



**UNITED NATIONS  
ECONOMIC COMMISSION FOR AFRICA**

**UN Secretary General's meeting with UN Senior Advisors**

**UN Economic Commission for Africa:  
Reform efforts and current trends**

**Talking points for**

**Mr. Carlos Lopes  
UN Under Secretary-General &  
Executive Secretary of ECA**

**By video conference  
Wednesday, 30 October 2013  
9:15 am to 10:00 am (NY)**

## 1. RATIONALE FOR THE CURRENT REFORM

The changing landscape across the world and in Africa has warranted further reform by ECA to reposition itself and recalibrate its programme to be the “think tank” of reference on African development policy issues and be able to respond to the evolving needs and demands of its member States in a rapidly changing global environment.

### **Two important global level factors that influenced the ongoing reforms at ECA:**

- New phase of globalization (economic integration / global liberalization of trade and financial markets which has led to the emergence of global industrial value chains.
- Reconfiguration of economic powers and increasing South-South flows.
  1. *In 2012, the collective GDP of emerging markets increased by 7.4 per cent to \$29.1 trillion, compared to the combined output of \$33 trillion in the G-7. Yet, only five years earlier, the G-7 output was twice the size of that of emerging markets.*
  2. *Africa’s trade with the BRICS for example, has grown faster than the continent’s trade with any other region in the world, doubling since 2007 to \$340 billion in 2012, and is projected to reach \$500 billion by 2015.*

### **At the Continental level, following are among the key factors that would shape ECA’s work:**

- Economic growth - *At the turn of the Millennium, Africa’s GDP per capita was USD 600 billion; today it is 2.2 trillion, representing the fastest growth in history. Africa GDP growth grew from 2.2% in 1990 to -6.6% in 2012*

Attributable to factors such as:

- Continent’s youthful population –*Africa’s population will double attaining close to 2.3 billion people over the next forty years. This will represent about half of the globe’s total population growth. Of particular significance is that in less than three generations, 41% of the world’s youth will be African*
  - Growing middle class - *In 2010 the African middle class accounted for 34% of the population - there was a 100% rise in less than 20 years (AfDB). By 2015: 200 million plus Africans will be middle class*
  - Enormous natural resource wealth – *Africa’s resources wealth, account for approximately 1/5 of gold and uranium supplies; ½ of its diamonds and chromium; More than ½ of the world’s uncultivated arable land; ¾ of the world’s platinum supply; Gas and oil production in over 30 countries.*
  - Improvements in governance and macroeconomic fundamentals - *Africa has been experiencing an upward FDI trend, with just above the US\$ 47 billion mark in 2011 & FDI in 2012 registered at 50 billion (which represents a 5 % year-on increase). Outward FDI flows from Africa nearly tripled in 2012, from \$5 billion in the previous year to an estimated \$14 billion. Investor confidence is growing evidenced by substantial inflows of Foreign Direct Investment (FDI) so much so that by 2020 it may reach the levels of China*
  - Growing & dynamic private sector
  - Massive urbanization - *by 2030, 50% of Africans will be living in cities; already approximately 55% of the continents total GDP is generated in cities. Africa has the highest urban population growth rate in the world. 15 of the 20 fastest growing cities in the world between 20135 & 2020 will be in Africa*
- Improvement in governance on the continent, under the auspices of the AUC
  - Absorption of the New Partnership for Africa’s Development (NEPAD)
  - New leadership at the African Union Commission

- Adoption by African leaders of a 50-year development vision – Agenda 2063
- Outcomes of the United Nations Conference on Sustainable Development (Rio+20) and the consultations on a post-2015 development agenda.

**However, Africa is facing a number of challenges:**

1. Achieving and sustaining higher levels of equitable and shared growth;
2. Investment in human development, including improving access to education, health and infrastructure;
3. Employment creation;
4. Boosting agriculture and food security;
5. Speeding up the pace of regional integration;
6. Promoting trade, including intra-African trade;
7. Enhancing state and institutional capacities for improved economic management;
8. Ensuring gender equality;
9. Building national statistical capacity;
10. Resource mobilization

### **3. SETTING THE AGENDA FOR REFORM**

Following extensive reflection and internal and external consultations with a wide range of stakeholders, following conclusions were reached:

1. Africa needs structural transformation not structural adjustment.
2. Africa must be put first and ECA itself must be retooled and its programmes recalibrated

A comprehensive internal review of the programme of work and priorities was undertaken, which resulted in a revised strategic orientation for the ECA, involving changes to its programmes, organizational structure, management and administrative processes.

**The internal consultations** included: Monthly SMT meetings (13), Meetings with Staff Union (4), Town hall meetings (3), Consultations with staff at large in various configurations including young professionals. Female staff and Month meetings with all the taskforces that were set up (10)

**The external consultations** included Quarterly ambassadors briefing, Monthly meetings with strategic partnership institution like the AUC and its NEPAD coordination agency & AfDB, .Development partners, Informal meetings with key African Ministers of Finance and Planning for advisory purposes and Inter-governmental bodies of the ECA .

### **4. REVISED STRATEGIC ORIENTATION & CHANGES TO THE PROGRAMME**

**Mandate:**

1. Decision of AU Assembly of Heads of State and Government at its 20th ordinary summit in January 2013 - Assembly called upon the Secretary General to provide required support to ECA to enhance its work in accordance with Africa's priorities
2. 46<sup>th</sup> session of the Economic Commission for Africa Resolution which was held in March 2013 as part of the 6th 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.

**What the focus would be on:**

- Overcoming gaps identified in planning, statistics, and contract negotiations as well as adjusting to the global mega trends;
- Regional integration;
- Leveraging the sub regional presence of ECA to support the collection and collation of data in Member States to enhance the delivery of relevant knowledge to its Member States, regional and sub-regional institutions.

**How it was done:**

- Former ECA programme had 10 sub-programmes – reduced to 9. These were clustered or consolidated where there were thematically related for better synergies and coherence
- Re-configuration ECA to specialize and focus on areas of comparative advantages in economic and social development. Cut out & avoid any duplication of activities that are better undertaken elsewhere, including by the AUC or United Nations specialized agencies
- The 9 sub-programmes are focused on sectors or priorities that are key to the transformation of Africa - organized and aligned to support the transformative development in a renascent Africa. Together, they reflect the substantive priorities of Member States.
- The 9 sub-programmes are clustered under the umbrella of two over-arching pillars, namely (i) policy research and (ii) knowledge delivery.

- 1) Macroeconomic policy;
- (2) Regional integration and trade;
- (3) Innovations, technologies and management of Africa's natural resources;
- (4) Statistics;
- (5) Capacity development;
- (6) Gender and women in development;
- (7) Sub regional activities for development;
- (8) Development planning and administration; and
- (9) Social development policy.

- **Emphasis is placed on:**

1. Generating knowledge
2. Generating analysis
3. Repackaging communication of ECA knowledge products to core policy constituents using innovative techniques, including information and communication technologies.
4. Addressing gender disparities in development and integrating it into the expected accomplishments of all subprogrammes.
5. Streamlining the intergovernmental machinery

- **The modalities of implementation will include:**

1. Policy research to generate knowledge;
2. Advocacy and consensus-building;
3. Advisory services and technical cooperation;
4. Partnerships (renewed)

### 3. CHANGES IN ADMINISTRATIVE AND BUSINESS PROCESSES

To foster changes required in ECA's institutional culture, the reform process is accompanied by the introduction of new ways of doing business through ten Business Standards.

These were:

1. Enhanced support to Member States and pan-African institutions through focused capacity development intervention
2. A collective approach to implementing key initiatives
3. Ensuring that the ECA policy centers are governed by a similar set of rules
4. Establishing one common data bank for ECA that is also accessible to all Stakeholders
5. Ensuring improved and monitored messaging and branding of ECA work
6. Establishing and maintaining a disciplined calendar of annual activities
7. Significantly reducing the present preponderance of service delivery through workshops and seminars
8. Establishing and implementing ambitious gender parity policies
9. Re-profiling of staff skills and capabilities to carry out new programme Priorities
10. Working assiduously to reduce carbon footprint of ECA

A participatory process has determined these. The key milestones were:

- The establishment of a Taskforce for each Business Standard.
- To recommend internal policies, targets and performance indicators of the B.S
- Each Taskforce developed its own Terms of Reference based on guidance
- Composition of ECA staff representing a mix of all levels, professional backgrounds, gender and Staff Union representation.
- Consultations held using an open, transparent, inclusive and consensus building approach.
- The final reports and recommendations of all the Task Forces were reviewed and evaluated by the Executive Secretary and findings were shared with all staff. Recommendations that were relevant and implementable were adopted. For those that were not accepted, the rationale for not accepting them was shared. Out of a total of 150 recommendations, 119 were adopted.

### 6. OUTCOMES

#### **Regional Coordination Mechanism (RCM) – Africa**

In an attempt to make the RCM more effective and productive, ECA proposed to the DSG to boost its role in promoting coherence among UN agencies supporting the work of the AU and its NEPAD Coordinating Agency and to link its work to that of other processes on the continent.

Accordingly, the ECA will emulate coherence and coordination at country level by developing a Regional Development Assistance Framework aligned with the strategic priorities of the AU. In addition, the timing of the upcoming RCM-Africa annual meetings would be adjusted so as to hold the meetings back-to-back with the annual AU-ECA Conference of Ministers of Finance, Planning and Economic Development. These changes would improve the alignment of the work of various UN agencies supporting the AU to a common agreed results framework and give prominence to the monitoring of progress on UN frameworks, including provide visibility to the work of MDG Africa Steering Group.

## **South-South Cooperation**

ECA recalibrated its programmes and will meaningfully accompany its member States in their effort to maximize the benefits of their engagement with the BRICS and minimize the risk that comes with it. Africa needs to capitalize on its cooperation with the BRICS to develop sectors that have large multiplier effects. Policy makers must identify policies and strategies to follow to diversify exports, strengthen inter-sectoral linkages, adopt labor-intensive techniques and improve terms of trade.

## **Other key outcomes registered so far**

In line with the Task Forces recommendations and following the SMT Retreat held from 9 to 11 September 2013, ECA has been in the process of developing a number of strategy documents to complement the restructuring efforts namely:

- Capacity Development Strategy
- Partnerships Strategy
- Knowledge Management Strategy
- Data Management Protocol to guide the collection, processing and use of data
- Template for the Country Profiles to be produced in 2014.

In addition, the internal ECA wide consultation process which was handled by Task Forces on ten (10) working areas of the Commission requiring improved standards, the following circulars would be issued before the end of the year:

- A circular on Re-profiling and Training
- A circular on incentives for professional category staff involved in knowledge generation
- A circular on Rules of engagement for ECA key initiatives
- Series of circulars to implement and/or reinforce HR management policies on Gender Parity Targets
- A circular on ECA Green Policy

## **7. CONCLUSION**

- ECA can be the prime institution of the United Nations that brings Africa's development vision and concerns to the global system: and
- Generate the policy thinking and knowledge that will help African countries to own their development efforts and narrative.