

Financing for Development: From Commitment to Action in Africa

Final Report

Final Report of the Financing for Development Conference:
From Commitment to Action in Africa

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Abuja, Nigeria

Organised by the Federal Republic of Nigeria and the African
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Imprint

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List of Abbreviations

AIDS	Acquired Immune Deficiency Syndrome
APF	African Partnership Forum
AWOMI	African Women's Millennium Initiative
CSOs	Civil Society Organisations
DAC	Donor Assistance Committee
DATA	Debt AIDS Trade Africa
FCT	Federal Capital Territory
FTI	Fast Track Initiative
GFATM	Global Fund for AIDS, TB and Malaria
HIV	Human Immunodeficiency Virus
HIPC	Highly Indebted Poor Countries
IFF	International Financing Facility
IMF	International Monetary Fund
MDGs	Millennium Development Goals
MDRI	Multilateral Debt Relief Initiative
NTF	Nigerian Trust Fund
PRSPs	Poverty Reduction Strategy Papers
SEATINI	Southern and Eastern African Trade Information and Negotiations Institute
TB	Tuberculosis
UN	United Nations
UNGA	United Nations General Assembly

Preface

The Abuja Meeting on Financing for Development marked an important milestone in international discussions on development finance. The meeting was hosted by President Olusegun Obasanjo, whose vision it was to see African Governments take ownership of their development and also take the lead in securing additional financial resources needed to achieve the MDGs.


A major objective of the Abuja Meeting was to find ways of monitoring the implementation of development commitments needed to attain the MDGs. We know that many low income countries, particularly in sub-Saharan Africa, are unlikely to meet the MDGs unless significant increases are made in official development assistance to address the financing gap in such countries. Yet, despite making commitments of increased aid to sub-Saharan Africa in a number of recent fora, the international donor community has been slow in disbursing the needed financing.

It was for this reason that we chose the theme for this conference: From Commitment to Action in Africa. The outcome document which is presented in this report reflects this spirit of obtaining action on various development commitments.

African countries must also play their part in providing an appropriate policy environment conducive for effective utilization of aid resources. Consequently, in the course of the Abuja Meeting, discussions were held on issues such as the macroeconomic challenges of scaling up aid, as well as the design of second-generation PRSPs. Delegates at the conference also discussed issues related to the new aid architecture, and ways of monitoring aid commitments both at the international and the country level. A summary of issues discussed is presented in this report.

I want to express my gratitude to the African Development Bank and the UN Economic Commission for Africa, who partnered with the Federal Government of Nigeria as joint hosts of this conference. I am also grateful to my colleagues, African Finance and Education Ministers, Gordon Brown (UK Chancellor of the Exchequer), Jeffrey Sachs, Bono, Archbishop Ndungane of Cape Town, civil society organizations, as well as members of the organizing committee in Abuja.

The Abuja Meeting marked an important first step taken by African Ministers to lead the discussion on development finance. We hope to assemble periodically (beginning in Ghana next year) to take stock of our efforts. I am confident that significant progress would have been made in the disbursement and utilization of aid flows by the time we meet again in Accra. Finally, I hope that other G8 nations will follow the example of the UK Government, which has committed \$15 billion for the education sector in Africa over the next ten years.



Dr. Ngozi Okonjo-Iweala
Minister of Finance
FEDERAL REPUBLIC OF NIGERIA

Table of Contents

Introduction	1
Concept	2
Saturday, May 20	2
Sunday, May 21	3
- Dealing with the Macroeconomic Impacts of Scaling Up Aid	
- More and Better Aid: Monitoring Commitments and Action	
Monday, May 22	6
- A Framework for Scaling Up Country Level Efforts to Reach the MDGs	
- Addressing Emerging New Aid Architecture	
Plenary and Ten-Year Commitments	8
Outcome Statement	9
The Abuja Commitment to Action in Africa	10

Boxes

The Millennium Development Goals	2
Plenary on Macroeconomics	4
Civil Society at the Conference	5
The Paris Declaration	7
Conference Web Site	9

Introduction

On 21 and 22 May 2006, African Finance and Education Ministers, the UK Chancellor of the Exchequer, representatives of International Financial Institutions, United Nations (UN) agencies, development partners, the Archbishop of Cape Town, Bono, and other representatives of civil society met in Abuja, Nigeria. Over 200 delegates and observers from more than 30 countries attended the conference.

Titled '*Financing for Development: From Commitment to Action in Africa*', the conference was called to operationalise the Gleneagles G8 and 2005 United Nations General Assembly (UNGA) commitments in support of the Millennium Development Goals (MDGs) in Africa. Principal stakeholders met to better align the programs of International Financial Institutions and bilateral donors in support of national development strategies aimed at achieving the MDGs.

The outcome of these discussions resulted in seventeen concrete action points that aim to translate aid commitments into action on the ground in Africa. These include a pledge by twenty African countries to provide costed ten-year education plans by September 2006, and a call to all Donor Assistance Committee (DAC) member countries to announce their own action plans to achieve the Paris Declaration principles.

Ownership in development financing policy is at last within the grasp of Africans. At this conference, African leaders took a first step in guiding the international community towards sincere mutual accountability. It was an unprecedented opportunity for African Finance Ministers to discuss key issues of development on their own terms.

The conference centred around four key sessions:

- Dealing with the Macroeconomic Impacts of Scaling Up Aid;
- More and Better Aid: Monitoring Commitments and Action;
- PRSPs as Framework for Scaling Up Country Level Efforts to Reach the MDGs; and,
- Addressing Emerging New Aid Architecture.

The outcomes of these sessions are dealt with in the following four sections. Each of the sessions has an associated background paper that can be found at www.financingmdgsconference.org. Technical sessions spanned both days of the conference, and were joined by a number of individual meetings serving specific purposes. The second day was high-level, opened by the President of the Federal Republic of Nigeria and with a keynote speech from the UK Chancellor of the Exchequer.

Concept

There are now fewer than 3500 days to achieve the MDGs. *Financing for Development* was prepared following a series of unprecedented aid commitments and increasing numbers of African countries having articulated MDG-based national development strategies. Thus, the concept behind the conference was to address each of the challenges remaining in converting these aid commitments into development outcomes.

Firstly, African governments were keen to demonstrate that these MDG-based national development strategies were well thought out and ready to be financed. Africa is ready. Africa has the plans.

Given that these plans have been, or will soon be prepared, there was a need to discuss the macroeconomic ramifications of financing them. How can the macroeconomic forces guiding the economy best be managed? African governments are ready to manage the scale up of aid.

Having planned and identified financing for the necessary development activities, mechanisms to ensure implementation are necessary. The conference looked to guide the monitoring framework for international assistance towards a more mutually accountable equilibrium.

Finally, the conference sought to help build mechanisms of aid delivery that would best serve national interests.

The Millennium Development Goals

The Millennium Development Goals (MDGs) are a series of eight time-bound development goals that seek to address issues of poverty, education, gender equality, health, the environment and global partnerships for development, agreed by the international community to be achieved by the year 2015.

Further information can be found at www.un.org/mdgs.

Saturday, 20 May

Participants were invited to arrive throughout Saturday. A sightseeing tour of the Federal Capital Territory (FCT), Abuja's home district, was available for early arrivals.

In the evening, the FCT hosted a welcome dinner for all delegates. Conference participants were welcomed by the Minister for the FCT, Nasir El Rufai, who wished them luck for the work ahead.

Sunday, 21 May

Nigeria's Minister of Finance, Dr Ngozi Okonjo-Iweala, along with Dr Donald Kaberuka, President of the African Development Bank, and Mr Abdoulie Janneh, Executive Secretary of the United Nations Economic Commission for Africa, opened the event on 21 May. In the Minister's opening speech, she noted that unparalleled progress in economic, political, and social realms, accompanied by record aid commitments, have opened a unique and potentially course-changing period for Africa.

Through the *Financing for Development* conference, she observed, Africans took ownership of the development process at an unprecedented level. She emphasised the thematic focus that would guide the conference: "the time is right, and the leaders are ready, to turn development assistance commitments into practical, effective actions."

The day continued with the first two technical sessions, the second of which was held over dinner.

Dealing with the Macroeconomic Impacts of Scaling Up Aid

Speaking at the macroeconomics session were **Mr David Nellor**, Senior Adviser, Africa Department, International Monetary Fund (IMF); **Mr Kwadwo Baah-Wiredu**, Honourable Minister of Finance for Ghana; **Hon. Antoinette Sayeh**, Minister of Finance for Liberia, and, **Mr Hafez Ghanem**, Country Director Nigeria, World Bank.

The main messages arising from the session were:

- The human and economic costs of failing to scale up development assistance at this critical time far outweigh the costs associated with the potential risks.
- The MDGs are achievable in Africa given the appropriate funding. African countries can manage the macroeconomic impacts of scaling up aid. Such a scale-up is unprecedented, and requires careful management by public sector actors. African governments will need to:
 - o Improve public expenditure management;
 - o Develop long-term plans that are appropriately costed, to ensure the productive expenditure of increased resources;
 - o Develop appropriate fiscal, monetary, and supply-side policies to manage the potentially negative effects of a large scale-up of aid;
- o Improve the conditions for growth and competitiveness, particularly in the areas of human capital, agriculture, rural development, infrastructure, trade, and the business environment; and,
- o Spend aid allocations in a pro-poor manner.
- International financial institutions, including the IMF, have expressed willingness to support African countries in designing appropriate policies and macroeconomic frameworks for increased aid flows.
- Appropriate policies should consider the challenges (e.g. flexibility of markets) associated with managing the transition to a new economic path.

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- Countries are committed to allocating their own resources to the achievement of goals laid out in their individual development plans, as well as boosting domestic resource mobilisation.
- In scaling up resources, the diversity of African economies must be taken into account. For example:
 - There are issues related to post-conflict economies and the need to build the institutions necessary to deliver productive public expenditure. Donors should be ready to commit to bold actions in assisting governments managing these economies.
 - Middle income economies have found attracting adequate aid levels challenging, especially assistance tailored to specific needs and challenges including HIV/AIDS.

Plenary on Macroeconomic Impacts

Immediately following the session on macroeconomics was a plenary, at which ministers of finance and development partners expressed their thoughts on the previous session. Many countries highlighted the human cost of inaction and expressed their readiness to receive increased aid flows. They asked that assistance be designed on a country-by-country basis, with limited conditionality where applicable. The delegation of the IMF stressed that macroeconomic stability is a necessary but not sufficient condition, and that expansionary policy was certainly necessary for growth. The World Bank argued that for scaling-up to be successful, there was a need to consider wide-ranging government policies. A number of partners and countries emphasised the need for a focus on trade issues and infrastructure in development planning.

More and Better Aid: Monitoring Commitments and Action

Speakers at the monitoring session were the **Most Reverend Njongonkulu Ndugane**, Archbishop of Cape Town and founder of 'African Monitor'; **Ambassador Nathanhe Irumba**, Southern and Eastern African Trade Information and Negotiations Institute (SEATINI); **Bono**, Founder of Debt AIDS Trade Africa (DATA); **Mrs Yassine Fall**, African Women's Millennium Initiative (AWOMI); and **Mr Otive Igbuzor**, Action Aid Nigeria.

The main messages arising from the session can be summarised as follows:

- Monitoring of aid commitments will be critical to the achievement of the MDGs. It will act as a key tool in improving mutual accountability in development partnerships. Monitoring should cover both donor and recipient commitments.
- Monitoring will need to be effected at the local level, by way of grassroots organisations, as well as the regional and international levels. These levels should be well coordinated, enabling a well-rounded view of progress.
- Civil society, as well as an empowered citizenry, can be an effective and powerful monitoring force, and can act as a check and balance on government efforts.
- Civil society organisations should cooperate regionally, nationally, and internationally to make the most effective use of their resources.

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- Monitoring should focus on monitoring for results.
- Donors and African governments should work together on monitoring each others' commitments. The African Partnership Forum is a solid step in this direction.

Civil Society at the Conference

Civil Society was an important and instrumental partner at *Financing for Development: From Commitment to Action in Africa*. Their participation was particularly notable in the monitoring session, with three of the speakers from a civil society background.

Further information on the civil society organisations at this session can be found at:

- o African Monitor - www.africanmonitor.org
- o African Women's Millennium Initiative (AWOMI) - www.igtn.org/page/608/1
- o Southern and Eastern African Trade Information and Negotiations Institute (SEATINI) - www.seatini.org
- o Debt AIDS Trade Africa (DATA) - www.data.org
- o Action Aid Nigeria - www.actionaid.org/nigeria

Monday, 21 May

For a select group of delegates, including Gordon Brown, UK Chancellor of the Exchequer, Bono, Founder of Debt, AIDS, Trade, Africa, and Professor Jeffrey Sachs, Monday began with a trip to a primary school in FCT.

Monday's official activities were opened by the Minister of the FCT. In his Welcome Address, Nasir El Rufai stressed the need for obtaining tangible and relevant results, and for the commitments and recommendations made at the Gleneagles G8 Summit to be fulfilled.

The Honourable Chancellor, Gordon Brown, used his keynote speech to praise Africa for addressing major human rights and democracy challenges on both national and continental levels. Noting, however, that the mountains of economic and social freedom have yet to be surmounted, Mr Brown emphasised the need for assistance on debt, aid, and trade levels. He declared an intention to fight for debt relief for all African nations, and urged other nations to follow the UK's example in committing US \$15 billion to support education in Africa. He committed the UK to providing assistance to all nations who are willing to produce costed education plans.

In the inaugural address, President Olusegun Obasanjo of Nigeria discussed the significance of recent aid to Nigeria. He praised the UK's recent commitment to educational funding, coming at a time when Nigeria has produced a new education plan. President Obasanjo reiterated the importance of effectively monitoring aid to Africa, as well as improving its transparency. Key institutions, such as the Africa Partnership Forum, need to be strengthened. Civil society, he said, has a fundamental role in both of these areas.

A Framework for Scaling Up Country Level Efforts to Reach the MDGs

Speakers at the session on a framework for scaling up were **Mr Abdoulaye Biotchane**, Director, Africa Department, IMF; **Professor Jeffrey Sachs**, UN Millennium Project; and, **others**.

The main messages arising from the session can be summarised as follows:

- It is crucial that countries develop ambitious and costed programs that aim to achieve the MDGs. Given the urgency of achieving the MDG targets, rapid scaling-up with effective plans is vital.
- These plans must take into account the interdependence of the MDGs and their associated targets. A comprehensive approach to tackling all the MDGs is needed, and countries must take a sufficiently broad view in program design.
- An important component of this planning process is the costing of relevant goals and targets. This process anchors plans in practical considerations and specifies areas of critical need.
- There was consensus at the conference that the macroeconomic impacts of scaling up aid can be managed. Plans should take up the IMF's offer to assist countries with macroeconomic policy advice.

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- Finally, it is worth stressing the need for partner support in implementing these plans, and in achieving the MDGs. We must applaud Scandinavian countries for attaining the 0.7 percent target, as well as the UK's increasing support in the achievement of the goals. The session

concluded by looking to partners all over the world for the assistance necessary to implement these comprehensive, achievable plans. New and innovative mechanisms for financing may be required.

Addressing Emerging New Aid Architecture

Speakers at the session on PRSPs were **Mr Gobind Nankani**, Vice President, World Bank; **Mr Abdoulie Janneh**, Executive Secretary, Economic Commission for Africa; **Mr Richard Manning**, Chair, DAC, Organisation for Economic Cooperation and Development's; **Hon. Goodall Gondwe**, Minister of Finance, Malawi; and **Hon. Aires Ali**, Ministry of Education, Mozambique.

The main messages arising from the session can be summarised as follows:

- There is real scope for restructuring the existing aid delivery architecture.
- The Paris Declaration contains vital reform commitments that will significantly improve the quality of aid delivered. A concerted effort should be made to meet these commitments.
- Some African governments will need assistance in meeting their own Paris Declaration commitments, and in improving their management of aid. However, if effective domestic management systems are in place, donors should harmonise and align their programs with government systems.
- Selection of aid instruments should also be context-specific. Aid instruments should be designed flexibly to reflect both the requirements of individual countries and the need for regional integration.
- African countries must work collectively on aid architecture issues in order to strengthen Africa's position at the bargaining table.
- African countries also agreed on the importance of defining a strategy to exit from dependence on aid.

The Paris Declaration

The Paris Declaration on Aid Effectiveness (2005) is a key platform for improving aid delivery. It commits to "provide timely, transparent and comprehensive information on aid flows" and "periodically assess, qualitatively as well as quantitatively, our mutual progress at country level in implementing agreed commitments on aid effectiveness." It can be found at www.aidharmonization.org.

Plenary and 10 Year Commitments

Financing for Development: From Commitment to Action in Africa aimed to produce concrete next steps for the international community, development partners, and African countries alike. At the second day plenary, African Ministers made a series of important commitments. Broadly, they reiterated Africa's commitment to accelerating progress towards the MDGs. To achieve the goals, Africa must act, and they committed to implementing ambitious and costed long-term plans and continuing to strengthen governance and accountability through institutional reforms.

Long-Term Plans

- Commitment to integrating national plans and budget processes with effective mechanisms for monitoring and evaluation, and accountability for results. African governments will fulfil existing international and regional commitments to allocate additional budgetary resources to achieving the MDGs. Appropriate consultative frameworks will be used as mechanisms for allocating resources at the country level and for ensuring mutual accountability.
- On education, a total of twenty countries (Burkina Faso, Cameroon, Ethiopia, Gabon, Gambia, Ghana, Kenya, Madagascar, Mali, Mauritania, Mozambique, Namibia, Niger, Nigeria, Rwanda, Senegal, Sierra Leone, Swaziland, Tanzania and Uganda) will provide ten-year education plans by September 2006. In addition, Liberia and Sudan will strive to meet this timetable. A letter will be written to the G8 alerting them of the commitment to present these ten-year plans at the IMF/World Bank Annual Meetings in September 2006.
- On HIV/AIDS, TB, and Malaria, African ministers will immediately take forward the Abuja commitment to develop, or revise, costed national plans in order to operationalise our pledge to achieve universal access to treatment, prevention and care by 2010.

Institutional Reforms

- Commitment to: improve public expenditure management; develop long-term costed plans to ensure the productive expenditure of resources; implement policies to improve growth and competitiveness; and spend resources in a manner that is pro-poor.
- Ten countries will commit to carrying out analysis of the efficiency of public expenditure management systems, including expenditure tracking surveys, by December 2007. The findings of these reviews will be reflected in the implementation of 2008 budgets. African governments will promote transparency at all levels on the use of all public resources. Information will be made freely available to civil society organisations, within existing legal frameworks, to enable independent monitoring of progress.

Outcome Statement

Outcome Statement Drafting Committee

A cross-section of the participants was asked to serve in a drafting committee for the conference outcome statement. The committee was chaired by Dr. Bright Okogu, Special Adviser to the Honourable Minister of Finance of Nigeria. After each session committee members met to review the session findings and commitments. They formulated summaries to include in a draft statement for review by Ministers in the final conference session.

Outcome Statement Revision Session

Immediately following the final conference session, a draft outcome statement was presented to delegates. Revisions were made interactively, with delegates deliberating on the statement, resulting in a final agreed-upon document.

The final outcome statement was released at the conference closing and is appended to this report.

Conference Web Site

The conference Web Site (www.financingmdgsconference.org) provides electronic copies of the outcome document in both English and French.

The Site provided participants with early access to background papers, as well as objectives, information on participants, the Conference program, logistics, and arrangements for accreditation and registration.

The Site will now be handed over to the Ministry of Finance, Ghana, who will hosts the *Financing for Development: From Commitment to Action in Africa* conference in 2007. It will therefore become a stable source of information for interested parties on the activities of the conference series.

Financing for Development: The Abuja Commitment to Action in Africa Adopted at the Abuja Conference, Abuja, Nigeria on 22 May 2006

1. African Finance Ministers, along with a number of African Education Ministers, the UK Chancellor of the Exchequer, International Financial Institutions, UN agencies, development partners, the Archbishop of Cape Town, Bono and other representatives of civil society met in Abuja on May 21 and 22, 2006. **The Abuja Conference, which was sponsored by the Nigerian Government, African Development Bank and UN Economic Commission for Africa, symbolized a critical first step by African Finance Ministers to lead a process that translates financing for development commitments into action.**
2. The conference focused on scaling up efforts to achieve and sustain the Millennium Development Goals (MDGs). In 2005, the United Nations, G8, European Union, African Union and others made a series of commitments to deliver more and better aid, debt cancellation, reduced conditionality and more coherent, 'joined up' policies in support of development. At the G8 Conference in Gleneagles, African Heads of State and Finance Ministers called for an African led process to monitor those commitments and encourage international development partners to translate them into action.
3. We reiterate our commitment to accelerating progress towards the MDGs and to the actions required on our side to achieve them. These include the ongoing strengthening of governance and accountability through institutional reforms, and the implementation of ambitious and costed long-term plans to meet the MDGs. We also recognize the interdependence of the various MDG targets, and acknowledge the need for scaled-up investments in all MDG-related sectors such as education, health, infrastructure and agriculture. We welcome the commitment of our development partners to provide the necessary resources to fully implement these plans.
4. In particular, we recognize the special situation of post-conflict nations, which require scaling up of aid to build stability, and to develop the institutions for increasing growth and reducing poverty. Support is also needed for middle-income countries to expand social spending, particularly in addressing the scourge of HIV/AIDS. We recognize the situation of countries that are yet to accede to the Highly Indebted Poor Countries (HIPC) initiative and the Multilateral Debt Relief Initiative (MDRI), and urge an acceleration of their qualification for these schemes.

The Framework for Scaling Up Action to Achieve the MDGs

Ambitious Plans and Budgets

5. A growing number of African countries have national development plans that outline a balanced set of priorities that will reduce poverty. We will place much greater emphasis in these plans on achieving rapid and sustainable growth to underpin poverty reduction. We acknowledge the importance of these plans being owned by national governments, parliaments

and citizens to facilitate effective implementation. We call on our development partners to recognize and respect the responsibility of African governments and citizens to decide, plan, and appropriately sequence their growth and poverty reduction policies, and partner with us to achieve their objectives.

6. We commit to integrating national plans and budget processes with effective mechanisms for monitoring and evaluation, and accountability for results. National parliaments should establish processes for greater involvement in the development of these budgets. We will fulfil our existing international and regional commitments to allocate additional budgetary resources to achieving the MDGs. We will also use appropriate consultative frameworks as a mechanism for allocating resources at the country level and for ensuring mutual accountability.
7. Scaling up action is both critical and urgent if our countries are to meet the MDG targets. This requires ambitious long-term plans. On education, many African countries have already produced comprehensive and costed plans to achieve the education MDGs by 2015. We commit to a total of twenty (20) countries: Burkina Faso, Cameroon, Ethiopia, Gabon, Gambia, Ghana, Kenya, Madagascar, Mali, Mauritania, Mozambique, Namibia, Niger, Nigeria, Rwanda, Senegal, Sierra Leone, Swaziland, Tanzania and Uganda providing 10-year education plans by September 2006. In addition, Liberia and Sudan have committed to making the maximum use of partners' technical support in striving to meet this timetable. We will write to the G8 setting out our commitments to present these 10-year plans at the IMF/World Bank Annual Meetings in September 2006. The plans will demonstrate how Africa can meet its education targets with increased resources. We welcome the UK's commitment to provide at least US\$15 billion over the next ten years starting in April 2006. We ask our other development partners to meet their share, and allocate long-term predictable financing through expansion of the Fast Track Initiative (FTI) and through bilateral programmes. An important signal of development partners' commitment and credibility will be an agreement to fill the existing education financing gap for FTI countries for 2006 and 2007. We look forward to further discussions on financing these plans at the IMF/World Bank Annual Meetings in September 2006.
8. On HIV/AIDS, TB, and Malaria, we will immediately take forward the Abuja commitment to develop, or revise, costed national plans in order to operationalize our pledge to achieve universal access to treatment, prevention and care by 2010. To support this process, we ask the international community to use the upcoming Global Fund for AIDS, TB and Malaria (GFATM) meeting to review these plans, and commit the predictable long-term resources needed to implement them.
9. We recognize the macroeconomic challenges of effectively managing large resource inflows. We can manage the macroeconomic impact of scaling up aid. Fiscal space can be opened up. We note that the IMF is ready to work with us to this end on a country-by-country basis. The current volatility of aid flows constrains budget planning. We therefore call on development partners to provide long-term and predictable financing. Achieving the MDGs will require more effective fiscal and monetary policies, including stronger linkages between national plans and budgets. We commit to: improving public expenditure management; developing long-term costed plans to ensure the productive expenditure of resources; implement policies to improve growth and competitiveness; and spend resources in a manner that is pro-poor. Many of us have produced the long-term

strategies and plans needed to provide the platform for development partners to scale up resources in a predictable medium-term manner. We believe that the human and economic cost of failing to provide adequate funding far outweighs the potential risk involved in scaling up aid.

10. Improved plans and strategies that are strongly owned will create the basis for more efficient use of public resources (domestic and external) to achieve the MDGs. To this end, we will continue current efforts to strengthen expenditure management processes. Ten (10) countries will commit to carrying out analysis of the efficiency of public expenditure management systems, including expenditure tracking surveys, by December 2007. This will include expenditure tracking surveys. The findings of these reviews will be reflected in the implementation of 2008 budgets. We will promote transparency at all levels on the use of all public resources, and make information freely available to civil society organisations, within existing legal frameworks, to enable independent monitoring of progress. We call on non-state actors to establish national coalitions to support this process. We support the development of improved statistics, including the development of national statistical bodies, in order to monitor progress, in collaboration with ECA and other institutions.

Predictable and Effective Delivery of Aid

11. Scaling up will place additional pressures on the aid architecture with its longstanding structural problems. We recognize the need for a range of aid instruments and institutions to deliver the commitments to better aid made in the Paris Declaration. We encourage the development of innovative financing mechanisms such as taxes on airline tickets being implemented by the French Government, and the International Finance Facility (IFF). African Ministers acknowledge the role of the Nigerian government in supporting them, and specifically call for the continued support that the Nigerian Trust Fund (NTF) has provided over the years.
12. Selection of aid instruments should also be context specific, and designed flexibly to reflect the requirements of individual countries and the need for regional integration. The comparative advantage of the various development partners should be recognized in this regard. We call for greater effectiveness of the aid architecture to ensure it is aligned with national development plans and includes accountability from governments to citizens. We urge all Donor Assistance Committee (DAC) member states that have not already done so to announce their own action plans for operationalizing the Paris Declaration principles, including full untying of aid and reform of technical assistance. We ask for a progress report to be submitted at the next DAC High Level Meeting.
13. We wish to express disappointment at the slow progress made in the Doha negotiations, and call on the WTO to intensify negotiations with a view to concluding an ambitious deal in this development round. Ministers welcome the offers of support from the UK, and other development partners, on the aid for trade package as a complement to the Doha negotiations.

Coordinated Monitoring

14. Monitoring commitments that have been made by Africa and the international community,

on the basis of mutual accountability, is critical to ensuring that we stay on track and achieve success. The African Partnership Forum (APF) is setting up a mechanism for monitoring commitments. This should include a framework specifying roles and responsibilities of the various actors involved, including civil society, which can be a powerful and effective force in monitoring. In this regard, we call on civil society to co-ordinate their efforts at the national, regional and international levels. We recognize that an empowered citizenry can also be an effective monitoring force. We encourage the use of innovative mechanisms of engagement with communities, individuals and faith-based organisations. We support these partnerships by upholding transparency and freedom of information of government financial operations, while recognizing the need for mutual accountability.

15. These commitments will feed into the development partner communiqué at the IMF/World Bank Annual Meetings in September 2006 in Singapore. We will meet next year in Ghana, to review progress on these issues.

16. Finally, we urge the G8 to maintain Africa as a priority.

Abuja, 21 - 22 May 2006

Action Points for Governments

1. Provide additional budgetary resources for achieving the MDGs in line with existing international and regional commitments.
2. A total of twenty (20) countries to provide costed 10-year education plans by September 2006. Ministers agreed to write to the G8, setting out their commitments to present 10-year plans at the IMF/ World Bank Annual Meetings in September.
3. Review and strengthen macroeconomic frameworks in existing and new national development plans in the context of scaled up assistance from development partners.
4. Carry out an analysis of efficiency of public expenditure management systems in ten (10) countries by December 2007. Lessons will be reflected in implementation of 2008 budgets.
5. Make information on government financial operations freely available to civil society organizations (CSOs) and other stakeholders, within the context of existing legal frameworks.

Action Points for International Partners

6. We call on partners to deliver on commitments already made, and to provide additional resources in a timely and predictable manner to achieve MDG targets.
7. Agree to and fill the existing education financing gap for FTI countries for 2006 and 2007.
8. Review HIV/AIDS plans during upcoming GFATM meeting and commit to increased and predictable funding.
9. IMF to assist individual countries to review their macroeconomic frameworks with a view to strengthening and aligning them towards scaling up for meeting MDG targets. The IMF will report on progress during annual meetings.
10. DAC member countries, who have not already done so, should announce their own action plans to achieve Paris Declaration principles.
11. Provide a progress report on item 10 above at the next DAC high-level meeting.
12. As part of the information needed for mutual accountability, development partner agencies should publish what is disbursed to non-state actors.
13. Explore the possibility of additional assistance to middle income countries with specific problems relating to HIV/AIDS.

Action Points for Civil Society

14. Establish coalitions to support process of improving preparation and implementation of development plans.
15. At the international level, coordinate efforts towards monitoring aid and agree sustainable framework specifying roles and responsibilities of various actors involved.
16. At the national level, form strong coalitions to monitor progress against commitments by both governments and development partners including monitoring the use of domestic resources.
17. As part of the information needed for mutual accountability, non-state actors should publish their accounts and provide information about the use of funds.

Production of Final Report:
Collaboration between the Federal Ministry of Finance and the
Office of the Senior Special Assistant to the President on MDGs

