Statement

by

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at the

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Mr. Chairman,
Excellencies,
ECA Executive Secretary, my dear friend and colleague, Abdoulie Janneh
Distinguished participants

It is a particular honour for me to join you for this important Conference of African Ministers of Finance, Planning and Economic Development at this session of the Economic Commission for Africa. Being the fortieth, this session is a major milestone in the work of the Commission in support of Africa’s socio-economic development, and I would like to congratulate ECA and my colleague Abdoulie on this accomplishment.

This session also has special significance for me personally. It completes the circle, so to speak, that started five years ago when I attended my first session and conference of African Ministers in 2002 just after my Office was established and I was appointed High Representative of the United Nations. My Office has since had a very close and productive collaboration with ECA. We all recognize the important role the Commission played during the mid-review of the Programme of Action for LDCs last year, including hosting the Africa regional review meeting. And now, I am attending my last ECA session, with just a few months to go as the High Representative. I am very grateful to you all for the good and rewarding collaboration we have had. This has enriched me immensely - both personally and professionally.

The theme of this session is “Accelerating Africa’s Growth and Development to Meet the MDGs: Emerging Challenges and the Way Forward.” With only half the time left to reach the Millennium Development Goals in 2015 since they were adopted at the UN Millennium Summit of 2000, it is indeed appropriate that we take a moment to reflect on how much of the arduous journey we have traveled. More importantly, it is pertinent that we reflect on how to renew our energies and move faster towards our destination.

There is general consensus that we have taken significant steps on our journey in the last few years, but the longer and harder part of it remains. This is particularly true of the world’s 50 Least Developed Countries, 34 of which are in Africa. I have underlined before on many occasions that if the LDCs do not achieve the MDGs, neither will the world as whole. With two-thirds of the LDCs in Africa, we can confidently say that Africa has to achieve the MDGs for the world to have any hope of doing so. In this context, implementing the Brussels Programme of Action for the LDCs, as a comprehensive framework of international cooperation to end poverty and promote sustainable development in the LDCs, takes on added significance. I must commend ECA and national experts for including the Brussels Programme in the preparatory work for this conference. I would request that is done annually till the of the Programme in 2010.

Adopted a year after the Millennium Declaration, the Brussels Programme reinforces the MDGs in a big way. It not only specifies the actions required of LDCs and their development partners to achieve poverty eradication and human development goals, but also focuses on the sectors that are vital to attaining results, including infrastructure, trade, productive capacities and good governance. The Brussels Programme dovetails
with NEPAD, Africa’s own vision for ending the continent’s marginalization in the world. As some of you might recall, the resolution adopted at the 35th Session of the Commission and Conference of African Ministers of Finance, Planning and Economic Development in Johannesburg in 2002 stressed the need for synergy between the Brussels Programme and NEPAD, bearing in mind South-South cooperation, in order to accelerate sustained growth and development in the LDCs. I strongly believe, therefore, that this trinity of the MDGs, the Brussels Programme and NEPAD holds great potency for bettering the quality of life of the people of Africa. On our part, my Office, ECA, the Office of the Special Adviser for Africa and UNDP will continue to collaborate very closely amongst ourselves and with relevant parts of the UN System to identify, harness and operationalise the synergies between these frameworks.

Allow me to share some thoughts on concrete actions that, I believe, could go some way in speeding up Africa’s progress.

One of Africa’s greatest challenges is achieving and maintaining a rate of population growth that does not erode economic gains and deteriorate the environment further. Otherwise, all our efforts would be in vain. According to the United Nations Population Fund, although the proportion of Africans living in extreme poverty increased by just two percentage points from 44.6 percent in 1990 to 46.4 percent in 2001, the actual number of people in extreme poverty increased by 38% from 231 million to 318 million due to population growth with all its attendant social and economic costs. There isn’t, therefore, much of a choice; to achieve the MDGs, Africa needs to rein in its population growth.

Beyond its size and growth rate, there is also the question of the productive capacities of the population. In recent years, many African countries have made major investments in their people, including provision of free primary education, water and sanitation and health facilities. These investments are beginning to pay off, as shown by improvement in social indicators in many countries. But to maximize the pay offs from these investments, greater attention needs to be paid to issues of equity, particularly in relation to women and the rural poor. Increased access to education, family planning services and microcredit can help bridge some of these gaps. The decision in Berlin last week of the G-8 development ministers, joined by the World Bank and the African Development Bank, to step up microcredit facilities in Africa is a welcome development.

Ensuring that growth is sustainable and serves the neediest requires more efficient and equitable use of productive resources. The sustainability of growth remains fragile in many African LDCs, whose development continues to be dependant on the vagaries of international commodity prices, external finance, preferences for exports of manufactured goods and climate and weather conditions. External financing and trade preferences need to be placed on a more predictable level. Domestically, greater efforts need to be made to diversify the economies, including increased investments in services and in the rural economies.

Greater transparency and accountability is needed in the utilization of both foreign assistance and internal resources. In this connection, I welcome and strongly support the
proposal to integrate governance and transparent use of natural resources into the African Peer Review Mechanism, which was made at the 2006 Big Table organized by ECA and the African Development Bank, and in which a number of you participated. This would reinforce the Extractive Industry Transparency Initiative and the Kimberly Process and would be a major step in ensuring that Africa’s resources benefit those who need them most – the poor and marginalized.

Regional economic communities, supported by the African Union and the African Development Bank under the NEPAD framework, have a major role to play, be it in terms of infrastructure development or intra-Africa trade. Along with South-South cooperation, regional integration provides immense potential that is yet to be fully exploited. This huge potential is illustrated by the fact that over the last decade, South-South trade has more than doubled from 222 billion dollars to 562 billion dollars, and continues to expand faster than any other trade flow. South-South FDI is equally gaining currency, bringing technology, skills, know-how and business models that are often more applicable to developing country situations. Deepening economic integration and expanding South-South cooperation should therefore be high on Africa’s agenda.

As it has been pointed out under the NEPAD, Africa cannot achieve full economic integration without physical integration in terms of transport and communication infrastructure. The lack of reliable and cost-effective transport systems is not only a major hindrance to intra-Africa trade, but also South-South and global trade. This is particularly the case for the 31 Landlocked Developing Countries, 15 of which are in Africa. As the Declaration on Transport and the Millennium Development Goals adopted by African Ministers Responsible for Transport and Infrastructure here in Addis Ababa two years ago stressed, transport infrastructure and services are crucial in reducing poverty.

The declaration recognized the importance of the Almaty Programme for Landlocked Developing Countries in addressing these challenges. In this connection, I call for your full support and engagement in the midterm review of the Almaty Programme that will kick off with a ministerial meeting on Transit Transport Infrastructure Development in Burkina Faso in June this year, involving all stakeholders, particularly transit neighbours. The various thematic and substantive review meetings, including an African Regional Review this time next year, shall culminate in High Level Almaty + 5 Review Meeting of the General Assembly in September 2008.

Let me end by emphasising the role of leadership in Africa’s march towards the Millennium Development Goals. This has been highlighted by President Mkapa this morning. It is one thing to discuss and generate good ideas on how to move forward, and quite another to pursue and realize those ideas with the level of dedication required. Africa needs to invest more in developing leadership at all levels and in all sectors, and strengthen the capacity of the supportive institutions of governance if it is to achieve the MDGs and establish its rightful position in the world.

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