

Statement by Mr. Jan Eliasson, United Nations Deputy Secretary-General

Seventh Joint Annual Meetings of the ECA Conference of African Ministers of Finance, Planning and Economic Development and AU Conference of Ministers of Economy and Finance

Abuja, Nigeria, 29 March 2014

Excellency, Dr Goodluck Ebele Jonathan, President of the Federal Republic of Nigeria,

Mr. Chairman,

Honourable Ministers of Finance, Planning and Economic Development,

Mr. Carlos Lopes, ECA Executive Secretary,

Mr. Li Yong, Director General of UNIDO,

Excellencies,

Ladies and Gentlemen,

I am honoured to be here with you today for this year's Conference of Ministers of Finance, Planning and Economic Development. This joint conference represents the enduring collaboration between the African Union and the United Nations, in this case the UN Economic Commission for Africa.

My thanks go to the Government and people of Nigeria for their warm hospitality and their excellent preparations to ensure a rewarding meeting and stay in Abuja.

Excellencies,

Africa's economic prospects are impressive, with growth more than 5% each year since the turn of the century, lower inflation, reduced external debt and improved fiscal balances.

Equally noteworthy is that Africans themselves are increasingly investing in the continent. Foreign direct investment (FDI) within Africa has grown by 32% annually since 2007. It is four times the rate of FDI from developed countries.

The Continent is making great strides towards optimising the use of Africa's resources to the benefit of all Africans. This lies at the heart of the AU's global long-term strategy, as reflected in Agenda 2063.

Transformative changes in Africa are taking place at the same time as the global landscape and global dynamics are shifting. Emerging economies have become major trading partners with Africa and have become sources of substantial investment. Moreover, as the rest of the world gets older, Africa is getting younger and more populous, with implications for education and health care, for supply of labour, and for consumer demand.

These are positive trends, but there is still much to be done. Aggregate growth is below the 7% threshold required to double the income in a decade. Even at this rate, African economies would be unable to generate enough jobs. Africa's impressive growth rates must be translated into job creation and poverty eradication. There is a need to move from a reliance on the exploitation and export of natural resources, to a broad based economy, and one that sees a greater role for manufacturing and a modern service sector.

Jusqu'ici, la croissance de l'Afrique s'est accompagnée d'un transfert de ressources des secteurs productifs aux secteurs moins productifs. Il faut que cette tendance s'inverse pour qu'une transformation structurelle de l'économie des pays d'Afrique soit possible. C'est pourquoi le thème de cette conférence – l'industrialisation au service du développement inclusif et de la transformation en Afrique – est particulièrement bienvenu.

La croissance du secteur industriel créera des emplois, favorisera la diversification, permettra de moderniser les moyens technologiques locaux et suscitera une amélioration des savoirs et des flux d'information, autant de facteurs essentiels à une transformation radicale.

En bref, pour concrétiser le dessein énoncé dans l'Agenda 2063, l'Afrique doit saisir l'occasion et s'industrialiser. À ce propos, je tiens à saluer le travail utile que fait l'ONUDI et à féliciter cette organisation de mettre l'accent sur une industrialisation inclusive et durable qui favorise la croissance économique et industrielle de toute l'Afrique.

L'industrialisation doit aussi reposer sur des politiques qui assurent la pérennité des acquis et garantissent la répartition des avantages entre toutes les composantes de la société, les femmes, les jeunes et les groupes marginalisés ne devant pas être en reste. Nous devons nous attaquer autant aux causes profondes qu'aux conséquences des inégalités. C'est là qu'interviennent les objectifs du Millénaire pour le développement, le travail d'élaboration des objectifs de développement durable et le programme de développement pour l'après-2015.

Les cibles associées aux objectifs du Millénaire pour le développement, dont certaines ne seront probablement pas atteintes d'ici à l'an prochain, conservent leur raison d'être. Des progrès considérables ont certes été accomplis, mais il reste beaucoup à faire. J'appelle tout spécialement votre attention sur l'assainissement, domaine dans lequel nous sommes particulièrement loin du compte. En mars de l'année dernière, j'ai lancé l'« Appel à l'action en faveur de l'assainissement » afin de susciter une action internationale.

Le 11 avril, la Banque mondiale et l'ONU organiseront à Washington la prochaine réunion sur le thème de l'assainissement et de l'eau pour tous, en vue d'obtenir de nouveaux engagements, en particulier des fonds pour l'assainissement. Je vous engage à participer à cette importante manifestation, et me souviens que plusieurs d'entre vous avez pris part à celle de 2012.

Excellencies,

We are in the midst of a major global mobilization to define a new global development agenda. UN Member States are deliberating on a range of development issues and their interlinkages. As we stand at the threshold of this significant opportunity, there is consensus that we must build on the MDGs, continue their aims and arrive at the realization of sustainable development.

The role of the Ministers of Finance, Planning and Economic Development in this process is critical. The transformations expected from the post-2015 development agenda will significantly influence the environment in which we all will live and work. This is a unique opportunity to jointly shape the future development agenda. We need your voices and support.

The post-2015 agenda should take into account the targets not reached or covered in the current MDGs as well as Africa's long-term objectives. These include the priorities of the Common African Position on the post-2015 development agenda. I commend the work of the African Union High-level Committee on Post-2015 Development Agenda chaired by President Ellen

Johnson Sirleaf.

It is also vital that Africa's industrialization take into account the vulnerability of its growth sectors to the impact of climate change. By low-carbon and resilient industrialization, particularly in the energy and agriculture sectors, the continent can leap-frog to a sustainable future and, at the same time, create opportunities for growth and employment. Let us remember that in today's world there is no contradiction between poverty eradication and sustainability.

Further, a commitment to regional integration is essential, to ensure that the totality of the African economy - nearing two trillion dollars - equals more than 54 separate parts, representing each individual African nation.

Human capital is another important factor. The experience from successful economies shows that it is the skills of people, particularly their mastery of industrial processes and technological know-how, that make the difference. African countries have made considerable progress on education. However, efforts will be needed to strengthen education at every level, if Africa is to meet the growing demands of both the public and private sector.

Investment in infrastructure is particularly critical. The economic transformation of Africa depends to a great deal on investment in ports, power plants, roads and rail, as well as information and communications technologies. In this respect, the African Union and its partners should accelerate implementation of regional initiatives within the framework of NEPAD.

The ambitious commitment to establish a continental free trade area by 2017 will give momentum to Africa's industrial development. Mobilisation of domestic resources will be important. I also express unequivocal support for the work of the High Level Panel, led by former President Thabo Mbeki, on Illicit Financial Flows from Africa. The unacceptable loss of \$50 billion each year from such outflows far exceeds the amount of official development

assistance to Africa. Halting illicit flows, at the sources and at their destinations, will help fund substantial parts of the continent's long-term Agenda for 2063.

Finally, we should recognize that there are factors that can dampen the positive outlook for African economies. I think of the uncertain global economic prospects, the youth unemployment crisis and instability and conflicts in the Great Lakes, the Sahel and the Horn of Africa.

Here, it is worth underlining that there can be no peace without development, no development without peace, and no peace or development without human rights and the rule of law. The nexus between peace and development is essential, and effective institutions and rule of law are paramount for both peace and development.

In conclusion, let me reaffirm that the United Nations remains committed to support Africa's development. African nations are in the midst of an exciting voyage of dynamic development and transformative change. Together with the international community, you can progressively build societies which allow all your people to live in peace, progress and dignity.

I thank you and wish this Conference all success.