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**REPORT OF THE UN-ECA CONFERENCE OF AFRICAN
MINISTERS OF FINANCE, PLANNING AND ECONOMIC
DEVELOPMENT**

**REPORT OF THE UN-ECA CONFERENCE OF AFRICAN MINISTERS
OF FINANCE, PLANNING AND ECONOMIC DEVELOPMENT
(29 MARCH TO 3 APRIL 2007)**

1. The Fortieth Session of the Conference of Ministers of Finance, Planning and Economic Development of the United Nations Economic Commission for Africa (UN-ECA) was held at Addis Ababa, Ethiopia, from 29 March to 3 April 2007.
2. The Conference brought together forty-five countries, non-regional UN observer Member States, organs of the United Nations, Pan-African governmental organizations, regional and international financial institutions and NGOs.
3. In accordance with the decisions taken by the Conference of African Ministers of Economy and Finance (CAMEF II), endorsed by the Summit of Heads of State in January 2007, for the first time, a joint ECA/AUC Secretariat was set up to organize the deliberations of the Conference and at the same time launch the process for the preparation and joint organization of the next common conference scheduled for 2008.
4. The main theme of the conference was: *“Accelerating growth and development in Africa towards the achievement of the Millennium Development Goals (MDG): New Challenges and the Path Ahead”*.
5. An examination of the economic and social situation of member countries in 2006 showed a significant improvement in the global growth rate of African economies over the last two years. However, performances realized were unequal at both country and regional levels, and fall below the 7% goal set in order to reach the MDG and reduce poverty in Africa.
6. Despite the efforts made by many countries in macro-economic reforms, the hike in oil prices on the international market has adversely affected growth in the vulnerable economies of countries that are highly dependent on energy imports.
7. Faced with this situation that tends to offset national efforts to speed up economic growth, recommendations were made with the aim of reducing energy dependence, developing renewable sources of energy, efficiently mobilizing internal and external resources, strengthening the actions of public authorities, fostering public/private partnership and boosting efforts to assist countries in the formulation and implementation of more adapted and efficient strategies.
8. The Conference adopted the ECA Plan of Activities for 2007-2009 which shows the relationships between priorities and activities being carried out by development partners in keeping with African Union guidelines. The Plan, which was jointly launched by UN Secretary General, the Chairperson of the African Union Commission and the President of the ADB and was approved by Heads of State in January 2007, constitutes an ECA strategic framework and vision for economic development in Africa.
9. The conference then devoted itself to the consideration of the strategies and priorities contained in the programmes proposed in order to speed up the

achievement of the MDGs. During the discussions, the participants showed the urgent need to build capacities in statistics in all member countries and to quickly launch the Regional Forum for Employment in order to help States of the region to formulate and implement adapted strategies that are conducive to rapid, sustainable development and poverty reduction.

10. The conference noted that Africa's poor performance is linked also to the non-respect of commitments made by the international financial community in respect of official development assistance, debt relief and foreign direct investment alike. Decisions taken under the Monterrey Consensus and the Brussels Action Programme (2001-2010) in favour of the LDC were hardly applied. Such situation may compromise the capacities of these countries to reach the MDGs on schedule.

11. The conference identified five challenges which have to be overcome to reach the MDG and reduce poverty. They are: growth, employment and inequality, investment financing in the private sector, policy making and planning, partnership and globalization, peace and security.

12. The conference also stressed the need to align poverty reduction strategies formulated within the context of the Poverty Reduction Strategy Papers (PRSP) recommended by the Bretton Woods Institutions with the MDGs.

13. Greater flexibility was recommended in macro economic policy options in order to give African countries the appropriate means to accelerate and diversify growth in a bid to reach the MDG within the set timeframes.

14. During discussions, it was stressed that priority be given to the integrated and sustainable development of rural areas, by raising productivity in agriculture, diversifying and intensifying production, and building basic infrastructure to facilitate communications, ensure rapid growth in trade and improve the incomes of the populations. Pan-African organizations (AUC, ECA, ADB, etc..) should jointly design a process for the monitoring and evaluation of the MDG.

15. The Ministers affirmed that reaching the MDG is a pre-requisite for economic growth, sustainable development and the reduction of poverty and inequalities. The fundamental role of governance, democratic institutions and social dialogue in the implementation of the MDG was highlighted. Efficient, transparent management and participation should help to render all economic actors accountable, to free initiatives and sustain growth. As the participants underscored, development, the sole means of reaching the MDG, can be achieved only in an environment of peace and security.

16. The Ministers' declaration is squarely in line with decisions taken by the numerous conferences organized in this respect and with the framework of commitments made in 2002 (Monterrey) and 2005 (UN and G8 Summit) on the funding of development in poor African countries.

17. An examination of economic performance in Africa shows that since the Banjul Summit, growth in the RECs has been unequal. An exhaustive diagnosis of the deep causes of bottlenecks was also made. Given the difficulties faced by many countries in exploiting the decisions taken at various conferences and international meetings, the ECA pledged to support them in their economic development efforts.

18. Studies carried out on the financing of regional integration recommended that autonomous mechanisms should be sought to consolidate the financial basis of the RECs and ensure the efficient use of the resources of the Infrastructure Consortium for Africa put in place by the G8.
19. The conference showed that as regards regional integration, priority should be given to training in the new technologies. The Ministers appealed for effective mobilization of regional resources to finance priority development programmes.
20. The meeting analysed the "Aid for Trade" initiative proposed by WTO to assess its impact on African development. The discussions put emphasis on training, technical assistance and expertise as a means of better supporting development.
21. The ECA further presented its International Comparison Programme on statistics whose objective is to develop the capacities of REC countries in this domain, and foster harmonization, integration and the implementation of development strategies capable of speeding up regional integration.
22. Regional economic integration stands as an appropriate means of formulating efficient policies and strategies to reduce poverty and inequalities. In this respect, building the capacities of countries and RECs in statistics constitutes one of the most appropriate instruments for efficiently piloting and implementing these policies.
23. With regard to NEPAD, after acquainting themselves with efforts deployed by the African Union Commission to restructure the programme and improve its performance, the participants commended the ECA for its will to better coordinate actions carried out by the United Nations system in this domain. The Conference renewed its commitment to NEPAD as an appropriate means of speeding up the attainment of the MDG.
24. The Conference further considered ECA inter-governmental mechanisms: (1) the AUC-ECA joint annual conference of African Ministers of Finance, Planning and Economic Development; (2) replacement of inter-governmental committees of experts by sub-regional ministerial conferences; and (3) the organization of subsidiary organs of the Commission into 7 sectoral committees.
25. Following the adoption of the ECA Plan of Activities for 2007-2009, which was launched by the UN Secretary General, the Chairperson of the AUC and the President of the ADB, and approved by the Assembly of Heads of State and Government in January 2007, the Ministers then considered sectoral programmes identified as a means of spurring growth and reaching the MDG.
26. For the achievement of the MDG, the Conference made recommendations aimed at consolidating peace, boosting investment in infrastructure, agriculture, health and education as well as mobilizing African financial resources.
27. Capacity-building in governance, democratic institutions and social dialogue on the poverty reduction strategy will be supplemented by regional integration and training in the new technologies. Pan-African institutions should oversee the monitoring.

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