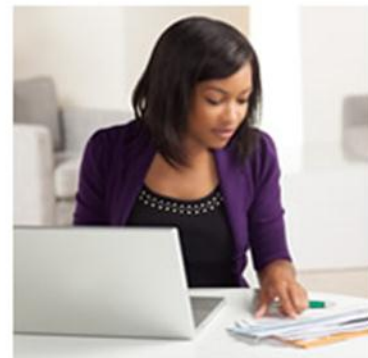


Africa Action Plan on Development Effectiveness (AAP)



Key African Agendas and Main Thrusts

- **National Development Plans and Strategies**
 - Outlines national development goals, priorities and targets for growth and development
- **NEPAD Programme**
 - African Union strategic framework for pan-African socio-economic transformation and inclusive development
- **AU Agenda 2063**
 - A shared strategic framework for inclusive growth and sustainable development
- **Common African Position on Post-2015 Development Agenda (CAP)**
 - Articulating an African priorities for post-2015 development agenda entailing a focus on levers of growth
- **African Action Plan on DE (AAP) vis-a-vis Mexico Communique**
 - Outlines African priorities for effective development cooperation (means of implementation) **to support the above**



Overview of AAP

- AAP is based on key growth enablers in line with Africa's key development priorities i.e industrialization etc for Africa's inclusive growth and transformation;
- AAP serves to garner support of the GP for the following purposes:
 - Gradual exiting of aid dependence towards growth & sustainability;
 - Enhanced improvement of means of implementation;
 - Growth and expansion of innovative domestic resource mobilization mechanisms;
 - Development cooperation towards curbing illicit financial & resource flows (extractives etc) to raise adequate financing of Africa's development through own resources.
- Mainstreaming the implementation of Busan commitments at both national and regional level; and
- Spur the achievement of **RESULTS** in the AAP Priorities and overall national as well as regional growth objectives



AAP Priorities

- Priority 1

Tax and Domestic Resource Mobilization

- AAP Priority 2

MICs and Effective Development Cooperation

- AAP Priority 3

Knowledge Sharing, South-South and Triangular Cooperation

- AAP Priority 4

Private Sector and Effective Development Cooperation



Regional Dimension on Implementing AAP

- The Inter-Governmental Authority on Development (IGAD), an institution of the African Union has taken up priorities of the AAP in the following areas:
 - Results oriented and coherent development partner organization in financing IGAD's regional priorities through the Strategic Plan, Agenda 2063 and related SDGs;
 - Development of the Capacity Development Strategy to support the new Regional Strategy as well as for institutional strengthening; **-IGAD is facilitating development in 8 countries in the horn of Africa**
- Support to the recently approved SADC Industrialization strategy and Roadmap aligned to the AU Agenda 2063 (AAP Priorities 1,3 and 4); **-15 Countries**
 - Based on Industrialization, Competitiveness and Regional Integration (Priority 3)
 - Individual countries now developing and consolidating National Industrialization plans based on priorities such as value-addition in minerals, agricultural products etc



National Initiatives

- Linkage of AAP priorities to RESULTS achieved at Country Level:
 - Benin-Results Frameworks including the road map have been submitted to the Minister of State in charge of Economy, Finances and Programs of Denationalization. **(Ministry has received commitment from SDC)**
 - The terms of reference for a study on the state of the use of country results frameworks under finalization to pave way for implementation.
- NEPAD is advanced with the development of African Mutual Accountability Standards in 4 Countries-**Extractives (DRM tools)**
 - Capacity Assessment Tool in Extractives finalised for launching in South Africa, Uganda, DRC and Botswana as pilot countries.
 - Effective linkage of the African Mining Vision with AAP (Priority 4) and Mutual Accountability Standard.

The above is linking AAP implementation, MA Standard initiative with the GP Results Initiative (Swiss Development Coop and Government of Bangladesh) to connect the various development agendas in Africa



Thank you



RESOURCE POTENTIAL

- US\$520 billion in tax revenues
- Huge Public Pension Funds Assets
- Over US\$168 billion annually in minerals
- US\$400 billion in international reserves
- US\$40 billion in Diaspora remittances
- US\$ 5-10 billion in securitized remittances
- Over US\$1.2 trillion in Stock Market Capitalization
- Private Equity Market worth over US\$30billion
- US\$60 billion in banking revenues
- Increased capacity of Regional banks & DFIs

ENABLING ENVIRONMENT

- Economic growth
- Domestic savings
- Tax revenue system (tax net, not tax increase)
- Capital market
- Curtail illicit financial flows from Africa
- Governance and effective institutions
- Private sector development

EXPECTED OUTCOME

70-80% OF AU-NEPAD PROGRAMMES AND PROJECTS FINANCED FROM DOMESTIC RESOURCES

PROPOSED FINANCIAL INTERMEDIATION ARRANGEMENTS

- Africa Infrastructure Development Fund (Africa50)
- Africa Credit Guarantee Facility
- Promotion of Africa-Owned Equity Funds
- Deepening of Africa's Bond Markets
- Securitization of Africa's Diaspora Remittances
- Setup of Strategic Development Sovereign Wealth Funds
- **Sovereign-backed Pension Funds**
- Establishment of Regional Stock Exchanges
- Promotion of New Models of Public-Private Partnerships

IMPERATIVES FOR IMPLEMENTATION

- Sustained Progress in Regional Integration
- Governance, Policy and Institutional Reforms
- Special Capacity Development Programme
- ECA sponsored DRM Expert to NPCA (March 2014)
- NEPAD Domestic Resource Innovation Mechanism
- Impact Investment Fund for African Fisheries
- African Network for PPPs in Infrastructure

