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**ECA Conference of Ministers of Finance, Planning and Economic Development
Twenty-sixth meeting of the Committee of Experts**

Opening Remarks

by

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UN Under-Secretary-General and
Executive Secretary of ECA**

**Addis Ababa, Ethiopia
29 March 2007**

Your Excellency Mr. Mekonnen Manyazewal, State Minister of Finance and
Economic Development of the Federal Democratic Republic of Ethiopia,
Your Excellency Dr. Maxwell Mkwezalamba, African Union Commissioner
for Economic Affairs
Your Excellency Mr. Bruno Nongoma Zidouemba, Ambassador of Burkina Faso to
Ethiopia,
Distinguished Experts,
Excellencies,
Ladies and Gentlemen:

Good morning.

I would like to welcome you to Addis Ababa, seat of the United Nations Economic Commission for Africa (ECA) and to the twenty-sixth meeting of the Committee of Experts of the Commission. I am pleased to have this opportunity to interact with you over the next few days on an important policy challenge for our continent – the challenge of meeting the Millennium Development Goals (MDGs).

I would like, with your permission, to thank the Outgoing Chair of your Bureau for so ably shepherding the affairs of the Committee of Experts over the last one year. We remember with gratitude the kindness and hospitality that the Government and people of Burkina Faso extended to us last year as hosts of this Conference. I would also like to extend our sincere appreciation to other members of the Bureau without whose help and cooperation the job of the Chair would have been immensely difficult.

Our gratitude also goes to our hosts, the Government and people of the Federal Democratic Republic of Ethiopia – our hosts for the nearly 50 years of our existence. You have been generous and have striven to create for us conditions conducive to our work in support of our countries.

In keeping with the spirit of renewed and close partnership, ECA has worked closely the African Union Commission (AUC) to organize this meeting. The African Development Bank also continues to partner closely with ECA and the AU Commission to support our countries in their development journey. I would also like to recognize the presence of the United Nations Development Programme (UNDP) and to thank them for partnering with us on this and other activities. Finally, I would like to recognize the presence of representatives of UN agencies who will be participating actively in our deliberations.

In this regard, you will be pleased to know that the UN community continues to work closely with the African Union Commission especially within the context of the Regional Consultative Mechanism. Last November, the UN and the AUC signed a Memorandum of Understanding to guide and enhance our support to the region over the next several years. We are excited by this and expect that the Memorandum of Understanding will result in a substantial increase in the level and scope of our support to Africa.

Distinguished Experts:

Meetings of your Committee serve as a primary platform for in-depth discussion of the pressing challenges to Africa's development and consideration of the options before our countries. Your contribution to the development of our continent is evident in the positive changes that have resulted from recommendations of your meetings of years past. Without your active participation, this Conference cannot fulfill its purpose. I thank you for your continued dedication to our continent.

Finally, I would like to thank members of the Press, Civil society organizations, the Addis Ababa Diplomatic community, and the friends of ECA and all of you in this room for honoring our invitation.

Ladies and Gentlemen:

We are meeting a little earlier this year than is usually the case; in March instead of May. This is for several reasons. First, there are many important international meetings early in the Spring, for example, the Spring meeting of the Bretton Woods Institutions to which we would like the outcome of this meeting to contribute. Second, African Finance Ministers will meet later in May, in Accra, Ghana, for the second African Ministerial Meeting on Financing for Development. Third, the African Development Bank (ADB) will be holding this year's Annual Meetings in Shanghai, China in May. We thought that this Conference should hold early to enable ample time for consultations among those going to China.

Last year, in Ouagadougou, I apprised you of our efforts to reposition ECA so that it may more effectively accompany our countries on their development journey. Since then, we have moved a long way to actualize the new vision for ECA. We prepared a bold, ambitious and comprehensive ECA Business Plan for 2007 to 2009. The Business Plan was launched at the fifth session of the African Development Forum (ADF V), which took place here in Addis Ababa last November, by the Secretary-General of the United Nations, supported by the Chairperson of the African Union Commission and the President of the African Development. It is based on the two pillars of ECA's work which are – "*Promoting regional integration in Africa*" and "meeting the continent's special needs" including supporting the development priorities of the New Partnership for Africa's Development (NEPAD).

The ECA Business Plan was also endorsed by the January 2007 Summit of the African Union Assembly of Heads of State and Government. We therefore have broad political support for the changes that we have been introducing in order to make ECA, a nimble and versatile institution. ECA is your institution and the Business Plan is yours, I therefore urge you to recommend it to our partners and leaders for their support.

Ladies and Gentlemen:

It has become quite clear to us at ECA that achieving the MDGs continues to present an especially difficult policy challenge for member States. You will learn from the "Overview of recent economic and social developments in Africa" that will be presented to you shortly that, in general, economic conditions in our region have been improving persistently in the past seven years. This is cheering news. But you will also learn from that report and later from the report on the MDGs in the region that progress towards these goals remains slow.

The issue is not that progress is not being made; it is that the rate of progress is low. With just about eight years left to 2015 and so much to do, it has become imperative that our region must speedily scale up its MDGs efforts. Member States need to scale up, Africa's development partners need to scale up, and ECA must scale up its assistance to member States on MDG planning, reporting, monitoring and evaluation because there is tremendous scope for us to really add value to what countries are doing. This is critical especially in the context of the resolution of the 2005 World Summit that countries with extreme poverty adopt by 2006 and begin to "implement comprehensive national development strategies to meet the international agreed development goals, including the Millennium Development Goals."

The choice of the theme of this year's Conference "*Accelerating Africa's Growth and Development to Achieve the Millennium Development Goals (MDGs): Emerging Challenges and Way Forward*" is thus a direct response to this identified need.

This is our second Conference with a theme on the MDGs in as many years. Our emphasis on this theme has been deliberate. Since their adoption in the Millennium Declaration in 2000, we have striven to place MDGs at the centre of the development debate in Africa. The theme of our 2003 Conference was "Towards Greater Policy Coherence and Mutual Accountability for Development Effectiveness". This was because we realized early on that without policy coherence and mutual accountability, international development cooperation fettered by high transaction cost and poor alignment, would not contribute its full potential to Africa's progress towards the targets of 2015. In Abuja, in 2005 within the context of our preparation for the 2005 UN World Summit and Mid-term Review of Progress towards the MDGs we chose the theme "Achieving the Millennium Development Goals in Africa".

We continue to focus on the MDGs, because, our analytical work shows that they remain a policy, operational and success challenge to our continent; we focus on them because you want us to. For example, the Ministerial Statement of the Abuja Conference stated and I quote:

"It is now critically important that we review both the progress we have made and the obstacles we have encountered in order to learn the lessons and become more operational".

In the period since Abuja, ECA has done exactly just as you directed – reviewed both the progress that member states have made and the obstacles that they have encountered. Our first quick review suggested that jobless growth was an obstacle to achieving the MDGs in Africa. Hence we chose “Employment” as the theme of the 2006 Conference. But further reviews suggested that indeed piecemeal approaches will not work, that it was necessary for us to bring all the challenges – as we have identified them – together in order to underscore the imperative of simultaneous action on many fronts.

As you all know, September 2007 is the midpoint to 2015, the date set by the international community for the achievement of the MDGs. This is a powerful reminder to all of us – African governments, development partners, the private sector, civil society organizations and ordinary citizens alike – that the date to make the necessary investments to scale up progress in order to reach the targets by the due date will soon be passed. The central message of this Conference therefore is that this continent must scale up ALL interventions in order to meet the MDGs by the target date. And it must do so now, drawing on both internal and external resources.

Our challenge therefore is to understand *how* our continent can reach the goals by the target date; what our countries must do, individually and collectively, to achieve success. The *whys* have been considerably analyzed and we have some pretty good idea of what we need to do but it is in respect of the *how it can be done* that we have considerably fallen short.

The 2005 UN World Summit has provided broad guidance in this regard. World leaders reaffirmed that “*each country must take primary responsibility for its own development*” and must “*adopt and implement comprehensive national development strategies to achieve the internationally agreed development goals and objectives, including the Millennium Development Goals.*” There is a technical challenge here, for you experts, to define the appropriate mix, for each of our countries, of comprehensive development strategies. This is not easy. The issues that we have identified in the Issues Paper, which you will soon debate upon, simply provide a roadmap. What is clear though is that we must identify, ameliorate, and attenuate the binding constraints on action.

In other words, beyond the technical challenge of working out the mix of policies, costing the interventions, and the like, there is the challenge of understanding and concurrently putting in place measures to attenuate or mitigate the possible unintended adverse effects of scaling up. Let me illustrate what I mean with a simple example. Consider the scaling up of infrastructure – say roads – to improve access of the poor to social services and markets. Without a doubt a new or upgraded road to a food producing region can, by improving access to markets, raise incomes and help reduce poverty. However, there might be unintended consequences such as rural-urban migration, which would need to be addressed at the same time. There is thus a challenge for you, our experts, to come up with innovative schemes to manage these tensions. We need to scale up but in a manner that is not only inter-temporally sustainable but that also takes account of possible unintended consequences.

Ladies and Gentlemen:

Scaling up public sector investments depends critically on scaling up financing. The Monterrey Consensus on Financing for Development, which is up for review next year, and which is also on your agenda, provides a strong framework for mobilizing resources to meet the MDGs. There has been some progress in this regard. Foreign direct investment to our region is going up. The G-8 Multilateral Debt Relief Initiative (MDRI) presents hope that the debt problem of many countries will soon be finally resolved. On the domestic front, countries are intensifying efforts to increase domestic resource mobilization. Countries are beginning to manage revenues from their natural resources better, an issue which was the subject of our last "Big Table" meeting which took place here in Addis Ababa last February. There is however a lot still to be done on trade. The suspension of the Doha Round of trade negotiations is constraining the scope for trade to contribute to financing MDGs in Africa. I therefore hope for the speedy resuscitation of the Doha round of trade negotiations and call on African negotiators to ensure that its essential character as a development round is not diluted. It is in this context that we should welcome the "aid-for-trade" initiative which aims to help developing countries overcome their trade-related challenges. I feel that if properly harnessed, this initiative has the possibility of enhancing the contribution of trade to economic development in Africa.

Ladies and Gentlemen:

In the "Annual Report on the Work of the Commission for 2007" and from the "Proposed Programme of Work and Priorities for the Biennium 2008-2009 that will soon be presented to you, you will find that the structure of the Commission has been redesigned to enable greater coherence and better focus on its core activities. In particular, we have created two new sub-programmes - Sub-programme 9 on Statistics and Sub-programme 10 on Social Development - to enhance our support to member States in these areas. As the MDG maps on the walls outside this room demonstrate, statistics is a subject that requires our urgent attention. We need to commit the resources and scale up the effort to address the data problems in our region and your support is needed in the effort to improve statistics and statistical capacity in Africa. The sub-programme on social development will enable us to better address the second prong of ECA's mandate which is "to promote the social and economic development of" Africa.

We went even further and ensured that there are sections to address issues relating to the MDGs and poverty analysis, development financing, industry, science and technology and the environment. Recognizing that success on the priorities of the NEPAD is essential for progress on the MDGs, we created a NEPAD Support Unit to coordinate our support to NEPAD and an APRM Support Unit, to provide similar assistance to the African Peer Review Mechanism (APRM).

Peer learning and knowledge sharing remain critical for success in our joint endeavour. ECA is therefore scaling up its peer learning and knowledge sharing initiatives. For example, consistent with the recommendation of the Cairo African Plenary on Poverty Reduction Strategies and the Millennium Declaration Goals, we are revitalizing the African Learning Group on Poverty Reduction Strategy Papers (PRSP-LG), and expanding its warrant to include learning on the MDGs. As a follow up to the outcome of the 2007 Big Table on the theme *Managing Africa's Natural Resources for Growth and Poverty Reduction*, we intend to start-up by the end of this year, a peer learning group on natural resources management.

Our newly re-energized Sub-regional Offices (SROs) will play an active role as operational arms of the Commission and as sub-regional hubs of ECA's peer learning and knowledge sharing initiatives. They will also work as privileged partners of the Regional Economic Communities to advance the African development agenda at the sub-regional level. The General Assembly has supported the Secretary-General's Action Plan for the SROs and made additional resources available to them. The Business Plan also provides for even higher levels of support to these offices during the plan period.

We are also continuing to scale-up cooperation and collaboration with our two main Pan African partner institutions, notably the African Union Commission and the African Development Bank. The second AUC Conference of Ministers of Economy and Finance (CAMEF II) recommended that the AUC and ECA should harmonize their conferences of Ministers responsible for finance and economic development. This is a matter on which we would like the Ministers to make a positive pronouncement. Our collaboration with the other sister pan African institution, the African Development Bank remains strong. Last September our two institutions held a Retreat to discuss and agree areas for joint and collaborative activities. The outcome of that meeting was an Aide-memoire, the implementation of which has already commenced. In addition, ECA and ADB jointly organized the Big Table and will next month, as in previous years, collaborate on the Ministerial Roundtable and High Level Seminars at the Shanghai meetings of the ADB.

We continue to strengthen our partnership with our UN System colleagues, and have signed Memorandums of Understanding with UNDP and UNFPA. ECA and UNDP are supporting MDG-based planning in member States and are, together with the AUC and the ADB preparing an MDG Report for submission to the AU Summit in July in Accra, Ghana.

These partnerships - and new ones that we hope to build and nurture in the coming months - have one thing in common: to enhance our ability as your institution to more effectively accompany our member States in their development journey, including in their efforts to reach the MDGs by the target date.

Dear Experts:

I have touched on many of the issues on your agenda. A number of them including "Aid for Trade", the SROs, Financing for Development, and Statistics would require resolutions from you. But there are other issues on your agenda, including the African Institute for Economic Development and Planning (IDEP) and statutory matters that we have brought before you for consideration and guidance. In Ouagadougou, you asked me to undertake a review of the African Institute for Economic Development and Planning (IDEP) and to report back to you at the next Session of the Commission. A team of independent consultants was empanelled to assist us in undertaking this task. I am glad to inform you that the team will present its preliminary findings to you for consideration and further guidance.

On statutory matters, the proposed work programme and priorities of the Commission for 2008 – 2009 which is being placed before you has been prepared on the basis of the new programme orientation as laid out in the Business Plan. The proposed work programme covers the ten sub-programmes which make up the new programme structure of the Commission. Your views and recommendations on the work programme will be transmitted to the General Assembly through the usual processes.

Finally, it is proposed to streamline the inter-governmental machinery and align it with the new programme orientation. A key feature of this revised structure is the creation of new sectoral committees to guide the work of the sub-programmes as re-arranged and to elevate of the meetings of the Inter-governmental of Committee of Experts (ICE) – the governing body of our SROs – into sub-regional meetings of Finance and Planning Ministers. It is proposed to organize these ICE meetings back-to-back with ministerial meetings of relevant Regional Economic Communities to optimize the use of time and resources. You are requested to review this new structure and provide guidance and/or recommendations
Distinguished Participants:

The eminent Nigerian novelist, Chinua Achebe, in his book *Home and Exile*, tells the story of a little bird that flew off the ground and landed on an anthill. The little bird congratulated itself believing that it had left the ground not knowing that the anthill was part of the ground. Let us not be like the little bird and its illusory flight. Scaling up must mean a positive demonstrable change in the lives of people. The Secretary-General's report - *In Larger Freedom* – submitted to the 2005 UN World Summit, encouraged countries to prepare national development strategies or PRSPs that are sufficiently bold and ambitious to reach the MDGs by the target date. Let me, with your permission, purloin the SG by saying that you must be bold and ambitious in discussing the Issues Paper to provide the best possible guidance to our Ministers to enable them take the decisions necessary for our region to meet the targets. This is a challenge that I know and believe that we can successfully achieve.

I wish you success and look forward to the outcome of your discussions.