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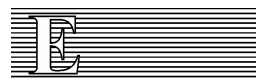
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and Economic Development**



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**REPORT OF THE COMMITTEE OF EXPERTS OF THE THIRD JOINT
ANNUAL MEETINGS OF THE AU CONFERENCE OF MINISTERS OF
ECONOMY AND FINANCE AND ECA CONFERENCE OF AFRICAN
MINISTERS OF FINANCE, PLANNING AND ECONOMIC
DEVELOPMENT**

Introduction

A. Attendance

1. The Committee of Experts of the Third Joint Annual Meetings of the AU Conference of Ministers of Economy and Finance and ECA Conference of African Ministers of Finance, Planning and Economic Development was held in Lilongwe, Malawi from 25 to 28 March 2010. Mr. Yasser Sobhi, who chaired the opening session, delivered an opening statement on behalf of the Deputy Minister of Finance of the Arab Republic of Egypt and outgoing Chairperson of the Committee of Experts of the AU Conference of Ministers of Economy and Finance and ECA Conference of African Ministers of Finance, Planning and Economic Development. Opening statements were also made by Dr. Maxwell Mkwezalamba, Commissioner for Economic Affairs of the African Union Commission (AUC) and Mr. Abdoulie Janneh, United Nations Under-Secretary-General and Executive Secretary of the Economic Commission for Africa (ECA). The meeting was formally opened by Honourable Ken Kandodo, Minister of Finance of the Republic of Malawi.
2. The meeting was attended by representatives of the following member States: Algeria, Angola, Burkina Faso, Burundi, Cameroon, Chad, Côte d'Ivoire, Democratic Republic of Congo, Djibouti, Egypt, Ethiopia, the Gambia, Ghana, Guinea, Kenya, Lesotho, Malawi, Mauritania, Mauritius, Morocco, Mozambique, Namibia, the Niger, Nigeria, Rwanda, Senegal, Sierra Leone, South Africa, the Sudan, Swaziland, Tanzania, Togo, Tunisia, Uganda, Zambia and Zimbabwe.
3. The following regional economic communities were also represented: Common Market for Eastern and Southern Africa (COMESA), the East African Community (EAC), the Southern African Development Community (SADC); and the Union économique et monétaire ouest africaine (UEMOA).
4. The following United Nations bodies and specialized agencies were also represented: African Development Bank (AfDB), Food and Agriculture Organization of the United Nations (FAO), International Labour Organization (ILO), International Monetary Fund (IMF), International Maritime Organization (IMO), International Organization for Migration (IOM), International Telecommunications Union (ITU), Office of the High Representative for Least Developed, Land-Locked and Small Island Developing States (OHRLLS), Office of the Special Advisor on Africa (OSAA), Joint United Nations Programme on HIV/AIDS (UNAIDS), United Nations Children's Fund (UNICEF), United Nations Development Programme (UNDP), United Nations Educational, Scientific and Cultural Organization (UNESCO), United Nations Population Fund (UNFPA), United Nations High Commissioner for Refugees (UNHCR), United Nations Industrial Development Organization (UNIDO), the World Bank, World Food Programme (WFP), and the World Health Organization (WHO).
5. Observers were also present from Member States of the United Nations, namely: China, Japan, Norway, Russia, and the United States of America.
6. Observers were also present from the following organizations: African Monitor, AFRINIC Limited, African Forum and Network on Debt and Development (AFRODAD), Centre for Human Rights (CHR), Department Of Information Systems and Technology Management Services (DISTMS), European Union (EU), ICT Association of Malawi, Japan International Cooperation Agency (JICA), League of Arab States (LAS), Malawi Congress of Trade Unions, Malawi ISP Association, MTL Malawi, NOKIA, NEXT, Organisation Internationale de la Francophonie (OIF), Organization of African Trade Union Unity (OATUU), OXFAM

International, Third World Network Africa (TWN Africa), United States Agency for International Development (USAID), and ZAIN Malawi.

B. Adoption of the agenda and election of the Bureau

7. The following proposed draft agenda and programme of work were adopted without amendment:

1. Opening of the meeting
2. Election of the Bureau
3. Adoption of the agenda and programme of work
4. Overview of recent economic and social developments in Africa
5. Assessment of progress in regional integration in Africa
6. Africa regional review of progress towards the Millennium Development Goals
7. Follow-up to the outcomes of major United Nations and African Union conferences and summits, including the 2009 Joint Annual Meetings of the AU and ECA
 - a. *Report on the outcome of the Africa regional review of Progress in the implementation of the Brussels Programme of Action for the Least Developed Countries for the decade 2001-2010;*
 - b. *Progress report on the implementation of the Monterrey Consensus on Financing for Development;*
 - c. *Progress report of the 10th Regional Consultation Mechanism of United Nations agencies working in Africa in support of the African Union and its NEPAD programme;*
 - d. *Climate change and development;*
 - e. *Progress report on the implementation of the 2004 Ouagadougou Declaration on Employment and Poverty Alleviation and similar commitments;*
 - f. *Strategy for the harmonization of statistics and implementation of the African Charter on Statistics.*
8. Presentation and discussion on the theme of the Conference: *Promoting high-level sustainable growth to reduce unemployment in Africa*
9. Statutory issues
 - a. *Presentation and consideration of the ECA Annual Report, 2010;*
 - b. *Presentation and consideration of ECA's proposed biennial programme plan, 2012-2013 and ECA Business Plan, 2010-2012;*
 - c. *Presentation and consideration of ECA's Programme Performance Report for the biennium 2008-2009;*
 - d. *Note by the Executive Secretary on recent organizational changes in ECA;*
 - e. *Independent external evaluation report on ECA's subregional offices;*

- f. Report on the repositioning of the African Institute for Economic Development and Planning;*
 - g. Review of progress in the implementation of the Africa-EU Joint Strategy and First Action Plan.*
- 10. Any other business
- 11. Consideration and adoption of the draft report of the Committee of Experts and draft resolutions
- 12. Closing of the meeting

Election of the Bureau

8. The following officers were unanimously elected by the Committee to form the new Bureau:

Chairperson:	Malawi	- Representing Southern Africa
First Vice-Chairperson:	Sierra Leone	- Representing West Africa
Second Vice-Chairperson:	Rwanda	- Representing East Africa
Third Vice-Chairperson:	Cameroon	- Representing Central Africa
Rapporteur:	Morocco	- Representing North Africa

C. Account of proceedings

Opening addresses

9. In his opening statement, Mr. Yasser Sobhi, speaking on behalf of the Deputy Minister of Finance of Egypt and Chairperson of the Outgoing Bureau of the Committee of Experts, said that the meeting provided an excellent opportunity for sharing of experiences and exploring new ideas to steer the continent on the path to prosperity. He recalled the outcome of the last Conference held in Cairo, Egypt in June 2009, on the theme, *Enhancing the Effectiveness of Fiscal Policy for Domestic Resource Mobilization* and the recommendations made at the time on addressing the negative impacts of the global economic and financial crises on African countries. As the Finance Minister of Egypt had said at the Cairo meeting, growth must be based on stable, solid, and sustainable institutional and economic fundamentals, not on external aid. Hence, fiscal policy should target the promotion of growth and should encompass enabling tax policy, expenditure programmes, and business and trade environments.

10. To underscore the significance of this year's theme, Mr. Sobhi reminded the meeting of the high rates of unemployment across Africa and the fact that projected GDP growth rates were insufficient to create adequate jobs for new entrants in the job market as well as those already unemployed or underemployed. He called for diversification of economies, which would ensure private sector-led growth and real and sustainable job opportunities. He stressed the importance of education and training as well as the need to pursue bold reforms to put African economies on a sound footing to face the challenges of global competition. He concluded by underscoring the significant potentials of the continent, with a huge market of nearly one billion consumers and a rich natural resource base, which had led to the continent's increasing attractiveness to foreign investors.

11. In his opening statement, Dr. Maxwell Mkwezalamba, Commissioner for Economic Affairs of the AUC, noted that the theme of the Conference, “Promoting High-Level Sustainable Growth to Reduce Unemployment in Africa” was both timely and relevant in view of the current outlook for Africa’s growth in 2010 and 2011, which, according to forecasts, would remain below levels required to achieve the MDGs. He observed that the economic and financial crises had resulted in a slowdown in economic growth and exacerbation of unemployment and poverty. He attributed the problem partly to the exposure of African economies due to their lack of production and export diversification. To diversify risks and attain broad-based growth, he stressed the need to support export orientation with strategies to promote domestic markets, support Small and Medium Enterprises (SMEs) and enhance regional integration.

12. The Commissioner further stressed the need to increase the flexibility of macroeconomic frameworks to ensure that fiscal and monetary policies were effectively coordinated to deliver real benefits to people; examine options for growth other than exports and Foreign Direct Investment (FDI), in particular by developing domestic and subregional markets and reducing reliance on foreign markets; and by enhancing subregional and continental integration efforts which will eventually lead to greater levels of intra-Africa trade. He referred, in that regard, to the Minimum Integration Programme (MIP), developed by the AUC in collaboration with Regional Economic Communities (RECs), and called on member States to fully participate in the consultations scheduled for later on in the year. Member States were also urged to sign and ratify the Protocol and Statutes of the African Investment Bank as well as the African Charter on Statistics, in view of the importance of the Bank and statistical development in the socio-economic development of the continent. Finally, he invited the meeting to examine the Millennium Development Goals (MDGs) Africa Report for 2010 and draft African Common Position on MDGs and come up with recommendations to ensure the realization of the vision of African leaders.

13. In his opening statement, Mr. Abdoulie Janneh, Executive Secretary of ECA, underscored the significance of the joint annual meetings which provide an opportunity for Africa’s leading development experts to exchange views on the continent’s progress over each preceding year, on what ECA had done in pursuit of its mandate during that period while creating an opportunity to review a broad range of issues of development interest. He highlighted the negative impacts of the multiple crises that had beset the world in the past two years - food, fuel and financial crises on African economies, and particularly on poor households which had experienced reduced purchasing power and had to contend with lower incomes due to rising unemployment and reduced remittances.

14. The Executive Secretary informed the meeting that ECA had embarked on a series of initiatives to help the continent to design appropriate and coherent policy responses to mitigate the impacts of the crises and related challenges. Among them were actions taken to support the Committee of Ten Ministers of Finance and Governors of Central Banks charged with articulating Africa’s common response to the crises and working with partners to explore innovative options for domestic resource mobilization. Another key area of focus was climate change. In that regard, ECA had continued to support African countries in their participation in various global processes, such as the Copenhagen Climate Change Conference. Convinced that the financial commitments made in Copenhagen could be met, the Executive Secretary stressed the need to take adequate steps to disburse a significant proportion of such funds to African countries. Furthermore, he emphasized the need for Africa to continue to speak with one voice to ensure that its interests and concerns were taken into account in global processes.

15. Highlighting the conclusions of the 2010 report on “Assessing Progress in Africa towards the MDGs”, the Executive Secretary noted that new evidence suggested that poverty in Africa was falling faster than the conventional wisdom that Africa was not on track to achieve its poverty-reduction goals. However, the unemployment situation in the continent continued to be a cause for concern. Mr. Janneh observed that the economic crisis provided an opportunity to pursue policies that would not only mitigate the prolonged effects of the global downturn but also steer the continent to a path of high, sustainable and employment-friendly economic growth. He called for innovative thinking in addressing the unemployment challenge by harnessing opportunities that existed in key sectors such as agriculture, industry and Information and Communication Technology (ICT). Also important was the need to pursue higher value addition in global trade, the deepening of regional integration, the provision of greater access to finance, the improvement of national capacity to deliver services and implement policies, good governance and maximize the benefits from partnerships.

16. In his opening statement, Honourable Ken Kandodo, Minister of Finance of the Republic of Malawi, described the theme of the meeting, “Promoting high-level sustainable growth to reduce unemployment in Africa” as timely, especially against the backdrop of the recent global economic and financial crises. He expressed the hope that the deliberations of the Committee of Experts would contribute to accelerating Africa’s growth recovery. He stressed the close link between growth, employment creation and poverty reduction and described as a paradox the inability of impressive economic growth to create new jobs. He stressed the need for governments to strengthen capacities in order to provide the necessary enabling conditions for private sector-led growth, by ensuring better regulation and functioning of markets, exercising fiscal prudence in pursuit of better economic governance, and promoting transparency in public financial management. The Minister highlighted a number of issues which he considered critical to attaining high-level sustainable growth in Africa, including national and regional planning, given the link to the promotion of regional economic integration and development of robust regional financial and capital markets; agriculture and climate change which required heavy investments to increase productivity and effectively address issues of food security and nutrition; and infrastructure development which was needed to unlock economies of scale, increase competitiveness and enhance intra-regional trade, all of which would contribute to economic growth.

17. The Minister expressed concern over Africa’s vulnerability to external shocks, attributable partly to excessive dependence on primary commodities with very limited value addition. Hence, he called for the adoption and implementation of effective long-term policies and strategies that could promote economic transformation through high-level sustainable growth, create decent jobs and alleviate poverty. Such policies and strategies must be sensitive to the needs of vulnerable groups such as women, youth, the elderly and people with disabilities. He emphasized the importance of intra-African trade in promoting agro-industries, manufacturing and increased competitiveness and, in that regard, stressed the need for RECs to be encouraged to speed up the elimination of all barriers within Africa while promoting regional integration as well as regional value chains.

Overview of recent economic and social developments in Africa [Agenda item 4]

18. The Committee considered a document entitled “Overview of recent economic and social developments in Africa in 2009” highlighting the three main messages. First, the crisis had taken a heavy toll on economic activity, employment and social conditions in Africa. Second, growth was expected to pick up in 2010 although at a slower pace. Third, the prospects of achieving

social development and the overall objectives of NEPAD and MDGs would be compromised unless bold actions were taken to ensure that African countries embarked on a path of high, sustainable and employment-focused growth.

19. The presenter provided an assessment of the impact of the crisis on the African economy in 2009. Inflationary pressures had receded, except in a few countries, export and government receipts as well as foreign capital inflows to the continent had declined. As a result, fiscal and current-account balances had deteriorated. As real activity slowed down, the employment situation, particularly among vulnerable groups, had worsened, as had poverty rates. However, the overall growth picture in 2009 masked disparities across subregions and countries, with oil-exporting countries growing more strongly than oil importers and East Africa recording the fastest growth rate among all subregions.

20. Turning to social development trends, the presenter highlighted the limited progress made in reducing poverty, eradicating hunger and maternal mortality and addressing gender disparities. On the other hand, important strides had been made towards increasing primary school enrolment, measles vaccination and the use of insecticide-treated bed nets, as well as in reducing the prevalence of HIV in some countries. The speaker concluded his assessment by underlining the dire employment situation, which had had a bearing on poverty in much of Africa. The diversification of production and export bases held the key to high and sustainable growth and employment generation. For broader economic and social development to happen, the concerns of vulnerable groups should be put at the forefront of the development agenda in Africa.

21. In the ensuing discussion, the Committee took note of the good quality of the report. However, experts from some countries perceived discrepancies between the 2009 data on GDP and inflation used in the report and those currently available at country level. Also, some data, particularly on current-account balances were missing for some countries, and more country-specific analysis on the real-sector and current-account balances were needed. Participants also highlighted the impact of the economic crisis on mining activity, which accounted for a significant share of GDP in some countries. The recent crises had increased the number of non-performing loans in the banking system, leading to a deterioration in the balance sheets of commercial banks. That, in turn, might negatively affect the ability of banks to extend credit, thus hampering private investment and economic growth. Hence the deterioration of commercial bank balance sheets and the contraction in bank credit should be considered important downside risks threatening the short-term economic prospects of some countries.

22. Experience had shown that global economic recovery might not automatically transmit to African countries. Consequently, a quick recovery in Africa would require countries to continue to implement bold stimulus packages to mitigate the effects of the crises and set themselves on a path of high and sustainable growth. The Committee highlighted the resilience of most African economies during the recent crises, attributing that to good initial macroeconomic conditions, such as substantial foreign exchange reserves and low fiscal deficits.

23. The following key recommendations emerged from the discussion:

- (a) African countries should learn from the crises and revisit their national development policies and other strategies so as to move away from their heavy dependence on primary commodities;
- (b) African governments should promote backward and forward linkages between sectors and within countries. Regional integration constituted a means to achieve

this objective and such structural changes would lead to productivity improvements in Africa.

Assessment of progress in regional integration in Africa [Agenda item 5]

24. Under this agenda item, the Committee took note of a report presented on the status of regional integration in Africa, highlighting in particular the various stages reached by the eight RECs recognized by the African Union in line with the Abuja Treaty establishing the African Economic Community.

25. The presenter noted that most of the RECs currently had reached the stage of free-trade areas (FTA) while one of them was at the customs union stage. The presenter further noted that a tripartite Summit of COMESA, SADC and EAC had agreed to establish a tripartite Free Trade Area.

26. The presenter identified several challenges impeding the progress of regional integration in Africa, including inadequate implementation of the related protocols and funding of regional integration processes. Among the initiatives taken to address those challenges were the ongoing process of transforming the AUC into an Authority; the establishment of an African Investment Bank, African Monetary Fund and African Central Bank; the ratification of the African Charter on Statistics; the implementation of the Programme for Infrastructure Development in Africa (PIDA) and the MIP. The presenter stressed that the success of the MIP would depend on its ownership by all stakeholders and the degree to which it was integrated into national development plans and the programmes of RECs, AU and other development partners.

27. In the ensuing discussion, participants emphasized the importance of regional integration in achieving sustainable development in Africa and called upon member States to reaffirm their commitment to the integration process. In that regard, they needed to strengthen peace, security and stability, and to facilitate the free movement of people and factors of production.

28. The Committee endorsed the following recommendations to support and accelerate regional integration efforts:

- (a) Member States should renew their commitment to regional integration;
- (b) Member States, the AU, the United Nations and development partners should work together to find solutions to the conflicts holding back the continent's integration and development;
- (c) Member States should strive to implement the decisions and recommendations of the Conference of African Ministers of Integration (COMAI) endorsed by the AU Heads of State and Government, especially the recommendations relating to free movement of people and the funding of integration;
- (d) In its implementation, the MIP needed to be mainstreamed into national development plans, including support from the AU, RECs, ECA, the African Development Bank (AfDB) and development partners;
- (e) Member States should continue to support the work of ECA, AUC and AfDB in the area of regional integration including the preparation of the report on *Assessment of Regional Integration in Africa (ARIA)*, which provides a comprehensive analysis and assessment of progress made in integration in the continent, and informs policy making on integration issues;

- (f) Measures should be taken to facilitate the effective participation of landlocked and transit countries in the process of regional integration by eliminating physical and non-physical barriers to trade and providing support to transport corridor management mechanisms;
- (g) Member States should take advantage of the opportunities offered by the ECA African Trade Policy Centre (ATPC) in the field of trade-related capacity-building and the promotion of intra-African trade.

Africa regional review of progress towards the Millennium Development Goals [Agenda item 6]

29. Under this agenda item, the Committee considered the progress report on the MDGs in Africa and a draft African Common Position on the MDGs. In introducing the progress report, the presenter noted that it was the fourth progress report now jointly prepared by ECA, AUC, AfDB, and the UNDP. The Committee was informed that the outcome of the present review would feed into the Ministerial Statement and, in turn, inform the upcoming General Assembly high-level review on the MDGs scheduled to take place in September 2010.

30. Progress towards the MDGs over the past ten years had been mixed. Africa had made rapid progress on several fronts, including in primary education and in fighting malaria, HIV/AIDS and other diseases, but it still faced significant challenges in the delivery of public services, including infrastructure, governance, poverty and hunger eradication, child and maternal mortality reduction. The overall assessment, however, masked disparities across countries and targets.

31. Achieving the MDGs would require scaling up interventions in health, education and basic infrastructure and social services, since these explained much of the slow progress by the continent in achieving some of the goals, particularly those related to health. The presenter also stressed the need for additional resources in meeting the MDGs. In that regard, robust domestic resource mobilization must be complemented by timely and predictable financing from development partners to support national strategies for development. Resources should be targeted at promoting shared growth to facilitate job creation, improve infrastructure and reduce inequalities, including gender disparities. In view of the limited time remaining to 2015, it was also stressed that African countries needed to look well beyond 2015 to attain the MDGs.

32. The Committee was informed that UNDP's recent work had shown that policy and institutional innovations had significantly contributed to progress towards the MDGs in some countries. Two types of innovations were identified: those that were cross-sectoral and those that were sector-specific. Obviously, with the right policies, institutions and international support, attainment of the MDGs was still possible.

33. While welcoming the quality of the report, the Committee expressed concern over some aspects, notably sources of data and statistics. A number of participants noted that some of the data used in the report were not up to date, while others highlighted the usual discrepancies between United Nations data and national data. The Committee also expressed concern about the tendency to focus on universal primary education at the expense of the quality of education. To address that problem, the Committee underscored the need to improve the generation of quality statistics for tracking the MDGs.

34. A draft African Common Position on the MDGs was also presented by a representative of the secretariat. The common position had been prepared on the basis of the recommendations in

the 2010 Africa MDG Report. The common position underscored the need for Africa to speak with one voice and define its priorities based on a common and coherent continental development agenda. The Committee was invited to consider the draft common position and recommend it to the Ministers for adoption.

35. The Committee was also of the view that the Africa MDG report had not adequately covered the maritime transport sector, which was deemed crucial for the attainment of the MDGs on poverty reduction, gender equality, combating of HIV/AIDS, environmental sustainability and global partnerships. The Committee noted that the recent global financial and economic crises have adversely affected the ability of most African countries to attain the MDGs.

36. A few delegations strongly opposed any mention of the commitments by African Heads of State and Government on budgetary allocations and targets to various sectors in the statement of a common position on the MDGs, on the grounds that it could undermine the budget reforms undertaken in some countries. Several other delegations did not share that view because the Committee could not reverse a decision already made by Heads of State. After extensive discussions without reaching a consensus, the Committee recommended that the matter should be brought to the attention of the Conference of Ministers for a decision.

37. At the end of the discussions, the following recommendations were made:

- (a) Statistics and statistical systems should be strengthened;
- (b) Innovative financing mechanisms (including proposals for an African task force to prepare a study on the feasibility of introducing special levies on air tickets) should be instituted to meet health-related MDGs;
- (c) The Campaign for Accelerated Reduction of Maternal Mortality in Africa (CARMMA) should be launched and/or sustained;
- (d) The draft common position should be submitted for review and adoption to the Conference of Ministers and, subsequently, to the Heads of State and Government in July 2010, and efforts made to encourage countries to speed up progress towards the MDGs.

Follow-up to the outcomes of major United Nations and African Union conferences and summits, including the 2009 Joint Annual Meetings of the AU and ECA [Agenda item 7]

38. Under this agenda item, the Committee considered six presentations highlighting progress achieved by African countries in the implementation of (i) the Brussels Programme of Action (BPoA) for Least Developed Countries (LDCs) for the decade 2001-2010; (ii) the Monterrey Consensus on Financing for Development; (iii) the Regional Consultative Mechanism of United Nations Agencies working in Africa in support of the African Union and its NEPAD programme; (iv) Climate Change and Development; (v) the 2004 Ouagadougou Declaration on Employment and Poverty Alleviation; and (vi) the African Charter on Statistics. The reports identified progress, challenges and gaps in the achievement- of set goals and targets. A number of constraints were identified, requiring urgent action with regard to policies and strategies as well as the mobilization of additional resources to scale up intervention in various areas.

(i) Report on the outcome of the Africa regional review of progress in the implementation of the Brussels Programme of Action for Least Developed Countries (LDCs) for the decade 2001-2010

39. With regard to the implementation of the BPoA for LDCs, the Committee took note of the outcome document emanating from the recent Africa Regional Preparatory Meeting for the Fourth United Nations Conference on LDCs to be held in Istanbul, Turkey in 2011. Given the limited progress in the implementation of the BPoA in Africa, the regional preparatory meeting had underscored the importance of developing a critical mass of productive capacities in agriculture, manufacturing and services to enhance structural diversification and reduce the vulnerability of African LDCs; enhance efforts to mobilize increased domestic resources and implement both the Paris Declaration on Aid Effectiveness and the Accra Agenda for Action; address the debt problem of Heavily Indebted Poor Countries and support African LDCs to adapt to climate change by providing adequate and sustainable financing.

40. The Committee was also informed that, prior to the Istanbul Conference, a series of thematic pre-conference events would be organized to prepare a draft outcome document for negotiation and adoption in Istanbul. In that context, African LDCs should be constructively engaged in the process in order to ensure that their positions and interests were reflected in the global review.

(ii) Progress report on the implementation of the Monterrey Consensus on Financing for Development

41. The Committee took note of progress made by African countries in the six core areas of the Monterrey Consensus: domestic resource mobilization; international resource mobilization; international trade; international assistance; debt relief and systemic issues. Both the presentation and discussion acknowledged the recent progress in mobilizing resources for development, particularly in terms of the modest increase in ODA, FDI and additional debt relief for some African countries. However, it was noted that wide gaps still remained between commitments and achievements. In that regard, urgent action was required by African countries and their development partners to accelerate progress in meeting the continent's financing needs. In particular, efforts must be scaled up to enhance domestic resource mobilization by broadening the tax base while maintaining macroeconomic stability.

42. The Committee took note of steps taken to enhance progress in the implementation of the Monterrey Consensus, including the strengthening of institutional frameworks and financial markets; the stepping up of technical support and training for national capacity-building; the increasing of Africa's voice and representation in international financial, monetary and trade institutions; the harmonization of national, regional and international efforts and the pursuit of policy coherence in line with the Paris Declaration and Accra Plan of Action on Aid Effectiveness.

(iii) Report of the 10th Regional Coordination Mechanism of United Nations agencies working in support of the African Union and its NEPAD Programme

43. Under this item, the Committee was informed of the outcomes of the 10th Regional Coordination Mechanism of United Nations agencies in support of the African Union and its NEPAD Programme. The mechanism had recently been transformed and strengthened as a

mechanism for providing coherent multisectoral support to African regional and subregional organizations within the context of the Ten-Year capacity-building programme of the AU. The RCM now included the AUC, the NEPAD Planning and Coordinating Agency (NPCA), and the RECs. In line with the decisions of the 10th Meeting of the RCM, the work of the RCM and its various clusters were being aligned to AU/NEPAD strategic plans and priorities. In addition, progress had been made towards the establishment of Subregional Coordination Mechanisms (SRCMs) to strengthen coordination of United Nations agencies at the subregional level as mandated by the General Assembly. In that regard, a subregional mechanism for the Central Africa subregion had become operational, and efforts were underway to establish a similar mechanism for Eastern and Southern Africa based on a harmonized multi-year programme of collaboration with the main RECs in both subregions. Greater commitment and action on the part of stakeholders were needed to improve the efficiency and effectiveness of the RCM.

(iv) Climate Change and Development

The presenter on climate change and development provided an update on ongoing efforts and initiatives being undertaken in support of Africa's climate change and development agenda, including the Climate for Development in Africa (ClimDev-Africa) Programme, African Monitoring of the Environment for Sustainable Development (AMESD) Programme, the Great Green Wall for the Sahara and Sahel Initiative. The presenter also highlighted some of the activities undertaken to prepare African countries for their participation in the United Nations Conference on Climate Change held in December 2009 in Copenhagen. It was important for African countries to take note of the outcomes and provisions of the Copenhagen Accord and strengthen existing coordination and consultation mechanisms for a common position at the next United Nations Conference on Climate Change to be held in Mexico in December 2010.

(v) Progress report on the implementation of the 2004 Ouagadougou Declaration and Plan of action on Employment and Poverty Alleviation and similar commitments

44. The Committee took note of progress made in the implementation of the decisions of the Ouagadougou Declaration adopted by the AU Extraordinary Summit of September 2004, which had called on member States to place employment at the centre of their national development policies and programmes. The presenter noted that despite the strong economic growth experienced by African countries from 2004 to 2008, unemployment and poverty remained high in Africa. Given the shortcomings of the policies pursued so far, African countries and their regional and continental organizations were urged to revisit their strategies and policies to develop measures better adapted to the context of the continent's economies and the needs of its people.

45. In the ensuing discussions, the Committee noted that unemployment remained high, affecting mostly youth and women, and leading to social exclusion and political instability in some countries. The Committee emphasized the need for strong political commitment to address the issue of unemployment on a permanent and long-term basis. It also stressed the need for promoting vocational training and skills development in addressing the unemployment problem.

(vi) Strategy for the Harmonization of Statistics and implementation of the African Charter on Statistics

46. The Committee took note of progress made in the implementation of the African Charter on Statistics and the strategy for the harmonization of statistics in Africa. The African Charter on

Statistics, adopted by Heads of State and Government in February 2009, was aimed at promoting the production of quality and harmonized statistics to inform evidence-based planning and policy formulation in Africa. To date, the Charter had been signed by 18 countries and ratified by only one country. Considering the need to make it available for African statisticians, planners, decision makers and other stakeholders, the Committee called upon all member States to sign and ratify the Charter, for it to enter into force as soon as possible.

47. The Committee was also informed about the draft African Strategy for the Harmonization of Statistics in Africa (SHaSA) as well as the draft African Strategy for the Implementation of the 2008 System of National Accounts (SNA), two key framework documents developed jointly by the AUC, UNECA, AfDB, RECs, and member States submitted for adoption by the current Conference of Ministers and, subsequently, by the Assembly of Heads of State and Government. Importantly, the implementation of the 2008 SNA would allow for the comparability of data with the rest of the world. The presenter recommended that adequate resources should be provided to strengthen the statistical activities of the AUC, including the upgrading its Statistics Unit into a Division.

48. In the ensuing discussions, the Committee was informed about the progress being made by the ECA African Centre for Statistics, established as part of the ECA repositioning exercise conducted in 2006 to help build the capacity of African countries in the area of statistics. Several activities had been developed and undertaken by ACS with regard to the harmonization of statistics on the continent and would contribute to the implementation of the SHaSa. The Committee commended AUC, UNECA and AfDB for their efforts in providing the continent with a framework for statistical development, harmonization and coordination. The Committee took note of the proposals made by the secretariat to fast-track the implementation of the various initiatives and recommended them for endorsement by the Conference of Ministers.

Presentation and discussion on the theme of the Conference: Promoting high-level sustainable growth to reduce unemployment in Africa [Agenda item 8]

49. The Committee considered an issues paper on the theme of the Conference, “*Promoting high-level sustainable growth to reduce unemployment in Africa*” which showed that despite positive growth experiences in Africa over the past decade, such growth had not translated into employment creation and poverty reduction. Accordingly, African governments should mainstream employment in their national developmental strategies.

50. The presenter indicated that while the global financial and economic crises had exposed the vulnerability of Africa to external shocks, they also presented an opportunity for the continent to relaunch, accelerate and sustain growth that would lead to poverty reduction. Decent jobs constituted the channel through which growth could translate into poverty reduction.

51. Lessons from emerging countries included the creation of country-specific employment-friendly policies, labour and capital market reforms and economic diversification through increased investment in labour-intensive sectors. The presenter emphasized the need for countries to learn from one another and described the role of various stakeholders in designing, implementing and monitoring employment-friendly strategies, particularly employment targeting and the implementation of commitments. All that called for good governance, underpinned by strong institutions and policies.

52. In the ensuing discussion, the Committee found the theme covered by the issues paper both timely and relevant and stressed the role of monetary policy in promoting price stability and supporting growth and employment generation.

53. The Committee was of the view that the analysis on the recent jobless growth could benefit from a consideration of the nature of the growth engines in most African countries, which were mostly capital intensive. It was also noted that the tax systems in place, in particular exemptions extended to companies in the mining sector, coupled with the privatization of most companies in that sector might have lessened the propensity of growth to translate into significant employment creation and poverty reduction.

54. The Committee expressed concern over the risk of “a race-to-the-bottom” (beggar-thy-neighbour) policies that might emanate from national attempts to revert to competing tax exemptions as a way to attract foreign direct investment. That could have an adverse impact on growth and employment creation. Also, the Committee observed that the aggregate analysis presented in the report posed a risk of falling into the trap of “one-size-fits-all”. Since economic and institutional structures varied across Africa, the analysis and policy recommendations should take account of those differences.

55. The Committee noted with appreciation the recent efforts to strengthen planning in many African countries as evidenced by the growing number of countries that had formulated and implemented medium-term national development plans. Those plans were supported by sectoral strategies.

56. Several participants shared their experiences in promoting employment and poverty reduction in their respective countries. Most speakers indicated that bold commitments and active government policies, including redistributive policies, made a difference and underscored the importance of the quality of public spending and the multiplier effects of the additional spending on the domestic economy.

57. The Committee noted that inadequate infrastructure remained a constraint to the development of the private sector, which could play a pivotal role in investment and job creation. In particular, inadequate infrastructure and limited access to finance and other supporting services prevented informal businesses from graduating to the formal sector.

58. The Committee noted the relatively small share of public expenditure allocated to the agriculture sector in many African countries, despite its high potential in terms of growth and job creation, especially in the rural areas.

59. The Committee felt that deepened regional integration would induce economies of scale, better harness regional financial, natural and human resources, and strengthen Africa’s voice in international forums. In that regard, it welcomed the initiative taken by EAC, COMESA and SADC to harmonize their respective regional integration agendas. Such harmonization would strengthen efforts to revitalize national and regional infrastructure (cross-border trade, roads, waterways and power) as one of the drivers of job creation.

60. The Committee indicated that good political and economic governance was a necessary prerequisite for African countries, through efficient and transparent allocation of resources, to achieve job-creating growth.

61. Since the issues paper had been aimed at stimulating discussions among the experts on the nexus of growth, employment and poverty reduction, the lively ensuing discussions suggested that that objective had been achieved. All the comments and suggestions were considered pertinent. However, it was emphasized that, while macroeconomic stability was important, monetary policy should give adequate attention to the objective of employment and wealth creation.

62. The Committee took note of the issue of high youth unemployment and underemployment in Africa, which was getting worse as more young people entered the job market. That situation threatened political stability on the continent and contributed to the high rate of crime. Four key lessons were identified based on the successful experience of some countries: the importance of having a development-oriented State, the development of human capital, the promotion of policies that encouraged both public and private savings and improvement in the allocative efficiency of public spending.

63. The Committee also took note of some of Africa's growth and employment challenges. First, the implementation of commitments had not always been accompanied by effective action. Second, small and medium-sized enterprises needed support in order to play an active role in diversification processes. Third, the capacities of governments influenced the policy space available to countries in negotiating with multilateral organizations, including international financial institutions. Fourth, overall policy coherence was held back by limited coordination among government agencies. Fifth, the issues paper suggested a set of policy options. Countries should choose those relevant to their specific situations, in particular those that addressed the binding constraints to their growth and structural transformation.

64. Noting that the discussion had not adequately explored the role of the private sector, in spite of its important contribution to employment creation, the Committee stressed the need to promote local enterprises as a sustainable way to reduce poverty and create employment, and praised South Africa's Black Economic Empowerment programme, arguing that it had the potential to address issues of injustice and engage previously isolated groups in mainstream economic activity.

65. The Committee further noted that no nation had developed without focusing on developing human capital as a motor of sustainable development. Measures to enhance human capital such as increased public budget allocations for education and technical skills development were therefore of paramount importance.

66. The Committee welcomed the tripartite EAC-COMESA-SADC initiative to harmonize the respective subregional integration agendas. Such harmonization would energize efforts to revitalize national and regional infrastructure (cross-border roads, waterways and power), boosting growth, productivity and employment. Accelerating regional integration would also induce economies of scale, better harness regional financial, natural and human resources, and strengthen Africa's voice in international forums.

67. The Committee made the following recommendations for adoption by the Ministers for member States to:

- (a) Pursue fiscal policies that promote labour-intensive investment in infrastructure and other sectors. Meanwhile, monetary policies should pay attention to growth and employment while pursuing price stability;

- (b) Promote good political, economic, corporate and social governance as a way to ensure that macroeconomic policies delivered pro-poor and employment-friendly growth. That would not only require political will and courage but also hold the key to the implementation of decisions taken at the national, regional and global levels;
- (c) Exert coordinated efforts at the global and regional levels to ensure coherence in development policy, particularly in the areas of trade, infrastructure development aid and foreign direct investment;
- (d) Encourage knowledge-sharing among African countries on the growth, employment and poverty reduction nexus. That could be achieved through research and exchange of experience within Africa and with other developing regions;
- (e) Promote a harmonized and coordinated labour market information system in Africa in support of the planning, implementation, monitoring and evaluation essential for a better understanding of labour market dynamics and how they related to growth and poverty reduction;
- (f) Undertake institutional, legal and other labour market reforms, to enhance employment and growth, ensure the inclusion of vulnerable groups, and create and strengthen social dialogue institutions and mechanisms at national and regional levels;
- (g) Enhance the productivity of African economies, including that of the public sector, in pursuit of a “development-oriented and competent” public administration;
- (h) Align educational systems, training and skills development with the needs of local labour markets. That could be achieved through the provision of technical and vocational education and training;
- (i) Consider policies and programmes in employment that target vulnerable groups (youth, women, and people with disabilities, etc.) at national and regional levels;
- (j) Promote domestic resource mobilization and economic diversification for the creation of decent job opportunities and the eradication of poverty;
- (k) Encourage private-sector development, to create employment and eradicate poverty. That could be achieved by means of better access to credit and other capacity-building interventions. Countries should seize job opportunities generated by the green and clean industries in the context of climate change and the development of ICTs;
- (l) Accelerate regional integration and intra-African trade to exploit economies of scale, harness regional financial, natural and human resources, expand markets and create meaningful decent jobs;
- (m) Promote internal policy coordination among ministries and other State agencies in policy development to enhance coherence, efficiency and effectiveness in mainstreaming employment in development plans and programmes;
- (n) Allocate an adequate share of government expenditure to the agricultural sector, in view of its significant contribution to economic growth, job creation and poverty eradication; and
- (o) Adopt and implement special employment measures as well as social protection schemes for vulnerable groups.

Statutory issues [Agenda item 9]

68. Under this agenda item, the Committee was invited to consider a number of statutory issues and reports related to the work of the African Union Commission and the ECA secretariat.

(i) Presentation and consideration of the ECA Annual Report, 2010

69. The Committee took note of the ECA Annual Report, 2010 which highlighted the main activities undertaken by the ECA secretariat, including the activities of the subsidiary organs of the Commission during the period from June 2009 to March 2010. ECA had made significant progress on several fronts during the period covered by the report. Among its notable achievements were the advisory services and technical assistance provided to member States, RECs and the AUC in the following areas: Economic Partnership Agreement (EPA) negotiations; climate change negotiations in Copenhagen; and the African Union January 2010 Summit, held on the theme “Information and communication technologies in Africa: Challenges and prospects for development”. Major conferences had been organized to review progress in Africa in the 15 years since the Beijing Women’s Conference and the Cairo International Conference on Population and Development. Other achievements included support for member States’ efforts to achieve the MDGs and implement the NEPAD programmes, facilitating meetings of the Coalition for Dialogue on Africa, and development of civil society and its mainstreaming in the policy process in Africa.

70. Several publications were published and launched during the period, including: the Economic Report on Africa, the African Governance Report, the African Women’s Report, the Assessing Regional Integration in Africa report and the African Youth Report, all in collaboration with the AUC; a report on progress towards the MDGs, in collaboration with the AUC, AfDB and UNDP; and the African Economic Outlook, together with AfDB and OECD. Expert group meetings had also been organized as part of ECA’s peer review mechanisms to improve the quality and relevance of its knowledge resources.

71. The ECA repositioning initiated in 2006 had enhanced the role and mandate of its SROs. Additional financial and human resources had been provided to help the SROs improve delivery of their activities. Among the main achievements of the SROs were the multi-year programmes signed with all RECs responsible for implementing AU/NEPAD activities, and the meetings of the Intergovernmental Committee of Experts, the outcomes of which were submitted to the present Conference of Ministers for attention. Regional and subregional training activities and workshops had also been organized in an effort to strengthen the capacity of member States, RECs, IGOs and other institutions in the areas of trade, financing for development, climate change, statistics, infrastructure, good governance, human capacity development, gender mainstreaming, agriculture and food security.

72. Efforts continued during the past year to enhance resource mobilization and management; and integrated programme planning and monitoring and evaluation, ECA had designed a donor portal for purposes of reporting on activities under ECA Trust Funds and other donor funds. A second Business Plan covering the period 2010-2012 was launched jointly with the AUC in December 2009 in an effort to secure extrabudgetary funding for additional ECA activities stemming from new mandates given to the Commission and enable it to meet specific needs and growing expectations from member States and partner institutions.

73. Among the challenges was the need to increase the capacity of ECA and its five SROs to ensure effective programme performance and results as well as disseminate and share knowledge and best practices across the region.

74. In the ensuing discussion, clarification was sought on the effects of the reported high vacancy rate on the smooth functioning of ECA. The Committee was informed that, in an effort

to enhance the performance of all departments of the United Nations, the General Assembly had provided additional financial resources under the United Nations Development Pillar, which included new posts for ECA - hence the apparent increase in ECA's overall vacancy rate. However, with assistance from Headquarters, the plan of action developed in 2009 to help fast-track the recruitment process at ECA was likely to help bring its vacancy rate within the normal range.

75. The Committee endorsed the report and recommended that member States should assist in disseminating ECA research outcomes, and should fully support the SROs and utilize the services and training programmes they provided.

(ii) ECA's proposed biennial work programme for the biennium 2012-2013 and the proposed ECA Business Plan, 2010-2012

76. The Committee considered a document entitled, "ECA's Proposed Strategic Framework for the period 2012-2013" providing the main policy directions for the work of ECA for the biennium 2012-2013 and articulating the objectives to be pursued during that period at the subprogramme level, together with the expected results and indicators of achievement. The Committee was informed that in developing the Strategic Framework, efforts had been made to reflect the vision of the Commission, including linkages to the MDGs, outcomes of global conferences and NEPAD objectives. The Strategic Framework also reflected the lessons learnt from the ECA Repositioning exercise as well as new and emerging challenges confronting member States. The Committee further noted that the overall strategy of ECA would continue to be anchored around the two key pillars of the ECA repositioning exercise, namely, promoting regional integration and helping Africa to meet its special needs, including the MDGs.

77. In reporting on the ECA Business Plan, the Committee was informed that ECA had developed in November 2009 a second Business Plan covering the period 2010-2012 consistent with the AUC Medium-Term Strategy. While the bulk of the resources required to implement the 2012-2013 Business Plan would be provided through the regular budget of ECA, partners were expected to make a substantial contribution in order to help ECA to scale up its support to the AUC and the RECs.

78. In the discussions that followed, the Committee observed with concern that the issue of population and development were not given due attention in the Strategic Framework at a time of increased international attention on population issues. In response, the Committee was informed that it was in recognition of the importance of the population-growth-social development nexus that ECA had decided to place, as part of its repositioning exercise, the implementation of the sub-programme on gender and women in development with that of the social development sub-programme under a single Division so as take on board the population dimension in all aspects of its work.

79. In light of the above comments and observations, the Committee endorsed the proposed Strategic Framework of ECA for the period 2012-2013 and the ECA Business Plan 2010-2012. The Strategic Framework would be transmitted to the Committee for Programme Coordination along with the Committee's comments.

(iii) Report on ECA's programme performance for the biennium 2008-2009

80. In considering ECA's programme performance report for the biennium 2008-2009, the Committee was informed that the report responded to increasing demands by ECA member States for a results oriented, accountable and more effective secretariat able to meet their needs despite current resource constraints. The Committee was further informed that the 2008-2009 activities had been implemented against the backdrop of the repositioning of ECA undertaken in 2006, and had achieved significant results across all its main service lines comprising: knowledge generation, sharing and networking; advocacy and consensus building, and technical cooperation services.

81. Knowledge outputs largely comprised flagship publications, including the annual Economic Report on Africa (ERA), the third report on Assessing Regional Integration in Africa (ARIA III), the African Governance Report (AGR), and the first edition of the African Women's Report (AWR). Joint reporting with other partners had included the Sustainable Development Report on Africa, collaboratively undertaken with other United Nations agencies, and the African Economic Outlook produced in collaboration with the AfDB.

82. In the area of advocacy and consensus building, new milestones had been reached through the joint annual ECA Conference of African Ministers of Finance, Planning and Economic Development and the African Development Forum. The Coalition for Dialogue on Africa, jointly launched with the AU and AfDB, currently provided a new platform for advocacy and consensus building around key continental issues and challenges.

83. Technical and capacity-building remained an important modality for delivering assistance to member States. In that regard, ECA continued to assist member States to develop their capacities to design and implement development policies through advisory services, workshops and seminars. In 2008-2009, a total of 51 advisory missions had been mounted to 23 member States and over 500 participants from a total of 38 countries benefited from workshops and seminars. In recognition of the critical role of the SROs in building the capacities of RECs to implement the AU and NEPAD priorities, ECA significantly scaled up the capacities of its SROs as called for in the Secretary-General's action plan for strengthening the SROs. This had greatly improved the capacity of the SROs to provide effective support to the RECs in the context of their multi-year programmes.

84. Notwithstanding the successes achieved, the ECA secretariat had faced a number of challenges in the implementation of its work programme. Notably, ECA still needed to build on its capacity to ensure more effective programme performance assessment, and improve its generation of knowledge and dissemination, which tended to limit the impact of its work. It also needed to ensure that its outputs were of the highest quality while increased availability of resources would enhance capacity to address new and emerging issues of concern to member States on global and continental issues. Accordingly, key lessons related to strengthening knowledge sharing and dissemination activities, improving resource mobilization, improving quality assurance, enhancing partnerships and working more closely with member States to develop their awareness, and improve their human capital.

85. The Committee took note of the significant progress made in the delivery of most of the ECA service lines. However, a few concerns about the quality of some of the Commission's activities were expressed. In that regard, the Committee requested the ECA secretariat to ensure

the highest quality possible for all its activities, including all meetings, both in format and content.

(iv) Note by the Executive Secretary on recent organizational changes in ECA

86. The Committee took note of a document entitled “Recent organizational changes in the ECA secretariat: Note by the Executive Secretary”, which highlighted the outcome of the recent comprehensive review and assessment of ECA’s programmes. The review resulted in some minor organizational and programmatic adjustments aimed at strengthening and realigning the changing needs and priorities of member States. Those changes had included the reconfiguration of some Divisions to sharpen the focus of their work and programmes such as those on trade, linkages to NEPAD and MDGs/BPoA, water management, library and e-applications, including geo-information and statistical database coordination.

87. The organizational changes had been meant to address the observed fragmentation of responsibility in some key areas of ECA’s work such as trade and the environment, as well as specific issues under such development frameworks as the NEPAD, the MDGs and the Brussels Programme of Action (BPoA) for the Least Developed Countries. The knowledge management initiative and management support processes such as planning, budgeting, utilization of resources and recruitment of staff had also been streamlined for enhanced organizational effectiveness.

88. As organizational reforms were a continuous process, ECA would continue to review and reorient its work programme to enable it to respond more effectively to the changing needs and priorities of its member States. In the meantime, the ECA secretariat would revise its programme budget for the biennium 2010-2011 to reflect the outcome of the review and the resulting organizational changes.

89. In the light of the above information, the Committee endorsed the organizational changes proposed in the note by the Executive Secretary.

(v) Independent external evaluation report on ECA’s subregional offices

90. The Committee considered the report on the independent external evaluation of the sub-regional offices of the Economic Commission for Africa. The background, justification and major findings and recommendations were submitted to the Committee for review and consideration. In line with its terms of reference, the evaluation team had sought, in particular, to gauge the functionality and adequacy of the processes, systems and operational modalities of the SROs and to assess if any further improvement or fine-tuning was necessary. To that end, the evaluation team had looked at the effectiveness of the implementation of the recommendations of the report of the Secretary-General on enhancing the role of ECA’s subregional offices (A/61/471, 2006) against the findings of the inspection carried out in 2004 by the Office of Internal Oversight Services (OIOS) on programme and administrative management of the SROs.

91. The available evidence confirmed that the strengthening of the SROs initiated since 2006 had largely succeeded. However, to ensure that recent improvements and achievements of those offices were sustained in the various subregions, ECA should look again into the possibility of expanding regular and extra-budgetary resources. It should set up a rapid-response fund (trust fund), while United Nations Headquarters continues its support in the context of operationalizing multi-year programmes that the SROs had signed with major RECs/IGOs responsible for implementing the NEPAD programme, as well as, within the framework of the new mandate of

the SROs as strategic coordinators of the Subregional Coordination Mechanism (SRCM). United Nations system support should translate into more additional staff posts and non-staff resources under the regular budget in order to enable the SROs to make a significant impact on the development agenda of their respective subregions.

92. The Committee commended the evaluation team for its work and endorsed the report in the light of the foregoing information.

(vi) Report on the repositioning of the African Institute for Economic Development and Planning (IDEP)

93. The Committee took note of a report on the repositioning of the African Institute for Economic Development and Planning (IDEP) which had been necessitated by shifts in the global and regional environments of IDEP, leading to the emergence of new national and regional priorities. The presenter recalled various related measures such as the commissioning of an independent external evaluation of the institute and revamping the management and programme of the Institute. Further measures since the 2009 Conference of Ministers had included the formulation of a detailed strategic plan, organizing outreach missions and, from January 2010, initiating the decentralization of programme delivery to different parts of Africa. The process to secure the fuller integration of IDEP into ECA as its arm for capacity development had also commenced. The next steps would be securing a significant upward review of the annual grant from the United Nations to the Institute, institutionalizing the annual outreach programme and enhancing ownership of the Institute by African member States.

94. The Committee observed that while the restructuring of IDEP had been going on for a few years, the Institute had now undergone a revival since the appointment of the new Director. Its work had become more relevant to Africa's development, as exemplified by the introduction of a range of new programmes, including one on post-conflict development planning. The Committee also welcomed the needs assessment missions that the Institute would be carrying out in different subregions of the continent.

95. The Committee requested clarification on the modalities for accessing programmes and whether the appeals to donors to upscale their assistance to the Institute had borne fruit. The Director explained that access to the programmes of the Institute remained open and free to member States, and was not in any way conditional on the status of the payment of assessed contributions. The Institute had signed partnership agreements with the Governments of the Netherlands and Sweden, as well as the Ford Foundation for multi-year funding of its programmes.

96. The Committee appealed to member States to pay their contributions on time in order to lift payments from member States beyond the current level of 60 per cent. In light of further discussions, the Committee also considered and recommended a draft resolution to the Conference of Ministers, to increase the Institute's annual regular budget from the United Nations.

(vii) Review of progress in the implementation of the Africa-EU Joint Strategy and First Action Plan

97. The Committee took note of a document entitled "The Africa-EU Joint Strategy: State of Play and Way forward", highlighting the long history of relations between Africa and the

European Union (EU) and the milestones achieved within the Joint Strategy. The Joint Strategy was based on four principles of unity of Africa, interdependence between Africa and EU, ownership and joint responsibility, and equality. The First Action Plan was based on eight partnerships on peace and security; democratic governance and human rights; trade and regional integration; Millennium Development Goals; energy; climate change; migration, mobility and employment; and science, information society and space. It was reported that all eight Joint Expert Groups (JEGs) set up to deal with the various partnerships under the current Action Plan had held several meetings and prepared assessment reports. However, the level of performance had varied across partnerships.

98. Several challenges facing the Joint Strategy were brought to the attention of the Committee, including respecting the principles agreed in the Joint Strategy, full involvement of all stakeholders, capacity of the JEGs to deliver, lack of adequate financial resources for the architecture and implementation of projects/activities, lack of effective communication, and uncertainty on what the new Lisbon Treaty held for Africa.

99. On the way forward, the Committee was informed of options for improving implementation of the Joint Strategy with the possibility of a second Action Plan. The success of the Joint Strategy depended on adequate financing and shared responsibility between Africa and the EU and on providing the right technical expertise to service the JEG meetings.

100. The Committee took note of the report and agreed that the partnership held significant potential for both Africa and the EU. For the partnership to succeed in reaching its objectives, however, member States would have to commit resources for implementation of the Joint Strategy.

Any other business [Agenda item 10]

101. Under this agenda item, some delegations sought clarification on the work of the Committee of Ten African Ministers of Finance and Central Banks set up in Tunis to help African countries to assess the impact of the global financial and economic crises on African economies and agree on policy responses. More specifically, the experts sought to know the status and reporting line of the Committee. Following clarifications provided by two members of the Committee present at the meeting, namely Nigeria and South Africa, as well as from the secretariat, the Committee expressed the wish to be informed in future of progress made by the Committee of 10.

Consideration and adoption of the draft report of the Committee of Experts and draft resolutions [Agenda item 11]

102. Under this agenda item, the Committee considered the draft report of its meeting (as contained in document E/ECA/COE/29/L, AU/CAMEF/EXP/Draft/RptV), together with 10 draft resolutions for consideration and adoption by the third Joint Annual Meetings of the AU Conference Ministers of Economy and Finance and ECA Conference of African Ministers of Finance, Planning and Economic Development. Several delegations made comments and observations and proposed amendments to the report. After constructive discussions by participants, the Committee adopted the present report together with the ten draft resolutions, attached as annex, as amended for consideration by the session of the Conference of Ministers.

Closing of the meeting [Agenda item 12]

103. The Commissioner for Economic Affairs of the AUC thanked the Committee and its Bureau for their hard work and for their concrete recommendations which would help the Ministers to address the theme of the meeting, as well as the many other issues on their agenda. He hailed the excellent collaboration between ECA and the AUC, which underpinned the success enjoyed by the annual ministerial meetings. He commended the Government of Malawi for hosting the meeting. He thanked the Chairman and the Bureau for the efficient conduct of the meeting and the secretariat staff for their hard work.

104. The Deputy Executive Secretary of ECA expressed appreciation for the constructive spirit of the debate on what were clearly challenging issues for African development. She noted that the discussions had been lively and enriching, and the recommendations substantive. She thanked participants for their commitment during the meeting and challenged them to remain engaged during the Ministerial meeting. She thanked the Chairperson and the Bureau for leading the meeting to a successful conclusion.

105. The Chairperson thanked ECA and the AUC for a productive meeting. He personally had found the meeting enriching, and he thanked participants for the depth of the debate and their commitment, which augured well for the success of the Ministerial meeting. He then declared the meeting closed.

ANNEX

DRAFT RESOLUTIONS

DRAFT RESOLUTION – L1
ASSESSMENT OF PROGRESS ON REGIONAL INTEGRATION IN AFRICA

The Conference of Ministers,

Mindful of the Treaty establishing the African Economic Community,

Recalling the Minimum Integration Programme (MIP) adopted by the 13th Assembly of Heads of State and Government of the African Union as the reference framework for the gradual integration of the African continent,

Recognizing the importance of peace, security and good governance as prerequisites for the advancement of the continental integration agenda,

Noting the important role played by infrastructure in facilitating the physical integration of and factor flows on the continent,

Taking note of the substantial contribution made by the ECA African Trade Policy Centre in building capacity for trade policy analysis and trade negotiations among member States, Regional Economic Communities (RECs) and Intergovernmental Organizations (IGOs),

1. Welcomes the substantial progress made by the RECs and IGOs in advancing the continental integration agenda;
2. Urges member States, the African Union and the United Nations to take the necessary measures to find solutions to the conflicts affecting African countries in order to speed up the integration process in the continent;
3. Calls upon member States, RECs and IGOs to address the challenges constraining the acceleration of regional integration on the continent;
4. Commends the work of the ECA African Trade Policy Centre and the renewed political commitment of member States to continue to pursue programmes and activities on regional integration;
5. Also calls upon member States to accelerate the implementation of the recommendations of the Conference of African Ministers of Integration (COMAI), which have been adopted by the African Union Summit, especially those relating to the free movement of persons and the financing of integration;
6. Encourages member States to mainstream the Minimum Integration Programme (MIP) into their national development programmes and, in this regard, calls upon the AU, the RECs, ECA, AfDB and development partners to scale up their support for the implementation of the MIP and domestication of regional integration instruments into national policy, legal and regulatory frameworks;
7. Further encourages member States to continue to support ECA, AUC and AfDB in publishing the report on *Assessing Regional Integration in Africa (ARIA)*, which contains a comprehensive analysis and assessment of progress in regional integration on the continent;

8. Requests member States to take the necessary steps to facilitate effective participation by landlocked and transit countries in the process of regional integration by removing all forms of physical and non-physical barriers to trade and by providing maximum support to transport and transit corridor management mechanisms;
9. Invites member States to take up the opportunities offered by the ECA African Trade Policy Centre (ATPC) in their preparations on international trade negotiations and the promotion of intra-African trade;
10. Commends the work of ATPC and calls upon member States and development partners to continue to provide support for its work with a view to strengthening its capacity to support the trade agenda on the continent;
11. Also urges member States to prioritize and upscale investments in infrastructure, including through the utilization of innovative financing mechanisms, channelling of remittances and increasing domestic resource mobilization and harnessing the potential of private-public partnerships.

DRAFT RESOLUTION – L2
REVIEW OF PROGRESS TOWARDS ACHIEVING THE MILLENNIUM
DEVELOPMENT GOALS IN AFRICA

The Conference of Ministers,

Recalling African Union Summit decisions requesting the African Union Commission, in collaboration with the United Nations Economic Commission for Africa and the African Development Bank, to submit to the Assembly of Heads of State and Government, annual status reports and related statistics on Africa's progress towards attainment of the Millennium Development Goals (MDGs),

Further recalling decision No Ex.CL/DEC.504 (XV), Rev.2 adopted by the Executive Council of the African Union in July 2009 requesting the AUC, ECA and AfDB to assist Africa to prepare for the 2010 United Nations System-wide Mid-term review of progress towards the MDGs and to hold regional consultative meetings to review such progress, inviting countries to support this initiative,

Also recalling United Nations General Assembly resolution 64/184, inviting the United Nations regional commissions, to hold regional consultations during the first half of 2010 to provide inputs to the preparations for the September 2010 High-Level Plenary Meeting and inviting the regional commissions to consider initiatives in support of the High Level Plenary Meeting and its preparatory process,

Recognizing the progress being made by the continent towards attaining the MDG targets,

Conscious of the challenges that still remain in efforts to attain all the MDGs by 2015,

Commending the efforts that the AUC and UNECA are making to provide African countries with a Strategy for the Harmonization of Statistics in Africa as a key initiative for better statistical coordination and harmonization and strengthening of the African statistics system,

Calls upon African countries to:

1. Adopt the proposed African Common Position on the MDGs and recommend its adoption by the Assembly of Heads of State and Government in July 2010;
2. Strengthen their statistical systems and institutions and implement the Strategy for the Harmonization of Statistics in Africa;
3. Explore innovative ways of mobilizing funds to support MDG-related programmes and activities;
4. Support the Campaign for Accelerated Reduction of Maternal Mortality in Africa;
5. Commit to take steps to implement the recommendations contained in the proposed African Common Position; and calls upon development partners to fulfill their ODA commitments to enable Africa to meet the MDGs by the target date;

6. Submit the African Common Position to the High-Level Summit in September 2010 and invite the African group at United Nations Headquarters in New York to support and promote the position during the preparatory process and High-Level Plenary Meeting; and
7. Request the AUC, in close collaboration with ECA and AfDB, to begin reflections on the period beyond 2015.

DRAFT RESOLUTION – L3
AFRICA REGIONAL REVIEW OF THE IMPLEMENTATION OF THE BRUSSELS
PROGRAMME OF ACTION FOR THE LEAST DEVELOPED COUNTRIES FOR THE
DECADE 2001-2010

The Conference of Ministers,

Noting with concern that overall progress towards the goals and targets of the Programme of Action for the Least Developed Countries for the decade 2001-2010 has been limited,

Noting with appreciation the efforts made by African least developed countries in implementing their commitments contained in the Programme of Action for the Least Developed Countries for the decade 2001-2010,

Recognizing the progress made by African least developed countries towards meeting the goals of the Programme of Action for the Least Developed Countries for the decade 2001-2010,

Cognizant of the fact that the gains made by African least developed countries are being eroded by the converging food and energy crises and the ongoing global financial and economic crises,

Having examined document E/ECA/COE/29/21-AU/CAMEF/EXP/21(V) entitled “Outcome document on the implementation of the Brussels Programme of Action for the Least Developed Countries in Africa”,

1. Welcomes and endorses the Outcome of the Africa Regional Preparatory meeting for the Fourth United Nations Conference on the Least Developed Countries adopted on 9 March 2010;
2. Calls for a renewed and strengthened global partnership for the development of the least developed countries in the context of the Fourth United Nations Conference on the Least Developed Countries;
3. Invites African least developed countries to remain fully engaged in the preparatory process for the Conference, particularly the Preparatory Committee meetings;
4. Requests the Office of the High Representative for the Least Developed Countries Landlocked Developing Countries and Small Island Developing States, ECA and UNDP to provide the necessary support, including financial and technical support, to African least developed countries to enable them to participate actively in the Fourth United Nations Conference on the Least Developed Countries and its preparatory processes;
5. Calls on development partners to make financial contributions to the LDC Trust Fund to support their participation in the conference and its preparatory activities.

DRAFT RESOLUTION – L4 CLIMATE CHANGE AND DEVELOPMENT IN AFRICA

The Conference of Ministers,

Recognizing that climate change poses unprecedented challenges for attaining the MDGs and achieving sustainable development in Africa,

Aware of the need for African countries to address these challenges by mainstreaming climate change concerns into development policies and frameworks,

Noting with appreciation the progress made towards the establishment of the ECA-based African Climate Policy Centre (ACPC) under the AUC/ECA/AfDB Climate for Development in Africa (ClimDev-Africa) Programme,

Concerned about the over-dependence of ECA's climate change and development work on extrabudgetary resources,

1. Appreciates the notable support provided by development partners for the implementation of the ClimDev-Africa Programme and its ACPC and calls upon them to continue their support to these key initiatives;
2. Requests ECA to continue to work closely with the African Union Commission, the African Development Bank and other organizations in strengthening the capacity of member States and their inter-governmental organizations to address climate-related issues, including providing technical support to African countries in the ongoing negotiations for a new international climate change regime.

DRAFT RESOLUTION – L5
STRATEGY FOR THE HARMONIZATION OF STATISTICS AND
IMPLEMENTATION OF THE AFRICAN CHARTER ON STATISTICS

The Conference of Ministers,

Considering that statistical information is vital for decision-making by all segments of the society, particularly policymakers as well as economic and social players, and is therefore essential for the continent's integration and sustainable development as well as tracking progress towards the attainment of the Millennium Development Goals (MDGs),

Aware of the fact that all commitments to implement development programmes and combat poverty should be based on clear evidence and therefore require a robust statistical data system which is relevant, reliable, comprehensive, harmonized and responsive,

Noting that the quality of African statistics depends on the use of internationally-recognized standards adjusted to African specificities and compliance by statisticians with the African Charter on Statistics and the fundamental principles of official statistics,

Welcoming decision ASSEMBLY/AU/DEC. 210 (XII) on the African Charter on Statistics adopted by the African Union Heads of State and Government calling on all member States to sign and ratify the Charter as expeditiously as possible so as to enable it to enter into force and thus provide a regulatory framework for coordinating the development of harmonized statistics on the continent,

Commending the arrangements jointly made by the African Union Commission (AUC), the United Nations Economic Commission for Africa (UNECA), the African Development Bank, regional economic communities (RECs), and African countries to develop a draft strategy for the harmonization of statistics in Africa,

1. Commends countries that have signed and ratified the African Charter on Statistics and calls upon those which have not done so to sign and ratify it as expeditiously as possible;
2. Adopts the draft Strategy for the Harmonization of Statistics in Africa (SHaSA) as well as its first pillar, the African Strategy for the Implementation of the 2008 System of National Accounts (SNA), and recommends them for adoption by the Assembly of Heads of State and Government in July 2010;
3. Calls upon member States, RECs, the AUC, UNECA and AfDB and their partners to support and implement these initiatives and develop the other pillars of the SHaSA;
4. Calls upon the AUC to elevate its statistical function by transforming its Statistics Unit into a Division to enable it to play effectively its expected role in the joint monitoring of the implementation of the SHaSA.

**DRAFT RESOLUTION – L6
PROMOTING HIGH-LEVEL SUSTAINABLE GROWTH TO REDUCE
UNEMPLOYMENT IN AFRICA**

The Conference of Ministers,

Recalling the 2004 Ouagadougou Declaration and Plan of Action on Employment and Poverty Alleviation in Africa adopted by African Heads of State and Government, as well as the deliberations of the Conference of Ministers of Finance, Planning and Economic Development in 2005 on meeting the challenges of unemployment in Africa within the context of the New Partnership for Africa's Development (NEPAD) and the Millennium Development Goals (MDGs),

Concerned about the overall limited progress made in reducing unemployment and poverty rates despite relatively high growth rates achieved during the decade prior to the recent economic crisis and the fact that the majority of Africans are subject to vulnerable employment /or under employment,

Noting the importance of special employment and social protection measures to assist vulnerable groups – women, youth, the elderly, the disabled and the rural poor – who are most affected by unemployment and the crisis,

Recognizing the importance of promoting high-level sustainable growth and reducing unemployment for the continent so as to alleviate poverty in the aftermath of the recent global financial and economic crises,

Aware of the central role of the State in designing, implementing and monitoring inclusive development plans to strengthen the growth/employment/poverty eradication nexus as a means to create decent jobs,

1. Reaffirms that the global financial and economic crises pose challenges to Africa's growth and development including their adverse impact on employment and poverty eradication;
2. Recognizes that the recent crises provide African countries with an opportunity to develop strategies to counter the problems that have arisen and at the same time promote sustainable employment-intensive, high-growth economies that are structurally diversified;
3. Encourages African governments to adopt or strengthen employment and social protection policies that are specifically targeted to reduce unemployment and poverty among vulnerable groups;
4. Stresses the need to enhance the mobilization of domestic resources as the major source of development financing by increasing private saving rates, raising the efficiency of tax collection, expanding the tax base, and deepening financial and capital markets;

5. Calls upon African countries to enhance the role of counter-cyclical fiscal policies that focus on expanding infrastructure, human capital formation and development as well as the provision of social services as mechanisms for job creation in the short run;
6. Encourages Governments to pursue long-term structural transformation policies that involve investing commodity revenues in labour-intensive non-primary resource sectors; increasing the resources available to priority sectors; making intensified efforts to attract FDI in non-resource extraction sectors; and improving the business environment;
7. Calls upon Governments to encourage private-sector investment and development, focusing on high labour-intensive sectors, including agro-industry, green-industries, labour-intensive manufacturing and service industries, with special attention to addressing the needs of the informal economy;
8. Encourages efforts by African Governments to promote increased productivity through such policies as technology transfer using non-resource FDI, a serious and credible commitment to research and development, promotion of the knowledge economy and provision of better infrastructure, and continuous improvements in micro and macroeconomic management in the framework of social dialogue;
9. Stresses the need to adopt and deepen reforms to ensure adequate labour market flexibility and to remove distortions that encourage capital-intensive production techniques at the expense of labour-intensive ones;
10. Invites African countries to speed up regional integration and intra-African trade to promote employment-intensive investment, given the small size of individual African economies, and to intensify efforts together with development partners to conclude the Doha round of trade negotiations;
11. Encourages African Governments to design and implement effective employment-generating growth strategies through employment mainstreaming and employment targeting based on accurate and timely employment data that are regularly collected and analyzed;
12. Requests Africa's development partners to fulfill their commitments to increase Official Development Assistance(ODA) and take measures to encourage Foreign Direct Investment(FDI) flows, including providing technical assistance to African countries in achieving the strategies, policies and measures recommended above;
13. Also requests African countries to allocate an adequate share of their national budgets to agriculture to increase productivity and incomes, and reduce poverty specially in rural areas, in line with the Maputo commitments;
14. Urges African Governments and the RECs to accelerate the implementation of the Ouagadougou Declaration and Plan of Action on Employment Promotion and Poverty Alleviation, and mobilize the required resources;

15. Calls upon African Governments to implement the Global Jobs Pact adopted in 2009, which reiterates the need for the promotion of full employment and decent work for all;
16. Also calls upon African Ministers of Labour to consider the resolution and coordinate its implementation with African Ministers of Finance, Planning and Economic Development at the national, subregional and continental level.

DRAFT RESOLUTION – L7
PROPOSED ECA STRATEGIC FRAMEWORK/BIENNIAL PROGRAMME PLAN FOR
THE BIENNIUM 2012-2013 AND ECA BUSINESS PLAN 2010-2012

The Conference of Ministers,

Recalling General Assembly resolution 41/203 of 19 December 1986 and subsequent relevant resolutions on programme planning,

Recalling further resolution 844 (XXXIX) of 15 May 2006 of the Conference of African Ministers of Finance, Planning and Economic Development on repositioning ECA to better respond to Africa's priorities,

Taking note with appreciation of ECA's Programme Performance Report (E/ECA/COE/29/9), which has highlighted the significant results achieved by the Commission in all its programme areas, namely knowledge generation, sharing and networking, advocacy and consensus-building, and advisory services and technical cooperation,

Encouraging ECA to continue its support to member States, AUC and its NEPAD Programme, and RECs in addressing the impacts of the global financial and economic crises and other emerging challenges, notably unemployment and climate change,

Welcoming ECA's initiatives to develop Business Plans and *noting with appreciation* ECA's continued efforts to secure additional resources to supplement its regular budget with a view to enabling the Commission to deepen its work in identified priority areas and giving it the flexibility to respond adequately to emerging issues that cannot be covered under the regular programme of work,

Having examined the proposed strategic framework/biennial programme plan for the biennium 2012-2013 (E/ECA/COE/29/10) and Business Plan 2010-2012,

Endorses the proposed strategic framework/biennial programme plan for the biennium 2012-2013 and the Business Plan 2010-2012.

DRAFT RESOLUTION – L8
STRENGTHENING THE SUBREGIONAL OFFICES OF THE UNITED NATIONS
ECONOMIC COMMISSION FOR AFRICA

The Conference of Ministers,

Recalling, the United Nations Secretary-General's report (A/61/471) to the 61st session of the General Assembly and the comprehensive plan of action to strengthen the Subregional Offices (SROs) of the Economic Commission for Africa contained therein,

Further recalling, paragraphs 9 and 12 of General Assembly resolution 60/235 which requests the Secretary-General to ensure that adequate resources are provided to ECA and its SROs to continue their support for NEPAD and the Regional Economic Communities (RECs) of Africa,

Appreciative of the continuing support given by the Secretary-General towards the strengthening of the SROs by providing additional posts and non-post resources through ECA's regular budget and the supplementary resources within the context of the strengthening of the United Nations Development Pillar,

Noting with satisfaction ECA's continued efforts to develop a markedly stronger subregional presence by empowering its subregional offices to play an enhanced role in the delivery of its work programme, and *appreciative* of the significant results achieved by the SROs, notably in the context of the implementation of Multi-Year Programmes (MYPs) signed with all AU/NEPAD implementing RECs and major African inter-governmental organizations (IGOs),

Having examined document E/ECA/COE/29/12 on the independent external evaluation of the subregional offices of the Economic Commission for Africa and *taking note* of the report on ECA's programme performance for the biennium 2008-2009,

1. Commends the Executive Secretary for commissioning an independent evaluation of the SROs with a view to assessing the implementation of the Secretary-General's comprehensive plan of action on strengthening the SROs and the related organizational improvements undertaken by the Commission;
2. Endorses the recommendations of the independent external evaluation of the subregional offices of ECA and requests the Executive Secretary to implement the necessary measures to further strengthen the programme delivery capacities of the SROs;
3. Reaffirms the need for the SROs to continue to facilitate subregional economic cooperation and regional integration by strengthening collaboration with the RECs, the African Union Commission and its NEPAD programme and in partnership with United Nations agencies within the framework for promoting system-wide coherence at the subregional level as recommended by the 8th, 9th, and 10th meetings of the Regional Coordination Mechanism (RCM);
4. Calls on donors and ECA's partners, within the context of the ECA-AUC Partners Forum, to scale-up efforts to provide adequate financial resources through a multi-

year revolving fund to enable ECA and its SROs to enhance programme delivery towards the achievement of tangible results in the field;

5. Commends the United Nations Secretary-General for the efforts made to strengthen the subregional offices of the Economic Commission for Africa and requests his continued support of ECA's work programme and priorities within the context of operationalizing the multi-year programmes (MYPs) of the SROs with the RECs as well as within the framework of the SROs' new mandate as strategic coordinators of the subregional coordination mechanisms (SRCM).

DRAFT RESOLUTION – L9
REPOSITIONING OF THE AFRICAN INSTITUTE FOR ECONOMIC DEVELOPMENT
AND PLANNING (IDEP)

The Conference of Ministers,

Having received with satisfaction, an updated report on the considerable progress which has been made to reposition the Institute, particularly with regard to its vision, mission, strategy and programme of work,

Appreciative of the renewed and increased engagement of member States with the work of the Institute, and *encouraging* them to sustain their commitment by paying all outstanding annual assessed contributions,

Welcoming the strategic choice of more deeply interfacing the work of the Institute with the overall programmatic orientation of the United Nations Economic Commission for Africa with a view to ensuring that IDEP and other ECA substantive divisions deliver services to African countries as one coherent entity,

1. Commends the Governing Council of the Institute and the new management for successfully piloting the repositioning exercise and bringing it to a satisfactory conclusion on the basis of a long-term vision which it endorses;
2. Endorses the request made by the IDEP Governing Council for a significant increase in the United Nations annual grant to the Institute, and calls upon the African Group at United Nations Headquarters in New York to work towards this end;
3. Requests the IDEP Governing Council to continue to furnish it with updated reports on the progress of the work of the Institute for information and further guidance as may be deemed necessary;
4. Also requests IDEP to take steps to involve the AU Commission and the RECs in its overall programme development and implementation.

DRAFT RESOLUTION – L10
ESTABLISHMENT OF AFRICAN FINANCIAL INSTITUTIONS

The Conference of Ministers,

Recalling Article 9 of the African Union Constitutive Act establishing the three African financial institutions, namely the African Central Bank, the African Monetary Fund and the African Investment Bank,

Recalling also the adoption by the African Union Conference of the Protocol and Statutes as well as the annexes to the Statutes relating to the establishment of the African Investment Bank by decisions Assembly/AU/Dec.212(XII) dated 3 February 2009, Assembly/AU/Dec.(XIII) dated 3 July 2009 and Assembly/AU/Dec.286(XIV) Rev.1 dated 2 February 2010,

Considering the extreme urgency for the three Financial Institutions to be established with a view to supporting strong and sustainable economic growth that would generate employment,

1. Commends the countries hosting the African Central Bank (Nigeria) and the African Monetary Fund (Cameroon) for the remarkable efforts they have made towards the establishment and operation of the Steering Committees responsible for the preparatory work of establishing both institutions;
2. Invites member States of the African Union to speed up the signing and ratification of the Protocol and the Statute of the African Investment Bank so that it can quickly begin its operations as a development finance institution;
3. Encourages member States, Regional Economic Communities, the United Nations Economic Commission for Africa, the African Development Bank and African Central Banks to extend their support to the aforementioned Steering Committees in the discharge of the task entrusted to them.

DRAFT RESOLUTION – L11 TOWARDS REALIZING A FOOD SECURE AFRICA

The Conference of Ministers,

Recognizing the potential that agriculture has in promoting high-level sustainable growth and creating employment opportunities in national economies and in Africa in general, and acknowledging that both the capacity and the responsibility to realize such a potential lies first and foremost with African countries,

Noting with appreciation the *Vision of a Food-Secure Africa* articulated by H.E. Dr. Bingu Wa Mutharika, President of the Republic of Malawi and current Chairperson of the African Union, which aims at ensuring food security and food sufficiency in Africa within the next five years, including putting an end to hunger and malnutrition;

1. Reiterates its commitment to enhance investment in agriculture to realize its potential, particularly to accelerate the implementation of CAADP and the Maputo 2003;
2. Fully supports the vision of a food-secure Africa within five years and commit to its realization through supporting strategies and measures that will provide incentives, including targeted subsidies to small-scale farmers and market stabilization measures as well as mainstreaming food security in all sectoral policies and programmes;
3. Recognizes the need to accelerate land reforms in our countries in order to ensure equitable access and security of tenure, especially for smallholders and women;
4. Supports the promotion of full and decent employment in the agricultural sector coupled with balanced pricing mechanisms within value chains to ensure that African farmers get a fair share of the market, including fair prices for their products;
5. Calls on African countries and their development partners to deposit the necessary instruments of commitment with the African Development Bank for a speedy operationalization of the Africa Fertilizer Mechanism;
6. Also calls on the Regional Economic Communities to take steps to contain the spiralling costs of food imports by pursuing and strengthening their policies, strategies and investments, to facilitate increased access to yield-enhancing inputs, particularly fertilizers, seeds and pesticides, and enhance intra-regional and inter-regional trade in agricultural products;
7. Further calls on for a policy commitment from African Governments and their development partners to ensure that food aid supplies are home-grown and sourced from domestic rather than imported food supplies, accompanied by the establishment of strategic grain reserves stocked with food products grown in Africa. We commit to support policies and programmes to improve the nutrition of the most vulnerable social groups, based on home-grown food items;

8. Supports efforts to enhance national and regional capacities to mitigate exposure to disaster risk by institutionalizing effective financial and other instruments such as strategic grain reserves, budgeted contingency funds as well as through risk sharing across subregions.

RESOLUTION L - 12 **INITIATIVES FOR AFRICA’S DEVELOPMENT**

The Conference of Ministers,

Recognizing the importance of promoting sustainable investments sufficient to provide new job opportunities in Africa to reduce unemployment,

Noting such impediments to promoting investments and income growth in most African countries as infrastructure and energy deficits, relatively fragmented and fragile economic institutions and weak economic structures, underdeveloped financial and private sectors, weak legal and regulatory frameworks and significant investments-savings gaps, underdeveloped educational and vocational systems, that hinder Africa’s ambitions to reduce poverty and achieve growth and stifle its voice through under-representation in most international forums including international financial institutions and main country groups,

1. Welcomes and takes note of the proposed “*Invest Africa*” initiative to be convened by Egypt in collaboration with the African Union Commission in 2011, aimed at attracting investments, especially for closing infrastructure gaps in Africa;
2. Also welcomes and takes note of other proposed initiatives to help Africa to achieve the Millennium Development Goals (MDGs) and promote high sustainable growth rates: “*Educate Africa*”, to help modernize education systems in Africa; “*Train Africa*” to promote vocational education systems and help close a significant supply-demand mismatch in Africa’s labour markets; and “*Voice Africa*” to help increase Africa’s voice and representation in international bodies and forums, main country groups, and in promoting African interests in formulating global economic policies.