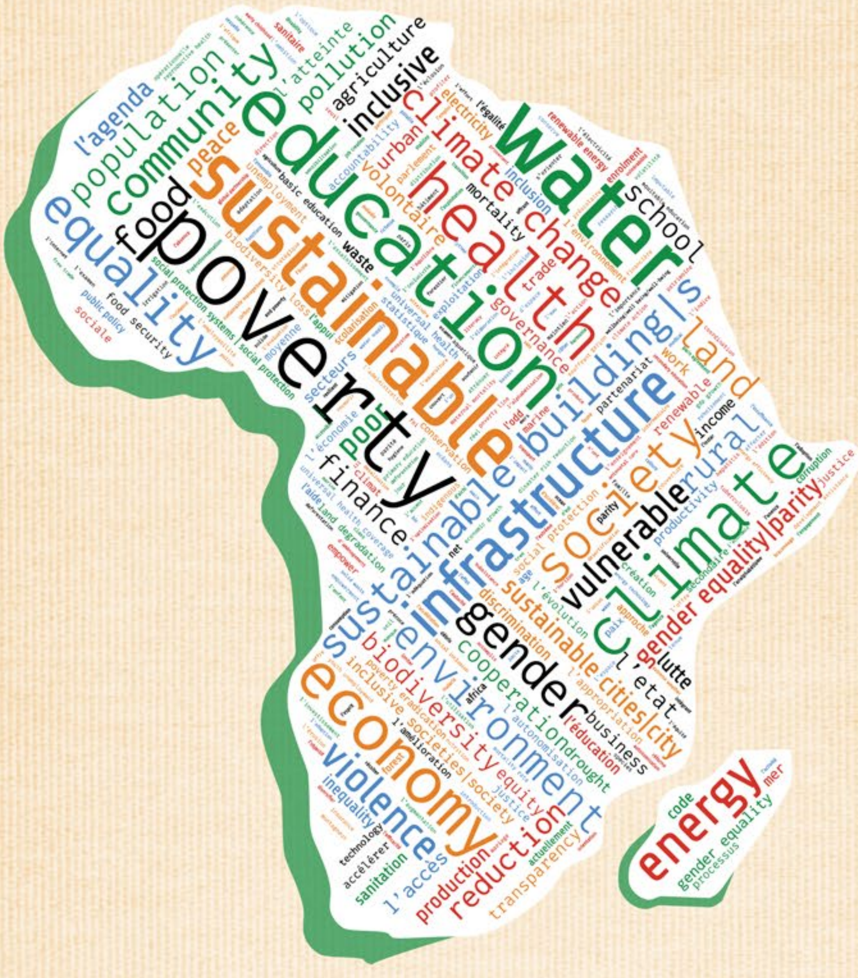
Africa Day

12 July 2022



High-level Political Forum on Sustainable Development

United Nations | Office of the Special Adviser on Africa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SCANIA

Welcoming Remarks

Ms. Cristina Duarte

Under Secretary-General and Special Adviser on Africa

Office of the Special Adviser on Africa

Crises? An opportunity to showcase Africa's resilience

Efforts to build forward better from the COVID-19 pandemic have been hindered by the war in Ukraine, with Africa suffering from its knock-on effects on the continent's food, nutrition, and energy security.

Yet, a record number of African Member States have been presenting their Voluntary National Review this year[1]. Inspired by Africa's exemplary resolve and resilience, we have chosen to focus our event on scaling up innovative financing and partnerships for the "Africa We Want".

Investing in structural transformation and reforms to strengthen institutions and further regional integration, including through AfCFTA[2], will unlock Africa's productive capacity. If fully implemented, the AfCFTA could account for a real income increase of 9% at the continental level by 2035 and pull an additional 50 million people out of extreme poverty.[3]

Partnerships should be based on mutual accountability and global solidarity, extending responsibility from governments to the global community, the private sector, philanthropic organizations, and civil society, for a people-driven sustainable development, our youth, and women, as the building blocks of these partnerships.

To read full remarks, click here

1 21 African Member States are presenting their VNRs this year, namely Botswana, Cameroon, Cote d'Ivoire, Djibouti, Equatorial Guinea, Eritrea, Eswatini, Ethiopia, Gabon, the Gambia, Ghana, Guinea-Bissau, Lesotho, Liberia, Malawi, Mali, Sao Tome and Principe, Senegal, Somalia, Sudan, Togo. This is not only a record for Africa so far, but also it represents a greater collective commitment than any other region this year.

2 AfCFTA envisages a continent-wide single market covering 1.3 billion people with a combined GDP of US$3.4 trillion.

3 "Making the Most of the African Continental Free Trade Area: Leveraging Trade and Foreign Direct Investment to Boost Growth and Reduce Poverty", joint report of the World Bank Group and AfCFTA Secretariat (June 2022).

Ms. Hanan Morsy

Deputy Executive Secretary and Chief Economist

United Nations Economic Commission for Africa

Ms. Ahunna Eziakonwa

Assistant Secretary-General and Director

UNDP Regional Bureau for Africa

Africa needs equitable access to financial resources

Traditional funding sources – public finances, development assistance, or bank loans – are insufficient to finance SDG implementation.

In addition to financing SDGs to achieve the 2030 Agenda and Agenda 2063, Africa will need to invest, by 2030, over $3 trillion in mitigation and adaptation towards the implementation of their Nationally Determined Contribution (NDC).

Moreover, only $6 billion out of the global total of $30 billion of climate adaptation finance flows to Africa.

These figures call for urgent and significant efforts to mobilize predictable flows of climate finance to deal with immediate climate emergencies and invest in a climate-resilient future.

Debt swaps for nature can contribute to Africa's debt sustainability and provide countries with fiscal space to invest in climate resilience and adaptation actions. Globally, Green/blue, social, and sustainability bond issuances total $1.14 trillion in 2021 (that is double 2020 levels) and are projected to surpass $1.5 trillion in 2022.

In Africa, these bonds can help fill the SDG financing gap by exclusively directing financial resources to projects with positive climate and social impacts.

Africa needs affordable access to financial markets to finance its sustainable development and address its worsening debt burden. In this regard, the ECA and partners have designed and developed the Liquidity and Sustainability Facility (LSF). When fully operational, the LSF can save African countries an estimated USD 11 billion on borrowing costs in five years.

In terms of Special Drawing Rights (SDRs), Africa only received $33 billion out of the $650 billion in new SDRs issued by the IMF in August 2021.

By increasing the share of SDRs in their reserve assets, African Countries would have access to an immediate liquidity boost without increasing their debt burdens.

To read full remarks, click here

Seven Recommendations to scale up partnerships and financing for Africa

One: Affordable Access to Financial Markets.

Reinforcing the Liquidity and Sustainability Facility (LSF), an initiative of the Economic Commission for Africa to lower African governments' borrowing costs in international financial markets.

Two: Climate Finance

Africa calls on Parties to Glasgow Climate Pact to establish an ambitious and reasonable price for carbon, aligned with the goals of the Paris Agreement. This price would enable African and other developing countries to finance their climate commitments and SDG implementation and take full advantage of their natural capital. Finally, Africa urged developed countries to honor their commitment to paying $100 billion annually in climate finance for mitigation and adaptation.

Three: Technology transfer

The continent welcomes the launch of the Alliance for Entrepreneurial Universities in Africa and the African Technology Development Transfer Network.

Four: Patent waiver

Africa welcomes the June 15th COVID-19 vaccine patent waiver agreement at the WTO and calls on developed countries to facilitate technology transfer and technical assistance to developing countries and enable them to manufacture COVID-19 vaccines and improve supply change efficiency to ensure equitable access to these critical vaccines.

Five: Data for Development

Quality data and statistics underpin evidence-driven policies and programs to implement the SDGs and Agenda 2063. Therefore, African countries are urged to strengthen their national statistical systems and enhance partnerships with the private sector, civil society, and academia for SDG implementation.

Six: Domestic Resource Mobilization

African governments, the United Nations system, and development partners need to implement the Addis Ababa Action Agenda and include sustainable budgeting principles to strengthen domestic resource mobilization.

Seven: Develop intra African Trade

By leveraging the Africa Continental Free Trade Area, African countries are encouraged to capture more value along global value chains and take full advantage of their natural resource endowments like, for example, for the production of battery minerals and electric vehicles.

To read full remarks, click here

Setting the Stage

H.E. Ms. Ester Anna Liisa Nghipondoka

Assistant Secretary-General and Regional Director for Africa

Namibia

Domestic Resource mobilization: the key to unlocking Africa's development!

How to finance Africa's development in a moment such as the triple crises of the ongoing aftermath of COVID, the war in Ukraine, and the Climate emergency? The solution is to increase domestic resource mobilization and within that, remove the lid on Africa's money so that it can work for Africa's development.

We must sharpen the tools at the disposal of governments to ensure a steady source of resources for development. These are taxation, Integrated National Financing Frameworks, tackling illicit financial flows, and making the African Continental Free Trade Area (AfCFTA) work. On average, however, Africa only raises 14.9% of GDP in taxes, compared to 19.8% in Europe and Central Asia. Against this background, UNDP recently launched the Tax for SDGs Initiative to support governments to develop evidence-based tax and fiscal policy measures to achieve the SDGs.

Stemming illicit financial flows is urgent as Africa loses close to 90 billion dollars annually – money that should be financing Africa's development. Multinational companies must pay taxes where they make their profits – as a responsible business principle.

To read full remarks, click here

H.E. Mr. Collen V. Kelapile

President of the United Nations Economic Social Council (ECOSOC) 2022 Session, Permanent Representative to the United Nations

Botswana

The silver lining

The pandemic has led to the worst economic recession in half a century across Africa, with real GDP contracting by **3%** in 2020 and triggering huge debt burden.

This situation has been further worsened by the conflict in Ukraine. The dependency on Russia and Ukraine as the world's breadbasket and leading producers of fertilizers demonstrated the inherent volatility of in increasingly globalized and interdependent world economy.

As a result of the current situation in Ukraine, Africa's GDP growth in 2022 is projected to decline by **0.7%** and inflation is forecast to rise by an extra **2.2%**[1], negatively impacting the lives and livelihoods of Africa's most vulnerable populations.

The silver lining of these crisis is that the situation has laid bare for all to see world's economy reliance on a handful of countries for food and energy security and for the global supply chains. While facilitating regional value chains, the African Continental Free Trade Area will play a key role in deepening regional integration, boost trade and investment flows.

Therein lies an enormous opportunity for Africa to move upstream in global supply chains, through economic diversification and value addition at source. This point also applies equally to the necessity to boost Africa's capacity to research, innovate and produce vaccines, medications and personal protective equipment to help reverse the impact of decades of underinvestment in the continent's productive capacity. Given its fertile land and rich endowment of natural resources, there is no reason why Africa should not be able to feed itself.

To read full remarks, click here

1 "Africa and the Ukraine crisis: Turning threats into opportunity", UN Sustainable Development Group, 3 May 2022

Ms. Olumide Gbadebo

CEO, Adunni Organics

Nigeria

Empower Youth in Africa

In building back better from the setbacks of the past few years, the value of innovation and partnership cannot be overemphasized. Africa needs to focus on key areas of development which can accelerate its recovery from existing and new challenges, many of which greatly involve and affect the teeming young population.

While it is reinsuring to see the awareness of this need of Youth participation among policy makers, it would be even better to see a more contemporary communication of available options and tools so that the youth can be placed in a better position to bring the desired changes.

While the pandemic was unfolding, the benefits of technology in enabling direct and real-time communication have been blatant. This positive experience showed that tech apps can be applied for immediate and lasting results. Young African entrepreneurs can testify to the power of information in driving growth and are all desirous of a more enabling environment to build the Africa they all want to see.

In this short video (duration 5.31 minutes), the Young Economists Network set up by the United Nations Economic Commission for Africa gives the youth perspective and way forward on global matters affecting the continent's sustainable development.

To read full remarks, click here

Keynote Address

H.E. Mr. Albert M. Muchanga

Commissioner for Economic Development, Trade, Industry and Mining

African Union

From vision to reality: The African Continental Free Trade Area

The economic future of Africa lies in continental economic integration, through the development of regional and continental value chains.

As part of the process of rolling out the operation of the African Continental Free Trade Area, there was, in January this year, commercial launch of the Pan African Payments and Settlements System which will facilitate settlements in local currencies in intra-African trade. To reach the objectives set up by the African Continental Free Trade Area (AfCFTA) – a 50 years old vision- other key institutions remain to be established. The African Monetary Institute in Abuja, Nigeria will promote macroeconomic convergence

across Africa, a key step towards the establishment of the African Central Bank, another key institution in the pipeline whose headquarters will also be based in Abuja.

With respect to the Pan African Stock Exchange, a Memorandum of Understanding with the African Securities Exchange Association has been signed this summer to facilitate its establishment.

But the ball of integration is already rolling. On 20th June, this year, some African sovereign investors, with a combined asset base of US$13 billion, decided to set up an African Sovereign Investors Forum. The key objective of the Forum is to mobilize financial resources to invest in cross-country infrastructure projects across Africa.

Complementary efforts are also underway to enhance domestic resource mobilization, eliminate illicit financial flows from Africa as well as transform African countries to positions of being investment-ready in the planning horizons of both domestic and foreign investors. A key provision to fully implement African Union Agenda 2063, requires that 75 to 90% of resources must be mobilized domestically.

Overall, the continent faces different needs for financing but probably the most pressing one is regarding climate adaptation. Applying the principles of polluter pays is a common but differentiated responsibility, Africa demands climate financing to lead us towards a net zero carbon future by 2050. According to the African Development Bank, Africa will need between about $1.3 trillion and $1.6 trillion between 2020-2030 just to implement the continent's climate action commitments and Nationally Determined Contributions. Africa, however, received an average of $73 billion in climate finance over the 2016-2019 period, leaving a climate financing gap of $99.9 billion to $127 billion per year through 2030.

Throughout Africa, there is a strong resolve to create the Africa We Want, no matter the challenges. That determination is not just with the leadership of the African Union or staff of the organs of the African Union system. It is also with the ordinary Africans, the drivers of the processes leading us to the Africa We Want.

With unity of purpose as was demonstrated at the founding of the Organization of African Unity, success is ours to attain and celebrate in, or before 2063.

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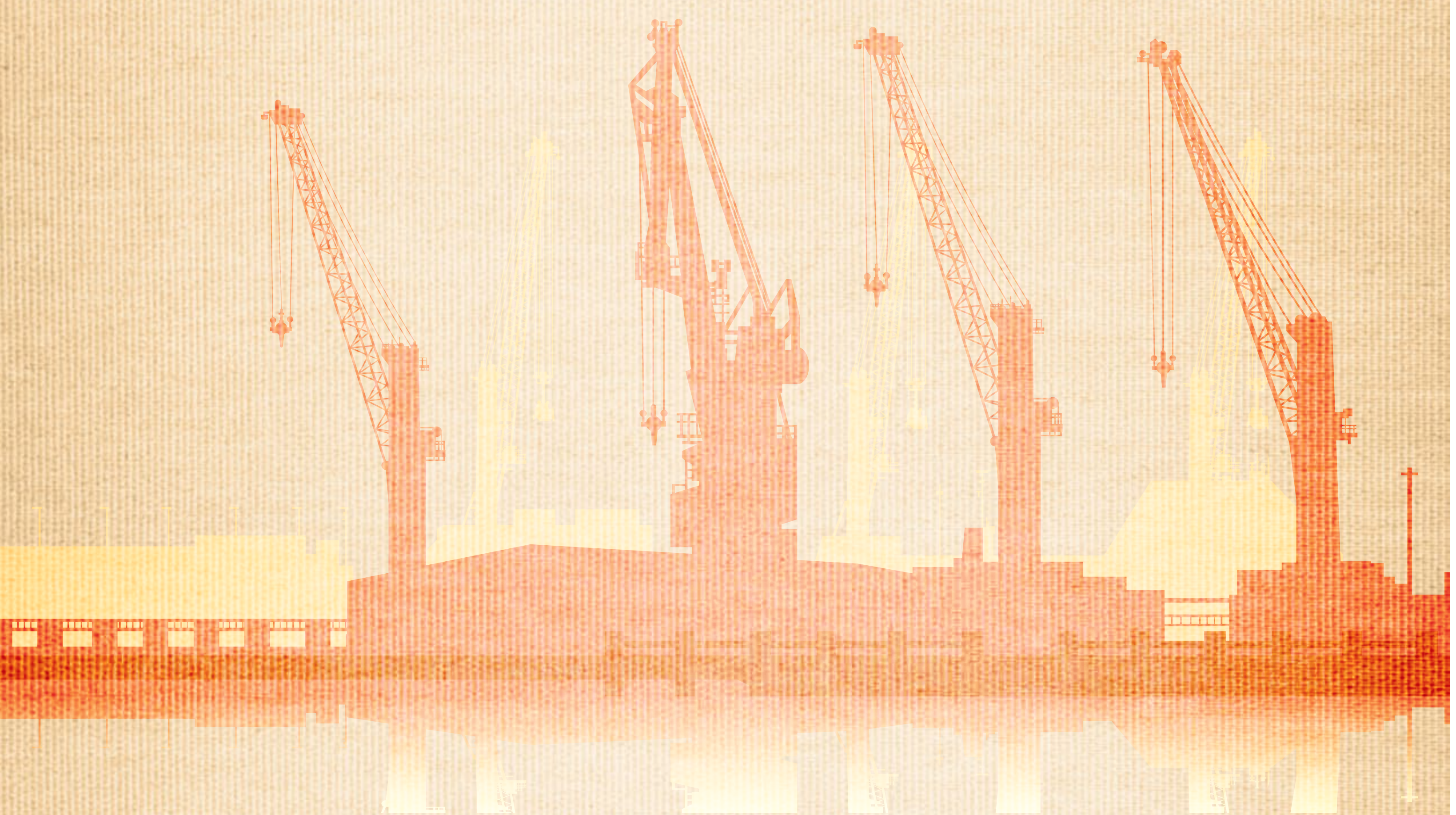
Interventions by African Member States



H.E. Mr. Soares Sambú

Deputy Prime Minister

Guinea-Bissau

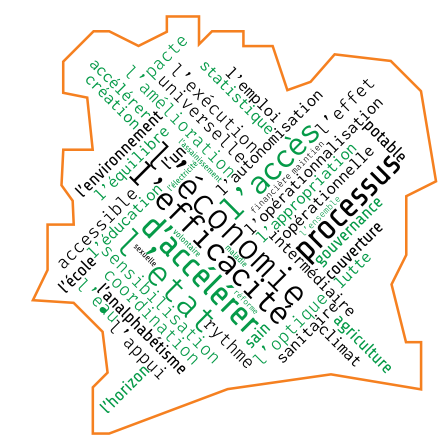
Guinea-Bissau: on the path to a prosperous society

As a Small Island Developing State, Guinea-Bissau presents specific contextual and structural vulnerabilities and challenges.

In 2015, Guinea-Bissau adopted the Addis Ababa Action Agenda on Financing for Development and the Paris Agreement on Climate Change, which reflect the country's current priorities. However, the country experiences high levels of poverty, with 70% of the population, half of whom are women, living below the poverty line. The health sector faces major challenges, and the quality of education remains a concern.

As part of its commitment to the Sustainable Development Goals (SDGs), the National Development Plan (NDP 2020-2023) – aligned with the 2030 Agenda and the African Union's Agenda 2063 – provides for substantial investments in health, education, productive sector development, and infrastructure. The National Strategy aims to put the country on the path to a prosperous society that promotes higher living standards for all by 2025.

A major aspect of the country's wealth lies in its natural resources and biodiversity, but it remains one of the most vulnerable to climate change and rising sea levels have begun to affect the coastal region, threatening 70% of the population living along the coast.



Nevertheless, and thanks to its enormous potential in terms of natural, human and cultural capital, Guinea-Bissau has managed, in recent years, to make significant progress in peacebuilding, democratization, and institutional reforms.

However, financing for development remains a major challenge that requires the mobilization of funds from various sources.

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H.E. Ms. Nasseneba Touré

Minister of Women, Family and Children

Côte d'Ivoire

Côte d'Ivoire : towards resilience and inclusiviness

The National Development Program 2021-2025 and its vision of «Côte d'Ivoire solidaire» aims to accelerate the structural transformation of the economy to raise Côte d'Ivoire to the rank of middle-income countries of the upper tranche by 2030.

Indeed, the resilience of the Ivorian economy, combined with the effectiveness of its economic and health response plan, has made it possible to contain the effects of the COVID-19 pandemic and to achieve a growth rate of about 2% in 2020, compared to a contraction of 2% in sub-Saharan Africa.

Despite its performance, the country faces challenges related to people's access to basic social services, maintaining strong, inclusive, diversified economic growth and sustainable, private sector development, and domestic resource mobilization for financing the Sustainable Development Goals.

To strengthen resilience and fight against fragility, the State intends to accelerate the structural transformation of the economy by multiplying opportunities for wealth creation and jobs, especially for youth and women.

To address the threats of climate change, Côte d'Ivoire will create climate-resilient investment opportunities and make the green economy a source of Decent Jobs creation.

In addition, Côte d'Ivoire will develop sustainable agriculture and inclusive value chains by promoting close coordination between agro-sylvo-pastoral and

fisheries activities.

To produce factual and disaggregated statistical data, the State has undertaken to finance major statistical operations and to operationalize the reform of national statistics.

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H.E. Mr. Augustus J. Flomo

Deputy Minister for Economic Management, Agenda 2030 Policy Lead, Ministry of Finance and Development Planning

Liberia

Liberia: the virtue of a Pro-Poor growth

When the Covid-19 pandemic hit, Liberia was still recovering from the Ebola epidemic that cost thousands of lives and overwhelmed the already post-war economy. As a result, 52 percent of the population lives today below the international poverty line, having limited access to basic services such as electricity, water, roads, healthcare, and sanitation.

However, with the support of development partners, the Pro-Poor Agenda for Prosperity and Development (PAPD) has proven its efficiency. To date, the economy has expanded by 3.6 percent in 2020 and is projected to expand by an average of 4.9 percent in 2022-23. This improvement is due to the establishment of a sound foundation for macroeconomic stability; reduced inflation (13.1 percent to 6 percent); increased fiscal space for investment in critical infrastructure and programs; and rationalizing and consolidating public debts. Currently, the recovery in the price of the main export commodities, on the back of renewed international demand, has boosted the value of exports and improved the trade balance.

Furthermore, access to quality education, health care delivery services, social protection, and other basic social services have increased. In addition to sustaining the peace, an independent judicial system has been built and maintained, which will continue to strengthen ongoing judicial reforms with

a particular focus on increasing access to justice and the rule of law and reducing corruption.

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H.E. Ms. Semereta Sewasew

State Minister of Finance

Ethiopia

Africa: a continent of hope and success

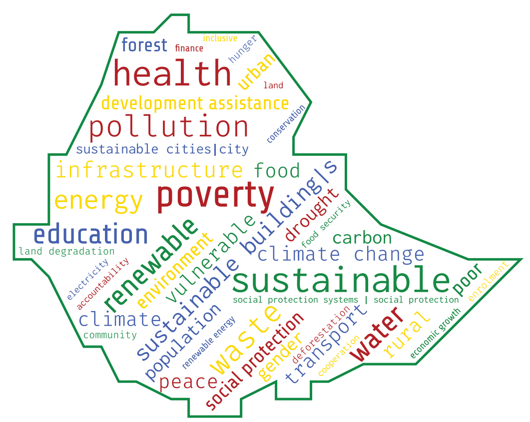
Driven by a ten-year development plan to be implemented by 2030, Ethiopia has been introducing new mechanisms to contribute to a better financial landscape. These include the establishment of a sovereign wealth fund, a capital market, a diaspora trust fund, and a new public-private partnership financing framework. These will help finance various social and economic programs by pulling in public and private funds through innovative mechanisms.

Additionally, The Government of Ethiopia has been carrying out various economic reform measures in the last four years, including tax reforms, both at institutional and policy levels, bringing significant changes in revenue collection.

In addition, the Great Renaissance Dam, entirely and solely financed by Ethiopians from all walks of life, will provide clean energy to millions of Ethiopians and will provide a better chance to alleviate poverty and achieve Sustainable Development Goals.

By increasing 8 times cultivated areas of wheat production, from fifty-thousand hectares in 2018 to four-hundred-thousand hectares by 2022, Ethiopia anticipates going beyond substituting imports but in fact, plans to export to neighboring countries by 2023.

These examples showcase that, with the right policy



choices and space, coupled with innovative financing mechanisms, Africans can become a Continent of success and hope.

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H.E. Mr. Omar Hilale

Permanent Representative to the United Nations

Morocco

African Group: Financial predictability and security urgently needed

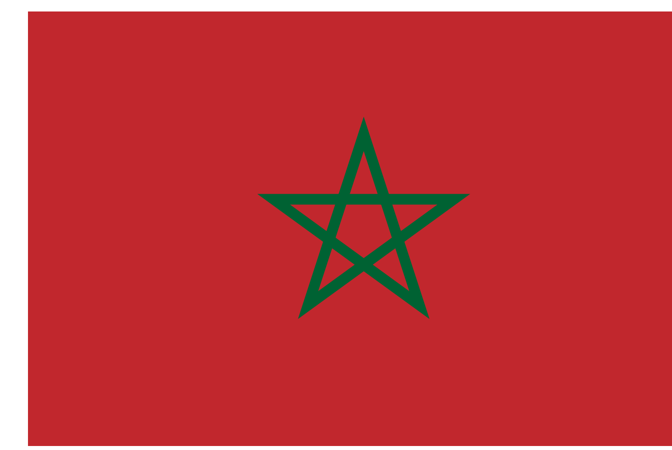
'Scaling up innovative financing and leveraging partnerships for Africa' is an urgent and pressing need. Increasing both the amount and the predictability of finance for sustainable development is not an option, IT IS A NECESSITY.

The African Continent needs to ensure the required financial predictability and security not only to meet the SDGs but also to build a resilient future.

The International Monetary Fund estimates that the 200 billion dollars financing gap has been increased by an additional 154 billion dollars due to the socio-economic impact of the COVID-19 pandemic.

While the African Countries work actively for effective implementation of domestic resource mobilization through, among others, tax collection, and combatting illicit financial flows, more needs to be achieved and especially unleash the full potential of the African Continental Free Trade Agreement (AfCFTA). From boosting growth, and reducing poverty to broadening economic inclusion, especially for Small and Medium Enterprises and women-owned businesses, the AfCFTA has the potential to boost Africa's income by $450 billion by 2035 (a gain of 7 percent) while adding $76 billion to the income of the rest of the world.

Regarding climate resilience, the African Group notes with deep concern that climate finance mobilization for climate resilience is very far from the promised US$100 billion per year, and the pledges for



additional resource commitments are not promising in the aftermath of the pandemic.

To get back on track to achieve the SDGs, Africa needs to tailor a targeted and focused scaling up of financing in key sectors such as infrastructure investment, health, education, climate action, and response to the COVID-19 pandemic as well as investing in prevention and preparedness.

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H.E. Ms. Sophia Tesfamariam

Permanent Representative to the United Nations

Eritrea

Eritrea: African solutions for African Problems

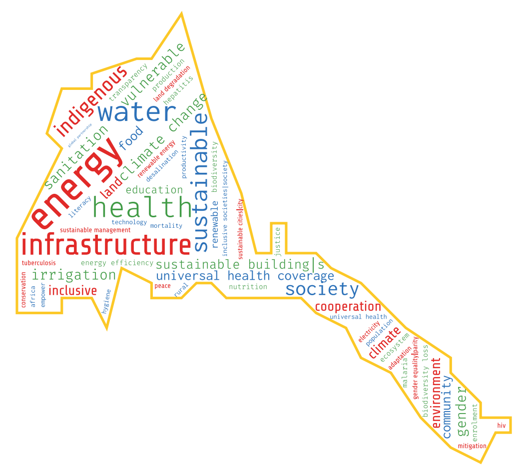
Eritrea has been depicted as an isolationist country, a place where no development is taking place, just because we insist on doing it our way. In Eritrea, we rely on our own resources, our people, and our ways first.

My country's financing and partnership model is strongly anchored on the principles of self-reliance and social justice; and development cooperation that is mutually respectful and beneficial. In Eritrea, we believe Africa cannot achieve sustainable development without breaking free from economic dependency, an addiction of our own creation.

We do not get into generous agreements and contracts that throw away wealth as a nation. As far as our development is concerned, we are always in the driver's seat.

My country has achieved comprehensive immunization for all children (at 95%), increased access to free primary health care for all including 1.7 million women and children over the last 12 months; greater access (on average 10,000 per year) to safe drinking water and sanitation especially for hard-to-reach communities; and increased investment in clean energy and climate adaptation. These successes are borne largely out of our peoples' steadfastness, and our policies anchored in the core principles of self-reliance and social justice.

On other SDGs, post-COVID school enrollment saw 670,000 more children enrolled ensuring children in vulnerable communities including refugees have



inclusive, equitable and quality access to early learning and basic education. Food and nutrition security has improved in rural communities due to investment in sustainable food production and agriculture in Eritrea.

As a proud nation, we hold on to the conviction that Africa's problems demand African solutions.

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Mr. Abdou-Razak Ahmed Idriss

Secretary General of the Ministry of Economy and Finance, in charge of Industry

Djibouti

Djibouti: towards a more inclusive growth

In December 2019, the first five-year development plan of Vision Djibouti 2035 allowed an average growth of more than 5% thanks to a significant volume of foreign direct investment in infrastructure, mainly in the transport and logistics sectors. Unfortunately, this growth has not been inclusive since it has not helped to reduce unemployment and poverty.

In 2020, like all African countries, Djibouti suffered the negative effects of COVID-19 with a drop in GDP growth to 1.2% and an increase in exceptional spending of around 2.2% of GDP. On the other hand, COVID has also increased the cost of international trade, resulting in inflation.

In February 2022, Djibouti officially launched its second national development plan (NDP) called ICI: I for **Inclusion**, C for **Connectivity**, and I for **Institutions**. The objective of this plan is to create the conditions for more inclusive economic growth, to increase physical and digital connectivity between the regions and the capital but also between Djibouti and the world, and finally to strengthen and modernize national institutions. The financing requirement for the implementation of the Djibouti ICI Plan is estimated at FDJ 2,300 billion. 49% of this amount is acquired or potentially mobilizable. This leaves 51% of funding to be mobilized.

In July 2022, Djibouti carried out a diagnosis of the financing of its development which will lead to the adoption of a resource mobilization strategy for the NDP Djibouti ICI. This strategy will:

1. Increase domestic resources by reforming its tax system.
2. Increase financing from the private sector through Public Private Partnerships.
3. Introduce new sources of funding by appealing to the solidarity of civil society, diaspora, and green funding.

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Mr. Sello Justice Tsukulu

Principal Secretary, Ministry of Development Planning

Lesotho

Lesotho: from recession to growth

Lesotho has been in recession since 2017. However, the economy is projected to grow by 4.3 percent in 2022 and 4.2 percent in 2023. The projected recovery is driven by increased activity in construction, services, manufacturing, and mining due to improved business and consumer confidence.

The challenges for mobilizing development finance and financing resources remain high. Towards implementation of the Addis Ababa Action Agenda on development financing, the country has adopted the integrated national financing frameworks aimed at addressing the misalignment between the financing and development priorities of the Government.

Further, the country was among those that ratified and enabled the coming into force of the African Continental Free Trade Agreement (AfCFTA) which is universally acknowledged as a potential instrument for leveraging the development of Africa across sectors beyond just trade.

Despite the setbacks, some response measures to the COVID-19 pandemic have created opportunities and highlighted the importance of: universal healthcare and social protection systems; food security and production value chain for the domestic market; the need to invest in efficient access to abundant clean water and improved sanitation in Lesotho; Public Private Partnership in the procurement of laboratory equipment for Covid-19 testing and vaccines; Acceleration of Information Technology Sector including elevation of mobile telecommunications

which has proved key in e-commerce and the digital economy; Facilitating access to concessionary finance critical to the rural economy, medium and small-scale enterprises, and the key constituencies of women and youth.

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Dr. Kodjo Esseim Mensah-Abrampa

Director General, National Development Planning Commission

Ghana

Ghana: towards strong public services delivery

To finance Development, the government of Ghana has made conscious efforts to improve domestic revenue mobilisation, production enhancement, and international debt management.

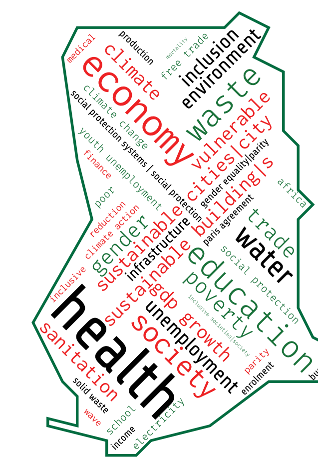
The National Identification Scheme and the National Digital Address System have been implemented to formalise the economy and to broaden the tax base, especially towards the informal sector.

The One District One Factory policy is a private sector led initiative to improve industrial production by adding value to the natural resources, provide employment opportunities especially for the youth, and to ensure even and spatial distribution of industries to stimulate economic activity in different parts of the country. So far, 106 industries are operational under the policy while 85 are currently under construction.

The Public Private Partnership Act, 2020 came into force in December 2020 to generate a pipeline of bankable projects for the mutual benefit of the private sector, the population and government.

In July 2019, Ghana signed an Emission Reductions Payment Agreement (ERPA) with the Forest Carbon Partnership Facility, administered by the World Bank, and has been successful in fulfilling all Conditions of Effectiveness under the ERPA – becoming the first country in Africa to do so – and can now sell its carbon to the World Bank as a measure to minimising international debt portfolio.

The optimisation of the interventions rolled out by



Governments across Africa requires strong public service delivery institutions. This implies that public sector reforms must be championed leading to effective birth and death registration, well managed Driver and Vehicle Licensing Authority (DVLA) and a robust passport system. All these will help leverage on administrative data for efficient resource mobilisation and utilisation.

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Dr. Thomas Munthali

Director General, National Planning Commission

Malawi

Malawi: unlocking domestic development potential

Malawi's newly launched development Vision of *"inclusive wealth creation and self-reliance"* resonates with the UN's mantra of *'not leaving anyone behind'* and the Agenda 2063's pan-African vision of 'An integrated, prosperous and peaceful Africa, driven by its own citizens, representing a dynamic force in the international arena'. Malawi's First 10-Year Implementation Plan is aligned at 81.6 percent to the Sustainable Development Goals (SDGs) and at 71.6 percent to the Agenda 2063. This domestication of SDGs and Agenda 2063 into the national development plans has ensured financing and implementation of SDGs through domestic resources and structures.

Besides ensuring that our national budgets directly support the medium-term frameworks in which SDGs and Agenda 2063 targets are embedded, the country has innovatively established a stand-alone USD140milion SDGs Acceleration Fund, combining government, UN and non-state actors' resources and is courting the private sector to accelerate efforts in meeting the SDGs.

To unlock country's development potential, mobilize and catalyze resources and investments, public and private, for an effective and impactful implementation of SDGs, Malawi has established the Integrated National Financing Framework (INFF). The framework also seeks to improve the financing structures supporting essential social services at

local level by investing in evidence generation on the costs and funding gaps. This includes strengthening the local level Public Finance Management, service delivery and financial accountability systems.

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Ms. Fadumo Mumin

Director of Planning and Policy, National Bureau of Statistics

Somalia

Somalia: access to international financial institutions is restored!

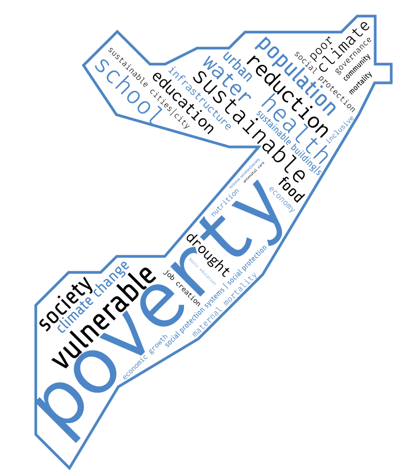
As the Government embarks on structural, legislative and institutional reforms to serve the people better and achieve the goals as set out, Somalia faces headwinds, as a result of economic contraction brought on by Covid19, a locust invasion and a severe drought which continues to keep the region in the grasp of famine.

In that challenging context, Somalia developed its Ninth National Development Plan 2020 - 2024 (NDP-9), which acts as the country's Interim Poverty Reduction Strategy Paper (IPRSP) and is articulated around four pillars: 1) inclusive and accountable politics; 2) security and rule of law; 3) economic growth; and 4) social development.

For the first time in three decades, Somalia has achieved the attainment of the Highly Indebted Poor Countries (HIPC) Decision Point in March 2020, restoring Somalia's regular access to International Financial Institutions' (IFI) concessional grants from multilateral partners, including the World Bank's International Development Association (IDA). Somalia is committed to continuing the reforms to reach the HIPC completion point by 2024 and maintain macroeconomic stability, including prudent debt management.

Tackling multidimensional poverty and implementing complex institutional renovations have been monumental undertakings within the country's fragile political and economic context.

Following 1991, the dissolution of Government institutions meant that Somalia's capacity to generate and manage data weakened. Data and statistics are crucial for attaining optimal service delivery across all sectors which ensures a better future for Somalia's



citizens. Without data, evidenced based policy making with responsive baseline determination and planning cannot be achieved.

In 2020 the Statistics Law was signed into effect, establishing the Somalia National Bureau of Statistics (SNBS) whose mission is to fill the nation's statistical gaps.

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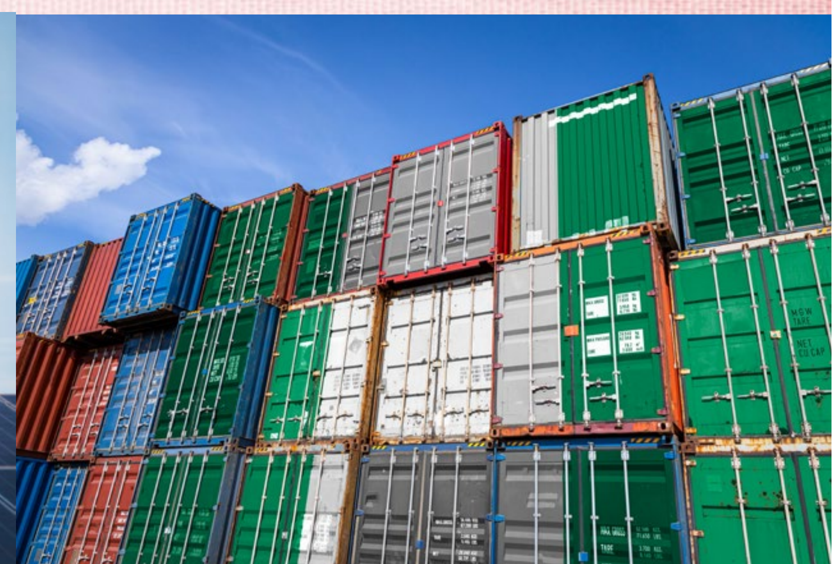
Scaling up Innovative Finance and Domestic Resource Mobilization



Ms. Awa Maty Basse

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Senegal

Senegal: activating the levers of development

To address the multiple challenges posed by financing Africa's development, domestic resource mobilization is required with the implementation of the tax reforms needed to structurally raise tax rates, while working towards improving and consolidating public financial management.

In order to meet the challenge of attracting private capital, the State must develop a **legal and institutional framework conducive to investment and could in particular** entrust the management and financing of certain public utilities to the national private sector.

The **African Continental Free Trade Area** offers the possibility of pooling resources and distributing benefits across the continent.

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In addition, the persistence of the health crisis, the Russian-Ukrainian war, and galloping inflation show the urgency for the international community to move from words to action by materializing all the commitments made for the mobilization of public resources. This will necessarily involve respecting the commitments to reallocate part of the **Special Drawing Rights** to developing countries without increasing their budget deficit and to devote 0.7% of the GDP of rich countries to financing development.

In addition, **climate finance or green finance** could be positioned as one of the main levers for mobilizing the continent's external resources.

Dr. Denis Foretia

Co-Chair of the Denis & Lenora Foretia Foundation and Executive Chairman

Nkafu Policy Institute

Digital, women, free trade: keywords for Africa's development

According to "Development Dynamics in Africa", a report by the African Union and the OECD in 2021, digital transformation can increase transparency and accountability in taxation and, in so doing, improve trust in the system to ensure compliance.

Although Women produce 62% of economic goods, only 8.5% of them are salary owners and more than 80% of their jobs remain vulnerable. Accelerating regional integration can give women the means to overcome several challenges they still face, noticeably access to finance, technology, market, information, quality education, and health care services. Creating a favourable economic environment for entrepreneurship, especially for women can necessarily contribute to increasing the level of public finances on our continent.

We should step up free trade between countries across the continent by taking all the necessary measures to ensure its success such as specialization in the production of goods in which one has a comparative advantage, the development of value chains, the harmonization of monetary policies and possibly the creation of a single African currency.

Africa must depart from its colonial legacy by reducing its dependence on exports of raw materials and imports of manufactured goods.

Good governance and institutions are essential to increase domestic resource mobilization in Africa. Governments should continue to strengthen an enabling environment for entrepreneurship and innovation.

For raising long-term capital for development and reducing the cost of financial transactions, the continent must create functional sub-regional or regional stock exchanges. The economic impact of these fully functioning stock markets would surely transform the financial landscape of the continent and make available additional funds and investment resources from domestic sources.

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Ms. Joanne Manda

Climate Change and Innovative Finance Specialist

UNDP Sustainable Finance Hub

Better taxes collection for better service delivery and a stronger social contract

To increase revenue collection, African countries need to strengthen their administrative capacities, increase the quality of human resources, and implement revenue policies that boost revenue collection and overall strengthen the social contract.

One of the areas of improvement is to tackle tax avoidance, tax evasion, and Illicit Financial Flows (IFFs). Governments need to align their tax and fiscal policy with Sustainable Developmental Goals (SDGs). That approach will increase the quality and effectiveness of public expenditures.

UNDP is also supporting countries in the development of SDG Financing Strategies under the Integrated National Financing Frameworks (INFF). This tailor-made and country-led INFF helps countries bridge the gap in financing policies and strategies as well as enhance the alignment of all financing policies with long-term priorities.

Currently, 117 countries – 40 from Africa - are in the process of designing and implementing INFF with the support of 21 UN organs and the wider international community.

The African Union is advocating for a common position on international tax rules that African countries can champion in the future. This common position would give more taxing rights to African countries and provide options for addressing IFFs with less administrative complexities. In addition, the African Tax Administration Forum (ATAF) has proposed legislation on digital sales tax services and further aims to build public confidence in the tax system's fairness and encourage tax compliance in African countries.

By proactively participating in and committing to continental frameworks such as the ATAF, African countries will have a greater political voice and access to the technical support necessary to analyse how any global tax deals work for them.

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Closing Remarks

H.E. Ms. Fatima Kyari Mohammed

Permanent Observer of the African Union to the United Nations

African Union

2063: a critical milestone in the sustainable development agenda in Africa

To avoid mistakes from the past and multiply successes in the future, it is high time to start the process of reviewing the whole journey of the implementation of Agenda 2063 and the Sustainable development Goals while ensuring it is people-centered, open, inclusive, participatory, and transparent.

This year is a critical milestone for the implementation of Agenda 20663 and the SDGs. A year from now, in 2023, the SDG Summit will mark the mid-point in the implementation of the Agenda 2030, and the year will mark also the conclusion of the First Ten-Year Implementation Plan of the African Union's Agenda 2063.

Today's exchanges gave us a better understanding of the impacts of the crises on the implementation of Agenda 2063 and the Sustainable development Goals and allowed us to discuss means to advance the full implementation of both agendas while ensuring a sustainable, inclusive, and resilient recovery.

As the SDGs are integrated, indivisible, and interlinked, today's Africa Day has enabled AU Member States, to explore various impacts of the COVID-19 pandemic across all the goals of Agenda 2063 and the SDGs and draw from the VNRs to determine what kind of strategies and measures are best to recover from the COVID-19 pandemic and advancing Africa's socio-economic development. In that regard, African Member States further emphasized the importance of equitable access to vaccines and therapeutics.

National Experiences and local reviews shared with us today by Member States have enriched and deepened our discussions, Member States can learn from those experiences and reflect on best practices to implement and conduct their future Voluntary National Reviews (VNRs).

In 2018, one will recall that only 6 AU Member States presented their VNRs. This year, 21 AU Member States presented their VNRs, and some of them were presenting them for the second, third, or even the fourth time. This is an indication of the importance that the African Member States assign to the implementation of the development agenda, with the increasing number of African VNRs we get a clear picture of the progress that has been made in terms of establishing the development of institutions, partnerships, strategies, and cooperation mechanisms.

On the key question of Development financing, domestic resource mobilization is central to the strategy. The latter requires economic growth and strengthening institutional and human capacity, supported by an enabling environment, namely an adequate fiscal space, good governance at all levels, and democratic and transparent institutions responsive to the needs of the people. All these perquisites are necessary to achieve our development goals.

To effectively mobilize domestic resources, we need to improve tax administration and capacity for other revenue mobilization, as well as prevent corruption and money laundering, as well as combating illicit financial flows, and strengthen regional and international cooperation and good practices on asset return and recovery.

This cannot be fulfilled unless we build enhanced international cooperation and strengthen our national institutions to combat money laundering, illicit financial flows, and corruption.

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