

FINAL COMMUNIQUE

Third Edition of the African Ministerial Conference on Financing for Development: Climate Change: Financing Opportunities and Challenges to achieve the MDGs in Africa

Kigali, 21st -22nd May, 2009

1. We, the African Finance, Economic Planning and Environment Ministers met in Kigali, Rwanda, for the Third Conference on Financing for Development, from 21 to 22 May 2009 under the theme “*Climate Change: Financing Opportunities and Challenges to Achieve the MDGs in Africa*”.
2. We thank the Government of Rwanda for hosting the meeting with the support of the African Development Bank Group (AfDB), the United Nations Economic Commission for Africa (UNECA) and U.K Department for International Development (DFID).
3. We thank H.E. Paul Kagame; President of the Republic of Rwanda, for his Opening address in which he underscored the importance of placing the environment at the center stage of Africa’s development process given the enormous additional costs and challenges it imposes on the continent’s achievement of the Millennium Development Goals (MDGs). We take note of his call for African countries to strengthen their self reliance, mobilize their private sector to be part of the solution, and for African countries to be more results oriented and engage more robustly in global dialogue on the environment.
4. We applaud the progress made in implementing the programs of action since the first two Conferences held in Abuja and Accra in 2006 and 2007 respectively. Nonetheless, we are concerned with the wide gap existing between aid commitments and fulfillment by donor partners and actions by African countries in the previous Financing for Development Conferences. We also underscore the importance of harnessing internal human and financial resources while working to develop a stronger African voice for more effective aid delivery.
5. We are concerned that although Africa is a minor emitter of carbon and least contributor to global warming, the continent bears the brunt of the negative impacts which have become a serious threat to the achievement of the MDGs on the continent.
6. We acknowledge the opportunity provided by the Kigali Conference to convey our concerns to the world community about the impacts and implications of climate change on African economies and our intended efforts to adapt to the emergent challenges.
7. We have examined the modalities of existing financing mechanisms, and are concerned with the inadequacy, complexity and fragmentation of these financial instruments, which have constrained African countries from fully accessing these resources.

8. We recognize that opportunities do exist for Africa but some prerequisites need to be put in place. These include creating an enabling environment to support the transition towards a green economy and pursuing low carbon growth, as well as facilitating the private sector to play a crucial role in the transfer and adoption of clean technologies.
9. We strongly request that the financial resources required to address climate change should be additional, adequate, predictable and sustainable, and provided primarily in the form of grants. We also aspire to benefit from the transfer of clean and low carbon technologies to help reduce GHG emissions, as well as provide access to energy for the poor to improve their livelihoods.
10. We are concerned about Africa's low participation in the global carbon market. In this regard, we urge that the Clean Development Mechanism (CDM) be modified to encourage the participation of African countries. We note that the potential for mitigation in the agriculture and forestry sectors, including through REDD activities, are not currently allowed under the CDM of the Kyoto Protocol, and remain largely untapped.
11. We encourage innovative funding mechanisms based on a programmatic approach and be country-driven. We should also incorporate lessons learnt particularly on the key issues related to governance structure and funding mechanisms and success stories emanating from existing funding mechanisms such as the Montreal Protocol.
12. We call for the creation of a new institutional architecture that reflects the principles of mutual accountability, equity and transparency. We also advocate for the establishment of compliance mechanisms to ensure more effective delivery of commitment made with respect to GHG reduction, finance, technology and capacity building.
13. We underscore the importance of enhancing knowledge and awareness on climate change issues and financing, building national and regional capacities, forming alliances and developing a harmonized African strategy and a common position for the COP 15 negotiations.
14. We recognize the paramount role of Ministers of Finance not only to take interest in the debate on the financing mechanisms and means of implementation on climate change, but also to actively contribute to the development of national climate change strategies and negotiation positions.
15. To address the climate change challenges and exploit financing opportunities, we call on;
 - National Governments to:
 - a. strengthen their planning and budgeting frameworks taking into account climate change needs, and their integration into national and sectoral development strategies;
 - b. mobilize domestic resources through new financing instruments, appropriate pricing and payment mechanisms, and the creation of opportunities for investment by the private sector;

- c. implement an accelerated program of capacity building that will address knowledge gaps on climate adaptation, mitigation and technology transfer;
 - d. strengthen the national coordination function for climate change
 - e. strengthen advocacy and presence in the regional and global climate change dialogue, particularly through regional collaboration and jointly implemented programs such as early warning systems or climate information sharing.
- At the regional level, we undertake to:
 - a. promote regional initiatives, e.g. Congo Basin Forest Fund (CBFF), the Climate for Development in Africa Program (CLIMDEV) and the African Monitoring of Environment for Sustainable Development (AMESD);
 - b. strengthen the capacity of regional institutions handling climate change issues;
 - c. develop sustainable regional strategies and follow-up of key actions on the road to COP 15.
16. We recognize the vital role that the private sector can play in addressing the challenges of climate change. We therefore commit ourselves to create an enabling environment and provide adequate incentives to enable the private sector to contribute to finding viable solutions to mitigate climate change threats.
 17. We acknowledge the catalytic role that civil society can play in advocacy, mobilizing participation and monitoring the implementation of climate change programs and initiatives, and in ensuring their sustainability. We commit to partner with civil society in addressing climate change issues.
 18. We call on development partners to:
 - a. align their assistance programs on climate change, to our planning frameworks, national and sectoral development strategies and priorities, and also ensure significant new resources to meet the additional challenges of climate change mitigation and adaptation. Furthermore, we urge our development partners to reform existing instruments and develop more effective financing instruments and knowledge platforms for trans-boundary climate change projects;
 - b. assist African countries in bridging the knowledge gap in climate science and building local capacity for adopting low-carbon development strategies in all sectors.
 - c. to honour their commitments made at previous international fora.
 19. We recognize that effective monitoring of implementation of commitments is important for successful outcomes of the Conference series. In this regard, the permanent Secretariat is required to provide regular feedback on the accomplishments and constraints in meeting the commitments made by African countries and development partners in education, energy and climate change as we work to achieve the MDGs.
 20. Building on the Decision on the African Common Position on Climate Change by the African Union (*Doc. Assembly/AU/8(XII) Add.6*), and the guidance provided by H.E.

President Kagame, we are satisfied that the outcome of the meeting would contribute towards shaping the “African Voice” in subsequent meetings prior to Copenhagen UNFCCC Conference in December 2009. To this end, we have proposed that the Hon. Minister in charge of Environment in Rwanda present the outcomes of this Conference to the forthcoming Special Session of the African Ministerial Conference on Climate Change meeting in Nairobi and that H.E. The President of the Republic of Rwanda to convey the outcome of this Conference to the African Union Summit in July 2009 for endorsement.

21. We note that the Republic of Zambia has expressed interest to host the Fourth Ministerial Conference on Financing for Development in 2010, and have taken note of its wish to further consult with the permanent Secretariat to decide on the theme for that session.
22. In closing, we wish to reiterate our sincere gratitude to the President and people of Rwanda for their kind hospitality, and look forward to working with all stakeholders to implement the recommendations of this Conference.
