

Partnership for Development : Draft Key Political Messages and Action Points

Real progress has been made over the last 6 years in implementing the new relationship of partnership between Africa and the international community, which was called for in the NEPAD founding statement of 2001. This is reflected in tangible results, in terms of sustained economic growth, a fall in the proportion of people living in extreme poverty, and significant progress in areas such as universal primary education. However more remains to be done to meet the targets and commitments set by Africa itself - including in the NEPAD founding statement and at subsequent AU Summits, and by the international community - including at landmark international meetings, and in other fora such as the G8 and EU.

2. Against this background, we have reviewed progress in 2 key areas, drawing on the framework of the NEPAD founding statement. These are: mobilising resources, and sectoral priorities – specifically infrastructure and agriculture. In each of these areas we have identified a limited number of key priorities and action points for both sides of the partnership - Africa and the international community.

Mobilising resources

3. Public Finance : we welcome the significant progress made by African governments since 2001 in mobilising additional domestic resources, and the response of the international community over this period both through increased development assistance and debt relief, and through commitments to further increases in development assistance by 2010. Looking ahead to the Doha Conference on Finance for Development in July 2008:

(i) We request AU Ministers of Finance, Planning and Economic Development to review ways of maintaining this increase in domestic resources, and to accelerate actions towards improving public financial management and accountability in line with the *Abuja Commitment to Action* when they consider Finance for Development at their next meeting in the Spring of 2008.

(ii) We call on development partners to deliver their commitments to increase development assistance to Africa by \$25 billion by 2010, and to monitor and report on progress towards this at the next Senior-Level Meeting (December 2008) the OECD Development Assistance Committee, at its Ministerial Level Meeting (Spring 2008) and subsequently in Doha in July.

4. Private Investment: we welcome the improvements in the investment climate in Africa since 2001, and the substantial increase in private capital flows over this period. We also underline the importance of both domestic and intra-African investment, and improving access to capital markets. We emphasise that increasing the level of both domestic and external private investment is essential to securing sustained economic growth, and specifically to making faster progress on both infrastructure and agriculture:

(iii) We recommend that African governments continue with their efforts to improve the investment climate, and regularly monitor and report on progress, including through the African Peer Review Mechanism and through meetings of AU Finance Ministers;

(iv) We call for accelerated efforts from the World Bank, the AfDB, African public and private stakeholders and other development partners to further develop the initiative 'Partnership for Making Finance Work for Africa', with a view to broadening access to financial services in Africa and mobilising funding for private investment.

5. Trade: we welcome the growth of Africa's exports since 2001 but also note the continuing challenges in this area. We underline the importance of three interlinked issues : multilateral rules on market access and subsidies; addressing supply-side constraints and trade procedures; and boosting intra-African trade. On the last issue we underline the particular importance of the Regional Economic Communities:

(v) We recommend that African governments continue their efforts to improve supply-side competitiveness, and we request the Heads of the Regional Economic Communities, and AU Ministers of Trade to continue their efforts to intensify the pace of regional integration;

(vi) We call on WTO members to implement the commitments made at the 2005 WTO Ministerial in Hong Kong including on market access for least developed countries, cotton, and aid for trade. We ask the Director-General to continue his efforts to take forward these elements of the Hong Kong Declaration.

Sectoral Priorities

6. Infrastructure: We welcome the consensus which has developed since 2001 on the importance of infrastructure, the increased support from the international community, and the establishment of new mechanisms such as the Infrastructure Consortium for Africa. We note however that the challenges are enormous. In meeting these we emphasise the role not just of African governments and development partners, but also of regional institutions and the private sector, the importance of maintenance of existing infrastructure, as well as the development of new infrastructure, and regulatory reform in addition to finance:

(vii) We recommend that African governments continue their efforts to prioritise infrastructure development including cross-border projects, in their national development plans; to sustain efforts on regulatory reforms; and intensify efforts to ensure more equitable provision of basic services to rural areas.

(viii) We call on the development partners through the Infrastructure Consortium for Africa at its next annual meeting in Japan in March 2008, and through other fora to monitor and help sustain the recent trend of increasing investment in infrastructure, and to work with African governments in facilitating project preparation.

7. Agriculture: We strongly emphasise the importance of this sector. We recognise the progress which has been made in this sector since 2001 both in the development of the CAADP/Sirte framework, and in the doubling of growth rates between 2002 and 2004. However we believe that intensified efforts are needed on both sides of the partnership, to build on this progress. Key issues include not only the need for more public investment, but also the role of the private sector, multilateral rules on market access and subsidies, and the importance of a multi-sectoral approach, in particular linking agriculture, rural infrastructure and financing for agribusiness and in rural areas;

(ix) We request AU Ministers of Agriculture to review implementation of commitments to key AU Summit decisions including the 2004 Maputo Declaration on Public Expenditure and the 2006 Abuja Declaration on Fertiliser, at the next AU Conference of Ministers of Agriculture in March 2008;

(x) We call on development partners to continue their support for CAADP, and to follow up with the request for the establishment of a CAADP trust fund, and report progress by or before the next CAADP/Sirte Partnership Platform in the first half of 2008.

8. Climate Change: We note that climate change has emerged as a critical issue both for Africa and the international community, since 2001. We emphasise its huge impact in both these sectors, for instance on energy, water and on agricultural production and food security. Africa is the continent which contributes least to this problem, but which is most affected. Key issues include adaptation to its effects, the development of clean energy, and the sustainable management of forest resources. Looking ahead to the UN Climate Change Conference in Bali in December 2007, and beyond this to the next Conference in Copenhagen.

(xi) We welcome the increase attention that climate change is now receiving in Africa and call for the full integration of climate change issues into economic planning and management at both national and regional levels at the forthcoming African Development Bank meeting in November 2007.

(xii) We call for progress at Bali in December towards ambitious and binding commitments on reducing global emissions, together with recognition of Africa's legitimate development needs, support for adaptation, and a review of the design and operation of carbon finance mechanisms.