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

Fifty-third session

Addis Ababa, (hybrid), 22 and 23 March 2021

Item 6 of the provisional agenda\*

**Consideration and adoption of the ministerial statement**

### Draft ministerial statement

*We, African ministers of finance, planning and economic development,*

Meeting in Addis Ababa, Ethiopia, on 22 and 23 March 2021, for the fifty-third session of the Economic Commission for Africa Conference of African Ministers of Finance, Planning and Economic Development,

Honoured by the presence of the Prime Minister of the Federal Democratic Republic of Ethiopia, Abiy Ahmed, and the governors of our national and regional central banks, and other high-level dignitaries and special guests,

Having deliberated on the theme “Africa’s sustainable industrialization and diversification in the digital era in the context of COVID-19”, and considering that industrialization is arguably the only historically proven path to sustainable economic growth and development, underpinned by stronger industrialized economies fostered by digitalization and diversification, and coupled with environmentally friendly policies and strategies,

While being cognizant of the health and economic effects of the coronavirus disease (COVID-19) pandemic, which, compounded by the adverse effects of climate change has severely affected African economies, pushing them into contraction for the first time in 20 years, and stalling or reversing the reduction in poverty observed over the past few years, and progress made in education and health outcomes, exposing delays in achieving the Sustainable Development Goals and the goals of Agenda 2063: The Africa We Want, of the African Union,

*Do hereby:*

1. *Acknowledge* that, despite the pick-up in economic growth to 2.9 per cent in 2019, compared with 2.7 per cent in 2018, the coronavirus pandemic significantly affected African growth in 2020, with an estimated 5.4 per cent decline in gross domestic product growth rate with adverse impact on social development, and induced severe challenges for African countries to achieve the Sustainable Development Goals and goals of Agenda 2063;
2. *Note* the challenges and possible risks and uncertainties to the medium-term outlook, particularly as a result of low economic activity due to

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\* E/ECA/CM/53/1.



lockdowns to combat the pandemic, the threat from climate change, the global economic slowdown and the vulnerabilities exposed by COVID-19;

3. *Note with concern* the trend towards deindustrialization, as the pandemic has further accentuated the decline in industrial production in Africa, and the consequent need to strengthen the industrial base in Africa;

4. *Recognize* the fact that most of our economies are still agriculture-based, and that, in consequence, natural disasters and climate-related challenges such as cyclones Idai and Kenneth in 2019 and drought pose adverse threats to the African growth trajectory, inflicting serious economic damage on most of the countries in East and Southern Africa, amounting to about \$2 billion, signifying the urgency and importance of putting in place strategies to prevent or minimize those effects;

5. *Also recognize* the importance of aligning industrial policies with other relevant sectoral policies, promoting local consumption and production, participation in regional and global value chains, and capitalizing on the benefits of the African Continental Free Trade Area to stimulate the industrialization of the continent;

6. *Further recognize* the importance of pursuing an inclusive industrialization and economic diversification strategy that fosters the emergence of competitive micro, small and medium-sized enterprises and a well-linked informal sector, contributing to economic growth and job creation, and the need to strengthen the capacity of entrepreneurs, in particular of women and youth entrepreneurs;

7. *Recognize* the magnitude of the economic and social costs incurred due to the COVID-19 pandemic and the need for African countries to put in place strategies and policies that could help in supporting the strong rebound of Africa in growth and macroeconomic stability, and to ensure debt sustainability, in order to build forward better from the crisis, and that a continental strategy, such as the African Continental Free Trade Area, could play a significant role in fostering the recovery process and beyond in this regard;

8. *Acknowledge* that African policy responses to combat the spread of COVID-19 – such as social distancing, lockdowns and border closures, along with fiscal and monetary measures aimed at injecting liquidity and easing the burden of the crisis on vulnerable groups and the private sector – have significantly affected the macroeconomic situation of African countries, in particular their fiscal and debt stance, and that, as a result, African countries are compelled to put in place policies that improve macroeconomic management and domestic resource mobilization, and encourage private sector investment;

9. *Take cognizance* of the imperative for Africa to continue adopting evidence-based policymaking processes, with the aim of planning, designing, implementing, monitoring and evaluating sustainable and inclusive development policies that foster social cohesion through quality data within the frameworks of the 2030 Agenda for Sustainable Development and Agenda 2063: The Africa We Want, of the African Union, while noting that accelerated growth, higher investment rates, improved productivity and decent job creation require a stable and resilient macroeconomic environment;

10. *Note* the contributions of the Economic Commission for Africa in supporting evidence-based policymaking and implementation across Africa, including its work on macroeconomic modelling, forecasting and scenario-building, amid growing resource constraints, and the importance of extrabudgetary resources in expanding the ability of the Economic

Commission for Africa to respond adequately to the needs of member States, regional economic communities, the African Union and other relevant stakeholders;

11. *Recognize* that, before the COVID-19 outbreak, Africa had made considerable progress towards social outcomes, with a reduction in poverty levels in most subregions, but the pace of poverty reduction has been slow, with gross domestic product per capita growth of 0.5 per cent, lower than the previous two decades, and that this growth trajectory, which has currently been stalled or even reversed due to the pandemic, has not been inclusive, with low job creation, underscoring the view that the source and type of growth matters for job creation in the continent, and that the theme of the present session, “Africa’s sustainable industrialization and diversification in the digital era in the context of COVID-19”, is therefore timely in addressing the issues of good quality job creation, through digitalization, in a manner that will ensure sustainable industrial development, while taking note of the role digital technologies have played during the COVID-19 crisis;

12. *Also recognize* the role played by digital technologies in transforming industry through what is referred to as the fourth industrial revolution, which includes the adoption of technologies such as industrial robots and three-dimensional printing in manufacturing, and the use of big data and artificial intelligence in product development and e-commerce in marketing and sales, taking industrialization to an entirely new level;

13. *Take note* of the opportunities that the COVID-19 pandemic has provided to strengthen policies and build forward better through an industrialization pathway that is environmentally sustainable and digitally empowered, which calls for policymakers to sow the seeds of a firm foundation for the digital era by strengthening research and development capabilities, mainstreaming science, technology and innovation in development policies, investing in Internet and digital infrastructure, and improving digital literacy skills and labour conditions;

14. *Recognize*, therefore, the need for Africa to embrace environmentally sustainable industrialization and diversification as a pathway to create jobs for women and young people in building forward better, while taking note of the emerging technologies of the fourth industrial revolution, the challenges of climate change and pandemic outbreaks, which are posing considerable new risks and opening up different options and opportunities for the development process of Africa;

15. *Take cognizance* of the swift and active response by the African Union – jointly with African Governments, the Economic Commission for Africa, regional institutions and development partners – to address the pandemic, building on the comparative advantage gained from the previous experiences of health pandemics in the continent, such as Ebola;

16. *Recognize* that, besides the current efforts to contain and address the adverse impacts of the pandemic, Africa must take effective action to increase value added and create decent jobs for the 170 million African young people set to enter the job market between 2019 and 2030, and also ensure resilience to future shocks;

17. *Call upon* member States, therefore, to design and implement strategies and policies that could drive green industrialization and diversification, including through the formulation of integrated green and climate-resilient growth and digitalization strategies and plans, into industrial and other national development frameworks;

18. *Also call upon* member States to build better digital and new climate economy foundations in all sectors to improve productivity by

appropriately strengthening research and development capabilities, mainstreaming science, technology and innovation in development policies, and investing in digital parks, digital skills development, including basic computing, computer programming and coding, and job-neutral soft skills, such as communications, management, analytical and critical thinking, and creativity;

19. *Call upon* the private sector to sustainably harness green and blue economy strategies and climate-resilient industrialization, recognizing in that process the rapid growth and increasing integration of new and emerging technologies, such as digital technologies, nanotechnologies, biotechnologies and advanced materials, that underpin the fourth industrial revolution;

20. *Call upon* the Economic Commission for Africa and its development partners to enhance technical support to member States to support diversification and industrialization, including in unlocking the potential of the private sector in achieving green and climate-resilient industrialization, in aligning their industrialization strategies with the Sustainable Development Goals, Agenda 2063 goals and green and blue economy principles, and to assess the implications of new and emerging technologies for the industrialization of Africa and adopt good practices in harnessing emerging technologies to achieve sustainable industrialization;

21. *Call upon* member States to pursue inclusive industrialization and economic diversification strategies that prioritize the development of competitive micro-, small and medium-sized enterprises and ensure linkages with the informal sector in accelerating economic growth, job creation and entrepreneurship development, in particular for women and young people, with adequate support from the Economic Commission for Africa and other development partners;

22. *Take note* of the nomination of Arkebe Oqubay as Africa's candidate for the post of Director General of the United Nations Industrial Development Organization;

23. *Recognize* the important role that the United Nations Industrial Development Organization must play in building forward better, and also in contributing to and supporting the industrial and economic policies that will support inclusive and sustainable growth in the developing world;

24. *Acknowledge* Mr. Oqubay's proven track record in leading, formulating, and delivering innovative and meaningful policy change across developing economies;

25. *Express our confidence that* that Mr. Oqubay's extensive experience, combined with his international outlook, makes him the best candidate for the role of Director General;

26. *Recognize* Mr. Oqubay's far-reaching vision for a revitalized United Nations Industrial Development Organization, and the focus that he is placing on carbon-neutral industrialization, global knowledge exchange and inclusive industrial growth;

27. *Welcome* the opportunity to work closely with the United Nations Industrial Development Organization in the post-COVID-19 era and in the years to come;

28. *Extend our support* for the candidacy of Mr. Oqubay for the post of Director General of the United Nations Industrial Development Organization;

29. *Welcome* the adoption by the Assembly of Heads of State and Government of the African Union at its thirty-third ordinary session, held in Addis Ababa 9 and 10 February 2020, of the Common African Position on

Asset Recovery, in which the Assembly resolved to ensure that all the financial resources lost through illicit capital flight and illicit financial flows were identified and returned to Africa to finance the continent's development agenda;

30. *Recognize* the challenges faced by member States in tracking, apprehending and recovering financial resources illicitly transferred from the continent, thereby limiting the realization of domestic resource mobilization for achieving the Sustainable Development Goals and the aspirations of Agenda 2063;

31. *Call upon* the United Nations, in particular the Economic Commission for Africa, members of the Consortium on Illicit Financial Flows and other partners to leverage digitalization to support African countries in the implementation of the Common African Position on Asset Recovery and enhance domestic resource mobilization on the continent;

32. *Recognize and commend* the Economic Commission for Africa, in collaboration with its development partners, for supporting and providing a platform for the African ministers of finance to hold discussions on several initiatives on debt, such as the Group of 20 Debt Service Suspension Initiative and sovereign debt restructuring, to enhance member States' access to development financing;

33. *Call upon* the Economic Commission for Africa, in collaboration with its development partners, to continue this support, which is important for economic growth to rebound;

34. *Commend* the Economic Commission for Africa on its continued support for the advancement of the continent's integration agenda, including through the provision of policy, analytical and technical support to member States, regional economic communities and pan-African organizations, such as the African Union Development Agency, in particular Priority Action Programme II of its Programme for Infrastructure Development in Africa and the African Peer Review Mechanism of the African Union;

35. *Call upon* the Economic Commission for Africa to continue strengthening its analytical, technical, advisory and training capacity in support of evidence-based policymaking and implementation, including on macroeconomic modelling, forecasting and scenario-building, and to make additional efforts to mobilize extrabudgetary resources necessary for responding to the increasing demands and requests for its services by member States, regional economic communities, the African Union Commission and other relevant stakeholders;

36. *Recognize and commend* the commitment of African leaders to the development of the continent, as evidenced by the start of trading under the African Continental Free Trade Area on 1 January 2021, and the commencement of phase II and phase III negotiations on investment, competition policy, intellectual property rights and e-commerce;

37. *Reaffirm* our call upon the Economic Commission for Africa to provide technical support to member States to implement the national strategies of the African Continental Free Trade Areas, agriculture, regional value chains in pharmaceuticals, agroprocessing and mineral beneficiation, and also negotiations in phase II and phase III of the African Continental Free Trade Area negotiation process;

38. *Welcome* the work of the Economic Commission for Africa, in collaboration with its partners, in monitoring the implementation of regional integration activities and programmes through its various monitoring tools, including the mechanisms described in the publication *Assessing Regional*

*Integration in Africa*, the Africa Regional Integration Index and the African Continental Free Trade Area country business index;

39. *Recommit* ourselves to continuing and strengthening our efforts to address the challenges that our member States continue to face in the implementation of various landmark regional integration initiatives and commitments, in particular in the areas of industrialization, climate-smart economies, digitalization, data and statistics, infrastructure, energy, macroeconomic policy convergence, peace and security, trade and investments;

40. *Recognize* that African landlocked developing countries have made progress in the implementation of various priority areas of the Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014–2024, including in the building of transit transport and economic corridors, although progress has been very mixed and slow, as a result of which a majority of these countries have continued to face peculiar challenges;

41. *Take note* of the High-Level Political Declaration issued at the December 2019 Global Comprehensive Midterm Review of the Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014–2024, “Calling for action to accelerate the implementation of the Vienna Programme of Action”, and in this regard call upon the Economic Commission for Africa, in close collaboration with its partners, to continue providing policy, analytical and technical support to African landlocked developing countries in their efforts to implement the Vienna Programme of Action, including through building their capacity to leverage the opportunities provided by regional initiatives such as the African Continental Free Trade Area;

42. *Also take note* of the 2022 programme priorities of the Commission, reaffirm our commitment to support the proposed budget and call upon the United Nations General Assembly to approve the Commission’s 2022 plan and budget as presented to this august Conference;

43. *Recognize* that African least developed countries and Haiti have made good progress on the Istanbul Programme of Action for the Least Developed Countries for the Decade 2011–2020, in particular with regard to raising per capita spending on primary education, which has contributed to increased primary enrolment and completion rates and improved gender parity in primary and secondary schools, have been notably successful in politically empowering women through increased representation in national parliaments and local government, and have also reduced export concentration by diversifying their primary commodity exports;

44. *Express concern* that the impact of COVID-19 is jeopardizing the progress made so far, as outlined in the 2020 report of the Secretary-General on the implementation of the Istanbul Programme of Action for the Least Developed Countries for the Decade 2011–2020,<sup>1</sup> and the Economic Commission for Africa report on the implementation of the Istanbul Programme of Action in African least developed countries;<sup>2</sup>

45. *Also express concern* that, besides slower growth, the pandemic is expected to reverse gains achieved in the areas of gender equality, poverty eradication and reduction in income inequality, education and employment,

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<sup>1</sup> A/75/72-E/2020/14.

<sup>2</sup> Economic Commission for Africa, “Progress in the implementation of the priority areas of the Programme of Action for the Least Developed Countries for the Decade 2011–2020 (Istanbul Programme of Action): Africa regional review of the Istanbul Programme of Action”, Addis Ababa, 2021.

thereby jeopardizing prospects for the attainment of the Sustainable Development Goals by 2030;

46. *Further express concern* that, while half of the six least developed countries that have graduated from the category so far are from Africa – Botswana, Cabo Verde and Equatorial Guinea – the slow and uneven development in African least developed countries and Haiti will undermine the limited progress towards the graduation criteria, against the target of the Istanbul Programme of Action, which specified that half the number of least developed countries should qualify for graduation;

47. *Express particular concern* that the pandemic could further heighten debt vulnerabilities of African least developed countries and note that five of the six countries in debt distress are African least developed countries and two of the least developed countries have decided to seek debt restructuring under the common framework for debt treatments beyond the Debt Service Suspension Initiative of the Group of 20;

48. *Underline* the need to revisit the current system of support for the least developed countries in the lead-up to the Fifth United Nations Conference on the Least Developed Countries, in January 2022, with a view to ensuring that international support measures provide the levels of assistance necessary for the African least developed countries and Haiti to break down the structural barriers to advancement that they face and overcome their vulnerabilities;

49. *Reaffirm*, to this end, our call for the Commission to continue to support African least developed countries in their efforts to graduate from least development country status and facilitate their implementation of the programme of actions that emanates from the Fifth United Nations Conference on the Least Developed Countries.

### **Vote of thanks**

50. We thank the Government and people of Ethiopia for the hospitality that they have afforded the member States and representatives of various institutions and organizations that participated in this Conference, and also for the courtesies extended to us, which ensured the success of our meetings.

51. Lastly, we wish to extend our gratitude to the Economic Commission for Africa for successfully convening the fifty-third session of the Economic Commission for Africa Conference of African Ministers of Finance, Planning and Economic Development.