



Main conclusions and recommendations of the Forum

The 20th edition of the International Economic Forum on Africa, jointly organised by the African Union Commission and the OECD Development Centre, under the chairmanship of H.E. Mr. Macky Sall, President of Senegal, with the participation of the President of Madagascar, the Prime Minister of Togo, the Minister of Foreign Affairs of Japan, the Secretary-General of the OECD and the President of the African Union Commission, focused on the following theme: "Investing for a Sustainable Recovery in Africa". As a result of the discussions and debate that followed the opening ceremony, we have reached the following conclusions:

To ensure a sustainable global economic recovery, the priority is to quickly win the battle against coronavirus around the world.

1. Vaccines should be considered as global public goods. The international community must strive to ensure the equitable and timely distribution of vaccines against COVID-19 and enable 60% of the African population to be vaccinated.
2. The economic and social challenges in Africa, which have been considerably exacerbated by the global crisis must be urgently addressed. Despite a relatively limited spread of the virus in 2020, no less than 41 African economies suffered a recession, compared to only 11 countries during the 2009 global financial crisis. This shock is likely to weaken many precarious households in the long term, most of which are dependent on the informal economy. One year after the start of the pandemic, an additional 30 million people in Africa are at risk of falling into extreme poverty.
3. **We commend** the efforts made by policy makers, civil society and citizens to limit the spread of the virus. However, to recover from this crisis, we underline the need to sustainably strengthen fiscal and monetary measures, with the priority of channelling liquidity to vulnerable households and social groups, SMEs and high-impact sectors.
4. **We encourage** the African Union Commission to form the most relevant partnerships for mutual learning and good practice exchange among countries on how best to support the most vulnerable individuals, households and enterprises, and on expanding social protection.

The time has come for a "New deal for development": only through coordinated action at the continental and global levels, can we reduce economic vulnerability and face this global shock.

5. Beyond the emergency response, we reaffirm the urgent need to adopt public policies aimed at transforming economies, creating quality jobs and enabling African countries to benefit from their demographic dividend. The resounding success of talented young entrepreneurs and technological innovation hubs across the continent shows that the young population can be a driver of change for many countries in the coming decades.
6. Issues related to the digital economy and transformation will have to be an integral part of this "New Deal for development". The current momentum for innovation can contribute to resilience building in response to COVID-19 and facilitate the global economic recovery, if public policies are designed in everyone's interest.
7. The effective and rapid implementation of the African Continental Free Trade Area (AfCFTA) and priority projects of the Programme for Infrastructure Development in Africa (PIDA) can strengthen regional value chains and reduce vulnerability to external shocks. As a reminder, between 2000 and 2018, the African continent had the second highest economic growth rate in the world, averaging 4.6 per cent, behind Asia (7.2 per cent). This pre-COVID-19 African economic growth was largely driven by domestic demand.
8. We call on Pan-African institutions and Regional Economic Communities to set up spaces for consultation as well as formal mechanisms to identify and strengthen regional complementarities in high-potential value chains to support the implementation of the AfCFTA.
9. We urge partners and the international community to scale up support for Africa's self-chosen agenda for transformation. To this end, we welcome and encourage the fruitful co-operation between the African Union (AU) and the OECD, through its Development Centre, which produces the annual *Africa's Development Dynamics* and *Revenue Statistics in Africa* flagship reports, as well as this International Economic Forum on Africa. We encourage them to extend this partnership to the topics covered in this year's edition of the Forum, particularly the theme of investment for productive transformation and quality infrastructure.
10. African governments are facing the COVID-19 pandemic with lower financial resources per capita than they did during the 2008 global financial crisis. It is therefore essential to act swiftly, using all levers to ensure sufficient external and domestic resource mobilisation for development financing. International co-operation on tax practices to better combat illicit financial flows must be strengthened, as well as on debt treatments.
11. We welcome the G20 initiative on debt restructuring. The debt service moratorium offers African countries some respite, but is not enough to ensure an adequate response to the pandemic and a sustainable recovery. We call for concrete action to accelerate progress, including: the reallocation of unused Special Drawing Rights or the creation of new Special Drawing Rights for cash-strapped countries; debt restructuring and, in some cases, full debt cancellation to meet urgent financing needs. We reaffirm the importance of a strong and coordinated multilateral system, with a reformed global economic and financial governance, to find systemic and sustainable solutions that can support governments, generate innovative and coherent responses and increase co-operation between different policy communities in the context of multiple crises.

12. As a matter of urgency, the international tax system must be reformed to adapt it to our transnational economy, to build a fair and equitable information exchange and international taxation system, and to avoid the risk of new uncoordinated tax measures. We have decided through mutual agreement to act to change international tax rules, particularly by making fundamental changes to the allocation of taxing rights in order to correct the current imbalance that works in favour of developed countries (residents) at the expense of developing countries (sources). We encourage the international community to move forward in an inclusive way to achieve a long-term multilateral, consensus-based solution to the fiscal challenges brought by the digitalisation of the economy.