



**Economic Commission for Africa**  
**Conference of African Ministers of Finance,**  
**Planning and Economic Development**  
 Forty-eighth session

**African Union**  
**Specialized Technical Committee on Finance,**  
**Monetary Affairs, Economic Planning and**  
**Integration\***  
 First session

**Eighth Joint Annual Meetings of the African Union**  
**Specialized Technical Committee on Finance, Monetary**  
**Affairs, Economic Planning and Integration and the**  
**Economic Commission for Africa Conference of African**  
**Ministers of Finance, Planning and Economic Development**  
 Addis Ababa, 30 and 31 March 2015

**Second Caucus of African Central Bank Governors**  
**Addis Ababa, Ethiopia, 29th March 2015**  
**Communiqué**

**Preamble**

*WE*, the African Central Bank Governors together with all relevant stakeholders, having met in Addis Ababa, Ethiopia, on the 29th of March 2015 at the margins of the 8th Joint Annual Meetings of the African Union Specialized Technical Committee on Finance, Monetary Affairs, Economic Planning and Integration and the ECA Conference of African Ministers of Finance, Planning and Economic Development, under the Chairmanship of **Mr. Yohannes Ayalew**, Vice-Governor, of the National Bank of Ethiopia and Host, and **Dr Louis Kasekende**, Deputy Governor of the Bank of Uganda, as co-chair.

*Mindful* of the Second Caucus's objectives of following-up on the outcomes of the inaugural event in Abuja, Nigeria, in 2014 and enhancing the role of Central Bank Governors in the consultations leading up to the Third International Conference on Financing for Sustainable Development (FfD), July 2015;

*Cognizant* of the need to build on the policy commitments articulated in the Monterrey Consensus and to follow-up on the Doha Declaration on Financing for Development, the United Nations Conference on Sustainable Development (Rio+20) and other major United Nations conferences, and on the priorities expressed by the General Assembly when it called for the Third International Conference on Financing for Development (resolution 68/204);

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\* The Specialized Technical Committee replaces the Conference of African Ministers of Economy and Finance (CAMEF) and the Conference of African Ministers of Integration (COMAI). The Specialized Technical Committee brings together ministers of finance, monetary affairs, economic planning and integration.

**Welcoming** the Agenda 2063 as Africa's new framework for inclusive and sustainable development;

**Lauding** the call for greater coherence between the Financing for Development and post 2015 intergovernmental processes;

**Commending** the United Nations Economic Commission for Africa (ECA) and the African Union Commission (AUC) for organizing the Regional Consultation towards the Third International Conference on Financing for Development, on 23-24 March 2015;

**Also commending** ECA, AUC, African Development Bank (AfDB) and United Nations Development Program (UNDP) for their support to the Africa consultations and negotiations processes on the Post-2015 Development Agenda, and welcoming the efforts of the African Group of negotiators on Post-2015 Development Agenda to ensure that the continent's priorities find expression in the successor global development agenda;

**Further commending** the Federal Democratic Republic of Ethiopia for hosting the Third International Conference on Financing for Development to be held in Addis Ababa, in July 2015;

**We reiterate** the decisions and recommendations of the Abuja first caucus of African Central Bank Governors;

**We welcome** the draft document entitled "Financing for Development: Africa's Perspectives" taking into account input from the Chair's Summary of the proceedings of the regional Consultation towards the Third International Conference on Financing for Development;

**And hereby** adopt this Communiqué as follows:

## **African Central Bank Perspectives on Sustainable Development Financing**

### **1. Domestic resource mobilization**

**We recognize** the critical challenge of ensuring the adequate mobilization of public and private domestic resources to support development, as highlighted in the Monterrey Consensus. We further recognize the importance of enhancing domestic resource mobilization as a critical vehicle for financing Africa's structural transformation. Adequate mobilization of government revenues is required for direct financing and for leveraging private funds for investments in public services and social protection. In this context,

- **We undertake** to continue providing a conducive macroeconomic environment;
- **We endeavour** to assist African countries in developing an inclusive domestic financial sector, with adequate and affordable access by Small and Medium-sized Enterprises (SMEs), individuals and households to a full range and means of financial services;
- **We advocate** to further deepen the domestic financial sector to provide medium to long term financing, developing microfinance sub-sector and improving efficiency of the financial sector;

- **We undertake** to continue to improve the regulation of the financial sector using appropriate micro and macro prudential measures;
- **We are committed** to supporting the reform of the pension system that has the potential to unlock long term financing;
- **We are further committed** to supporting efforts for the promotion of Public-Private Partnership for all development needs;

## 2. International Financing Resources

**We emphasize** the importance of international resources for African countries and the critical need to effectively harness them to achieve Africa's overarching goal of attaining structural transformation;

**We recognize** the catalytic role of ODA, as one of the key sources of international development co-operation;

**We welcome** improvements in the business environment in many countries which have translated into an increase in FDI flows;

**We are committed** to the continuous building of buffers that can be used to promote financial stability in our economies and to mitigate against both domestic and external shocks;

**We support** the creation of regional market platforms (payment systems, regional capital markets) that have sufficient economies of scale to facilitate trade and investment;

**We emphasize** the increasing importance of remittances as one of the largest external source of international inflows to Africa; in this context,

- **We are committed** to supporting financial instruments that can channel remittances into development programs and projects so as to optimize their developmental impact (for instance through Diaspora Bonds);
- **We are further committed** to work for international and regional mechanisms to reduce the cost of remittances so as to increase remittance inflows into the continent;
- **We advocate** for the extension of debt relief initiatives such as HIPC's and MDRI to all African countries that have not yet benefited from them.

## 3. Systemic issues

**We reiterate** the need for reforms of international financial institutions and monetary systems to give greater voice to African countries so as to accommodate Africa's priorities;

**We call for** strengthened regulation and supervision of under-regulated financial markets and institutions such as shadow banking and 'too-big-to fail' institutions

**We encourage** rating agencies to have a broader and deeper analysis of African economies so as to provide an accurate and balanced assessment;

*We undertake* to strengthen the tools for stress testing of the financial sector;

*We are committed* to coordinating and cooperating in the implementation of anti-money laundering laws to safeguard the integrity of our economies;

#### **4. Technology Innovation and capacity building**

*We reiterate* the importance of science, technology and innovation to sustainable development as articulated in the Common African Position and call for increased international cooperation and collaboration on innovation, science and research and the establishment of a technology bank as proposed by the fourth conference on least developed countries in Istanbul in 2011;

*We undertake* to harness the use of technology in extending financial services while building up regulatory capacity for financial stability;

#### **5. Monitoring Data and follow-up**

*We recognize* the importance of data to track and report on financial flows. To this end we commit to capacity building and financial support to increase the availability of high-quality, timely and reliable data that is crucial for the formulation and implementation of policies;

### **Ensuring that Africa's financing priorities are effectively articulated and negotiated at the global level**

*We urge* all African countries, regional, subregional and international organizations to take into account the present communiqué in their consultations and negotiations;

*We request* African members of the African Group of negotiators on Post-2015 Development Agenda and the African High Level Committee on the Post- 2015 Development Agenda to effectively coordinate and ensure a coherent and strong articulation of Africa's priorities;

*We renew* our commitment to the structural transformation of our economies, and resolve to intensify and support efforts for inclusive growth and transformative development in Africa.

### **Vote of thanks**

*We express* our appreciation to the Prime Minister of the Federal Democratic Republic of Ethiopia, His Excellency Mr. Hailemariam Desalegn, the Government and the good people of the Federal Democratic Republic of Ethiopia, and the city of Addis Ababa for hosting this Meeting. We appreciate the warm reception, hospitality and excellent facilities placed at our disposal by the Economic Commission for Africa.

We look forward to our 3rd Caucus Meeting.