Towards greater complementarity, subsidiarity and collaboration

The 20th Session of the Regional Coordination Mechanism for Africa and 3rd Meeting organised jointly with the Africa Regional UN Sustainable Development Group, closed with a general consensus that greater collaboration is not only needed, but necessary.

When asked about whether multilateralism was in retreat, the UN Deputy Secretary General, Amina J Mohammed, stressed that countries recognized the need for it but that international institutions need to be fit for purpose as they are being asked to address ever more complex agendas that are increasingly cross border and trans-boundary.

Reforms taking place at the UN, and to some extent the AU, are a way for these institutions to be better suited to help achieve the UN SDGs and the AU’s Agenda 2063.

Ensuring that the different agencies within the UN, the AU, RECs and national plans are aligned and work in a coordinated fashion will define success and hence the need for an invigorated and more effective RCM.

The RCM meeting has been held under the theme of Refugees, Returnees and Internally Displaced Persons (IDPs) as designated by the African Union.

A number of recommendations was presented after the two-day meeting although the final recommendations are still to be reviewed for approval.

In her impassioned closing remarks, Sara Anyang Agbor, AU Commissioner for Human Resources, Science and Technology, said that “these two days have been a wake-up call to take concrete actions with clear timelines...this can't be a graveyard of ideas and recommendations.”

The latest cyclone to hit Southern Africa came as an unfortunate but stark reminder of the importance of a coordinated and collaborative approach at different levels to tackle regional crises.

When challenged on how the different agencies and institutions had reacted to the post-cyclone disasters in Mozambique, Malawi and Zimbabwe, Dereje Wordofa, Deputy Executive Director of UNFPA, said that within the UN and the international community as a whole, the response mechanism to humanitarian crises is coordinated and clear. An inter-agency steering committee acts as a coordinator and clear responsibilities are assigned to the different agencies of the UN and other institutions.

However, when it comes to prevention, which is where the bulk of the work and effort need to take place, the different agencies of the UN and the continental and regional organs (AU and RECs respectively) do not work as cohesively as they should and are not always aligned.

Hanna Tetteh, Special Representative of the Secretary-General (SRSG) and Head of UNOAU at the closing of the 2-day RCM

<table>
<thead>
<tr>
<th>BILLION US$</th>
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<tr>
<td>Africa’s annual import bill for pharmaceuticals</td>
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Health is not a blessing to be wished for. It is a human right to be fought for.

Kofi Annan, Former UN Secretary General
Refugees, returnees and IDPs – Africa must lead

The AU marked 2019 as the year for refugees, returnees and internally displaced persons. In a world that is increasingly inward looking and where immigration and refugees are viewed through a lens of fear and hostility, Africa can play a lead role in terms of refugees and IDPs.

By choosing this theme this year, the AU has shown the world that the way to resolve what is undoubtedly a global tragedy is to look at refugees, returnees and IDPs through a lens of compassion, solidarity and a common humanity. It is estimated that there are about 68 million refugees and IDPs worldwide (28 million and 40 million respectively), with 85% of them in developing countries. In Africa there are about 25 million such people – the size of Côte d’Ivoire – and half of them are women.

Migration is not a new phenomenon, and historically has been a force for good and an enabler of development, but refugees and IDPs have something in common which requires structural solutions to the root causes of the issue. The triggers for displacement are varied: climate change; conflict; poverty, and displacement equals vulnerability. But often, according to Richard Dazinger, International Organization for Migration Regional Director for West Africa, these people will have already been marginalized before being displaced. It is addressing these issues of marginalization that is key.

The lack of governance is also cited as a defining factor. “Migrants may be moving for what may appear to be economic reasons but when you dig deeper you also unveil a wider malaise where they are fed up with living in a society that is unfair, where nepotism and contacts define success and where they have no chance to succeed despite their skills and credentials.”

The latter can also be described as a lack of dignity as pointed out by Bience Gawanas, Special Adviser on Africa, “Those who are marginalized and vulnerable who find themselves in an IDP camp, when you ask them their needs, they will tell you all they are looking for is to return home but to be treated with dignity and respect. Everybody has a right to a dignified life.”

Many of those displaced on the continent come from conflicts or areas of instability – Central African Republic, Democratic Republic of Congo, Nigeria, Somalia and South Sudan. But “silencing the guns” will have to be about more than bringing about peace if we’re to provide a sustainable solution. “Peace is not the absence of war, but the absence of poverty, despair and indignity,” added Gawanas.

Ahunna Eziakonwa, Chair of the Africa Regional UN Sustainable Development Group, challenged Africans to take the lead and set the continent clearly defined objectives. One should be halving the number of refugees and IDPs by 2025 and mapping out how the continent should reach that goal.

“We would be doing an injustice to the topic if we don’t have deep clarity of what we are looking for and if we don’t measure durable solutions.”

The response, she added, has too often been reactive, an emergency response linked to humanitarian aid. “But if we can channel those resources to development, we will be putting in the mechanisms to avoid such emergencies in the first place.”
Reforming Africa's healthcare sector is not a question of political will but about political choice, Executive Director of UNAIDS and Under-Secretary General of the UN, Michel Sidibé, said yesterday.

Financing health, he said, is not a cost to Africa, it is an investment in the transformation of economies. Without a well-functioning health sector, growth could be neither qualitative nor inclusive.

Vera Songwe, Executive Secretary of ECA, concurred, saying although healthcare challenges tended to be framed in discussions about finance, the question is really whether the governance is in place to do this right. "Is the leadership of the public sector ready and willing to tackle the challenges so we can get the private sector coming in," she asked.

"A healthy Africa is a productive Africa; a productive Africa is a prosperous Africa." And yet, she said, health spending to date fails to meet the continent's growing healthcare needs.

She said that the private sector had shown interest in investing in the health sector during the Africa Business: Health Forum (AB:HF) in Addis Ababa earlier this year. The event was held on the margins of the 32nd African Union Summit.

Out-of-pocket expenditure accounts for 36% of Africa's total spend on healthcare, which shows that the private sector is already contributing significantly to health provision. Individuals have shown they are willing to spend money on health whether it is in public or private institutions, Songwe said. "We need to make sure institutional standards and quality of service are up to par."

World Health Organization Director-General Tedros Adhanom said private sector insurance can play an important complementary role in healthcare but no country had achieved universal healthcare cover by relying on voluntary health funding. He said it was essential for all countries to invest in strong primary healthcare.

There are many opportunities for private investment in the healthcare sector. Africa's population is expected to hit two billion by 2050, which provides a compelling incentive for private sector participation in the business of health.

The Healthcare and Economic Growth in Africa report, launched at the AB:HF, shows that Africa's import bill for pharmaceuticals is $14.7bn annually, which means at least six million potential jobs are also being exported, Songwe said.

The African Continental Free Trade Area is a mechanism to link what drug production exists on the continent and build value chains that will reduce this enormous import bill and bring those jobs back to Africa.

There are still many challenges. They include the fact that total spending on healthcare in Africa was just between 5-6% of GDP between 2000 and 2015. Most countries have not met the guidelines set by the African Union to allocate at least 15% of their annual budget to improve the health sector.

Africa accounts for less than 2% of global health expenditure but 60% of the population and 36% of the global disease burden. It is only by multi-stakeholder collaboration that this picture can be changed.

The continent has made considerable progress in improving health outcomes in recent years. From 1990 to 2015, life expectancy at birth, a key indicator of population health and economic development, increased from 54 to 63 years. During the same period, the number of women dying in childbirth and the number of children dying before the age of five nearly halved.

African countries need to undertake risk mitigation measures to safeguard against recurrent climate change events, experts said at an event at COM2019.

The discussion came in the wake of Cyclone Idai, which ravaged a swathe of Southern Africa recently leaving more than 500 people dead in its wake and more than 2000 missing.

Delegates at the event on Financing Africa's New Climate Economy: High-level Policy Dialogue on Capitalizing on the Nexus between Climate Change and Public Budgets for Low-carbon, Climate Resilient Economies in Africa, heard that such an event brought a new urgency into discussions about the climate and economies.

ECA Executive Secretary Vera Songwe said, "We have probably lost about $1bn of infrastructure in Mozambique, Madagascar, Zimbabwe and Malawi because of Cyclone Idai," Songwe said, adding this was the immediate clear impact of climate change on Africa's economies.

Under the Paris Agreement, African countries have submitted Nationally Determined Contributions to climate action. ECA estimates that about $3 trillion is required to finance conditional and unconditional actions.

"We need chief climate officers just as we had chief information officers. We know we will have recurrent climate events," Songwe said.

The event was jointly organised by the African Climate Policy Centre of ECA, the New Climate Economy Project, World Resources Institute Africa and COMESA.

COMESA Assistant Secretary General (Programmes) Dr Kipyego Cheluget said countries need to find innovative ways to raise financing to circumvent climate change effects. One option, he said, was to collateralize land so that farmers could use it to access capital.

Under-Secretary General of the UN Economic Commission for Europe, Olga Algayerova, said cross-border cooperation on infrastructure was key to unlocking investment. She cited the example of the Niger Basin Authority, saying it had identified 350 development measures in the form of projects with cross-border impacts, including 246 climate-relevant projects.
Tax reform needs to address the race to the bottom

Africa loses the equivalent of 2.3% of GDP through tax evasion and avoidance

Mining companies were mentioned specifically in terms of evasion, with speakers saying that in some countries, multinationals in this sector claimed that they had not received profits for years from their country operations. Yet they had not disinvested.

There was a call for resource extraction companies to be taxed on revenues rather than profits to avoid this problem.

Speakers said tax competition is bad for countries, as it ultimately leads to a race to the bottom. This competition is not only about tax rates but also about tax jurisdictions.

Another problem is the fact that tax collection rates in Africa are low, with an average tax-to-GDP ratio of about 15%.

Digitalisation is a solution to this problem, as shown by Morocco for example. By using technology, the government has improved its tax-to-GDP ratio to 25%.

Sharing information and best practice is one way to tackle the problems, speakers said. The Africa Tax Institute could play a role in this regard. Public finance management and administration also need to be improved and countries should prioritise building stronger institutions to ensure greater accountability and transparency in government spending.
**LE PAYS HÔTE : MAROC**

**Leader de l’énergie renouvelable**

Le Maroc s’impose aujourd’hui comme un leader mondial de la production d’énergie renouvelable. En 2018, le pays a produit 35 % de son électricité à partir de sources renouvelables ; il projette d’atteindre une part de 52 % d’ici à 2030.

La capacité générée par les énergies renouvelables est aujourd’hui de 3 000 MW. Le Maroc espère parvenir à 10 000 MW d’ici 2030, soit 4 500 MW d’énergie solaire, 4 200 MW d’énergie éolienne et 1 300 MW d’hydroélectricité.

Le Maroc poursuit la construction, près de Ouarzazate, dans le Sahara, la plus grande centrale solaire à concentration du monde, le complexe de Noor, dont les panneaux solaires sont sur un site qui couvrira plus de 3 000 hectares.

Achevée en 2016, la première phase de cette centrale, qui a coûté 9 milliards de dollars, a permis de fournir de l’électricité à 650 000 Marocains. D’ici 2020, le parc devrait produire 580 MW, suffisamment pour alimenter plus d’un million de foyers.

**Diversifier le mix énergétique**

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<tr>
<th>Puissance installée de 8,3 GW en 2015 (%)</th>
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<tr>
<td>Charbon 31%</td>
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<tr>
<td>Pétrole 25%</td>
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<tr>
<td>Gaz 10%</td>
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<td>Éolien 10%</td>
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<tr>
<td>Hydroélec 22%</td>
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<td>Solaire 2%</td>
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<tr>
<th>Puissance installée de 25 GW en 2030 (%)</th>
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<tbody>
<tr>
<td>Charbon 21%</td>
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<tr>
<td>Pétrole 4%</td>
</tr>
<tr>
<td>Gaz 23%</td>
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<tr>
<td>Éolien 20%</td>
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<td>Hydroélec 12%</td>
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<td>Solaire 20%</td>
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Le gouvernement a alloué 40 milliards $ aux dépenses énergétiques d’ici 2030, dont 30 milliards $ seront dédiés à des projets d’énergie renouvelable.

Ces dernières années, la dépendance du Maroc vis-à-vis des importations énergétiques est passée de 98 % à 93 %. La demande énergétique augmente de 4 % par an depuis dix ans.

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**Digitalization is driving financial inclusion in Africa**

Digital identity documents are a key part of a move towards financial inclusion and a pathway to a digital economy for Africa, according to experts at an event on Fintech at COM2019.

Technology is already helping to make financial services available to people that banks in Africa have long struggled to reach.

ECA executive secretary Vera Songwe said the trend to digitalization offers Africa economic, social, and technological progress, and would help to end poverty and improve lives. It will also enable greater benefits from the African Continental Free Trade Area. “With digitalization, the AfCFTA will create a value chain for trade that is important for job creation, especially for young people on the continent.”

Citing the World Bank’s Identification for Development (ID4D) programme, she said more than 1.1 billion people worldwide exist without proof of identity. Of these, 500 million are estimated to live in sub-Saharan Africa.

“Without IDs, people can’t participate in financial activities provided by banks. With digitalization, they can receive a digital identity for use in their banking — all they have to do is own a smartphone, while biometrics will do the rest.”

Segun Aina, President, Africa Fintech Network, said African governments and their development partners are formulating strategies and policies to create an inclusive financial sector. But every country should have its own Fintech Association.

“A continental fintech network was launched last year which has 20 member countries and we are working to be part of the global fintech association,” said Dr Aina.

In recent years, there has been enormous growth in fintechs and fintech products in Africa. Leading financial institutions and African central banks are setting up fintech units and adopting financial inclusion strategies.

“The extent to which fintechs can expand financial inclusion depends on their ability to reach the millions of unbanked Africans, most of whom lack a government-issued ID card. Governments are rolling out digital ID platforms to close the gap,” said Oliver Chinganya, Director, African Center for Statistics and Acting Director, Technology, Climate Change and Natural Resources Management at ECA.

ECA and the African Union Commission recently launched an initiative to develop a continental framework for African digital IDs. ECA plans to assist member States to develop a digital economy through the establishment of the Centre of Excellence on Digital ID, Digital Trade and the Digital Economy.
Combattez les inégalités par un budget adapté


On ne parviendra pas à enrayer les inégalités sans une budgétisation tenant compte des besoins des femmes. C’est ce sujet qui a fait l’objet d’un débat entre des représentants des ministères des Finances et de l’économie de plusieurs pays.

« Une budgétisation sensible à la parité peut non seulement améliorer l’efficacité de l’utilisation des dépenses de l’État visant à réduire les inégalités entre les sexes, mais également renforcer la capacité de l’État en matière de planification et de budgétisation », considère Obald Hakizimana, économiste au ministère rwandais des Finances. « L’objectif de ce type de budgétisation n’est pas de dresser une longue liste de griefs mais de reconnaître les contributions des hommes, des femmes, des garçons et des filles et de répondre à leurs besoins au moyen de financements équitables. »

Selon Wilson Twamuhabwa, conseiller du ministère ougandais des Finances, « aucun pays ne peut se développer si certaines sections de la population sont exclues et ne peuvent contribuer à l’économie ». D’après une étude de son ministère, la croissance pourrait gagner 1,2 point par an si le pays prenait des mesures adaptées.

Selon la CEA, le Maroc et la Tunisie sont à l’avant-garde, notamment grâce à « la planification socio-économique et de l’élaboration des budgets nationaux ».

Education of refugees needs better planning

Refugees, internally displaced persons and migrants are among those who are vulnerable and must be empowered through education, according to a report launched by UNESCO at COM2019. The Global Education Monitoring Report 2019: Migration, displacement and education, indicates that only eight of the top 10 global refugee hosting countries have included refugees in their national education systems. Of the eight, four are African countries - Chad, Ethiopia, and Uganda.

“Migrants, refugees and internally displaced people are among those groups who may be left behind - those who want to escape poverty or persecution and those who may seek better education, employment opportunities or just security,” said Manos Antoninis, Director Global Education Monitoring Report Team, UNESCO.

The report shows that the number of migrant and refugee school-age children around the world today has grown by 26% since 2000 and could fill half a million classrooms.

“Countries cannot think the job is done once immigrants are in school. They are being excluded in so many other ways. They end up in slower school tracks or in under-resourced establishments in troubled neighbourhoods,” said Antoninis.

He said refugees should not be forced to follow national curricula because it can discourage them. There should be a way of providing alternative preparatory and accelerated education programmes to enable them to fit in.

He cited the case of Kenya where the Dadaab refugee camp has condensed its eight-year curriculum into four years. Teachers from the Central African Republic and Sudan have received training to help them to deal with diversity, stereotypes and discrimination. Rwanda and other East African countries ensure that refugees attend school side by side with nationals.

“Refugees more than migrants are of school age. Half of them are children under 18. They often arrive in parts of their host countries that already have poor education,” said Liz Ahua, UNHCR Regional representative.

“In Africa, it is estimated that 6.8 million children are refugees and only 28% of this number are in school,” she said.

“Countries need to protect migrants’ and refugees’ right to education, regardless of ID documents or residence status,” the report says.

Prof Sarah Agbor, AU Commissioner for Human Resources, Science and Technology said countries should make education and immigration laws consistent with each other.

The report says that financing education for migrants and refugees has cost implications. In the case of refugees, the report estimates that $800 million was spent on their education in 2016.
Facelift for iconic Africa Hall under way

In our third in the series of articles in this newsletter marking six decades of the ECA, we look at the building that has become a top African heritage site.

One of Africa’s most famous buildings, Africa Hall is a living symbol of African history, unity and culture. Built more than half a century ago in Addis Ababa, it was conceived and donated by the Emperor of Ethiopia Haile Selassie in the early 1960s. The building, one of 20 that make up the ECA compound, was initially intended to be a centre of African art and culture but it evolved into a landmark venue for pan-African events and high-level and historic occasions.

It is, for example, the birthplace of the Organization of African Unity (OAU), the predecessor of the African Union (AU), whose founding Charter was signed in the Hall in 1963.

The building is also home to some pieces of emblematic African art, such as the 150m² stained glass window designed by world famous Ethiopian artist and craftsman, Maitre Afework Tekle.

The renovation of this vital African heritage site was approved by the General Assembly in 2015 and ECA has set up a dedicated office to manage the implementation of the project. Construction began in 2018 and the entire project is expected to be completed by 2022.

The plan includes the building of a permanent exhibition room to allow Africa Hall to become a leading tourist destination in Addis Ababa. The new visitor centre will highlight the building’s role in modern African history and house significant African artworks.

Construction costs make up the bulk of the $57m budget – 77% - with the rest allocated to contingency costs and project management. ECA is looking at additional funding sources and has appealed to member states to contribute along with other stakeholders.

60 years of ECA – Past Executive Secretaries

ABBAS MEKKIS  
Sudan 1959 to 1961

ROBERT K.A. GARDINER  
Ghana 1961 to 1975

PROF. ADEBAYO ADEDEJI  
Nigeria 1975 to 1991

ISSA BEN YACINE DIALLO  
Guinea 1991-1992

LAYASHI YAKER  
Algeria 1992-1995

KINGSLEY Y. AMOAKO  
Ghana 1995 to 2005

ABDOULIE JANNEH  
The Gambia 2005 to 2012

CARLOS LOPES  
Guinea-Bissau 2012 to 2016
Education needs to be part of the solution as it helps to build bridges and eradicate hostility. Migration and displacement mean education needs to be revisited. Because education is not just about tolerance but about fighting prejudice and xenophobia and fostering understanding. That’s why we are happy with the inclusion of education in the Global Compact on Migration

Manos Antoninis, Director of the Global Monitoring Report, UNESCO

Humanitarian crises are seen through an emergency lens and not linked to development...how do you take the monies being put into emergency response and humanitarian aid so that they are channelled to building development

Ahunna Eziakonwa, Assistant Secretary General and Director of UNDP regional Bureau for Africa

Thank you to the contributions of:
ECA Communication Team