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CHECK AGAINST DELIVERY

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Statement

by

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**Your Excellency, Chairperson of the Executive Council,
Your Excellency, Dr. Jean Ping, Chairperson of the African Union Commission,
Honourable Ministers,
Ambassadors,
Colleagues of the United Nations system,
Distinguished Ladies and Gentlemen**

Let me join my colleague and friend, Dr. Jean Ping in welcoming you to Addis Ababa and to this beautiful edifice since this is the first time that your Opening Ceremony is taking place here.

This gathering continues to symbolize Africa's strong and unwavering commitment to continental unity and I personally value the opportunity that I have had to speak at this occasion. It underscores both the increasing level of cooperation between the United Nations and the African Union particularly the seamless and symbiotic partnership that now exists between the Economic Commission for Africa and the African Union Commission.

This happy state of affairs owes a great deal to the current leadership of the African Union Commission in the person of Chairperson Jean Ping ably supported by Deputy Chairperson Erastus Mwencha and the Commissioners. I salute them and the entire staff of the Commission for the commendable effort and hard work that has been put into successfully organizing this meeting despite the last minute change in venue. In this regard, I also want to extend sincere appreciation to our constant and faithful hosts, the Government and People of the Federal Democratic Republic of Ethiopia for their continuing generosity and availability as a home to our pan-African organizations.

Honourable Ministers

I usually use this setting to update you on economic and governance conditions in Africa and the contribution of the United Nations system in this regard. One thing that has given me great joy in doing so at least twice a year over the past seven years is that I have been able to report on the process of renascent growth in Africa and visibly improved governance. As you are aware, our continent has grown appreciably since the turn of the Millennium with notable resilience during the Great Recession. Growth last year was relatively good although affected by the revolutions in North Africa and our revised figures show that GDP grew by 3.4% in 2011.

The initial expectations for this year were for stronger growth but this outlook has been dampened by developments in other part of the world. The banking and sovereign debt crisis in the Eurozone continues to cast a dark and worrying shadow on the world and in particular on Africa, which has deep and long-standing financial, investment, trade and aid ties with Europe. Apart from the direct and indirect impact of the Eurozone crisis, the most disquieting aspect is that there appears to be no agreement on appropriate policy solutions in a region that has better statistics and more evolved institutional forms than Africa.

Prior to now, there had been some optimism that the emerging economies would serve as alternative engines of growth for the global economy but the evidence before us is that these economies are also slowing down and hopes of decoupling may be misplaced. We are also compelled to note that there is now less fiscal space for counter-cyclical responses in the continent, although we continue to have huge financial needs for infrastructure and social services. What all this means is that we have to be extremely watchful and protective of recent gains while highlighting our potential to contribute to global recovery. This is one of the reasons why your colleagues the Ministers of Finance, Planning and Economic

Development deliberated on unleashing Africa's potential as a global growth pole at their meeting which took place here last March.

Governance in Africa is often viewed from the prism of greater commitment to the rule of law, democracy, elections, accountability and individual freedoms which continue to be the main elements of the shared values of this Union and credible instruments like the African Peer Review Mechanism. In spite of ups and downs, we can assert that the democratic processes in North Africa remain very much on course although there have been notable regressions elsewhere in the continent. I am referring in particular to the set-back in Mali. I know that this issue is high on this Council's agenda and I call on Ministers to do all within the ability of our Union to restore this historic country to the path of democracy, unity and stability.

Honourable Ministers

My time at the ECA has been dedicated to accompanying the African moment, promoting regional integration and supporting our member States to address emerging challenges. Given the diversity of actors and stakeholders working to support economic and social development in Africa, we were particularly cognizant of the need for strong, credible partnerships to promote coherence, avoid duplication and ensure results in the delivery of services.

Our vastly scaled up programmatic collaboration with the African Union and African Development Bank manifested in joint flagship reports and activities is now underpinned by our Joint Secretariat Support Office. The UN Regional Coordination Mechanism for Africa continues to grow from strength to strength as demonstrated by the elaboration of a joint work programme for implementing the Ten Year Capacity Building Programme which I submitted to the Deputy Chairperson of the AU Commission just two weeks ago.

Our bilateral partners have also committed to work with the three institutions and the Regional Economic Communities within the ambit of a Strategic Partners Dialogue while providing knowledge and resources to complement our work. It was also in realization of the important role of non-State actors in the provision of knowledge and services to promote African development that we worked closely with key institutions and personalities to establish the Coalition for Dialogue on Africa chaired by former President Festus Mogae.

While coherence in delivery was an important element of supporting Africa's improving economic prospects, we maintained the important focus of tackling health challenges and bringing the full potential of women to bear on the development process. The UN system has supported key initiatives on health financing and we particularly welcome the decision of the Summit to revive AIDS Watch Africa which will enhance the opportunity to develop more sustainable models of health development within the continent.

In addition to scaling-up support for gender related MDGs and improving gender statistics, we also prioritized the vexing issue of violence against women at ADF VI. We have also made progress with regard to statistical development including civil registration which provides individuals with proof of identity from birth and supports the progressive realization of their social, economic and human rights. The second Ministerial meeting on civil registration will take place in Durban, South Africa in September 2012.

Chairperson,

We have also sought to accompany the African moment by supporting our member States to undertake development planning through the prism of the youth challenge and job creation, utilizing the demographic dividend. This effort has been supplemented by well-structured courses at the African Institute for Economic Development and Planning which has been repositioned and revitalized and which

also now offers courses in other key areas like natural resources management and land policy. Similarly, we have also highlighted the importance of science, technology and innovation for development and established Science with Africa as a forum for interaction between African scientists and policymakers. Just last March, we launched the African Innovation Prize in collaboration with African Innovation Foundation to encourage innovation in the continent. The first prize is worth \$100,000 dollars.

The process of regional integration in Africa has similarly come a long way. Such was the buy-in into this noble ideal that our leaders acted to limit Regional Economic Communities to eight in the wake of the second edition of the Assessing Regional Integration in Africa report. Remarkable progress has also been made with regard to peace and security whereby instability, conflict and crisis are tackled within the Peace and Security Architecture of the AU and RECs. Quite evidently, building robust infrastructure and reaping the benefits of freer movement of people, goods and services requires conditions of peace and stability and is intrinsically linked to efforts to increasing food security in the continent.

The important case for boosting intra-Africa trade was made at the January Summit and remains on the agenda of the forthcoming Assembly of Heads of State and Government. Let me at this stage, pay tribute to the memory of late President Bingu Wa Mutharika, who was a great believer in trade. It should be acknowledged that legitimate observations were made about the limited infrastructure and diversity of goods to allow for successful take-off of the Continental Free Trade Area. We have examined these concerns and found that manufactured goods make up 46% of intra-Africa trade as compared with 10% for agricultural goods. Moreover, we also found that the degree of infrastructural development was not much higher in a comparable group like MERCOSUR in Latin America when it took off.

Let me take this opportunity to re-affirm that ECA will accompany the CFTA process through the auspices of the African Trade Policy Centre which is supported by Canada. Specifically, ATPC will draw its future priorities from the mandate given to the AUC and ECA to advance the continental trade agenda. Boosting intra-Africa trade also depends on the provision of infrastructure and we are hopeful that the G20 initiative on infrastructure financing will gain further traction and that the multilateral finance institutions particularly the African Development Bank and World Bank will strengthen their instruments for financing regional infrastructure projects. Such investments will also improve accessibility for humanitarian agencies, which continue to play a crucial role in the continent.

Honourable Ministers

In spite of its potential, our continent continues to face formidable challenges of a global and regional nature. However, I cannot but remark on the more optimistic and confident manner in which we now confront these challenges rather than adopting the stance of victims. This is evident in our efforts to achieve the Millennium Development Goals despite being disadvantaged by lower initial starting points for the targets that were set. Indeed, the scale of the effort is such that if the targets measured progress rather than actual levels, Africa would be leading in many of the indicators.

Our increasing self-belief is also obvious from the manner in which we organized ourselves to respond to the threat of climate change notably through the Committee of African Heads of State on Climate Change (CAHOSCC) led very ably by Prime Minister Meles Zenawi. The African Climate Policy Centre which is the policy arm of the Clim-Dev Africa programme of the AU/AfDB/ECA will continue to support member States in related negotiations towards concluding a just and balanced global climate change regime.

Our positive spirit continues to be manifested in the face of global economic crisis which is impacting on flows of official development assistance. Domestic revenue in the continent increased four-fold between 2002 and 2008 and recovered after the global crisis to reach an all-time high of \$520 billion in 2011. Closely linked to this effort is the work of the High Level Panel on Illicit Financial Flows established by the Finance Ministers and chaired by H.E Mr. Thabo Mbeki, former President of South Africa. The point here is that substantial resources which could have been available to fund development programmes are being illicitly transferred out of the continent and we hope that the work of the Panel will lead to concrete recommendations about how to stem such outflows.

In a similar vein, we are now paying closer attention to the “Governance and Harnessing of Natural Resources for Africa’s Development, which is the theme of the eighth African Development Forum taking place in Addis Ababa this October. As part and parcel of our work in this area and following up on the African Mining Vision adopted by the AU Summit, we are establishing with the support of several partners, in particular Australia, an African Minerals Development Centre for the benefit of our member States especially as up to thirty-four African countries now poised to become oil producers.

Honourable Ministers

Global processes will inevitably impact on political and economic governance in our region which means that we have to continue to monitor global developments and their impact on Africa. It also means that we have to continue to make technical preparations and organize accordingly where negotiations are involved. Many of us here participated in the Rio + 20 meeting which took place last month and while the outcomes might not have been as ambitious as we wanted, it renewed political commitment for sustainable development and was notable in our level of preparations.

Indeed, and despite associated challenges, Africa must accelerate its movement to the green economy with the same vigour with which it has tackled the Millennium Development Goals and the digital divide. Similarly, as deliberations and consultations on post-2015 development agenda gain momentum, Africa needs to have a loud and coherent voice to ensure that our perspectives and concerns are taken on-board. I know that we can continue to count on the positive disposition of our partners for our endeavours in this regard

Going forward, I urge this distinguished Council to continue to keep a watchful eye on the inextricable link between peace and security, governance and economic progress and to act firmly against any developments that hold us back in these areas. This Council should also recommit to accelerating the pace of regional integration until such a time as we can boast of one strong, robust, diversified and resilient African economy, supported by first-class trans-boundary infrastructure and a highly skilled, flexible and fully employed populace living in conditions of political stability.

This vision for a united Africa remains my aspiration for our continent and I therefore wish to conclude by reaffirming that these considerations have informed the strategic directions of ECA and the rest of the United Nations system over the past few years. I am pleased to have had the opportunity to make a modest contribution to the African development agenda and to the deliberations of this Council. Please accept my sincere best wishes for your continued success in forging a strong, dynamic and people centered Union and for fruitful deliberations at this meeting.

God Bless Africa. Thank you for your kind attention.