

## KEY MESSAGES – PRESIDENT OF CABO VERDE

It is already a fact that it will be difficult for the African continent to bridge the huge financing gap for the realization of the Sustainable Development Goals - SDGs - by 2030, estimated at USD 200 billion per year, and the African Union's Agenda 2063, with state revenues and current levels of development assistance alone. It is therefore urgent to rethink the development financing model for Africa, geared towards achieving the SDGs and the aspirations of Agenda 2063.

While on the one hand, the situation calls for further expansion of tax bases to increase the capacity to finance public policies with each countries' own resources, on the other hand, it implies modernising the mechanisms for financing the economy by the national and international private sector, as well as a strong fight against illicit financial flows. But Africa alone cannot afford to finance the response and recovery measures to the economic, pandemic and climate crisis. Complementary financing needs to be secured through other forms and sources of external financing, including Foreign Direct Investment, international cooperation, appropriate external financial assistance, and debt forgiveness or conversion. In this context, we believe that the moratorium period for debt repayment needs to be extended. On the other hand, there is an urgent need for debt renegotiation and, in many cases, partial cancellation by the main creditors, in exchange for firm commitments by the countries to make sustainable investments in social, human capital training, education and health programmes, but also in infrastructure programmes, which would greatly improve the quality of life of the populations, making room for more employment, more income, more health, more education, less poverty and less inequality.

The fight against the pandemic of COVID-19, besides being internal to each country, is at the same time a global fight, which requires global collaborative solutions, since everyone wins if the less developed countries have the necessary conditions to overcome this serious health, economic and social crisis and leverage their sustainable development, which will greatly contribute to world economic recovery.

We urgently need to strengthen the international debt architecture to end deadly cycles of debt waves, global debt crises and lost decades. We need an inclusive approach that includes private creditors and addresses long-standing weaknesses and gaps.

We may have to live with COVID 19 for a few years yet. We must act to manufacture our own vaccine and medicines to face this and other pandemics to come. We must find innovative mechanisms for financing and managing sustainable development, otherwise we will disappoint young Africans.