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Fifty-second session

Marrakech, Morocco, 25 and 26 March 2019

Report of the meeting of the Committee of Experts

Introduction

1. The thirty-eighth meeting of the Committee of Experts of the Economic Commission for Africa Conference of African Ministers of Finance, Planning and Economic Development was held in Marrakech, Morocco, from 20 to 22 March 2019. The meeting was held under the theme “Fiscal policy, trade and the private sector in a digital era: a strategy for Africa”.

Part one

I. Opening of the meeting [agenda item 1]

A. Attendance

2. The meeting was attended by representatives of the following States: Algeria, Angola, Benin, Burkina Faso, Burundi, Congo, Côte d’Ivoire, Democratic Republic of the Congo, Djibouti, Egypt, Equatorial Guinea, Eritrea, Eswatini, Ethiopia, Gabon, Gambia, Ghana, Guinea, Guinea-Bissau, Kenya, Libya, Malawi, Mali, Mauritius, Morocco, Nigeria, Rwanda, Senegal, Seychelles, Sierra Leone, Somalia, South Africa, South Sudan, Sudan, Togo, Uganda, United Republic of Tanzania, Zambia, Zimbabwe.

3. The following regional economic community was represented: Economic Community of West African States.

4. The following United Nations bodies and specialized agencies were represented: 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, United Nations Entity for Gender Equality and the Empowerment of Women, United Nations Population Fund, United Nations Resident Coordinator Office.

5. Representatives of the following intergovernmental and regional organizations were also present: African Development Bank, African Union Commission, Central Bank of West African States.

6. Observers from the following organization were present, African Tax Administration Forum, African Peer Review Mechanism, Delegation of the European Union to the African Union, Forum maghrébin pour l’environnement

et développement, Rail Working Group, Youth Alliance for Leadership, Development in Africa (Central Africa).

B. Opening statements

7. Opening statements were made by the outgoing Chair of the Committee, Elsadig Abdalla (Sudan), the Executive Secretary of the Economic Commission for Africa (ECA), Vera Songwe, and the Secretary-General of the Ministry of Economy and Finance of Morocco, Zouhair Chorfi, representing the Government of Morocco.

8. In his statement, Mr. Abdalla thanked the Government and people of Morocco and expressed gratitude to the Executive Secretary of ECA for leading the fifty-second session of the Conference of African Ministers of Finance, Planning and Economic Development. He underscored the pertinence and timeliness of the theme of the current session for African policymakers: “Fiscal policy, trade and the private sector in a digital era: a strategy for Africa”. In particular, he stressed the paramount importance of digitization and the Internet for the advancement of the continent and the measurement of progress made at every stage. He further underlined the role of social media in bringing about social transformation.

9. Following a one-minute silence to pay homage to all those who had lost their lives in the recent Ethiopian Airlines plane crash and in the cyclone that had hit parts of Southern Africa, Ms. Songwe welcomed the participants to the meeting and thanked the Government of Morocco for hosting the event. She underlined the tremendous potential for Africa to achieve rapid economic transformation over the following 10 years by leveraging its growing working population and natural resource endowments and taking advantage of digitization, but stressed the need for adequate public resources and for steps to ensure that the continent was not dependent on variables beyond its control. She indicated that, as Africa continued to grow, it was hoped that the continent’s fiscal space would expand, thereby accelerating growth and ensuring that its 60 million young people would be able to take advantage of the changing economic landscape. She also acknowledged the challenges associated with promoting the digital economy and embracing the culture of digitization, while noting that, by adopting the right policies and enabling frameworks, countries could leverage digitization to promote sustainable growth.

10. In his statement, Mr. Chorfi warmly welcomed all participants to Marrakech. He said that his country was honoured to be hosting the Conference because of its strong commitment to development in Africa, including through South-South cooperation – a subject of primary importance for His Majesty Mohammed VI, the King of Morocco. He thanked Ms. Songwe and her team for the support that they had extended to Morocco to ensure the successful organization of the Conference and commended the leading role played by ECA in terms of policy development in Africa. To promote development, it was critical that African States shared best practices in the area of the digital economy. Digitization initiatives could improve the mobilization and use of domestic revenue, enhance competitiveness, boost trade and reposition African countries in global value chains. To take full advantage of the opportunities presented by the digital age, major challenges must be addressed by African countries, including those related to universal access to the Internet and protection against cybercrime, the creation of infrastructure and human capacity development. He urged participants to draw up recommendations relevant to the theme and invited them to explore ways of making fuller use of the benefits of digitization.

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

11. The following countries were elected by the Committee to form the new Bureau:

Chair: Morocco (North Africa)

First Vice-Chair: Ethiopia (East Africa)

Second Vice-Chair: Zambia (Southern Africa)

Third Vice-Chair: Togo (West Africa)

Rapporteur: Equatorial Guinea (Central Africa)

12. As proposed by the Bureau of the fifty-first session of the Conference of Ministers, an ad hoc drafting committee was established to review and clear the draft report of the Committee of Experts and to review the draft ministerial statement and preselected draft resolutions with a view to merging, reconciling or clarifying them as necessary prior to their consideration by the Conference of Ministers. Upon proposal by the Bureau of the fifty-first session, it was decided that the following 10 countries would constitute the said committee:

Central Africa: Congo and Equatorial Guinea

East Africa: Djibouti and Ethiopia

North Africa: Algeria and Morocco

Southern Africa: Lesotho and Zambia

West Africa: Senegal and Togo

13. Following an acceptance statement by the newly elected Chair of the Bureau, the Committee of Experts adopted the following agenda:

1. Opening of the meeting.
2. Election of the Bureau and adoption of the agenda and programme of work.
3. Overview of recent economic and social developments in Africa.
4. Assessment of progress on regional integration in Africa.
5. Presentation on the theme of the fifty-second session of the Commission "Fiscal policy, trade and the private sector in the digital era: a strategy for Africa".
6. Statutory issues.
7. Date, venue and theme of the fifty-third session of the Conference of African Ministers of Finance, Planning and Economic Development.
8. Other matters.
9. Consideration and adoption of the report of the Committee of Experts and consideration of recommendations and draft resolutions.
10. Closing of the meeting.

Part two

Account of proceedings

III. Overview of recent economic and social developments in Africa [agenda item 3]

A. Presentation

14. The representative of the secretariat provided an overview of recent economic and social developments in Africa, highlighting the main messages in the overview report set out in document E/ECA/COE/38/2.

15. Economic growth in Africa had declined slightly from 3.4 per cent in 2017 to 3.2 per cent in 2018. Some of the larger economies in Africa, including Angola, Nigeria and South Africa, were recovering on the back of private consumption, but their levels of growth remained relatively low. In contrast, growth in non-resource rich countries remained strong, driven largely by high public investment, especially in infrastructure.

16. Despite a reduction in the continent's fiscal deficits, public and foreign debt had increased marginally over 2018. Inflation had continued to decline, largely outweighing the effects of increased global oil prices, especially in oil-importing countries. Progress in reducing poverty was slow but steady, as the incidence of poverty had dropped, but the number of people living in poverty had remained constant. Gender inequalities and discrimination against women in the workplace had adverse consequences for the economic situation of States and posed a considerable obstacle to inclusive growth and development.

17. Insecurity had also led to an increase in the number of internally displaced persons on the continent and the outbreak of disease had led to the diversion of resources that would otherwise have been used for development purposes.

B. Discussion

18. In the ensuing discussion, experts noted that the average economic growth rate in Africa was not sufficient to ensure job creation, poverty reduction and improved living standards. It was noted that population growth was higher than economic growth in many countries, which derailed efforts to reduce poverty. Experts expressed the need for growth rates, which currently stood at 25 per cent of gross domestic product (GDP), to be significantly raised through increased investment to between 30 and 35 per cent. In order to achieve that growth, there was also need to harness more effectively the potential offered by the large volumes of goods that could be produced in and imported from Africa. In addition, they noted the need for emphasis on social aspects of development, including human capital, employment, human security, gender equality, disability and youth participation.

19. It was noted that debt levels and their sustainability were posing one of the main challenges to long-term growth and development in Africa. Experts expressed the need for a thorough debt sustainability analysis to ensure that investments were directed towards productive sectors of the economy with the aim of creating employment and improving living standards.

20. Experts noted the need to improve the coordination of public policies, including those relating to macroeconomic convergence, among member States, regional economic communities, development banks and other

subregional institutions to strengthen African resilience to macroeconomic instability and move towards achieving the 2030 Agenda for Sustainable Development and Agenda 2063: The Africa We Want, of the African Union. It was also noted that ECA reports should reflect the positive development of many African countries, as evidenced by the United Nations human development index.

C. Recommendations

21. In the light of the discussion, the Committee of Experts made the following recommendations:

(a) Member States should build resilience by significantly boosting their economic growth and by increasing investment in productive sectors to raise their potential growth and inclusiveness, including through the creation of public-private partnerships. In addition, they should diversify and structurally transform their economies to further the industrialization of Africa and enhance intra-African trade by supporting the process to establish the African Continental Free Trade Area. Furthermore, exports should be based on local value addition rather than on raw materials;

(b) Member States should improve debt management based on thorough debt sustainability analysis and make greater efforts to mobilize domestic resources. In addition, member States should explore the possibility of converting debts into investments. In this context, ECA is requested to provide technical support to member States to assist them in their efforts to manage debt;

(c) ECA should play a significant role in enhancing public policy coordination among countries and subregional entities by creating a platform for member States to assist with coordination efforts towards the achievement of the 2030 Agenda and Agenda 2063.

IV. Assessment of progress on regional integration in Africa [agenda item 4]

A. Presentation

22. The representative of the secretariat introduced the report on assessing the status of regional integration in Africa, set out in document E/ECA/COE/38/3/Rev.1, underscoring the importance of regional economic communities in the implementation of activities and programmes for regional integration. Regional progress was highlighted in the areas of macroeconomic convergence; trade, investment and market integration; free movement of persons; infrastructure; governance; peace and security; mining; and education and skills. A particular achievement in respect of regional integration had been the historic signing in 2018 of the Agreement Establishing the African Continental Free Trade Area, which, by forging a single continental legal regime, offered such potential benefits as employment creation, industrial linkages, economic diversification and structural transformation, and would contribute to efforts to achieve sustainable development. The single African air market, digitization and e-commerce would bring significant benefits for the integration of the continent.

B. Discussion

23. In the ensuing discussion, experts noted that regional integration efforts by the regional economic communities were uneven and inadequate. While political will for such integration was evident, in particular following ratification by 20 member States of the Agreement Establishing the African Free Trade Area, more efforts needed to be directed towards implementation of the Agreement. In addition, experts raised questions about the cost of non-integration and suggested that a study on that topic might be conducted by ECA. Furthermore, ECA should examine the reasons why trade levels between Africa and other continents were rising while those between African countries remained low.

24. Experts noted that some of the data used in the report could be considered outdated and suggested that the report should be based on the most recent data from the previous year. In that regard, member States were encouraged to submit timely national statistics to ensure a more accurate analysis. Experts also suggested that ECA should use official statistical data to investigate underlying factors behind observed regional integration trends.

25. The private sector should be considered a major stakeholder as it brought such benefits as innovative products and ideas, financial resources, efficiency, knowledge and skills necessary for the implementation of the regional integration agenda. In that regard, experts also highlighted digitization and e-commerce as key tools to enhance trade and reduce the costs of doing business.

C. Recommendations

26. In the light of the discussion, the Committee made the following recommendations:

(a) Since the availability and use of timely and reliable data and statistics were a top priority for member States, ECA should work together with them to ensure the timely availability of the most recent national data and statistics;

(b) Given the disparities among them, the subregions should be featured in the report to facilitate tracking of their respective achievements;

(c) While ECA and the African Union Commission have initiated discussions on the opportunity cost of non-integration, ECA should carry out a study on that issue, which may influence evidence-based policymaking, and should assist member States in drawing up their national strategies to operationalize the African Continental Free Trade Area;

(d) To achieve the successful implementation of the Agreement Establishing the African Continental Free Trade Area, member States should establish effective institutions, enforce the application of laws and regulations on such matters as registration, commerce, capital markets and investment, thereby minimizing litigation and arbitration, promote accountability through peer review mechanisms and exchange good practices;

(e) Member States should continue to create an enabling environment for enterprises to thrive, and foster engagement with the private sector, including through infrastructure projects carried out through public-private partnerships, with the aim of accelerating regional integration.

V. Presentation on the theme of the fifty-second session of the Conference of African Ministers of Finance, Planning and Economic Development: "Fiscal policy, trade and the private sector in the digital era: a strategy for Africa" [agenda item 5]

A. Presentation

27. The representative of the secretariat presented the issues paper on the theme of the Conference, set out in document E/ECA/CE/38/13, outlining its salient points and drawing attention to issues that the experts might wish to address in their discussion. In particular, he noted the decision in 2018 to create at ECA an African centre of excellence on digital identity, trade and economy, which would have among its aims the promotion of minimum standards for digital identity systems to safeguard inclusion, trust and interoperability, the harmonization of civil registration and digital identity systems in Africa and support for the African Union Commission in developing a comprehensive strategy on digital identity, digital trade and digital economy for Africa.

B. Discussion

28. In the ensuing discussion, experts focused on the relationship between digitization and such issues as benefits, governance, capacity development, the role of the informal sector, regional perspectives and support for the implementation of the 2030 Agenda and Agenda 2063.

29. Where governance was concerned, they highlighted the need for appropriate policies and governance frameworks for digitization that were inclusive and adequately financed, such as those already in place in some African countries.

30. On the issue of digital security, such areas of concern as cybercrime, digital signature, the misuse or inadequacy of information and data security were highlighted as areas of concern. African countries must have robust legal frameworks for penalizing cybercrime or abuses. Security procedures must therefore be harmonized at the subregional and regional levels.

31. In relation to the management of public funds, experts noted that digitization was conducive to greater transparency, the combating of corruption and enhanced revenue collection. Many African countries had embarked on the reforms necessary to introduce digitization, some even creating ministries for the digital economy. Where public finances were concerned, experts noted efforts made by most States to introduce online procedures for tax declarations and payments and the administration of public spending. Those measures had improved the mobilization of revenue and the quality of tax systems. Extensive capacity development was needed to harness the full potential of the digital economy and countries should avail themselves of opportunities for intraregion peer learning and South-South cooperation. Investments were needed in infrastructure, such as optical fibre cables, and in efforts to improve Internet penetration.

32. Experts underscored the urgent need to curtail base erosion and tax avoidance schemes that were facilitated by the expansion of e-commerce, which shifted profits to low-tax jurisdictions. In that context, they questioned whether the base erosion and profit shifting action plan launched in 2013 by the Organization for Economic Cooperation and Development (OECD) to tackle tax avoidance took into consideration the needs and conditions of African countries. Attention was drawn to the potential benefits of digital technology for improving fiscal performance, facilitating domestic, cross-

border and regional trade, enhancing customs procedures and supporting private sector participation in African economies.

33. Noting the importance to African economies of the informal sector, whose economic activities were unregistered and therefore untaxed, experts observed that digitization could create a reliable system that enabled Governments to identify and register taxpayers.

34. Experts also highlighted the application of digitization in the implementation of the 2030 Agenda and shared experience in that area.

35. Digitized social registries made it possible to enhance the speed and quality of public service delivery to underprivileged segments of society. They also made it possible to improve the targeting of the beneficiaries of social programmes. Digitization facilitated evidence-based dialogue with stakeholders and effective business intelligence that informed policymaking processes. It also helped to strengthen government ownership of new communications tools, thereby helping them to regain public trust and promoting accountability in the public sector.

C. Recommendations

36. In the light of the discussion, the Committee made the following recommendations:

(a) Member States should:

- (i) Identify or create agencies responsible for digitization;
- (ii) Encourage the interconnectedness of the information technology systems of different agencies within and, as appropriate, between countries;
- (iii) Harmonize their approach to digitization to ensure that the information technology systems on the continent are interoperable;
- (iv) Strengthen their tax administrative capacity by hiring, maintaining, incentivizing and retaining competent tax officials who can understand and administer complex tax laws, coupled with measures to ensure their integrity;
- (v) Review and reform their education systems and programmes so as to strengthen knowledge and skills in digital technology, thereby enhancing the level and coverage of computer literacy;
- (vi) Invest in such infrastructure as optic fibre cables and measures to improve their Internet penetration;
- (vii) Formulate and adopt regulatory frameworks governing the application of digital identity to upgrade and formalize their informal sectors with a view to improving tax revenue;
- (viii) Devise incentive systems for attracting and retaining highly qualified professionals, in particular computer engineers and information technology professionals, in tax authorities. The incentive systems should, among other measures, offer rewards and benefit packages that are at par with those available in the private sector;
- (ix) Develop and put in place differentiated incentives for various categories of taxpayers that voluntarily file their taxes electronically via online platforms;

- (x) Develop strong systems to combat cybercrime and related threats that emanate from the digitization of their economies;
- (b) ECA should:
 - (i) Work with African countries to finalize the terms of reference of the centre of excellence on digital identity, trade and economy;
 - (ii) Regularly monitor the opportunities and threats brought about by digitization of the economies of African countries;
 - (iii) Conduct analysis and hold expert group meetings and policy dialogues on digitization and its contribution to the achievement of the goals of the 2030 Agenda and Agenda 2063;
 - (iv) Conduct studies on the impact of digitization on tax performance, including quantifying the benefits of digitization, to support evidence-based policy formulation;
- (c) ECA, in collaboration with the African Union Commission, should:
 - (i) Urgently finalize development of the strategy for digital identity, digital trade and digital economy for Africa, taking maximum advantage of the positive experiences of African countries;
 - (ii) Assist countries to develop a common position on multilateral frameworks to tackle base erosion and profit shifting;
 - (iii) Pursue, expand and strengthen South-South cooperation, including capacity development in the application of digitization in revenue mobilization and expenditure.

VI. Statutory issues of the Economic Commission for Africa [agenda item 6]

A. Report of the Executive Secretary on the activities of the Economic Commission for Africa (covering the period April 2018 to March 2019)

1. Presentation

37. Under sub-item (a) of agenda item 6, the representative of the secretariat presented the report of the Executive Secretary on the work of the Commission for the period April 2018–March 2019, set out in document E/ECA/COE/38/14/Rev.1.

2. Discussion

38. The ensuing discussion revolved around the following issues: statistical capacity development; ECA programme planning, capacity development and coordination with other development partners; and the alignment of national development plans with the 2030 Agenda and Agenda 2063.

39. Regarding statistical capacity development, experts welcomed the support provided by ECA to member States in that area and underscored the need to invest in skills development in the digital era. ECA should provide statistical capacity-building support to more African countries with a view to addressing data gaps that continued to impede the establishment of Sustainable Development Goal indicator baselines. That support should be provided not only to national statistics offices but also to other national entities working in the area of statistics. For its part, the secretariat stressed the importance of

investment by member States in statistical development, the regular conduct of censuses and civil registration and vital statistics activities, and the sharing of national statistics with ECA.

40. Regarding ECA programming and coordination, experts noted that, although the United Nations Secretariat had moved to annual planning cycles, it was important for the Commission to draw up a medium-term plan. They also noted the wide range of activities undertaken by the Commission with a view to implementing the programme of work and requested details regarding the mechanisms established to bolster synergies with other donors and development partners. In that regard, experts were informed that reforms were being made to the United Nations development system with a view to enhancing cohesion among, and delineating the roles of, United Nations entities at the regional and national levels. Experts underscored the key role of the African Institute for Economic Development and Planning (IDEP) in capacity development and noted the significant capacity-building needs of member States in the areas of fiscal policy, digitization and the African Continental Free Trade Area. Sufficient financial resources should therefore be provided to fund IDEP training programmes.

41. Experts enquired about the tools used by ECA to help countries align their national development plans with the 2030 Agenda and Agenda 2063, challenges and lessons learned in that regard and measures to be taken. They also called for specific proposals on ways to encourage the engagement of the private sector and civil society in that process. Experts noted that not all countries were aware of the tools developed by ECA to help States align their national development plans with the two Agendas or of the process by which they could submit requests to ECA for assistance in that regard. Experts also noted that ECA had developed a toolkit for monitoring the implementation of the two Agendas but had delayed the launch of that tool because the United Nations had launched a common platform for monitoring progress towards the achievement of the Sustainable Development Goals.

3. Recommendations

42. In the light of the discussion, the Committee made the following recommendations:

(a) ECA should continue to support efforts by member States to develop their national statistical capacities and monitor progress towards the achievement of the Sustainable Development Goals. In doing so, ECA should provide support not only to national statistics offices but also to other national entities working in the area of statistics;

(b) Member States should invest in national statistical development, including with a view to monitoring progress towards the achievement of the Goals and should undertake voluntary national reviews;

(c) Funds should be mobilized in support of IDEP capacity-development programmes, and the Institute should be accorded adequate funding to support its training programme. Member States should also settle their arrears to IDEP at the earliest opportunity;

(d) ECA should scale up its support to member States to help them align their national development plans with the 2030 Agenda and Agenda 2063 and, in that connection, should disseminate the toolkit that it had developed, draw attention to progress achieved and highlight measures that should be taken to address challenges. It should develop a harmonized framework for monitoring and evaluating implementation of the 2030 Agenda and Agenda 2063.

B. Report on the follow-up to the resolutions of the fifty-first session of the Economic Commission for Africa Conference of African Ministers of Finance, Planning and Economic Development, and other ministerial recommendations of relevance to the Commission

1. Presentation

43. Under sub-item (b) of agenda item 6, the representative of the secretariat presented the report on the follow-up to the resolutions of the fifty-first session of the Economic Commission for Africa Conference of African Ministers of Finance, Planning and Economic Development, and other ministerial recommendations of relevance to the Commission, set out in document E/ECA/COE/38/4/Rev.1.

2. Discussion

44. The ensuing discussion revolved around the following issues: support for and progress in the implementation of the Agreement Establishing the African Continental Free Trade Area; migration and the free movement of people; and financing initiatives to achieve the Sustainable Development Goals.

45. Regarding support for and progress in the implementation of the Agreement Establishing the African Continental Free Trade Area, experts noted with appreciation the support provided by ECA to member States to facilitate its signing, ratification and implementation. The secretariat provided an update on the status of ratification of the Agreement, briefed the Committee on how member States could submit requests for technical assistance to accelerate the ratification process, and noted that many African countries had already requested such assistance. Experts noted that only a very few countries had ratified the Protocol on Free Movement of Persons, the Right of Residence and Establishment and underscored the role of the secretariat in supporting the accelerated ratification and implementation of that instrument.

46. Emphasizing that the Protocol facilitated job creation, experts underscored the need to examine issues impeding its ratification. The difficulties faced by many Africans in securing visas and reaching job markets outside their home countries were also brought up by experts, who stressed that those issues must be addressed in line with the principles of reciprocity and integration. Experts also noted the important contribution of the High-level Panel on International Migration in Africa and the Global Compact for Safe, Orderly and Regular Migration and highlighted that African States had adopted a common African position on key thematic areas. ECA subregional offices could play a key role in monitoring action in the context of the Global Compact. In response to concerns raised about some of the proposals to track and monitor the progress made in implementing migration programmes in Africa, the secretariat clarified that the proposals were being discussed by relevant partners through their appropriate organs.

47. On opportunities for financing initiatives to implement the 2030 Agenda, discussions centred on the development of innovative financing mechanisms that could be used to channel public and private sector investments to areas that supported the achievement of the Sustainable Development Goals. In response to a request by experts, the secretariat highlighted financing opportunities related to the mobilization of domestic savings, in particular pension funds, in support of development initiatives. Together with development banks and financial stakeholders in the area of renewable energy, ECA was exploring the use of green bonds, which could accelerate a shift to renewable energy generation and accelerate the achievement of the Goals. The Committee emphasized that, by curbing illicit financial flows, African States could unlock

resources to help achieve that objective.

3. Recommendations

48. In the light of the discussion, the Committee made the following recommendations:

(a) To support implementation of the Agreement Establishing the African Continental Free Trade Area, member States may consider signing and ratifying the Protocol on Free Movement of Persons, the Right of Residence and Establishment;

(b) ECA should produce, in accessible language, widely disseminate and periodically update outreach materials on the African Continental Free Trade Area and on all other products, support and services that it offers to member States;

(c) ECA should conduct a detailed review of the Protocol on Free Movement of Persons, the Right of Residence and Establishment in order to identify issues that impede its ratification and should formulate a strategy to advance its ratification and implementation in Africa;

(d) The secretariat should consider the submission of a draft resolution calling for action in support of ratification and implementation of the Protocol on Free Movement of Persons, the Right of Residence and Establishment.

C. 2020 programme plan and budget of the Economic Commission for Africa

1. Presentation

49. Under sub-item (c) of agenda item 6, the representative of the secretariat presented the draft programme plan for the programmes of ECA for 2020, set out in document E/ECA/COE/38/12.

2. Discussion

50. In the ensuing discussion, experts raised concerns about the lack of a medium-term planning framework for the Commission, which would be used to inform the annual plans and budgets, and expressed the need for the presentation of detailed plans and budgets over a three to five-year period from all sources of funding. In addition, they emphasized the importance of focusing on fewer areas of intervention in close collaboration with other regional commissions and United Nations agencies, using a cross-sectoral approach.

51. Experts sought clarification on the macroeconomic model used by ECA to inform policymakers and its applicability to different countries across Africa, given their varying levels of economic development, and on the selection criteria for beneficiaries of ECA advisory services. In addition, it was noted that ECA should focus on climate change adaptation and raise awareness of the benefits of the blue economy and financing initiatives related to statistics.

3. Recommendations

52. In the light of the discussion, the Committee made the following recommendations:

(a) Given government budget constraints, ECA should encourage the establishment of public-private partnerships;

(b) ECA should develop a medium-term programme framework covering three to five years, to facilitate the engagement of member States with the Commission; annual plans and budgets would be derived from the

framework and performance measured on its basis;

(c) ECA should increase the level of ambition in its programme of work;

(d) ECA should provide technical support to the secretariat of the African Continental Free Trade Area and the new African Union committees on environment, democracy, governance and elections;

(e) The 2020 programme plan and budget of the Economic Commission for Africa should be adopted.

D. Report on the review of the intergovernmental structure of the Economic Commission for Africa pursuant to resolution 957(LI)

1. Presentation

53. Under sub-item (d) of agenda item 6, the representative of the secretariat presented the report on the review of the intergovernmental structure of the Economic Commission for Africa pursuant to resolution 957(LI), set out in document E/ECA/COE/38/5.

2. Discussion

54. In the ensuing discussion, the secretariat clarified that the proposed change in the name of the Intergovernmental Committee of Experts to Intergovernmental Committee of Senior Officials and Experts was designed to ensure participation at the senior level and would have no impact on the mandate of the committee.

55. Experts raised concerns about the lack of coordination between ECA interventions at the country level and suggested that an appropriate coordination mechanism should be developed to monitor them. They stressed the need for regular engagement between the secretariat and the bureaux of the various intergovernmental and sectoral committees between sessions and for the allocation of sufficient time for the discussion of statutory issues.

56. In addition, experts underscored the need to focus on setting up a mechanism for reviewing the rules of procedure of intergovernmental structures and called for closer coordination between ECA and the African Union Commission in the organization of meetings of their respective bodies.

57. Experts discussed the newly proposed thematic subsidiary bodies, intended to provide an effective intergovernmental structure.

3. Recommendations

58. In the light of the discussion, the Committee made the following recommendations:

(a) To strengthen engagement between the secretariat and the permanent representatives of member States to ECA, a road map should be developed for implementing the recommendations made at the retreat in October 2018 and monitoring progress in achieving them;

(b) ECA and permanent representatives of member States are encouraged to design an effective mechanism for the coordination of the Commission's activities and those of its subsidiary bodies in member States, including the designation of focal points, to facilitate monitoring and knowledge-sharing;

(c) The secretariat and bureaux of intergovernmental and sectoral committees are encouraged to meet more frequently, perhaps on a quarterly basis, in between sessions.

E. Report on the subsidiary bodies of the Economic Commission for Africa and reports by the subsidiary bodies

1. Presentation

59. Under sub-item (e) of agenda item 6, representatives of the secretariat presented the report on the sixth meeting of the Statistical Commission for Africa, set out in document E/ECA/STATCOM VI/11; the report on the fourth session of the Africa Regional Forum on Sustainable Development pursuant to resolution 961(LI), set out in document E/ECA/COE/38/10; the reports of the meetings of the intergovernmental committees of experts for the various subregions, which were set out, for Central Africa, in document ECA/CA/ICE/XXXIV/18; for East Africa, in document ECA/EA/ICE/22; for North Africa, in document ECA/NA/ICE/33/5; for Southern Africa, in document ECA/SA/ICE/XXIV/2018/8; and for West Africa, in document ECA/WA/ICE/21/01D; and the progress report on the work of the African Institute for Economic Development, pursuant to resolution 956(LI), set out in document E/ECA/COE/38/8/Rev.1.

2. Discussion

60. In the ensuing discussion on the report of the Statistical Commission for Africa, experts stressed the importance of the statistical development indicators tool for measuring progress by member States in the area of statistical development and underlined the need to fast track the implementation process. They also highlighted the need to ensure the availability of statistics that were credible, reliable and timely for evidence-based policymaking. Several countries faced data gaps in indicators that were used to measure progress towards the achievement of the 2030 Agenda, Agenda 2063 and national development goals. The limited budgetary allocations for statistical development, including data collection, production and dissemination, were also noted. Remarking on the lack of harmonized frameworks for the monitoring and evaluation of progress towards the achievement of the 2030 Agenda and Agenda 2063, experts noted that ECA had developed a framework for harmonizing the goals of both Agendas.

61. Where the intergovernmental committees of experts were concerned, the experts underlined the need to provide concise summaries of such reports for each of the subregional offices into a single consolidated report, for consideration by the Committee of Experts. The difference in themes of the annual sessions of the intergovernmental committees of experts within and across the subregional offices was noted. The difficulty in benchmarking progress over the years was also observed.

62. With regard to IDEP, experts stressed the importance of building human capital for the achievement of the goals of the 2030 Agenda and Agenda 2063 and lauded the work of the Institute in that respect, citing examples of public officials in their countries who had benefited from the IDEP programme, demonstrating its reach and impact. They expressed concern at the slow progress in meeting the resource mobilization targets set out in resolution 956(LI) of 2018 on IDEP and called on ECA and IDEP to step up resource mobilization efforts, including urging the General Assembly to increase the grant to IDEP in line with the said resolution, to ensure that the Institute's much-needed training programmes were adequately funded. They commended its efforts to establish strategic partnerships with key development stakeholders and all member States were urged to strengthen their support for IDEP through the payment of their annual contributions and the settlement of outstanding arrears. In addition, ECA was requested to examine the problem of skills mismatch on the continent and IDEP was asked to clarify its participant selection process.

3. Recommendations

63. In the light of the discussion, the Committee made the following recommendations:

- (a) With regard to the Statistical Commission for Africa:
 - (i) ECA should expedite the implementation process of the statistical development indicators tool that accompanied technical support to member States;
 - (ii) Member States should allocate funds for statistical development in their countries;
 - (iii) ECA should assist member States in prioritizing the indicators recommended to monitor progress at the national level towards implementation of the 2030 Agenda and Agenda 2063, and reducing them to a number sufficient for the collection of data on and the production of the required indicators;
 - (iv) ECA should provide information on capacity-building with innovative ways of producing and disseminating statistical indicators such as quarterly GDP;
 - (v) ECA and other organizations should speed up the process of adopting and popularizing the harmonized framework for tracking progress towards the achievement of the 2030 Agenda and Agenda 2063;
- (b) With regard to the Africa Regional Forum on Sustainable Development, ECA should support efforts by member States to design and implement specific measures to strengthen the engagement of the private sector and civil society in the implementation, monitoring and reporting on the 2030 Agenda and Agenda 2063 and, in that connection, the meaningful and active engagement of the private sector in the Africa Regional Forum on Sustainable Development should be ensured;
- (c) With regard to IDEP:
 - (i) Member States should regularly pay their annual contributions and settle their outstanding arrears;
 - (ii) ECA should step up its resource mobilization efforts, including through the General Assembly, to ensure that the IDEP skills training programmes were adequately financed;
 - (iii) IDEP should continuously step up its resource mobilization efforts, including through strategic partnerships, to leverage its programme financing;
 - (iv) IDEP should maintain its training programmes on emerging issues with a direct impact on the continent;
 - (v) IDEP should hold some of its training courses in other venues across the African continent to increase the participation of women;
 - (vi) IDEP should improve its communication with applicants after selection processes.

F. Report on United Nations support for the African Union and its New Partnership for Africa's Development programme

1. Presentation

64. Under sub-item (f) of agenda item 6, the representative of the secretariat presented the report on United Nations support for the African Union and its New Partnership for Africa's Development programme, set out in document E/ECA/COE/38/6/Rev.1.

2. Discussion

65. The experts took note of the support rendered to the New Partnership for Africa's Development (NEPAD) programme.

G. Report on financing railway rolling stock: a new solution for Africa

1. Presentation

66. Under sub-item (g) of agenda item 6, the representative of the secretariat presented the report on financing railway rolling stock: a new solution for Africa, set out in document E/ECA/COE/38/15.

2. Discussion

67. In the ensuing discussion, experts noted that inadequate infrastructure was a constraint on the movement of goods and compromised full realization of the benefits of the African Continental Free Trade Area. Railways were key to closing Africa's infrastructure gap, including by linking landlocked countries to ports, and the private sector had an important role to play in their development. The African continental high-speed rail project, a flagship initiative under Agenda 2063, demonstrated the importance of railways to the continent's regional integration agenda.

68. Experts acknowledged the strategic importance of the Protocol to the Convention on International Interests in Mobile Equipment on Matters specific to Railway Rolling Stock (Luxembourg Rail Protocol), which a growing number of African countries were in the process of signing, opening up opportunities to leverage rail networks. Some had also signed the Convention on International Interests in Mobile Equipment (Cape Town Convention). Experts stressed the need to increase awareness of the Luxembourg Rail Protocol and its importance to Africa.

69. To surmount obstacles impeding the development of railways, such as their low priority in some countries, the underdevelopment of capital markets and the high cost of railway maintenance, experts highlighted the usefulness of regional and subregional projects, and the need to identify successful public-private partnerships that could be used as benchmarks. It should be borne in mind that public-private partnerships were not exempt from risk, which should be circumvented if full advantage was to be derived from the opportunities that they offered. Experts noted that, while innovative approaches were increasingly being explored, infrastructure projects were still mostly funded by Governments through loans, and attention was drawn to the possibility of harnessing diaspora funding for infrastructure projects.

3. Recommendations

70. In the light of the discussion, the Committee made the following recommendations:

- (a) ECA should contribute to raising the awareness of member States and enhancing their knowledge of the Luxembourg Rail Protocol;

(b) Member States should build their capacity to maintain railway rolling stock.

H. Report on progress in the implementation of the priority areas of the Programme of Action for the Least Developed Countries for the Decade 2011–2020 (Istanbul Programme of Action)

1. Presentation

71. Under sub-item (h) of agenda item 6, the representative of the secretariat presented the report on progress in the implementation of the priority areas of the Programme of Action for the Least Developed Countries for the Decade 2011–2020 (Istanbul Programme of Action), set out in document E/ECA/COE/38/7.

2. Discussion

72. In the ensuing discussion, experts highlighted progress made in implementing the Istanbul Programme of Action. They deliberated on challenges encountered in the implementation of the programme and identified priorities that should inform the development of future such programmes.

73. Numerous challenges continued to impede the implementation by member States of the programme, including governance problems, natural disasters, the high cost of energy, the impact of refugee flows, rising debt levels, limited access to affordable and long-term financing, human capacity development needs, low agricultural production, productivity and value addition, and limited economic diversification.

74. Future programmes of action should focus on boosting agricultural production and productivity, increasing value addition and promoting economic diversification. Experts noted that good governance and political stability were prerequisites for attracting foreign direct investment and called on African countries to make every effort to ensure that their priorities were taken into account in negotiations on future programmes of action. They also stressed the need to mobilize affordable and long-term financial resources.

3. Recommendations

75. In the light of the discussion, the Committee made the following recommendations:

(a) ECA should undertake a baseline assessment of the current cost of energy access across least developed countries with the aim of developing a strategy and programme of support to reduce costs and increase affordability;

(b) Member States should strongly support ratification and implementation of the Agreement Establishing the African Continental Free Trade Area, which would play a crucial role in facilitating trade, the movement of goods and people and regional integration.

I. Report on the midterm review of the Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014–2024: a focus on the Africa region

1. Presentation

76. Under sub-item (i) of agenda item 6, the representative of the United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (OHRLLS) presented the report on the midterm review of the Vienna

Programme of Action for Landlocked Developing Countries for the Decade 2014–2024: a focus on the Africa region, set out in document E/ECA/CRCI/10/9.

2. Discussion

77. In the ensuing discussion, experts highlighted progress made in implementing the Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014–2024 and, noting challenges similar to those experienced under the Istanbul Programme of Action, identified priorities that should inform the development of future such programmes.

78. Landlocked developing countries, together with their neighbours, needed to enhance access to affordable energy, mobilize adequate, affordable and long-term financial resources, and promote the development of key infrastructure projects, including transit roads, that would facilitate economic development.

79. Experts took note of the mid-term review meeting of the Vienna Programme of Action, which had been held in Marrakech on 18 and 19 March 2019, and recommended endorsement of its outcomes.

3. Recommendations

80. In the light of the discussion, the Committee made the following recommendations:

(a) ECA should continue its collaboration with OHRLLS to support member States in enhancing their economic production, value addition and diversification;

(b) ECA and OHRLLS should convene a preparatory meeting in 2020 for the Fifth United Nations Conference on the Least Developed Countries, to be held in 2021. In that regard, ECA should undertake extensive assessments at country level to measure progress made and identify challenges faced by least developed countries in their implementation of the Istanbul Programme of Action;

(c) ECA should scale up its support to landlocked developing countries and transit countries to facilitate their efforts to achieve the objectives set forth in the Vienna Programme of Action;

(d) Landlocked developing countries and transit countries should cooperate closely on the development of transboundary infrastructure, including trade corridors, trade facilitation measures and other cross-border issues.

VII. Date, venue and theme of the fifty-third session of the Conference of African Ministers of Finance, Planning and Economic Development [agenda item 7]

81. The representative of the secretariat referred the experts to the note on the date, venue and theme of the fifty-third session of the Conference of African Ministers of Finance, Planning and Economic Development in 2020, set out in document E/ECA/COE/38/16. He proposed that the meeting be held in Addis Ababa from 18 to 24 March 2020 on the theme, “The future of Africa: industrialization in the digital era”.

82. Possible dates were discussed for the fifty-third session of the Conference of Ministers in 2020. The Committee questioned the dates proposed for the next session and recommended that the secretariat consult with the African Union Commission on an appropriate date. The venue proposed by the secretariat was endorsed, on the proviso that no other proposal was made by a

member State.

83. The Committee, after deliberation, endorsed the proposed theme of the fifty-third session and requested the Bureau to consult with ECA on sub-themes.

84. In the light of the discussion, the Committee recommended that the secretariat should consult member States and present two or three proposals on sub-themes for the session.

VIII. Other matters [agenda item 8]

85. No other matters were raised.

IX. Consideration and adoption of the draft report on the meeting of the Committee of Experts and consideration of recommendations and draft resolutions [agenda item 9]

86. Experts reviewed and adopted the report of their deliberations, on the understanding that the secretariat would be entrusted with its finalization. The draft resolutions, as considered by the Committee, are attached in the annex to the present report for consideration and possible adoption by the Conference of Ministers.

X. Closing of the meeting [agenda item 10]

87. Following the customary exchange of courtesies, the Chair declared the meeting closed at 11.30 p.m. on Friday, 22 March 2019.

Annex

Draft resolutions for consideration by the Conference of Ministers

Draft resolutions, the text of which was approved by the Committee of Experts, are set out below for consideration and possible adoption by the Conference of Ministers.

A. Data and statistics

The Conference of Ministers,

Acknowledging the role of the national statistical system as the backbone of the transformative agenda for Africa, in supporting economic diversification and industrialization policies and promoting the implementation of the 2030 Agenda for Sustainable Development and Agenda 2063: The Africa We Want,

1. *Endorses* the report and resolutions of the sixth meeting of the Statistical Commission for Africa, held in Addis Ababa on 3 and 4 October 2018, on the theme: “Enhancing national statistical system capacity to support policies for Africa’s economic diversification and industrialization”;

2. *Takes note* of decision EX.CL/Dec.987(XXXII) of the Executive Council of the African Union to allocate 0.15 per cent of national budgets to support the production, dissemination and use of statistics for the implementation of national development plans, the 2030 Agenda and Agenda 2063;

3. *Urges* development partners to enhance the capacity of national statistical systems in line with the growing demand for statistics;

4. *Encourages* member States to mainstream geospatial and non-geospatial information technologies as a basic framework for supporting statistical production and the dissemination of statistical data;

5. *Calls upon* member States to mainstream national strategies for the development of statistics into national development plans and budgeting processes;

6. *Also calls upon* member States to review and amend, as appropriate, their respective regulatory frameworks relevant to statistics in the light of the Fundamental Principles of Official Statistics and the African Charter on Statistics;

7. *Requests* member States to increase the availability of data relevant to the indicators of the Sustainable Development Goals and integrated regional indicators;

8. *Urges* member States to undertake the 2020 round of population and housing censuses to support implementation of the 2030 Agenda and Agenda 2063;

9. *Encourages* member States to strengthen civil registration and vital statistics systems;

10. *Urges* member States to support national statistics offices and related line ministries in adopting international statistical standards, to fully implement the 2008 System of National Accounts and to compile and update supply and use tables;

11. *Invites* member States to consider integrating the International Comparison Programme into regular price collection as best practice and use, in particular in the light of the African Continental Free Trade Area process;

12. *Requests* the Economic Commission for Africa to strengthen the capacity of member States to make use of the integrated tool developed by the Commission for monitoring implementation of the 2030 Agenda and Agenda 2063.

B. Midterm review of the Vienna Programme of Action for the Landlocked Developing Countries for the Decade 2014–2024

The Conference of Ministers,

Reaffirming the 2030 Agenda for Sustainable Development; Agenda 2063: The Africa We Want; its resolution 934 (XLVIII), in which African landlocked and transit developing countries, regional and subregional organizations and all other stakeholders were invited to implement the Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014–2024 in a coordinated, coherent and expeditious manner,

Recalling General Assembly resolution 72/232 in which the Assembly decided to convene a comprehensive high-level midterm review on the implementation of the Vienna Programme of Action, to be held in December 2019, and decided also that the high-level midterm review should be preceded by regional preparatory meetings, as appropriate and within existing resources,

Noting that African landlocked developing countries have made mixed progress towards the implementation of the Vienna Programme of Action and continue to lack adequate infrastructure, in particular, transport, energy and information communications technology infrastructure, and also continue to concentrate their export markets on a very limited number of products and to be confronted with complex development challenges,

1. *Takes note* of African Regional Midterm Review Meeting of the Vienna Programme of Action, held on 18 and 19 March 2019 in Marrakech, and endorses its outcome;

2. *Encourages* African landlocked developing and transit developing countries to intensify their efforts to implement the Vienna Programme of Action;

3. *Calls upon* development partners, relevant organizations of the United Nations system, the private sector and other stakeholders to further strengthen their efforts to accelerate the implementation of the Vienna Programme of Action;

4. *Calls upon* the Economic Commission for Africa to continue to provide technical support to the region's landlocked developing countries in areas related to the Vienna Programme of Action, such as infrastructure investment, transport facilitation, productive capacity development, logistical integration and logistics cost studies;

5. *Requests* the Economic Commission for Africa, the United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, the African Union, the African Development Bank and other relevant regional organizations further to assist African landlocked developing countries and transit developing countries in infrastructure development, development of bankable projects, production capacity development, trade facilitation and structural transformation through, in particular, enhanced investment and technical assistance, and to promote greater cooperation between African

landlocked developing countries and transit developing countries and enhanced regional integration;

6. *Requests* the Economic Commission for Africa, in collaboration with the United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, to undertake the ten-year regional review of the implementation of the Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014–2024.

C. 2020 programme plan and budget

The Conference of Ministers,

Recalling General Assembly resolution 72/279 of 31 May 2018 on repositioning of the United Nations development system in the context of the quadrennial comprehensive policy review of operation activities for development of the United Nations system in which the Assembly reaffirmed the role and functions of the United Nations development system at the regional level, including the regional economic commissions and the regional teams of the United Nations development system, and underlined the need to continue to make them fit for purpose in supporting the implementation of the 2030 Agenda on Sustainable Development, and to revamp the regional structures, recognizing the specificities of each region and bearing in mind that no one size fits all,

Recalling also General Assembly resolution 71/243 of 21 December 2016 on the quadrennial comprehensive policy review of operational activities for development of the United Nations system,

Recognizing the continuing efforts of the Economic Commission for Africa to reposition itself and to enhance its programmatic orientation to be able to effectively support the implementation of and follow-up to the 2030 Agenda, the Addis Ababa Action Agenda of the Third International Conference on Financing for Development and Agenda 2063 of the African Union,

Noting with appreciation the vision of the Economic Commission for Africa to deliver ideas and actions for an empowered, inclusive and transformed Africa in the framework of the 2030 Agenda and Agenda 2063 through its three core functions, namely, its function as a think tank, its convening function and its operational function,

Having examined the 2020 programme plan and budget,¹

1. *Calls upon* the Economic Commission for Africa to develop a medium-term programme framework covering three to five years, to facilitate the engagement of member States with the Commission; annual plans and budget will be derived from the framework and performance measured on its bases;

2. *Also calls upon* the Economic Commission for Africa to increase the level of ambition in its programme of work;

3. *Adopts* the 2020 programme plan and budget of the Economic Commission for Africa, taking into consideration the above calls.

¹ E/ECA/COE/38/12.

D. Protocol to the Convention on International Interests in Mobile Equipment on Matters specific to Railway Rolling Stock

The Conference of Ministers,

Mindful that the African continent has a continuing shortfall in investment in transportation infrastructure,

Recognizing that railways constitute an efficient and environmentally sustainable way of moving people and goods within individual African States and across the continent,

Acknowledging that African States are committed to modernizing and expanding the existing national and regional rail networks,

Mindful that, under relevant African Union guidelines, new African rail networks should ideally be constructed using the standard rail gauge, measuring 1,435 mm, which will require States or State-owned enterprises to make major new investments in railway rolling stock,

Recalling that States or State-owned or private rail operating companies will incur considerable costs as a consequence of renewing or extending the rail infrastructure and rolling stock and will therefore need to attract substantial private capital and foreign investment,

Recognizing that the African rail system will need to be operated as cost-effectively as possible,

Noting that, to date, more than 20 African States have become party to the Convention on International Interests in Mobile Equipment and its Protocol on Matters specific to Aircraft Equipment,¹ both of which were adopted at Cape Town, South Africa, on 16 November 2001,

Mindful that, as yet, very few African States are fully familiar with the Protocol to the Convention on International Interests in Mobile Equipment on Matters specific to Railway Rolling Stock (Luxembourg Rail Protocol),

1. *Calls upon* the Economic Commission for Africa to continue, including through its subregional offices, its awareness raising and advocacy across the continent on the Protocol to the Convention on International Interests in Mobile Equipment on Matters specific to Railway Rolling Stock (Luxembourg Rail Protocol) at the earliest opportunity, with a view to elucidating its merits and potential contribution to the financing of rolling stock in rail projects;

2. *Also calls upon* the Economic Commission for Africa to inform interested parties from the public sector and the private sector across the continent on, and educate them in, the way that private credit and leasing can assist with providing the financial resources necessary to revitalize and expand the African rail network, and the benefits of becoming party to the Luxembourg Rail Protocol.

E. Review of the intergovernmental structure of the Economic Commission for Africa pursuant to its resolution 943(XLIX) and resolution 957(LI)

The Conference of Ministers,

Recalling its resolution 908(XLVI) of 26 March 2013, in which the Commission mandated the Executive Secretary of the Economic Commission

¹ United Nations, *Treaty Series*, vol. 2307, No. 41143.

for Africa to realign the programmes and priorities of the Commission to the new strategic orientation, with a view to supporting the transformative development agenda of the African Union,

Recalling also its resolution 943(XLIX) of 5 April 2016, in which it requested the Executive Secretary of the Commission to undertake an independent, comprehensive and thorough review of the intergovernmental structure of the Commission, including its Intergovernmental Committee of Experts,

Recalling further its resolution 957(LI) of 15 May 2018, in which it decided to grant additional time to the Commission to conduct further review and analysis of the intergovernmental structure of the Commission, and requested the Executive Secretary to report to the Conference at its next session on restructuring the conference structure and subsidiary bodies of the Commission, including the intergovernmental committees of experts,

Noting General Assembly resolution 72/279 of 31 May 2018, in which the Assembly reaffirmed the role and functions of the United Nations development system at the regional level, including the regional economic commissions and the regional teams of the United Nations development system, and emphasized the need to address gaps and overlaps at the regional level, and endorsed a phased approach to revamping the United Nations development system at the regional level,

Noting also the new strategic directions of the Economic Commission for Africa for an empowered and transformed Africa and the structural reform of the secretariat of the Commission to deliver ideas and actions for an empowered, inclusive and transformed Africa in the framework of the 2030 Agenda for Sustainable Development and Agenda 2063: The Africa We Want, through its three core functions, namely, its function as a think tank, its convening function and its operational function,

1. *Takes note* of the review of the intergovernmental structure, its findings and recommendations;

2. *Endorses* the following adjustments to the intergovernmental structure of the Economic Commission for Africa:

- (a) To organize the sectoral subsidiary organs as follows:
 - (i) Committee on Economic Governance;
 - (ii) Committee on Statistics and Data;
 - (iii) Committee on Private Sector Development, Regional Integration, Trade, Infrastructure, Industry and Technology;
 - (iv) Committee on Climate Change, Blue Economy, Agriculture and Natural Resource Management;
 - (v) Committee on Social Development, Poverty and Gender;

(b) To change the name of the subregional intergovernmental committees of experts to the intergovernmental committees of senior officials and experts, with a view to ensuring effective policy uptake and greater participation of senior government officials in the committees.

F. Progress in the implementation of the Programme of Action for the Least Developed Countries for the Decade 2011–2020 and preparation for the Fifth United Nations Conference on the Least Developed Countries

The Conference of Ministers,

Taking note of the report of the Economic Commission for Africa on progress in the implementation of the priority areas of the Programme of Action for the Least Developed Countries for the Decade 2011–2020 (Istanbul Programme of Action),

Recognizing that more than half of the population of Africa resides in least developed countries and that those countries have particular structural impediments to their sustainable development and transformation,

Noting with concern that African least developed countries continue to have low productive capacity, in particular in the manufacturing sector, that their share in global exports has declined since the adoption of the Istanbul Programme of Action, and that their receipts of official development assistance have been volatile and below the commitments set out in the Istanbul Programme of Action,

Welcoming the anticipated graduation from the least developed country category of Angola and Sao Tome and Principe, which will join those African countries that previously graduated, namely Botswana, Cabo Verde and Equatorial Guinea,

Affirming that the continued support of the international community will play a key role in overcoming many of the barriers to sustainable development that are faced by the least developed countries,

Recalling the Ministerial Statement adopted at the Second Joint Annual Meeting of the African Union Conference of Ministers of Economy and Finance and the Economic Commission for Africa Conference of African Ministers of Finance, Planning and Economic Development, in which Ministers called upon the Commission to organize a regional review meeting for Africa prior to the convening of the Fourth United Nations Conference on the Least Developed Countries,

Recalling also paragraph 157 of the Istanbul Programme of Action, in which the General Assembly was invited to consider holding a Fifth United Nations Conference on the Least Developed Countries, in order to make a comprehensive appraisal of the implementation of the Programme of Action and decide on subsequent action,

Taking note of General Assembly resolution 73/242 of 20 December 2018, in which the Assembly decided to convene the Fifth United Nations Conference on the Least Developed Countries at the highest possible level, including Heads of State and Government, to be held in 2021,

1. *Calls upon* African least developed countries to continue their efforts to mobilize resources both domestically and internationally and implement the Istanbul Programme of Action to accelerate economic and social development,

2. *Encourages* the Economic Commission for Africa and its development partners, including countries in Africa that are not in the least developed country category, to continue their support for implementation of the Istanbul Programme of Action,

3. *Invites* the Economic Commission for Africa, with the cooperation of the Office of the High Representative for the Least Developed Countries,

Landlocked Developing Countries and Small Island Developing States, to organize a regional review meeting for Africa in 2020, prior to the Fifth United Nations Conference on the Least Developed Countries.

G. Fiscal policy, trade and the private sector in a digital era: a strategy for Africa

The Conference of Ministers,

Taking note of the report of the Economic Commission for Africa on the status of fiscal policy in Africa and the finding in the report that there is a financing gap that needs to be closed to meet the 2030 Agenda for Sustainable Development and Agenda 2063: The Africa We Want,

Considering that the rapid digitization in today's world presents unique opportunities for fostering sustainable development, in particular, through enhanced public revenue mobilization and management, trade and private sector investment and finance,

Noting the efforts made by the Economic Commission for Africa, together with the African Union Commission, to launch the digital identity, digital trade and digital economy initiative for Africa,

Noting also decision EX.CL/Dec.2(XXXIV) of 8 February 2019 of the Executive Council of the African Union to mandate the African Union Commission, in collaboration with the Economic Commission for Africa and other relevant stakeholders, to develop a comprehensive African Union digital trade and digital economy development strategy,

Considering the challenges that the digital economy presents in tax policy, making it easy for businesses to shift profits from the use of digital assets, such as intellectual property, away from places where the income is generated to low-tax jurisdictions, thus resulting in erosion of the tax base,

Resolved to leverage the use of digital technology to strengthen revenue collection and public finance management in Africa, review current taxation frameworks to accommodate the digital economy, taking due account of the changing nature of businesses caused by digitization to support the efforts being made in the context of the digital identity, digital trade and digital economy initiative for Africa,

1. *Calls upon* decision-makers in Governments, the private sector and civil society to foster and prioritize financing for building digital infrastructure, working to digitize payments in every sector, and putting in place regulations to ensure that digital financial services may be used by everyone and everywhere and are duly protected against cybercrime;

2. *Urges* the Economic Commission for Africa to support member States in their efforts to develop frameworks that leverage digitization to strengthen revenue mobilization and public financial management through automation, digital identity and the modernization of fiscal processes;

3. *Requests* the Economic Commission for Africa, in collaboration with the African Union Commission, the African Development Bank, the World Bank, the Organization for Economic Cooperation and Development and other relevant partners, to develop a comprehensive African digital trade and digital economy development strategy, including principles for good digital identity and harmonized standards, and a regional regulatory framework for digital finance and financial technology.

H. Digitization and the digital economy initiative

The Conference of Ministers,

Recognizing the substantial benefits and opportunities of digital technologies and the key role that digitization can play in achieving the targets of the 2030 Agenda for Sustainable Development and Agenda 2063 of the African Union: The Africa We Want, and in promoting the overall development of Africa,

Recalling its resolution 941(XLIX) of 5 April 2016 on the organization of an annual African regional review of progress in the implementation of the outcomes of the World Summit on the Information Society, in which it reaffirmed the potential of information and communications technology to foster socioeconomic development,

Noting the decision of the Assembly of Heads of State and Government of the African Union at its thirty-second ordinary session, calling on the Economic Commission for Africa, the African Union Commission and other partners to develop a digital identity, digital trade and digital economy strategy for Africa to be submitted for consideration and endorsement by the Executive Council in February 2020,

1. *Commends* the Economic Commission for Africa for setting up the African digitization initiative;
 2. *Requests* the Economic Commission for Africa to continue to work on policy research, regional dialogue and capacity development on digitization and the digital economy in member States, in collaboration with the African Union Commission, regional economic communities, member States, the African Development Bank, the World Bank, the Organization for Economic Cooperation and Development and other stakeholders;
 3. *Also requests* the Economic Commission for Africa to fully operationalize a centre of excellence on digitization and the digital economy, with a view to tackling the critical issue of capacity shortfalls in the digital sector of member States, in collaboration with the African Union Commission, the regional economic communities, the African Development Bank, the Organization for Economic Cooperation and Development, development partners and African institutions of higher learning;
 4. *Urges* the Economic Commission for Africa to ensure that the centre of excellence on digitization and the digital economy has tangible, time-bound and results-based deliverables to support member States;
 5. *Invites* member States to consider developing strong security systems to combat cybercrime and cyber-related threats emanating from the digitization of their economies.
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