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**Economic Commission for Africa Conference of African Ministers of Finance, Planning and Economic Development** Forty-ninth session African Union Specialized Technical Committee on Finance, Monetary Affairs, Economic Planning and Integration Second session

Ninth 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, 4 and 5 April 2016

# **Report of the ninth Joint Annual Meetings**

# I. **Opening of the meeting** [Agenda item 1]

## A. Attendance

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

2. The meeting was attended by a representative of the following associate member: Western Sahara.

3. Observers from the following member States of the United Nations were present: Argentina, Australia, Bangladesh, Belgium, Brazil, Canada, Chile, China, Cuba, Denmark, Ecuador, France, Finland, Germany, Iran (Islamic Republic of), Ireland, Japan, Kazakhstan, Mexico, Netherlands, Norway, Republic of Korea, Russian Federation, Spain, Sweden, Switzerland, Turkey, United Arab Emirates, United Kingdom of Great Britain and Northern Ireland, United States of America, Venezuela (Bolivarian Republic of).

4. The State of Palestine, a non-member observer State of the United Nations, was also represented.

5. The following regional economic communities were represented: Common Market for Eastern and Southern Africa, East African Community, Economic Community of Central African States, Economic Community of West African States, Intergovernmental Authority on Development, Southern African Customs Union, Southern African Development Community, West African Economic and Monetary Union.

The following United Nations bodies and specialized agencies were 6. represented: Food and Agriculture Organization of the United Nations, International Labour Organization, International Monetary Fund, International Telecommunication Union, International Organization for Migration, Joint United Nations Programme on HIV/AIDS, Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, Office for the Coordination of Humanitarian Affairs, Office of the United Nations High Commissioner for Human Rights, United Nations Office for Project Services, United Nations Capital Development Fund, United Nations Children's Fund, United Nations Development Programme, United Nations Educational, Scientific and Cultural Organization, United Nations Entity for Gender Equality and the Empowerment of Women, United Nations Environment Programme, United Nations Human Settlements Programme, United Nations Industrial Development Organization, United Nations Office on Drugs and Crime, United Nations Office to the African Union, United Nations Population Fund, World Bank, World Food Programme, World Health Organization.

7. Representatives of the following intergovernmental and regional organizations were present: African Development Bank, League of Arab States, New Partnership for Africa's Development Planning and Coordinating Agency, Organization for Economic Cooperation and Development.

8 Observers were present from the following organizations: Action Aid Ethiopia, Advectas, Afei Diagnosis Center, Africa Forum, African Capacity-Building Foundation, African Economist, African Tax Administration Forum, AgriDevCo, Arab Bank for Economic Development in Africa, Arab Reform Initiative, China Hyway Group, China-Africa Business Council, China-Africa Development Fund, Chongqing Haifu Medical Technologies, Consulting Development Associates, Deer Jet Medical Company, Echnoserbe Consulting, Fight Against Desert Encroachment, Garment Industry Transparency Initiative, Global Alliance for Vaccines and Immunization, German Agency for International Cooperation, Global Green Growth Institute, Green Thinkers Youth Association and Network for African Youth Development, GRID-Arendal, International Center for Agricultural Research in the Dry Areas, International Planned Parenthood Federation, International Road Transport Union, Jiangsu Bioperfectus Technologies, Mother and Child Multisectoral Development Organization, BlueEnergy, One Campaign, Oxfam, Pan-African Chamber of Commerce and Industry, Poken, Reality of Aid African Network, Rotary International, Sanbao Pharmaceuticals, Save the Children, Shapoorji Pallonji, Tax Justice Network Africa, Times of Zambia, Transparency International Secretariat, Ubuntu Leadership Institute, Upbeat Marketing, Wideway Sinostar Investment, World Vision International, Wuhu Kanggi Pharmaceutical, Yuemei Group.

### **B. Opening statements**

9. The opening session was chaired by Ms. Ashatu Kijaji, Deputy Minister of Finance of the United Republic of Tanzania, and moderated by Ms. Zeinab Badawi, Chair of the Royal African Society. Mr. Carlos Lopes, United Nations Under-Secretary-General and Executive Secretary of the Economic Commission for Africa, and Ms. Nkosazana Dlamini Zuma, Chairperson of the

African Union Commission, delivered opening statements. Mr. Augustin Matata Ponyo, Prime Minister of the Democratic Republic of the Congo, and Mr. Nickey Iyambo, Vice-President of Namibia, also delivered statements. Mr. Hailemariam Dessalegn, Prime Minister of Ethiopia, made the keynote address.

10. Ms. Kijaji, the Chair of the outgoing Bureau, welcomed the participants to the conference and thanked the Government of Ethiopia, the Economic Commission for Africa and the African Union Commission for the warm hospitality extended to all guests and for organizing the event. Introducing the theme of the conference, she said that the previous year's conference had focused on the implementation of Agenda 2063, Africa's continental development framework. In that regard, due recognition had been given to the need to harmonize Agenda 2063 and the 2030 Agenda for Sustainable Development and mainstream them into national development plans. Reviewing the outcome of the expert group meeting which had preceded the present conference, on the implications of adopting the 2030 Agenda and domesticating Agenda 2063 and its first 10-year implementation plan, she said that the experts had underscored the need to implement both agendas, which were mutually reinforcing, in a coherent and integrated manner to ensure that synergies were leveraged and to avoid a siloed approach, which could be counter-productive and increase the burden on national policymakers.

11. Mr. Lopes noted that 2015 had been an exceptional year for Africa, with the continent contributing to discussions on the Sustainable Development Goals, illicit financial flows, domestic resource mobilization and industrial policy. Turning to the global economic development context, he said that the fall in prices of primary products was having a considerable negative impact on Africa. In 2016, with the price of oil down to US\$ 30.8 per barrel, Africa was going to earn \$47.1 billion less in trade compared to 2015, equivalent to 8 per cent of the total value of Africa's exports in 2014. Nevertheless, that was unlikely to change the development trajectory of the entire continent: the fall in oil prices was more likely to have large adverse impacts on the few African countries whose economies depended on oil exports. Governments could seize the opportunity offered by low oil prices to scrap wasteful oil subsidies. Mr. Lopes noted that the majority of African countries were net importers of primary commodities and therefore should benefit from falling prices. It was, however, difficult to predict the long-term effect of low commodity prices on Africa's development trajectory. While the situation was a challenge for Africa, it also provided a rationale for the continent to re-orient itself towards sustainable use of the economic resources affected by price fluctuations.

Ms. Dlamini Zuma said that there was a 90 per cent convergence between 12. Agenda 2063 and the 2030 Agenda and urged all stakeholders to work together to ensure that an integrated and coherent framework for monitoring and evaluating both agendas was put in place. She then highlighted five critical trends that could either derail the implementation of Agenda 2063 or help to accelerate Africa's economic transformation. The five trends were: one, the shortage of skilled workers, which undermined Africa's competitiveness in the areas of science and technology; two, green industrialization, which could be a catalyst for economic diversification; three, modernization of agriculture and agro-processing to ensure food security and resilient growth; four, domestic investment in infrastructure, which was a driver of economic diversification and industrialization; and five, the development of the African private sector, with a view to increasing its competitiveness, innovativeness and transformative impact. She also noted the growing cost of non-integration in aviation, other transport sectors, the energy sector and the blue economy, and the need to build viable regional value chains and address the skills deficit. In addition, she called for more inclusive allocation of private and public resources for the

empowerment of women and young people, greater domestic resource mobilization, and the development of African financial institutions for financing Agenda 2063, particularly an African central bank and an African monetary fund. In conclusion, she underlined the importance of platforms for improving dialogue and cooperation for the successful implementation of both agendas, highlighting successful platforms such as the African Economic Platform, the Regional Coordination Mechanism for Africa and the Joint Annual Meetings of the African Union Commission and the Economic Commission for Africa.

13. Mr. Matata Ponyo said that the conference was being held at a challenging time for Africa owing to falling commodity prices, given that commodities constituted the backbone of Africa's growth. The theme of the present conference was noteworthy as the continent was shifting from an economy based on natural resources to a productive economy based on industrialization. Such a structural transformation was critical to reinforce the continent's resilience to external asymmetric shocks and ensure inclusive and sustainable development. In that regard, he noted that 2015 had been a critical year for the advancement of the continental and global development agenda, with the adoption of Agenda 2063, the Addis Ababa Action Agenda, the 2030 Agenda for Sustainable Development and the Paris Agreement.

14. To ensure the successful implementation of both Agenda 2063 and the 2030 Agenda, there was a need for a coherent and harmonized framework for their smooth integration into national development plans. In that regard, the African Union Commission, the Economic Commission for Africa and the African Development Bank should work together to harmonize the continental and global agendas. Regarding the continental integration agenda, he underscored the experience of the Democratic Republic of the Congo in supporting African integration to foster economic and social transformation. Concluding, he lauded the commitment of the African Union Commission and the Economic Commission for Africa to supporting Africa's development and adopting a unified approach to the implementation of both agendas. African integration could not be achieved without good governance and sound leadership.

15. Mr. Iyambo said that Africa's pursuit of an integrated and coherent approach to the implementation, monitoring and evaluation of Agenda 2063 and the Sustainable Development Goals showed that development had taken centre stage on the continent. Given the considerable sums of money needed to fund both agendas, curbing illicit financial flows from Africa and mobilizing internal revenue from the continent's natural capital were viable sources of income. Talking about Namibia's development experience, he emphasized the importance of peace and security. The country had used the past 26 years to build a robust political, legal and macroeconomic architecture but needed to improve in the area of social development. The current Government was focusing, therefore, on effective governance, transparency, fighting corruption, ensuring inclusivity and addressing inequality. Namibia relied on domestic resources to fund its development agenda, with support from external partners seen as complementary. Namibia's fifth national development programme would address both national and global commitments. In tackling challenges relating to climate change, persistent drought, unemployment and widespread poverty, the country would achieve its goals under Agenda 2063 and the 2030 Agenda.

16. Mr. Hailemariam Dessalegn said that lack of economic diversification and high dependency on commodity exports exposed many African economies to external shocks. Pursuing industrialization and structural transformation was imperative to strengthen African economies. He noted that the theme of the conference was timely and pertinent, as it focused on the operationalization of global and regional development frameworks within the context of national planning processes. Africa's priorities, as contained in the common African position, were integrated into both the Addis Ababa Action Agenda and the 2030 Agenda for Sustainable Development. However, the continent's development priorities, challenges and opportunities were not only global in nature but also shaped by regional and national dimensions. While the 2030 Agenda and the Addis Ababa Action Agenda provided a supportive and enabling global environment for the implementation of African countries' national development plans, the frameworks were not designed to capture the totality of the continent's development priorities. Agenda 2063, together with its first 10-year implementation plan, constituted Africa's regional development framework. It complemented and reinforced the global agenda by taking into account region-specific and transboundary initiatives, such as strengthening Africa's cultural identity and common heritage and fostering an integrated and politically united Africa based on the ideals of pan-Africanism and the Africa renaissance.

17. Turning to the experience of Ethiopia in integrating global and continental frameworks into national development plans, he said that Ethiopia's growth and transformation plans represented a new generation of development frameworks that went beyond poverty reduction. The second growth and transformation plan, which covered the period 2016-2020, was intended to transform the country's economy and facilitate its graduation from least developed country status. In the spirit of adopting an integrated approach to the implementation of the 2030 Agenda and Agenda 2063, Ethiopia had already started reflecting the goals of both agendas in the second growth and transformation plan. He concluded by urging ministers to be ambitious and disciplined in the implementation of national development objectives whilst ensuring judicious use of limited resources. He then declared open the 2016 session of the Conference of Ministers.

# II. Election of the Bureau and adoption of the agenda and programme of work [Agenda item 2]

18. The following countries were elected to form the Bureau:

Chair:	South Africa
First Vice-Chair:	Democratic Republic of the Congo
Second Vice-Chair:	Algeria
Third Vice-Chair:	Côte d'Ivoire
Rapporteur:	Uganda

- 19. The agenda and programme of work were adopted with no amendments:
  - 1. Opening of the meeting
  - 2. Election of the Bureau and adoption of the agenda and programme of work
  - 3. High-level ministerial policy dialogue on the theme of the ninth Joint Annual Meetings: "Towards an integrated and coherent approach to the implementation, monitoring and evaluation of Agenda 2063 and the Sustainable Development Goals"
  - 4. High-level round-table discussions
  - 5. Consideration of the report and major recommendations of the meeting of the Committee of Experts, and consideration and adoption of the draft resolutions
  - 6. Consideration and adoption of the draft ministerial statement
  - 7. Other matters

8. Closing of the meeting

# III. High-level ministerial policy dialogue on the theme of the ninth Joint Annual Meetings: "Towards an integrated and coherent approach to the implementation, monitoring and evaluation of Agenda 2063 and the Sustainable Development Goals" [Agenda item 3]

20. Prior to the start of the high-level ministerial policy dialogue, the participants heard from two representatives of the Global Alliance for Vaccines and Immunization. Ms. Ngozi Okonjo-Iweala, Board Chair of the Global Alliance for Vaccines and Immunization, said that more than 60 per cent of the Global Alliance's funds were spent in 40 African countries. Highlighting the important role that vaccines and immunization could play in social development, she cited the high rate of return of immunization, which was the most efficient way of spending health dollars. Ministers of finance and health had an important role to play in the promotion of immunization at the national level by pushing for adequate resources to be allocated to it in national budgets. Lastly, she commended those countries that were doing well with regard to immunization and encouraged others to follow.

Mr. Seth Berkley, Chief Executive Officer of the Global Alliance for 21. Vaccines and Immunization, highlighted the important role that vaccination and immunization played in increasing gross national income. He said that immunization led to reduced sickness, reduced caretaker burden, improved learning and increased productivity, with a return on investment of up to 44 times as a result of immunization. However, children continued to die from lack of immunization due to remote locations, lack of political will, inadequate monitoring and competing health priorities, among other reasons. The Global Alliance for Vaccines and Immunization had managed to reduce the vaccine cost for the collection of current vaccines from about \$950 to \$35, although that was still considered high. He outlined the cost-sharing agreement between the Global Alliance and member countries, which was dependent on the wealth of the country, and warned that the cost of inaction was high, with substantial amounts of funding required in the event of outbreaks. Concluding, he called upon countries to prioritize investment in immunization; ensure a vaccine line item in health budgets; focus on equity by investing in health to fully immunize every child; act now to achieve the Sustainable Development Goals and Agenda 2063; and become immunization champions.

## A. Presentations

22. The high-level ministerial policy dialogue was chaired by Mr. Lopes. The panel was made up of Ms. Zaineb Shasuna-Ahmed, Minister of State for Budget and National Planning of Nigeria; Mr. Maged Abdelaziz, United Nations Under-Secretary-General and Special Adviser to the Secretary-General on Africa; and Mr. Anthony Mothae Maruping, Commissioner for Economic Affairs at the African Union Commission. The Chair explained that Ms. Shasuna-Ahmed would talk about the country perspective vis-à-vis the implementation of the various development agendas; Mr. Abdelaziz would discuss how the United Nations envisaged the unfolding of the 2030 Agenda for Sustainable Development; and Mr. Maruping would talk about Africa's perspectives on the domestication of Agenda 2063 and how Africa could align the various agendas.

23. Ms. Shasuna-Ahmed said that there were high levels of poverty and inequality in Nigeria. Agenda 2063 and the Sustainable Development Goals would help to improve livelihoods and diversify the economy. Domestic resource mobilization was a priority for Nigeria and the country was looking to formalize the informal sector in an effort to increase the tax base. The country was working to domesticate Agenda 2063 and the 2030 Agenda and mainstream them into the national development plan. In that regard, a national monitoring and evaluation framework incorporating the two agendas was being developed to allow for integrated reporting. She called upon the African Union and the Economic Commission for Africa to help the continent to harmonize the selection of priorities, goals and indicators and to develop a harmonized monitoring and evaluation framework for a coherent approach in implementing the two agendas.

Mr. Abdelaziz said that the post-2015 development agenda should be 24. viewed holistically to include the Sustainable Development Goals, the Addis Ababa Action Agenda and the Paris Agreement. He commended the efforts of the various stakeholders, which had led to the post-2015 development agenda being a success for Africa. In order to achieve synergy between the Sustainable Development Goals and Agenda 2063, there was a need to understand the people-centred approach of both agendas. Many of the continent's priorities had been included in the Sustainable Development Goals thanks to the common African position on the post-2015 development agenda, although there were differences regarding implementation times and ambition. The Office of the Special Adviser on Africa could play a role in bridging the reporting gap among the global, continental and national agendas. Agenda 2063 could spur regional integration through the implementation of its flagship programmes. He highlighted the important role that the United Nations system could play in helping Africa to implement Agenda 2063 through the Regional Coordination Mechanism for Africa. In that regard, it was necessary for the United Nations to allocate financial resources and to issue a General Assembly resolution in support of Agenda 2063 as the new development agenda for Africa.

25. Mr. Maruping, addressing the question of how Africa was approaching the implementation of Agenda 2063 and the 2030 Agenda in an integrated manner, said that the 17 goals of the 2030 Agenda had emanated from Africa through the common African position on the post-2015 development agenda. Agenda 2063 and the 2030 Agenda were, therefore, already in harmony with one another because the same African stakeholders had been consulted in the formulation process. However, Agenda 2063 was broader than the 2030 Agenda as it encompassed political and cultural aspects of development, in addition to the economic, social and environmental aspects of the 2030 Agenda. By implementing Agenda 2063, Africa would therefore also be on track to achieving the Sustainable Development Goals. A great deal had already been done in the area of integrating the two agendas into one, including mapping of goals, targets and indicators to identify areas of convergence and divergence. A technical team composed of officials from the African Union Commission, the Economic Commission for Africa, the African Development Bank, the New Partnership for Africa's Development and the African Capacity-Building Foundation was working on a monitoring and evaluation framework that would cater for both agendas. A single unified report would be prepared to track progress in the implementation of the integrated agenda. He concluded by stressing that Agenda 2063 was ambitious but achievable, as it had been inclusive in the formulation process and means of implementation identified.

### B. Discussion

26. In the ensuing discussion, the participants raised a number of issues. They underscored the importance of strengthening national capacities in statistics for sound monitoring and evaluation of the Sustainable Development Goals. In that regard, the need to establish a global partnership for data as a matter of urgency was emphasized.

27. Given the mitigated success of the Millennium Development Goals, the participants also said that there was a need to improve the tracking of progress in achieving the Sustainable Development Goals and experience-sharing among countries. In that regard, they suggested that the Economic Commission for Africa and the African Union Commission should join forces to develop a composite, synthetic indicator that would be able to summarize progress in the three dimensions of the Sustainable Development Goals and rank countries according to their progress, to enable them to emulate and learn from one another.

28. The participants noted the differences in context and technical capacities of countries for the integration of Agenda 2063 and the 2030 Agenda at the national level. In that regard, they emphasized the need for clear and specific guidance from the African Union Commission and the Economic Commission for Africa, in addition to information-sharing from countries that had already conducted the domestication exercise, on how to reflect the two agendas into national plans and frameworks. They called on the African Union Commission and the Economic Commission for Africa to provide technical assistance and capacity-building to countries in order to facilitate the integration process at the national level, particularly for post-conflict countries, which might face particular challenges.

29. Lastly, the participants noted the importance of setting up effective institutions to ensure the successful implementation of the two agendas at the national level.

### C. Recommendations

30. In the light of the discussions, the Conference of Ministers made the following recommendations:

(a) The African Union Commission, in collaboration with the Economic Commission for Africa and other partners, should streamline the reporting process to ensure coherence, tracking and monitoring and evaluation;

(b) The Secretary-General of the United Nations should prioritize the establishment of a global partnership for data under United Nations intergovernmental processes, consistent with principle-based partnerships and as provided for in the Secretary-General's synthesis report entitled "The Road to Dignity by 2030";

(c) The African Union, the United Nations and other partners should provide technical and financial assistance to both post-conflict countries and countries experiencing conflict to help them to implement Agenda 2063 and the Sustainable Development Goals;

(d) The General Assembly of the United Nations should adopt a resolution and allocate financial resources to the Regional Coordination Mechanism for Africa in support of Agenda 2063 as the new development agenda for Africa.

# IV. High-level round-table discussions [Agenda item 4]

# A. Harmonization, synergies and sensitization: the need for a coherent development approach

31. The first round-table discussion was moderated by Ms. Dlamini Zuma. The panel was made up of Ms. Frannie Lautier, Senior Vice-President of the African Development Bank; Mr. Mukhisa Kituyi, Secretary-General of the United Nations Conference on Trade and Development; and Mr. Abdou Kolley, Minister of Finance and Economic Affairs of the Gambia.

### 1. Discussion

32. Introducing the topic of the round-table discussion, the moderator emphasized the need for synergies and harmonization between the regional long-term development framework (Agenda 2063) and the global framework (the 2030 Agenda), given that the two had similar objectives. Crosscollaboration between government policymakers and the private sector, civil society and other relevant stakeholders was necessary. In addition, she stressed the need to raise awareness of both agendas among the public with a view to harnessing national ownership, which was essential for effective implementation.

33. There was general consensus among the panellists on the need to enhance harmonization and synergies between the two agendas in order for the continent to achieve the expected results. Monitoring and evaluation of the implementation of the agendas had two important purposes, namely accountability and learning. The Joint Annual Meetings were seen as an important platform to share best practices and learn from other countries regarding the implementation of development agendas. It was also highlighted that some of the initiatives currently being implemented by key pan-African institutions were also encompassed in Agenda 2063. For instance, four out of the five priority areas of the African Development Bank (feed Africa, power Africa, integrate Africa and industrialize Africa) were integrated into Agenda 2063, which was an advantage for the implementation of Agenda 2063 on the continent. The continent should take advantage of ongoing flagship projects and fast-track initiatives of the African Union, such as the African commodity strategy, the continental financial institutions and the pan-African e-network, as instruments to fast-track implementation.

34. All the panellists underscored the need for member States to focus on implementation and effective communication at all levels. Prioritizing the implementation of Agenda 2063 and the Sustainable Development Goals should be key to all government policymakers. Pan-African institutions such as the Economic Commission for Africa, the African Union Commission and the African Development Bank, working in close collaboration with other stakeholders including universities, should provide support to member States in designing sound strategies aimed at promoting effective implementation of the two agendas.

35. Implementation of the two agendas in parallel was a huge and complex task and that developing a coherent framework that integrated both agendas was crucial. There were challenges ahead, in particular falling commodity prices, which had negative implications for the gross domestic product (GDP) and fiscal space of commodity-exporting countries. In addition, the substantial decrease in official development assistance (ODA) was also having a negative impact on many developing countries. The current drop in ODA flows to Africa had been triggered by the massive influx of migrants to developed countries,

especially in Europe, which meant that a number of international partners had switched their support from ODA to the migrant crisis.

36. The panellists noted that the 2030 Agenda and Agenda 2063 were not dissimilar, with both aiming to achieve similar objectives. Given that Africa was part of the global community, there was a need to harmonize the two agendas, to bring them into line with national development strategies and ensure effective implementation. This would play a significant role in reducing implementation costs and improving evaluation and reporting at national and international levels. However, there were two main challenges to consider. First, the timeframes set for each agenda were different. Thought would have to be given to how a long-term continental framework divided into 10-year implementation plans could be reflected in a 4- or 5-year national plan. Second, the financial resources needed were considerable. In addition to ODA, mobilizing domestic resources would be critical in order for member States to achieve the goals and targets of the agendas.

37. Following the panel's discussion, the participants agreed that the two agendas were similar and complemented each other. To ensure effective implementation, the participants emphasized the need to domesticate the indicators contained in the two agendas into national development strategies. That would go some way to addressing the problem of scarce financial resources for the implementation of development goals, which many African countries were facing. Indeed, harmonization of global and continental agendas into national development strategies and programmes would help member States by prioritizing budget allocation to the implementation of such programmes. There was also a need for increased domestic resource mobilization to avoid the heavy dependency of member States on donor support in the implementation of the two agendas.

38. The need for data to monitor the implementation of both agendas was raised by many participants, with concerns raised regarding the unavailability of data in many African member States despite efforts made by the continent to improve statistics. They called on the pan-African institutions, including the Economic Commission for Africa, the African Union Commission and the African Development Bank, to help member States to develop a framework linking the indicators of both agendas to current development goals for easy monitoring and accountability. Member States should also make use of existing research institutions, universities and initiatives such as the African Peer Review Mechanism to monitor and assess development indicators. Nevertheless, despite the call for improved monitoring, the participants said it was more important to focus on implementation of the agendas first, before trying to measure the results.

39. Although there were calls to accelerate the harmonization of the implementation of the two agendas at national level, others pointed out that how to achieve such harmonization was a challenge given that African countries were at different levels of development. Solidarity among African countries was one of the solutions put forward, with participants proposing that countries with strong economies could assist ones with weaker economies, including landlocked countries, in the implementation and achievement of both agendas. Some participants noted that there was ongoing harmonization of activities and programmes in some subregions of the continent, such as the use of integrated accounting systems, the introduction of monetary integration such as the West African Monetary Zone, and the construction of energy power pools such as the Grand Ethiopian Renaissance Dam, which would be able to supply electricity not only to Ethiopia but also to neighbouring countries. In that regard, the participants called for incremental harmonization and implementation of the agendas.

40. In addition to financial resources, achieving the development goals required the coordination of regional efforts by all African member States, such as visa exemptions through the implementation of protocols on free movement of people and trade facilitation to improve the movement of goods, persons and capital across the region. Competitive advantages should also be fostered. Where necessary, public-private partnerships should be encouraged in the implementation of development agendas, although there was a need to strike a balance between government and private sector involvement. Governments should play a leading role in areas where they traditionally did better, and vice versa.

41. Lastly, the participants underscored the need for member States to improve international communication and coordination in the implementation of the developmental goals. At the national level, there should be coherence and coordination among line ministries. All ministries should be aware of and involved in the implementation of the developmental goals. At the continental level, Africa should be able to speak with one voice when communicating with the international community.

#### 2. Recommendations

42. Following the discussion, the following recommendations were made:

(a) Member States should accelerate the harmonization of Agenda 2063 and the 2030 Agenda with their national development strategies and plans in order to concurrently achieve the targets of the two agendas;

(b) Member States should focus their efforts on indicators that are measureable and achievable;

(c) Member States should enhance their efforts to improve data in order to effectively measure the indicators of the development agendas;

(d) Member States should enhance domestic resource mobilization for the achievement of the developmental agendas;

(e) Development partners should strengthen their commitment to providing financial resources for the implementation of the development agendas;

(f) Member States should prioritize the domestication of Agenda 2063 and the 2030 Agenda into their national development strategies and plans;

(g) Cross-collaboration between government policymakers and the private sector, civil society and other relevant stakeholders should be encouraged;

(h) Regional coherence should be improved by working closely with the regional economic communities to reach out to various stakeholders and identify best practices;

(i) Given that effective public-private partnerships are critical in order to respond to resource constraints, off-budget provision for such partnerships should be allocated as a short-term solution.

# B. Integration of the results framework, monitoring and evaluation

43. The second round-table discussion was moderated by Mr. Calle Schlettwein, Minister of Finance of Namibia. The panel was made up of Mr. Bahati Lukwebo, Minister of Economy of the Democratic Republic of the Congo; Ms. Edith Clemence Yaka, Minister Delegate to the Budget of Burkina Faso; Mr. Gyan Chandra Acharya, United Nations Under-Secretary-General and High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States; and Mr. Emmanuel Nnadozie, Executive Secretary of the African Capacity-Building Foundation. Each panellist gave a short presentation and a general discussion ensued thereafter.

### 1. Presentations

44. Mr. Lukwebo talked about his country's experience and explained that the Democratic Republic of the Congo had integrated the Sustainable Development Goals into its national plans. In recognition of the convergence between Agenda 2063 and the 2030 Agenda, the monitoring and evaluation frameworks of national implementation plans should be brought into line with those envisioned in both agendas.

45. Ms. Yaka said that Burkina Faso was on track regarding defining its national development plan, which was known as the national social and economic development programme. That was being done through a national institutional mechanism comprising a strategic guidance committee, a technical committee and a drafting committee. A round table would be held to bring together both technical and financial partners to internalize international and regional commitments, including Agenda 2063and the 2030 Agenda into the country's national plan.

46. Mr. Acharya said that, owing to the high convergence and synergies between Agenda 2063 and the 2030 Agenda, there was a need for a common, integrated framework for results, monitoring and evaluation. Such a framework would facilitate the early achievement of results and keep the momentum going with a view to creating greater impact. To that end, innovative technologies must be utilized to facilitate production and utilization of new analytical insights emanating from disaggregated data. The importance of an integrated approach had become increasingly apparent, especially in the context of least developed countries, landlocked developing countries and small island developing States with limited existing national capacities.

47 Mr. Nnadozie said that integration of the results framework was possible given that the Sustainable Development Goals were embedded in Agenda 2063 and hence the latter could serve as a vessel to deliver the Sustainable Development Goals, as the Goals dealt with economic, social and sustainability issues, while Agenda 2063 addressed the same issues in addition to political, cultural and continent-specific matters such as regional integration. Under the leadership of the African Union, Africa had already adopted a credible integration approach for the results framework that would lead to the domestication of the harmonized agendas at the regional and national levels, the establishment of a monitoring and evaluation framework that would cater for both agendas, the compilation and issuance of a single periodic performance report, and the establishment of an accountability channel. The 12 flagship projects of Agenda 2063 that were already being implemented were a sign of the progress being made by Africa. He acknowledged the critical role of data and statistics for implementation and called for more support for the continent's statisticians. Recognizing the role that the African Union was already playing, he singled out financing, capacity and coordination as the key things that Africa must pay attention to. He concluded by pledging the continued support of the African Capacity-Building Foundation to member States in addressing capacity and financial challenges.

### 2. Discussion

48. During the ensuing discussion, the participants raised a number of points, including the definition and harmonization of indicators, capacity development and financing.

49. With regard to the definition of indicators, the participants acknowledged the work that had already been done on the results framework and agreed that monitoring should be gradual to ensure that the indices and indicators developed captured the process within member States based on their capabilities and priorities.

50. A common framework was necessary to ensure that data were collected using the same standards. Harmonization, including ex ante or prior harmonization of the indicators, would provide the necessary metadata against which progress could be measured. That would require defining a systematic pyramid and hierarchy of indicators.

51. There was a need for skills development and capacity-building to ensure proper monitoring, evaluation and reporting. Well-trained professionals such as statisticians were needed to ensure that each sector was taken into account. Financing was also identified as critical to the success of the Agendas, especially as far as monitoring, evaluation and reporting were concerned.

#### 3. Recommendations

52. Based on the discussion, the following recommendations were made:

(a) African countries should set up a results framework within a harmonized monitoring and evaluation framework at the national level with a view to achieving the harmonization of Agenda 2063 and the 2030 Agenda 2030 with national plans;

(b) The African Union Commission and the Economic Commission for Africa should prepare guidelines on how to integrate the results framework, monitoring, evaluation and reporting of Agenda 2063 and the 2030 Agenda and provide support to African countries in adapting such guidelines to their own context;

(c) To ensure coherence in the follow-up process, the Africa Regional Forum on Sustainable Development and the Bahir Dar follow-up mechanisms should constitute the platform for follow-up and review of Agenda 2063 and the 2030 Agenda;

(d) The African Union Commission, the Economic Commission for Africa, other United Nations agencies and the African Capacity-Building Foundation, in collaboration with statistical training centres, should support the development of capacity in monitoring, evaluation, reporting and statistics at all levels in African countries.

## C. Financing

### 1. Discussion

53. The third round-table discussion was moderated by Ms. Malado Kaba, Minister of Economy and Finance of Guinea. The panellists were Ms. Monah Quartey, Deputy Minister of Finance and Economic Planning of Ghana; Mr. Fred Omach, Minister of State for Finance, Planning and Economic Development of Uganda; and Mr. Erastus Mwencha, Deputy Chairperson of the African Union Commission.

54. The moderator set the scene by noting that the 2030 Agenda and Agenda 2063 would require increased financing. At a time when ODA was decreasing owing to the migrant crisis and falling oil prices, it was essential to mobilize domestic resources. Indeed, at the Third International Conference on Financing for Development, it was said that 70 per cent of the continent's financing should be raised domestically, which would bring more stability to financing for

development. Public-private partnerships, remittances and widened tax bases were also important. However, some types of financing came with risks. Referring to Guinea's experience, the moderator said that public-private partnerships, for example, could endanger fiscal sustainability if they were not set up correctly. In addition, Africa needed strategies to reduce its vulnerability to external shocks.

55. Ms. Quartey said that Ghana's national development agenda – the Ghana shared growth and development agenda – set out the country's development priorities for the period 2014-2017. It had four primary pillars: putting people first, having a strong and resilient economy, ensuring transparency and accountable governance, and filling infrastructure gaps. Ghana was also working on a longer-term development strategy for 2057, within which short-and medium-term plans would be derived. All the plans would be aligned with Agenda 2063 and the Sustainable Development Goals.

56. At the start, Ghana had financed its development agenda from both the usual external sources such as ODA and foreign direct investment, as well as internally. However, when Ghana had become a lower-middle-income country, external sources of finance had dwindled, requiring the country to find alternative, internal sources of financing.

57. Ghana had succeeded in creating investment confidence among its external partners, such as the International Monetary Fund, by holding regular performance reviews, ensuring fiscal discipline and widening the fiscal space to ensure macroeconomic stabilization. Ghana had increased tax revenues by undertaking reforms in tax administration and revenue management and introducing electronic platforms for tax collection and expenditure tracking. The country had also introduced an integrated financial management system to rationalize public expenditure, including paying salaries electronically to get rid of ghost employees. State-owned enterprises had started borrowing on State guarantees to decrease public debt service. Thanks to the Eurobonds that the country had begun issuing, Ghana had created fiscal space. The country was also approaching private equity funds operating both internationally and continentally. Using revenue from oil, the country had set up a sovereign wealth fund and an infrastructure investment fund to protect itself from fluctuations in the price of oil. Ghana had issued diaspora bonds for various infrastructure projects, and was exploring the use of municipal bonds to provide local authorities with the resources to fund priority local projects. Ghana had also subscribed to the Africa50 Infrastructure Fund as a means to find future sources of funding of its infrastructure programme.

58. Mr. Omach said that Africa's central bank reserves, totalling some \$600 billion, were kept in Europe and the United States of America, rather than on the continent. The African Development Bank was governed by Africa and had an AAA rating, yet the bank was not used enough for financing projects. He asked why African countries should continue to struggle to secure loans from development partners when they could potentially access national or regional resources through central banks and investment banks. Moreover, funds borrowed from external sources were frequently not fully utilized, with a rate of absorption of only 50 per cent, despite the fact that interest had to be paid fully on such loans. Insisting on the importance of utilizing African institutions to achieve the goals set out in Agenda 2063, he said that the African Development Bank should finance the implementation of Agenda 2063, while instruments such as diaspora bonds should facilitate its implementation and financing. A declaration should be issued calling for all of Africa's reserves to be lodged in the African Development Bank to enable the funds to yield a good dividend and to be utilized in Africa to further the goals of Agenda 2063.

59. Africa should allocate some of those resources to industrialization, power generation and the development of power grids. Hydroelectric power could be extended across borders for the effective industrialization of Africa. There was also a need to add value to raw materials to ensure that more revenue was generated for development programmes. Domestic revenue collection and low domestic capital formation were two other major challenges for Africa. Lastly, efforts should be made to increase intra-African trade, which accounted for less than 20 per cent of the continent's total trade.

60. Mr. Erastus Mwencha said that Africa was committed to implementing Agenda 2063 as a strategy for economic transformation and inclusive growth. The key feature of Agenda 2063 and the Sustainable Development Goals was the need to transform, industrialize and change the structure of African economies. If this was to happen, the current growth trajectory needed to change. The current growth rate of 4 per cent was unlikely to yield the results required; instead Africa needed to be growing by at least 7 per cent. The continent must plug the large investment gap and strive to raise the investment rate to around 25 per cent of GDP. Africa also needed to mobilize sufficient domestic resources. The continent should strive to cover 100 per cent of administrative costs and develop a portfolio of bankable projects to utilize idle funds such as those in pension funds and central bank reserves. In addition, domestic resources should fund 75 per cent of Agenda 2063's first 10-year implementation plan and 25 per cent of African peacekeeping efforts. African sovereign funds contained in excess of \$600 billion, but the returns did not benefit Africa. Another major challenge facing the continent was how to mobilize international funds. The Middle East and China were sitting on huge sovereign funds and Africa needed to be able to attract those funds with viable projects. Lastly, he said that industrialization was key for transformation. Governments needed to prioritize the flow of financing and channel it towards industry in particular.

61. The moderator then opened the floor for general discussion. Some participants voiced the opinion that Africans had the wrong attitude towards development, which jeopardized the successful implementation of development frameworks at the national and regional levels. For instance, up to 75 per cent of the African Union's budget was funded by external partners because African countries were not paying their contributions. Similarly, some African countries continued to rely on external support to finance their development initiatives.

62. Participants observed that accurately assessing the tax potential of countries and sustaining tax revenues in the long-term was essential for increasing financing for development. Tax potential was difficult to assess, owing to large informal sectors in most African countries and tax exemptions. In that regard, reliable data were essential.

63. Among the measures for enhancing domestic resource mobilization discussed by the participants, it was noted that a flexible tax system could be beneficial to the development of the private sector and could lead to increased public revenues. Exploiting pension funds was also identified as a good option. The contribution of the financial sector was also important.

64. Financial inclusion reforms and interventions were key to expanding access to finance and financial products, thereby creating jobs, facilitating self-employment and reducing poverty. In particular, participants underscored the importance of making financing accessible and affordable for small and medium enterprises. Financial inclusion reforms and interventions targeting smallholder farmers and leveraging value chain systems would boost domestic resource mobilization and strengthen institutions and joint programming, particularly between central banks, tax revenue authorities and national statistics offices.

65. The potential of illicit financial flows to finance Africa's development was highlighted, with participants pointing out the importance of reliable data and statistics. In particular, statistics on revenue, balance of payments and reserves could help to curb illicit financial flows. African central bank reserves, pension funds, remittances and diaspora bonds were also identified as having the potential to finance Africa's development priorities and structural transformation needs. Regarding external borrowing as a potential source of development finance, participants said that risk-sharing and mitigation measures were necessary in order to relieve national balance sheets of debtrelated risks. In addition, there was a need to educate citizens and engage them through measures such as a simplified citizens' budget, which would allow them to understand what their Government was doing.

66. Participants also highlighted the importance of the World Bank's International Comparison Programme. The findings of the programme could be used to compare regional markets in terms of consumption and production, which would be useful for devising proper industrial strategies for African countries, based on consumption and production patterns. It would also help to better define the infrastructure needed to foster intra-African trade and industrialization. The findings of the International Comparison Programme should be better exploited by policymakers, with the involvement of statisticians. Cross-border financing for development programmes, supported by the African Union and the regional economic communities, was also discussed in the context of high-quality data, especially on the tax potential of countries, and markets of consumption and production.

67. The participants reflected on the need to enhance intra-African trade and establish an African commodity stock market that would be effective in building investor confidence. In that context, it was important to share success stories and expertise among African countries.

A representative of the African Development Bank said that the bank had 68. an ambitious 10-year strategy called the High Fives to transform the continent's economic landscape. The five main areas were "light up and power Africa", "feed Africa", "integrate Africa", "industrialize Africa" and "improve quality of life for the people of Africa". In September 2015 the bank had launched a new deal for energy in Africa worth \$12 billion over the following five years. The bank would also inject \$40-50 billion into energy initiatives and work with finance ministers to increase the share of national budgets spent on the energy sector from 0.3 per cent of GDP to over 3 per cent. There were also plans to scale up investment in water and sanitation, skills development, education and combatting youth unemployment, with the bank working actively with the African Union and the Economic Commission for Africa on such initiatives. Providing Africa's youth with relevant skills would enable the implementation of the continent's growth agenda, create at least 25 million jobs and help stem the tide of migration.

### 2. Recommendations

69. In the light of the discussions, the following recommendations were made:

(a) Countries should enhance domestic resource mobilization, making it the first source of financing for Agenda 2063 and the Sustainable Development Goals; undertake tax reforms and establish a flexible tax system to allow the private sector to grow and increase public revenue; take action to deepen and widen their financial systems; and promote financial inclusion and access to finance through financial sector reforms, in particular for small and medium enterprises and smallholder farmers. (b) Bold action should be taken to curb illicit financing through the strengthening of institutional frameworks. A cross-country institutional arrangement should be introduced, with integrated statistics. Joint initiatives aiming to foster cross-border exchanges through improved financial systems should be supported by the regional economic communities to help land-locked countries.

(c) Beyond mobilizing financing for Agenda 2063 and the Sustainable Development Goals, emphasis should be placed on the quality of spending. Every cent spent on the implementation of the two agendas should bring about optimum outcomes.

(d) There is a need to take advantage of the development potential of the African diaspora by setting up an optimal environment. There is also an urgent need to take advantage of the resources of African central banks to catalyse the investments needed for Africa's structural transformation.

(e) Insisting on the importance of utilizing African institutions to achieve the goals set out in Agenda 2063, a declaration should be issued calling for all of the continent's reserves to be lodged in the African Development Bank to enable the funds to yield a good dividend and be utilized to finance Agenda 2063. The African Development Bank should finance the implementation of Agenda 2063, while instruments such as diaspora bonds should facilitate its implementation and financing.

(f) There is a need to educate the public and engage them through measures such as a simplified citizens' budget to enable them to understand what their Governments are doing. In line with this, it is important to link the financing of Agenda 2063 to the most vulnerable people to ensure that they are the ones who galvanize change from the bottom. More generally, Africa needs a paradigm shift, a change of mind-sets and attitudes towards development. To achieve that, countries need, among other things, a better focus on education, health and communication.

# V. Consideration of the report and major recommendations of the meeting of the Committee of Experts, and consideration and adoption of the draft resolutions [Agenda item 5]

70. The participants considered the report of the meeting of the Committee of Experts, together with the Committee's recommendations, set out as 17 draft resolutions. Following a discussion on some issues in the report and the resolutions, the participants took note of the report and endorsed the draft resolutions with some amendments.

# VI. Consideration and adoption of the draft ministerial statement [Agenda item 6]

71. The participants considered a draft version of the ministerial statement, made general comments and observations and proposed minor amendments. Following those observations, the ministerial statement was unanimously adopted, as amended.

## VII. Other matters [Agenda item 7]

72. No matters were raised under the agenda item.

# VIII. Closing of the meeting [Agenda item 8]

73. Closing remarks were made by Mr. Lopes, Ms. Dlamini Zuma and Mr. Matata Ponyo. They applauded the African Union Commission and the Economic Commission for Africa for their strong and fruitful collaboration in serving Africa and the successful organization of the ninth Joint Annual Meetings. They also commended the proactive and effective participation of the experts and the in-depth discussions on the theme, which had resulted in comprehensive recommendations and 17 resolutions that would shape countries' priorities moving forward.

74. They emphasized the fact that Agenda 2063 and the 2030 Agenda offered important opportunities to accelerate the inclusive and sustainable structural transformation of Africa. They noted with satisfaction the agreement and collective commitment of member States to urgently build synergies between Agenda 2063 and the 2030 Agenda and their clear articulation on what it would take to incorporate both agendas into their national development plans.

75. They emphasized the importance of statistics, noting that accurate, highquality and timely statistics were essential for the effective implementation of the integrated agendas, as well as for tracking progress.

76. They also stressed the importance of domestic resource mobilization given the drastic reduction of ODA. In that regard, they underscored the need to promote mutual financial and technical support mechanisms among countries through which those with more resource endowments would lift up less developed ones.

77. Lastly, they stressed that the spirit of pan-Africanism would help to turn the rich ideas discussed during the Joint Annual Meetings into a call to action and encourage all to rise to the challenge.

78. After the customary exchange of courtesies, the Chair then declared the meeting closed.