

The Crisis and Africa: Monitoring the Global Policy Response – An Update

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This document has been prepared by the Support Unit for discussion during Session 3 on the Impact of and Response to the Crisis at the 13th Meeting of the Africa Partnership Forum in Addis Ababa on 25 January 2010. It is available at www.africapartnershipforum.org

I. Introduction and Overview

Following the London G20 Summit of April 2009, a report was prepared for the 12th Meeting of the Africa Partnership Forum (June 2009) taking stock of the global policy response to the crisis as this affected Africa. The monitoring report sought to help answer 3 basic questions:

- i) What was actually agreed at the G20 Summit and subsequent meetings;
- ii) What did all this mean for Africa; and
- iii) What needed to happen next, with key messages fed into the larger political process.

2. The APF welcomed the report, endorsed the monitoring framework which it proposed, and requested that updates of the paper be prepared for subsequent meetings. This is the first such update. It takes the form of a shorter main paper, with a fuller matrix as an annex. Fuller background on technical issues is contained in the June 2009 Report. This report should also be read alongside the update on *Development Finance in Africa* (APF/ADDIS-2010/05) which provides fuller material on domestic revenue mobilization, private flows and official development assistance¹.

3. To ensure continuity with the previous report, the update assesses progress against the same set of indicators identified in the June 2009 Report, covering four main areas:

- i) The provision of additional resources;
- ii) Measures to promote trade and investment;
- iii) Financial supervision and regulation; and
- iv) Systemic reforms to global governance.

4. The update reflects what is known as at early January 2010 and is based on information and commitments made at various summits and meetings and in particular the G8 L'Aquila Summit, the G20 Pittsburg Summit, the subsequent meeting of G20 Finance Ministers and Central Bank Governors, the IMF/World Bank Annual Meetings, and the Copenhagen COP15 meeting (December, 2009).

5. There have been a number of positive developments since June:

- (i) There has been a concerted effort by the Bretton Woods Institutions and the African Development Bank leading to an increase in concessional financing;
- (ii) There has not been widespread resort to trade and investment restrictions;
- (iii) There has been an acceleration of action on the issue of tax havens;
- (iv) Plus progress on governance reform at the international financial institutions;

6. It will however be essential to maintain political efforts during 2010, in order to turn economic recovery into sustained and sustainable growth, and to restore progress towards the MDGs:

- (i) Given the impact of the crisis on domestic revenue (see the companion paper on Development Finance), it will be important to maintain the accelerated transfer of resources through the multilateral system, and to increase ODA to Africa – which is lagging behind earlier commitments;
- (ii) Given the dampening effect of the crisis on private flows, it will be important to take further steps to stimulate investment and develop the bond market; it will also be important to inject fresh political momentum into the Doha trade negotiations, which continue to be stalled;
- (iii) The impact of the crisis on domestic revenue also reinforces the need to maintain the momentum which has built up during 2009 on international cooperation on tax havens;
- (iv) Finally, whilst important progress has been made on IFI governance, key decisions remain to be taken during 2010; alongside these, it will be important to ensure that Africa is able to play a full part in the rapidly changing processes for global economic governance which have emerged in 2009.

¹ For a more detailed update on the macroeconomic situation in Africa, please refer to the IMF Regional Economic Outlook for sub-Saharan Africa (October 2009).

II. The Provision of Additional Resources

(i) The multilateral system

6. The sharp downturn in domestic revenue², sharply lower export revenue, declining remittances and a loss of access to international capital markets highlights the critical importance of a substantial increase in the resources provided externally by the international community – specifically through the IMF, the World Bank Group and the African Development Bank and through increased overall official development assistance.

7. The assessment confirms: a) an acceleration in the transfer of resources from the international agencies to Africa; b) efforts to simplify procedures and to create/modify lending facilities to provide countries with wider options to address country specific needs; and c) concerted effort to ensuring the sustainability of the larger transfer of resources from these international organizations with the G20 decisions to review the need for a general capital increase for the AfDB in the first half of 2010 and to create the new crisis response window in IDA, and early commitments for ambitious replenishments of IDA and the African Development Fund.

The IMF

8. As of September 2009, new commitments to sub-Saharan Africa by the IMF reached US\$3 billion, compared with US\$1.1 billion for the whole of 2008 and US\$0.2 billion in 2007. Through a special allocation of Special Drawing Rights (SDR), Africa, including North Africa, received additional financial support worth some US\$16.9 billion, of which US\$12 billion was for sub-Saharan Africa. In addition to providing additional resources, the IMF has also increased the flexibility of its intervention in low income countries by providing countries with a menu to choose the lending facility that best addresses their problems.

The World Bank

9. In fiscal year 2009 (July 2008 to June 2009), through front-loading and fast-tracked interventions to the most affected country, the International Development Association (IDA) of the World Bank Group posted record lending of US\$7.8 billion, an increase of 37% over previous year's level and 15% above target. Seventeen countries front-loaded their IDA allocations. For middle-income countries in sub-Saharan Africa, the Bank provided US\$400 million in IBRD lending. In addition, the IFC committed US\$300 million in its new infrastructure crisis facility to top up financing for viable privately funded infrastructure projects experiencing financial distress. The IDA15 Mid-Term Review that took place in late November endorsed the creation of a dedicated crisis response window in IDA to provide additional funding for the protection of core spending in IDA-only countries.

The AfDB

10. The AfDB has taken steps to accelerate resource transfers to its member countries by frontloading its allocations and speeding up disbursements, by restructuring portfolios to release moment project resources and has created a US\$1.5 billion Emergency Liquidity Facility.

² Estimated by the International Monetary Fund to amount to about 5% of GDP for sub-Saharan Africa in 2009 compared to 2008. IMF (2009), Regional Economic Outlook for sub-Saharan Africa (October 2009).

(ii) **Official Development Assistance**

11. Fuller detail is contained in the companion paper on Development Finance in Africa. The latest figures remain those for 2008, when ODA to Africa reached a record high in nominal terms of US\$44 billion (slightly higher than the estimate of US\$42 billion in June). Excluding debt relief, ODA to Africa has increased by almost 50% in nominal terms since 2006 (from US\$28.3 billion in 2006 to US\$42 billion in 2008). Even so, ODA to Africa continues to lag behind the commitments which were made in 2005, with the prospect of this worsening over 2009-2010.

12. There are two problems. One is the historic distribution of increases in global ODA since 2004 – in practice Africa has received only around 34% of this, compared to the 50% assumed in the estimates made in 2005. The second is the marked slowdown in the increase in global ODA shown in the latest OECD projections for 2009 and 2010. It is now estimated that this will lead to an overall shortfall of around US\$21 billion (in 2008 prices) against previous commitments. The combined effect of both factors is a shortfall of around US\$17 billion (again in 2008 prices) below the level of ODA to Africa implied by the 2005 commitments. In effect, Africa will bear the brunt of the overall shortfall in global ODA, despite being the region which faces the most difficult challenges in achieving the MDGs.

(iii) **Innovative finance**

13. US\$1.5 billion has been committed by a group of bilateral donors and the Bill and Melinda Gates Foundation under the Advanced Market Commitments (AMCs) to support the development of vaccines. Another US\$1.6 billion have been raised through the issuance of bonds in the capital markets under the International Finance Facility for Immunisation (IFFIm). The Solidarity Air Ticket Levy is expected to generate more than US\$500 million in 2009 for the purchase of drugs.

(iv) **Financing for climate change**

14. In Copenhagen, developed countries promised funding for mitigation and adaptation actions in developing countries. According to the Copenhagen Accord, US\$30 billion for the period 2010-2012 will be provided, and long-term finance of a further US\$100 billion a year by 2020 will be mobilized from a variety of sources, including carbon finance and other private contributions. The Accord also establishes a High-Level Panel under the UNFCCC Conference of the Parties (COP) to study the implementation of financing provisions and the Copenhagen Green Climate Fund.

15. More discussions will need to take place in the next several months on the implementation of these new climate financing initiatives. It remains unclear whether the above funding would also cover resources needed to finance the newly created Technology Mechanism and mechanisms designed to reduce emissions from deforestation and forest degradation (REDD+). There were some initial discussions on the geographical allocations of the above resources including earmarking Africa and other low income countries. No decision has been taken on these issues yet.

(v) **Reducing the cost of remittances**

16. Over the past decade, remittances have become increasingly prominent. Remittances are becoming important sources of development finance in both sub-Saharan and North Africa: between 2000 and 2008, recorded remittances from sub-Saharan Africa more than quadrupled to reach US\$20 billion; the increase is similarly rapid in North Africa, reaching also US\$14 billion. Compared to other developing regions, transfers to Africa and within Africa are burdened by high cost. In an effort to reduce the costs of remittances, the World Bank has set up a website that provides data on the cost of sending and receiving small amounts of money from one country to another, covering 83 receiving countries from 23 major remittance sending countries. The publication of remittance pricing worldwide serves four important purposes: benchmarking improvements, allowing comparisons among countries, supporting consumers' choices, and putting pressure on service providers to improve their services.

III. Measures to Promote Trade and Investment

(i) Keeping trade open

15. According to the September 2009 “Report on G20 Trade and Investment Measures” prepared jointly by the WTO, OECD and UNCTAD, there has not been widespread resort to trade or investment restrictions as a reaction to the global economic crisis. Nevertheless, there has been policy slippage with some G20 members having raised tariffs and introduced new nontariff measures, and most of them have continued to use trade defense mechanisms. Two of the G20 have introduced agricultural export subsidies.

(ii) Promoting investment

16. A substantial number of policy changes undertaken in the first half of this year were aimed at increasing openness and clarity to foreign investors. The Joint Action Plan, which was launched at the AfDB Annual Meetings in May 2009, which is designed to support Africa’s financial systems, trade, infrastructure, SME initiatives and lending to the private sector will lead, *inter alia*, has already led to the establishment of an Africa SME Guarantee Fund jointly by the AfDB and Africa Commission and the provision of liquidity to SMEs involved in infrastructure and agribusiness. The World Bank has expanded the use of guarantees, insurance instruments and risk management products to leverage private lenders.

(iii) Financing Trade

17. The AfDB and WBG as well as other DFIs/IFIs and participant governments have launched several initiatives leading to significant injection of liquidity to finance trade. Based on current commitments, about US\$3 to 4 billion are made available on an annual basis from public sources. Public funding has in turn helped to leverage resources from the private sector. For instance, under the Global Trade Liquidity Programme (GTLP) Risk Sharing Model, US\$2.4 billion has been made available to global banks as additional liquidity for trade finance have led to the banks themselves contributing an additional US\$3.6 billion for a total of US\$6 billion. Assuming average tenors of 180 days for trade financing, the impact on a full-year basis is twice as large. Overall, while actual trade finance resources are slightly lower than the amount expected based on the G20’s commitment made in London for up to US\$50 billion of trade liquidity support over 3 years for all developing countries - there has been little evidence of lack of trade financing in Africa.

(iv) Advancing the Doha agenda

18. The Seventh WTO Ministerial Conference (November 30-December 2, 2009) has reaffirmed the need to conclude the Round in 2010. Although there have been some progress on technical issues, political leadership and commitment will be needed to improve the prospects of concluding the Doha Round in 2010 as called for by the recent ministerial conference.

IV. Financial Supervision and Regulation

19. The June assessment focused on the issue of tax havens, given the strong emphasis given to this by African countries in the run-up to the G20 London Summit - while recognising Africa’s interests in other aspects of financial supervision and regulation where requirements for capacity-building on the formulation and implementation of new major regulations need to be addressed with priority.

20. Since the London G20 Summit, there has been an acceleration of actions to implement the OECD standards of transparency and exchange of information on tax matters. All of the 87 jurisdictions covered by the Global Forum have now committed to the Global Forum’s standards of tax information exchange and transparency, with more than half having substantially implemented these. Since April, over 100 Tax Information Exchange Agreements have been signed, over 60 tax treaties have been negotiated/re-negotiated to incorporate the standards and 15 jurisdictions have moved up to the category of jurisdictions which have substantially implemented the standards. These have now been endorsed by all major offshore centres.

21. The Global Forum now includes more than 90 countries, which participate on an equal footing. Peer reviews will apply to all Global Forum members, with Phase 1 reviews focused on legal and regulatory issues, and Phase 2 reviews focused on implementation of standards. The Global Forum will produce a report to the G20 on progress made by the jurisdictions under review for the April and June 2010 G20 meetings, and an annual report will be available before the November 2010 Summit.

22. Work is also ongoing (through for instance the African Tax Administration Forum or ATAF) to build up tax administration in developing countries so that they can benefit from this new open environment. OECD-sponsored technical events have been organised in Africa covering a broad range of topics including transfer pricing and taxation of minerals, oil and gas.

V. Systemic Reforms to Global Governance

23. The June paper focused in particular on governance reforms at the International Financial Institutions – the IMF and the World Bank. Firm deadlines were reaffirmed at the G20 Pittsburgh Summit to deliver representation and governance reforms; the Spring 2010 Meetings for the World Bank, and January 2011 for the IMF. G20 leaders also endorsed proposals to shift IMF quota share by at least 5% from under-represented countries to over-represented countries. At the World Bank, the decision has been taken to add a third chair to sub-Saharan Africa. The Bank is expected to reach a decision by the Spring 2010 Meetings with an increase of at least a 3% of voting power for developing and transition countries, in addition to an earlier 1.46% increase under the first phase of the adjustment. In the medium term, G20 has committed to reform the IFIs' mandates, scope and governance to reflect a changing world and the need for developing countries to have a greater voice and representation

VI. What are the next steps?

On resources:

- (i) Effective delivery of increased lending tailored to meet the crisis needs of LICs, with agreement on further proposals by the time of the IMF/WB Spring Meetings of 2010.
- (ii) Additional voluntary bilateral loan and subsidy contributions to the IMF to help fund increased lending to LICs. Donor countries are encouraged to mobilize their SDR resources to support the IMF's lending to low-income countries.
- (iii) Agreement on an ambitious replenishment of IDA
- (iv) Rapid adoption of the IDA crisis response window, with adequate provision of additional resources.
- (v) Adequate funding for the World Bank Group Vulnerability Framework through voluntary contributions by bilateral donors;
- (vi) Completion of the review of the need for a general capital increase of the AfDB by the first half of 2010;
- (vii) Urgent action to increase levels of ODA to Africa
- (viii) Rapid actions on launching the US\$30 billion climate funding for 2010-12.

On trade and investment:

- (ix) Dismantling of any new tariff or non-tariff instruments introduced in response to the crisis, which are hindering trade flows;
- (x) Support for implementation of the Joint Action Plan launched at the AfDB Annual Meetings in May 2009 including support for recapitalisation of banks in Africa;
- (xi) Further support for the IFC Global Trade Liquidity Programme, in order to reach its funding target;
- (xii) Fresh political momentum, leading to a time-specific agreement on modalities for reaching a successful conclusion to the Doha Round;

On financial supervision and regulation:

- (xiii) Launching of the Global Forum's Peer Review process, in order to monitor implementation of commitments on the internationally agreed standard on exchange of information for tax purposes;
- (xiv) Support for capacity building to enable in developing countries to secure the benefits from the more transparent and co-operative tax environment;
- (xv) Support for the UN Stolen Assets Recovery Initiative (StAR) through information access (in foreign jurisdictions) and the sharing of experience and knowledge aimed at asset recovery and at preventing money laundering and illicit capital flight.

On systemic issues:

- (xvi) Agreement on IFI governance reforms, within the agreed deadlines (Spring 2010, and January 2011 for the IMF), taking full account of Africa's interest.
- (xvii) Full African participation at future G20 meetings.

Annex 1: Monitoring Framework

	RECOMMENDATIONS of June 2009 Report	CURRENT STATUS	NEXT STEPS
I – RESOURCES			
IMF	<p>1. Early decision on the proposed SDR allocation.</p> <p>2. Rapid disbursement of the additional concessional finance from the IMF to low income countries.</p> <p>3. Early agreement on new loan resources including modalities of gold sales.</p>	<p>A general SDR allocation of US\$250 billion (bn) and an additional special allocation of US\$33 bn (following ratification of the 4th amendment of the IMF Charter which seeks to make the allocation of SDRs more equitable) were made to IMF members in August-September 2009. Africa's share (including North Africa) of these 2 allocations was about \$16.9 bn.</p> <p>IMF approved a comprehensive LIC support package in July 2009 including increased lending, higher concessionality, more flexible application of external debt limits, and the creation of new and more flexible facilities that are tailored to the needs of LICs. A revised debt sustainability framework was also agreed. The package will boost concessional lending by up to US\$8 bn in 2009 and 2010. In 2009, Africa received over 90% of all IMF concessional loan commitments.</p> <p>Funding to low-income countries will come partly from the agreed sale of IMF gold. Resources from all these sources are expected to more than double the IMF's medium-term lending capacity. According to IMF's estimates, demand for concessional loans from the IMF could reach US\$17 bn through 2014, which will require additional donor contributions.</p>	<p>a) Effective delivery of increased lending tailored to meet the crisis needs of LICs, with agreement on further proposals by the time of the IMF/WB 2010 Spring meetings.</p> <p>b) Additional voluntary bilateral loan and subsidy contributions to the IMF to help fund increased lending to LICs.</p>
WORLD BANK GROUP	<p>4. Fast track of lending to Africa under IDA 15.</p>	<p>Over the year ending September, the World Bank Group (WBG) committed over US\$70 bn to support countries hit by the crisis and is on track to treble IBRD lending to US\$100 bn over 3 years. Over the</p>	<p>c) Agreement on an ambitious replenishment of IDA.</p>

	5. Further early, substantial and quick-disbursing voluntary contributions from bilateral donors to the Bank's Vulnerability Framework.	<p>first four months of fiscal year 2010 (July-October 2009), IDA disbursements reached US\$4.6 bn, almost doubling the level a year earlier.</p> <p>WBG has relaxed the frontloading rule to allow countries to frontload up to half their annual allocation (instead of the regular 30%) under IDA15.</p> <p>Following the recent calls by the G20 and the Development Committee, the IDA15 Mid-Term Review (November 18-20, 2009) endorsed the creation of a dedicated crisis response window in IDA to provide additional funding for the protection of core spending in IDA-only countries.</p> <p>Under the World Bank Group Vulnerability Framework, additional resources were made available for food security, social safety nets and protection and infrastructure using IBRD/IDA resources and additional bilateral contributions.</p>	<p>d) Rapid adoption of the IDA crisis response window with adequate provision of additional resources.</p> <p>e) Adequate funding for the World Bank Group Vulnerability Framework through voluntary contributions by bilateral donors.</p>
AFRICAN DEVELOPMENT BANK	6. Early start to consultations on possible capital increase.	<p>The AfDB has launched the Fast Track Programme to enhance flexibility in operations and policies, including up to 100% frontloading in 2009 for all ADF countries.</p> <p>Donors have agreed to complete the review the need for a general capital increase by the first half of 2010.</p>	f) Completion of the review (by the first half of 2010).
ODA	7. Substantial increase in ODA to Africa, in order to meet existing commitments on total aid volume.	<p>Global ODA reached a record high of \$121.5 bn in 2008. ODA net of tax relief disbursed to Africa increased by almost 50% in the last 2 years, reaching a record high of US\$44 bn in 2008. But it continues to lag behind the commitments made in 2005. There are two problems. One is the historic distribution of increases in global ODA. Africa has received only around 34% of increase since 2004 instead of the 50% assumed in 2005. The second is the slowdown in the increase of ODA shown in the latest OECD projections. The combined effect is a shortfall of around US\$17 billion (in 2008 prices) in 2010.</p>	g) Urgent action to increase levels of ODA to Africa.

CLIMATE CHANGE FINANCING	8. Urgent discussion of innovative financing proposals – including revenues from carbon trading – linked to preparations for UNFCCC Conference in Copenhagen.	Agreement in Copenhagen on provision of US\$30 billion over 2010-2012 to fund mitigation and adaptation, and mobilisation of long term finance of a further US\$100 billion a year by 2020 from a variety of sources. Establishment of high-level panel to study implementation of financing provisions.	h) Rapid action to launch the new climate funding agreed in Copenhagen (US\$30 billion over 2010-12)
II - TRADE AND INVESTMENT			
KEEPING TRADE OPEN	9. Early action to rectify any new barriers to trade or investment in Africa	From the latest WTO report (September 2009) there is no evidence of widespread retreat to protectionism, but , in a limited way, governments have continued to resort to tariffs and non-tariff instruments that have hindered trade flows, including more resort to trade defence measures and conditions in stimulus packages favouring domestic goods/services at expense of imports.	i) Dismantling of any new tariff or non-tariff instruments which are hindering trade flows..
PROMOTING INVESTMENT	10. Rapid implementation of Joint Action Plan	<p>The Joint Action Plan, which was launched at the AfDB Annual Meetings in May 2009, is designed to support Africa's financial systems, trade, infrastructure, SME initiatives and lending to the private sector, and established monitoring arrangements. Participating institutions expect to increase their commitments by at least US\$15 billion over the next 2-3 years. Strong emphasis on infrastructure and other real sectors of economy such as agribusiness and small and medium enterprise facing liquidity shortfall.</p> <p>The AfDB has, with the Africa Commission and IFC, agreed to set up an Africa SME Guarantee Fund to address the constraints faced by SMEs, both for financing and capacity building.</p> <p>The IFC Microfinance Enhancement Facility provides support to several countries in Africa and discussions are underway to develop sub-fund for Africa under the IFC (bank) Capitalization Fund.</p>	j) Support for implementation of the Joint Action Plan launched at the AfDB Annual Meetings.

TRADE FINANCE	<p>11. Signature of agreements by donors who have already pledged to contribute to Global Trade Liquidity Programme.</p> <p>12. Further contributions to reach funding target.</p>	<p>The IFC Global Trade Liquidity Programme (GTLP) (plus a separate parallel facility, the Global Trade Finance Programme or GTFP) with significant contributions by the private sector is expected to provide up to US\$50 billion of trade liquidity support over the next 3 years, including an estimated US\$15-17.5 bn to Africa. The GTLP has received commitments of more than US\$4 bn from bilateral sources. JBIC/Japan and China provide parallel financing of US\$3 bn.</p> <p>Based on transactions committed to date, expected impact in Africa of the GTLP is US\$3 bn per annum. In addition, the AfDB Trade Finance Initiative has added US\$1.0 bn, half of which through as a contribution to the GTLP. US\$3.6 bn of available funding have been effectively utilised by lending banks.</p>	k) Further support for the GTLP in order to reach funding target.
ADVANCING DOHA DEVELOPMENT ROUND	13. Early agreement on modalities for reaching a successful conclusion to the Doha Development Round.	The Seventh WTO Ministerial Conference reaffirmed the need to conclude the Round in 2010. There has been some progress on technical issues but renewed political leadership and commitment are required.	l) Fresh political momentum leading to a time-specific agreement on modalities for reaching a successful conclusion to the Doha Round.
III - FINANCIAL SUPERVISION AND REGULATION			
TAX HAVENS	<p>14. Rapid completion of existing OECD works on tax evasion – through the effective implementation of the internationally agreed standard.</p> <p>15. Broadening of OECD's work to take in tax avoidance.</p> <p>16. Open existing/future work to developing countries; develop proposals to enable them to benefit from more transparent and cooperative tax environment.</p>	<p>OECD has published a detailed report on progress towards implementing internationally agreed standard on exchange of information for tax purpose – requiring exchange of information on request in all tax matters. As of December 2009, 59 countries/ jurisdictions among those surveyed by the OECD have substantially implemented the standard, up from 40 at the time of the London G20 Summit. Twenty nine others, including 22 tax havens have agreed to the standards but have not yet substantially implemented.</p> <p>In addition, work is underway at the OECD and elsewhere to build tax administration capacity in developing countries in order for the latter to secure the benefits of the more cooperative tax environment.</p>	<p>m) Launching of the Global Forum's Review Peer Review process, in order to monitor implementation of commitments on the internationally agreed standard on exchange of information for tax purposes.</p> <p>n) Support for capacity building to enable developing countries to secure benefits from more transparent and cooperative tax environment.</p>

	17. Support for the UN Stolen Assets Recovery Initiative (StAR) and other initiatives aimed at preventing money laundering and illicit capital flight.	Support for the UN/World Bank StAR was reiterated by the G20 leaders. The StAR Initiative seeks to access and share knowledge and experience on asset recovery, build national capacity to undertake asset recovery, and support and facilitate the sharing of information with foreign jurisdictions. INTERPOL has recently joined the StAR Initiative and created a focal point data base.	o) Support for UN Stolen Assets Recovery Initiative
IV - SYSTEMIC ISSUES			
GOVERN- ANCE	18. Ensure that Africa plays a full part in developing further proposals recommendations to improve the governance of the IFIs; 19. Clarify the arrangements for future G20 meetings.	In Pittsburg (October 2009), G20 leaders agreed to shift IMF quota share by at least 5% from under-represented countries to over-represented countries. At the World Bank, the decision has been taken to add a third chair to sub-Sahara Africa. The Bank is expected to reach a decision by the Spring Meetings 2010 with an increase of at least a 3% of voting power for developing and transition countries, in addition to an earlier 1.46% increase under the first phase of the adjustment. The G20 Leaders have committed to deliver the representation and governance reforms of the IFIs with firm deadlines: Spring 2010 for the WB and January 2011 for the IMF including an open, transparent and merit-based process in the selection of the head of the World Bank.	p) Agreement on IFI government reforms within agreed deadlines, taking full account of Africa's interests. q) Full African participation at future G20 meetings.

Table 2: Real GDP Growth: Outturn to 2008; projections for 2009 and 2010

	Pre- Monterrey 1997-2002	Average 2003-05	2006	2007	2008	2009 (Projections)	2010 (Projections)
SUB-SAHARAN AFRICA							
Oil-exporting countries	6.4	9.0	7.4	9.2	7.0	1.9	5.5
Oil-exporting coun., excl.Nigeria	5.6	9.5	9.3	12.5	8.5	0.4	6.2
Angola	4.9	11.7	18.6	20.3	13.2	0.2	9.3
Cameroon	4.5	3.3	3.2	3.3	2.9	1.6	2.7
Chad	5.2	18.7	0.2	0.2	-0.2	1.6	4.6
Congo. Rep of	2.7	4.0	6.2	-1.6	5.6	7.4	12.2
Equatorial Guinea	50.1	20.5	1.3	21.4	11.3	-5.4	-2.8
Gabon	0.0	2.2	1.2	5.6	2.3	-1.0	2.6
Nigeria	6.8	8.8	6.2	7.0	6.0	2.9	5.0
Sudan	..	6.3	11.3	10.2	6.8	4.0	5.5
Middle-income countries	3.0	4.3	5.3	5.0	3.1	-2.4	1.9
MICs, excluding South Africa	5.5	4.4	5.2	4.7	3.7	-4.0	3.0
Botswana	8.0	4.6	5.1	4.4	2.9	-10.3	4.1
Cape Verde	7.8	5.2	10.8	7.8	5.9	3.5	4.0
Lesotho	2.4	3.1	8.1	5.1	3.5	-1.0	3.1
Mauritius	5.1	3.9	3.5	4.2	6.6	2.1	2.0
Namibia	3.6	6.4	7.1	5.5	2.9	-0.7	1.7
Seychelles	3.3	-4.3	8.3	7.3	-1.9	-8.7	4.0
South Africa	2.7	4.3	5.3	5.1	3.1	-2.2	1.7
Swaziland	2.3	2.9	2.9	3.5	2.4	0.4	2.6
Low-income countries	4.1	4.4	7.3	7.3	7.0	4.5	5.0
Benin	5.1	3.3	3.8	4.6	5.0	3.8	3.0
Burkina Faso	5.7	3.4	5.5	3.6	5.0	3.5	4.1
Ethiopia	3.4	6.3	11.5	11.5	11.6	7.6	7.0
Ghana	4.3	5.6	6.4	5.7	7.3	4.5	6.0
Kenya	1.9	4.4	6.4	7.1	1.7	2.5	4.0
Madagascar	1.7	6.6	5.0	6.2	7.1	-0.4	0.9
Malawi	1.6	4.8	6.7	8.6	9.7	5.9	4.6
Mali	5.0	4.8	5.3	4.3	5.1	4.1	4.5
Mauritania	..	4.6	11.4	1.0	2.2	2.0	3.0
Mozambique	9.0	7.6	8.7	7.0	6.8	4.3	5.2
Niger	4.2	4.9	5.8	3.3	9.5	1.0	5.2
Rwanda	9.7	4.3	7.3	7.9	11.2	5.3	5.2
Senegal	4.0	6.1	2.4	4.7	2.5	1.5	3.4
Tanzania	4.8	7.4	6.7	7.1	7.4	5.0	5.5
Uganda	6.1	6.5	10.8	8.4	9.0	7.0	6.0
Zambia	2.6	5.3	6.2	6.3	5.8	4.5	5.0
Fragile countries	0.8	2.8	2.9	3.3	3.9	2.8	4.0
Including Zimbabwe	0.6	2.4	2.5	2.8	3.2	2.9	4.1
Burundi	1.6	1.5	5.1	3.6	4.5	3.2	3.6
Central African Republic	2.8	-1.2	3.8	3.7	2.2	2.4	3.1
Comoros	2.7	2.2	1.2	0.5	1.0	1.0	1.5
Congo, Dem. Rep of	-2.8	6.8	5.6	6.3	6.2	2.7	5.4
Côte d'Ivoire	1.0	0.6	0.7	1.6	2.3	3.7	4.0
Eritrea	1.6	0.5	-1.0	1.3	1.0	0.3	1.4
Gambia, The	4.3	6.3	6.5	6.3	6.1	3.6	4.3
Guinea	4.2	2.2	2.5	1.8	4.9	0.0	2.7
Guinea-Bissau	-1.7	1.7	0.6	2.7	3.3	1.9	2.5
Liberia	3.3	-7.8	7.8	9.4	7.1	4.9	6.3
Sao Tome and Principe	3.5	5.9	6.7	6.0	5.8	4.0	4.5
Sierra Leone	3.8	8.8	5.1	6.4	5.5	4.0	4.0
Togo	0.1	2.9	3.9	1.9	1.1	2.4	2.6
Zimbabwe	-2.7	-6.0	-6.3	-6.9	-14.1	3.7	6.0

Sub-Saharan Africa	4.1	6.2	6.5	6.9	5.5	1.1	4.1
Excluding Nigeria and South Africa	4.1	6.1	7.1	8.0	6.8	2.5	5.1
Oil-importing Countries	3.2	4.8	5.9	5.7	4.7	0.8	3.3
Excluding South Africa	3.6	5.2	6.3	6.3	6.1	3.3	4.8
Resource-intensive countries	5.8	8.0	6.8	8.3	6.4	1.5	5.2
Oil	6.4	9.0	7.4	9.2	7.0	1.9	5.5
Non-oil	3.5	3.2	3.8	3.7	3.5	0.6	3.8
NORTH AFRICA		2000-05	2006	2007	2008	2009	2010
Algeria		4.4	2.0	3.0	3.0	2.1	3.7
Egypt		4.0	6.8	7.1	7.2	4.7	4.5
Libya		4.3	6.7	7.5	3.4	1.8	5.2
Tunisia		4.5	5.3	6.3	4.6	3.0	4.0

Note: The figures for Sub-Saharan Africa have been adjusted to take into account Mauritania and Sudan which are classified as non-SSA countries in IMF reports.

Source: IMF Regional Economic Outlook Series: Sub-Saharan Africa and Middle East and Central Asia (October 2009).