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**Economic Commission for Africa  
Conference of African Ministers of Finance,  
Planning and Economic Development  
Fiftieth session**

**African Union  
Specialized Technical Committee on  
Finance, Monetary Affairs, Economic  
Planning and Integration  
Third Session**

**Tenth Joint Annual Meetings of the African  
Union Specialized Technical Committee on  
Finance, Monetary Affairs, Economic Planning  
and Integration and the Economic Commission  
for Africa Conference of African Ministers of  
Finance, Planning and Economic Development  
Dakar, 27 and 28 March 2017**

## **Draft ministerial statement**

*We, African ministers of finance, monetary affairs, planning, economic development and integration,*

1. Meeting in Dakar on 27 and 28 March 2017, for the tenth Joint Annual Meetings of the African Union Specialized Technical Committee on Finance, Monetary Affairs, Economic Planning and Integration and the Economic Commission for Africa Conference of African Ministers of Finance, Planning and Economic Development.

2. Honoured by the presence of the President of Senegal, Macky Sall, the Vice-President of Nigeria, Oluyemi Osinbajo, the Vice-President of Ghana, Mahamudu Bawumia, the Prime Minister of Ethiopia, Hailemariam Dessalegn, members of the African Forum of former Heads of State and Government, governors of our national and regional central banks, and other high-level dignitaries and special guests.

3. Noting decision Assembly/AU/Dec601(XXV), in which the Assembly of Heads of State and Government of the African Union at its twenty-sixth ordinary session, held in Addis Ababa on 30 and 31 January 2016, welcomed the proposal by the Republic of Malawi to declare 2017 the year of “Harnessing the demographic dividend through investments in youth”, and decision Ex.CL/974 (XXIX), in which the Executive Council of the African Union, at its twenty-ninth ordinary session, held in Kigali from 13 to 15 July 2016, endorsed the road map and accompanying matrix of key activities as the main guiding framework for the commemoration of the 2017 theme.

4. Cognizant of the leadership role that African Union Ministers of Finance, Planning and Economic Development have played in championing the agenda to harness the demographic dividend through investments in youth, we acknowledge that the accompanying road map serves as the critical policy instrument for efforts taken by member States to deal with issues related to the theme “Growth, inequality and unemployment”. We are also of the view that the sustained reduction of inequalities within the continent requires a holistic understanding of and approach for dealing with the issues involved in creating a socially cohesive society, in which economic growth not only leads to equal treatment and opportunities, but also to the reduction of poverty through the creation of decent jobs for all, irrespective of age, sex and geography, during the next decade and beyond, under the frameworks of the 2030 Agenda for Sustainable Development and Agenda 2063.

*Do hereby state that:*

5. We note that Africa has achieved impressive growth over the past 15 years. Average growth of real gross domestic product more than doubled from slightly more than 2 per cent during the 1980s and 1990s to greater than 5 per cent between 2001 and 2014. In the past two years, growth of the African economies has been more moderate, affected by the headwinds of the global economy and the decline in commodity prices. Against this international backdrop, the growth rate of Africa is expected to strengthen to 3.2 per cent in 2017 from 1.7 per cent recorded in 2016. The continent’s growth has fallen below the global average and that of all other regions, except for Latin America and the Caribbean, owing to weak global economic conditions, relatively low, despite recent gains, oil and commodity prices, and adverse weather conditions in some parts of the Africa.. In the medium term, the economies of Africa are projected to rebound, with growth expected to increase in 2017 and 2018, mainly on the back of strong domestic demand and investment, especially in infrastructure. Internal and external risks, however, such as the weak recovery in the global economy, a deceleration of growth in China, a subdued economic performance in the euro area, weather-related shocks and security concerns in some African countries remain a concern.

6. We recognize that Africa has made considerable progress in achieving positive social outcomes, with poverty levels dropping in the various regions, albeit at a slow pace. However, this positive economic growth story has not been inclusive enough as there has not been adequate structural transformation, and not all members of society, especially youth and women, have been able to fully realize their rights, nor participate in and benefit from the increased growth more broadly. While income inequality has declined in recent years, it remains high when compared to other regions, second only to Latin America and the Caribbean. In addition to undermining growth, the unequal distribution of wealth poses a threat to social cohesion as inequalities persist with regard to income, gender, youth, people with disabilities, access to and control over opportunities and geographical location.

7. We recognize that Africa is experiencing mega population dynamics, including population growth; the youth bulge; an ageing population; issues related to migration; and urbanization, which present challenges as well as opportunities for achieving growth and equality in the continent.

8. We also recognize that lack of inclusiveness of growth in Africa is particularly pressing for youth, as the continent has the world’s youngest population, which has been increasing more rapidly when compared with other

regions. Yet, as with women, secondary, tertiary and vocational education, access to health services and formal employment remain elusive for the majority of the population, especially youth, most of whom are underemployed or self-employed in the informal or agricultural sectors.

9. We further recognize that harnessing the transformative potential of youth can be an important source of widespread and inclusive growth, particularly as the proportion of youth in the population grows because of demographic transitions and changing age structures. We are aware that failing to protect the rights of young people, provide them with opportunities and harness the developmental potential of young people through the design and implementation of appropriate policies can be a source of instability and social unrest at the national, regional and continental levels.

10. We are cognizant of the 2014 Ouagadougou+10 Declaration and Plan of Action on Employment, Poverty Eradication and Inclusive Development in Africa, adopted by Heads of State and Government of the African Union, and the deliberations of the third Joint Annual Meetings of the African Union Conference of Ministers of Economy and Finance and the Economic Commission for Africa Conference of Ministers of Finance, Planning and Economic Development, held in Lilongwe, from 25 to 28 March 2010, on promoting high-level sustainable growth to reduce unemployment in Africa. Taking note of the slow progress in eradicating poverty and reducing inequality, we encourage the African Union Commission, supported by the Economic Commission for Africa, and other affiliated United Nations agencies, the African Development Bank, the NEPAD Planning and Coordinating Agency, and the regional economic communities, to help member States develop integrated economic and social policies through sound reforms at the national, regional and continental levels to deal with structural constraints with regard to investment and entrepreneurship, promote public-private partnerships, encourage innovation through start-ups and create an enabling environment for economic diversification through industrialization in the perspective of achieving inclusive, sustainable and equitable development in Africa.

11. We acknowledge that Agenda 2063 and the 2030 Agenda for Sustainable Development offer an invaluable opportunity for Africa to design and implement a coherent and effective development pathway that strengthens and sustains economic growth and leads to a socially inclusive society for the well-being of all of its people, through appropriate policy responses to poverty and inequalities, and extending the potential for upward mobility for all. In that context, we reaffirm that African countries need to adopt coherent strategies aimed at strengthening institutions in promoting a social protection mechanism for developing a stronger social contract in full respect of human rights and dignity.

12. We note the Economic and Social Council in its resolution 2006/17 on Social Dimensions of the New Partnership for Africa's Development E/CN.5/2017/L.5 and recognize the potential of a demographic dividend that Africa's youthful population presents for the continent and the urgency to meet the needs of and empower young people, with particular attention to those that are vulnerable and/or disadvantaged in both rural and urban areas.

13. We recognize that accelerated growth, higher investment rates, improved productivity and more rapid job creation requires a stable, healthy, dynamic and resilient labour market environment in which the rights and responsibilities of all members of society are respected and promoted. We

encourage African countries to provide relevant skills training for youth, high-quality health-care services, decent work opportunities and build inclusive and equitable labour markets in which workers, irrespective of their gender, age and location, are given equal opportunities with the aim to unlock the opportunities in Africa for reaping the expected demographic dividend [Based on resolution Social dimension of the New Partnership for Africa's Development E/CN.5/2017/L5].

14. We recognize that the strengthening of international cooperation regarding youth, capacity-building, the enhancement of dialogue, mutual understanding and the active participation of young people are crucial elements in efforts towards achieving the eradication of poverty, full employment and social inclusion, and in this regard stresses the importance of promoting access to health-care services, including sexual and reproductive health, nationally owned social protection and social services as an important instrument for empowering youth [Based on resolution entitled "Policies and programmes involving youth" E/CN.5/2017/L.4].

15. We recognize that African women account for substantial levels of production in both the formal and informal sectors, and women's participation in the formal labour force raises the potential for a "gender dividend" in economic development. We note the importance, therefore, of assuring that girls and women are provided equal opportunity to secure education and training, and fully participate in the formal labour force on an equal footing, with guarantees of equal pay for equal work, and rewards for leadership and ingenuity.

16. We further recognize that successful structural transformation in Africa with a deep reduction in inequalities and poverty will require close collaboration between government and the private sector. We take note that constraints on the private sector may adversely impact industrial development in Africa and the continent's growth trajectory, and reaffirm that governmental support in improving the business and investment climate, especially for micro, small and medium-sized enterprises, and strengthening of business intermediary and support organizations will remain at the centre of our priority reform for creating a business environment conducive to sound private sector development.

17. We are aware that even though the agricultural sector's contribution to gross domestic product growth has gradually declined across the continent, it remains an important contributor to gross domestic product, and absorbs almost 50 per cent of the labour force. We are also aware that the transition of Africa out of the primary sector into tertiary sector activities has not resulted in the desired structural transformation, as these activities are largely informal and with low productivity. We emphasize that agriculture is central to most African economies and policies designed to promote growth in this sector and increase the continent's global competitiveness are critical for reducing the incidence of working poverty and overall income inequality in Africa.

18. We recognize the critical role of the informal sector in providing employment to the large labour force, especially youth and women, in the absence of jobs in the formal sector. We therefore welcome continuing efforts by the African Union Commission, supported by the Economic Commission for Africa and other affiliated United Nations agencies, the African Development Bank, the NEPAD Planning and Coordinating Agency, and regional economic communities, aimed at assisting member States in developing and implementing policies that support private sector development in Africa and the expansion of employment opportunities in the formal sector, while making the informal sector

a more sustainable form of employment, as creating linkages to the formal sector and providing an enabling business environment for this sector to thrive is essential for more equitable growth.

19. We also encourage these institutions to design and implement support tools that facilitate the promotion of innovation through effective use of technology and digital information opportunities for developing start-ups in Africa with a view to harness the potential of young entrepreneurs and boost economic diversification and transformation.

20. We are cognizant of the imperative need for Africa to adopt an evidence-based policymaking development process, which would enable the continent to plan, design, implement, monitor and evaluate sustainable and inclusive development policies that foster social cohesion through quality data within the frameworks of Agenda 2063, the “High 5” priorities outlined in the African Development Bank ten-year strategy for 2013-2022 and the 2030 Agenda for Sustainable Development. We acknowledge the efforts of the continent in reviewing and updating the Strategy for the Harmonization of Statistics in Africa. We request the African Union Commission and the African Development Bank, supported by the Economic Commission for Africa, to assist member States and the regional economic communities in aligning their statistical development strategies with the Strategy for Harmonization of Statistics in Africa in order to support the implementation of the above-mentioned development agendas and national and regional development plans. We further recognize the comprehensive foundation of information on the population that the 2020 round of censuses will provide and the scale of this data collection operation, and request the United Nations Population Fund and the international community to help to ensure the collection of high-quality data and the dissemination and effective use of the data to advance sustainable development planning, implementation and monitoring.

21. We recognize that fostering structural transformation in Africa will require a substantial amount of financial and non-financial resources from all sources. Cognizant of the unpredictability of external financial resources, we underscore the fundamental role of domestic resources as the main source of finance for structural transformation, in line with the Addis Ababa Action Agenda of the Third International Conference on Financing for Development.

22. In this regard, we commit (i) to include in our national development plans initiatives to support the implementation of the AU Roadmap on harnessing the demographic dividend through investments in youth in our national development plans alongside the four thematic pillars (employment and entrepreneurship; education and skills development; health and wellbeing; and rights, governance and youth empowerment), and (ii) to mobilize and allocate domestic resources and to promote partnerships in support of the aforementioned initiatives on harnessing the demographic dividend.

23. We take note of the special circumstances of the least developed countries of Africa and commend Angola and Equatorial Guinea for meeting the eligibility criteria for graduation from least developed country status. We are, however, concerned about the overall slow progress towards graduation by African least developed countries and take note of the concerns expressed by graduating countries about the sustainability of their progress to date. We call on development partners to continue to support least developed countries in strengthening their productive capacities, including through investments in infrastructure, science, technology and innovation.

24. We call upon the African Union Commission, supported by the Economic Commission for Africa, the African Development Bank and the NEPAD Planning and Coordinating Agency, to assist member States in the effort to meet the commitment outlined in the Addis Ababa Action Agenda to create an infrastructure platform aimed at coordinating investments in infrastructure; developing a technology facilitation mechanism to support innovation, science and technology; strengthening international cooperation on tax matters to stem the tide of illicit financial outflows; and improving capacities for domestic resource mobilization through sustainable fiscal policies for stronger social outcomes. We also recognize the role that capital markets development can play in mobilizing domestic resources. In this regard, we call upon African Union member States to support regional stock markets integration with a view to ultimately establish a pan-African stock exchange.

25. We recognize that inclusive businesses have proved to be effective with regard to creating opportunities for low-income populations, and that inclusive market development is necessary to ensure that the benefits of growth are equally shared by all the segments of the African population through the provision of a conducive environment for inclusive businesses. We therefore call upon the African Union Commission, in collaboration with the United Nations Development Programme, to accelerate the process to create the African inclusive markets excellence centre.

26. We are convinced that economic diversification through industrial development is a necessary vehicle for promoting economic resilience, sustainability and inclusiveness through, for example, employment generation, and inclusive social outcomes in Africa. We therefore call upon the African Union Commission, supported by the Economic Commission for Africa, the African Development Bank and the NEPAD Planning and Coordinating Agency, to assist member States in formulating implementing economic diversification policies that promote industrial development through appropriate reforms and investments at subnational, national, regional and continental levels.

27. We particularly note the importance of setting strategic long-term targets for inclusive growth and structural transformation and related policy priorities through national development planning that enables a holistic and integrated approach for tackling poverty, inequality and unemployment.

28. We underscore the benefits of an African commodity-based industrialization taking advantage of the continental endowment in natural resources. We therefore encourage the African Union Commission, supported by the Economic Commission for Africa, the African Development Bank and the NEPAD Planning and Coordinating Agency and regional economic communities, to accelerate the finalization of the pan-African commodity strategy and strengthen the role of the African Mineral Development Centre to ensure more lucrative deals in contract negotiations for enlarged opportunities for all.

29. We welcome the initiative of the Economic and Social Council to focus on overcoming the challenges involved in building resilient infrastructure, promoting sustainable industrialization and fostering innovation during a special meeting to be held at the United Nations headquarters on 31 May 2017, and are pleased to have hosted the regional preparatory meeting for this event. Several priorities were identified during the preparatory meeting for further action in this context, including: (i) value chain maximization and regional cooperation, especially in agriculture and agro-processing and the mineral sector; (ii) the pursuit of green industrial policies and resilient infrastructure to deliver

sustainable and inclusive growth and decent work, while building low-carbon economies and leapfrogging the process; and (iii) strengthening of the policy and regulatory frameworks, capacities and resources needed within countries to achieve Sustainable Development Goal 9, including through new initiatives and multi-stakeholder partnerships, such as the Programme for Country Partnership of the United Nations Industrial Development Organization, which mobilizes partners and resources to multiply development impact.

30. We recognize the opportunities generated by urbanization for structural transformation in Africa, and the transition of economies towards productive and job-rich sectors to reduce inequality and unemployment. In particular, urbanization generates favourable conditions for industrial productivity through the agglomeration effects associated with urban areas. Reconnecting urban and industrial development in Africa through deliberate policies, strategies and investments is therefore a priority for achieving the sustainability of both urban areas and industries and enhancing productivity in rural economies. We therefore call on member States to put in place policies and strategies aimed at harnessing urbanization for the achievement of national growth and transformation targets in the context of national development planning guided by Common African Position at the Third United Nations Conference on Housing and Sustainable Urban Development, which was adopted in 2016.

31. We recognize that regional integration is a key requisite in promoting equitable growth and reducing regional disparities in Africa, which are essential for achieving the vision and aspirations of Agenda 2063, and implementing the 2030 Agenda for Sustainable Development. We call upon the African Union Commission, supported by the United Nations and regional economic communities, to continue to support the integration and transformative agenda for Africa by accelerating the establishment of the continental free trade area, fostering industrialization, skills upgrading and infrastructure development through the implementation of continental programmes, such as the Programme for Infrastructure Development in Africa, the Comprehensive Africa Agriculture Development Programme, the Science, Technology and Innovation Strategy for Africa and the Action Plan for the Accelerated Industrial Development of Africa. In this regard, we commit to mobilise and allocate resources into national, regional and sub-regional efforts to ensure investments in youth to harness the demographic dividend are fully realised.

32. We underscore the importance of trade and investment as central instruments in the efforts associated with structural transformation in Africa during the next decade and beyond within the framework of the Pan-African Investment Code, which is a powerful guiding instrument for catalysing domestic and foreign investments and intra-African trade for inclusive and sustainable growth. We, therefore call upon the African Union Commission to use the Code as a guiding document for the continental free area negotiations under the investment chapter.

33. We also underscore the benefits of migration for economic and human development in Africa. We therefore stress the importance of cooperation at the national, regional and international levels to ensure safe, orderly and regular migration with respect for the human rights and dignity of migrants, regardless of their origin and status.

34. We acknowledge that achieving gender equality and women's empowerment is a prerequisite to the achievement of the Sustainable

Development Goals and the aspirations of Agenda 2063 in Africa. We therefore call upon the African Union Commission to support the ratification without reservation and implementation by all member States of global and regional women's rights frameworks, and to submit progress report, timely as deemed necessary.

35. We acknowledge that promoting peace and security and combating xenophobia, terrorism and all forms of extremism are critical for Africa to achieve structural transformation. We therefore call upon the African Union Commission to use its political weight in support of the promotion and full respect of the values associated with the Constitutive Act of the African Union and the noble ideals that guided the founding fathers of our continental organization and generations of pan-Africanists in their determination to promote unity, solidarity, cohesion and cooperation among the peoples of Africa and African States as a source of socioeconomic development.

### **Vote of thanks**

36. We thank the Government and people of Senegal for the hospitality that they have afforded the African Union Commission and the Economic Commission for Africa, and also for the courtesies extended to us, which ensured the success of our meetings.

37. Finally, we wish to extend our gratitude to the African Union Commission and the Economic Commission for Africa for successfully convening the tenth Joint Annual Meetings of the African Union Specialized Technical Committee on Finance, Monetary Affairs, Economic Planning and Integration and the Economic Commission for Africa Conference of African Ministers of Finance, Planning and Economic Development.