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

Fifty-seventh session

Addis Ababa, 17 and 18 March 2025

Agenda item 6

Consideration and adoption of the ministerial statement**Draft ministerial statement***We, African ministers of finance, planning and economic development,**Meeting as the Conference of African Ministers of Finance, Planning and Economic Development in Addis Ababa, on 17 and 18 March 2025 during the fifty-seventh session of the Economic Commission for Africa,**Honoured by the presence of the President of Ethiopia, Taye Atskeselassie Amde,**Honoured also by the presence of the Chairperson of the African Union Commission, Mahamoud Ali Youssouf,**Honoured further by the presence of the former Vice-President of Nigeria, Yemi Osinbajo,**Honoured by the presence of the ministers for trade of African States, governors of national and subregional central banks in Africa, and other high-level dignitaries and special guests,**Having deliberated on the theme of the fifty-seventh session, “Advancing the implementation of the Agreement Establishing the African Continental Free Trade Area: proposing transformative strategic actions”,**Mindful that Africa is at a critical juncture of its development journey, and that it possesses important assets that are lacking in other regions, making it well placed to chart a new development path,**Mindful also that Africa is well positioned as a strategic region amid a global shift towards geographically diversified supply chains, and that it can leverage this position for increased trade, stronger integration into global value chains and sustainable growth,**Mindful further that, despite its significant rebound following the coronavirus disease (COVID-19) pandemic in 2021 and 2022, African trade fell in 2023, and that the continent’s share in global trade has been stagnating at below 3 per cent,¹**Concerned that growth, while recovering, is below pre-pandemic levels and far below the level needed to reach the Sustainable Development Goals,*

¹ Economic Commission for Africa, *Economic Report on Africa, 2025: Advancing the Implementation of the Agreement Establishing the African Continental Free Trade Area – Proposing Transformative Strategic Actions* (Addis Ababa, 2025).



Concerned also that African exports remain dominated by primary commodities,

Cognizant that seizing the untapped opportunities for deeper trade integration provided by the Agreement Establishing the African Continental Free Trade Area is more important than ever, especially amid the current global context of heightened geopolitical tension and uncertainty, intensified repercussions of climate change and rapid technological change,

Aware that the success of the Agreement cannot rely solely on trade-related policies, such as tariff reduction agreement protocols, and that complementary measures are needed,

Aware also that, in the rapidly changing global environment, the successful implementation of the Agreement will require Africa to invest in human capital and to equip its workforce with skills for the future,

Concerned that underdeveloped infrastructure, including in the transport, energy and telecommunications sectors, along with non-tariff barriers and financial constraints, constitute additional major obstacles to the full implementation of the Agreement,

Realizing the importance of mobilizing domestic resources, fostering intra-African trade and strengthening partnerships with global financial institutions and the global South,

Concerned about the devastating effects of corruption on the economy, the delivery of public services and the capacity of State institutions,

Recognizing the importance of peace, security and good governance in promoting intra-African trade, infrastructure development and regional integration in Africa,

Reiterating the continent's commitment to a stronger African voice in the formulation of international tax rules, the absence of which has long undermined African fiscal sovereignty,

Mindful that the assumption of the presidency of the Group of 20 by South Africa and the upcoming Fourth International Conference on Financing for Development, to be held in Spain from 30 June to 3 July 2025, represent defining moments for Africa, as they present opportunities to address systemic barriers in the international financial architecture and to advocate solutions that are aligned with African development priorities,

Mindful also that the success of the Agreement requires efforts by all stakeholders, especially those in the private sector, including financial institutions,

Commending the Economic Commission for Africa for its work on the Agreement, industrialization, regional value chains and other strategic areas, despite its limited resources,

Do hereby:

1. *Note* that the implementation of the Agreement Establishing the African Continental Free Trade Area is expected to boost African trade and reposition the continent in the global trade arena, and that, according to estimates by the Economic Commission for Africa, full implementation of the Agreement would increase formal intra-African trade by 276 billion United States dollars by 2045;²

² Stephen Karingi and others, "Implementing the AfCFTA Agreement and implications for Africa's regional value chains", paper presented at the Twenty-Seventh Annual Conference on Global Economic Analysis, Fort Collins, Colorado, United States of America, 5 June 2024.

2. *Also note* that, by fostering high-quality trade and investment, the Agreement can play an instrumental role in helping Africa to escape from poverty and start on the path to prosperity, facilitating aspects of prosperity other than income, including the establishment of strong institutions, the building of an open economy and the creation of a more connected, empowered, healthier and better educated population;

3. *Recognize* that the Agreement has the potential to address persistent structural bottlenecks in such strategic areas as energy supply by closing the energy gap and accelerating the transition to renewable energy sources through cross-border trade in energy-related products, technologies and services;

4. *Also recognize* that the Agreement offers an opportunity for Africa to achieve food sovereignty by enhancing food market integration and boosting intra-African food trade;

5. *Stress* that the Agreement can help Africa to leverage and manage megatrends, including the increasing influence of emerging markets in the global economy, digitalization, demographic transitions, urbanization and climate change;

6. *Also stress* that the Agreement has the potential to facilitate an increase in trade between Africa and other fast-growing regions, which will enable the continent to benefit from the global shift in wealth, characterized by the rising role of emerging markets in the global landscape;

7. *Note* that the unified market established under the Agreement can attract further investment, especially with regard to industrialization and technology transfer, and that the Agreement can help African countries to attract additional foreign direct investment from market-seeking investors who may otherwise be deterred by the political and economic fragmentation of the continent;

8. *Also note* that involving young people in the implementation of the Agreement is crucial to its success, given the size and potential of the young population in Africa, keeping in mind that the continent is home to the youngest labour force of any region of the world, with almost 76 million young people not in employment, education or training, and that the large number of young Africans who are either unemployed or among the working poor underscores the need for inclusive trade and growth;³

9. *Recognize* that the implementation of the Agreement cannot succeed without strong contributions from African women, who play a major role in cross-border trade in Africa, mostly of an informal nature, and that, in order to have the desired impact, the implementation of the Agreement needs to reach the informal sector and its main participants in a transboundary context;

10. *Also recognize* the critical importance of closing the infrastructure gap, which has been a major constraint on both economic growth and the expansion of intra-African trade;

11. *Acknowledge* that the combined effects of global economic and political fragmentation, geopolitical tensions, rising protectionism and trade restrictions, rapidly escalating trade wars and declining commitments to global development – including deep cuts in official development assistance and the failure of developed countries to honour their development assistance commitments – have severely constrained financial flows to Africa, and that, against the backdrop of the estimated financing gap of about 1 trillion dollars per year needed to reach the Sustainable Development Goals and the additional

³ Vipasana Karkee and Niall O'Higgins, "African youth face pressing challenges in the transition from school to work", International Labour Organization, 10 August 2023.

funds needed for urgent climate action, the lack of access in Africa to affordable financing at scale poses a major obstacle to sustainable development, while growing debt burdens and limited access to private capital further compound the continent's financing challenges;

12. *Also acknowledge* that the strengthening and deepening of African financial markets and institutions is essential in order to mobilize the resources needed to finance integration projects, such as those related to infrastructure, and to facilitate trade within and outside the continent, and that doing so will also necessitate the development of a secure regional payment and settlement system;

13. *Further acknowledge* that the risks of climate change need to be addressed in industrial policies so as to ensure progress towards diversification and industrialization and to enable members of the Economic Commission for Africa to fully leverage the potential of the Agreement;

14. *Note* that the Agreement can help to address skill shortages and mismatches caused by the megatrends that have reshaped the nature of work and demand for skills on the continent;

15. *Commit* ourselves to establishing an enabling environment, to combating corruption and to improving policy certainty and transparency, in order to encourage the use of private capital as financing for and investment in African economies, with a particular focus on emerging technologies and strategic industries;

16. *Urge* members of the Economic Commission for Africa to maintain, throughout the accelerated implementation of the Agreement, the strong political will and ownership that they demonstrated during the initial stages of its signature and ratification;

17. *Call upon* members of the Economic Commission for Africa to enhance intra-African digital trade, which is one of the primary objectives of the Agreement and is also in line with the recently adopted Global Digital Compact, taking into account the fact that achieving this will hinge on eliminating barriers to digital trade, creating a secure digital trade environment, building the infrastructure needed to facilitate digital trade and, lastly, establishing clear and predictable regulations, namely harmonized rules, common principles and standards for digital trade;

18. *Encourage* members of the Economic Commission for Africa and partner organizations to adopt the use of the Pan-African Payment and Settlement System in order to facilitate cross-border payments in local African currencies, which is an essential step for advancing both trade and regional integration in Africa;

19. *Call upon* members of the Economic Commission for Africa to integrate their financial markets by harmonizing the national policies, frameworks and procedures governing those markets;

20. *Call upon* multilateral development banks to scale up the long-term financing of infrastructure in the areas of energy, transport, information and communications technology and other critical sectors, and to use innovative instruments to attract private sector investment, reduce financing and transaction costs, and shorten disbursement timelines;

21. *Call upon* financial institutions, in particular multilateral development banks and development finance institutions, to scale up the use of guarantees, blended finance, public-private partnerships and other credit enhancement instruments, in order to attract private investment in Africa;

22. *Urge* members of the Economic Commission for Africa to undertake major and synchronized structural reforms at the national,

subregional and continental levels, as required for the full implementation of the Agreement, with the national reforms being focused on the modernization of customs procedures, the alignment of legal frameworks with the protocols to the Agreement and the improvement of the business environment in order to attract investment and foster trade, the subregional reforms being focused on the harmonization of trade policies across regional economic communities and the development of cross-border infrastructure to facilitate trade, and the continental reforms being focused on the standardization of goods and services, the creation of effective dispute resolution mechanisms and the continuous strengthening of the capacity of the secretariat of the African Continental Free Trade Area;

23. *Invite* members of the Economic Commission for Africa to design and implement industrial policies, at both the national and continental levels, that are underpinned by regional value chains and are focused on strategic sectors in which Africa has a competitive advantage, such as financial technology, the green economy, electric vehicles and other uses of renewable energy, pharmaceuticals, manufactured goods and services, and the processing of strategic minerals;

24. *Also invite* members of the Economic Commission for Africa to undertake climate-conscious reforms and incentivize green industries to ensure that the growth driven by the Agreement is sustainable and resilient to climate change;

25. *Encourage* members of the Economic Commission for Africa to establish education and training programmes in order to enhance the skills and capacities of their citizens, especially women and young people, including in the use of such frontier technologies as artificial intelligence, so as to benefit optimally from the Agreement;

26. *Also encourage* members of the Economic Commission for Africa to integrate the development of regional value chains into national and regional strategies, in alignment with the provisions of the Agreement and with those of Agenda 2063: The Africa We Want, of the African Union;

27. *Call upon* members of the Economic Commission for Africa to enhance the competitiveness of special economic zones by deepening industrial linkages on the continent, promoting regional value creation and increasing local content;

28. *Also call upon* members of the Economic Commission for Africa to enhance the development of infrastructure, including in the areas of transport, energy, digital connectivity and financial services, so as to support the effective functioning of regional value chains and special economic zones and foster seamless trade, industrialization and investment;

29. *Urge* members of the Economic Commission for Africa to engage constructively in the ongoing negotiations on a United Nations framework convention on international tax cooperation, which represents a crucial opportunity to establish inclusive, transparent and effective tax governance that benefits all States;

30. *Call upon* the Economic Commission for Africa, in collaboration with the African Union Commission and the secretariat of the African Continental Free Trade Area, to undertake continuous awareness-raising campaigns on the Agreement so as to correct negative perceptions, and to collaborate more closely on the basis of the recent memorandum of understanding signed by the two commissions with a view to advancing the implementation of the Agreement;

31. *Call upon* the Economic Commission for Africa and its partners to continue to provide support to members of the Commission in creating

environments that are conducive to the development of artificial intelligence, including appropriate regulations and institutions and adequate financing for research, innovation and business development;

32. *Urge* the Economic Commission for Africa and its partners to scale up analytical and capacity-building support for members of the Commission in the development of competitive regional value chains and special economic zones, including by providing assistance with the incorporation into domestic law of the provisions of the Agreement, with the de-risking of investment in priority industries and with the establishment of regulations and standards that are aimed at ensuring the success of the new generation of special economic zones in Africa;

33. *Call upon* development partners to scale up the support that they provide to members of the Economic Commission for Africa in combating climate change, biodiversity loss and desertification;

34. *Urge* the international community to recognize the African contribution to climate action, in particular carbon sequestration, to avoid unilateral action on carbon border mechanisms and to ensure fair carbon pricing;

35. *Call upon* development partners to support members of the Economic Commission for Africa in developing high-integrity carbon markets, scaling up affordable and innovative climate finance, and strengthening disaster risk management and resilience-building initiatives, while making use of and sustainably managing African resources, with a view to fostering green and blue economies on the continent;

36. *Call upon* the international community to adopt a coordinated approach to tackling illicit financial flows, which should include centralized data collection, public reporting on foreign financial accounts and enhanced transparency in multinational corporate taxation;

37. *Urge* the members of the Group of 20 to decisively reform the Common Framework for Debt Treatments beyond the Debt Service Suspension Initiative, to render it more efficient, transparent and time-bound, in particular by incorporating the suspension of debt service upon application, the expansion of eligibility to middle-income countries, the adoption of an integrated approach among official and private creditors alongside multilateral and bilateral debt restructuring, and the establishment of a formula for comparability of treatment to reduce technical disputes and accelerate restructurings;

38. *Call upon* members of the Economic Commission for Africa to enhance tax revenue collection through improved tax administration, digitalization, broadening of the tax base and the reinforcement of institutional capacity and governance for more efficient public financial management, including fiscal spending;

39. *Also call upon* members of the Economic Commission for Africa to work together to develop robust and efficient domestic financial markets, with a view to mobilizing local financial resources for development in Africa;

40. *Encourage* partner countries to rechannel their special drawing rights through the African Development Bank and to support the seventeenth replenishment of the African Development Fund;

41. *Call upon* the United Nations leadership to strengthen the capacity of the Economic Commission for Africa to fulfil its mandates and to provide its members with transformational, results-oriented policy and technical support.