and the Swiss Agency for Development and Cooperation. Key themes running through these activities included mainstreaming land issues into develop-

ment planning, enhancing women's land rights and developing a capacity development framework. A technical assessment report on land policy capacity development needs and supportive programmes at the regional and national levels was also produced.

22. Other important activities undertaken during the year included preparation of a research study on agricultural and rural transformation, whose findings were included in a non-recurrent publication presented at the eighth session of the Committee on Food Security and Sustainable Development, held in November 2012, in Addis Ababa.

### **Governance and public administration**

23. The objective of ECA work under this subprogramme is to build the capacity of member States to promote and sustain good governance practices for broad stakeholder participation in the development process and firm up the foundations for sustainable development, in line with the priorities of the African Union and its New Partnership for Africa's Development (NEPAD) programme. ECA thus undertook a wide range of activities to help promote good governance in Africa, with 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 in the development process; and providing support to the African Peer Review Mechanism (APRM) process to strengthen governance practices in Africa.

24. Several reports and analytical studies were prepared or completed to promote good governance in Africa during the period under review. The third edition of the African Governance Report (AGR-3) on the theme, "Elections and the Management of Diversity in Africa", was published during the period. The report covered 40 African countries and was compiled using data from expert opinion surveys, focus group discussions, country reports and profiles. It was produced with technical support from ECA and UNDP. Although it is too early to record policy impacts, some interesting uses of AGR-3 have been noted. The findings and recommendations from the report have significantly enriched ongoing policy dialogue on issues of elections and diversity and electoral reforms in different parts of the continent. For example, Seychelles is undertaking a major reform of its electoral system using findings from its AGR-3 country report. Also, the AGR-3 country reports were at the centre of the policy discourse at the African Governance Forum held in October 2012, in Gaborone. The reports also inspired the theme of the United Nations Secretary-

General's report on Africa, 2012, which deals with diversity management. Significantly, ECA work on AGR-3 revealed major differences in the capacities of national research institutions in the 40 countries surveyed; a situation which needs to be addressed.

25. Another important publication which was completed and launched in 2012 was the report on the Mutual Review of Development Effectiveness (MRDE), jointly prepared by ECA and OECD. The main highlights of the 2012 report were presented to the NEPAD Heads of State and Government Orientation Committee at its 27th Summit held in July 2012, in Addis Ababa. The report has been widely disseminated and has generated considerable interest from key stakeholders, with continuous calls for it to be published annually, as the main mechanism for mutual accountability between African countries and their development partners. The report is also one of the main technical inputs into a new monitoring mechanism of development effectiveness being proposed by the Office of the Special Advisor on Africa to the United Nations Secretary-General.

26. Anti-corruption initiatives undertaken during the year included preparation of technical policy papers, peer learning and capacity development for the implementation of the Regional Anti-Corruption Programme for Africa (2011-2016). In collaboration with the AU Advisory Body on Corruption (AU-ABC) and the Government of Rwanda, ECA organized the "International Anti-Corruption Week" from 5 to 9 December 2012, in Kigali and established the first-ever award series for the African Anti-Corruption Essay Competition for young people. Furthermore, ECA supported the process of reviving the African Association of National Anti-Corruption Institutions in Africa and facilitated the establishment of the Network of National Anti-Corruption Institutions for Central Africa in November 2012. It also prepared an annual report to the Executive Council of the African Union on the state of corruption in Africa and efforts to combat it. Four major technical studies were prepared for validation by experts in March 2013: "The Private Sector and Corruption in Africa"; "The Media and the Challenge of Transparency and Accountability in the Public Sphere in Africa"; "Model Anti-Corruption Legislation for Africa"; and "Findings from the APRM Country Reports on Corruption in Africa".

27. As a result of ECA work on anti-corruption initiatives, existing national and regional anti-corruption institutions have been strengthened and new ones established. The work also led to a remarkable improvement in the quality and content of the

AU-ABC report to AU policy organs, which effectively strengthened official policy interventions in the fight against corruption. Nevertheless, coordination between national structures and institutions fighting against corruption with subregional and regional structures needs to be improved.

28. In response to a mandate by the 2011 joint annual meetings of the AU Conference of Ministers of Finance and ECA Conference of African Ministers of Planning and Economic Development, ECA provided support with the establishment of the High-Level Panel (HLP) on Illicit Financial Flows in Africa, which was inaugurated in February 2012. The HLP held its first public consultation in August 2012, in Kenya and four panel meetings between February and October 2012. ECA has carried out several activities to support the work of the HLP. They include: preparation of a background research paper on the scale and magnitude of illicit financial flows from Africa; a comprehensive communication strategy for the HLP; and a dedicated HLP website, as part of the communication strategy. The work of the HLP has generated tremendous interest from within and outside the continent, including from the NEPAD Heads of State Orientation Committee, the African Partnership Forum, the African Lawyers Union, Trust Africa and UNDP, which have all sought to collaborate with ECA in this effort.

29. As one of the strategic partners supporting the implementation of the APRM, ECA continued to assist African countries at various stages of its implementation. In this regard, ECA provided technical support in the reviews and preparation of country reports for Gabon, South Africa, the Sudan and Tanzania. It also organized a workshop in April 2012, in Domaine Les Pailles, Mauritius, in collaboration with the UNDP Regional Centre for Eastern and Southern Africa, to facilitate exchange of best practices and information sharing on harmonizing the APRM national plans of action with pre-existing national plans, within the context of a common medium-term expenditure frame work. By the end of the period under review, 33 countries had acceded to the process, while 17 had been peer-reviewed. However, capacity and logistical challenges have prevented a significant proportion of the acceded countries from setting off the review process. ECA support to the African Peer Review Mechanism process has significantly contributed to systematic improvements in the capacity of the APRM Secretariat and stakeholders in member countries. Feedback from support and review missions conducted underscores the high regard the APRM Secretariat and participating countries have for ECA, as a credible institution.

30. As part of continued efforts by the APRM to strengthen the role of civil society in Africa's development, it developed and managed a web portal which collects, catalogues and disseminates information from diverse sources to civil society organizations (CSOs). A meeting on peace, security and regional integration in the Horn of Africa was organized in collaboration with the Government of Djibouti in January 2012. Also, a tool kit on conflict prevention and resolution was developed. In addition, advisory services were provided to post-conflict countries to mainstream civil society participation into their policy processes. ECA conducted a training workshop for CSOs on post-conflict reconstruction for Central and West African Francophone countries, in April 2012, in Abidjan. The outcomes of the workshop provide a robust and credible framework for mediators and other actors involved in African peace processes. A sensitization workshop for civil society on the APRM was also organized in April 2012, in Cote d'Ivoire. Through these capacity development activities, ECA has contributed to building the capacity of CSOs to engage in the APRM process.

31. Activities in the area of private sector development were designed to help sustain the current momentum of Africa's economic growth and transformation. In this regard, ECA carried out studies leading to the publication of two reports. The first, on "Promoting economic and corporate governance to improve private investment in Africa", is aimed at improving the flow and quality of private investment. The second, on "Building PPPs to scale up resources for climate-friendly investments", explored the potential of Africa's vast and untapped renewable energy resources for the continent's economic development, growth and transformation. A workshop on public-private partnerships (PPP) to promote climate-friendly investment was held from 30 May to 1 June 2012, in Pretoria.

### **Information and science and technology for development**

32. ECA work under this subprogramme focused on improving the capacity of member States to formulate, implement and evaluate national and sectoral policies that enhance the contribution of information, science and technology to both national development and regional integration.

33. Activities undertaken in the area of information and communication technologies (ICTs) covered e-commerce, policy and regulatory frameworks, e-government, knowledge networks, innovations, information society and Internet governance. ECA

carried out a study to assess ICT policy development and implementation in Cameroon, Ethiopia, the Gambia, Morocco and Mozambique. The study reviewed the status of implementation of national e-strategies and their impact on targeted sectors. In addition, the governments of Ethiopia, the Gambia, Ghana, Seychelles, Tanzania and Zimbabwe received technical assistance and policy advisory services in the review and adoption of national ICT policy and regulatory frameworks in the context of their current national development plans and priorities. ECA also supported an ICT project implemented by the Government of Nigeria through a survey on ICT indicators, focusing on households and individuals as well as specific sectors of the economy. The work was published and a national web portal developed specifically for that purpose. ECA also assisted AU in the development of a regional convention on cyber security, which was adopted by the fourth African Union Conference of Ministers in charge of Communications and Information Technologies held in September 2012, in Khartoum.

34. In the area of information and knowledge sharing, a network of African community telecentres involving 18 community telecentres and eight national and subregional telecentre networks was established in eight countries. ECA support for this network continued through capacity-building and the creation of platforms for knowledge sharing and networking, with the aim of transforming the role of community telecentres into centres of innovation. Three innovative projects were supported during the past year: the Ugunja Community Resource Centre in Kenya developed participatory village mapping, using the Open Street Map open-source application to develop an online map of Ugunja district; the Nakasake Community Telecentre in Uganda developed a mobile application, called MFarmer, using the Frontline SMS open-source application to launch a mobile phone-based service on agricultural market information and weather updates for farmers; and the Sengerema Community Telecentre in Tanzania launched a mobile-and web-based agricultural information service. ECA further created a number of online discussion forums to facilitate interactive discussions among various stakeholders on the continent. These forums include: groups to facilitate the collaborative work of people involved in implementing the ECA work programme; the African Internet Governance Forum (<http://dgroups.org/groups/AfIGF>) and an online discussion list for Global Geospatial Information Management ([http://www.dgroups.org/groups/ggim\\_africa](http://www.dgroups.org/groups/ggim_africa)).

35. In its capacity as the secretariat of the African Internet Governance Forum, ECA organized the first conference on Internet governance in October 2012, in Cairo to prepare an African common position for the Internet Governance Forum held in November 2012, in Baku, Azerbaijan. Several awareness-raising workshops and exhibitions were conducted to build the capacity of over 800 policymakers and stakeholders on information society development issues. An online invitation to a training course on “ICT and meaningful development”, offered by the Information Technology Centre for Africa attracted 32 participants from the Comoros, Djibouti, the Gambia, Kenya, Rwanda, Uganda and Tanzania, who completed the course module and received certificates.

36. ECA work in the area of promoting innovations included: support for a three-year pilot programme to promote electronic rural schools in African-language primary schools in Cameroon, where hundreds of students use a local-language computer system; support for five young innovators from Ethiopia and Senegal undergoing a nine-month internship at the CREATIC4AFRICA innovation laboratory in Spain, where they presented their ICT-based innovations at a special event organized by ECA and the Centro Tecnológico de la Información y las Comunicaciones in June 2012; and the 2012 Innovation Prize for Africa, for which 485 applications were received from 38 countries in sectors such as ICTs, health, agriculture and food security and green technologies. Two winners (from Algeria and Egypt) were selected and profiled. Winners, nominees and selected candidates continue to attract the attention of international manufacturers, venture capital firms and specialized research and development centres. Other initiatives on innovation launched during the year include the first African innovation index for measuring the innovation performance and potential of African countries and a multi-year pilot project entitled, “engineering expertise”, for improving health outcomes in Africa and indigenous African capacity to install and maintain medical devices.

37. ECA undertook policy research, provided policy advice and technical assistance and supported pilot projects on new and emerging trends in science, technology and innovation, to improve the capacity of member States to harness these trends for sustainable socio-economic development. Rwanda received technical support to consolidate and review the management structure and operational guide lines of the Rwanda Endowment Fund to promote science, technology and innovation. The East African Network of Science Journalists was also launched in 2012 to create a critical mass of skilled science journalists capable of

making information on science and technology more accessible to the public and easy to understand.

38. In the area of geo-information services, ECA continued to provide support in the development and implementation of national spatial data infrastructure (NSDI), as well as integration of NSDI and geospatial information policies into national information and communication infrastructure policies and plans. It developed various information and knowledge resources, applications and services to improve the availability and use of geo-information for development at the national, regional and subregional levels. It also updated a number of regional geospatial databases, including that of the Programme for Infrastructure Development in Africa, the metadata clearing house, a management system and database on health and emergencies; and the GeoNyms application, which will be used by member States to manage gazetteers of place names. In collaboration with key partners, implementation of the African Geodetic Reference Frame programme continued in 2012, and logistic details of the roll-out of 30 Global Navigation Satellite System receivers were finalized with Ordnance Survey of the United Kingdom.

39. Technical assistance in the area of geo-information was provided to the Government of Ghana to support the development of national street addressing and numbering systems and the national policy framework for addressing systems. ECA also participated in several activities and events related to geo-information development and management. These include the Geospatial World Forum, held in April 2012, in Amsterdam, where it was awarded the “Geospatial World Leadership Award for Making a Difference”.

40. In the area of library and information management services, the ECA Library developed an institutional repository replication project to provide offline mechanisms for updating and providing offline replicates or mirrors of the library, initially at the five subregional offices and later to universities and other institutions across Africa. The “Access to Scientific and Socio-economic Information in Africa” project was launched in 2012 to provide a one-stop shop for scientific and socio-economic knowledge resources and information for African researchers, academics, students, economists, policymakers and other professionals. Its interactive online portal is available at <http://askia.uneca.org/askia/>. The ECA Library also provided advisory services and embarked on capacity-building activities, at the national and regional levels, on the development of institutional repositories and the digitization of local content. It forged a collabora-

tive partnership with the Digital Divide Data organization to develop a geospatial repository of 5,000 maps from the former ECA Map Reference Unit.

### **Regional integration, infrastructure and trade**

41. ECA work under this subprogramme continued to focus on strengthening the regional integration process in Africa through enhanced intra-African trade and physical integration, with particular emphasis on infrastructure and natural resource development in line with the AU vision.

42. The fifth issue of the ECA flagship publication *Assessing Regional Integration in Africa (ARIA-V)*, prepared jointly with AfDB, was produced and launched at the 19th AU Assembly of Heads of State and Government, held in July 2012, in Addis Ababa. It was disseminated to participants at the summit and distributed, with extensive media coverage, to key ministries in member States. ARIA-V was a factor in the African Union’s decision to adopt the Action Plan for Boosting Intra-African Trade and establish the Continental Free Trade Area (CFTA). ARIA-V was also published in e-book flip format, together with a mobile application and a documentary film on intra-African trade, helping to showcase best practices and raise awareness about the challenges. The media coverage of ARIA-V and the film, which has been posted on various sites, including the ECA knowledge management online page (<http://knowledge.africa-devnet.org>) and YouTube, continues to create public awareness across the continent. Both ARIA-V and the film have been recognized by political leaders as a reference and guide to building the free-trade area and boosting intra-African trade. Furthermore, in collaboration with the United Nations Institute for Training and Research, an online course providing free learning on all chapters of ARIA-V was launched. Later in the reporting period, compilation of the sixth edition of ARIA (ARIA-VI) was commenced, for completion in the first half of 2013. ARIA-VI focuses on the key elements of the AU Action Plan for Boosting Intra-African Trade and the establishment of the free-trade area. It also focuses on fast tracking the harmonization of trade policies, measures, programmes and instruments, particularly in the key areas of rules of origin, trade facilitation measures, transport instruments and trade-related ICT and information.

43. ECA undertook a study inspired by the African Union’s aspiration to double intra-Africa trade from its current level of 10-12 per cent of total trade to 20-25 per cent within the next decade, and produced the “Report on Africa’s trade flows and patterns”,

whose findings and recommendations were presented at a meeting of senior officials held on 3 and 4 April 2012, in Addis Ababa. The paper provides further insights into the nature and scope of intra-African trade, disaggregated by product, sector and country, which, together with the analytical research contained in ARIA-IV and ARIA-V, will enhance the information base to support the continent's strides towards establishment of the continental free-trade area and boosting of intra-African trade. The overall picture of trade flows and patterns will help equip member States and other African trade partners to formulate sound trade policies that will take into account the comparative advantages that exist in Africa and thus boost intra-African trade to target levels. The materials and methodologies on which the study was based were used at a training workshop on regional integration, free trade areas and customs and monetary unions, jointly organized by ECA and the Macroeconomic and Financial Management Institute of Eastern and Southern Africa from 23 to 25 June 2012, in Addis Ababa.

44. With a focus on increasing the pace of establishment of the African Economic Community, ECA conducted fieldwork to document some of the best practices in trade and market integration, free movement of people, right of establishment, transport and communication, and macroeconomic convergence in the COMESA, East African Community (EAC) and ECOWAS regions. Several best practices were catalogued and will be shared continent-wide to help RECs benefit from other experiences in replicating and adapting best practices. In response to the recommendations of the seventh session of the Committee on Trade, Regional Cooperation and Integration held in November 2011, in Accra, a study on informal cross-border trade in Africa was undertaken. The report provides a descriptive account of the magnitude of the trade in Africa and the tools and instruments for measuring its contribution to the economy. The findings of the study were presented to the eighth session of the Committee in February 2013, in Addis Ababa. Implementing the recommendations of the report will lead to job creation and improved livelihoods for many Africans. The study findings provide accurate information on the informal cross-border trade to enable African countries to seize the opportunities offered by comparative advantage.

45. Following the recommendations of the joint ECA and AUC expert group meeting, held in November 2011, on modern bioenergy development, a report on bioenergy framework and policy guidelines was produced following a broad and inclusive consultative process and presented at the "All Africa

Energy Week" held in November 2012, in Addis Ababa. Based on this report, resolutions for bioenergy development in Africa were formulated and presented for endorsement to the AU ministerial meeting responsible for energy, held on 16 November 2012, in Addis Ababa. The framework and guidelines were subsequently adopted by the AU Summit of Heads of State and Government in January 2013. The framework will be published on United Nations sites and in the RECs in all AU languages (Arabic, French, English and Portuguese). The framework also provides a toolkit for member States to develop, implement and monitor sustainable bioenergy policies and strategies.

46. The eighth session of the Committee on Trade, Regional Cooperation and Integration, was held from 6 to 8 February 2013, in Addis Ababa and attended by senior officials and experts from ministries responsible for regional cooperation and integration, representatives of AUC, and RECs. It was preceded by a regional workshop on "mainstreaming regional integration into Africa", attended by all participants of the committee meeting. A report on the results of an exhaustive survey of the progress made towards mainstreaming regional integration programmes, protocols, decisions and activities into national development strategies and plans of member States was presented at the workshop. The Committee meeting focused on mainstreaming regional integration at the national level, reviewed developments taking place in regional and international trade, highlighted cases of best practices of regional integration in Africa, appraised past and ongoing ECA programmes in trade and regional integration and discussed the priorities of the 2014-2015 biennium work programme. Drawing on the deliberations of the regional workshop and the Committee session, the Committee reviewed policy options and proposed recommendations designed to create favourable conditions for a better trading environment and accelerate regional integration in Africa.

47. ECA work through the African Trade Policy Centre primarily involved workshops and seminars, studies and technical advisory services, which are categorized into three main groups namely: REC-based activities, activities to support member States and activities in collaboration with partner organizations.

48. ECA provided technical advisory services and conducted workshops, seminars and other training activities for ECOWAS, EAC and SADC in trade and environment, economic partnership agreements (EPAs), WTO negotiations, aid for trade, the African Growth and Opportunity Act (AGOA), trade facilitation and corridor management, trade and gender as well as e-commerce. The training activities covered



market analysis tools and modelling techniques in trade negotiations and trade policy design and formulation in member States. As a result of the awareness created and skills imparted by the training, the RECs requested additional software to be used to apply the methodologies learnt. ECA support for the training continues software acquisition and subscription for its maintenance to ensure that the RECs have fully fledged trade policy units. ECA support to ECOWAS and SADC on the development of their Aid for Trade strategies included a validation workshop on “the Walvis Bay Corridor Group Business Model Review Study as a model for Sustainability of Corridor Institutions”, held from 2 to 4 July 2012, in Walvis Bay, Namibia. The insights generated from the presentations and discussions on the study led to recommendations for follow up through the ECA-supported African Corridor Management Alliance.

49. At the request of the Lesotho Electricity Authority for ECA financial and technical assistance, a country workshop on PPP for the development of the country’s renewable energy sector was held from 4 to 6 December 2012, in Maseru. Knowledge from this workshop will also benefit the SADC region which has a growing energy deficit. The outcomes of such PPPs would contribute to regional integration, through cross-border electricity pooling and trading. In addition, ECA provided technical support to the SADC secretariat to develop its e-commerce strategic framework, which was adopted at a meeting of SADC ministers responsible for telecommunications, postal and information and communication technologies held in November 2012, in Balaclava, Mauritius.

50. ECA provided technical support for developing the national AGOA implementation strategy in selected AGOA countries such as Botswana and Ethiopia. The Commission also continued to provide technical support to the African Alliance for e-Commerce in various areas. These include: the development of guidelines for single window implementation in Africa; training on facilitation of cross-border trade, using single windows; and development of the legal framework for the establishment of the African Corridor Management Alliance.

51. As a follow-up to the inaugural Africa Trade Forum held in November 2011, in Addis Ababa, the second forum (ATF-II) was held in September 2012, in Addis Ababa. ATF-II adopted the Strategic Implementation Framework and recommendations in four thematic areas of the Action Plan on Boosting Intra-African Trade (BIAT), namely: enhancing productive capacities; trade facilitation; trade in finance; and infrastructure for trade. It also established the CFTA.

The recommendations on the BIAT and CFTA Implementation Strategic Framework fed into the African Ministers of Trade meeting held in November 2012, in Addis Ababa.

52. In collaboration with several partner organizations, including UN Women, the International Trade Centre and AfDB, ECA conducted several workshops and training on cross-cutting issues on trade. The workshops include: the continental workshop on “Mainstreaming Gender into Trade Policies”, held 12-14 November 2012, in Accra; the SADC meeting on EPAs; the SADC e-Commerce strategy and mainstreaming trade policy in national development agendas; and several national trade policy consultative forums in Burundi, Cote d’Ivoire, South Sudan, Tanzania and Togo. Furthermore, collaboration with the West African Institute for Financial and Economic Management, a regional seminar on “West Africa’s International Trade, Taxes and Policies” attended by 30 senior officials from the Gambia, Ghana, Liberia, Nigeria and Sierra Leone was held from 22 April to 2 May 2012, in Freetown. A regional training workshop on “Export diversification and trade facilitation for enhancing intra-African trade” for African trade officials was also held 5-7 September 2012, in Addis Ababa.

### **Gender and women in development**

53. Building the capacity of member States to achieve gender equality and women’s empowerment, in line with their regional and international commitments, continued to define the work of ECA under this subprogramme. Building on 2011 achievements, the key accomplishments in 2012 include: operationalizing the tools and knowledge platforms developed by the subprogramme; undertaking comprehensive studies on key gender issues in order to expand knowledge on them; and providing technical advisory services tailored to member States.

54. ECA continued to build the capacity of member States to collect and analyse gender-disaggregated data, mainstreaming gender policy modelling, developing and disseminating appropriate tools and establishing platforms for sharing knowledge among member States.

55. Development of the African Gender Development Index (AGDI) entered an expanded new phase in 2012 with data collection and refinement of the instrument in 14 countries: Botswana, Burundi, Cape Verde, the Republic of the Congo, Côte d’Ivoire, Djibouti, the Democratic Republic of the Congo, the Gambia, Kenya, Malawi, Mali, Senegal, Togo and

Zambia. The AGDI process in these countries was inclusive, bringing together the statistics bureaus, gender and social security departments, finance, labour, education, trade and health ministries, private sector and civil-society organizations, to collectively develop the database, indicators and the report, as well as produce their respective national AGDI. As a result, the Gambia has implemented some recommendations from the study, to strengthen the work of the sector ministries on gender, while Malawi has used AGDI indicators to contribute to the gender dimensions of its Malawi Growth and Development Strategy. ECA also provided technical assistance to the South Africa Commission for Gender Equality (CGE) and their stakeholders on the use of AGDI to support the effective implementation of the mandate of the CGE. The technical support enhanced the capacity of CGE commissioners and paved the way for the country to undertake the second phase of AGDI implementation. AGDI allows member States to review and assess their performance in meeting commitments on gender equality and identifying and addressing gaps in policies and strategies.

56. In the area of promoting women's empowerment, ECA undertook a review of the status of implementation of the follow-up strategy to the 2009 Beijing+15 recommendations in 30 countries. The review indicates that national strategies have been put in place to promote economic empowerment of women through poverty reduction, employment creation, social protection and use of information and communications technology. Cameroon, for instance, has trained over 96,000 women in the use of ICTs under its "100,000 Femmes Horizon 2012" programme. Several countries have made progress in providing financing for gender equality programmes, and 11 countries have formulated national gender policies and are implementing gender-responsive budgets. The countries include Cameroon, Djibouti, Egypt, Ethiopia, the Gambia, Kenya, Mauritania, Mauritius, Morocco, Tanzania and Zambia. The review also indicates that Algeria, Eritrea, Mauritania, Morocco and the Niger used the quota system and affirmative action to promote political participation of women in national and local administration.

57. Several activities were undertaken during the year to enhance knowledge on gender issues in order to support member States to mainstream gender into sectoral programmes at the country level. The e-network for national gender machineries (NGMs) in Africa has been used as a tool to share best practices and developments of critical importance with NGMs in the Gambia, Ghana, Egypt, Kenya, Nigeria and Zimbabwe. It will continue to provide a platform

for learning and regular exchange among NGMs in Africa. An e-discussion on gender mainstreaming in national policies and programmes in June 2012 enabled participants from Egypt, Ethiopia, the Gambia, Ghana, Kenya, Mauritius, Nigeria, Zambia, Uganda and Zimbabwe to share their experiences and achievements in promoting gender equality and women's empowerment. Also, ECA continued to upgrade and expand the African Women's Rights Observatory (AWRO), a strategic advocacy tool that facilitates information-sharing and networking on issues of women's rights in Africa. AWRO monitors member States' progress in addressing women's rights, in line with global and regional commitments. A training workshop for national e-network teams and AWRO focal persons was held in July 2012, in Addis Ababa to increase awareness of how the e-network and AWRO can be used by NGMs and other stakeholders to promote gender equality and women's rights in Africa.

58. Other knowledge products prepared include a compendium of good practices in gender mainstreaming, which showcased good practices drawn from Cameroon, Morocco, Rwanda, Sierra Leone and Tanzania; as well as a Southern Africa regional initiative. The case studies illustrate that mainstreaming gender into local development and decentralization can advance gender equality and achieve meaningful results, particularly for the poor. They further provide evidence on practical interventions that countries could use to enhance gender capacity and accountability of local governance structures. The 2003 Guidebook on Mainstreaming Gender and Household Production into National Accounts, Policies and Budgets has been updated and revised, and tested in Djibouti and Ghana for under taking time-use surveys for building satellite accounts and gender-aware macroeconomic models. In addition, the guidebook on time-use surveys and gender-aware economic modelling was introduced in Ethiopia, Ghana, Tanzania, Uganda and Zimbabwe.

59. As a contribution to United Nations system-wide activities on gender-based violence and violence against women, ECA undertook a regional mapping and study on violence against women in informal cross-border trade in eight countries: Cameroon, the Democratic Republic of the Congo, Ethiopia, Morocco, Senegal, Tanzania, Zambia and Zimbabwe. The country reports provided information on the magnitude of the problem in cross-border trade and made some recommendations for addressing it. An expert group meeting organized to validate the synthesis report, drew 38 participants from the AU Commission, NEPAD, ECOWAS, the Intergovernmental Authority on Development (IGAD), COMESA; as

well as from regional civil society organizations such as FEMNET, Akina Mama WaAfrika, Sonke Gender Justice, the International Planned Parenthood Federation for Africa, academia, experts on gender and trade and other United Nations agencies. The final report and accompanying fact sheet will be a source of information for member States and RECs as well as a tool for formulating and implementing regional and national policies and programmes that address the wide-spread phenomenon of violence against women in informal cross-border trade in Africa. Most member States have put national and local strategies in place to prevent and respond to violence against women, with Zimbabwe leading the way in the establishment of a pilot one-stop centre where female survivors of violence receive medical, psychosocial and legal support.

60. Advisory services were provided upon request to member States, for technical support for the use of tools and methodologies developed by ECA. The Government of Botswana also benefited from similar services to build capacity to formulate and implement a framework for integrating gender into public finance, as did Uganda to finalize an engendered draft climate change policy framework.

### **Subregional activities for development**

61. Confronting the development challenges facing different parts of Africa often calls for a subregional focus, which, in ECA, is provided by the five subregional offices (SROs) located in each of the five subregions of the continent as follows: Rabat (North Africa); Niamey (West Africa); Yaounde (Central Africa); Kigali (East Africa) and Lusaka (Southern Africa). The work of the five SROs is defined by the specific needs and priorities of each subregion. However, a major priority for all five SROs is to promote and accelerate the process of regional integration at the subregional level. They are mandated to spearhead the delivery of operational activities targeted their specific priorities, within the overall framework and priorities of AU and its NEPAD programme.

62. The SROs worked towards this objective by strengthening partnership with the major RECs, including AMU, SADC, EAC, IGAD, ECOWAS, the Economic and Monetary Community of Central Africa (CEMAC), the Economic Community of Central African States (ECCAS) and the West African Economic and Monetary Union (UEMOA).

63. SROs continued to enhance their support to member States and RECs to strengthen their capacity to formulate and implement harmonized macroeconomic and sectoral policies and programmes in the areas of trade, infrastructure, human capacity development, gender mainstreaming, agriculture and food security. To this end, they organized and serviced various meetings and workshops, including the annual session of their respective intergovernmental committee of experts (ICE). They also participated in the meetings of the policy organs of RECs; and provided technical assistance, upon request, to member States, RECs and other intergovernmental organizations (IGOs) on institutional and sectoral issues to support integration efforts. SROs also continued to operate as subregional nodes for data collection, knowledge management and networking to strengthen ECA outreach.

64. SROs also compiled and disseminated reports and studies on various economic and social issues, which were submitted to the ICE. In addition, they continued to enhance their collaboration with other United Nations agencies and increased their participation in the activities of the United Nations Country Teams (UNCT) to achieve internationally agreed development goals, including the MDGs. In addition, SROs made progress in enhancing coordination of United Nations activities at the subregional level, in line with the mandate given to them by the Regional Coordination Meeting (RCM), including implementation of the joint activities agreed by the thematic clusters at the subregional level.

65. A major priority for all subregional offices was the implementation of the multi-year programme of cooperation agreed between the subregional offices and their respective RECs. The following section highlights some of the results achieved by each subregional office in the context of the multi-year programmes.

### **Subregional activities for development in North Africa**

66. The ECA subregional office's work programme in North Africa continued to be shaped by the fallout from the social and political instability of the so called "Arab Spring" of 2011 and the recession in Europe that have affected and distorted development priorities in that region. Against this backdrop, the subregional office's work continued to focus on policy support and operational activities on the formulation and implementation of harmonized macroeconomic and sectoral policies. These activities addressed the subregional priority areas of economic

integration, including cooperation between AMU and other RECs, workers' mobility within an integrated Maghreb, sustainable development and ICT for development.

67. In the area of policy formulation and advocacy, the subregional office prepared policy reports and analyses, which contributed to the formulation of relevant policy recommendations for economic and social transformation, youth employment, green economy, food security, financial integration, energy transition, gender and governance. These have gained increased relevance and prominence in the subregion. While strengthening member States' commitment to the principles and priority issues of sustainable development, the subregional office contributed to building consensus and reaching concrete positions and recommendations for promoting effective integration of the three pillars of sustainable development, including the human dimension. Specifically, member States adopted innovative recommendations and strategies to be implemented at the national and regional levels to better address factors impeding the structural transformation of North African economies. These include: unleashing North Africa's potential as a regional pole of growth for Africa; strengthening social protection in North Africa; promoting gender equality; promoting financial integration and regional governance; converting the trade potential within the region into growth; setting North Africa's priorities for implementing Rio+20 outcomes and mobilizing regional actors for regional integration in the Maghreb.

68. The subregional office's activities contributed to strengthening information and knowledge networking with the private sector, civil society organizations, AMU and United Nations agencies, in line with the ECA Business Plan 2010-2012. The office strengthened its network of academics, researchers and institutions working in international trade, growth and regional integration. Following the recommendation of member States, the Mediterranean Economic Colloquium, which contributed to sharing knowledge and improving understanding of economic issues of interest for the region, has become an annual event dubbed the "Rendez-vous" of eminent experts interested in the development of the subregion and its interactions with other subregions. The 2012 colloquium focused on the theme, "Trade in the Mediterranean countries in the context of current political transitions: problems and promises". The colloquium has contributed to strengthening the link between development practitioners/policymakers and the academic community in North Africa.

69. Three new networks were established as part of the North Africa subregion's knowledge platforms on renewable energy, social protection and financial integration. These communities of practice served as tools to exchange information and ideas among members. The platforms were used to disseminate reports and knowledge materials produced by the subregional office. In addition, the office reviewed and revamped its Observatory on Regional Integration, formulated a strategic plan and is currently updating the observatory's content.

70. In the area of partnerships and joint undertakings, the subregional office made progress in strengthening its partnerships with regional stakeholders such as AMU. Several activities were jointly organized under the multi-year programme 2010-2012. They include: a workshop on the harmonization of cyber legislation in North Africa; an expert group meeting on financial integration and regional governance in North Africa; an expert group meeting on the situation of social protection in North Africa, in light of the current demographic issues; an expert group meeting on Rio+20; and a regional media workshop on the African Governance Report. The ICE meeting, which focused on intra-regional trade and assessment of trade potential in the Maghreb countries, included a specific session on regional integration, in which AMU officials participated actively. The subregional office also facilitated the participation of AMU officials in several key events organized at ECA headquarters, including the 8th African Development Forum. It also facilitated North Africa's participation in the regional meeting for Rio+20.

71. The subregional office actively participated in the activities of the United Nations country teams, particularly in Egypt, Morocco and Tunisia. This strengthened its network and afforded it greater audience for its work and more impact at country level. Its participation helped in adding a subregional perspective to the United Nations Development Assistance Frameworks in these countries. In addition, the subregional office is collaborating with the United Nations Population Fund (UNFPA) Arab Regional office, the United Nations Economic and Social Commission for Western Asia (ESCWA) and the League of Arab States, within the Interagency Steering Committee on the International Conference on Population and Development beyond 2014 (ICPD Beyond 2014) process. In close collaboration with respective UNCTs, the subregional office assisted member States in their national assessments of the progress made in implementing the ICPD plan of action. National implementation assessment of the ICPD Plan of Action was done through a standardized question-

naire and the subregional office was assigned to assist and follow-up on the process with four North African countries. A regional conference on population is expected to be held as an output of the ICPD process.

72. In the area of institutional capacity-building, the subregional office provided technical support to its member States through direct technical advisory missions and its work with UNCTs in the seven member States of the subregion. Mauritania received assistance to formulate an integrated institutional framework for the establishment of private employment agencies. Technical assistance was also provided to Notre Algérie Bâtiesur de Nouvelles Idées, a coalition of Algerian civil society organizations working for better governance in Algeria, for the preparation of the “Algeria 2020” report, launched in January 2013. At the request of the Government of Morocco, the subregional office collaborated with the United Nations Economic Commission for Europe to undertake an environmental performance review, a key strategic tool for Morocco, which recently adopted a national charter for environment and sustainable development. In collaboration with the United Nations Statistics Division (UNSD) and the European Environment Agency, consultations and training workshops were also conducted on water statistics and accounts, during which Morocco was chosen at the pilot stage to implement the proposed water statistics system nationally.

### **Subregional activities for development in West Africa**

73. The ECA subregional office for West Africa continued to implement planned outputs in accordance with the programme of work for 2012-2013 and responded to the recommendations of member States as expressed at the fifteenth session of the ICE for West Africa. The subregional office implemented its programme of work in collaboration with key regional partners, including ECOWAS, inter-governmental organizations and other cooperating partners, with a view to enhancing regional development and integration in West Africa.

74. The office organized the 15th ICE meeting in March 2012, in Bamako, which was attended by 11 of the 15 member States, to review implementation of the subregional office’s programme of work and make recommendations. The ICE meeting focused, *inter alia*, on the economic and social development in the region and agricultural potential to enhance growth and development, in line with the ECOWAS Vision 2020. The meeting underscored the need for self-reliance to sustain regional development and integra-

tion, despite the global economic outlook, and scale up the industrialization process to add value to abundant primary commodities in the region. The meeting also emphasized the need for structural reforms and mechanization to enhance job creation (particularly for the youth), accelerate poverty reduction and scale up value addition and the agricultural sector’s contribution to employment, regional economic growth and integration. The meeting reiterated the need for Governments to enhance their domestic and regional resource mobilization efforts in order to close the development financing gap.

75. The ICE meeting also urged ECA and other development partners to help build the capacity of national statistical offices to collect data, including sex-disaggregated data. ECA was also urged to collaborate with the ECOWAS Commission to support member States to formulate and implement appropriate national gender policies. In addition, the meeting urged the subregional office to: (a) assist with building the capacity of member States in data collection and harmonization of data collection methodologies; (b) help strengthen collaborative ties with research think-tanks in the subregion and work with them to provide technical assistance to member States; and (c) ensure timely publication of research reports and dissemination of findings to users.

76. In implementing some of the recommendations of the ICE, the subregional office organized a workshop on “Promotion of the Value Chains Approach in the Development of Agriculture in West Africa” in March 2012, in Bamako. Two non-recurrent publications, *Harnessing Agricultural Potential for Growth and Development and Regional Integration in West Africa: Development of Agricultural Value Chain*, were prepared and presented at the workshop. The workshop made recommendations such as: the need to secure the supply of inputs and other factors of production such as agricultural equipment; the adoption of reforms to facilitate land access for agri-business promoters and smallholders, regardless of gender; and the need to enhance agricultural value chain promotion.

77. Two ad hoc expert group meetings were held back to back in June 2012, in Lome. The first, on “Strengthening the Capacity of West African States to Harness Renewable Energy for Electricity Supply, Poverty Reduction and Climate Change Mitigation”, discussed modalities for improving economic growth, improving social indicators and addressing environmental concerns, innovation and sustainability in the generation and use of renewable energy. The second meeting focused on “Regional integration pro-

grammes and the West African Inter-governmental Organizations platform for regional cooperation". It also addressed obstacles to regional integration, such as the right to residence and citizenship in the subregion.

78. The subregional office continued to provide technical support to the Government of the Niger, to build capacity for designing its medium- to long-term macroeconomic framework and State modernization. This assistance, which began in 2011, is aligned with the Government's five-year development plan, and is designed to help the Government to address poverty, strengthen programmes towards sustainable development and modernize and improve service delivery through public sector reform.

79. The subregional office worked with the African Institute for Economic Development and Planning (IDEP) to organize two training courses for the Niger Government officials on devising a long-term development strategy and vision, drawing on experiences of neighbouring countries like Benin and Mali. The strategy would include supporting the renewal of the Niger's public administration in financial and human resource management. With the subregional office's technical support, a framework procedure and manual were developed and launched in June 2012.

80. In the last quarter of 2012, the subregional office launched a weekly bulletin to enhance its public outreach programme, highlighting the main research, publications and reports of the office so as to foster public understanding of its work.

81. In the context of delivering as one ECA, the subregional office participated in a number of joint activities with other ECA divisions. This included supporting the United Nations-assisted Ten-Year Capacity-Building Programme of the AU (TYCBP-AU), the APRM and MDG activities related to strengthening regional integration and implementation of NEPAD in West Africa. The main focus for 2012 was the promotion of agricultural value chain development, culminating in the subregional office's participation in the international conference on "Value Chains for Agricultural and Rural Development", held 6-9 November 2012, in Addis Ababa. The aim of the conference was to explore agricultural value chain development from the perspective of African smallholder farmers. The subregional office also participated in discussions for the post-2015 development agenda for Africa, including at the 13th Session of the Regional Coordination Mechanism in Africa (RCM-Africa) in November 2012 in Addis Ababa.

### **Subregional activities for development in Central Africa**

82. The ECA subregional office for Central Africa implemented several activities in pursuit of its mandate of promoting regional integration and building the capacity of member States, RECs, IGOs and CSOs in the Central Africa subregion. The activities included two ad hoc expert group meetings, one consultative meeting and one forum. Also, at the request of member States and RECs, under the multi-year programme, advisory services were provided, several reports produced, information and knowledge disseminated.

83. Two ad hoc expert group meetings were held. The first one on the theme, "Assessing trade and transport facilitation along the corridors in Central Africa" was held in May 2012, in Douala, Cameroon. The meeting provided an opportunity for participants to share experiences in the management of transit corridors, identified impediments to intra-REC trade and underscored the need to implement the existing facilitation measures in the subregion. The meeting recommended that RECs should engage in or reinforce information-sharing on existing commodities for trade and build their capacity in the harmonization of policies and programmes as well as standardization of norms. Member States should also interconnect their customs administration networks.

84. The second ad hoc expert group meeting held in October 2012, in Libreville, was aimed at assessing the implementation of the 2011-2013 multi-year programme of support for the Economic Community of Central African States (ECCAS) and CEMAC. The meeting reviewed the activities undertaken during the year under the multi-year programme as well as the achievements of the Steering Committee for the Rationalization of Central African RECs. Participants expressed satisfaction with the resolve of the leadership of ECCAS and CEMAC to cooperate with each other. The meeting proposed that the multi-year programme monitoring mechanism should be reactivated and the partnership expanded to include other stakeholders in the region.

85. The annual consultative meeting of the Subregional Coordination Mechanism (SRCM) on the United Nations system-wide support to the African Union and its NEPAD programme in Central Africa was held on 17 October 2012, in Libreville. The meeting assessed the implementation of the Joint Indicative Programme (JIP) and recommended the establishment of a joint ECA/SRO-CA and ECCAS task force to: closely monitor and report on the activities of the

JIP; strengthen collaboration between ECCAS and CEMAC in the framework of the rationalization process; establish a funding mechanism for the SRCM; strengthen the monitoring and evaluation method of the mechanism; improve dissemination of information on community projects and programmes; and continue advocacy to mobilize resources to support ECCAS, CEMAC and their specialized institutions. Regarding prospects for collaboration between the Central Africa and West Africa SRCMs, the meeting recommended that Central Africa should continue with its existing coordination mechanism while West Africa established its own.

86. The subregional office prepared several reports as working or background documents in support of its activities. These include: the annual report on key economic and social developments in 2010-2011 and prospects for 2012 in Central Africa; the report on the challenges of energy in Central Africa; the progress report on the MDGs and other regional and international agendas and special initiatives in Central Africa; the annual report on the status of new information technologies in support of development in Central Africa; and the annual report on the work of ECA in Central Africa, including the status of implementation of the multi-year programme. The subregional office also produced its 2012 flagship publication *Les Economies de l'Afrique Centrale*; a report on the implementation of a statistical information system on the livestock, meat and fish trade in Central Africa; and the report on trade and transport facilitation along the corridors in Central Africa. Similarly, advisory services were provided to ECCAS, CEMAC and several member States to strengthen their capacity in the areas of macroeconomic policy, transport, water resources, ICT, regional integration, trade, post-conflict development and recovery, fight against corruption, gender mainstreaming, sustainable development and climate change.

87. On communication and knowledge management, the subregional office continued to disseminate information and knowledge among partner institutions, member States, the private sector, civil society and the general public via the office website, library and knowledge-sharing platforms. It also distributed ECA publications, published quarterly and weekly magazines and conducted media coverage of its major events. Furthermore, the subregional office maintained a close relationship with universities and other training institutions, which participated in the external review of reports and publications of the office, and also sent their students to there for internship.

88. The subregional office organized the regional integration day on the theme, "Subregional trade and development of transport infrastructure in Central Africa" from 31 May to 1 June 2012, in Douala, Cameroon. The event was aimed at disseminating knowledge on the current status of regional integration in Central Africa. Issues discussed at the event include: the assessment of the Consensual Transport Master Plan for Central Africa; the regional integration financing tools; the implementation of decisions adopted by RECs for the promotion of a common market; and the AfDB strategy for supporting the regional integration process in Central Africa. Participants underscored the importance of infrastructure for development and the need for private sector involvement in infrastructure financing schemes.

### **Subregional activities for development in Eastern Africa**

89. The ECA subregional office for Eastern Africa focused its programme of work on promoting regional integration and building the capacity of its member States, RECs and IGOs to advance economic and social development in the subregion.

90. As a result of the subregional office's high-level advocacy work to encourage its member States to mainstream regional integration at the national level, Rwanda has become the first EAC member State to adopt a national regional integration policy and strategy. The subregional office continues to provide technical support to the Ministry of EAC Affairs of Rwanda to develop capacity on regional integration issues and popularize the regional integration agenda in the country. Lessons learnt from the experiences of Rwanda and Uganda on mainstreaming regional integration have been documented with a view to producing relevant toolkits and guidelines to support similar efforts across Eastern Africa.

91. In line with its mandate of providing technical assistance, the subregional office provided a vast portfolio of advisory services to member States, IGOs and RECs to build capacity for policy implementation and address a wide range of development challenges. For instance, the Government of Rwanda requested technical support to undertake a comparative analysis of the cost of living in the country, in relation to other EAC countries. This was aimed at enhancing understanding of the level of the country's competitiveness in East Africa. Another request for technical assistance was to support the Northern Corridor Transit Transport Coordination Authority in review in its 2007-2011 Strategic Plan and preparing its successor strategic plan. The 2012-2016 Strategic Plan was pre-

pared at a stakeholders' workshop and subsequently launched in November 2012 by the Council of Ministers of the Northern Corridor, which also discussed and adopted the implementation and monitoring and evaluation framework. Further technical assistance went to the Republic of South Sudan to draw up "the South Sudan Development Initiative" (SSDI), a medium-term development plan, for the newly independent State. The SSDI addressed the gaps identified in the Government's three-year transitional development plan known as the South Sudan Development Plan (SSDP). The SSDI complements the SSDP, as a comprehensive framework of goals, objectives and performance targets, which sets out medium-term development priorities on which the Government and development partners have based their development agenda for 2011-2013. In addition, the first macroeconomic outlook for the new Republic of South Sudan was prepared.

92. "Tracking progress", an increasingly influential report produced by the subregional office, which tracks major macroeconomic and social developments across the Eastern Africa region, was launched in June 2012 in Nairobi, at the National Economic and Social Research Council. It attracted considerable attention from media houses in the region. South Sudan, which became the 14th member State of the subregion in 2012, was also included in the analytical report. There is currently no other report which deals with the 14 countries of the wider Eastern Africa region on a comparative basis, benchmarking performance and making concrete policy recommendations to deal with the challenges identified. The 16th ICE meeting decided that the next report should focus on challenges of growth and structural transformation in the region.

93. The 15th ICE meeting held in February 2011, in Djibouti, recommended the establishment of a regional framework for ensuring a competitive and sustainable tourism industry in Eastern Africa. The 2004 AU/NEPAD Tourism Action Plan for Africa highlights the important role played by RECs in advancing Africa's tourism development agenda. From December 2011, several technical assistance missions, including two expert consultative meetings involving key tourism stakeholders, were undertaken to most of the IGAD member States, including Djibouti, Ethiopia, Kenya, South Sudan and Uganda. The missions were to assist IGAD to develop a regional sustainable tourism master plan (STMP). The draft STMP was discussed in a June 2012 meeting in Kigali, where recommendations were made to inform its revision. A second meeting held in October 2012, in Kampala, made recommendations that further refined the draft

STMP. The STMP was in the final stages of completion with its official launch scheduled for early 2013.

94. In the area of capacity-building, knowledge management and sharing, the work programme of the subregional office included two training courses, two seminars, a symposium and a subregional knowledge exchange and capacity-building workshop. These activities covered a wide range of topics, including environmental security assessment, trade and regional integration; paperless trade, tourism development, monetary union and economic valuation of land and ecosystem services in Eastern Africa.

95. Under the United Nations inter-agency collaboration and partnerships, the subregional office continued to facilitate the United Nations' pledge to deliver as one by organizing several activities jointly with other United Nations agencies and departments. Joint programme delivery with ECA headquarters divisions focused mainly on current development challenges, best practices and new trends in the energy sector, cyber security, regional integration, mineral resource management, regional agriculture value chains and governance. The subregional office contributed to the establishment of the African Mining Development Centre and organization of the 8th Africa Development Forum on "Governing and Harnessing Natural Resources for Africa's Development", held 23-25 October 2012, in Addis Ababa. The office also co-organized a regional consultation workshop on "the African Union convention on cyber security and harmonization of cyber laws", 20-22 June 2012, in Addis Ababa. The regional workshop discussed a set of cyber law provisions in the convention, which should form the basis of harmonized national, regional and continental cyber laws. The workshop highlighted the need to integrate cyber security policies and legislations into overall holistic ICT policies and strategies so as to ensure a safe, predictable and trustworthy cyber space. The draft Convention, developed with technical support from ECA, was adopted by the African Ministers in charge of Communication and Information Technologies meeting at their Fourth Ordinary Session held in September 2012, in Khartoum.

96. Based in Rwanda, the subregional office provided policy support to policy forums in Rwanda, including the Sector Working Group on Agriculture and Environment. It was also involved in delivery of several joint UNCT initiatives in the country. The office participated in the elaboration of the United Nations Development Assistance Plan for Rwanda (UNDAP 2013-2017) and, with UNDP, co-chaired the Development Results Group on inclusive economic transformation. The subregional office led



the formulation of the Business Plan for the SRCM; and together with the subregional office for Southern Africa, engaged and rallied United Nations agencies to adopt a coordinated approach to the delivery of their support to the RECs and IGOs operating in Eastern and Southern Africa. The mechanism has become a fully owned optimal instrument, which seeks to improve coherence and foster synergy, reduce transaction costs and operationalize the “delivering as one” concept in programme implementation. The SRCM consultations resulted in consolidated areas of focus, which will guide future engagements, including rendering support to the Grand free trade area framework, comprising COMESA, EAC and SADC.

### **Subregional activities for development in Southern Africa**

97. During the period under review and consistent with its mandate, the ECA subregional office for Southern Africa continued to assist member States, RECs, IGOs and other stakeholders in policy coordination and harmonization; and in building their analytical and policymaking capacity through meetings, workshops and provision of advisory services.

98. An ad hoc expert group meeting on the theme, “Climate Change and the Rural Economy in Southern Africa: Issues, Challenges and Opportunities”, was held in August 2012, in Johannesburg, South Africa. The meeting reviewed and enriched a report on measures taken by member States to mitigate and reduce climate change impacts and mainstream it into rural development policies. The meeting underscored the need to strengthen climate change mitigation and adaptation strategies in the region and made recommendations aimed at building the capacity of countries in the subregion to effectively respond to climate change threats.

99. In the area of capacity-building and technical assistance, the subregional office provided policy advisory services, upon request, to member States, RECs and IGOs to address specific challenges. The support included: use of ICTs in regional integration; e-commerce readiness; ICT master plan development; minerals and mining policy development; and ICT infrastructure development.

100. Technical support was provided to the Association of Regulators of Information and Communication for Eastern and Southern Africa (ARICEA), a forum for national ICT regulators for facilitating sustainable growth and development via trade and regional integration. This assistance was in response to a request for direct technical support to specific

COMESA priorities and programmes. A paper entitled, “Cyber Security vis-à-vis the draft African Union convention on the establishment of a credible legal framework for cyber security in Africa” was presented to the 8th ARICEA Annual General Meeting in July 2012. The paper highlighted ongoing efforts in Eastern and Southern Africa to effectively integrate cyber security into national development strategies, based on EAC cyber laws, the COMESA Cyber Security Model Bill and SADC cyber laws. It also highlighted the importance of the AU Cyber Security Convention, by explaining the pillars of the framework, including legal measures, technical measures, capacity-building, and organizational structures; and highlighted key areas of cyber legislation.

101. Following adoption of an ICT master plan framework by the SADC Parliamentary Forum in 2009, at the request of member States, the subregional office coordinated development and finalization of the ICT master plan for the parliaments of Botswana and Swaziland, as part of its technical assistance to member States within the framework of the African Information Society Initiative. The master plans are aimed at guiding the implementation of ICT policies and enhancing the operations of national parliaments to demonstrate national commitment to using ICT to assist in addressing parliamentary issues such as transparency and capacity-building, with innovative solutions and approaches. The ICT master plans for the two parliaments were approved and adopted in August 2012 for Botswana and September 2012 for Swaziland. Further assistance was provided to the Government of Swaziland to develop its National Information and Communications Infrastructure Plan, including aligning the implementation plan with other national and subregional policy frameworks such as the National Development Strategy and the e-SADC framework to ensure harmonization of policies and strategies. Likewise, the SADC Secretariat received assistance for the development of a subregional e-commerce strategy, as part of the implementation of the e-SADC strategic framework adopted by the SADC Ministers of ICT in November 2012.

102. At the request of the Government of Lesotho, the subregional office provided technical assistance for developing a national mining and minerals policy and regulatory framework to guide operations in the sector, ensure sustainable socio-economic growth and development and address poverty, in line with the country’s National Strategic Development Plan (2012-2017). These aspirations are in line with the AMV, making the Lesotho project a pioneer in the process of creating AMV-compliant mineral policies

aimed at strengthening the contribution of the minerals sector to socioeconomic transformation on the continent. A technical proposal outlining procedures and processes to guide the policy development process was prepared; and upon request, a joint scoping mission with Southern African Resource Watch was undertaken in December 2012 to discuss its operationalization with a wide range of national stakeholders.

### **Development planning and administration**

103. The objective of this subprogramme, which is implemented by IDEP, is to enhance national and regional capacity for the formulation and implementation of development policies and economic management through training. To this end, IDEP continued innovation and consolidation of the momentum towards becoming the leading centre in Africa for the executive education of mid-career and senior officials. The key milestones attained in 2012 include: decentralization of the Institute's short courses; introduction of a new short course targeting African parliamentarians; revamping the Institute's Masters Degree programme and development seminar series; success in increasing resources allocated from the United Nations; and celebration of the Institute's 50th anniversary.

104. The portfolio of short pan-African courses remained at the heart of the Institute's capacity development and training activities in 2012. Course attendance increased by 10 per cent from 600 in 2011 to a total of 660 officials trained in 2012, through 22 short courses, tailor-made courses and capacity-building workshops organized by the Institute and in collaboration with its partners. The themes covered include: trade, industrial, and agricultural policies; trade negotiations; gender in economic policy and management; mining policy and contract negotiations; social policy, data analysis and management; and elements of development planning.

105. Innovation by IDEP continued with decentralization of its courses and introduction of a course to improve parliamentarian's oversight of mining activities on the continent. While most of the short courses were held in Dakar for some 25 to 30 officials, a two-week course on industrial policy in Africa was held from September to October 2012 at the University of Johannesburg, in partnership with the ECA Economic Development and NEPAD Division. It drew participants from all five subregions of the continent. A new two-week course on mining policy and contract negotiations was attended by 30 participants with portfolio responsibilities for natural resource

management, including top civil society leaders in the field and members of parliament from across the continent.

106. The Institute's training and activities have proved to be relevant, as Benin, Cameroon, the Niger and other Governments have requested IDEP to conduct tailor-made courses on planning, development project management (design and implementation) and development project monitoring and evaluation for mid-career and senior planning officials, including permanent secretaries and divisional directors, using government and/or third-party financing. Similar tailor-made courses were organized in Rwanda and Zimbabwe with focus on engendering economic development in those countries. Further requests received from ministerial officers of Cote d'Ivoire, the Comoros, the Gambia, Guinea, Lesotho, Malawi, Senegal and Swaziland, are scheduled for implementation in 2013. These tailor-made courses were either wholly or partly supported by the requesting member States, while the Arab Bank for African Development and the AfDB significantly sponsored the initiative.

107. To provide quality training at all levels, IDEP revamped its master's degree programme, as the key flagship activity of the institute, by signing a memorandum of understanding with the University of Johannesburg to guide collaboration between the two institutions in the form of exchange programmes. IDEP plans to re-launch the course in 2013, giving priority to specialization in industrial policy, trade policy, macroeconomic policy and modelling and development planning.

108. The IDEP monthly development seminar has become a much sought-after public forum and site for debate and discussion on contemporary development and planning issues in Africa and the world. IDEP hosted eight seminars, chaired by senior policy officials, think-tank leaders, heads of relevant international agencies and senior academics. The seminars featured speakers from across Africa addressing a variety of themes, and were well attended by the scholarly and policy community, the African diplomatic corps, representatives of various international organizations, the media and civil society leaders. In addition, IDEP continued its policy dialogue series on the interface of culture and development, with a September 2012 meeting in Accra, which brought together 30 participants from all the five subregions of Africa.

109. IDEP commemorated its 50th anniversary with two main activities on research and policy conferences on 50 years of Development Planning in Africa. The research conference took place in Dakar from 5 to

7 November 2012, with 75 participants comprising mainly academics, policy intellectuals, some IDEP alumni, and civil society leaders debating a series of papers on the theme of the conference. Following the success of this research conference, it was decided that it should be followed up with a high-level policy conference mainly involving ministers, senior policy officials and representatives of various international organizations. This policy conference was slated for 22 January 2013, immediately following the 52nd meeting of the IDEP Governing Council in Dakar. The conference provided an opportunity for participants to look back on the history and experience of development planning on the continent and face the opportunities and challenges that lay ahead.

110. Success and growing demand for services stretched the resources of IDEP, making it necessary to increase its core staff. To better meet the demands of member States and fulfil its mandate, IDEP designed and implemented its resource mobilization strategy, resulting in a significant increase in its annual United Nations allocation and receipt of extrabudgetary resources from its partners. Nevertheless, member States' contributions were modest for the year in review, with only a few countries paid up, and others requesting for their arrears to be written off to enable them to start afresh. IDEP recruited three new staff members, including a head of training, to reinforce staff capacity and ability to meet the growing demand for training from member States.

111. Collaboration and partnership continued to be the hallmark of the Institute's service to member States. IDEP collaborated with the economy ministries of member States in general, and the planning institutions in particular, to define its strategy and methodology for delivering its work in a client-responsive manner. Moreover, it continued to strengthen its training and advisory and policy dialogue collaboration with programmatic and financial partners, including substantive divisions of ECA and key departments of the AUC.

## **Statistics**

112. ECA work under this subprogramme focused on supporting data development and promoting dissemination and use of statistics for evidence-based decision-making and economic management. This was pursued through meetings and technical assistance to enhance the capacity of countries to compile, disseminate and analyse statistical data, in compliance with international principles of compiling official statistics.

113. Efforts to advance the development of civil registration and vital statistics (CRVS) systems in Africa received a significant boost following the second conference of African Ministers responsible for Civil Registration, in September 2012, in Durban, South Africa. Jointly organized by ECA, AfDB and the AU Commission, the meeting was attended by over 400 participants, including 35 ministers and over 100 senior officials from member States. Technical inputs were provided by UNSD, the United Nations Children Fund (UNICEF), the United Nations Population Fund (UNFPA), the Office of the United Nations High Commissioner for Refugees (UNHCR) and the World Health Organization (WHO), which all made ground-breaking decisions and defined the way forward on modalities for improving the coverage and operations of CRVS systems in Africa. The meeting reviewed progress in the implementation of the Africa Programme on Accelerated Improvement of CRVS systems (APAI-CRVS) and called for renewed efforts to improve CRVS systems in Africa. The conference is now institutionalized as a standing regional platform to be convened biennially, following a decision by the Assembly of AU Heads of State and Government in July 2012. The institutionalization of the conference will provide an opportunity for regular dialogue and consensus building on appropriate policy measures for improving civil registration in Africa. The Durban conference on CRVS was followed by the 8th African Symposium on Statistical Development held in September 2012, in Abidjan. The meeting deliberated on strategies for improving registration of deaths and standardizing classification of causes of death, which is a significant challenge on the continent. As a result of these meetings and policy advocacy work done by ECA, 42 countries have pledged to improve the quality and coverage of civil registration and vital statistics systems. In addition, using resource materials, including operational guidelines and manuals on CRVS, designed by ECA and other partners, some countries have started preparations for assessment and design of their national plans, as agreed at the Durban conference.

114. ECA continued to promote implementation of the System of National Accounts (SNA), which is the global methodological standard for national accounting. It did so by providing technical assistance to build the capacity of member States to implement the 2008 SNA. Together with AUC and AfDB, ECA worked closely with member States, using new technologies to modernize their national accounts compilation processes and develop ERETES, the national accounts compilation software. A handbook on supply use tables, one of the outputs of ERETES, was

compiled with contributions from national accounts experts from member States.

115. Furthermore, ECA began to implement the recommendations of the Rio+20 broader measures to complement the gross domestic product (GDP Plus) by working closely with member States to develop a set of reference indicators to assess the economic, social and environmental performance of their economies in the context of integrated policymaking.

116. A subregional seminar on “Developing a Programme for the Implementation of the 2008 SNA and Supporting Statistics for Southern African Countries” was organized jointly with UNSD, AfDB, SADC and the Southern African Customs Union, in October 2012, in Pretoria. The seminar contributed to strengthening statistical capacity-building efforts in Southern Africa to address difficulties faced by countries in implementing the 2008 SNA. A meeting of the African Group on National Accounts to mobilize support for implementing the African strategy and plan for the 2008 SNA was organized in February 2013, in Addis Ababa. It was attended by representatives from member States, the AU Commission, AfDB and other regional and subregional organizations. The meeting reviewed the African Strategy and plan for the implementation of the 2008 SNA contained in the regional project document and agreed on follow-up actions and activities, including the role of stakeholders and partners.

117. As part of efforts to improve the quality of data in monitoring progress towards the MDGs, ECA developed census manuals on data processing and designed a handbook on deriving MDG indicators from censuses and administrative data sources. The handbook is now being used by some countries as a resource material. ECA produced a report on best practices in the collection, compilation and dissemination of data on development indicators, including the MDG framework. Many countries are conducting population and housing censuses. They include the Niger, Rwanda, Sao Tome and Principe, Tanzania and Zimbabwe, which all successfully conducted their census in 2012, bringing the number that had done so to 34. It is anticipated that by the end of 2014, about 53 member States will have participated in the 2010 round of the population and housing census.

118. ECA commitment to facilitating access and use of authoritative and quality data series led to several joint activities with the African Development Bank and the AU Commission for data validation with member States. Technical assistance was extended to RECs on the validation and publishing of the year-

book and database, leading to a significant increase in data sources from African countries for the joint publications. The fifth edition of the joint African Statistical Yearbook and pocketbook were produced in 2012 as authoritative sources of improved, efficient, effective and timely statistical information on Africa. The joint data collection and publication initiative has proved to be efficient, and has significantly reduced the data collection burden on countries and duplication of efforts and inconsistencies among different organizations. The publications were widely distributed in hard copies, CDs and flash disks to end users in Africa and libraries, with the on-line versions in the AfDB database visited by 400,000 users, mainly from academic and research institutions.

119. One of the major advocacy tools used to raise awareness on the importance of statistics in the development of African countries is the African Statistics Day (ASD), which is celebrated every year on 18 November. Through the provision of technical and promotional materials, ECA supported national celebrations of the African Statistics Day in 2012, which was organized under the theme, “Making Every Woman and Man Count: Engendering Statistics for Better Development Outcomes”. To ensure that all African countries celebrated the event, ECA prepared and disseminated advocacy materials in several African languages, including Arabic, English, French and Portuguese. The ASD was celebrated widely in African countries, including in the new Republic of South Sudan, which organized national workshops and an exhibition. Feedback suggests that several countries (including Botswana, Ethiopia, Madagascar, Mauritius, Rwanda, Senegal and Sierra Leone) organized week-long celebrations and often included venues outside their capital cities. As a result of advocacy organized around the 2012 ASD, 34 countries will engender their statistical operations and surveys.

120. In 2012, ECA technical support for the design and implementation of National Statistical Data Systems (NSDS) focused on addressing institutional issues that hindered the capacity of statistical agencies of member States. As of November 2012, 48 countries had designed their NSDS, 18 of which had started implementation. In collaboration with key partners, including PARIS21, the World Bank and AfDB, ECA activities in this area focused on monitoring and supporting implementation of the NSDS and design of second generation NSDSs. ECA mobilized funds for the strategy, undertook several technical assistance missions and organized national workshops for users and producers in the NSDS review process in countries such as Benin, the Niger, Senegal and Togo. As a result, 18 countries are implementing the NSDS, by

revising their statistical acts, enhancing cooperation among users and producers of statistics and increasing financing from governments and the trust fund pool of partners. Among the best practices are the deployment of statisticians to ministries and departments to improve the quality of administrative data and increased resource allocation for statistical operations and surveys.

121. Other capacity-building activities undertaken during the review period include the development of training modules on gender statistics, the MDGs and national accounts and delivery training courses for prospective staff of national statistical offices at statistical training centres in Abidjan, Yaoundé and Dar es Salaam.

### **Social development**

122. The objective of ECA work under this subprogramme is to strengthen the capacity of member States to formulate and implement policies and programmes for poverty reduction and promote social inclusion 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 Millennium Declaration, ICPD Beyond 2014 and the World Summit on Social Development.

123. As part of the ICPD follow-up process, ECA conducted a review of the status of implementation of recommendations on social development policies by member States. Responses received from 47 member States indicated that some of them had put in place policies to address issues of reproductive health, population and development, youth, persons with disabilities, the elderly, international migration, internal migration and urbanization, among other thematic areas included in the ICPD Programme of Action (ICPD-PoA). National reports from 20 countries indicate that countries are implementing national programmes of action and revising national population policies to integrate the recommendations of the ICPD-PoA. For example, the Government of Ghana has established a cross-sectoral planning group to build consensus around population and development priorities for the post-2015 consultations and its National Medium-Term Development Policy Framework for 2014-2016.

124. Following a knowledge needs assessment in 10 countries: Botswana, Egypt, Ethiopia, the Gambia, Kenya, Malawi, Mauritius, Nigeria, Uganda and Zambia, ECA developed a platform to facilitate knowledge and information-sharing on social policy best practices among member States. The social development index currently being developed under the subprogramme will also assist member States in policy development. In addition, a major study on the typologies and policies on migration and development was undertaken as part of an ongoing development account project, being implemented in collaboration with the United Nations Economic Commission for Latin America, ESCWA, the United Nations Economic and Social Commission for Asia and the Pacific, the United Nations Economic Commission for Europe and UN-DESA. The study concludes that migration from Africa is influenced by the policies of receiving countries in Europe and North America, while migration to Latin America is on the increase.

125. Technical and financial assistance was provided to the Government of Mauritius to support two workshops in June 2012. The first one was a brainstorming meeting on enhancing intra-African cooperation on migration and development policy and practice, organized in collaboration with the AU Commission and the International Organization on Migration. The second was a high-level forum on "Harnessing Diaspora Resources for Development in Africa", organized in collaboration with the AUC and the World Bank. The subprogramme supported the participation of four RECs (SADC, ECOWAS, COMESA and IGAD) in these workshops. In addition, technical assistance was provided to the Government of Mauritius to formulate a labour mobility framework in August 2012, and organize the Global Forum on International Migration and Development, held in November 2012. Technical assistance to the Pan-African Youth Union and the AU Commission was instrumental in the development of surveys to be used for monitoring the youth decade plan of action.

### **Other programmes**

126. In addition to the core programme of work described above, ECA has a mandate to implement other cross-cutting programme and activities, in line with the policy priorities of its member States. Key among these in 2011 was the enhanced support to the African Union as part of implementing the NEPAD and the Ten-Year Capacity-Building Programme (TYCBP), including support to the APRM. Other substantive programme activities focused on providing technical assistance to member States and their institutions, upon request, to address key develop-

ment challenges using resources from the United Nations regular programme of technical cooperation and the United Nations Development Account.

### **United Nations system-wide support to the African Union and its NEPAD programme**

127. The United Nations system is one of the major pillars of international support to the African Union and its NEPAD programme. The nature and scope of that support was deepened in the past year through several joint activities undertaken by United Nations agencies within the framework of the Regional Consultation Meeting of United Nations agencies working in Africa (RCM-Africa). The activities encompassed technical assistance and capacity-building for institution development in support of various organs of the African Union, project development, resource mobilization and advocacy.

128. At the global level, the Office of the Special Adviser on Africa based at the United Nations headquarters in New York is responsible for coordinating and mobilizing international support for the NEPAD programme. At the regional level, ECA is responsible for coordinating United Nations activities and joint action, through RCM-Africa, to ensure coherence and cooperation for maximum results. In recent years, the subregional coordination mechanism (SRCM) convened by the ECA subregional offices have emerged as the framework for optimizing United Nations system-wide support to the NEPAD programme at the subregional level. The work of RCM-Africa, the SRCMs and the various thematic clusters and sub-clusters is guided by the TYCBP-AU, which is the overarching framework for cooperation between the United Nations and the African Union, based on the latter's priorities.

129. RCM-Africa brings together the heads of some 30 United Nations regional and subregional entities and affiliated offices to maximize coherence and impact in United Nations system-wide support to Africa in the context of NEPAD and the TYCBP. Other members are the AUC, RECs, and the NEPAD Planning and Coordinating Agency (NPCA) as members. ECA provides secretariat support to RCM-Africa and its nine thematic clusters and is mandated to convene the annual RCM meetings. The RCM-Africa thematic clusters promote improved coherence and coordination through joint planning and implementation on specific operational and programmatic issues in: advocacy and communications; agriculture, food security and rural development; environment, population and urbanization; science and technology; social and human development; industry, trade

and market access; infrastructure and governance; and peace and security.

130. The year 2012 offered many opportunities for the United Nations to enhance its support to the AU and its NEPAD programme, both collectively and individually. In this regard, United Nations entities continued to improve the alignment of their programmes with those of the AU Commission, the NPCA and the RECs. Through RCM-Africa and its nine thematic clusters, interaction between United Nations agencies and organizations and AU institutions (AUC, NPCA, RECs and the Pan-African Parliament) strengthened. Implementation of the joint work programme of the African Union (TYCBP-AU) gathered momentum in 2012. Coordination of clusters was strengthened with an increasing number of jointly implemented programmes leading to tangible results. Significant progress was also made in the establishment of the SRCMs, for Eastern and Southern Africa and Central Africa, especially, which have developed comprehensive business plans.

131. United Nations agencies collectively supported 24 countries in developing national agriculture and food security investment plans based on the CAADP. This support was instrumental in securing \$430 million funding for 11 countries - Burundi, Ethiopia, the Gambia, Liberia, Malawi, the Niger, Rwanda, Senegal, Sierra Leone, Tanzania and Togo - to implement their investment plans. Five of the countries - Burundi, the Gambia, Malawi, Senegal and Tanzania - were selected in May 2012 to receive grants totalling \$160.5 million from the Global Agriculture and Food Security Programme.

132. In line with its mandate, ECA convened the 13th session of RCM-Africa, from 14 to 15 November 2012, in Addis Ababa, under the theme, "Post-2015 Development Agenda for Africa". The meeting was co-chaired by Mr. Jan Eliasson, Deputy Secretary-General of the United Nations, and Mr. Erastus Mwencha, Deputy Chairperson of the African Union Commission. It was attended by high-level officials and representatives of the AUC, United Nations system organizations and agencies, NEPAD, RECs, AfDB and other organizations working in Africa. The meeting provided a platform for a high-level panel discussion on the Post-2015 Development Agenda for Africa, and a review of the key achievements and challenges of the nine clusters of RCM-Africa. The discussion focused on the global and regional process on developing the Post-2015 Development Agenda as well as Africa's prospects and priorities, such as structural transformation and industrialization for development, social dimensions, population dynam-

ics, urbanization and climate change. The meeting recommended that the post-2015 agenda should be an Africa-owned and Africa-led process that captured the realities and aspirations of Africans. The process should therefore be broad based, consultative, transparent and inclusive so as to avoid the shortcomings of the MDGs. RCM-Africa also recommended the enhancement of inter-cluster collaboration; the development of a joint resource mobilization strategy; increased focus on multi-sectoral strategic areas of capacity-building for the AU Commission; and building strong and inclusive regional processes to support implementation of the Rio+20 outcomes.

133. In addition to the collective activities by United Nations entities for NEPAD, specific assistance was provided by individual entities to advance the work in the various thematic clusters. For its part, ECA supports implementation of NEPAD priorities (most of which are at the core of its mandate) through its analytical work and technical assistance in different areas, with particular focus on socio-economic development and political governance issues. ECA efforts to further the AU and its NEPAD programme are many and well documented.

134. Ongoing collaboration with the AUC was further enhanced, particularly in the areas of trade, gender, ICT, science and technology, governance and public administration, land policy and climate change. Joint initiatives in 2011 and 2012 on knowledge generation and dissemination include preparation and publication of the Economic Report on Africa, the report on Assessing Regional Integration in Africa, the Millennium Development Goals and the Conference of Ministers of Finance, Planning and Economic Development.

135. ECA has also been providing technical support to the APRM process since its inception, through country support missions, preparation of background documents, country review visits, drafting of country reports, the National Programme of Action, mobilizing broader stakeholder participation and fostering peer learning among APRM countries by identifying best practices in the APRM process and promoting their replication. Continued ECA support to the APRM process has increased the capacity of member States to conduct the peer review and enhanced the capacity of various stakeholders to engage in the process.

### **Technical cooperation**

136. Technical cooperation is a key aspect of the ECA core programme of work described in the preceding

section of this report. Technical cooperation activities support the priorities of member States, with particular focus on enhancing their capacity to formulate and implement policies and programmes for sustainable economic and social development, within the framework of the NEPAD programme and internationally agreed development goals, including the MDGs. Funding for ECA technical cooperation activities comes from the United Nations Regular Programme of Technical Cooperation (RPTC), the United Nations Development Account and extrabudgetary resources negotiated with bilateral and multilateral donors. This section highlights achievements under the RPTC and Development Account, while recent developments on extrabudgetary resource mobilization and management are covered in chapter 4 of the present report.

### **United Nations Regular Programme of Technical Cooperation**

137. RPTC funding supported a number of full-time regional advisers and short-term experts deployed in the various divisions and subregional offices, whose primary function was to: advice on policy options and strengthening institutional frameworks; support policy debates on new and emerging issues; and train member States to address critical developmental challenges. These challenges include: MDG-based poverty reduction strategies and programmes; trade capacity-building and trade negotiations; integrated water resource management; statistics; gender mainstreaming, including enhancing women's legal and human rights; harnessing ICTs for development; knowledge management; infrastructure development; governance and public administration; post-conflict reconstruction; and implementation of NEPAD.

138. As part of its efforts to promote policy change and strengthen institutional capacities in the areas mentioned above, ECA fielded over 150 advisory missions to 42 countries and eight RECs and organized 68 workshops and seminars involving over 1000 participants.

139. With support from RPTC, ECA undertook a mission to South Sudan, the newest independent State in the region. The high-level multidisciplinary mission, which mobilized regional advisers and staff, took a holistic approach to assistance to the country. This led to a coordinated plan of action for the Government's national development plan. ECA assisted the country to develop and finalize its water information clearing house to improve information on water resources for planning development projects.

## **United Nations Development Account**

140. The United Nations Development Account constitutes a second funding window for ECA technical cooperation activities. Overall guidance on its use is provided by the General Assembly. Projects submitted for funding must adhere to criteria established by the General Assembly and should be in line with the theme proposed for the specific tranche. The theme of the ninth tranche, approved in 2012, is “Supporting member States in designing and implementing strategies and policies towards sustainable, equitable and inclusive development”.

141. ECA sought to expand its portfolio, with four new projects, and a budget of \$4.8 million approved for funding under the ninth tranche, to be implemented during the 2014-2015 programme cycle. The ninth tranche projects will address the capacity needs of African countries in areas such as mobile statistics and use of hand-held devices for: data col-

lection; forecasting and development planning; effective contract negotiations in the extractive sector; and support in implementing the APRM. In addition, implementation of the seventh tranche interregional project, approved in 2011, on the effective integration of developing countries into the global economy through aid for trade, commenced in 2012.

142. The Development Account has been instrumental in strengthening national and regional capacities for addressing key development challenges in capital markets development in Africa; statistics; land policy reforms; knowledge-sharing for meeting the MDGs; and sustainable agriculture and rural transformation.



## CHAPTER III

# Issues arising from meetings of the subsidiary bodies of the Commission, including the Intergovernmental Committees of Experts of the Subregional Offices

143. This chapter contains a summary of highlights of the discussions and outcomes of the meetings of the Commission's subsidiary bodies, including the intergovernmental committees of experts (ICEs) of the SROs, held in March 2012. It highlights the key meeting issues and recommendations for the Commission's action and/or information.

144. The chapter also reports on activities of the functional subsidiary bodies which held their annual meetings in the reporting period, including: the Committee on Food Security and Sustainable Development (CFSSD); the Committee on Governance and Popular Participation; and the Committee on Trade, Regional Cooperation and Integration, which are the legislative structures for the relevant ECA subprogrammes. The chapter also reports on the activities of the subregional ICE annual meetings, which reviewed and provided guidance on the activities and work programmes of the SROs.

145. The main outcomes of statutory meetings held by subsidiary bodies are summarized below.

### Meetings held during the period under review

#### **Eighth session of the ECA Committee on Food Security and Sustainable Development**

146. The ECA CFSSD provides legislative oversight to the ECA subprogramme on Food Security and Sustainable Development (FSSD). The eighth session of the Committee (CFSSD-8) took place from 19 to 21 November 2012, in Addis Ababa. The meeting was attended by over 250 representatives of 47 member States, the African Union Commission, the African Development Bank, regional economic communities, observer member States of the United Nations and United Nations agencies.

147. The objectives of this session of the committee were to:

1. Provide a platform for the Africa Regional Implementation Meeting (Africa RIM) for the United Nations Commission on Sustainable Development (CSD-20) to deliberate on the main outcomes of Rio+20;
2. Review progress in the implementation of the 2012/2013 work programme of the ECA subprogramme on FSSDD;
3. Provide guidance on further work during 2013.

148. CFSSD-8 also provided guidance on priorities for the 2014-2015 work programme in the context of the ECA strategic framework for the 2014-2015 biennium.

149. The main highlight of CFSSD-8 was the adoption of an outcome document by the Africa RIM, which will serve as Africa's collective input to CSD-20 on the status of implementation of the Rio+20 main outcomes, namely: the high-level political forum on sustainable development; the Sustainable Development Goals (SDGs); means of implementation (financing sustainable development, technology development and transfer; and capacity development); and the Third International Conference on Small Island Developing States.

150. In addition, the Africa RIM also adopted recommendations on other Rio+20 outcomes deemed pertinent for Africa. They include: the voluntary commitments that complement the traditional means of implementation; a programme on measures to complement the Gross Domestic Product; and the green economy. In the context of the Rio+20 outcomes, the meeting agreed on recommendations on the relevant aspects of the post-2015 development agenda.

151. The committee also made the following recommendations:

- African countries should build on lessons learnt and available good practices in food security interventions to enhance food availability and access.
- Indigenous research should be promoted to support increased food production and all research should be aligned with the requirements of boosting agricultural productivity in Africa, with a focus on small-scale farming.
- ECA should liaise with member States to collect data and information to ensure accuracy and consistency of information.
- Promoting and developing strategic food and agricultural commodities and regional value chains should form an integral part of the CFSSD work programme for the 2014-2015 biennium. This should be aligned with the Rio+20 outcomes related to livestock development in Africa.
- The climate change programme should enhance its work and focus on food security and sustainable development and strengthen engagement with the private sector and RECs.
- The work of the Land Policy Initiative should be deepened and devolved to subregional and national levels. This work should also foster consensus building on land issues by involving all stakeholders, including government and non-government actors.

### **Third meeting of the ECA Committee on Governance and Popular Participation**

152. The third meeting of the Committee on Governance and Popular Participation, under the theme, “The Developmental State: What options for Africa?” was held on 20 and 21 February 2013, in Addis Ababa. The objective of the meeting was to:

1. Review and consider ECA activities in the area of governance and public administration, as contained in the work programme for 2012-2013 and suggest relevant programmatic orientations and activities for the biennium 2014-2015;
2. Discuss and suggest how ECA could improve its activities to enhance African countries’ capacity in the areas of governance and public administration.

153. Following deliberations on various presentations, the following conclusions and recommendations were made:

1. Governance and public administration are key to the political, economic and social transformation of African countries;
2. The State is the most important socio-economic and political institution in society. The growing interest in the developmental role of the State in current discussions on governance and development in Africa testifies to the importance of the issue;
3. A developmental State is described as one that acts authoritatively, credibly, legitimately and in a binding manner to formulate and implement its policies and programmes by deploying the requisite institutional architecture and mobilizing society to realize its developmental projects;
4. The discussion on the developmental State is still a work in progress;
5. Africa should not be considered as an exception in the development discourse. The continent is just undergoing the same path that other regions went through. Unlike other regions, its main challenge is ICT, which requires full attention in Africa’s development discourse;
6. The APRM framework, principles and processes, provide a basis and deliberative approach to constructing a developmental State in Africa, by way of enhancing State-society linkages;
7. For African countries to promote an effective and efficient developmental State, there is a need for committed leadership, so as to build strong institutions to combat rent seeking and manage policy and institutional reforms that aim at promoting rapid and effective accumulation, investment and a socially efficient exploitation of resource rents;
8. The State’s ability to pursue a developmental role depends on its relative autonomy from the powerful interest groups. In this context, illicit financial flows constitute a major challenge for African Governments seeking to implement developmental and transformative policies that run against powerful interest groups that oppose these policies;

9. For people to participate meaningfully in development, they must be guaranteed freedom of expression and from fear, which can only be assured by extending and protecting basic human rights.

154. Specific recommendations were made to various stakeholders as follows:

#### **Member States**

- Member States need to institutionalize a participatory system or mechanism for all stakeholders to take part in the development process. Freedom of the media and public-private partnership can provide great opportunities and better modalities to promote participatory development for economic and social transformation in Africa;
- For effective citizen participation in the development process, including governance, member States must seriously implement the African Charter on Human and People's Rights; the Universal Declaration of Human Rights; the Convention on the Rights of the Child; the ILO convention concerning freedom of association; the Convention on the Elimination of All Forms of Discrimination against Women and all other international instruments that are pertinent to effective citizen participation;
- Member States should explore opportunities for PPP implementation as a mechanism to enhance participatory development in policymaking and promote growth and ensure efficient and equitable delivery of public services;
- African countries should step up their efforts to fight all forms of terrorism.

#### **The private sector**

Africa's private sector operators should enhance their efforts to actively engage with the State in the implementation of PPP, to promote participatory development in economic and social transformation, specifically in industrialization and public service delivery in Africa.

#### **Civil society**

- African civil society organizations should organize and coordinate their efforts to take up their rightful position for Africa's recovery, transformation and development. They must, in this

respect, ensure the emergence and functioning of a developmental State and involve themselves in the APRM processes. To this end, capacity development is critical.

#### **ECA and AUC**

- ECA and AUC should continue to promote good governance, civic engagement and citizen participation in development activities as a vital tool for empowering citizens to be the owners, actors and beneficiaries of development in Africa;
- ECA reports on activities should focus more on results and achievements;
- The study on illicit financial flows should make appropriate recommendations to relevant stakeholders to reduce or eliminate the magnitude and implications of this phenomenon. The report should also analyse the issue of financing of political parties;
- AUC and ECA should ensure that the NEPAD development agenda is aligned with the overall thinking on the developmental State currently taking place in Africa;
- ECA should provide APRM training to national human rights institutions, for its implementation within their mandate at the national level.

#### **Eighth session of the Committee on Trade, Regional Cooperation and Integration**

155. The eighth session of the Committee on Trade, Regional Cooperation and Integration, which provides legislative oversight to the ECA subprogramme on Trade and Regional Integration, took place in Addis Ababa from 6 to 8 February 2013 on the theme, "Mainstreaming regional integration at the national level". The meeting was attended by senior officials and experts of ministries responsible for regional cooperation and integration, representatives of the AUC and RECs.

156. The session was preceded by a regional workshop on "mainstreaming regional integration in Africa". All participants of the committee meeting attended the regional workshop. A report was presented on a study with the findings of an exhaustive survey of progress made towards mainstreaming regional integration programmes, protocols, decisions and activities into national development strategies and plans of member States.

157. The Committee meeting reviewed developments taking place in regional and international trade, highlighted cases of best practices of regional integration in Africa and appraised past and ongoing ECA programmes in trade and regional integration. The session also discussed the priorities of the 2014-2015 biennium work programme.

158. Drawing from the findings of the regional workshop and the discussions of the session, the committee reviewed policy options and proposed a number of recommendations needed to create favourable conditions for a better trading environment and to accelerate regional integration in Africa.

### **28th meeting of the Intergovernmental Committee of Experts of the North Africa subregion**

159. The 28th meeting of the Intergovernmental Committee of Experts of the North Africa subregion with the theme “Promoting diversification and sophistication for the structural transformation of North African Economies” was held from 26 February to 1 March 2013, in Rabat. It was widely attended by representatives of the Committee’s seven member States (Algeria, Egypt, Libya, Mauritania, Morocco, the Sudan and Tunisia), nine United Nations System agencies, AMU, 10 international and regional organizations, three cooperation agencies, nine diplomatic missions, 14 representatives from the public sector, the private sector, academia, four civil society organizations and youth representatives from seven North African member States.

160. The ICE meeting deliberated on various issues, including the main findings in several reports.

1. Report entitled “The economic and social conditions in North Africa in 2012”, prepared by the ECA subregional office for North Africa. The report covers recent developments in social and macroeconomic aggregates and the 2013 prospects for the subregion;
2. The subregion’s progress in implementing the MDGs. All countries had assessed their progress towards meeting the MDGs. While many of the MDGs would be met by most countries in the subregion, MDG 1, particularly target 1b on employment, was unlikely to be met by any North African country;
3. Report on regional and international agendas and special initiatives in North Africa. The aim was to assist member States in monitoring pro-

gress in global and regional commitments, and ensuring that the subregion’s priorities were well taken into account in international and regional negotiations;

4. Report on the subregional office’s activities from March 2012 to February 2013. The report reviewed work, including publications and studies, expert meetings, consulting services, workshops and seminars;
5. The meeting discussed the main achievements of ECA as a whole, for the year 2012 and the presentation on the proposed restructuring, including the Commission’s new organizational structure, designed to address Africa’s new challenges;
6. The meeting discussed the activities carried out as part of ECA cooperation with the Arab Maghreb Union, formalized by the multi-year programme 2010-2012. These activities covered various themes, including harmonization of cyber legislation in the Maghreb, inclusion of young people in development strategies and promotion of renewable energy development;
7. The meeting deliberated on the issues in the presentation on “Trade facilitation and Free Trade Zone performances”, which demonstrated the importance of intra-regional trade facilitation measures in the dynamism of regional integration and cooperation.

161. The meeting made the following recommendations to various stakeholders:

### **Member States**

#### ***Member States were encouraged to:***

- Develop economic intelligence, industrial strategies that incorporate the green economy, strengthen the coherence of existing strategies and diversify partnerships (including trade) with academia and civil society;
- Curb various forms of inequality related to income, geography and gender, as well as the constant degradation of the environment and non-rational management of natural resources, all major challenges to achieving the MDGs;
- Actively take part in the African Regional Conference slated for March 2013, in Tunis to ensure that the subregion’s development challenges and

priorities were adequately taken into account in reaching a common position on Africa's development priorities for the post 2015;

- Institute intra-regional trade facilitation measures that affected the entire value chain of products and services;
- Harness the role of regional private operators, gains and other economies of scale that could result from creating synergy between their abilities;
- Continue modernizing customs procedures, improving infrastructure, eliminating non-tariff barriers and promoting private-public partnership among Maghreb countries and North African countries in general;
- Harmonize standards and rules based on international agreements so as to benefit from good practices and experiences in the field.

#### **ECA**

- ECA was encouraged to further update its database with information from member States, use actual data rather than medians in its analyses and include analyses of the crises and mechanisms to cope with them, including economic strategies for diversification and opportunities for developing regional trade;
- The Committee expressed satisfaction with the quality and relevance of activities undertaken and efforts made to meet the needs of member States. It also encouraged the subregional office to continue its efforts toward implementation of the 2013 activities and approved the draft programme of work 2014-2015;
- The Committee welcomed initiatives by the ECA Executive Secretary on the theme "Africa is First", to better cope with the challenges the continent was facing;
- Among other achievements, the ECA cooperation programme facilitated participation by AMU in continental activities and strengthened the partnership by supporting implementation of the Union's activities.

#### **29th meeting of the Intergovernmental Committee of Experts for the Central Africa subregion**

162. The ECA Subregional Office for Central Africa (ECA/SRO-CA) organized the 29th meeting of the Intergovernmental Committee of Experts for Central Africa From 27 February to 1 March 2013, in Libreville, on the theme "The green economy in Central Africa: stakes and challenges". It was organized in partnership with the Ministry of the Economy, Employment and Sustainable Development. The meeting received financial and logistical support from the Government of Gabon.

163. The purpose of the meeting was to discuss current and emerging challenges to development in the subregion and make recommendations for the harmonization and strengthening of the economic and social policies of the countries of Central Africa. The meeting was also designed as a forum to share experiences and strengthen the role of experts from member States and institutions in the subregion, in their capacity as advisers to their respective bodies.

164. In addition, the meeting was briefed on experience with the green economy, the priority programmes of subregional institutions and recent initiatives and events at ECA. It was also informed of the programme of work of the sixth 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, held on 25 and 26 March 2013, in Abidjan. The theme of the conference was "Industrialization for an emerging Africa".

165. The Committee made the following recommendations:

166. To avoid falling into the "raw materials trap", member States were advised to continue efforts to transform their economies in a context of sustainable development by:

- Developing agro-industry and forest industries in order to enhance the quality of growth and create more jobs
- Developing transport, energy and communications infrastructure
- Opening up the subregional market
- Strengthening governance to improve the business climate.

167. In addition to the recommendations contained in the studies presented to it, the Committee made the following suggestions:

- Integrate available statistical data and use them to underpin the analyses
- Create synergies among the various parties involved in the green economy
- Strengthen regional research and development capabilities in green economy
- Organize a subregional workshop on promoting renewable energy technologies.

168. Member States should develop environmental accounts to evaluate the potential of natural capital, as is currently being done in Gabon, with a view to better formulating policies related to the green economy.

169. Member States should also:

- Harmonize their environmental taxation and ensure that the revenue generated is actually assigned to environmental protection
- Improve management of protected areas, in particular through the sustainable development of forestry concessions, to improve biodiversity preservation
- Promote alternative energy sources in order to cut emissions of carbon dioxide.

170. ECA should:

- Include the state of implementation of the recommendations of the 2013 session on the agenda of the next ICE;
- Schedule the drafting of a plan of action for the implementation of the recommendations and commitments made at each session of the ICE;
- Initiate preparations for a multi-year programme to strengthen exchanges between ECA/SRO-CA and the four other ECA subregional offices;
- Include a subregional symposium in the ECA/SRO-CA in the 2013 group training to raise awareness about the ways and means of consolidating the Global Partnership for Development in Central Africa;

- Organize, within the framework of the services provided to the intergovernmental bodies of experts, an ad hoc expert meeting on the harmonization of the institutional machinery for “public-private – civil society” partnerships on economic cooperation and development in Central Africa;
- Prepare a brochure on the green economy.

171. States and institutions in the subregion should:

- Report on the implementation of the recommendations;
- Initiate the process of creating an institutional network of directorates in each country involved in the promotion of economic emergence and development in Central Africa. For this purpose, each member State must prepare and send a list of the main directorates concerned to ECA/SRO-CA and the Chair of the Committee;
- Pool their resources in the implementation of identical projects;
- Become more involved in the funding and operation of the Steering Committee for the restructuring of regional economic communities in Central Africa;
- Promote the setting up of centres of strategic research on exploiting the potential of the subregion;
- Ensure better information on programmes, projects and other initiatives.

172. States should become involved in the process of harmonizing the two RECs.

173. Following consultations, the Committee decided to adopt “Industrialization and the upgrading of enterprises for a transition to the green economy in Central Africa” as the theme of the next ICE. It also recommended MDG 2 on education as the subject of the next report on regional and international agendas.

#### **17th meeting of the Intergovernmental Committee of Experts for the Eastern Africa subregion**

174. The 17th meeting of the ICE for Eastern Africa was held from 18 to 22 February 2013, in Kampala, under the theme, “Enhancing Energy Access and Security in Eastern Africa”. It was attended by high-

level delegations made up of over 250 participants representing all 14 subregional member States; representatives of subregional, regional and international organizations; resource persons from various fields; civil society organizations; United Nations agencies and representatives of the diplomatic corps, the European Union delegation, China and Japan.

175. The committee discussed several issues related to the mandate and operations of the subregional office, including a review of recent socio-economic developments and experiences in the subregion and within the context of the theme of the meeting. The following main reports were presented and discussed:

1. The 2012 annual report of the work of ECA in Eastern Africa, including the status of implementation of the multi-year programmes and the Subregional Coordination Mechanism;
2. Tracking progress in macroeconomic and social developments in the Eastern Africa region, 2012;
3. A special report on the International Conference on the Great Lakes Region (ICGLR) Regional Initiative against Illegal Exploitation of Natural Resources (RINR);
4. Two high-level panels discussed “Energy access and security in Eastern Africa”, and “Regional integration in Eastern Africa: progress, perspectives and challenges”;
5. The meeting also explored the themes of the joint annual meetings of the AU Conference of Ministers of Finance and Economy and ECA Conference of African Ministers of Finance, Planning and Economic Development held in March 2013, in Abidjan.

176. At the meeting, four ad hoc expert group meetings and a special forum were held and the following publications reviewed:

1. Trade flows and market expansion in Eastern Africa: The impact of trade liberalization;
2. Regional Integration in Eastern Africa: Domestication and mainstreaming of regional integration process, instruments and decisions into national policies, legal and regulatory frameworks;
3. The ICGLR RINR and other Certification Mechanisms in the Great Lakes Region: Lessons Learned and Best Practices;

4. SRCM for Eastern and Southern Africa Inception Meeting;
5. Energy Access and Security in Eastern Africa;
6. Two decades of trade liberalization and market expansion in Eastern Africa – towards a new economic geography;
7. Trade and growth: Is sub-Saharan Africa different?
8. Regional Integration in Africa: Domestication and Mainstreaming Regional Integration in Eastern Africa, showcasing Uganda and Rwanda case studies.

177. The meeting made the following recommendations to various stakeholders:

#### **Member States**

- Noting that Eastern Africa’s energy access rate of 26 per cent and energy consumption increased by more than 67 per cent over the last decade, the same period that oil prices increased by over 170 per cent, member States were encouraged to enhance measures for ensuring greater energy access and security for promoting and accelerating their economic transformation and aspirations of reaching middle income status.
- Member States were encouraged to institute measures to attract both local and foreign investors to energy access by increasing use of PPPs, using renewable energy for rural electrification and sharing experiences and expertise within and among countries in the subregion.
- The meeting urged member States to match their rhetoric on supporting the agriculture and manufacturing sectors with commensurate budget allocations, as they lagged behind other sectors. That raised concerns over the potential of the remarkable growth patterns observed across the region to accelerate structural transformation.
- The meeting also urged member States to improve the quality of education, including in ICT, to achieve the right qualification and skills mix to meet job market requirements and support the structural transformation of member States.
- On the implementation of the ICGLR regional initiative, the meeting recognized the comple-

mentarities between the RINR and other mechanisms such as the Organisation for Economic Co-operation and Development (OECD) guidance document and the Kimberley Process Certification Scheme and called for alignment among the various instruments to avoid duplication and certification fatigue. ECA also supported speedy implementation of the RINR.

- The meeting urged member States to undertake a holistic approach to reducing trade costs to increase the volume and value of trade and growth in the subregion, as policy barriers (tariffs and non-tariff) were not the only trade costs faced by the subregion.
- Member States were encouraged to undertake: development of energy planning capacity; development of monitoring and evaluation tools and frameworks; formulation of country safe energy access for all (SE4ALL) strategies; and situational assessment of risks and preparedness by mainstreaming climate change into energy planning.
- Member States were urged to build the capacity of small-scale artisan miners and review legal frameworks to formalize their status.

## ECA

- The meeting applauded and supported the ECA restructuring exercise, noting, in the words of a participant from Kenya that “ECA is going in the right direction and hitting the right notes”.
- It also encouraged the Commission to engage with relevant offices in member States to establish firm partnerships for the production of quarterly reports, as per the new mandate of the subregional offices under the new structure.
- The meeting urged ECA and member States to harness South-South cooperation to better understand the fundamentals of the subregional groupings and to ensure that skills deposited in the region were cascaded to the rest of the subregional grouping.
- The meeting also urged ECA to collaborate with the Secretary-General of COMESA to set up the SRCM steering committee to review flagship projects and initiate the process of the resource mobilization strategy for the SRCM business plan.

## 19th meeting of the Intergovernmental Committee of Experts of the Southern Africa subregion

178. The 19th meeting of the Intergovernmental Committee of Experts of Southern Africa was organized in collaboration with the Government of Zimbabwe on 7 and 8 March, 2013, in Harare, under the theme, “Industrialization for Economic Transformation and Sustainable Development in Southern Africa: Addressing the Gaps”. It was preceded by an ad hoc expert group meeting on the same theme, held on 6 and 7 March 2013.

179. The Committee considered the following three statutory reports submitted by the Secretariat:

1. Economic and Social Conditions in Southern Africa in 2012 and Prospects for 2013;
2. Progress in the implementation of regional and international agendas, including NEPAD and other special initiatives in the subregion;
3. Report on programme performance of ECA Southern Africa Office. The Committee also considered the report and recommendations of the Ad Hoc Expert Group Meeting on “Industrialization for Economic Transformation and Sustainable Development in Southern Africa”.

180. Highlights of the major accomplishments of ECA during the past year were also presented by the following ECA divisions, or entities, which participated in the meeting:

- Office of Strategic Planning and Programme Management
- Economic Development and NEPAD Division
- Partnership and Technical Cooperation Office
- The African Institute for Economic Development and Planning

181. The Committee adopted the recommendations of the Ad hoc Expert Group Meeting. It took note of the Report of the Programme Performance of the ECA Subregional Office for Southern Africa for 2012-2013 and endorsed the work programme for 2014-2015. It also took note of the ongoing restructuring process within ECA, designed to further Africa’s development agenda.



182. The Committee recommended actions for member States in the following areas: (a) management of revenues; (b) value addition, industrialization and employment creation; (c) regional integration and South-South cooperation; (d) population and sustainable development; and (e) capacity-building.

**On collection, management and utilization of revenues, member States should:**

- Strengthen the management of commodity market risks through appropriate use of revenues and create sovereign wealth funds to insulate economies from global economic shocks.
- Promote diversification of both export products and markets to increase inflows for industrial development.

**On value addition, industrialization and employment creation, member States should:**

- Promote value addition in natural resource sectors to strengthen forward and backward linkages with other sectors of the economy.
- Leverage the opportunities offered by the large informal sector to promote inclusive industrialization and create decent jobs for the youth and women.

**On stronger regional integration and South-South cooperation, member States should:**

- Strengthen South-South cooperation and trade to minimize the adverse effects of global economic developments.
- Strengthen regional integration to benefit from economies of scale arising from regional value chains.

**On addressing population and development challenges, member States should:**

- Mainstream population issues into sustainable development policies and strategies.

**On capacity-building, member States should:**

- Take advantage of the training opportunities offered by ECA and IDEP in the various socio-economic development areas.
- Increase investment in research and development and science and technology innovation.

**16th meeting of the Intergovernmental Committee of Experts of the West Africa subregion**

183. The Intergovernmental Committee of Experts of the Subregional Office for West Africa (SRO-WA) held its 16th meeting from 18 to 19 March 2013, in Abidjan, on the theme “Inclusive green growth to accelerate socio-economic development in West Africa”. The meeting was attended by delegates representing almost all the States of West Africa, the ECOWAS and WAEMU Commissions, other West African intergovernmental organizations, researchers and academics, the media, civil-society organizations and United Nations agencies operating in Cote d’Ivoire.

184. The meeting discussed recent economic and social developments in West Africa and the main challenges ahead. It made recommendations for accelerating growth to ensure the rapid transformation of the subregion. Participants considered, in addition to the Office’s progress report, the report on economic and social conditions. Participants welcomed the sound and positive macroeconomic performance of all the countries of the subregion. In the social sphere, special attention was paid to the worrying state of the job market in West Africa. Participants were concerned about the structural weaknesses in the subregion, in particular the excessive dependence on raw materials for export, and climate change. Added to that were sociopolitical crises stemming from flawed governance that had led to a disturbing security situation.

185. The thematic report highlighted the green economy as a way of sustainably developing the subregion, while participating in the global effort to combat climate change. The report also described the African Union’s vision of the green economy outlined at the Rio+20 international conference in June 2012, while participants exchanged ideas on successful experiences in the application of green economy-based strategies. The discussion helped to strengthen the knowledge base on green growth and provided simple and practical solutions for integrating the approach into public strategies and policies. There were major challenges,

however, as subscribing to such an approach meant having realistic strategies for creating jobs, increasing incomes, raising the value of agricultural products, opening up economic prospects for vulnerable categories and generating revenues to enable governments to invest effectively in development.

186. The experts also considered the report on the implementation of regional and international agendas, which, emphasized education in West Africa, in the light of MDG 2 and in the context of creating relevant capabilities for the structural transformation of our economies. Participants were informed of efforts under way to implement NEPAD programmes in agriculture and infrastructure in West Africa. They encouraged States to harmonize their training curric-

ula so as to better facilitate the mobility of labour, an important dimension of the free movement of persons in the subregion.

187. Participants emphasized first and foremost, the need for the States to continue their efforts to achieve structural transformation of their economies, in particular by giving high priority to the agricultural sector. They requested the States, the RECs and the intergovernmental organizations to boost the integration of the subregion by fully respecting their commitments and stepping up harmonization of their macroeconomic and sectoral policies.

## CHAPTER IV

# Sixth 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

### A. Attendance

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

189. The following Regional Economic Communities (RECs) were represented: Common Market for Eastern and Southern Africa (COMESA); Economic Community of Central African States (ECCAS); Economic Community of West African States (ECOWAS); and Intergovernmental Authority on Development (IGAD),

190. The following United Nations bodies and specialized agencies were represented: Food and Agriculture Organization of the United Nations (FAO); International Labour Organization (ILO); International Maritime Organization (IMO); International Monetary Fund (IMF); International Telecommunication Union (ITU); International Organization for Migration (IOM); Joint United Nations Programme on HIV/AIDS (UNAIDS); Office of the Special Advisor on Africa (OSAA); Regional Commissions New York Office (RCNYO); United Nations Children's Fund (UNICEF); United Nations Development Programme (UNDP); United Nations Population Fund (UNFPA); United Nations Industrial Development Organization (UNIDO); United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA); World Bank (WB); World Food Programme (WFP); World Health Organization (WHO); and World Meteorological Organization (WMO).

191. Observers from Member States of the United Nations were also present: Canada and the United States of America.

192. Also present were the African Development Bank (AfDB); New Partnership for Africa's Development (NEPAD); Association of African Central Banks (AACB); Arab Bank for Economic Development in Africa (BADEA); Central Bank for West African States (BCEAO); and West African Economic and Monetary Union (UEMOA).

193. Observers were present from the following organizations: Action Aid International (AAI); African Advisory Board (AAB); African Business Roundtable (ABR); African Centre for Development Capacity Building (AFCAB); African Centre for Meteorological Application for Development (ACMAD); Children's Investment Fund (CIF); African Centre For Applied Research and Training in Social Development (ACARTSOD); African Population and Health Research Centre (APHRC); AMYRIS, Cote d'Ivoire Association for Export Promotion (APEX-CI); Bloomfield Investment; National Federation of Industries and Services of Côte d'Ivoire (NFISC); The Africa Governance Monitoring and Advocacy Project (AfriMAP); African Forum and Network on Debt and Development (AFRODAD); Association of African Development Finance Institutions (AADFI); Pan-African Postal Union (PAPU); Pan-African Productivity Association (PAPA); Save the Children; the Future Group; International Organization for the Francophonie (OIF); Africa Governance and Monitoring Project; African Capacity Building Foundation (ACBF); African Center for Capacity-Building (AFCAB); African Export Import Bank; African Health Economics and Policy Association (AfHEA); African Monitor (African Voices for Africa's Development); Centre for Constitutional Governance; Central Organization of Trade Unions (COTU); Collaborative Africa Budget Reform Initiative (CABRI); Columbia University; Congress of African Economists; Coalition for Dialogue on

Africa (CODA); Bill and Melinda Gates Foundation; Department for International Development (DFID); Mo Ibrahim Foundation; Organization for Economic Co-operation and Development (OECD); OXFAM International; United States Agency for International Development (USAID); United States Mission to the African Union (USAU); Packard Foundation; African Institute for Development Policy (AFIDEP); Economic and Statistical Observatory for Sub-Saharan Africa (AFRISTAT); Social Development Strategy and Planning Office (SDSPO); Community of Sahel-Saharan States (CEN-SAD); Confederation of African NGOs; International Planned Parenthood Federation (IPPF); Ivorian Centre for Economic and Social Research (CIRES); East-West Centre (EWC); European Centre for Development Policy Management (ECDPM); Green Cross International (GCI); Harvard University; Institute of Diplomatic Practice and Development Policies (IDPDP); International Development Research Centre (IDRC); Ivorian Employers' Association; Japan International Cooperation Agency (JICA); University of California at Berkeley; University of the Congo; University of Ibadan; John Hopkins University; University of Nairobi; University of Thies; and William and Flora Hewlett Foundation.

## B. Election of the Bureau

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

Chairperson:	Côte d'Ivoire
First Vice-Chairperson:	Kenya
Second Vice-Chairperson:	Algeria
Third Vice-Chairperson:	Lesotho
Rapporteur:	Cameroon

## C. Adoption of the agenda and programme of work

195. The Conference adopted the following agenda:

1. Opening of the Conference
2. Election of the Bureau and adoption of the agenda and programme of work
3. Ministerial policy dialogue on the theme of the Conference: "Industrialization for an Emerging Africa"
  - Accelerating Industrialization in Africa

- Industrialization and Structural Transformation in Africa
- Planning Industrialization
- Financing Africa's Industrialization

4. Launch of the Economic Report on Africa, 2013
5. Information session for Ministers
6. ECA new strategic directions
7. Consideration of the report and major recommendations of the Meeting of the Committee of Experts of the 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
8. Consideration and adoption of the Draft Ministerial Statement and Draft Resolutions
9. Any other business
10. Closing of the Conference

## D. Account of proceedings

### Opening of the Conference [agenda item 1]

196. The Conference was opened by H.E. Dr. Alasane Ouattara, President of the Republic of Cote d'Ivoire, who delivered the keynote address on the theme of the Conference. Opening statements were read by H.E. Mr. Désiré Guedon, Chairperson of the outgoing Bureau of the Conference and State Minister for Economy, Employment and Sustainable Development of Gabon; H.E. Dr. Carlos Lopes, United Nations Under-Secretary-General and Executive Secretary of ECA and H.E. Dr. Nkosazana Dlamini Zuma, Chairperson of the African Union Commission (AU Commission).

197. Mr. Désiré Guedon began by thanking the people of Cote d'Ivoire for their warm hospitality, and reported on activities undertaken by the secretariat in the period under review. They included the forum on Aid in Africa; the 3rd meeting on governance and popular participation; the Rio+20 conference and its follow ups; Africa's preparation towards the 57th session of the Commission on the Status of Women; contribution to ongoing work on energy, trade and industrialization; and preparatory work by

the African group for the United Nations Statistical Commission in New York.

198. The theme for the Conference, “Industrialization for an Emerging Africa”, was important because of the potential contribution of industrialization in improving Africa’s economic performance and consequently poverty alleviation. His country, Gabon, which had a vision of “An Emerging Gabon by 2025”, had put much effort into the development of local primary commodities and export of high quality value-added products. In April 2013, Gabon would organize a workshop to promote that vision to Africa and the rest of the world. Lastly, Mr. Guedon expressed appreciation to members of the outgoing Bureau of the Conference for their work during the past year and wished the incoming Bureau success.

199. Taking the floor, Dr. Lopes said that the Conference was his first as Executive Secretary of ECA and thanked the Ministers, Governors and other participants for their participation. Africa, he said, needed to re-brand itself as a safe place to do business. Indeed, Africa was referred to as a continent full of conflicts, even though the number of conflicts on the continent had drastically reduced compared to Asia and India, for instance, where, despite raging wars, were not seen as business unfriendly. For Africa to move to a state of afro-enthusiasm, it had to control its narrative, especially as it prepared to celebrate 50 years of continental unity.

200. Africa had to seize the current moment of economic growth and move towards a time of structural transformation and not structural adjustment. The continent should use its vast raw material base and natural resources to drive its industrialization agenda. Such an agenda, however, was not without its challenges. They included increased urbanization of African cities and towns, increasing youth population, poor levels of infrastructure and climate change. Climate change, however, could be used as a force for good, through green economy.

201. Dr. Lopes said that jointly with the AU Commission and the African Development Bank, ECA had been working on a “Vision 2063” as well as other issues including the Millennium Development Goals and the post-2015 development agenda. ECA would continue to work actively in areas in which it had comparative advantage. Lastly, he gave highlights of the new ECA restructuring process and the new areas of focus, with “Africa First” as the new mantra of ECA.

202. In her address, Madam Nkosozana Dlamini Zuma stated that Africa was making progress in many areas, including peace and security and governance; and was also attracting foreign direct investments (FDIs). However, challenges still existed in terms of focus on equity; the creation of decent jobs; gender barriers; and political instability, as a result of recurrent and endemic conflict situations. Although Africa’s population was growing, the structure of its economies remained unchanged, calling for a broad and wide-reaching industrialization drive across the continent. Africa should deepen its integration and cooperation among member countries so that the next 50 years would see it as an integrated economic and political force globally.

203. Madam Zuma called for a paradigm shift in the way Africa conducted its affairs. That shift required bold and visionary leadership, innovative and dynamic strategies and the implementation of audacious industrialization by African countries. The AU Commission was developing a vision for Africa 2063 and currently holding broad consultations with member States, the RECs and other bodies. The vision would be tabled at the next Summit of the African Union.

204. In his keynote address, H.E. Dr. Alassane Ouattara welcomed all delegates to the beautiful city of Abidjan. He said that the country had regained its place after years of going through a difficult experience.

205. The theme of the Conference, he said, was very important, especially as industrialization was very crucial for Africa’s development. A concerted effort by African countries to build their productive capacity and rapidly diversify their economies would lead to sustainable economic growth and prosperity. He urged African countries not to continue to be over-dependent on primary commodity exports and rather add significant value to their extractive commodity exports.

206. Poverty in Africa could be significantly reduced through sustained industrialization policies. By moving from over reliance on primary commodities to the production of high value-added manufactures, many Africans would be lifted out of poverty, as gainful employment was created, particularly for the youth and women. Furthermore, by strengthening the productive capacity, Africa’s technological development would be enhanced, resulting in rising productivity and higher wages. Also, industrialization would lead to the promotion of entrepreneurship and the creation of sectoral linkages, including with the agriculture and service sectors.

207. Cote d'Ivoire was going to implement sound policies to embark on a strategy of industrialization to attain middle-income status, to contribute to rising productivity, innovation, technology and knowledge transfer.

208. Lastly, President Ouattara declared the Conference formally open and wished the Ministers success in their deliberations.

**Ministerial policy dialogue on the theme of the Conference: "Industrialization for an Emerging Africa" [agenda item 3]**

*(a) Accelerating industrialization in Africa*

209. Ms. Zeinab Badawi, a presenter of BBC World News Today, moderated the session on the theme "Accelerating Industrialization in Africa".

210. H.E. Mr. Daniel Kablan Duncan, Prime Minister and Minister for Economy and Finance of the Republic of Cote d'Ivoire, was the first speaker of the session. He identified several obstacles to Africa's industrial and socio-economic development, including, weak integration into world trading markets, low competitiveness for the continent's products, weak workforce, due to low levels of skill sets, inadequate infrastructure and an unattractive business environment. The tools for tackling those obstacles included establishing a macroeconomic framework that supported Africa's industrialization agenda, formulating policies that would improve the business environment on the continent, ensuring better quality products and respect for international norms and standards, strengthening human capital, using innovative technologies and promoting Africa's private sector.

211. Referring to Cote d'Ivoire, H.E. Mr. Duncan noted that the country had embarked on a vision of economic emergence by 2020. However, to achieve that vision, the country would have to tackle three main challenges: (a) maintaining peace and security; (b) embarking on national reconciliation; and (c) ensuring renewed and sustained economic growth. On the third challenge, Cote d'Ivoire expected to grow at a sustainable rate of 10 per cent in each year of the framework of the vision. Moreover, the country had taken complementary actions, including: creation of special economic zones; significant transformation of agricultural commodities into value-added products; promotion of small and medium-sized industries; and setting up of a quality management framework.

212. H.E. Dr. Donald Kaberuka, President of the African Development Bank (AfDB), in his opening

remarks, said that African products could compete favourably in global markets because the continent enjoyed certain competitive advantages. For instance, African products could compete on price, since labour costs were low on the continent. He acknowledged that the delivery time for African products was quite long due to inadequate transport infrastructure and non-physical barriers to trade, including inefficient ports and customs procedures. Also, producing high quality products remained a challenge in Africa, but that could be overcome through human resource development and appropriate training to improve the skills of workers. African countries must have a critical mass of seasoned engineers and scientists in order to ensure that their industries manufactured high-quality products. African countries also had to address their energy challenges to reduce power cuts, thereby lowering production costs and improving competitiveness of their industries. Overall, inefficient and uncompetitive industries should not be promoted. However, subsidies could be applied for sectors such as energy; but that had to be time bound with clearly defined exit strategies.

213. H.E. Mr. Trevor Manuel, Minister in the Presidency in charge of the National Planning Commission of South Africa, agreed with Dr. Donald Kaberuka that subsidies only worked well under certain circumstances and generally introduced market distortions. Strong statistical institutions were required to ensure that subsidies were evidence based. The size of an economy was an important factor in industrialization. China's population of 1.2 billion, for instance, was a contributing factor to the country's industrial growth. Africa's one billion people, on the other hand, were distributed across 54 countries, resulting in several small economies, which made regional integration an imperative for the continent's industrialization. Beyond that, Africa's industrialization required Governments to focus on developing their human resources and also on strong and visionary leadership. Africa had to shape its own destiny and seize the opportunities offered by its abundant natural resources to support its industrialization agenda. He called on Ministers to develop both short- and long-term development plans.

214. H.E. Mr. Bachir Messaitfa, Minister of Industry of the Democratic Republic of Algeria, said that his country had a long-term industrial strategy that was based on complementary pillars, including strengthening infrastructure, human capital development, updating of technology and strengthening statistical institutions to facilitate informed policy making and monitoring to ensure better governance for structural transformation. His intervention was articulated

around the following ideas: diversifying production and exports; transforming the economy from primary commodities to products with high technological content; facilitating trade to enter traditional and new markets; supporting local firms; improving the business environment; developing a network of firms; and supporting development of public-private partnerships.

215. H.E. Dr. Kandeh Yumkella, Director-General of UNIDO, said in his intervention that industrialization was a deliberate and long-term process. Africa had occasionally, because of short-term needs, embraced programmes that distracted the continent from its priorities. It had to create about 10 million jobs to meet the youth bulge on the continent, using industrialization as a viable policy option. African Governments should provide strong support to the industrialization process, including by establishing special institutions that supported their industries. While acknowledging that Africa had to embrace green economic growth, the continent's countries themselves should determine their energy needs and options.

216. Dr. Carlos Lopes was the discussant of the session. Africa, he said, had a branding problem. Asia, on the other hand, was not branded as a continent that was risky for business, although it faced similar or even worse social and political conflicts than Africa. Africa had adopted certain policies that were harming the continent's industrialization. Africa's weak regulatory system allowed cheap goods, notably from China, to flood the continent's market. He acknowledged that African countries were late comers in the manufacturing sector and therefore would face stiff competition to penetrate global markets. He agreed with H.E. Mr. Trevor Manuel that Africa had to devise innovative ways of taxing and borrowing ("tax smartly and borrow wisely") to ensure the survival and growth of its industries. That essentially meant that the continent had to identify ways of protecting its industries within the confines of multilateral rules and regulations such as WTO agreements. He reiterated that protection of infant industries should not be open-ended and it was vital to clearly define how to end such protection.

217. In the ensuing discussion, conference participants identified several challenges and opportunities for industrialization and social transformation in Africa. First, Africa was a diverse continent in terms of resources and the wealth of its member States. Therefore, the discussion on industrialization had to go beyond general issues and address the specific circumstances of countries. Irrespective of the natu-

ral resources available to a country, industrialization required strong leadership, finance and a qualified work force.

218. Second, high transaction costs and long delivery times of products hampered the competitiveness of African firms. For instance, factories on the continent paid higher taxes to Governments than those in Asia, where low energy costs constituted a "smart" way of subsidizing local industries. Also, discussions on subsidizing industries should take into consideration the tax base of the countries concerned.

219. Third, regional integration created a favourable environment for industrialization as it provided large markets for products and ensured that industries benefited from economies of scale. Emphasis was therefore placed on regional and subregional approaches to industrialization. Effective regional integration required regional infrastructure, including those linking landlocked countries to the seaports of their coastal neighbours. It also required functional regional economic communities. African countries, especially those in the same regional economic communities, should be discouraged from producing and trading the same products. Furthermore, it was important for African countries to promote and safeguard intellectual property rights.

220. The following recommendations emerged from the discussions:

- African countries should strengthen their workforce through better educational systems and specialized training
- Infant industries should be protected within the confines of multilateral agreements. Such protection should be time bound and have an exit strategy
- African countries and regional organizations should strengthen intellectual property rights and enhance the branding of their products
- Drawing from past experiences, African countries should develop strategies aimed at a shorter industrialization process than that of the West and Asia
- African countries should aim to produce and trade in different rather than the same products
- The countries should boost their industrialization process by creating special economic zones

**(b) Industrialization and structural transformation in Africa**

221. The aim of the session, according to the moderator, Mr. Daniel Makokera, Chief Executive Officer, Pamuzinda Productions, was to interrogate the issue of how Africa should speed up industrialization and structural transformation. Each panellist provided initial remarks, followed by general discussions.

222. In his remarks, H.E. Dr. Maxwell Mkwelalamba, Commissioner for Economic Affairs at the African Union Commission, pointed out that Africa had performed well on the economic front in the last decade and experiments with industrialization, which had started with the import-substitution phase during the 1960s and 1970s and followed by the export-promotion phase during the 1980s and 1990s, did not achieve the expected results in terms of industrial development and structural transformation. There was a need to understand what each African country did well to promote specialization. To that end, the Africa "Vision 2063" would identify the key challenges, strategic issues and priorities facing Africa over the next 50 years and seek effective means of addressing them. The Vision provided a perfect opportunity for policymakers to evaluate the performance of Africa in the last 50 years with a view to learning from that experience and setting the course to create an emerging Africa by 2063. For industrial development to be a reality there was a need to promote the African regional agenda to increase the market for African products. He therefore urged African countries to conclude the Continental Free Trade Area (CFTA) as soon as possible. Inter-ministerial coordination was key to promoting industrialization in member States. Also, countries must swiftly implement regional policy frameworks, including the Accelerated Industrial Development of Africa (AIDA), the CAADP, and the Programme for Infrastructure Development in Africa (PIDA). Lastly, Dr. Mkwelalamba drew attention to the significance of the common African position on the post-2015 Development Agenda in defining and influencing the future international development agenda.

223. Dr. Chris Elias, President, Global Development at the Bill and Melinda Gates Foundation, explained that the demographic dividend presented Africa with a golden opportunity to achieve accelerated economic growth with the right vision in place. Although Africa as a whole had made tremendous progress in its demographic performance in terms of lowering child and infant mortality rates, there were still several social development challenges across countries. He cautioned that countries would reap demographic

dividend only if they undertook smart investments in family planning and services so as to address the expected rapid decrease in desired fertility. He also called for improvements in child nutrition and health, and education of girls, especially at the secondary level and urged the Ministers to invest in the value chain so that Africa could add significant value to its agricultural products and raw materials. Such investments would connect the continent's domestic firms to global value chains. Lastly, he called for increased investments in youth skills development training to support the industrialization agenda.

224. H.E. Mr. Désiré Guedon, State Minister for Economy, Employment and Sustainable Development of Gabon and Chairperson of the outgoing bureau of the Conference underscored the need for countries to create adequate decent jobs for new entrants into labour markets, particularly the youth. High youth unemployment had the potential to undermine social stability. Industrialization should be supported by policies that created an enabling business environment and favourable investment climate. African countries should invest in quality infrastructure and human capital so as to attract FDIs. He urged African countries to have appropriate regulations to support the promotion of the private sector in Africa; and also highlighted the need to ensure that the education system provided graduates with the skills required by employers.

225. H. E. Professor Abdoulaye Bathily, State Minister at the Presidency of Senegal said that, without industrialization, it was impossible to create adequate jobs for young people entering the labour market. However, there was a need to strengthen the social forces that would drive the industrialization. Promotion of industrial entrepreneurs as a result of State intervention through subsidies and the provision of public goods and basic physical infrastructure services was a key element of industrial policy. Regional integration was also an important prerequisite to the promotion of industrial development. Lastly, private-public partnerships were vital for creating the fundamental conditions for structural transformation. He joined other speakers in calling for strong and visionary political leadership to drive the industrialization agenda.

226. H.E. Dr. Michel Sidibé, Under-Secretary-General and Executive Director of the Joint United Nations Programme on HIV/AIDS listed the priorities for promoting industrialization as: maintaining macroeconomic stability; redistributing economic opportunities; ensuring social justice; and mobilizing resources to provide pharmaceutical products. He



underscored the importance of promoting entrepreneurship and private-public partnership arrangements to encourage local production of pharmaceutical products in African countries to improve human security and thereby economic growth.

227. Following a brief summary of the experience of Latin American countries with industrialization, Professor Glauco Arbix, President, Innovation Agency, FINEP, based in Brazil, explained that innovation and economic development did not happen by chance, but as a result of a well-designed strategy supported by appropriate policies which required strong leadership that was willing to take tough decisions for the long-term benefit of the country. Brazil had adopted a two-pronged strategy to promote industrial development by investing in the reduction of income poverty and inequality and education to improve human capital, a major driver of innovation. It was also important to create an enabling environment for promoting innovation, which Professor Arbix defined as the transformation of ideas into products and processes, and ultimately economic development. Equally important was the need to forge partnerships between the private and public sectors in the industrialization process.

228. The discussions that followed the initial statements of the panellists focused on: (a) the need for long-term planning and good governance; (b) the important role of leadership and long-term vision in the industrialization process; (c) the need for adding value to raw materials; (d) the role of the education system in producing the skills to support the industrialization process; (e) and the importance of science, technology and innovation for industrial development.

229. Conference participants agreed that industrialization was a long-term process, which should be guided by visionary leadership and good governance and a long-term planning process with the participation of all stakeholders, including the public and private sectors and civil society. Although export promotion was an important first step towards industrialization, it should be accompanied by diversification of the economy. Technical and vocational education and training were key to generating the scientific, technical and professional skills required to support the industrialization process. Conference participants recognized that as incomes rose, the attendant labour cost increase from industrialization may undermine the competitiveness of economies. However, Professor Bathily argued that the cost of labour was a policy choice that called for regular tripartite dialogue between government, private sector and trade unions,

as part of industrial policy, to ensure industrial peace and avoid labour costs eroding the competitiveness of the economy. African countries should process and add value to raw materials to reverse the trend of primary commodity exports, which was the cornerstone of the extractive institutions during the colonial era. Dr. Mkwezalamba reiterated the importance of focusing on regional markets, and called on African countries to invest in science and technology and meet their commitment to spend at least 1 per cent of their gross domestic product on the sector, in line with the endorsement by the African Union Summit of 2007.

### Recommendations

230. Following the panel discussion, the meeting made the following recommendations: African countries should:

- Formulate long-term national development plans and strategies, guided by visionary leadership, with the participation of all stakeholders, including the public and private sectors, trade unions and civil society.
- As part of their national development plans and strategies, formulate well-designed industrial policies to add value to raw materials and diversify the production and export base of the economy and connect domestic firms to global value chains.
- Implement an enabling environment to attract domestic and foreign investors including by promoting macroeconomic stability, investing in technical and vocational education and training to develop the scientific, technical and professional skills required by the industrial economy, investing in quality physical infrastructure services, other public goods, science, technology and innovation and promoting good governance.
- Strengthen inter-ministerial coordination for effective implementation of industrial policies.
- Undertake smart investments in: family planning information and services to meet the increased demand stemming from the expected rapid decrease; desired fertility in children's nutrition and health; and in education of girls, especially at the secondary level, to reap the demographic dividend.

- Speed up implementation of the African regional integration in general, and the CFTA in particular.
- Speed up implementation of regional policy frameworks including AIDA, CAADP and PIDA and align them to their policies and strategies.

**(c) Planning industrialization**

231. Mr. Adama Wade, Director of Les Afriques, Rabat, Morocco, was the moderator for this session, which had five panellists.

232. H. E. Ms. Fatima Acyl, African Union Commissioner for Trade and Industry, informed participants that the African Union's strategy to plan for Africa's industrialization was underpinned by two major frameworks, namely AIDA and the Africa Mining Vision (AMV). Both frameworks had been endorsed by the AU Heads of State and Government and accompanied with concrete action plans. The pending issue then was implementation, which was constrained by lack of means. External financing was not a reliable option, as partners had their own interests and objectives, which did not necessarily include the industrialization of the continent. African Ministers of Finance and Planning should thus put industrialization on their development agendas so that its financing could be ensured. There were several bankable projects that had been prepared and which called for immediate implementation. There was also a need to identify a champion for the establishment of a fund to be resourced by African member States for the financing of those projects.

233. Dr. Mohamed Fathi Sakr, Economic Advisor to the Minister of Planning and International Cooperation, Egypt, shared his country's experience in industrialization, which, he said, was the driving force for development and economic growth. Egypt had endowed itself with ambitious industrial plans, which had led to the creation of jobs and value added to both agricultural and extractive sector products. Egypt's industrialization was led by a long-term vision and long-term planning, which were key to achieving results. Planning was required to identify the various industries that the country had to focus on. It was also pertinent to define the roles and responsibilities of stakeholders involved in the industrialization process, especially the private sector. Several phases existed in the process, and it was useful to develop a roadmap for industrialization, with time bounds and expected growth targets at various planning cycles. Industrialization should be inclusive to have a positive impact

on society, in terms of job creation and general well-being. Factors that could support the industrialization process included government-sponsored training and technology and exploration of larger markets for value-added products.

234. Professor Ladislau Dowbor, from the Catholic University of Sao Paulo, Brazil, started by saying that strategic planning was one of major ingredients that had facilitated the success of his country. Development, industry and social justice were linked in Brazil. In developing countries, a divide was created when export revenue was used to import luxurious goods, which benefited only a small portion of the population. When a country's earnings were derived from extractive resources, it used the external resources to reinforce the forces available for internal development such as training and provision of goods and services. Former President Lula transferred public funds to the tune of US\$60 per family per year to the poorest of Brazilian society - a policy that caused a big change by increasing political support and stimulating economic, social and political participation by the poor. The exercise had a multiplying effect, including the creation of small enterprises and new jobs, which in turn led to local demand for goods and services. Internal markets were established as good alternatives to international markets. Women played a pivotal role in the process as the money they received was used to improve the living conditions of their families. Lastly, Brazil had an integrated system of industrialization, which started from the bottom echelon of society and rose with the development of several small industries.

235. H.E. Dr. Babatunde Osotimehin, United Nations Under-Secretary-General and Executive Director of UNFPA said that his organization generated information about population and population dynamics. Today, Africa had half a billion young people, with that figure likely to double in the coming decades. The youth should therefore be given quality education and relevant skills for industrialization. Women and girls, who were not allowed to participate in markets and other activities, should be empowered. Early marriage should end, while women and girls needed access to family planning, education and employment to make them equal participants in the continent's development. Dr. Osotimehin further called for the promotion of gender equality and respect for young people's rights, including access to quality education for better job opportunities.

236. Dr. Martin Khor, Executive Director of the South Centre, Geneva, opened his intervention by drawing comparisons between East Asian countries and Africa. Just like Africa, Asia was also rife with

corruption, dictators, controlled markets, with States playing a big role in development. A major difference between Africa's development and industrialization and that of Asia was that unlike Asian countries, African countries were bound by the policies of the IMF and World Bank. The Washington consensus promoted very limited State role in the economy and urged countries to dismantle their ministries of planning. In Asia, on the other hand, those ministries were kept, and States were able to expand important institutions to support their industrialization agenda. Dr. Khor deplored the current practice in Africa, where, rules were made by partners, whereas in Asia they were made by the States themselves. The rules set by the IMF and World Bank had not led to any appreciable development in Africa, despite several decades of applying them.

237. Dr. Khor also gave his reflections on Africa's international trade and warned of two looming problems if Africa signed the economic partnership agreements (EPAs) proposed by the European Union. The first was that the EPAs would remove all the policies and instruments that Asia was able to use for its industrialization. The EPAs would also bring tariffs to zero, preventing support to and development of local industries, constraining Africa's development of its industries. Secondly, if African countries banned export taxes, as required under the EPAs, then the main instruments for value addition would be removed, particularly in the extractive industry, and that would thwart the continent's industrialization agenda. He ended his interventions with two recommendations: (a) African leaders should postpone the signing of the EPAs and with the support of ECA and AUC, accelerate the deepening of regional integration; and (b) decisions related to external partnerships should be taken collectively in Africa, instead of individually by each country, which minimized the benefits drawn by the countries and the continent as a whole. Lastly, Dr. Khor urged the European Union (EU) to provide preferences to Africa at the WTO rather than demand that the region put its tariffs at zero. Those proposals, if accepted, would be beneficial to both EU and all African countries, including the least developed ones.

238. The ensuing discussions raised several issues that complemented the interventions of the panellists. There were several approaches to industrialization and Africa had to weigh the options suitable for the region, including adding value to natural resources and promoting innovation and creativity. Participants urged African countries to mainstream industrialization into their national planning frameworks.

239. For the EPAs, the Conference observed that the European Union Commission led EPA negotiations in Europe, whereas in Africa, the RECs, which were the lead actors, often came under pressure from the European Union Commission to meet the deadline for signing agreements. The Conference reiterated the decision by the AU Summit that the AU Commission should lead the EPA negotiations.

### Recommendations

240. Following the panel discussion, the Conference made the following recommendations:

- African countries are urged to mainstream industrialization into their national planning frameworks.
- African countries should accelerate the implementation of PIDA so as to provide Africa with sound and affordable infrastructure.
- The European Union is urged to ensure that the EPAs are development oriented for Africa, and also to give preference to Africa in order not to harm its industries.
- The African Union is urged to accelerate the continental integration agenda.

#### *(d) Financing Africa's industrialization*

241. The fourth panel was moderated by Mr. Komla Dumor, and had six members:

- Mr. Lucas Abaga Nchama, Governor, Bank of Central African States
- Mr. Adamassu Tadesse, President, Eastern and Southern African Trade and Development Bank (PTA)
- Mr. Sanusi Lamido Sunusi, Governor, Central Bank of Nigeria
- Mr. Abdulla Qassem, Director, International Engagement, EXPO 2020 Dubai, United Arab Emirates
- Mr. Louceny Nabe, Governor, Central Bank of Guinea, Guinea
- H.E. Mr. Mohamed El Mikkawi, Vice-Minister of Finance, Ministry of Finance, Egypt

242. Mr. Komla Dumor started the session by asking Mr. Lucas Nchama about the role of a regional central bank in Africa's industrialization agenda. Mr. Nchama spelled out the functions of a regional central bank within a monetary union. The primary function of a regional central bank was to preserve monetary stability. However, the regional central bank could contribute to member States' development policies through the financing of various development institutions. Mr. Nchama highlighted the financing challenges facing the Central African Economic and Monetary Community (CEMAC) zone. They included weak financial systems that made it difficult for member States to mobilize sufficient funds to support their development agenda. He recommended that the financial system and business practices should be improved, regional integration deepened and regional economic programmes implemented with a view to pushing the continent's industrialization forward.

243. Mr. Dumor then asked Mr. Nabe whether central banks should only ensure price and monetary stability or go beyond those basic responsibilities. Mr. Nabe agreed with the basic role of central banks, but noted that African central banks could not be like those of Europe or the United States and should go beyond monetary policy. He gave the example of Guinea, where a system was in place to allow for joint financing by private/commercial banks and the central bank. There were certainly difficulties with development and industry financing, and central banks should ensure that banks were funding development.

244. Mr. Dumor turned the discussion to Mr. Adamassu Tadesse and asked what the private sector view of the role of central banks in development was. Mr. Tadesse said that his institution was a private lender, and also a specialized regional institution that had benefited greatly from increased confidence in investments in Africa. Central banks should actively contribute to funding industries. Also, specialized vehicles of financing were important; an example was the Industrial Development Cooperation (IDC) in South Africa. While the IDC played the role of a private firm, it did so in the national interest, thereby greatly contributing to development in South Africa. He urged African countries to create special ventures like the IDC.

245. Regarding the energy sector, Mr. Tadesse said that 10 per cent of his institution's portfolio was dedicated to energy. Mr. Sanusi explained that while there was an aversion to investment in the energy sector, industrialization went hand in hand with energy. Financing industrialization required an enabling environment. Indeed, not only must correct policies exist, they must

also be implemented to generate and utilize financing. Nigeria, for example, had good policies, but was not implementing them. It was up to the Government to create a conducive environment for financing, while Africa must work at making itself attractive enough for outside investment. He highlighted the case study of Brazil as an example of how the State could drive an industrial revolution.

246. When asked how the United Arab Emirates (UAE) was able to successfully attract so much interest and financing, Mr. Qassem said that there were many common points between the UAE and Africa, as they were both a federation of various States and located in the global South. The UAE had moved away from oil to a diversified economy, and was able to develop infrastructure due to very sound and wise policies. The Central Bank of UAE did not directly finance development projects, but served as a regulatory body. The UAE had various public investment funds, such as the Abu Dhabi Fund, aimed at boosting development financing.

247. Mr. Dumor changed the topic to the issue of investments by emerging economies such as China. Quoting Mr. Sanusi, he asked him to expand on the idea that "Africa must recognize that China was in Africa for China's interests". Mr. Sanusi first explained that any country that believed they could develop by exporting raw commodities was wrong; development required industrialization and value addition. Thus, he was not bashing China about their interests in Africa, but rather encouraging Africa to look out for its own interests. He urged African countries to look at the long-term implications of their relationship with China and other countries, and to think of their interests when negotiating terms of trade and investments.

248. The discussion then turned to regional integration. Mr. Nchama noted that, as a regional central bank, his institution tackled issues at the subregional level. He underscored the importance of more integration and cooperation, suggesting the possibility of setting up an African central bank.

249. Mr. Nabe questioned whether Africa was really ready for complete integration. While the use of the CFA franc did make for a larger economic space for circulation of factors of production, if the environment of national economies did not reassure people, it would be difficult for countries or regions to attract foreign investment. It was not regional integration that would improve financing for industrialization, but political will and effective policy decisions.

250. Mr. Sanusi agreed with Mr. Nabe that Africa was not ready for certain aspects of regional integration, such as a common currency. Indeed, 65 per cent of European trade was within Europe; 35-40 per cent of Asian trade was within Asia and less than 10 per cent of African trade was within Africa. There was therefore no point in having a common currency without strong intra-African trade.

251. Mr. Mikkawi gave an overview of Egypt's tax reforms, undertaken to deal with their difficult financial system following the political unrests. He explained how the State budget had to increase and the Central Bank therefore had to take stringent measures, which impacted citizens. The Government implemented a property tax (where the wealthy people paid significantly higher taxes) and lowered gas subsidies. Government also devalued the Egyptian pound by 20-per cent against the US dollar. Egypt had also created an Islamic bond system to attract foreign investment. Those bonds had been raised to fund infrastructure and other development projects.

### **Recommendations**

252. Following the panel discussion, the Conference made the following recommendations:

- African countries are urged to create sovereign funds to finance development projects.
- African countries need visionary leadership to formulate and implement sound policies that will support the enabling environment to spur industrialization.
- African countries are urged to enhance their financial markets and payment system as mechanisms for supporting the continent's industrialization agenda.
- The African Union is urged to deepen regional integration and cooperation among countries, with a view to advancing industrialization of the continent.

### **Launch of the Economic Report on Africa, 2013 [agenda item 4]**

253. The panel for the launch comprised Dr. Carlos Lopes, Dr. Maxwell Mkwezalamba and H.E. Dr. Albert Toikeusse Mabri, Minister of Planning and Development of Cote d'Ivoire and Chairperson of the Bureau of the Conference.

254. In his opening remarks, Dr. Maxwell Mkwezalamba said that the Economic Report on Africa (ERA) gave an update on recent economic trends on the continent. The Report was prepared by a joint-team of experts from the AU Commission and ECA. He gave a chronology of what previous ERAs had focused on. The theme of the report had been agreed after discussion, and the process of preparing the report was inclusive, participatory and based on the recommendations of the 2012 AU Conference of Ministers of Economy and Finance and ECA Conference of African Ministers of Finance, Planning and Economic Development.

255. In his presentation, Dr. Lopes said that the 2013 ERA featured nine case studies on African countries that had been able to industrialize despite difficult conditions. Africa needed to collect and own its data so as to control its narrative. Not only was massive industrialization needed in Africa, it was also possible on a large scale.

256. He then gave the key recommendations of the Report as follows:

African countries were urged to:

- Develop an appropriate industrialization policy;
- Add significant value to their extractive commodities and have a comprehensive exports strategy;
- Enforce supply-chain development programmes and monitoring mechanisms among lead firms;
- Develop local skills and technological capabilities;
- Negotiate regional trade arrangements;
- Improve policy implementation through coordination among relevant ministries;
- Urgently address infrastructure constraints and bottlenecks.

257. Lastly, Dr. Lopes said that by implementing those recommendations, African countries would be able to move to a point of structural transformation.

258. In his address, Minister Mabri thanked all who had supported the development and publication of the 2013 edition of ERA and informed the gathering that copies had been made available for all Conference participants. He also touched on the critical role

of infrastructure in industrialization and its financing. Moreover, ECA should seek other avenues for financing industrialization. On that score, he commended the Report for its far reaching recommendations on policy reform. He then formally declared the 2013 ERA report formally launched.

### **Information session for Ministers [agenda item 5]**

#### **A. Highlights of the presentation**

259. Three main agenda items were presented during this session. The first was on the study on Africa 2063, presented by the Dr. Maxwell Mkwezalamba, who informed Ministers that the study was a joint effort by the AU Commission and the New Partnership for Africa's Development (NEPAD), ECA and AfDB. The heads of those institutions constituted the supervisory body of the study. The study was intended to reflect on Africa's realities (where the continent was) 50 years after independence and its future development trajectory (where the continent was headed). The study on Africa 2063 was a shared agenda for sustainable growth and development, underpinned by values of participation and collaboration among all stakeholders, including member States of the African Union, regional economic communities, ECA and AfDB.

260. Also, the study built on earlier African development plans, such as the Lagos Plan of Action, the Abuja Treaty and NEPAD, but placed particular premium on results and the establishment of a results-based system and implementation process. Some of the objectives of the study were: development of a strategic framework; development of a baseline information template; and establishment of a comprehensive monitoring and evaluation framework. He highlighted the timeline that had been established for the study as well as the various consultative processes.

261. The second agenda item of the session on the theme "Promoting Jobs and Growth through Tax, Trade and Transparency: G8 Agenda for 2013," was presented by Mr. Chris Austen, Director, DFID, United Kingdom. He informed Ministers that relations with the developing world, particularly Africa, had changed dramatically and Africa was indeed a remarkable success story. Trade and taxation issues were relevant to industrialization and the overall objective of the G8 Agenda was to facilitate the emergence of a transparency revolution, which would empower citizens to hold their Governments accountable. The G8 would thus continue to support efforts and initiatives to combat money laundering and illicit financial flows from Africa. The G8 was also keen on

championing new initiatives on data and technical standards, as part of efforts to promote transparency.

262. The third agenda item was on capacity development, presented by Mr. Ulrich Jacoby, Deputy Division Chief, Global Partnerships, IMF. He gave an overview of the capacity development activities of the IMF Institute for Capacity Development and commended the emphasis placed by the Conference on capacity development and training. He highlighted the geographical spread of the Institute's centres, which showed that there were hardly any in the African region. Paradoxically, although Africa was the region with the highest capacity for development needs, it received the lowest capacity development training, partly because of the lack of training centres on the continent. The IMF had made calls for African countries to bid to host IMF-capacity development centres, however, only Mauritius had made a successful bid, culminating in the establishment of its Africa Training Institute (ATI). The centre provided basic and substantive training to African countries. There was a need for African ownership of the centre, including through the provision of financial support to sustain it.

#### **B. Highlights of discussion**

263. Participants commended ECA, AUC and AfDB for the Africa 2063 study. However, they needed clarity on the level of attention that the study would pay to issues of integration, including financial integration of the continent, through the adoption of a common currency. Commissioner Mkwezalamba reassured participants that the 2063 study identified integration, financial integration included, as a key priority. Studies on the establishment of an African Central Bank were ongoing and a draft joint strategy for the establishment of a common central bank and common currency were nearing completion. The document in question clearly identified a number of prior conditions to be met prior to the establishment of a common currency zone and central bank.

264. While participants lauded the idea of the IMF-Africa Training Institute, they wanted to know why the resources used in establishing such a centre could not rather go into supporting existing capacity training institutions on the continent. The explanation given was that although the IMF would want to combine its technical assistance and training facilities, it was unfeasible because technical facilities were not adapted to support training; and also, there would be complex legal and financial constraints to such a move.

### C. Recommendations

265. The Conference recommended the establishment of a template to measure progress in integration.

#### **ECA new strategic direction [agenda item 6]**

266. The session was chaired by Dr. Albert Toikeusse Mabri.

267. Dr. Lopes started by giving the rationale for the new strategic direction, in that the world was changing, Africa was changing and the ECA must also change to continue to be relevant in the changing landscape and Africa's transformative agenda. He gave examples of sectors in which the world and Africa were changing. At the core of the recalibration process was the idea to put "Africa First" in the work of ECA. ECA would be realigned, with emphasis on four key areas: (a) strengthening the rigour and relevance of knowledge produced by the Commission; (b) making ECA the authoritative source of analytical insights into Africa's development; (c) generating knowledge, underpinned by robust statistics; and (d) improving the packaging and communication of ECA knowledge products to core policy constituents.

268. The nine areas of focus for ECA in the next few years were:

- **Macroeconomic policy:** This subprogramme will underscore the continued importance of increased growth in Africa, based on the design of sound economic policies; promotion of private sector development; mobilization of resources; and improvement of economic governance.
- **Regional integration and trade:** This subprogramme will give emphasis to the central role of regional integration in African development by promoting the nexus between trade, industry, agriculture, land, infrastructure and investment and supporting African countries to boost intra-Africa trade and participate effectively in international trade.
- **Innovations, technologies and management of Africa's natural resources:** This subprogramme will focus on nurturing and harnessing new technologies and innovation to support African development, particularly in the context of promoting green economy and addressing the challenges of climate change. It will also promote the implementation of the Africa Mining Vision and the outcomes of the Eighth African Development Forum.
- **Statistics:** The statistics subprogramme is vital for the increased emphasis that ECA places on generating data for evidence-based policy research and policy formulation. ECA statistical activities will also support the monitoring and evaluation of progress in achieving the MDGs and other internationally agreed goals while ensuring the availability of high quality data to guide policy-making.
- **Capacity development:** This subprogramme will play a vital role in ensuring that the key policy findings of ECA research are used to support policy implementation at national, sub regional and continental levels. It will do so by strengthening the capacity of member States, regional economic communities and AUC to implement their development priorities.
- **Gender and women in development:** This subprogramme will continue to address emerging issues that impact on African women. It will also promote mainstreaming of gender empowerment and gender equality into national policies and programmes of member States, using credible evidence and data.
- **Subregional activities for development:** This subprogramme will be delivered through the five subregions, namely Central, East, North, Southern and West Africa. It will enhance the capacity of member States to formulate evidence-based plans and policies and produce and disseminate quality and timely statistics for periodic country profiles and risk analysis to inform policy and decision-making. This subprogramme will also promote the design and implementation of sub regional development initiatives.
- **Development planning and administration:** This subprogramme will be the locus for training activities to improve public sector management, centered on economic policy formulation, analysis, implementation, monitoring and evaluation. It will also be used to improve and strengthen national visioning and development planning in member States.
- **Social development policy:** This subprogramme will be strengthened to mainstream human development and concerns such as employment, population, social protection and youth issues into regional and national policies and strate-

gies. Activities in these vital areas will be complemented by promoting a better understanding of the delivery of social services in the context of urban planning and management.

269. Dr. Lopes further explained that ECA would also have to change its ways of working by adopting relevant business standards. ECA support to the AU Commission would continue through a collective approach to joint and key initiatives, ensuring that ECA policy centres were governed by a similar set of rules; more discipline in the organization of conferences and workshops with the publication of an annual calendar of events; reduction in the culture of conferences and a focus on policy and research; a focus on gender parity, starting with gender mainstreaming; the reconfiguration of staff skills with a focus on retraining; and an overall reduction in carbon footprint by ECA.

270. In his response, Minister Mabri thanked the Executive Secretary for sharing his vision with the conference and opened the floor for questions and comments.

271. Minister Trevor Manuel of South Africa commended the Executive Secretary for his bold vision for ECA and asked how the new recalibration would be resourced by the United Nations Secretary-General. ECA should work with other like-minded organizations across Africa to realize its goal. He gave the example of the IMF macroeconomic policy centre set up in Mauritius and asked that such entities should cooperate with ECA. He also cautioned about the need to develop indicators to be used to measure integration across the continent as well as progress towards innovation and information and communication technologies, not forgetting the importance of the “missing middle” in computing economic and social data sets.

272. A representative of Senegal also thanked the Executive Secretary for his vision for Africa, saying that ECA should focus on making its research findings and publications more relevant to national-level policy makers. ECA should also publish an annual report on Africa to show how specific countries were meeting particular development targets, as that would be of more interest to decision makers.

273. A representative of Algeria also welcomed the new changes at ECA and called for the new vision to be re-stated in the ideas for Africa 2063. He also called for the early launch of the African Institute for Future Studies whose objective, he said, was to build the future of Africa. Such an institution would help

Africans use those tools in developing the continent. Lastly, he invited all students who could obtain grants to come and study in Algeria.

274. Taking the floor, a representative of Namibia commended the upcoming changes in the work of ECA, especially the focus on statistics and creation of a central database. The Government of Namibia fully supported the restructuring process.

275. A representative of the Comoros also commended the new vision of ECA and said that Resolution 1 of the AU Summit of January 2013 had already endorsed the transformation of ECA. He further endorsed the comments of South Africa and thanked Algeria for its offer to African students.

276. A representative of Tanzania also welcomed the new strategic direction, recommending focus on performance and a target-oriented process. He also questioned why employment was captured under economic development rather than social development.

277. A representative of Mozambique also commended the Executive Secretary for the presentation, especially the focus on the clear pillars of implementation. The emphasis on macroeconomic policy was important, and ECA should continue to centre on economic growth as the prerequisite to development. The emphasis on statistics was currently very important as it was very difficult to find credible statistics for Africa. There should be capacity building of national statistical agencies. The culture of “technical assistance tourism”, however, should end. Also, the capacity building needs of member States should be clearly assessed and provided for.

278. A representative of Tunisia, in his submission, also said that ECA should not only focus on macroeconomic research but also on day-to-day problems. Also, Tunisia was willing to make the services of its statistics agency available to ECA.

279. A representative of Mauritania then took the floor and informed the Conference that everything was a priority in Africa and there were many prerequisites to Africa’s full development. Member States, in formulating and implementing national policies, should make use of ECA research findings.

280. A representative of Zimbabwe also commended the Executive Secretary for the new strategic direction, which, should factor in: the role of FDIs in development; revamping infrastructure; value addition; economic governance, especially combating corruption; and the post-2015 agenda.



281. A representative of Equatorial Guinea also commended the Executive Secretary for his new vision, saying that it was important to take African issues seriously. Eliciting private sector interest in development was also key. In relation to financing development, international financial institutions alone could not finance all of Africa's needs; other sources of funding (including domestic) should be sought.

282. A representative of Niger also took the floor and commended the Executive Secretary on his vision for ECA, saying that planning had to be rehabilitated in Africa even to the point of creating stand-alone planning ministries. He also agreed with earlier submissions about the need to delve more deeply into development finance.

283. A representative of Morocco also commended the Executive Secretary on his vision, especially on statistics. He underscored the importance of a country's risk profile. There should be better coordination for implementing the new strategy of ECA, which should be granted top priority. He advised ECA to lay more emphasis on areas such as value addition, and also involve ministries other than the finance and planning ministry, to facilitate implementation at country level. He also lauded Algeria's invitation to students and said that Morocco was also available to share its expertise with ECA.

284. In his response, Minister Mabri, on behalf of his Government, offered to host the African Statistical Institute in Cote d'Ivoire. He then invited the Executive Secretary to respond to the comments from the floor.

285. The Executive Secretary thanked the Ministers for the broad consensus on the new path of ECA. He said that all the comments would be used to shape the direction of the new strategy. On the issue of measurement of regional integration, he proposed that ECA should establish a regional integration index which would be used by countries to measure their level of regional integration.

286. Dr. Lopes also informed Ministers that ECA would, in the near future, produce an African development country report which would have each country's profile, with risk analyses updated quarterly. That, he hoped, would make ECA more relevant to its stakeholders. ECA would have a new unit called "Renewal of Planning", which would share planning lessons. There would be another unit on forecasting, which would produce forecasts of key indicators. The Commission would also establish a network of specialists for technical work, if necessary.

287. Issues such as prioritization, statistics, investment, capacity building and technical assistance could be integrated into ongoing ECA work. Thanking Tunisia for bringing up the issue of the promotion of women, the Executive Secretary said that it was important for Africa to invest in its women.

288. On the issue of a budget to support the restructuring process, Dr. Lopes said that ECA currently had a sufficient budget, but member States ought to guard against reducing that budget in the near future. He concluded the session by thanking all countries which had supported the new strategic direction of ECA and assured member States that he would take up their offers of assistance.

#### **Consideration of the report and major recommendations of the Meeting of the Committee of Experts of the 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 [agenda item 7]**

289. Under this agenda item, the Conference considered the report of the meeting of the Committee of Experts, together with six draft resolutions recommended by the Committee. Following extensive discussions on some issues in the report and some of the resolutions, the Conference took note of the report and adopted the six resolutions annexed to it with some amendments.

#### **Consideration and adoption of the Draft Ministerial Statement and Draft Resolutions [agenda item 8]**

290. Under this agenda item, the Conference considered a draft version of the Ministerial Statement of the meeting, made general comments and observations on various sections of the draft statement and proposed minor corrections and changes to improve the draft.

291. The Conference unanimously adopted the draft Ministerial Statement in the light of its observations and amendments. The amended version of the Ministerial Statement is attached to the present report as annex I.

#### **Any other business [agenda item 9]**

292. Under this agenda item, the Conference took note of the offer by the Kingdom of Morocco to host the 2014 Seventh 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 in Rabat.

293. There was a suggestion from the floor that the Conference should express its indignation at recent developments in the Central African Republic, where there had been an unconstitutional change of Government. However, the Chair of the Bureau said that it would be inappropriate for the Conference to make any Statement on the situation in the country as the African Union had already made its position known on the matter.

294. H.E. Dr. Maxwell Mkwezalamba informed the Conference that he was leaving the AU Commission and the Abidjan Conference would therefore be his last in his capacity as AU Commissioner. He called on the Ministers to extend their unflinching support to Dr. Anthony Mothae Maruping, who would be taking over as the new AU Commissioner for Economic Affairs in May 2013. On behalf of the Conference, the Chairperson of the Bureau of the Conference thanked Dr. Mkwezalamba for his service to the African Union and Africa. He wished him every success in his future endeavours.

#### **Closing of the meeting [agenda item 10]**

295. The closing ceremony was attended by Prime Minister Daniel Kablan Duncan, Dr. Lopes, Dr. Albert Toikeusse Mabri, incoming Chairperson of the Bureau of the Conference and Ms. Nialé Kaba, Minister of Economy and Finance at the Prime Minister's Office of Cote d'Ivoire.

296. In his address, the incoming chairperson of the Bureau informed the conference that the AU Commissioner for Economic Affairs was leaving his post at the end of the year. He thanked Commissioner Mkwezalamba for his support to the Bureau over the years. He also thanked Dr. Lopes for presenting the new ECA strategic vision. He said that the conference had adopted six resolutions and one declaration to be known as the "Abidjan Declaration", aimed at boosting industrialization in Africa. He concluded by thanking all present for their involvement in a successful conference.

297. In his address, Dr. Lopes apologized on behalf of Madam Zuma, who had had to leave to attend the BRICS summit in South Africa. The turnout of the Conference was encouraging, as there were about 40 Ministers of Finance, Economic Planning and Development present, as well as several industrialists and academics.

298. The timing of the Conference was great as 2013 was the year Africa was celebrating 50 years of continental unity. The Africa 2063 thus required clarity of vision. Referring to the launch of ERA 2013, Dr. Lopes said that Africa must tell its own story and create its own narratives through robust statistics. It should also seek its own agenda within the existing global context. He thanked the Ministers for approving the ECA new strategic direction, saying that the comments given would be used to shape the process and its outcomes. Lastly, he thanked the Ivorian Government and people for their hospitality and for hosting a highly successful event.

299. A representative of the Egyptian delegation then gave a vote of thanks on behalf of the Conference. He thanked the Government of Côte d'Ivoire for hosting the Conference and for the excellent facilities made available. He also thanked the AU Commission and ECA for successfully planning and organizing the Conference.

300. In his closing address, Prime Minister Daniel Kablan Duncan also attested to the importance of industrialization for Africa's continuous growth. The importance of Africa's industrialization was the reason why so many representatives from all walks of life had met in Abidjan for the Conference. He re-echoed the vision of the President of the Republic of Cote d'Ivoire to transform Cote d'Ivoire into an emerging nation by 2020.

301. Africa, he said, needed to adopt a structural approach to industrialization, with all actors working together to make that a reality. Also, while the continent was growing at a rate of 5 per cent, that of the rest of the world was 3 per cent. Despite that growth, however, very few jobs were being generated for the youth, contributing to income and employment inequalities as well as maternal mortality. Also, wider markets, deeper forms of integration and the recommendations of the ECA Economic Report for Africa would bring Africa at par with the Asian tigers. Lastly, Cote d'Ivoire was determined to take the outcomes of the Conference on board in its industrialization process. He then formally declared the Conference closed.

# Annex I

## Resolutions and Ministerial Statement adopted by the Commission at its forty-sixth session

### A. Resolution

#### 907 (XLVI) Industrialization for an emerging Africa

##### The Conference of Ministers,

*Acknowledging* that Africa's recent strong economic performance, its vast untapped human and natural resource endowments and the dynamic changes that characterized the global economic structures, powers and markets over the past decade create real opportunities as well as challenges for the continent to promote industrialization and foster sustainable and shared growth, and inclusive economic transformation, create jobs and reduce poverty,

*Further acknowledging* the endorsement of the Action Plan for Accelerated Industrial Development Action for Africa and the African Mining Vision by the African Heads of States within the African Union Summit in 2007 and 2009 respectively as continental frameworks for industrial development for enhancing economic diversification, value addition and harnessing mineral resources for sustainable development inter alia,

*Recognizing* that in order to industrialize and transform its economies, Africa needs to effectively implement policy actions at national, regional and continental levels, including coordinated effective long-term development plans and industrial strategies to address constraints and harness emerging opportunities from increased South-South cooperation and other development partners for Africa's economic and social development,

*Recalling* the report of the United Nations Secretary-General on formulating a smooth transition strategy for countries graduating from least developed country status:

1. *Calls on* African Governments to adopt and implement a coherent industrial policy in order

to speed up and deepen value addition of local production, linkages between the commodity sector and other economic sectors to allocate resources within the national budget for industrial development;

2. *Urges African* Governments to create appropriate inclusive and transparent institutional industrial-policy mechanisms to develop prioritized country-specific, industrial-policy roadmaps for value addition in close collaboration with stakeholders, including the private sector, civil society, research and innovation institutions;
3. *Also urges* African Governments to develop appropriate policies that focus on adding value locally, fostering local participation in the value chain, removing red tape and streamlining regulations, as well as securing technical and financial assistance for developing linkages;
4. *Further urges* African Governments to adopt appropriate strategies to link indigenous firms to regional and global supply chains, including customized supply-chain development programmes for these firms to remain competitive;
5. *Urges* African Governments and the regional economic communities to negotiate regional trade arrangements and foster intra-African trade, including fast-tracking implementation of the Continental Free Trade Area agreement and regional trade arrangements to improve regional infrastructure, harmonize customs procedures and measures to address tariff and non-tariff barriers;
6. *Encourages* African countries to address tariffs and non-tariff barriers, infrastructure constraints and bottlenecks, including cross-border infrastructure as well as feeder roads linking agricultural producers to processing centres and use commodity access to secure favourable infra-

structure financing, besides leveraging public-private partnerships for infrastructure provision;

7. *Calls on* African countries to improve policy coherence and implementation through coordination among ministries and other stakeholders, including the private sector in line with the Accelerated Industrial Development of Africa and the Africa Mining Vision;
8. *Also calls on* African countries to improve coordination at regional and continental levels, and closely align national industrial development frameworks with the priorities of the accelerated industrial development of Africa Action Plan while working together to develop a united vision on how to influence the global economic agenda and help shape the outcomes of globalization for the benefit of Africans;
9. *Further calls on* African countries to allocate adequate resources for the implementation of the Plan of Action for the Accelerated Industrial Development of Africa and other regional initiatives on industrialization;
10. *Requests* the African Union Commission and the Economic Commission for Africa to undertake a study and recommend the appropriate strategies and mechanisms to encourage and support home-grown high-tech technologies, indigenous knowledge and knowledge-based innovation, including the establishment of regional technology centres in each regional economic community;
11. *Further calls on* the two commissions to develop a coherent approach that will assist African countries to build capabilities and effectively pursue industrialization based on their comparative advantage; and
12. *Requests* that the Economic Commission for Africa, in collaboration with the Office of the High-Level Representative for the Least Developed Countries, Land Locked Developing Countries and Small Island Developing States, to assist least developed countries and land-locked developing countries to develop industrial policies as a basis for resource-based industrialization and economic diversification.

## **909 (XLVI) Realizing and harnessing demographic dividend in Africa**

### **The Conference of Ministers,**

*Recognizing* that Africa's demographic dividend represents an opportunity for the continent to experience broad-based social development and accelerated economic growth as a result of population changes that are more conducive to stimulating economic growth with significant impact in reducing poverty,

*Noting* that for Africa to realize and capitalize on its demographic dividend, it is essential to increase and sustain investment in women and the youth, especially education for girls, maternal, newborn and child health and meeting the unmet needs of women for comprehensive reproductive health services, including family planning,

*Further noting* with appreciation ongoing work in this area by the African Union Commission and the Economic Commission for Africa with the support of the United Nations Population Fund, the African Development Band and other partners such as the United States Agency for International Development, the Gates Foundation and the Packard Foundation,

*Convinced* that to realize gains from Africa's demographic dividend, greater efforts are required to improve governance, transparency and accountability,

#### *1. Commits to:*

- Ensuring effective integration of job creation, social, demographic and health factors into broader development strategies and policies, especially in the formulation of medium-term strategic plans.
- Harnessing its demographic dividend to build its comparative and competitive advantage through appropriate human development strategies.
- Ensuring equitable, sustained and effective investments in the health and education sectors, as well as in science and technology.
- Increasing investments in maternal, newborn and child health, especially comprehensive reproductive health services, enhancing nutrition security and promoting health care of older population.

- Integrating new entrants to the labour market and the working poor into the formal economy through labour policies that create full and productive employment and decent work opportunities for all, especially youth facilitating equitable social protection systems for all.
  - Strengthening accountability mechanisms that rally all relevant development partners, build on empowering people and enhancing their effective participation in society.
2. *Requests* the Economic Commission for Africa and the African Union Commission to develop a continental demographic dividend initiative that will allow the African continent to accelerate economic development and contribute to the African renaissance;
  3. *Invites* multilateral agencies, bilateral partners, foundations, think tanks, non-governmental organizations, research institutions and universities to work with the two Commissions and the African Development Bank to provide technical assistance, expertise and financial resources to enable member States to act to realize and capture the benefits of their demographic dividends;
  4. *Requests* the African Union Commission to bring the Continental Demographic Dividend Initiative and the contents of this resolution to the attention of the Union's conferences of ministers of health; social development; industry; education; and youth development;
  5. *Also requests* the African Union Commission to establish a research fund to facilitate research activities on the demographic dividend in Africa, with support from member States and development partners.

#### **910 (XLVI) African common position on the Post-2015 Development Agenda**

##### **The Conference of Ministers,**

*Recognizing* the progress being made by the continent towards attaining the Millennium Development Goal targets and conscious of the challenges that still remain in efforts to attain all the Goals by 2015,

*Recalling* the decisions of the Assembly of Heads of State and Government of the African Union requesting the African Union Commission, in collaboration with the Economic Commission for Africa and the

African Development Bank, to submit annual status reports and related statistics on Africa's progress towards the Goals to the Assembly,

*Cognizant* of the limited role played by African stakeholders in shaping the Millennium Declaration and the Goals,

*Recalling* the decision of the African Union Heads of State and Government in July 2012, requesting the African Union Commission, the African Development Bank and the United Nations Development Programme to deepen consultations on the Post-2015 Development Agenda with a view to identifying African priorities,

1. *Takes note* of the draft report on the Progress in Achieving the Millennium Development Goals in Africa 2013 and recommends its adoption by the Assembly of Heads of State and Government in May 2013;
2. *Calls upon* countries to allocate adequate resources to fast track the Goals;
3. *Takes note* of the draft African Common Position which reflects Africa's priorities for the post-2015 development agenda;
4. *Calls upon* the Economic Commission for Africa, The African Union Commission, the African Development Bank and the United Nations Development Programme to establish an African technical working group to translate Africa's priorities for the post-2015 development agenda into concrete goals targets and to feed them into the Sustainable Development Goals process and the post-2015 global agenda;
5. *Further calls upon* all African countries and the regional economic communities to own, support, advocate and create alliances on the African common position to enable Africa to speak with one voice in the global discussion to chart the post-2015 development agenda.

#### **911 (XLVI) Statistics and statistical development**

##### **The Conference of Ministers,**

*Reiterating* the importance of statistical information for the formulation, monitoring and evaluation of development programmes and policies and for fostering Africa's economic and political integration,

*Noting* the progress made by the Economic Commission for Africa, the African Union Commission and the African Development Bank in developing and implementing continental frameworks, strategies, initiatives such as the 2010 Round of Population and Housing Censuses and the Civil Registration and Vital Statistics and the continental gender statistics programme aimed at supporting the African integration agenda,

*Recognizing* that despite progress made to date, there is still much to be done to bring the statistical development of this continent to the level that will effectively help it support and own its development narrative,

*Welcoming* the central role devoted to statistics within the repositioned Economic Commission for Africa in its quest to generate research, policy knowledge and consensus, and to offer capacity development and advisory services in different thematic areas contributing to the development agenda of African countries,

*Also welcoming* the decision of Heads of State and Government of the African Union on the Creation of the African Union Institute for Statistics,

*Further welcoming* the offer by the Government of Cote d'Ivoire to host the African Statistical Training Centre when established,

1. *Commends* countries which have signed and ratified the African Charter on Statistics and calls on those which have not done so to sign and ratify it as expeditiously as possible;
2. *Resolves* to allocate adequate resources for the production and use of statistics in line with the principles of the African Charter on Statistics;
3. *Requests* the African Union Commission, the African Development Bank, the Economic Commission for Africa and the United Nations Development Programme to create a working group for the development of indicators for the post-2015 development agenda based on the priorities identified under the African common position and to come up with a draft list of indicators by the end of 2013;
4. *Calls upon* the Economic Commission for Africa, the African Union Commission and the

African Development Bank to devote the next meeting of Directors General of National Statistical Offices to promote the production and use of detailed economic statistics including natural capital accounts, with a view to adequately supporting the transformation of African economies;

5. *Urges* the two Commissions and the African Development Bank to prepare a five-year strategic plan for the Pan-African Statistical Training Centre to be submitted to the meeting of Directors General of African National Statistical Offices by November 2013;
6. *Requests* the two Commissions, the African Development Bank and the regional economic communities to prepare a strategic plan for the operationalization of the African Union Institute for Statistics and to organize an expert group meeting to identify the ways and means for its implementation as per the decision of the Heads of State and Government of the African Union;
7. *Calls on* national statistical institutes to establish coordination units within their establishments to ensure regular gathering of statistical data, based on harmonized instruments developed by the Specialized Technical Group of the Strategy for the Harmonization of Statistics in Africa;
8. *Requests* that the capacity of the statistics division of the African Union Commission should be built to enable it to coordinate its statistics production strategy on governance, peace and security;
9. *Urges* the United Nations Development Programme, the African Development Bank the Economic Commission for Africa, the African Governance Institute and other development partners to continue to support efforts by the African Union Commission to implement the Technical Group's action plan.

## **912 (XLVI) Extraordinary African Union Conference of Ministers of Economy and Finance**

### **The Conference of Ministers,**

1. *Takes note* of the Report of the Experts' Meeting for the Validation of the Statutes and Annexes of the African Monetary Fund, the Report of the Experts' Workshop for the validation of the Draft Interim Report of the Technical Study

on the establishment of a Pan African Stock Exchange, and the progress report on alternative sources of funding the African Union (AU);

2. *Requests* the African Union Commission to transmit the revised Statutes of the Fund, the draft report of the technical study on the establishment of a pan-African stock exchange, and the revised study on alternative sources of funding for the African Union. Member States should provide their comment to the Commission no later than the end of June 2013;
3. *Calls upon* the African Union Commission to convene an extraordinary conference of African Ministers of Economy and Finance in October/November 2013 to consider the revised statutes of the African Monetary Fund, the draft report of the technical study on the establishment of a pan-African stock exchange, and the revised study on alternative sources of funding the African Union and South-South and triangular coalition in support of Africa's post-2015;
4. *Invites* all African Union Member States to participate at this extraordinary conference;
5. *Requests* that adequate financial resources should be committed towards the successful convening of the conference.

## **B. Ministerial Statement**

1. We, African Ministers of Finance, Planning and Economic Development, met in Abidjan, Côte d'Ivoire, 25 and 26 March 2013 for the Sixth Joint Annual Meetings of the African Union Conference of Ministers of Economy and Finance and the United Nations Economic Commission for Africa Conference of African Ministers of Finance, Planning and Economic Development.

2. We welcomed in our midst the presence and participation of the Ministers of Industry and Trade and, as has become customary, the Governors of the Central Banks of many of our countries and regions.

### **Industrialization for an emerging Africa**

3. We deliberated on the theme, "Industrialization for an Emerging Africa", a subject we consider crucial to the capacity of our countries to reap the full benefits of growth. In today's global economic context and in view of the continent's own need for structural transformation, industrialization has become an

imperative for Africa's development and its careful pursuit cannot be postponed any longer.

4. We noted that the average growth rate of African countries rebounded to 5 per cent in 2012 after a slowdown in 2011 occasioned by a combination of adverse internal and external conditions. Besides high commodity prices, it is encouraging to note that a variety of factors contributed to this economic performance, including improved macroeconomic management and business environment, strengthened domestic demand associated with rising incomes, a growing middle class and rapid urbanization, increased public spending, enhanced trade and investment ties with emerging economies, and post-conflict economic recovery in several of our countries.

5. We note, however, that despite Africa's return to a positive growth trajectory, the pattern of development on the continent has remained mixed. Africa's growth has not translated into commensurate job creation and poverty rates remain high in most of our countries, in part because our economies continue to rely heavily on primary commodity production and exports. This dependence, and the associated vulnerability to price fluctuations, entails huge forgone income through lack of value addition and lost opportunities to create additional and decent jobs that the processing of commodities would bring. Progress in promoting value addition, linkage development and diversification of exports remains limited to a few countries, sectors and commodities.

6. We understand that for Africa to translate growth into an all encompassing structural transformation, it must actively pursue a strategy of commodity-based industrialization which we are convinced is both possible and beneficial. In addition to its predominantly young and urbanizing population, Africa can boast of significant natural resources, including plentiful land and fertile soils, as well as oil and minerals. Adding value to commodities creates employment and revenue, contributes to the diversification of the local technological skill base and industrial capabilities, results in efficiency gains of cluster development, and generates positive spill-over effects in terms of knowledge and information. It also helps countries to reduce exposure to the high risks that characterize primary commodity markets due to speculation and price fluctuation.

7. We acknowledge that making the most of Africa's commodities requires dynamic and visionary leadership as well as effective and coordinated action to adopt and implement a coherent industrial policy. It also calls for: the introduction of accompanying and

enabling macroeconomic and trade policies; strategic interventions to insert indigenous firms in regional and global value and supply chains; boosting local skills and technological capabilities; removing infrastructure constraints and bottlenecks; improving policy implementation through better coordination among ministries; and negotiating regional trade and investment arrangements that foster intra-African trade. We particularly underscore the fact that the development of infrastructure and energy constitute major drivers for a successful programme of industrialization and we commit ourselves to working with all stakeholders in our various countries to mobilize the requisite financing. Additionally, we shall explore how our postal services could be used to ensure financial inclusion for the low-income population.

8. We also recognize that the private sector has a critical role to play in the industrialization of Africa. While continuing to welcome all the FDIs we can attract, we particularly encourage African private sector investors to engage actively in the industrial sector. To this end, we commit to working in partnership with the private sector over the long haul in order to ensure the fruitful gestation and expansion of initiatives undertaken to stimulate industrial production including in the agro-industrial sector, and enhance industrial productivity on the continent. By the same token, we invite the private sector to partake in public programmes aimed at accelerating the structural transformation of Africa.

9. We note the opportunities for individual and coordinated action provided by regional frameworks such as the Accelerated Industrial Development of Africa Action Plan, the Minimum Integration Programme, the CAADP, the Programme for Infrastructure Development in Africa (PIDA) and the Continental Free Trade Area. We understand that regional markets offer tremendous opportunities waiting to be tapped. In addition to facilitating local production linkages between and within countries, regional markets also provide learning opportunities and allow domestic firms to build their production capabilities step by step.

10. We further recognize that trade agreements with industrialized and emerging countries are important for entering new markets. However, these agreements need to be designed, negotiated and sequenced in a manner that creates and preserves the policy space required for industrialization and the effective implementation of regional integration initiatives. Opportunities abound in the multi-polar and post-structural adjustment global environment for the creative devel-

opment and application of policies and strategies for the rapid industrialization of Africa.

11. In encouraging resource-rich African countries to better leverage their natural wealth to achieve industrial development, we also encourage non-resource-rich countries to make the necessary investments in their human, physical and institutional capabilities to achieve the transformation of their economies. We note that whether resource-rich or not, all African countries must sooner rather than later venture into sophisticated, innovative, non-resource-based activities through which they can build domestic value in an incremental manner, underpinned by transition towards knowledge-driven growth and development.

### **The Millennium Development Goals and the Post-2015 Development Agenda**

12. We welcome the progress made by African countries towards the achievement of the Millennium Development Goals. However, concerned about the slow advances in achieving them and cognizant of the enduring spatial, gender-based, income-based, and demographic inequalities in access to social services, we commit to invest in improving the availability and quality of social services particularly in the areas of environment, health, education, water and sanitation, as part of a new, transformative social policy and development compact.

13. Looking ahead to the post-2015 development agenda, we underscore the central importance of context, self-effort, ownership, resource availability and other enablers to the prospects for more robust outcomes in the achievement of set targets. In this regard, we commend AUC, ECA, and AfDB for their efforts in conducting regional and continent-wide consultations on the post-2015 development agenda and request the institutions to ensure that the African priorities are effectively reflected in the Sustainable Development Goals (SDGs) and the agenda. To this end, we call on the three collaborating institutions to translate the African common position into concrete goals, indicators and targets, by mobilizing all the energies and partnerships necessary to ensure success.

### **Follow-up to Rio+20**

14. We note the Africa Regional Implementation Meeting (Africa-RIM) outcome document as a key African input to the Rio+20 follow-up processes and request AUC, ECA, AfDB and other relevant partners to expedite the development of a Regional Action Plan for coordinated implementation of the Rio+20 outcomes in Africa. Such a plan should include strat-



egies for the integration of the Rio+20 outcomes into national development policies, strategies and plans, taking into account the need for balancing economic, social and environmental development imperatives. We also urge that necessary steps be taken to achieve an early convergence between the Post-2015 Development Agenda and the Rio+20 follow-up processes, particularly the SDGs, towards ensuring a “Delivery as One” United Nations development agenda.

### **Africa’s demographic dividend**

15. We note the importance for Africa to introduce immediate measures to capitalize on its demographic dividend, through increased and sustained investments in health and education, particularly for women, the girl-child, the youth and disadvantaged social groups, with a view to enhancing the continent’s competitive advantages. These investments should be further enhanced by the adoption of appropriate social, urban planning, and macroeconomic policies. We encourage AUC and ECA, in collaboration with AfDB and other institutional partners, to continue and extend their ongoing work in these areas.

### **ECA strategic reorientation**

16. We note the new ECA strategic orientation and refocusing of its programme priorities and methods of delivery designed to enable the Commission to better serve the African transformation agenda in a changing world. We also note the support expressed by African leaders for the ECA reorientation and their call to the United Nations Secretary-General “to provide required support to ECA to enhance its work in accordance with Africa’s priorities”.

17. We welcome the outcomes of the refocusing exercise at ECA that places statistics for evidence-based policymaking and effective planning at the core of generation of research, policy, knowledge and consensus. We also endorse the new strategy for delivery of capacity development and advisory services in different thematic areas that are germane to the development agenda of African countries. In support of ongoing efforts towards the transformation of African economies, we commit to strengthening national statistical systems with particular emphasis on the production and use of detailed economic statistics and related aggregates. We also commit to providing African statistical institutions, including ECA, with the data needed for their work. We note the progress made in implementing the African Charter on Statistics and the Strategy for the Harmonization of Statistics in Africa (SHaSA), as well as the institutional arrangements for implementing these frameworks.

18. We also welcome the aspects of the ECA refocusing and restructuring exercise that confer full responsibility for all the Commission’s training activities and related workshops on the African Institute for Economic Development and Planning (IDEP), and the deeper programmatic integration of the Institute into the ECA that this implies. We note the significant progress which the Institute has made over the last few years in retooling itself to serve the training needs of member States. Furthermore, we salute the partnership the Institute is building with African universities and think-tanks for decentralized delivery of its training programmes. We also encourage its expanding and closer collaboration with AUC. We once again salute the increase in the United Nations regular budget allocation to the Institute and welcome expansion of ECA extrabudgetary support to the Institute. We call on member States to continue to support IDEP programmes and activities by meeting their obligations to it in a regular and timely manner. We also urge the Executive Secretary of ECA to take the appropriate administrative steps to complete processing of the Institute’s updated statutes with the relevant bodies of the United Nations, including the Economic and Social Council.

### **Global partnership for effective development cooperation**

19. We took note of the actions taken by AUC and the NEPAD Planning and Coordinating Agency (NPCA) in line with the decision of the 19th AU Assembly on the participation of Africa in the Global Partnership (GP) for Effective Development Cooperation, which was launched in June 2012, replacing the Working Party on Aid Effectiveness (WP-EFF). We reiterate calls for Africa to be allocated a second seat on the steering committee as a major constituency for development cooperation. We welcome the inclusion of the GP as a standing agenda item of the AU Conference of Ministers of Economy and Finance and ECA Conference of Ministers of Finance, Planning and Economic Development. We call for African countries to actively engage in the GP and propose that an African consultative reference group comprising two representatives per region should be created on a rotational basis, with AUC/NPCA as the secretariat, for the purpose of consulting regularly on the activities of the GP, preparing African common positions and supporting the African representatives on the steering committee.

### **Africa 2063**

20. We welcome the Africa 2063 project and encourage AUC, ECA, and AfDB to continue work-

ing on the initiative so that the continent can achieve its vision of becoming an integrated, competitive, prosperous and peaceful continent that represents a dynamic force in the global economy. To this end, we commit to consolidate Africa's position as a new growth pole and emerging market in the next 50 years. We also commit to work together to develop a united vision to influence the global economic agenda and shape the outcomes of globalization for the benefit of our people.

#### **Vote of thanks**

21. We thank the Government of Côte d'Ivoire for hosting the Conference and for the excellent facili-

ties made available to us. We also thank the people of Côte d'Ivoire for their generosity and warm hospitality.

22. We are also grateful to AUC and ECA for successfully convening the Sixth 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.

# Annex II

## Report of the Committee of Experts of the Sixth Joint Annual Meetings of the AU Conference of Ministers of Economy and Finance and ECA Conference of African Ministers of Finance, Planning and Economic Development

### Introduction

1. The meeting of the Committee of Experts of the sixth 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 was held in Abidjan, from 21 to 26 March 2013.

### A. Attendance

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

3. The following Regional Economic Communities (RECs) were represented: Common Market for Eastern and Southern Africa (COMESA), Economic Community of Central African States (ECCAS) and Intergovernmental Authority on Development (IGAD).

4. The following United Nations bodies and specialized agencies were represented: Food and Agriculture Organization of the United Nations (FAO); International Labour Organization (ILO); International Monetary Fund (IMF); International Organization for Migration (IOM); Joint United Nations Programme on HIV/AIDS (UNAIDS); United Nations Conference on Trade and Development (UNCTAD); United Nations Development Programme (UNDP); United Nations Office of the High Representative for

LDCs, LLDCs and SIDS (UN-OHRLS), United Nations Population Fund (UNFPA); United Nations Headquarters (UNHQ); United Nations Industrial Development Organization (UNIDO); World Bank (WB), World Health Organization (WHO); World Meteorological Organization (WMO), and World Food Programme (WFP).

5. Observers were present from the following organizations: Action Aid International (AAI); African Advisory Board; African Centre for Development Capacity Building (AFCAB); African Centre for Meteorological Application for Development (ACMAD); African Centre For Applied Research and Training in Social Development (ACARTSOD); African Population and Health Research Centre (APHRC); AMYRIS, Cote d'Ivoire Association for Export Promotion (APEX-CI); The Africa Governance Monitoring and Advocacy Project (AfriMAP); African Forum and Network on Debt and Development (AFRODAD); Association of African Development Finance Institutions (AADFI); Arab Bank for Economic Development in Africa (BADEA); Pan-African Postal Union (PAPU); International Organization for the Francophonie (OIF); Africa Governance and Monitoring Project; African Advisory Board; African Capacity Building Foundation (ACBF); African Centre for Development Capacity Building; African Export Import Bank; African Health Economics and Policy Association (AfHEA); African Monitor (African Voices for Africa's Development); Association of African Central Banks (AACB); Central Bank for West African States (BCEAO); Centre for Constitutional Governance; Central Organization of Trade Unions (COTU); Collaborative Africa Budget Reform Initiative (CABRI); Columbia University; Congress of African Economists; Coalition for Dialogue on Africa (CODA); Gates Institute; Mo Ibrahim Foundation; OXFAM International; United States Agency for International Development (USAID); United States Mission to the African Union (USAU); Packard Foundation; African Institute for Development Policy (AFIDEP); Economic and Statistical Observatory for Sub-Saharan Africa (AFRISTAT); African Advisory

Board (AAB); Community of Sahel-Saharan States (CEN-SAD); International Planned Parenthood Federation (IPPF), Ivorian Centre for Economic and Social Research (CIRES); East-West Centre (EWC); European Centre for Development Policy Management (ECDPM); Ivorian Employers' Association; Japan International Cooperation Agency (JICA); University of the Congo; University of Thies, West African Economic and Monetary Union (UEMOA); William and Flora Hewlett Foundation.

## B. Adoption of the agenda and election of the Bureau

6. The following agenda was adopted by the Committee:

1. Opening of the Meeting
2. Election of the Bureau and Adoption of the Agenda and Programme of Work
3. Recent Economic and Social Developments in Africa
4. Review of Progress towards the Millennium Development Goals and the Post-2015 Development Agenda
5. Assessment of Progress on Regional Integration in Africa
6. Harnessing the Demographic Dividend for Africa
7. Presentation of the theme of the Conference: Industrialization for an Emerging Africa
8. Implementing the Rio+ 20 Outcomes in Africa
9. Presentation of Statutory Issues
10. Any Other Business
11. Consideration and Adoption of the Draft Report of the Committee of Experts and the Draft Resolutions
12. Closing of the Meeting

### Election of the Bureau

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

Chairperson:	Côte d'Ivoire
First Vice-Chairperson:	Kenya
Second Vice-Chairperson:	Algeria
Third Vice-Chairperson:	Lesotho
Rapporteur:	Cameroon

## C. Account of proceedings

### Opening of the meeting [agenda item 1]

8. Opening statements were made by Mr. Dieudonné Bouddhou, the Chairperson of the outgoing Bureau of the Conference, Mr. Abdallah Hamdok, Deputy Executive Secretary of ECA and Dr. Maxwell Mkwezalamba, AU Commissioner for Economic Affairs. The meeting was opened on behalf of the Government of Côte d'Ivoire by H.E. Ms. Nialé Kaba, Minister attached to the Prime Minister's office responsible for Finance and the Economy.

### Opening statements

9. In his opening statement, Mr. Dieudonné Bouddhou, Chairperson of the outgoing Bureau of the Committee of Experts of the Joint Meetings of the AU Conference of Ministers of Economy and Finance and ECA Conference of African Ministers of Finance, Planning and Economic Development, welcomed participants to the 2013 conference. He thanked the Government and people of Côte d'Ivoire for their hospitality and for hosting the conference in the beautiful city of Abidjan.

10. Mr. Bouddhou congratulated Her Excellency, Dr. Nkosazana Dlamini Zuma, Chairperson of the AU Commission and His Excellency, Mr. Carlos Lopes Under-Secretary-General and Executive Secretary of ECA on their recent appointments as Heads of the two premier African institutions. He also commended the staff of the two institutions for their hard work in preparing for this year's conference.

11. The theme of the conference, he said, "Industrialization for an Emerging Africa", was both timely and important, as it would help focus attention on the challenges of achieving structural transformation in Africa through resource-based industrialization. He highlighted some of the activities implemented by ECA and AU Commission as follow-up to the decisions and recommendations of the 2012 conference under the guidance of the outgoing Bureau. These included the organization of the eighth African Development Forum (ADF-VIII), which focused on the theme of natural resources for development; the African Governance Forum; establishment of the

African Minerals Development Centre at ECA to support implementation of the African Mining Vision; and support to African countries in the context of climate-change negotiations. He expressed profound gratitude to all the members of the outgoing Bureau for their support and collaboration in making those achievements possible.

12. Mr. Abdallah Hamdok, Deputy Executive Secretary of ECA, in his statement, said that the Conference had become the main platform for policy dialogue and consensus building on pertinent economic and social development issues of concern to Africa. The Conference also provided strategic statutory guidance to the work of ECA and the AU Commission.

13. Mr. Hamdok provided an overview of recent economic and social conditions in Africa and highlighted some of the main activities undertaken by the ECA secretariat in support of the development agenda of member States. Africa grew at the impressive rate of 5 per cent in 2012, driven primarily by high commodity demand and prices and supported by improved macroeconomic policies. However, growth had been uneven across countries and sectors, and had not led to significant job creation and poverty reduction. Policies and strategies were needed to ensure inclusive and equitable growth that would benefit the majority of Africans. In that regard, deliberations on the theme of the 2013 conference would help in devising appropriate strategies and policy recommendations for accelerated resource-based industrialization in Africa.

14. The Deputy Executive Secretary highlighted the important role played by ECA to support Africa's development. It included enhancing the continent's voice in global processes for discussions on climate change, trade, and articulation of Africa's common position on the Post-2015 Development Agenda; promotion of South-South cooperation for infrastructure development, trade and agriculture development and addressing the problem of illicit financial flows from Africa. ECA had also undertaken a major study on Africa's relationship with Brazil, Russia, India, China and South Africa (BRICS).

15. In his statement, Dr. Maxwell Mkwezalamba, AU Commissioner for Economic Affairs, said that the discussion on the theme of industrialization for an emerging Africa was long overdue because Africa accounted for only 12 per cent of global GDP. Nonetheless, the continent could also count on a youthful population available for using the continent's vast natural resource endowment to achieve rapid industrialization and structural transformation. The current Conference, therefore, provided an opportunity to

discuss the measures for promoting commodity-based industrialization that would add value to Africa's natural resources, create jobs for the youth, in particular, and reduce poverty. For industrialization to take off longstanding shortfalls in the areas of infrastructure, human resources, finance and science and technology had to be addressed. Moreover, since 2013 marked the 50th anniversary of the founding of the Organization of African Unity (OAU), now the African Union, it was an opportune time to reflect on the development achievements and challenges over the past 50 years in order to define the AU agenda for the next 50 years.

16. On behalf of the Government of Côte d'Ivoire, H.E. Ms. Nialé Kaba, Minister attached to the Prime Minister's Office responsible for Finance and the Economy, welcomed participants to Abidjan and to the Conference. She thanked the AU Commission and ECA for the honour bestowed on her country in hosting the Conference. She expressed appreciation at the fact that the meeting also demonstrated the tremendous goodwill and support of other African countries for the recovery and resurgence of Côte d'Ivoire.

17. She said that the choice of the theme of the conference, "Industrialization for an Emerging Africa", underscored the centrality of industrialization for Africa's development. She highlighted some of the major challenges and obstacles that African countries had to tackle in the context of industrialization, including the need to promote inclusive growth; the need to convert Africa's natural resources into high value-added goods; and the importance of diversification and structural transformation. Sharing her country's experience with industrialization, she said that Côte d'Ivoire aspired to attain the status of a middle-income country by the year 2020, a goal pursued and implemented under the country's national programme on industrialization adopted in 2012. The plan focused on promoting the private sector as the driver of economic growth and industrialization, and was expected to help attract foreign direct investments. The outcome of the meeting, she said, would help Côte d'Ivoire in finalizing its industrial policy.

18. Following her opening statement, the Minister, on behalf of the Government of Côte d'Ivoire, declared the meeting of the Committee of Experts of the sixth 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 open.

### **Recent economic and social developments in Africa [agenda item 3]**

19. A representative of the secretariat provided an overview of recent economic and social developments in Africa. Overall, growth remained strong in 2012, reaching 5 per cent, which was above the global average, despite the global slowdown and uncertainty. However, economic performance varied across subregions and sectors and growth continued to depend on commodity exports, despite notable diversification into non-primary commodity sectors. Growth prospects for 2013 were assessed as solid despite the slowdown in the global economy, but were subject to various risks. Progress on social development was also slow and challenging, as inequality, hunger, poverty, poor quality education, underemployment and unemployment remained issues of concern. Structural transformation, underpinned by value addition, was vital for poverty reduction, inclusive growth and improved social conditions in Africa and would have to rest on enhanced domestic resource mobilization.

20. In the general discussion that followed, several participants noted that positive growth rates did not always translate into high-quality growth nor was it sufficient for inclusive development. Growth, it was agreed, should be accompanied by economic diversification and value added for it to be sustainable and inclusive.

21. Accelerated industrialization could contribute to sustainable and inclusive development in Africa. However, it was necessary to identify and properly articulate the different development options or models available to the continent as the most viable options. In that regard, some participants underscored the need for in-depth human resource study or audit to establish the status of the continent's human resource capacity and/or the gaps, in order to determine an appropriate development path for the continent. In the same vein, the importance of developing indigenous mechanisms to finance Africa's innovation and industrialization was emphasized.

### **Review of progress towards the Millennium Development Goals and the Post-2015 Development Agenda [agenda item 4]**

22. Under this agenda item, a representative of the secretariat made a presentation on the status of implementing the MDGs in Africa in 2012, highlighting major progress as well as challenges. In terms of progress, both primary enrolment and completion rates had improved, with approximately 70 per cent of African children completing primary school. Gender

equality had also improved in primary schools but was slow at other levels. For instance, only eight countries had met the target of 30 per cent of women in parliament. While significant strides had also been made in the fight against HIV/AIDS, tuberculosis and malaria, major challenges persisted in the areas of poverty reduction, food security and health, with nearly half of the continent's population still living on less than \$1.25 per day, with high income inequality, maternal and child mortality as well as unemployment and underemployment rates, with the incidence of vulnerable employment reaching 76 per cent. There was a need to accelerate progress towards the current MDGs, with particular emphasis on achieving food security.

23. The second presentation focused on the ongoing regional consultations for an African common position on the Post-2015 Development Agenda being prepared by AUC, ECA, the African Development Bank (AfDB) and the United Nations Development Programme (UNDP) Regional Bureau for Africa, in response to a request from the AU Heads of State and Government. A draft common position was recently adopted in Tunis, covering four priority areas: economic transformation, technological innovation, human development and financing and partnership. A number of enablers of development had also been identified, including peace and security, good governance, institutional capacity and infrastructure development. The Committee of Experts was requested to review the draft African Common Position and provide their comments and views, which would then be transmitted to the Conference of Ministers for their consideration and endorsement, before submission to the AU Heads of State and Government for adoption at its summit in May 2013. The African Common Position was expected to serve as an input to the General Assembly discussions on the Post-2015 Development Agenda that would replace the MDGs.

24. The discussion that followed highlighted a number of important points and recommendations as follows:

- a. African countries were invited to adopt a multi-sectoral approach in health interventions, in order to fast track progress in that area;
- b. Increased investments in agricultural production and agro-processing were needed, as a strategy to accelerate achievement of food security through food self-sufficiency;
- c. African countries were invited to play a leading role in defining and shaping the Post-2015

Development Agenda, in order to ensure that it would truly address Africa's development needs;

- d. A post-2015 development agenda should be sufficiently inclusive, without necessarily increasing the range of development goals and indicators contained in the MDGs framework and the process should be pursued through a bottom-up approach rather than through the traditional top-down approach that has characterized the formulation of previous development agendas or frameworks;
- e. Reliable statistics and the capacity to develop appropriate indicators were very important for measuring and tracking progress in Africa's development;
- f. The ongoing discussions on the Post-2015 Development Agenda should allow for necessary adjustments to accelerate progress towards the achievement of the MDGs by 2015.

#### **Assessment of progress on regional integration in Africa [agenda item 5]**

25. The presentation by the secretariat queried the extent of progress made after 50 years of efforts at achieving regional integration in Africa. The modest achievements included establishment of a common market and customs union in Eastern Africa and the design of several projects to promote integration, notwithstanding the challenges of financing. Progress had also been made in setting up institutions of integration such as AfDB and the Pan-African Parliament, while discussions were well underway for the establishment of the African Monetary Fund and the African Investment Bank, among others.

26. Several challenges impeding regional integration in Africa were highlighted: free movement of persons was still ineffective; financing of projects on integration continued to depend largely on external contributions; micro-sovereignty was still rife and remained an obstacle to political integration; linguistic differences continued to hamper unity on the continent; statistics, a fundamental element of sovereignty, had been neglected; intra-African trade remained low at 10 per cent of the continental total; and the creation of a single currency was far from becoming a reality, with over 40 currencies currently in circulation on the continent.

27. The discussion on regional integration in Africa should revisit the major debate on integration approaches proposed by Presidents Nyerere and

Nkrumah at independence to see if they were suitable for Africa today. Nkrumah had called for rapid integration so that sovereignty tendencies would not inhibit the drive toward integration, while Nyerere had called for a gradualist approach to integration, based on the development of regional pillars.

28. Following the discussion, the Committee recommended that:

- a. Governments should ensure more stakeholder involvement and inclusiveness in Africa's integration processes and programmes, particularly for ordinary citizens, civil society and the private sector;
- b. Governments should ensure increased resource mobilization to support the development of small and medium enterprises in Africa, as a way of boosting indigenous production and intra-African trade as catalysts for regional integration;
- c. Governments should implement strategies for Africa's integration and development plans;
- d. Governments should alleviate infrastructure constraints by increasing investment, with a view to enhancing regional integration and boosting trade among African countries;
- e. ECA should undertake a comparative study on the gradualist and rapid approaches to African integration recommended by Presidents Nkrumah and Nyerere, including the detailed timelines, costs and other implications of the two approaches, which could serve as a basis for making an informed choice between the two approaches.

#### **Harnessing the demographic dividend [agenda item 6]**

29. Under this agenda item, a representative of the secretariat gave an interactive media presentation called ENGAGE, which focused on harnessing the demographic dividend for Africa, noting that reducing high fertility could create opportunities for economic growth if the right kinds of educational, health and labour-market policies were in place.

30. The presentation drew attention to the favourable experiences in Asia which were now referred to as the "Demographic Dividend" and highlighted the role of the pace of the demographic transitions in those countries. In particular, the decline in infant and child mortality, followed by declines in ferti-

ity, and the supportive role of key health interventions, such as maternal and child survival and birth spacing through family planning, were highlighted. Those trends were replicated in several African countries such as Botswana, Morocco and South Africa. Ghana, Kenya and Rwanda were likely to follow suit.

31. The two discussants on the ENGAGE presentation highlighted the relevance of the demographic dividend for Africa and called on African countries to actively adopt their own approaches to realizing the benefits and accelerating economic growth.

32. Several participants shared their country experiences and also raised questions about interactions between many development factors and processes and the certainty of the success of various approaches, in particular, the applicability of demographic transition and dividend experiences from outside Africa. The Committee recognized that the demographic transition, i.e., declines in child mortality and fertility, was bound to occur. Transitions across African countries were also heterogeneous. The discussion also focused on how to influence the pace of those declines and what social and economic policies were necessary to accelerate them. Realization of the demographic dividend would have to be customized to the circumstances of each country.

33. African countries needed to find their own paths to the demographic transition and could also define their own vision for achieving the demographic dividend. They did not necessarily need to follow other regional models and, in fact, the African demographic dividend could prove to be quite unique in structure, process and character. The discussion concluded with several member State participants indicating their interest in pursuing the dividend and learning further about what combination of social, health and fiscal policies would best provide for sustainable economic growth and in particular, job creation.

34. The following recommendations emanated from the session:

a. The demographic dividend did not have a single solution that fitted all member States. Each country should develop its own approach to realizing the dividend, taking its own specific circumstances into account. Moreover, the approaches should take into account the importance of culture in each setting;

b. The interventions needed to address the demographic dividend would require a multi-sectoral approach. In particular, investments in education, health, nutrition and job skills training were critical to enhancing the demographic change required to set the stage for realizing the demographic dividend for African countries;

c. Immediate responses were needed for the youth as new entrants into the labour force and family formation. Securing their productive future should evolve from identifying efficient models of job creation, by those responsible;

d. The vision for the future must be defined by African countries and they should continue to ensure that the MDGs were met and that the post-MDG goals enabled each country to realize the demographic dividend;

e. African countries should integrate demographic dimensions in all development programmes, and strengthen the link between the demographic dividend and economic growth, including promoting inclusive development.

#### **Presentation and discussion on the theme of the Conference: Industrialization for an Emerging Africa [agenda item 7]**

35. Under this agenda item, two presentations were made by the secretariat to introduce the theme of the Conference. The first presentation, based on a document entitled, "Reaping the benefits of value addition and linkage development in Africa", reviewed the current state of value addition and industrialization in Africa and the positive growth trajectory of the continent. It highlighted the benefits and weaknesses of industrial development, indicating that resource-based industrialization was an imperative that was both possible and beneficial for Africa. The benefits of resource-based industrialization and moving up the value chain included: employment creation, income growth, dynamic benefits and efficiency gains. Furthermore, value addition would develop fiscal, consumption and production linkages. Success of linkage development depended mainly on the competitiveness of local firms and the effectiveness of government policy. The successes of Argentina, Malaysia, Thailand and Venezuela had demonstrated how resource-based industries could be developed by mobilizing domestic entrepreneurship and implementing effective industrial policies. African countries should, therefore, capitalize on their resource endowments and the commodity price boom, while taking into consideration the global, regional and national dimensions of link-



age development. Africa should also take advantage of regional and continental policy initiatives, such as AIDA, the AMV, the CAADP and the AU Declaration on the Continental Free Trade Area.

36. The second presentation on the theme of the Conference addressed five major issues related to industrialization in Africa: (a) the continent needed to industrialize, as industrial development had tremendous transformative potential because of its role as the engine of economic development and catalyst of innovation and trade; (b) Africa had enormous potential to industrialize. The continent had 60 per cent of the world's arable land, although only 10 per cent of its agricultural products had any form of value addition. Furthermore, Africa was endowed with many sources of energy, while a significant amount of the world's mineral resources were located on the continent; (c) Africa's industrialization was delayed, in part, by the continent's colonial heritage that strongly influenced its economic structure; (d) industrialization was a pre-condition for economic emergence and was necessary for achieving structural transformation; and (e) the path to industrialization entailed imposing a minimum charge on export of primary commodities to encourage local production and value addition; moving away from economic growth based on primary products; ensuring financial sovereignty; and implementing an energy policy that responded to the needs of industrialization.

37. The Chairpersons of the Intergovernmental Committee of Experts (ICE) provided the subregional perspective on the theme of the Conference as reflected in the outcomes of the meetings of the ICE, which were held recently in the five subregions of the continent. The ICE meetings had addressed similar themes and issues related to industrialization in their respective subregions.

38. Mr. El Eulmi, Officer representing the Secretary of State in the Prime Minister's Office in charge of forecasts and statistics, Government of Algeria, summarized the main outcomes of the 28th session of the ICE for North Africa on the theme, "Promoting diversification and sophistication for structural transformation in North Africa", which took place from 26 February to 1 March 2013 in Rabat, Morocco. In addition to ensuring harmony with the theme of the Conference of Ministers, the choice of the theme of the ICE was also in response to the request made at the 27th session of the ICE for ECA to undertake a study on diversification in North Africa. The 28th session of the ICE made recommendations in the following five main areas: (a) institutional reforms and good governance; (b) the role of the State; (c) support

for sectors with high value addition; (d) an integrated approach that incorporated all relevant sectors; and (e) regional integration and cooperation.

39. Mr. Tohougbe Yehouan Anatole, Technical Adviser, Sustainable Development, State Ministry of Planning and Development, Cote d'Ivoire, presented a report on the main outcomes of the 16th session of the ICE, which was held 18-19 March 2013 in Abidjan, Cote d'Ivoire on the theme, "Inclusive green growth to accelerate socio-economic development in West Africa". The ICE meeting had commended the recent strong macroeconomic trends in the West Africa subregion, and highlighted the challenges that needed to be addressed, including reliance on commodity exports, governance deficits, insecurity, high youth unemployment and the lack of decent jobs. The meeting urged member States to harmonize their training curricula to facilitate labour mobility, promote technical and vocational training, prioritize the agricultural sector and deepen regional integration in the subregion through the harmonization of macroeconomic and sectoral policies.

40. Ms. Chantal Elonbat-Mbedey, Director of Regional Integration at the Ministry of Economy of Cameroon, presented a report on the outcome of the 29th session of the ICE which was held from 27 February to 1 March 2013 in Libreville, Gabon on the theme, "The green economy in Central Africa". The vision of the CEMAC subregion, she said, was to achieve industrialization-based emerging country status, by the year 2025. To that end, each country in the subregion had its own programme for emergence and transformation. The presentation also highlighted the progress made by countries in the areas of infrastructure (especially in energy and transportation), agriculture and conservation. The following factors were essential for successful industrialization: well-designed national industrial strategies based on the realities of each country; improved access to finance by small and medium enterprises; promotion of private-public partnerships; and capacity development, especially of women entrepreneurs. Equally important was political will.

41. Professor Ben Turok, member of the South African Parliament, opened the general discussions with brief remarks on the salient points made in the various presentations. Using the experience of South Africa, he emphasized the importance of value addition, focusing on the linkages between the mining and manufacturing sectors. Over the years, South Africa's high port charges had led to low competitiveness of the country's manufactures and had encour-

aged exports of raw materials, essentially contributing to the country's de-industrialization.

42. Overdependence on mineral resources for economic growth was unsustainable, and countries should use their natural resources to develop the manufacturing sector. In addition, they should identify factors such as skills, entrepreneurship, technology, infrastructure and transport costs, that could be leveraged to support value addition. Similarly, African Governments had a responsibility to reduce the constraints to industrialization, such as enclave development of the mining sector, and to address bottlenecks identified. Citing the example of mining and manufacturing, Professor Turok highlighted the need for disaggregation of industrial statistics for the accurate measurement of value addition. He also highlighted the need for countries to protect their infant industries, urging them to examine their respective value chains and take decisive actions in support of increased benefits from the exploitation of natural resources.

43. The general discussions highlighted several important issues related to industrialization and value addition, including: industrial plans, strategies and policies; data and statistics; creating an enabling environment; financing of industrialization; innovation and technology transfer; and capacity development.

44. The Committee noted that the lack of coherent industrial policies at the national, regional and continental level and across sectors had hampered the industrialization process in Africa. In that regard, there should be well-designed and articulated plans at the national and regional levels that were coherent with continental frameworks, such as AIDA. Such policies should promote inclusive and sustainable development with clearly defined roles for the State and the private sector, based on their comparative advantage, including appropriate monitoring and evaluation frameworks. In addition, countries must consider the global policy space in which they were operating. In that regard, member States voiced concerns over global trade schemes that were favouring the export of raw commodities over products with value addition.

45. Participants highlighted the importance of statistics and data in formulating and monitoring industrial policy. Several key areas in which accurate economic statistics were necessary for effective policymaking included: natural capital accounting, employment and the informal sector, and sectoral and product disaggregation vis-à-vis value addition.

46. The need for good governance, including political stability, accountability, strong institutions and macroeconomic stability, was also underscored as part of the necessary enabling environment for industrial development. In addition, infrastructure, especially energy and transportation, were cited as key enablers.

47. Most of the participants identified the lack of adequate financing as a major constraint to Africa's industrialization efforts. Large-scale industrialization was a complex undertaking that required domestic, regional and external resource mobilization. Regional development banks and financial institutions such as AfDB had an important role to play in helping African countries to mobilize resources for industrialization, including supporting the implementation of key continental initiatives on industrialization.

48. Other key factors identified for successful industrialization were innovation and technology, including research and development, and capacity development through improvements in the education system, to emphasize technical and vocational training.

49. Based on the presentations and discussion, the following key recommendations were made:

- a. Design and implement industrial policies driven by clear visions, national ownership and effective leadership, focusing on value addition, sectors with high growth potential, including deliberate policies to protect infant industries;
- b. Adopt appropriate policies to reduce export of raw materials and enhance value addition;
- c. Identify and maximize the policy space available within existing global trade regimes as part of national industrial policy formulation;
- d. Strengthen subregional and regional integration through implementation of CFTA to enable the harmonization of industrial and other strategies and to open markets for African enterprises;
- e. Ensure coordination of different structures and institutions involved in industrial development at the national, subregional and regional levels, such as those dealing with mining, energy and finance, in order to enhance effectiveness in formulating and implementing industrial policies;
- f. Ensure multi-stakeholder involvement and contribution to the industrialization process, in particular the private sector;

- g. Take concrete measures to increase energy sources in order to boost productivity and competitiveness;
- h. Develop statistical capacity and infrastructure to produce comprehensive, reliable and comparable data for policy formulation, implementation and evaluation;
- i. Develop curricula that focus on education, training and skills development in line with each country's specific needs and requirements;
- j. AUC to sensitize member States on existing continental frameworks and roadmaps for industrialization;
- k. ECA and AUC to provide assistance to member States in the design and implementation of industrial strategies that were consistent with existing regional policy frameworks, such as AIDA;
- l. ECA to undertake a study on the role of women in the industrialization process;
- m. AfDB and other development finance institutions at the national, subregional and regional level to provide support in mobilizing resources for national and regional industrial projects;
- n. African countries should make financing of industrialization a key priority in their planning and development, including allocating adequate resources and creating an enabling environment for domestic resource mobilization;
- o. AfDB and other national and subregional development finance institutions were invited to assist in raising financing for national and regional industrial projects and for transport, energy and communication facilities.

#### **Implementing the Rio+20 outcomes in Africa [agenda item 8]**

50. Under this agenda item, a representative of the secretariat made a presentation on progress in the implementation of the outcomes of the United Nations Conference on Sustainable Development (Rio+20). The objective of the presentation was to seek endorsement and guidance on the effective implementation of the Rio+20 outcomes in Africa. The Rio+20 outcome document entitled "The future we want", largely addressed and reflected Africa's concerns, interests and priorities, as articulated in

the African Consensus Statement to the Conference adopted at the regional preparatory meeting in October 2011. Africa should continue to act strategically and capitalize on the political momentum for sustainable development that Rio+20 had generated, in order to ensure that the conference outcomes were translated into concrete programmes of action to accelerate progress towards sustainable development in the region.

51. 51. The presentation drew attention to the November 2012 Africa Regional Implementation Meeting (Africa-RIM), jointly organized by ECA, AUC, AfDB and UN-DESA. The Africa-RIM focused specifically on the implications of the Rio+20 outcomes for Africa. The outcomes of the Africa-RIM was Africa's collective input to the post-Rio+20 follow-up process and provided a framework for the continent's engagement in the global processes and implementation of Rio+20 outcomes. Ministries responsible for planning, economy and finance were thus urged to actively engage in the implementation of the Africa-RIM outcomes. Implementing Africa-RIM outcomes would entail considering the appropriateness of the principles and priorities identified in the outcome document, determining how all encompassing the SDGs would be, taking into account regional specificities, and identifying the key constraints and challenges to achieving sustainable development.

52. 52. The Committee underscored the importance of Rio+20 and the sustainable development agenda as key enablers of Africa's development as they highlighted issues of key concern to the continent. Notable among them was the protection and sustainable exploitation of Africa's natural resources. In that regard, national capital accounting and labour market statistics were key to supporting Africa's sustainable development agenda. Equally important was the need for parliamentary oversight over natural resource transactions to ensure transparency and accountability, and the use of indigenous knowledge as a means of addressing common environmental problems and sustaining Africa's natural capital.

53. The following recommendations emerged from the discussions:

- a. Member States were invited to take the African Mining Vision and the Land Policy Initiative into account in their efforts to harness natural resources;
- b. The Committee recommended that Ministers responsible for finance, planning and economy should take the lead in implementation of the

Rio+20 outcomes, including incorporating them into national development policies, strategies and plans;

- c. Member States were invited to facilitate the establishment or strengthening of coordination mechanisms at national and subnational levels as well as the design of the institutional framework for sustainable development at the global, regional and subregional levels;
- d. The meeting also recommended that there should be coherence and synergy between ECA, AUC and AfDB, with a view to ensuring the implementation of the Rio+20 outcomes in Africa, including through the urgent preparation of a Regional Action Plan.
- e. Parliaments were invited to provide oversight for the exploitation of natural resources, to ensure that all exploitation contracts included provisions that would benefit the local population, generate wealth, and protect the environment;
- f. Member States were invited to carefully consider the potential contribution of local and indigenous knowledge and technology in the ongoing consultations on the Technology Facilitation Mechanism, including for the harnessing of natural resources;
- g. Member States were invited to ensure that natural resource and social capital accounting would be part of the discussions in the context of the programme of work on measuring progress to complement GDP, called for by Rio+20;
- h. Member States, AUC and RECs were invited to harmonize policies for the exploitation of natural resources, particularly for transboundary resources;
- i. Member States were invited to report labour-market statistics on a quarterly rather than annual basis.

## **Presentation of statutory issues [agenda item 9]**

### **A. ECA statutory issues**

#### **1. Review of the Istanbul Programme of Action**

54. Under this agenda item, the secretariat presented a review of the Istanbul Programme of Action (IPoA) for Least Developed Countries (LDCs), which was

the fourth global specific programme (2011-2021) for LDCs. The messages arising from the presentation included: (a) African LDCs experienced improved performance as measured by Gross National Income per capita, economic vulnerability and human asset indices; (b) LDC exports were more diversified, signaling reduced exposure to economic shocks; (c) LDCs were still largely dependent on primary commodities and extractive industries despite improvements; (d) despite improvements in economic structure, African LDCs were experiencing increased instability in agricultural production and a rise in the number of victims of natural disasters; (e) enrolment and gender parity had improved at primary school level but less so at tertiary levels; and (f) under-five mortality had declined significantly but access to safe water and sanitation remained limited.

55. Two African countries were eligible for graduation. Equatorial Guinea had met the graduation criteria for the second time in a row, hence eligible for graduation, while Angola had met the criteria once.

56. The Secretariat concluded its presentation with the following policy recommendations addressed to both LDCs and the international community:

- a. A call for an increase in official development assistance allocations to productive sectors, including infrastructure to promote economic resilience to shocks;
- b. LDCs and development partners should support the manufacturing sector to promote value addition and economic diversification;
- c. LDCs should gain increased access to climate financing to strengthen their resilience to disasters and climate-related shocks;
- d. LDCs, with the support of development partners, should invest in improving availability and quality of social services;
- e. LDCs are urged to use regional integration and cooperation as strategies to expand trade and create jobs.

57. In the discussion that followed, the Committee commended ECA for the presentation and called for the institutionalization of the review of the IPoA for LDCs at the Conference. In addition to the recommendations of the Secretariat, the Committee recommended that ECA and AUC should institutionalize the review on the implementation of the IPoA for LDCs, devote more time to this review, organize dis-

cussions on a theme and ensure an adequate representation of LDCs at the joint annual conference.

## **2. *New ECA strategic direction***

58. The Secretariat gave a presentation on the New Strategic Direction of ECA to support the transformative development agenda of Africa, recalling earlier reform exercises by ECA to reposition itself. Remarkable transformations in the global environment included the new phase of globalization and the fundamental shifts in global economic power, which had seen the emergence of many countries of the global South as new centres of economic power. Those global transformations had coincided with remarkable changes on the African continent itself, including its status as one of the regions with the highest economic growth rates in the world. That had been accompanied by commendable improvements in governance, facilitated by the emergence of a range of national and regional institutional mechanisms and norms, alongside significant reductions in conflict across much of the continent.

59. Against the backdrop of global and regional transformations, ECA had had to reposition itself to better support the continent's transformative development agenda. The meeting was briefed on the extensive consultative processes that had accompanied the ECA repositioning exercise, including engagement by all the major stakeholders of the organization – African heads of state and government, ministers of finance and economic planning, African ambassadors, multilateral and bilateral partners, and more importantly, the staff of ECA. The meeting was presented with the key elements of the ECA recalibration, which consisted of a refocusing of its work programme and a shift in its working and delivery methods.

60. In the discussion that followed, experts expressed their strong support for the reform initiative that ECA had embarked on. In particular, the meeting lauded the Commission's prioritization of the generation of data (statistics) on various social and economic aspects of Africa's development agenda, recognized as the only way to control the narrative of the continent's realities. Similarly, participants recognized the centrality of capacity building, in light of the continent's capacity gaps that are a real challenge to the implementation of policy proposals and the realization of development goals.

61. The meeting recommended that an assessment should be made on progress made by the continent in its integration efforts, with a view to identifying the gaps in the process and establishing strategic plans

with clear targets and timelines, including mechanisms to monitor achievements. Importantly also, it was recommended that ongoing discussions on the transformation of ECA should be broadened to provide opportunities for African peoples, through civil society, to contribute to the reform and transformation agenda.

## **3. *Update on the statutes of the African Institute for Economic Development and Planning***

62. The Secretariat made a presentation on the changes, mainly comprising updates and edits, introduced in the statutes of IDEP by its Governing Council following a thorough review. The Secretariat pointed out that the updates on the statutes were informed by (a) the ongoing reform in ECA, which had positioned IDEP as the sole training hub of the Commission, (b) the mandates received by the Governing Council from the Annual Conference of African ministers for a strategic repositioning of the Institute; (c) the deepening of the training collaboration between IDEP and several departments of the AUC; and (d) the need to align the Statutes of IDEP with the actual workings and functioning of the Institute.

63. In its presentation, the secretariat provided an overview of the changes introduced in the Statutes, which had affected the following articles (a) Article I – Purpose and functions of the Institute – paragraph 1.a; (b) Article I – Purpose and functions of the Institute – paragraph 1.b; (c) Article III – Status and organization of the Institute – paragraph 2; (d) Article 4 – The Governing Council - paragraph 2; (e) Article 4 – The Governing Council - paragraph 4.a; (f) Article 4 – The Governing Council -, paragraph 7.

64. In the context of the updated statutes, the secretariat also noted that the IDEP Governing Council had endorsed a proposal for the Chairperson of AUC to appoint a member of the Commission at the level of a commissioner to become a member of the Governing Council, while the Director of Economic Affairs should become a member of the Technical Advisory Committee of IDEP.

65. In the ensuing discussion, the Committee welcomed and endorsed the updates introduced into the Statutes of IDEP. The Committee sought clarification on the types of resources available to support the work of the Institute which was currently funded by the United Nations Secretariat, ECA, member States and some partners. The Committee further sought clarification on the accreditation and collaboration procedures adopted by the Institute when training sessions were organized outside of the IDEP head-

quarters in Dakar. The importance of developing targeted, tailor-made trainings was also stressed during the rich debate. Also, there was a need to focus on capacity building and technical assistance to support of member States in the context of the ongoing ECA restructuring and refocusing.

66. The secretariat welcomed the observations made by the Committee and explained the current modalities of the Institute, details of which were included in its Annual Management Reports. It also explained the procedures for accreditation it was building for courses organized outside its headquarters and the partnerships it had already forged or was negotiating with African universities and think tanks such as the University of Johannesburg, the Institute of National Planning of Egypt, the University of Nairobi, the University of Ibadan, Université Cheikh Anta Diop of Dakar, the University of Yaoundé II and the University of Casablanca. Also, tailor-made training had grown in the IDEP portfolio of activities as one of the most important modalities for delivering its courses. The Institute training mandate had been further reinforced and boosted by the transfer of all ECA training activities and associated workshops to IDEP, as part of the ongoing restructuring of the Commission.

67. Most participants commended the efforts of IDEP in responding to the training needs of member States and called for more resources to be made available to the Institute in order to expand its capacity to offer training at the highest level of quality and relevance. The AUC expressed satisfaction with its growing collaboration with IDEP which spanned several domains such as regional integration, gender and social policy, and encouraged member States to extend robust support to the Institute as it strived to respond to their expressed needs. Member States further encouraged IDEP to expand its database of African experts who could be called upon as resource persons for its training activities; a recommendation to which the secretariat responded positively by informing participants that an application on its website allowed experts to register in its database. The delegation from South Africa expressed its appreciation for the work IDEP had been doing in its country, and informed delegates that it was actively pursuing the payment of its financial contribution to the Institute. The delegation from Guinea similarly announced an impending series of training activities to be hosted in Guinea by IDEP for the country's planning officers. The Committee welcomed the collaboration which IDEP had established with various African universities and related institutions in the decentralized delivery of its training programmes.

#### **4. ECA Annual Report, Revised Strategic Framework for 2014-2015 and Programme Budget for 2014-2015**

68. Under this agenda item, the secretariat presented the ECA Annual Report (E/ECA/COE/32/5), the Revised Strategic Framework for 2014-2015 and the Proposed Programme Budget for 2014-2015.

69. The presentation of the annual report highlighted the main achievements during the period between April 2012 and March 2013. The presentation focused on major achievements and impact of ECA under the following 10 substantive subprogrammes: macroeconomic analysis, finance and economic development; food security and sustainable development; governance and public administration; information and science and technology for development; regional integration, infrastructure and trade; gender and women in development; subregional activities for development; development planning and administration; statistics; and social development.

70. The Committee's attention was drawn to several achievements consisting of important meetings and conferences and key flagship publications. With regard to meetings and conferences, the Secretariat mentioned the 8th African Development Forum (ADF-VIII) on "Harnessing and governance of natural resources for Africa's Development"; the 2nd Annual Conference on Climate Change and Development in Africa and Africa Regional Implementation meeting for the 20th United Nations Commission on Sustainable Development and meetings of the High-Level Panel on Illicit Financial Flows. Publications included the Economic Report on Africa (ERA) 2012, whose theme was "Unleashing Africa's potential as a pole of global growth"; the 2012 Africa MDGs report; the fourth issue of the Sustainable Development Report on Africa; the Third African Governance Report (AGR III): Elections and the management of diversity in Africa; and the fifth report on Assessing Regional Integration in Africa (ARIA V). Subregional activities for development entailed increasing the capacity of and technical services to RECs and member States in the areas of youth employment, gender equality, statistics, social development and regional integration. Also, IDEP expanded its training programmes and developed e-learning platforms.

71. Regarding the Revised Strategic Framework for 2014-2015, the secretariat pointed out that although a strategic framework had been endorsed at the joint ECA-AU Conference of African Ministers of Finance in March 2012 in Addis Ababa, major global and regional developments necessitated a revision

of the ECA strategic framework for the biennium 2014-2015. Key among those were the outcomes of Rio+20; the consultations on a post-2015 development agenda; and the decision of the AU Assembly of Heads of State and Government at its 20th ordinary summit (Assembly/AU/Dec.450 (XX)) in January 2013, which endorsed the refocusing of ECA to support the transformation agenda of Africa.

72. Those developments led ECA to retool itself and recalibrate its programmes to: (a) take a frontline role in generating original data and knowledge; (b) ground its policy research and advocacy on clear and objective evidence; and (c) promote policy consensus and offer meaningful capacity development and advisory services in key thematic areas. The Secretariat highlighted the new structure of the ECA Strategic Framework, which included the following subprogrammes: macroeconomic policy; regional integration and trade; innovations, technologies and management of Africa's natural resources; statistics; capacity development; gender and women in development; subregional activities for development; development planning and administration; and social development policy.

73. Following the presentation of the Revised Strategic Framework for 2014-2015, the Secretariat informed the Committee that new programmes and activities had been designed for the Programme Budget for 2014-2015 to align it with the revised Strategic Framework.

74. In the discussion that followed, the Committee endorsed the revised ECA Strategic Framework and the accompanying Proposed Programme Budget for 2014-2015 and welcomed the focus on statistics. The Committee called for strengthened synergies between ECA activities and those of AUC and AfDB and pointed to the need for a more inclusive approach to the Commissions' reform, both within and outside ECA.

## **B. AUC statutory issues**

75. The secretariat presented the statutory issues of the African Union, including: (a) Report on the establishment of a Pan-African Stock Exchange; (b) Draft statutes of the African Monetary Fund; (c) Implementation of the African Charter on Statistics and the Strategy for the Harmonization of Statistics in Africa; (d) Alternative Sources of Funding the African Union; (e) Update on the Global Partnership for Effective Development Cooperation; and (f) Report of the fifth African Private Sector Forum.

76. The secretariat informed the meeting that an independent experts' workshop was held in Johannesburg, South Africa, in October 2012 to validate the draft interim report of a technical study on the establishment of a pan-African stock exchange. The workshop had recommended that a regional group should commit to establish a regional market and set up working parties for the various stakeholders, among others.

77. On the draft statutes of the African Monetary Fund (AMF), the secretariat reported that a meeting of experts from selected member States had been organized in Yaoundé, in October 2012 to discuss the statutes of the AMF. The said meeting had agreed on all articles of the statutes with reservations from some member States about Article 7, Section 1, on authorized share capital, callable capital and paid-up capital. The revised statutes were being presented for recommendation to the Conference of Ministers for endorsement.

78. The secretariat presented the status of implementation of the African Charter on Statistics and SHaSA. While 27 African countries had signed so far, only eight had ratified the Charter. It was important to fast track the signing and ratification of the Charter by countries for its entry into force. The various statistical working groups under SHaSA had also made progress. The civil registration and vital statistics system was important and the decision by the Heads of State and Government to institutionalize the biennial meeting of the Conference of African Ministers in charge of civil registration was laudable. Countries should allocate adequate resources to support the work of the various working groups under SHaSA.

79. The Guinean delegation drew attention to the work done by the pilot group on innovative financing, which was at the core of development, within the framework of the post-2015 agenda. In addition, the Guinean representative informed participants about a meeting on innovative financing to be held from 3 to 5 July 2013 in Conakry, and invited African countries, international organizations, private sector partners and civil society to participate actively in that important event.

80. The secretariat reported that the fifth African Private Sector Forum had been held in Abidjan from 5 to 8 November 2012 under the theme, "The role of the private sector in promoting investment and agro-industry in Africa".

81. Referring to Decision 465 of the 20th AU Summit, the representative of the Government of Guinea presented the measures and arrangements planned for operationalizing the triangular coalition and South-South cooperation in support of the post-2015 agenda. South-South cooperation would support Africa's regional integration and implementation of the IPoA, which was an appropriate framework for mobilizing new development finance sources. A regional capacity development project was under preparation by the Guinean Government, with the support of AU and ECA. The Committee commended the work done for the establishment of the coalition. The report, prepared by the working group, was translated into the working languages of the Union for submission to the extraordinary meeting of the Joint AU-ECA Conference of Ministers of Finance and Planning held in May 2013, alongside the 21st Summit of the African Union.

82. In the discussions that followed, the Committee of Experts commended the work accomplished on the establishment of the Pan-African Stock Exchange. Nevertheless, the translated study report should be made available to all member States to allow them to make concrete contributions.

83. On the AMF statutes, additional work should be done to determine the minimum start-up capital required for the Fund to be operational and sustainable. The meeting urged AUC to conduct an analysis to assess the impact of the euro zone crisis and the response of the IMF in relation to the objective of the AMF. Also, the statutes should be sent to all member States to provide political space for national consultations on the document. In that regard, it was agreed that an extraordinary session of the AU Conference of African Ministers of Economy and Finance would be necessary to finalize and adopt the statutes.

84. The Committee took note of the report and requested countries that had not signed and ratified the Charter to take the necessary steps to do so and also requested AUC to continue to play the lead role in coordination and implementation of SHaSA with the support of AfDB, ECA and other partners, in order to produce quality, harmonized data to inform the African integration agenda.

85. On alternative sources of funding the African Union, the meeting was updated on the progress on the study. It requested AUC to finalize the study as per the July 2012 decision to undertake a comprehensive study of all options, to provide quantifiable data on the expected impact on all member States.

86. The Committee of Experts noted the update and proposals on the Global Partnership for Effective Development Cooperation and the report of the fifth African Private Sector Forum.

87. The Committee of Experts welcomed efforts by the Government of Guinea to establish South-South cooperation and a triangular coalition in support of Africa post-2015. However, it requested that the document be submitted to all delegations for discussion prior to consideration by the Ministerial Conference.

88. The Committee of Experts made the following recommendations:

- a. An extraordinary session of the AU Conference of African Ministers of Economy and Finance should be organized prior to the AU Summit in May 2013 to consider the technical study report of the establishment of a pan-African stock exchange, the statutes of the African Monetary Fund, the study on alternative sources of funding the African Union, South-South cooperation and the triangular coalition in support of Africa post-2015;
- b. AUC should make the report on the euro zone crisis available; and member States should provide their remarks and comments on the AMF statutes to AUC no later than 15 April 2013.

#### **Any other Business [agenda item 10]**

89. No issue was raised under this agenda item.

#### **Consideration and adoption of the Draft Report of the Committee of Experts and the Draft Resolutions [agenda item 11]**

90. Under this agenda item, the Committee considered the draft report of its meeting (as contained in document E/ECA/COE/32/L, AU/CAMEF/EXP/Draft/Rpt (VII)) together with the six draft resolutions for consideration and adoption by the sixth 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. Several delegations made comments and observations and proposed amendments to the report as well as the draft resolutions. After extensive discussions on some of the resolutions, the Committee unanimously adopted the report, including the draft resolutions as amended. The six draft resolutions amended by the Committee are attached to this report for consideration and adoption by the sixth Joint AU and ECA Conference of Ministers.



### **Closing of the meeting [agenda item 12]**

91. Closing remarks were made by Dr. Maxwell Mkwezalamba, AU Commissioner for Economic Affairs; Mr. Abdallah Hamdok, Deputy Executive Secretary of the Economic Commission for Africa; and Professor Lambert N'Galadjo, Chairperson of the Committee of Experts.

92. In his closing remarks, Dr. Mkwezalamba thanked the Government and people of Côte d'Ivoire for hosting the meeting. He commended all the participants for their hard work and contribution to the discussions during the meeting. He highlighted some of the issues on the agenda of the meeting and the major recommendations made. In particular, he noted that the draft African Common Position on the Post-2015 Development Agenda to be adopted by the Conference of Ministers would help to define Africa's priorities and goals on the new development agenda, to further the continent's interests. The common position would be transmitted to the AU Summit of Heads of State and Government for their adoption in May 2013. He informed the meeting that would be the last meeting he would be attending as Commissioner for Economic Affairs as his tenure had come to an end. He expressed his deepest gratitude to the Committee for the support received during his tenure and wished the Committee well in its future endeavours.

93. In his closing remarks, Mr. Hamdok expressed gratitude to the Government and people of Côte d'Ivoire for hosting the meeting and the warm hospitality shown to all delegations. He thanked all distinguished delegates for their active participation and congratulated the new Bureau on their election and thanked all participants for their useful contribution to the discussion. He highlighted some of the main

issues discussed by the Committee of Experts and said he was sure that the recommendations adopted by the meeting would inform critical decisions to be taken by the Ministers. He observed that the Conference had taken place at a time when Africa was on the rise and its image positively defined. Those positive changes would continue to inform the ECA work programme. He thanked the Committee of Experts for the support to the ongoing reforms being undertaken by the secretariat and the Chairperson of the Committee of Experts for an excellent job in moderating the various sessions. He also paid tribute to Dr. Mkwezalamba for his work over the past eight years as AU Commissioner for Economic Affairs.

94. In his closing remarks, Professor Lambert N'Galadjo Bamba, Chairperson of the Committee of Experts, thanked all the participants for their cooperation and hard work. He said that the recommendations which had been adopted would help put industrialization at the centre of the African development agenda. The Chairperson of the Bureau also expressed his deepest gratitude to the staff of AUC and ECA for their hard work, particularly in producing the report of the meeting, under tight deadlines, in four languages. He further expressed gratitude to the interpreters and translators, the staff of the hotel, and all those who had made the meeting of the Committee a success.

95. He then declared the meeting closed.

