

**Economic and Social Council**Distr.: General
23 April 2026Original: English
English and French only**Economic Commission for Africa**
Committee on Economic Governance
Third session

Addis Ababa (hybrid), 29 and 30 June 2026

**Macroeconomic policies for structural
transformation and sustainable growth in Africa****Concept note****I. Introduction and context**

1. Global prospects in 2025 were shaped by geopolitical tensions and trade dynamics, as well as the policy uncertainty that arose primarily as a result of the tariffs imposed by the United States of America. Global economic activity was subdued, as global economic growth declined slightly from 2.9 per cent in 2024 to 2.8 per cent in 2025. Africa proved to be resilient, reflected in the increase in economic growth from 2.8 per cent in 2024 to 4.0 per cent in 2025. Africa has maintained an average growth rate of 3.2 per cent for the period 2021–2025, above the global average of 2.8 per cent over the same period. Growth in Africa is supported by improved macroeconomic stability, especially in large economies, as well as greater public investment and consumer spending. However, external challenges remain, including geopolitical tensions and domestic disruptions in the aftermath of elections in some countries.¹

2. The continent's output is dominated by the services sector, which accounted for 48.8 per cent of output in 2024, followed by industry (26.2 per cent), including manufacturing at 11.3 per cent, and agriculture (17.9 per cent). The services sector comprises, among other services, wholesale and retail trade, transport, storage, financial intermediation, real estate, education and health services.²

3. Despite the steady economic growth experienced across Africa since 2000, the growth has been driven largely by the extraction and use of natural resources, as well as factor accumulation – labour expansion supported by demographic growth and capital deepening in infrastructure, extractive industries and construction – rather than by efficiency gains. It has been observed that, between 2000 and 2023, total factor productivity made a negative contribution, indicating weak improvements in the effective use of labour and capital.³

4. While the extraction and use of natural resources and factor accumulation have delivered periods of relatively high growth, it has not

¹ Economic Commission for Africa, *Economic Report on Africa 2026: Growth through Innovation: Harnessing Data and Frontier Technologies for Africa's Economic Transformation* (Addis Ababa, 2026).

² Ibid.

³ Ibid.



translated into sustained improvements in productivity. This pattern has left economies highly vulnerable to external shocks, such as volatile commodity prices, climate-related disruptions and global financial downturns. Growth that relies largely on factor accumulation, rather than on productivity improvements, cannot secure the long-term structural transformation that African countries urgently need. With a rapidly growing population, accelerating urbanization and mounting fiscal and climate pressures, the continent must find new drivers of growth.

5. Africa needs macroeconomic policies that will foster profound economic and social transformation and result in economic diversification and technological upgrading, the creation of decent and productive employment and equitable welfare. Such policies will need to encourage the shift of labour and other resources from low-productivity sectors to high-productivity industrial, manufacturing and service sectors in order to drive sustainable, inclusive growth.

6. Unlocking this potential requires strengthening the foundations of African economies. Improved skills, greater industrial capacity, better infrastructure and stronger governance frameworks will provide the conditions for innovation to flourish. If these elements are put in place, Africa can shift from short-term growth cycles driven by resource booms to a path of sustained productivity growth that supports inclusive and long-term development.

7. In order to achieve such long-term development, Africa must close the institutional deficit and strive for deeper institutional transformation. Governments must ensure that institutions are adapted to the local environment and sustained by local stakeholders. In terms of debt sustainability, Governments must adopt a governance approach that is centred on enhancing growth, focusing more on structural issues and economic development. Debt should be evaluated by its capacity to foster structural transformation, expand productive capabilities and strengthen institutional resilience, rather than by its compliance with externally defined fiscal norms.

II. Committee on Economic Governance

A. Background

8. The Committee on Economic Governance was established pursuant to resolution 966 (LII) adopted by the Conference of African Ministers of Finance, Planning and Economic Development during the fifty-second session of the Economic Commission for Africa (ECA), held in March 2019. It is one of five sectoral subsidiary organs created to ensure effective policy uptake and greater participation of senior government officials in the work of ECA.⁴

9. The Committee serves as an advisory forum of experts and policymakers, tasked with coordinating the work of the ECA subprogramme on macroeconomic policy, finance and governance. Its core mission is to ensure coherence and impactful results in the support provided to members of ECA and stakeholders in building and strengthening economic governance institutions and policies. It fosters peer learning to accelerate sustained and inclusive development by providing evidence-based advice on issues such as sound macroeconomic management, inclusive development strategies and combating illicit financial flows. It also supports regional and global

⁴ The other subsidiary organs are the Committee on Statistics and Data; the Committee on Private Sector Development, Regional Integration, Trade, Infrastructure, Industry and Technology; the Committee on Climate Change, Blue Economy, Agriculture and Natural Resource Management; and the Committee on Social Development, Poverty and Gender.

governance processes, including the African Peer Review Mechanism, and works to ensure effective African representation in international forums.

10. The first session of the Committee was held online on 27 April 2022, during which the Committee established its Bureau and reviewed and endorsed the 2022–2023 work programme of the macroeconomic policy and governance subprogramme of ECA. At its second session, held in Addis Ababa on 16 and 17 November 2024, the Committee focused on defining the priorities for Africa for the Fourth International Conference on Financing for Development. It provided key recommendations on issues such as domestic resource mobilization, curbing illicit financial flows, innovative debt relief mechanisms and reforms to the global financial architecture.

11. During the second session, representatives of the following countries were elected to the Bureau: Djibouti, Egypt, Equatorial Guinea, Sierra Leone and Zambia. Each of the five countries represents its respective subregion. The macroeconomic policy, finance and governance subprogramme of ECA served as both the convener and the secretariat of the Committee. The Committee also reviewed and endorsed the work programme of the subprogramme for the biennium 2024–2026.

12. In 2026, the two-year tenure of the Bureau formed in 2024 will end. Therefore, at its third session, the Committee will elect a new Bureau for the period 2026–2028 to review and endorse the work programme of the subprogramme on macroeconomic policy, finance and governance. The third session of the Committee will be held in Addis Ababa in a hybrid format with both in-person and online participation on 29 and 30 June 2026.

B. Issues to be addressed

13. At its third session, based on the outcomes of the Fourth International Conference on Financing for Development and the recommendations from its second session, the Committee will focus on the critical theme of macroeconomic policies for structural transformation and sustainable growth in Africa. Participants will delve into the design and implementation of policies that can proactively reshape African economies. A cross-cutting priority will be the strengthening of economic governance institutions to create an enabling environment for transformation. Specific issues to be addressed include:

- (a) Strengthening economic governance and institutional architecture for transformation;
- (b) Addressing debt management and sustainability, taking into account the outcomes of the Fourth International Conference on Financing for Development;
- (c) Reforming the sovereign credit rating system to unlock the continent's potential;
- (d) Deepening domestic capital markets for sustainable financing;
- (e) Developing fiscal and monetary policies for diversification, inclusive growth and resilience;
- (f) Adopting digital planning tools to ensure an integrated approach to development.

14. In addition, the Committee will also cover the usual mandates of the intergovernmental body by addressing the following topics:

- (a) Review of past activities and future programmes of the subprogramme on macroeconomic policy, finance and governance;

(b) Provision of guidance and expert opinions on the priorities and activities of the subprogramme;

(c) Provision of recommendations to strengthen ECA programmes in order to better serve its members and the regional economic communities;

(d) Provision of policy guidance to ensure the relevance of ECA activities in the above-mentioned areas in order to meet the continent's development needs and address its critical development challenges;

(e) Advice on priorities for the implementation and review of the regional and international policy agendas in relation to the work of ECA;

(f) Provision of direction on the partnership of ECA with entities of the United Nations system, the African Union Commission, the African Development Bank and other development partners;

(g) Election of the new Bureau and coordination of the Committee together with the secretariat of the Committee on the work of the Committee.

C. Format of the Committee

15. The management functions of the Committee are carried out by the Bureau and the secretariat. The Bureau is composed of representatives of members of ECA, while the subprogramme on macroeconomic policy, finance and governance serves as the secretariat. The specific roles of the Bureau are as follows:

(a) The Chair of the Bureau represents the Committee at the Conference of African Ministers of Finance, Planning and Economic Development;

(b) Each member of the Bureau attends statutory meetings in the member's specific subregion to ensure that economic governance issues are addressed effectively at that level.

D. Election of the Bureau

16. The Bureau shall be composed of a newly elected body comprising a chair, two vice-chairs and two rapporteurs. Due account is taken, in the election of the officers, of the need for equitable representation of each ECA subregion and appropriate language and gender balance. A list of the countries in each subregion is set out in the annex.

17. Elections of the Bureau are held every two years. The election of the new Bureau will take place during the third session. Members of the Committee and representatives of the subprogramme on macroeconomic policy, finance and governance, serving as the secretariat of the Committee, shall consult on the election of the Bureau, and nominations shall be made by members of the Committee. The outgoing Bureau consists of Egypt as Chair, Djibouti and Zambia as Vice-Chairs, and Equatorial Guinea and Sierra Leone as rapporteurs.

E. Expected outcome of the third session of the Committee

18. Based on the background paper and issues discussed, the third session of the Committee is expected to result in the following:

(a) Consolidated recommendations: a set of actionable, evidence-based recommendations on a unified macroeconomic and economic governance approach for achieving structural transformation and sustainable growth in Africa;

(b) Progress report on the Fourth International Conference on Financing for Development: a stocktaking report on progress in Africa in implementing the outcomes of the Conference related to macroeconomic policy and structural transformation, identifying critical challenges and lessons learned;

(c) Guidance for ECA: strategic guidance from members of ECA on the direction and priorities of the work programme of the subprogramme on macroeconomic policy, finance and governance for the coming years;

(d) Election of a new Bureau: the election of a new Bureau to steer the Committee's work for the period 2026–2028, ensuring equitable regional representation and gender balance.

F. Participation

19. All members of ECA are expected to participate in the session of the Committee through their designated focal person or persons from their ministry of finance or other relevant entity. Overall, the following are expected to participate:

(a) Experts representing members of ECA drawn from ministries responsible for finance and economic planning, central banks, revenue authorities, financial intelligence units, national statistical offices and other relevant ministries and departments that members may deem relevant;

(b) Representatives of the subprogramme of ECA on macroeconomic policy, finance and governance serving as convener and secretariat of the Committee;

(c) Representatives of the African Union Commission and the regional economic communities, attending as observers;

(d) Representatives of entities of the United Nations system, non-governmental organizations and civil society, attending as observers.

G. Contact information

20. Further information about the Committee may be obtained from:

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Annex

List of countries in each subregion of the Economic Commission for Africa

<i>Central Africa</i>	<i>East Africa</i>	<i>North Africa</i>	<i>Southern Africa</i>	<i>West Africa</i>
Cameroon	Burundi	Algeria	Angola	Benin
Central African Republic	Comoros	Egypt	Botswana	Burkina Faso
Chad	Democratic Republic of the Congo	Libya	Eswatini	Cabo Verde
Congo	Djibouti	Mauritania	Lesotho	Côte d'Ivoire
Equatorial Guinea	Ethiopia	Morocco	Malawi	Gambia
Gabon	Eritrea	Sudan	Mauritius	Ghana
Sao Tome and Principe	Kenya	Tunisia	Mozambique	Guinea
	Madagascar		Namibia	Guinea-Bissau
	Rwanda		South Africa	Liberia
	Seychelles		Zambia	Mali
	Somalia		Zimbabwe	Niger
	South Sudan			Nigeria
	United Republic of Tanzania			Senegal
	Uganda			Sierra Leone
				Togo