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*Permanent Mission of the  
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to the United Nations*

**Fifth Session of the General Assembly  
Open Working Group  
on Sustainable Development Goals (SDGs)  
New York, 25 November 2013**

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**Statement on behalf of the African Group  
by H.E.M. Noël Nelson MESSONE,  
Ambassador, Permanent Representative  
of Gabon to the United Nations on:**

**« Sustained and inclusive Economic Growth,  
Macroeconomic Policy Questions (including International  
Trade, International Financial System and External Debt  
Sustainability), Infrastructure Development  
and Industrialization »**

## **Co-Chairs,**

1. I thank you for giving me the opportunity to speak on behalf of the African Group. The Group associates itself with the Statement delivered by the Permanent representative of Fiji on behalf of the G77 and China.
2. Firstly, the Group would like to reiterate its appreciation to the Co-Chairs for having prepared and transmitted the progress report on the work of the Working Group at its first four sessions.
3. The Group also takes this opportunity to convey its sincere condolences to the Government and People of the Philippines following the devastation engendered by the Typhoon Haiyan. This disaster reminds us of the urgency to shift away from business-as-usual and to put sustainability at the core of our preoccupation.
4. The Group acknowledges the presence of Professor Jagdish Bhagwati from Columbia University and Mr. Li Yong, Director-General, United Nations Industrial Development Organization (UNIDO). I would like also to take this opportunity to thank the Technical Support Team (TST) for the useful "issues brief" it has prepared.

5. The African Group would like to underscore that all the themes of this session are inter-linked and are of utmost importance in achieving the overarching goal of poverty eradication.

**Co-chairs,**

6. Africa is transforming. We have made significant strides towards our development objectives. To advance Africa's transformation, we have adopted bold sector strategies, we have built stronger institutions, and we have boosted regional cooperation and integration.

7. Despite these achievements, however, the economic structure of many countries in the continent has yet to develop to address the various social, economic and environmental schisms. We need to promote rapid and inclusive growth. We also need to improve our industrialization, enhance our productive capacities.

8. The Group is of the view that a structural transformation of African economies requires industrialisation that induces value addition and economic diversification. Industrialisation is a powerful tool to generate inclusive and sustained economic growth, create productive employment and decent work and lift millions of people out of poverty.

9. In that vein, the African Group refers to The MDG Report 2013: Assessing progress in Africa toward the Millennium Development Goals. According to that report, I quote: "Inequalities result in part from the enclave structure of

most African economies, which concentrates economic activity in the extractive and commodity-producing sectors. With limited spillover to other sectors, such production patterns generate few jobs, concentrate wealth in resource-rich sectors, encourage inequality and sow the seeds of social unrest". End of quote. To achieve the transformation of African economies, the report recommends the promotion of industrialization and structural transformation, through inter alia economic diversification and value chains linking raw material producers to end-users.

10. Industrialisation will help developing countries, especially African countries, to strengthen, through wealth creation and taxation, the mobilization of domestic resources which, in turn, can help to achieve other development goals.

11. Our continental priorities are contained into the Plan of Action for the Accelerated Industrial Development of Africa (AIDA). The support of our development partners in this front, particularly in terms of human and technological capacity development and innovation-led knowledge, is much needed for us to achieve a structural transformation of African economies through industrialization that induces values addition and economic diversification.

12. In a word, we want this priority to be recognized and considered in the framework of the SDGs. We want our African-led efforts towards structural transformation to be supported in order to achieve the foreseen positive

outcomes. The Post-2015 agenda and the SDGs need to be coherent with Africa's trajectory and help us ensure that growth is inclusive, sustainable and shared.

13. To conclude on this aspect, the African Group would like to express its attachment to a stand-alone goal on structural transformation, sustained economic growth, industrialization, infrastructure and energy.

### **Co-Chairs,**

14. Africa's access to global markets and fair trade are of the utmost importance to our continent. As recognized in the Agreement Establishing the WTO: "there is need for positive efforts designed to ensure that developing countries, and especially the least developed among them, secure a share in the growth in international trade commensurate with the needs of their economic development". In addition, international trade is identified as one of the six core areas through which developing countries can mobilize development finance. The Rio+20 Outcome document refers to international trade as "an engine for development and sustained economic growth". However, facts remain a matter of serious concern for Africa which accounts for only 3% of world exports.

15. The African Group is of the view that, unlike MDGs, the SDGs framework should champion a development friendly trading system with the aim to reduce trade-distorting measures, including agricultural subsidies, to

improve market access of developing country products, to strengthen trade-related capacity building, including export diversification and finally to develop intra-regional trade.

**Co-Chairs,**

16. These objectives cannot be achieved without proper infrastructure. Infrastructure deficit is one of the most serious challenges we Africans face as it severely hinders Africa's competitiveness in the world market. For this reason, in support of the African economic integration and the integration of Africa in the world economy, we conceived and launched, in 2010, the Programme for Infrastructure Development in Africa (PIDA) as a unique Africa-owned pipeline of implementable and financeable projects in Energy, Transport, trans-boundary Water, and Information and Communication Technologies (ICT). The overall capital cost of PIDA's long-term implementation to 2040 is currently estimated at more than US\$360 billion.

17. In addition to PIDA, the NEPAD Presidential Infrastructure Champion Initiative (PICl) was recently launched setting up a political championing of Africa's inter-regional priority infrastructure projects with the ambition to cover the five regions of the continent.

18. This indicates, Co-Chairs, that valuable initiatives have been taken at the African level and need to be incorporated in the global development agenda.

19. To reach our goals, no effort must be spared to fill the financial gap, including through increased public-private partnerships. There is also a need to develop financial instruments and markets for investments for infrastructure development. Here, we would like to highlight the coming Dakar Financing Summit to take place on 13-14 December 2013 in Senegal. This unprecedented event is an implementation mechanism bringing together development partners, investors, and policy-makers to support Africa's efforts in mobilizing more resources and polish our strategies. The Group would like to take this opportunity to call for a genuine global partnership. In a context of international cooperation, it is a crucial parameter for success.

#### **Co-Chairs,**

20. The need to reform the international financial system cannot be overemphasized. For the African Group, this is not only a macroeconomic issue but also a matter related to good governance. We will come back to that aspect at the next session of the Open Working Group.

21. In the meantime, African States would like to underline the importance of the regulation of the global financial sector. It is hard to believe, in 2013, in market self-regulation. It is well known that the fundamental cause of the latest economic and financial crisis resides in the lack of regulation.

22. As pointed out several times by the Economic Commission for Africa, “ensuring global financial stability to support economic stability is a global public good”. Therefore, the reform of the international financial and economic architecture, to be included in the SDGs framework, should aim at inclusiveness and adequate representation of developing countries in general, and African in particular. The current situation where those countries are underrepresented in Bretton Woods Institutions or in informal groupings like the G-20, should be addressed.

23. Most importantly, the African Group is of the view that any new financial and economic architecture shall not marginalize the United Nations which is the cornerstone of the multilateral system and the most legitimate organization in the world. The African Group calls for a stronger and central role of the UN in the formulation of standards and mechanisms to ensure the "collective economic stability", similar to what it does in the field of “collective security”. This is an essential aspect for Africa, which has a minor impact on the global economy, but seriously suffers the effects of national economic policies that have global consequences.

24. Moreover, provisions related to the international financial system in the SDGs framework should strengthen efforts to curtail illicit financial flows and secure the restitution of illicit funds to their home countries.



**Co-Chairs,**

25. The debt burden has severely undermined efforts by developing countries to attain internationally agreed development goals, including MDGs. Several initiatives have been implemented so far to address this issue such as the Heavily Indebted Poor Countries (HIPC) and the Multilateral Debt Relief Initiatives. Despite the positive impact of those initiatives, many countries remain at risk of debt distress. Therefore, it is critical to consider the debt sustainability in a holistic manner. In that vein, the SDGs framework is an excellent window of opportunity. One of the way forward could be found in the recommendation of the Secretary-General, contained in document A/68/203 to “consider the development of an agreed rule-based approach to sovereign debt workouts to increase predictability and the timely restructuring of debt when required, with fair burden sharing, including the provision of minimum outlays in the budget for social protection”.

**Co-Chairs,**

26. Structural transformation in general and the themes of sustained and inclusive economic growth, infrastructure development, industrialization, in particular, were not sufficiently taken into account in the MDGs. Yet the role they play in Africa is paramount to the future we want. Therefore, it is important that the SDGs reflect these productive sectors.

27. To conclude, the Group would like to emphasize on the important role that should be given to UNIDO and UNCTAD in the implementation of SDGs since we favor a shift to a new development paradigm which should focus on the enhancement of productive sectors.

I thank you.