



THE PRESIDENT  
OF THE  
GENERAL ASSEMBLY

24 March, 2014

Excellency,

Operative paragraph 42 of General Assembly resolution A/RES/67/294 entitled *New Partnership for Africa's Development: progress in implementation and international support* "requests the President of the General Assembly to convene at its sixty-eighth session a plenary meeting for purposes of holding a high-level thematic debate, allocating existing resources available for thematic debates, on the promotion of investment in Africa and its catalytic role in achieving Africa's development objectives, including those of the New Partnership, particularly the eradication of poverty and the achievement of inclusive and sustained economic growth and development".

In this regard, I am pleased to inform you that, in line with the aforementioned resolution, I will convene a high-level thematic debate of the General Assembly on this issue on Monday, 12 May, 2014, at the United Nations Headquarters in New York.

Investment has proven to be an effective means of fostering sustained economic growth, of increasing productivity and competitiveness, and of contributing to the goal of poverty eradication, largely through job creation, especially for youth, whose expanding unemployment is one of Africa's pressing challenges. Accordingly, promoting investment as a vehicle for development enhancement, job creation and poverty reduction will be the guiding thread of this thematic debate which will offer Member States a unique opportunity to deliberate and contribute innovative and constructive ideas on the promotion of investment in Africa.

This one-day interactive debate will be composed of an opening session, plenary debate, two consecutive panel discussions and a closing session. A concept paper for this thematic debate is attached hereto.

All Permanent Representatives and  
Permanent Observers to the United Nations  
New York

I extend an invitation to all Member States to be represented at the highest possible level and I look forward to an active and future-looking debate.

Updated information will be available on the website of the President of the General Assembly in the weeks ahead.

Please accept, Excellency, the assurances of my highest consideration.

A handwritten signature in cursive script, reading "John W. Ashe". The signature is written in dark ink and is positioned above the printed name.

John W. Ashe

**HIGH-LEVEL THEMATIC DEBATE OF THE GENERAL ASSEMBLY “ON THE PROMOTION OF INVESTMENT IN AFRICA AND ITS CATALYTIC ROLE IN ACHIEVING AFRICA’S DEVELOPMENT OBJECTIVES, INCLUDING THOSE OF NEPAD”**

**Draft Concept Paper**

Date: 12 May 2014 · New York

**Context**

Investment is a driving force and a prerequisite for economic growth and development. Most of the fast growing economies have experienced high level of capital accumulation or investment. It is an underlying factor for increasing the productive capacity, for job opportunities, fight against poverty and wealth creation. In this regard, African leaders through the adoption of the New Partnership for Africa’s Development (NEPAD), the socio-economic transformation blueprint for Africa’s development, underscored the central role of investment in Africa’s economic revival, and committed African countries to undertake measures to establish an environment conducive for private investment.

Africa today offers the world’s most promising growth potential. Indeed, the Continent has succeeded in achieving significant socio-economic progress, and has made significant strides in the areas of political governance and peace and security. During the last years, many African countries experienced positive economic performances which paved the way for a promising economic outlook for the coming years since Africa's economy is expected to grow by 5.3% in 2014.

This positive economic growth has been driven by high commodity prices and steady efforts from African leaders in the implementation of prudent macroeconomic policies and reforms to improve the business climate, reduce conflicts and implement various national, regional and continental programmes and initiatives, including the Comprehensive Africa Agriculture Development Programme (CAADP), the Programme for Infrastructure Development in Africa (PIDA), the African Peer Review Mechanism (APRM), and to enhance the African Peace and Security Architecture (APSA).

However, several peace and stability challenges as well as the lingering impact of the 2008 financial and economic crisis are impeding African sustainable development progress. Africa still needs to address poverty, unemployment, inequality, preservation of natural capital and a better integration in the global economy. The African continent’s persistent efforts to tackle its challenges require substantial resources. In particular, to sustain the current economic growth trend, support the continent’s transformative Development Agenda 2063, and meet global development goals, Africa needs to bridge a huge financing gap by promoting investment.

At the global level, it is vital for the international community to continue its efforts in partnering with African countries and the African Union to address development challenges confronting the Continent. The outcome document of the special event, convened by the President of the sixty-eighth session of the General Assembly, to follow

up efforts made towards achieving the Millennium Development Goals of 25th September 2013 highlighted that most African countries remain off track in meeting the MDGs, despite some impressive progress. Accelerating progress in the achievement of the MDGs and the crafting and fulfillment of the post-2015 development agenda will require the mobilization of substantial financial resources.

As underscored in the Monterrey Consensus and reaffirmed in the outcome document of the United Nations Conference on Sustainable Development, entitled "The Future We Want", private capital flows have a key role in development. Private investment, both domestic and international, will be key to support development efforts and the implementation of national development policies and strategies, in accordance with the principle of national ownership.

Private investment has proven to be an effective means to foster sustained economic growth, to increase productivity and competitiveness and to contribute to the goal of poverty eradication, mainly through job creation, especially for youth, since youth unemployment is one of the pressing challenges in African countries. Furthermore, the potential of foreign direct investment in facilitating access to technology and knowledge, as well as in enhancing business skills and entrepreneurship can have positive impact on growth and development. According to data from the World Investment Report 2013, the share of Africa in the global FDI inflows did not surpass 3.7% in 2012, despite the fact that Africa has enjoyed a growth in FDI inflows from approximately US\$ 9 billion in 2000 to a peak of about US\$ 62 billion in 2008 and US\$ 50 billion in 2012. Since 2000, investment in Africa has increased substantively from 15.9% to over 22% of GDP in 2012. Intra-African private investment has also grown by 23% from 2003 to 2011. Private capital flows have become a vital source of finance for Africa's development and have overtaken Official Development Assistance flows to Africa.

On the other hand, there are key impediments to investment mobilization and to the effective use of these untapped resources for ensuring economic, social and environmental development of the Continent. With regard to the mobilization of private capital flows, addressing the negative perception of the continent for both local and foreign investors is crucial while promoting smart and sustainable investment could ensure development spillovers of investment.

The availability of adequate infrastructure is crucial to achieve development objectives. African countries, through the adoption of the PIDA, committed themselves to making infrastructure development their utmost priority for development based on continental integration. At the African Union Summit of May 2013 commemorating the Golden Jubilee of the Organization of the African Unity/African Union, African leaders reiterated their commitment to transform the Continent by the financing of major infrastructure projects. In this regard, President Macky Sall, Chairperson of the NEPAD Heads of State and Government Orientation Committee and President of the Republic of Senegal, is

convening, later this year, the Dakar Financing Summit in order to strengthen public-private partnerships for the mobilization of financial investments and sustaining the implementation of PIDA.

A substantive increase in investment in all forms of infrastructure in African countries is needed. Investment can have a major role to play in infrastructure development to accelerate African regional integration by connecting markets and boosting power generation to support manufacturing and other sectors as well as pooling human, capital and natural resources, and leveraging the different comparative advantages of African countries, as well as the fostering of intra-African investment. An enabling domestic and international investment climate is key to fostering domestic and international private investment. African countries have undertaken significant efforts to put in place a transparent, stable and predictable business climate, which is important to encourage private investment both domestic and international.

### **Objective**

Promoting investment as vehicle for development enhancement and poverty reduction will be the guiding thread of this thematic debate. The overall objective of this High Level Thematic Debate is to give Member states and other stakeholders an opportunity to discuss the catalytic role that investment can have in helping African countries achieve their development objectives, including those of NEPAD, particularly the eradication of poverty and the attainment of inclusive and sustained economic growth.

The high level thematic debate will be guided by the following topics and questions:

1. What are the best strategies to promote and attract domestic, foreign and intra-African investment into African countries in order to enhance their productive capacities and to achieve sustained economic growth for poverty eradication and job creation?
2. Investment in infrastructure is central for the promotion of sustained growth and the success of development policies and strategies. What are the best policies, at the national and international level, to encourage infrastructure investment in African countries?
3. In most African countries, agriculture is the engine of economic growth, and agricultural growth is the cornerstone of poverty reduction. In this regard, the Comprehensive Africa Agriculture Development Programme (CAADP) represents the Africa owned and Africa led initiative working to boost agricultural productivity in Africa. What policies can best promote investment in order to achieve the objectives of CAADP?

4. Investment in agriculture and the commercialization of agricultural products are key for the achievement of development goals in African countries, and should be highly promoted. What are the strategies and policies at the national and international levels to promote investment in agriculture and the commercialization of African agricultural products?
5. The improvement of business environment is needed to enable African countries to overcome structural and other constraints that could limit domestic investment as well as their attractiveness as destination of foreign direct investment. In this context, what role the international cooperation can play to strengthen the capacities of African countries to continue to enhance their business climate, including for SMEs?
6. How can foreign direct investment be better leveraged to enhance know-how and technology transfers and support private sector development and growth of African firms?
7. How can international cooperation promote investment towards NEPAD programmes?

#### **Format and outcome**

The thematic debate will consist of an opening session, high-level plenary debate and closing session. The outcome of the thematic debate will be a President's summary.

#### **Participants**

The thematic debate will include participation of Member States at the highest possible level, Observers, representatives of the UN System, representatives of the AU Commission and the NEPAD Planning and Coordinating Agency, as well as representatives of civil society and private sector just to mention a few.