

Fifty-sixth session of the Economic Commission for Africa Conference of African Ministers of Finance, Planning and Economic Development



COM 2024

Financing the transition to inclusive green economies in Africa: imperatives, opportunities and policy options

ECA CONFERENCE OF MINISTERS
28 February - 5 March 2024
Victoria Falls, Zimbabwe



United Nations
Economic Commission for Africa

I. Overview

The fifty-sixth session of the Economic Commission for Africa will consist of the preparatory meeting of the Committee of Experts of the Conference of African Ministers of Finance, Planning and Economic Development, followed by the ministerial segment of the Conference. In addition to considering the statutory matters of the Commission, the Conference is one of the premier forums on the continent for dialogue and exchange of views among African ministers responsible for finance, planning and economic development and governors of central banks on issues pertinent to the development agenda of Africa.

II. Theme

The theme of the fifty-sixth session of the Commission will be “Financing the transition to inclusive green economies in Africa: imperatives, opportunities and policy options”.

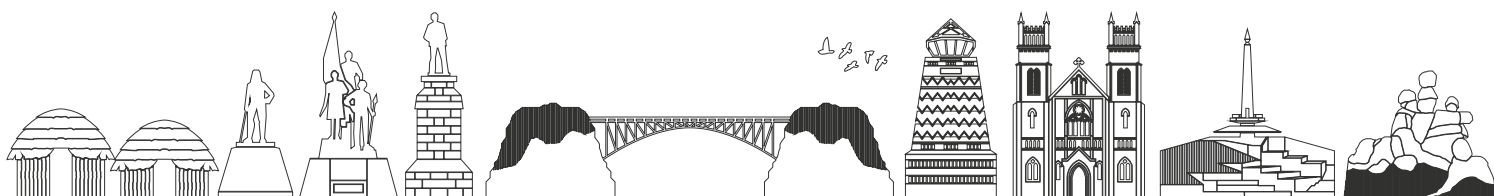
Transitioning to inclusive and green economies is essential for African countries to build climate resilience and reap optimal benefits from their natural resources, with a view to driving sustainable industrialization that creates jobs, eradicates poverty and contributes to sustained economic growth and overall sustainable development. Although there have been significant gains in some areas, Africa faces significant challenges in its efforts to transition to green economies and achieve the Sustainable Development Goals.

This is due to systemic issues, financing gaps and challenges in various areas.

There is a critical gap in financing the work to achieve the Goals, with Africa estimated to require an additional \$1.6 trillion by 2030 to do so,¹ in particular to expand access to clean energy (Goal 7). Actual investment is falling short, which is creating a vicious cycle of increased risk, limited fiscal space and higher costs. African countries are experiencing a growing public-debt burden, with debt-to-gross domestic product ratios rising sharply, potentially leading to fiscal instability. Over half of African nations spend more on debt interest than on health care, and rising interest rates are further straining economies. Inadequate domestic resource mobilization is hindering progress in Africa, as tax collection on the continent is low compared with other regions. Systemic issues like weak tax administration and substantial illicit financial outflows impede revenue generation. Those flows drain an estimated \$88.6 billion from African economies annually, an amount that surpasses official development assistance and foreign direct investment on the continent combined. This undermines strategic development priorities, heightens inequality and erodes trust in institutions.

To overcome these challenges, Africa needs not only to increase financing but also to improve policy and regulatory frameworks. Streamlined permitting processes, enhanced support for micro-, small, and medium-sized

¹ African Union Commission and Organisation for Economic Co-operation and Development, *Africa's Development Dynamics 2023: Investing in Sustainable Development* (Paris, OECD Publishing, 2023).



enterprises, and targeted green subsidy programmes are crucial for sustainable development and climate resilience. Addressing these issues collectively is imperative for the continent's path towards sustainable development and climate resilience.

Against this backdrop, the aim of the fifty-sixth session of the Commission is to strengthen focus and invigorate action to mobilize green and development finance to enable the continent's transition to climate-resilient and inclusive green economies and to achieve the Goals of the 2030 Agenda for Sustainable Development and the goals of Agenda 2063: The Africa We Want, of the African Union. In this regard, participants will consider strategies to leverage private sector investment, facilitate effective domestic resource mobilization, ensure sustainable debt practices, utilize green bonds, and implement a sustainable budgeting approach. Policy options encompass reforming the global financial architecture, boosting private sector participation, exploring innovative financing tools, implementing the African Continental Free Trade Area, and fostering regional and global cooperative initiatives. Pursuing those options will help to unlock substantial resources, fortify policy frameworks and drive climate resilience and sustainable development across the continent.

III. Date and venue

The fifty-sixth session of the Commission will be held at Victoria Falls, Zimbabwe, in a hybrid format featuring both online and in-person participation, from Wednesday, 28 February 2024, to Tuesday, 5 March 2024.

IV. Format

A. Committee of Experts (28 and 29 February and 1 March)

The Committee of Experts will hold a three-day preparatory technical meeting to consider the theme of the session, review the state of economic and social development in Africa and consider progress towards regional integration. The Committee will also consider statutory issues relating to the work of the Commission and make recommendations, as appropriate, for consideration by African ministers of finance, planning and economic development during the ministerial segment.

B. Ministerial segment (4 and 5 March)

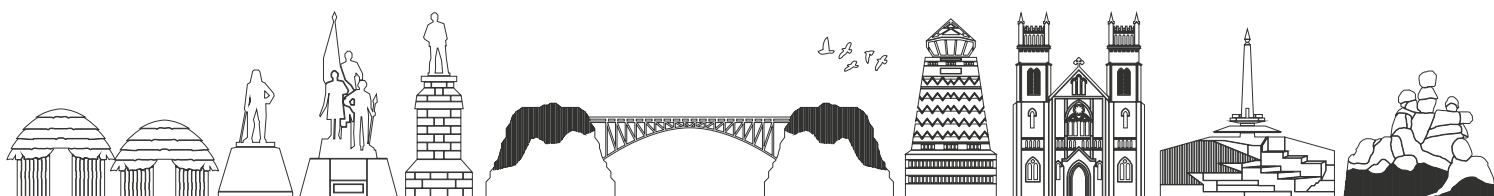
The ministerial segment will include a high-level policy dialogue on the theme of the session, the annual Adebayo Adedeji lecture, and round-table discussions on a series of sub-themes. The segment is designed to be interactive and thought-provoking. Contributions from seasoned and high-level panellists will be used to guide the discussions, which will be centred on the recent research findings that are summarized in the issues paper.

C. Side events (2 and 3 March)

On the margins of the Conference, there will be a number of side events devoted to key development issues of relevance.

V. Participation

As this is a statutory meeting of the Commission, all members of the Commission are called upon to participate. In addition, the participants may include representatives of other African government bodies, entities of the United Nations system, regional economic communities, pan-African financial institutions, African academic and research institutions, development partners and other intergovernmental organizations. Invitations



will also be extended to partners and stakeholders in the private sector.

VI. Bureau

The Bureau represents the five African subregions. It comprises a Chair, three Vice-Chairs and a Rapporteur. Bureau members

The Bureau of the fifty-fifth session is as follows:

- Chair: Uganda (East Africa)
- First Vice-Chair: South Africa (Southern Africa)
- Second Vice-Chair: Morocco (North Africa)
- Third Vice-Chair: Equatorial Guinea (Central Africa)
- Rapporteur: Senegal (West Africa)

are elected at the commencement of the first meeting of each session, normally on a rotational basis by subregion. The Chair or a Vice-Chair acting as Chair will participate in the session solely in that capacity and not as the representative of the government delegation that is accredited to the Conference.

The proposed composition of the Bureau to be elected at the fifty-sixth session is as follows:

- Chair: (Southern Africa)
- First Vice-Chair: (North Africa)
- Second Vice-Chair: (Central Africa)
- Third Vice-Chair: (West Africa)
- Rapporteur: (East Africa)

