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Summary of the work of the Economic Commission for Africa, 2022–2023

Summary

The present report serves to summarize the work of the Economic Commission for Africa (ECA) for the reporting cycle from April 2022 to March 2023. ECA continued to support its member States in tackling priority challenges and harnessing opportunities to accelerate the socioeconomic transformation of the continent. The Commission strengthened its position as a premier knowledge institution to address continental and subregional issues by fostering local responses and solutions in the context of the 2030 Agenda for Sustainable Development and Agenda 2063: The Africa We Want. The overlapping crises, including the coronavirus disease (COVID-19) pandemic, armed conflict in Ukraine and climate change adversity, continued to impose serious challenges for the realization of the two agendas and even set back some of the modest gains made. The focus of ECA was essentially on building forward better from the pandemic through sound economic recovery and inclusive growth that leaves no one behind. ECA mounted deliberate efforts to advocate with and directly persuade decision makers and other stakeholders at the national, regional and international levels to support and implement the policy agenda and actions that are of interest to member States and to promote their economic and social development. In that regard, the work of ECA centred on, inter alia, building resilience to multiple shocks; strengthening policy formulation and implementation through the use of macroeconomic models, public finance and economic governance; advancing the implementation of the African Continental Free Trade Area; promoting socioeconomic development and gender equality; promoting the digital and data revolution in Africa; and building forward better for sustainable development, focusing on green recovery and the mainstreaming of climate change mitigation. In particular, ECA focused on fostering the industrialization and economic diversification and development of carbon credit markets in Africa. With the revamping of the Regional Collaborative Platform for Africa, the Commission effectively collaborated with the United Nations development system and further improved its support to the Africa Union and the regional economic communities.



I. Introduction

1. The reporting period, covering the period from April 2022 to March 2023, was tumultuous with concomitant shocks, such as the armed conflict in Ukraine and the adverse effects of the coronavirus disease (COVID-19) pandemic, which clearly exposed the breakdown in the global supply chain that led to a cost of living crisis, as demonstrated in rising fuel, fertilizer and food prices. The tightening of financial conditions further worsened the debt situation across the continent.

2. In keeping with its mission to deliver ideas and actions for an empowered, inclusive and transformed Africa within the framework of the 2030 Agenda for Sustainable Development and Agenda 2063: The Africa We Want of the African Union, the Economic Commission for Africa (ECA) continued to support member States, leveraging its think tank, convening and operational functions, as well as its strategic positioning as a key development partner. Guided by its medium-term programme framework (2022–2025), ECA continued to support member States in strengthening the capacity of national institutions to plan and implement development programmes. ECA convened multilateral and multi-stakeholder platforms and conducted interdisciplinary research and analysis of the key challenges facing member States and Africa as a whole, while promoting peer learning and development. ECA also provided direct policy advice and technical support to member States and worked with other United Nations entities, in particular through the newly reconstituted Regional Collaborative Platform for Africa, to ensure more coordinated responses and an effective result towards the achievement of the integrated 2030 Agenda and Agenda 2063. Following the introduction, Section II of the present report highlights the key contributions of ECA in advancing the implementation in Africa of the 2030 Agenda under the following six key areas of work:

- (a) Supporting resilience to multiple shocks;
- (b) Strengthening policy formulation and implementation through the use of macroeconomic models, public finance and economic governance;
- (c) Advancing the implementation of the African Continental Free Trade Area;
- (d) Promoting socioeconomic development and gender equality;
- (e) Promoting the digital and data revolution in Africa;
- (f) Building forward better for sustainable development, focusing on green recovery and the mainstreaming of climate change mitigation;
- (g) Fostering industrialization and economic diversification, through battery, electric vehicle and other value chains, and the development of carbon credit markets in Africa.

3. Section III of the report focuses on contributions towards strengthening the means of implementation of the 2030 Agenda, such as data and statistics, finance, trade, capacity-building and science, technology and innovation. The report highlights cutting edge initiatives supported by ECA during the reporting period to advance the implementation of the 2030 Agenda. Section IV places the spotlight on and provides a more in-depth discussion of one of the flagship initiatives during the reporting period, namely fostering the development of a carbon credit market in Africa. Section V summarizes the Commission's efforts to leverage partnerships for sustainable development. Finally, section VI concludes with the key lessons and recalibrated priorities for the next programming cycle.

II. Advancing implementation of the 2030 Agenda for Sustainable Development in the region

A. Supporting resilience to multiple shocks

4. Following the worsening debt situation, ECA supported the region's debt management response and member States' capacities in financial and debt management. ECA conducted research on the debt profile of Africa, by analysing the issuance of sovereign Eurobonds and the cost of borrowing for African countries by examining the determinants of bond spreads. In October 2022, findings on the debt profile of Africa were presented at a workshop that brought together 128 policymakers and researchers from 30 countries. The workshop provided a platform for participants to exchange information on challenges, solutions and approaches to debt management and to share knowledge on their experiences, particularly in the face of COVID-19 and the recent armed conflict in Ukraine. Other research undertaken to increase knowledge and awareness of financial and debt management includes the report on the overview of Economic and Social Conditions in Africa to the Conference of African Ministers of Finance, Planning and Economic Development and the publications entitled "Africa's quarterly economic performance and outlook" and *Economic Report on Africa*.

5. In Angola, ECA helped to strengthen the capacity of policymakers in public debt and treasury management, with a view to expanding financial markets, mobilizing long-term investment and building investor confidence. Angola successfully implemented several reforms to increase and diversify its sources of local financing to reduce risk and exposure to rate fluctuations. Benchmark bonds were issued in 2022, with increased competition in primary market auctions. The results have been a much lower cost of funds, national savings across the yield curve and the first long-term (8- and 10-year) bond issued on the domestic market.

6. To improve domestic resource mobilization in Africa, ECA continued to support member States in issues of taxation, such as direct tax assessment and the digitalization of tax administration. For instance, drawing on the recommendations from a study on direct tax assessment and with further ECA technical support, Kenya initiated, through the introduction of the Finance Act (2022), tax reforms that have enhanced tax collection in the digital economy and increased capital gains tax from 5 to 15 per cent. The national capacity to implement excise tax stamps and improve tax regulation was similarly strengthened in Ethiopia, the Sudan, Uganda and the United Republic of Tanzania. Ethiopia is now planning to introduce an excise stamp with a track and trace system that is similar to the system that has helped Kenya to increase its revenue collection.

7. The COVID-19 pandemic and armed conflict in Ukraine have exposed the impact of global supply breakdowns on food, fuel and finance. In response, ECA led continental advocacy efforts and provided technical leadership for the negotiation and procurement of the vaccines from within the continent. ECA was also part of the United Nations team that negotiated the Initiative on the Safe Transportation of Grain and Foodstuffs from Ukrainian Ports, which enabled the resumption of food exports via the Black Sea, thus helping to ease the global food crisis amid the armed conflict in Ukraine.

8. Furthermore, to strengthen food and fertilizer supply chains, ECA, together with the African Export-Import Bank and in collaboration with the African Union and the African Continental Free Trade Area secretariat, developed a digital business-to-business and business-to-government exchange platform known as the African Trade Exchange Platform. The African Trade Exchange Platform is connected to the digital

ecosystem supporting the implementation of the Agreement Establishing the African Continental Free Trade Area, as well as to the Pan-African Payment and Settlement System. In November 2022, 204 suppliers of coffee, wheat, maize, food, fertilizer and construction materials had already been onboarded into the African Trade Exchange Platform. Among them, 104 were African suppliers, 15 of which fertilizer producers.

9. In 2022, ECA established the African high-level working group on the global financial architecture to help tackle the asymmetries of the global financial architecture and address critical issues of liquidity and debt sustainability in Africa. The group was successful in formulating a common position for Africa and policy recommendations, and in addressing the fragmented nature of the global financial architecture and the divergent economic recoveries between developed and developing regions. The policy recommendations will be articulated in a publication on the International Monetary Fund (IMF) and the future of the global financial architecture, the key messages of which were echoed by IMF during the African Caucus, which was held on 15 October 2022 and was co-chaired by the IMF Managing Director. The group was instrumental in putting forward the position and voice of Africa and calling for international support and available financing mechanisms at global forums, such as the spring and annual meetings of the World Bank Group and IMF, held in Washington, D.C., and the Group of 20 meeting of ministers of finance and central bank governors, held in Bali, Indonesia, in 2022. ECA leveraged its convening and think tank functions to work closely with the African Ministers of Finance and Ministers of Economic Planning and Development, the African Union, African Development Bank, African Export-Import Bank, the World Bank Group and with the participation of staff and Executive Directors of the International Monetary Fund.

B. Advancing the implementation of the African Continental Free Trade Area

10. ECA continued its efforts to accelerate the ratification of the Agreement Establishing the African Continental Free Trade Area by African countries. By March 2023, 44 African countries had ratified the Agreement, 5 of which deposited their instruments of ratification during the reporting cycle.

11. In 2022, ECA supported eight countries¹ in the formulation and validation of national strategies for the African Continental Free Trade Area, while nine countries² initiated the implementation of their national strategies with ECA support. The national strategies included an analysis and recommendations on the diversification of productive capacity and patterns and thereby contribute to efforts to accelerate industrialization and expand regional markets.

12. Given the effect that the COVID-19 pandemic and armed conflict in Ukraine has had on the African economy, it has become crucial to develop intra-African regional value chains and to unlock the continent's business potential. In this context, ECA has continuously provided support to member States in developing, implementing and monitoring policies and programmes on regional value chains and on issues relating to the second phase of the African Continental Free Trade Area, which covers investment, competition policy and intellectual property rights. To that

¹ Chad, Comoros, Djibouti, Kenya, Mauritius, Namibia, Rwanda and Tunisia.

² Comoros, Congo, Côte d'Ivoire, Kenya, Mauritius, Mozambique, Namibia, Senegal and Sierra Leone.

end, 17 national datasets on digital service trade restrictions and 17 national datasets on digital trade integration were built and 17 country profiles³ were developed.

13. Furthermore, ECA partnered with the African Union technically and financially, including at the African Union Summit on Industrialization and Economic Diversification in November 2022. This partnership was in synergy with other collaborations on the African Continental Free Trade Area that are based on the mindset that advancing the African Continental Free Trade Area and African industrialization side by side, with deliberate efforts to realize mutually reinforcing interdependences between the two, will provide the critical success pillar and conditions for Africa to achieve the 2030 Agenda and Agenda 2063.

C. Strengthened policy formulation and implementation through enhanced macroeconomic models, public finance and governance mechanisms

14. ECA made great strides in supporting the technical needs of member States for evidence-based decision-making and policymaking. ECA contributed to strengthening the capacities of five members States⁴ in the development and use of macroeconomic models for forecasting and policy simulations to accelerate the achievement of the Sustainable Development Goals.

15. Similarly, ECA supported the strengthening of national capacity in tax administration for improved domestic revenue mobilization. It supported tax assessments in four members States, which helped identify policy options, facilitate peer learning and enable cross-country experience sharing. In Ethiopia, the tax assessment identified areas that could lead to effective excise tax reforms and increase their share of the contribution to gross domestic product (GDP). In Zambia, recommendations were made to harmonize tax rates across sectors in order to bring the corporate income tax rate to around 25–30 per cent.

16. ECA continued to support the strengthening of national capacities for development planning through the roll-out and deployment of the integrated planning and reporting toolkit, which was created to ease the process of aligning national planning frameworks with the 2030 Agenda and Agenda 2063. In 2022, Ghana, Malawi, Seychelles and Zambia uploaded their national development plans to the integrated planning and reporting toolkit platform and completed the alignment, bringing the total number of countries that have done so to 19. The toolkit has shown countries that have migrated their national development plans to the platform the extent of alignment with the two agendas and the migration enables countries to easily track and report progress towards Agenda 2063 and the Sustainable Development Goals in a harmonized way.

17. ECA expanded the integrated planning and reporting toolkit to include a financing module in order to link development financing with development plans. Known as the integrated planning and reporting toolkit plus, it has enabled countries to align their resources with development priorities. The financing module enables the mapping of financial programmes to the targets of national development plans and the targets of the Sustainable Development Goals and Agenda 2063. The integrated planning and reporting toolkit plus comprehensively addresses all aspects of

³ Botswana, Burundi, Congo, Democratic Republic of the Congo, Egypt, Eswatini, Ethiopia, Gambia, Lesotho, Liberia, Madagascar, Mozambique, Namibia, Rwanda, Senegal, Sierra Leone and Togo.

⁴ Lesotho, Namibia, Niger, Senegal and Sierra Leone.

development planning: alignment, financing, implementation and monitoring and evaluation.

18. ECA supported member States in responding to illicit financial flows and implement integrated national financing frameworks, as well as to ensure greater transparency in public finance management to enhance public resource mobilization capacities and improve economic governance architecture. In collaboration with the United Nations Conference on Trade and Development (UNCTAD), ECA convened a conference on the statistical estimation of illicit financial flows, which provided a platform for 12 pilot countries⁵ to share early estimates, experiences and lessons learned in testing the methodologies for measuring illicit financial flows at the country level in the context of assessing progress on indicator 16.4.1 of the Sustainable Development Goals. With ECA support, 12 countries⁶ prepared statistical estimations of illicit financial flows using at least one of six recommended methodologies and developed action plans to sustain statistical measurement.

D. Promoting socioeconomic development and gender equality

19. ECA supported member States in strengthening capacities in private sector investment in energy and infrastructure. In collaboration with Renewable Energy Solutions for Africa and the African Union Commission, ECA developed a regulatory framework to crowd in private sector investment on the electricity market in Africa. The framework is expected to guide member States on specific and targeted areas of electricity market regulatory actions that will support the scaling up of private sector investment.

20. ECA continued to support member States in enhancing capacities to leverage public-private partnerships as a means of financing infrastructure development. In collaboration with resident coordinator offices, ECA supported policymakers in six countries⁷ to strengthen capacities in utilizing public-private partnerships for financing infrastructure development.

21. ECA supported the strengthening of money and interbank markets as an essential component of the financial system, to facilitate the monetary policy transmission and increase resilience to shocks. In Uganda, ECA conducted an analysis of the current state of money and interbank market development and provided policy recommendations to enhance the resilience of financial markets to shocks. ECA further supported the training of market participants to strengthen capacities in market liquidity management. ECA collaborated with Zambia to assess the feasibility of developing a solution to secure interbank transactions and with the United Republic of Tanzania to assess the current state of development of money and interbank markets. In Zambia, the study focused on the design of an umbrella guarantee structure to enhance market liquidity and mitigate systemic default risks.

22. Through the Programme for Infrastructure Development in Africa, ECA contributed to discussions on the acceleration of the implementation of the Single African Air Transport Market, the Lamu Port-South Sudan-Ethiopia transport corridor to Central Africa and beyond, and public-private partnerships for infrastructure based on the initial findings of assessments in Cameroon, Côte d'Ivoire, Kenya, Malawi, Uganda and Zambia. ECA supported the six countries in adopting action plans for people-first public-private partnerships, which aim to achieve not only value for

⁵ Angola, Benin, Burkina Faso, Egypt, Gabon, Ghana, Mozambique, Namibia, Nigeria, Senegal, South Africa and Zambia.

⁶ Angola, Benin, Burkina Faso, Egypt, Gabon, Ghana, Mozambique, Namibia, Nigeria, Senegal, South Africa and Zambia.

⁷ Cameroon, Côte d'Ivoire, Kenya, Malawi, Uganda and Zambia.

money, but also value for people and are critical in mobilizing the private sector for the Sustainable Development Goals.

23. ECA supported policymakers in Namibia and Seychelles in strengthening the evidence base and monitoring progress in relation to gender equality and the empowerment of women by using the African Gender and Development Index to identify high priority gender issues. With ECA support, the two countries assessed gender gaps using the index methodology and developed a road map for mainstreaming a gender-based approach into their national statistical systems.

24. ECA supported the development of the *African Women's Report* on the costing of Sustainable Development Goal 5, by assessing approaches for costing gender equality in five countries.⁸ The costing provides a basis for financing interventions aimed at advancing gender equality and the empowerment of women.

25. ECA contributed to enhancing the core capacities of its member States in mainstreaming gender into sectoral policies through capacity-building of policymakers and knowledge generation. In Nigeria and Zambia, national policies have been adopted that have mainstreamed gender, such as the population and development policy and eight national development plan. In Ghana, the coordination of demographic dividend activities has been integrated within mainstream government structures, thus moving away from the United Nations Population Fund towards the National Population Council and the National Planning Commission.

E. Building forward better for sustainable development, focusing on green recovery and the mainstreaming of climate change mitigation

26. ECA, together with the Government of the Niger and in collaboration with the African Union Commission, African Development Bank and United Nations entities, convened the ninth session of the Africa Regional Forum on Sustainable Development, held in Niamey from 27 February to 2 March 2023. The Regional Forum reviewed the progress made towards the implementation of five Sustainable Development Goals, namely Goal 6 (clean water and sanitation); Goal 7 (affordable and clean energy); Goal 9 (industry, innovation and infrastructure); Goal 11 (sustainable cities and communities); and Goal 17 (partnerships for the Goals), and the corresponding goals of Agenda 2063. The event ended with the adoption of the Niamey Declaration on accelerating the inclusive and green recovery from multiple crises and the integrated and full implementation of the 2030 Agenda for Sustainable Development and Agenda 2063: The Africa We Want, of the African Union.

27. Similarly, ECA supported African ministers of energy, environment and development in endorsing the “Kigali Communiqué”, which outlines actions towards achieving Sustainable Development Goal 7 in Africa to attain a just and equitable energy transition for the continent. ECA also supported the formulation and adoption of the African Common Position on Energy Access and Just Transition in July 2022 by the Executive Council of the African Union. This comprehensive approach charts the short, medium and long-term energy development pathways to accelerate universal energy access and achieve a just energy transition for the continent.

28. In September 2022, ECA, together with the African Union, convened African ministers of finance, economy, development and environment to ensure coherence between African climate finance positions and priorities ahead of the twenty-seventh session of the Conference of the Parties to the United Nations Framework Convention

⁸ Cameroon, Egypt, Ghana, Rwanda and South Africa.

on Climate Change held in Sharm El Sheikh, Egypt, in November 2022. ECA also provided substantial technical support in the process of organizing the twenty-seventh session of the Conference of the Parties. It provided support for the African team of climate negotiators on issues relating to a just energy transition, carbon credits and climate financing, as well as for the installation of the Africa Pavilion at the session venue.

29. ECA, in partnership with the presidency of the twenty-seventh session of the Conference of the Parties, high-level champions for climate action, the African Union Commission, the International Union for Conservation of Nature and Natural Resources and Boston Consulting Group, organized a round table on climate finance, held in Addis Ababa in August 2022, which led to a compendium of high potential investment projects, including 30 high climate impact projects, to bolster African climate investments and help to catalyse additional investment based on regional priorities.

F. Promoting the digital and data revolution in Africa

30. ECA continued to support its member States to transform and modernize their national statistical systems for improved data collection and production. In 2022, ECA supported six member States⁹ in conducting their censuses by deploying census field monitoring systems and tools, thus helping to produce data on 10 of the 17 Sustainable Development Goals. Owing to the use of modern tools, the interval between the collection of data and release of census findings was reduced from two years to three months.

31. In October 2022, ECA convened the eighth meeting of the Statistical Commission for Africa in Addis Ababa; the Sixth Conference of African Ministers Responsible for Civil Registration; and the eighth session of the Regional Committee of United Nations Global Geospatial Information Management for Africa. The key outcomes of these events included a road map for the Statistical Commission for Africa and 15 recommendations for strengthening civil registration and vital statistics. The road map, developed in close collaboration with several African national statistical offices and other partners,¹⁰ highlights progress made in transforming and modernizing official statistics and outlines the drivers of this and identifies gaps to be addressed by member States.

32. ECA promoted digital platforms and initiatives to develop digital public goods for a digital economy-led transformation in Africa. As a result of ECA advocacy and technical support, Ethiopia and Nigeria aligned the digital identity framework principles with their national digital transformation strategies in 2022.

33. To better harness geospatial information in Africa, which can bring positive transformational change, ECA provided technical support to member States in enhancing their capacity to develop integrated geospatial information frameworks

⁹ Mauritius, Rwanda, Seychelles, South Africa, Zambia and Zimbabwe.

¹⁰ African group on transformation and modernization of official statistics, United Nations entities, African Union, African Development Bank, East African Community, Common Market for Eastern and Southern Africa, Eastern Africa Statistical Training Centre, World Bank Group, Partnership in statistics for development in 21st century, national statistical offices of Norway, Sweden and United Kingdom of Great Britain and Northern Ireland (the) and EuroStat.

and to make informed and evidence-based decisions through the use of innovative geospatial decision support systems.¹¹

34. ECA advocated for and contributed to the advancement of African cooperation in cybersecurity and the fight against cybercrime. The Lomé Declaration on cybersecurity and the fight against cybercrime in Africa was adopted in March 2022.

III. Strengthening the means of implementation of the 2030 Agenda for Sustainable Development

A. Data and statistics

35. The African Centre for Statistics pursues the objective of strengthening the production, dissemination and use of credible data, statistics and geospatial information at the national, regional and global levels for evidence-based policymaking and decision-making through a holistic programme of transforming and modernizing the African national data ecosystem.

36. With a view to making trade policies more gender responsive and enabling the analysis of the gender impacts of development interventions in Africa, ECA supported the review and adaptation of the UNCTAD gender sensitive trade statistics framework. To address the skills gap in adapting the framework to the African context, ECA convened an expert group meeting that provided a platform for participants to become familiar with the conceptual framework for measuring gender and trade. The outcomes of the workshop included refined resolutions that will enable ECA to adapt the UNCTAD framework to the African context, a process which has begun in four member States.¹²

37. ECA support helped strengthen the capacity of countries to formulate pertinent macroeconomic policies, reweigh the relative importance of the different sectors of economic activity and further change or reconsider the methods and data sources. In that regard, ECA continued to support countries in updating and rebasing their GDP, covering the Congo, Eswatini, Gabon and Senegal in 2022. Since 2020, 16 member States have started the process of transitioning to the 2008 System of National Accounts and are at various stages of the process with some publishing preliminary results.¹³ Furthermore, leading African countries participated in the global updating and related testing of the 2008 System of National Accounts programme.

38. To improve understanding of the economic role and potential of cities and to strengthen the capacity to measure city-level economic activity, ECA supported member States in the production of city GDP estimations. In this regard, a draft report on city GDP estimations was reviewed by an expert group meeting held in June 2022, which resulted in best practices and lessons learned being drawn on, as well as approaches and methodologies used in the pilot cities, to increase the quality, relevance and practicality of GDP estimation at the city and subnational levels. Similarly, the 2022 edition of “Compendium of Intra-African and Related Foreign Trade Statistics” was prepared. It provides time series data for all African countries

¹¹ The countries that received support included Burkina Faso, Burundi and Central African Republic for the development of integrated geospatial information frameworks; and Burundi, Cameroon, Central African Republic, Chad, Congo, Democratic Republic of the Congo, Equatorial Guinea, Gambia, Rwanda and Sao Tome and Principe in general capacity development for geospatial information frameworks.

¹² Cameroon, Kenya, Senegal and Zimbabwe.

¹³ These countries include Algeria, Botswana, Cabo Verde, Malawi, Mali, Rwanda and Tunisia.

from 2013 to 2021 and has enhanced not only the capacity of countries to generate knowledge on economic statistics, but also the formulation of relevant policies.

39. ECA provided technical assistance to its member States on methodological approaches for collecting and analysing quality and reliable tourism data. The United Republic of Tanzania and Namibia completed the development of the Tourism Satellite Account, while Kenya validated the report on green tourism value chains. ECA also supported the formulation of the East Africa Community tourism marketing strategy (2021–2025), which was validated in April 2022.

40. ECA strengthened the knowledge and skills of policymakers in designing effective migration policies through improved migration statistics and evidence. This was done through the preparation of a report reviewing migration statistics and facilitating policy dialogue. Furthermore, given the immense challenge of the legal identity of migrants, ECA developed a policy brief on good legal identity as a basis for member States' policies. ECA also facilitated global dialogue on innovative approaches to integrate the diaspora in accelerating Africa's economic recovery post-COVID-19 by organizing a side event in 2022, during the seventy-seventh session of the General Assembly of the United Nations.

B. Finance

41. ECA supported the operationalization of the Liquidity and Sustainability Facility to improve market access for African countries by increasing the liquidity of their debt instruments. The first \$100 million transaction was concluded in November 2022, covering sovereign Eurobonds issued by Angola, Egypt and Kenya.

42. In collaboration with the Liquidity and Sustainability Facility, ECA facilitated dialogue between member States on environmental, social and governance ratings to help member States better understand the methodologies, requirements and considerations, including environmental, social and governance criteria, in a sovereign rating process, and on the repo mechanism and its role in expanding fiscal spaces for member States in the secondary market. Furthermore, ECA supported an expert group meeting on sovereign ratings to exchange and raise greater awareness at the continental level of the challenges, priorities and recommendations for the sovereign credit ratings of African countries. The meeting brought together representatives from 24 countries, experts from rating agencies and other international organizations and identified policy recommendations to help towards strengthening the credit ratings of African countries.

43. Furthermore, ECA provided technical support for the launch of the sustainable debt coalition initiative at the twenty-seventh session of the Conference of the Parties to the United Nations Framework Convention on Climate Change, through the drafting of the concept note and the declaration. The initiative aims to scale up affordable green financing to facilitate investments linked to the Sustainable Development Goals and sustain debt levels among member States by drawing attention to the crises faced by emerging and developing economies and the fact that without increased fiscal space, many countries will be unable to meet their development priorities and make the needed progress towards climate change commitments.

44. ECA contributed to the strengthening of money and interbank markets as an essential component of the financial system, to facilitate monetary policy transmission and increase resilience to shocks. In Uganda, ECA conducted an analysis of the current state of money and interbank market development and provided policy recommendations to enhance the resilience of financial markets to shocks.

45. ECA developed a technical paper on asset recovery, building on the shortfalls in existing legal instruments to cover most of the aspects of illicit financial flows and making the case for a broader asset recovery framework to address the full range of illicit financial flows.

C. Trade

46. ECA successfully rolled out the African Continental Free Trade Area Country Business Index in 13 countries.¹⁴ The Index aggregates business perceptions and articulates them in an index that ranks countries on how well the African Continental Free Trade Area is being implemented. It also provides a means for the private sector to provide feedback on the trade challenges encountered in the Area. In 2022, the first African Continental Free Trade Area Country Business Index report covering seven countries¹⁵ was launched, providing valuable insights into the main trade challenges facing the private sector when trading and investing under existing free trade area agreements. For example, the report revealed the disproportionate impediments faced by female-led businesses in cross-border trading, in comparison to male-led businesses.

47. ECA partnered with the African Union to organize the African Union Summit on Industrialization and Economic Diversification in November 2022. This partnership was in synergy with other collaborations on the African Continental Free Trade Area that are based on the mindset that advancing the Area and African industrialization side by side, with deliberate efforts to realize the mutually reinforcing interdependences between the two, will provide the critical success pillar and conditions for Africa to achieve the 2030 Agenda and Agenda 2063.

48. ECA produced knowledge products, such as the reports entitled *Assessing Regional Integration in Africa: ARIA X – Africa’s Services Trade Liberalization & Integration under the AfCFTA*¹⁶ and *Towards a Common Investment Area: Levelling the Playing Field for Intra-African Investment*,¹⁷ which generate useful recommendations on how countries/regional economic communities can implement and monitor inclusive policies and programmes on regional value chains, competition and investment in the context of the African Continental Free Trade Area. These recommendations were adopted and endorsed for implementation by all the Committee members from the 54 member States.

49. In the formulation and validation of national strategies for the African Continental Free Trade Area, ECA supported member States to identify priority export goods, for instance in Kenya and Rwanda. The two countries were among the seven selected to provisionally trade in goods on a pilot basis within the Area.

50. ECA supported the establishment of the regional centre for quality assurance in Burundi in order to standardize quality assurance processes for tradable products across Africa. This is expected to lead to better quality products and facilitate the implementation of the African Continental Free Trade Area. In addition, ECA supported the East African Community to develop its offer on tariffs and trade in services, including investments under the African Continental Free Trade Area protocol.

¹⁴ Angola, Côte d’Ivoire, Democratic Republic of Congo, Egypt, Gabon, Kenya, Morocco, Namibia, Nigeria, Rwanda, Senegal, South Africa and Tunisia.

¹⁵ Angola, Côte d’Ivoire, Gabon, Kenya, Namibia, Nigeria and South Africa.

¹⁶ See <https://repository.uneca.org/handle/10855/46739>.

¹⁷ See <https://repository.uneca.org/handle/10855/46741>.

D. Science, technology and innovation

51. ECA contributed to building member States' capacities in science, technology and innovation. In Botswana, ECA supported the SmartBots Lab governance framework to inform the country's digital transformation strategy and to operationalize the SmartBots Lab in 2023. In Guinea, ECA supported a readiness assessment to determine the key digital infrastructure and connectivity to inform the review of the national digital transformation strategy.

52. Following the adoption of the Lomé Declaration on cybersecurity and the fight against cybercrime in Africa in 2022, ECA signed a memorandum of understanding with the Government of Togo to develop a regional centre of excellence for cybersecurity research and development, which, as a central regional hub and independent centre, will provide expertise and promote cybersecurity and the investigation of cybercrime. ECA also supported the Government of Togo in the development of its national cybersecurity policy framework.

53. To ensure girls and young women have access to science, technology, engineering, arts and mathematics at a young age, ECA partnered with host Governments, United Nations entities, the private sector and civil society organizations for the Connected African Girls Coding Camp. Some 318 girls and young women between 12 to 25 years of age from four member States¹⁸ benefited from training in coding to promote access to information and communications technologies for girls and to bridge the digital gender gap.

E. Capacity-building

54. Through the African Institute for Economic Development and Planning, ECA continued to engage policymakers and other stakeholders in training and peer learning and contributed to the strengthened national capacities for effective development planning and management of public sector policies. During the reporting period, the African Institute for Economic Development and Planning contributed to strengthening the skills and knowledge of 3,053 public officials, of which about 30 per cent were women, from 45 countries through 54 training activities, offered in English, French and Portuguese and covering thematic areas such as macroeconomic development and planning; regional integration; social development; and integrated natural resource management with an emphasis on women and youth.

55. Youth has been the focus of the work of the Institute for Economic Development and Planning in recent years. Given the large youth population in Africa, which presents an opportunity for economic and social transformation, ECA contributed to the capacity development of youth on issues related to macroeconomic growth, debt management, climate change, social inclusion, trade and gender equality and the empowerment of women. Notably, ECA expanded the coverage of the Institute's Young Economists' Networks from 759 to 988 students in 89 universities in 29 countries. The Young Economists' Networks programme provides capacity development to youth on macromodelling, with a view to enabling them to actively contribute to their countries' strategic foresight. The participants have provided positive feedback on the utility and uptake of the new knowledge gained from the programme. As a positive outcome, some of the trainees participated in the twenty-seventh session of the Conference of the Parties to the United Nations Framework Convention on Climate as climate negotiators. In addition, selected members of the

¹⁸ Namibia, Niger, Senegal and United Republic of Tanzania.

Network contributed to research in support of two-digit growth on the continent and delivered scientific papers to inform decision-making processes.

56. Given the urgency to address and mainstream risks in development planning in view of the declining economic performance of member States owing to COVID-19, the armed conflict in Ukraine and the impacts of climate change, the African Institute for Economic Development and Planning, in consultation with member States, has designed and delivered training and research programmes on risk management and risk mainstreaming in development planning processes. ECA trained over 300 policymakers in risk and vulnerability in the context of overlapping shocks, thereby enhancing knowledge and skills for effective policy responses to build future resilience, in particular of the most vulnerable populations, against future shocks.

IV. Spotlight on fostering carbon credit markets in Africa

57. The development of carbon credit markets represents a significant opportunity for African countries to leverage their natural capital as a means of mobilizing additional resources. In response to the effects of climate change, together with the limited access to finance, 16 States members of ECA requested assistance to develop carbon markets alongside other innovative financial instruments, to expand the revenue streams for adaptation, resilient growth and other sustainable recovery plans. In May 2022, ECA and the Congo Basin Climate Commission co-produced the first harmonized protocol for the continent on accounting, monitoring and reporting carbon emissions to support the development of a high-integrity carbon market for the member countries of the Congo Basin Climate Commission. The Council of Ministers of the Commission adopted the statutes instituting the Congo Basin Climate Commission and its Blue Fund and endorsed its work plan, including the harmonized protocol. ECA also produced the first regional registry in Africa for the Commission to build a high-integrity carbon market and reduce the transaction costs of trading carbon credits from Congo Basin Climate Commission member countries and other African countries on global stock exchanges and to support climate and sustainable development plans. ECA presented the first regional carbon registry to the Ministers of the Congo Basin Climate Commission and other key stakeholders at the twenty-seventh session of the Conference of the Parties to the United Nations Framework Convention on Climate Change and was part of the steering committee that launched the African Carbon Market Initiative at the same event.

58. ECA also developed training material on carbon market development, including policy design and implementation, and carbon verification and certification for senior African government officials, including representatives of the Congo Basin Climate Commission, the Climate Commission of the Sahel region and the Climate Commission for small island developing States.

59. To better connect project owners across the African continent with potential investors, ECA partnered with high-level champions for climate action, Sustainable Energy for All and the Global Energy Alliance for People and Planet to co-launch the African Carbon Markets Initiative at the twenty-seventh session of the Conference of the Parties to the United Nations Framework Convention on Climate Change.

60. Furthermore, bringing together Governments, private investors and civil society entities to facilitate investment in bankable projects that deliver meaningful climate action and develop the carbon credit market in Africa, ECA hosted the sixth Africa Business Forum on the theme “Making carbon markets work for Africa”, in collaboration with the African Export-Import Bank and with the support of the African Union Commission and Sustainable Energy for All. The Forum called for the

use of carbon credit markets as a means of accelerating climate action and generating investment to bring about economic transformation in African countries.

V. Leveraging partnerships for sustainable development

A. Collaboration with the United Nations development system

61. ECA provided coordination support to United Nations entities and the African Union to advance ongoing reforms. The overarching focus was to strengthen the Regional Collaborative Platform for Africa with a view to fostering cohesion in the work of the United Nations development system to support the African Union and its New Partnership for Africa's Development programme. This is especially important to accelerate the integrated implementation of the 2030 Agenda and Agenda 2063.

62. In June 2022, the African Union and the United Nations, through the newly reconstituted Regional Collaborative Platform for Africa, held an inaugural annual meeting following the reforms of both organizations. The meeting was chaired by the Deputy Secretary-General of the United Nations and the Deputy Chairperson of the African Union, and was attended by senior representatives including African Union Commissioners and Directors, as well as the Vice Chairs and Regional Directors of the Regional Collaborative Platform. Recognizing the unique institutional and political realities of Africa and the need to translate United Nations global strategies at the regional and national levels, the Regional Collaborative Platform recognized that transformation in Africa requires close alignment with the focus of the African Union to ensure well-connected actions, transitioning from mainly vertical to a blend of horizontal and vertical functionalities to enhance impact and accountabilities at the country and regional levels. The meeting agreed on seven priority areas of action¹⁹ and working modalities and adopted a workplan for 2022. The highlights of the workplan focused on the implementation of the African Continental Free Trade Area, the twenty-seventh session of the Conference of the Parties and capacity in data and statistics for better reporting, as well as supporting the transforming education agenda and humanitarian summits.

63. ECA worked towards strengthening the integrated implementation of the 2030 Agenda and Agenda 2063. Together with the Office of the Special Adviser on Africa, ECA continued the development of assessments of the interlinkages between the development, peace and security, humanitarian and human rights pillars. ECA offered a training course, which was held twice and attended by candidates from member States and the regional economic communities, with a view to enhancing the integrated approach to the implementation of the two agendas. The ECA nexus assessments helped to catalyse discussions on the interlinkages and contributed to the African Union Policy Conference on the theme "Promoting the peace, security and development nexus: The promise of regional integration", held in Tangier, Morocco, in 2022, the outcome of which led to the reiteration of the commitment of the African Union to address the growing linkages between peace, security, governance and sustainable development.

64. In May 2022, working with the Office of the Special Adviser on Africa, ECA organized the Africa Dialogue Series on the African Union theme of the year "Strengthening resilience in nutrition and food security on the African continent: strengthening agro-food systems, health and social protection systems for the

¹⁹ Climate action and the twenty-seventh session of the Conference of the Parties to the United Nations Framework Convention on Climate Change; macroeconomic frameworks and economic diversification; digital transformation; data and statistics; food security; humanitarian summits; and subregional issues.

acceleration of human, social and economic capital development”. A key outcome was a “call to action” that garners the engagement of African Governments at the highest level and rallies international community support to strengthen the resilience of agro-food systems, health and social protection systems to accelerate the implementation of Agenda 2063 and the Sustainable Development Goals.

65. Within the framework of support for the African Union, ECA collaborated with the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women) and the United Nations Development Programme and assisted the African Union Specialized Technical Committee on Gender Equality and Women’s empowerment in convening a high-level consultative forum in preparation for the sixty-sixth session of the Commission on the Status of Women.

66. ECA also contributed to the first Global Africa Business Initiative, held on the margins of the seventy-seventh session of the General Assembly of the United Nations, in collaboration with the United Nations Global Compact, United Nations Development Programme and Office of the Special Adviser on Africa, and under the leadership of the Deputy Secretary-General of the United Nations.

B. Collaboration with regional, subregional and national institutions

67. During the reporting period, ECA signed more than 47 agreements with a wide range of partners. These, included agreements with the African Union Commission on international migration in Africa; with the African Development Bank on capacity-building for gender statistics and monitoring systems; and with the Government of Italy to advance the electricity reform by enhancing public-private dialogue and for a training programme entitled “Towards an effective African Continental Free Trade Area”. The paragraphs below present some examples of these partnerships.

68. ECA collaborated with the Eastern Africa Statistical Training Center in the United Republic of Tanzania, the Pierre Ndiaye National School of Statistics and Economic Analysis in Senegal and the National Higher School of Applied Statistics and Economics in Côte d’Ivoire on a global strategy to improve agricultural and rural statistics.

69. A partnership was renewed with Vital Strategies to support the accelerated programme on civil registration and improve the collection of birth and death data systems in Africa. Furthermore, in partnership with Rockefeller Philanthropy Advisors, ECA seeks to accelerate the growth of the instant and inclusive payments systems in Africa.

70. ECA collaborated with the Institute for Poverty, Land and Agrarian Studies of the University of the Western Cape, the aim being to build the next generation of land governance expertise in Africa in the era of COVID-19. It also collaborated with the United Nations University Institute for Natural Resources in Africa to launch a digital portal known as Just Transition in the Informal Sector to support the informal sector transition to cleaner energy. It is expected that the portal will enable green entrepreneurs to share new opportunities and unlock potential sources of investment while collaborating with policymakers and civil society organizations to overcome bottlenecks in green business.

71. In partnership with the Stichting Frontclear Technical Assistance Programme, ECA sought to strengthen the money and interbank markets in Africa as an essential component of the financial system, to facilitate monetary policy transmission and increase resilience to shocks.

VI. Conclusions

72. ECA is supporting African countries to recover better from the shocks of the pandemic and armed conflict in Ukraine and to accelerate the implementation and achievement of the 2030 Agenda and Agenda 2063. The interventions of ECA, as they relate to its think tank, convening and operational functions, have been effective in strengthening member States' capacities in a wide range of development issues. Its interventions in the reporting period included cutting-edge research and related integrated policy and capacity support geared towards supporting resilience to multiple shocks; strengthening policy formulation and implementation through the use of macroeconomic models, public finance and economic governance; advancing the implementation of the African Continental Free Trade Area; promoting socioeconomic development and gender equality; promoting the digital and data revolution in Africa; and building forward better for sustainable development, focusing on green recovery and the mainstreaming of climate change mitigation. Notably, ECA made significant contributions to regional efforts fostering industrialization and economic diversification, namely the development of a battery, electric vehicle value chain, and development of carbon credit markets in Africa.

73. The ability of ECA to quickly understand regional and national dynamics and navigate the complexities inherent in them was critical to its agility and ability to recalibrate and reprioritize its focus areas of work and interventions, to remain fit for purpose. ECA worked seamlessly with resident coordinator offices and United Nations country teams, which was instrumental in allowing the Commission to respond timely to country requests. Building and leveraging strong and strategic partnerships with member States, regional economic communities, development partners, research institutions, academia, civil society organizations and the private sector was a strategic pathway to achieving more impactful results. Private sector engagement, including participation in all relevant meetings, was also important for securing commitment and facilitating the steady progress of supported initiatives. Collaboration with regional economic communities facilitated the mobilization of member States and other stakeholders, especially in subregional statutory and ad hoc expert meetings, forums and dialogues.

74. The overlapping crises of the COVID-19 pandemic and the armed conflict in Ukraine and the looming debt crisis and impacts of climate change characterize the deep and interlocking crisis in Africa. Overcoming these challenges requires African countries to formulate innovative strategies that provide a range of policy options. African countries need adequate financing, sufficient energy, the right infrastructure mix, agricultural and food systems that are resilient to external shocks and climate mitigation measures that reduce the impact of climate change. As African countries pursue recovery from the multiple shocks, ECA remains a key partner in supporting member States, the African Union, regional economic communities, intergovernmental organizations and other development partners to achieve social and economic recovery and sustained growth. ECA has a critical role to play in providing sets of innovative solutions, along with demand-driven and tailor-made policy and technical advice to member States, the African Union and regional economic communities, with a view to accelerating recovery and fostering the emergence of more prosperous and inclusive societies.

75. Guided by its medium-term programme framework (2022–2025), ECA will support interventions around the following three tracks:

(a) Strengthening macroeconomic policy, including issues of sustainable financing, debt management and their interface with governance issues;

(b) Boosting the implementation of the African Continental Free Trade Area, sustainable industrialization and economic diversification, job creation and poverty reduction;

(c) Enhancing resilience through climate action, just energy transition, the green and blue economy and data and digital transformation.
