

Meeting of the OECD Council at Ministerial Level

Paris, 7-8 June 2023



OECD-AFRICA PARTNERSHIP

OECD-AFRICA Partnership

The Africa-OECD Partnership

1. The OECD has been historically active in Africa in numerous policy areas through a range of channels and with multiple stakeholders. The Development Centre (DEV), the Development Assistance Committee (DAC), and the Sahel and West Africa Club (SWAC) have dedicated significant, long-standing attention to the continent's development dynamics. Over time, several OECD policy communities have also been progressively engaging with Africa in different areas of common interest, such as investment and trade, global value chains and production transformation, regional integration, taxation, integrity and anti-corruption, responsible business conduct, supply chains of minerals, statistics, education, among others. Such an extensive co-operation has been growing over time, together with the increasing role of Africa in global affairs and the greater impact of its economic and social developments at the global level, including in OECD countries. As a result, the upcoming partnership could be beneficial to Africa's better and fairer integration into globalisation.
2. The OECD's Global Relations Strategy [[C/MIN\(2021\)17/FINAL](#)] has given a clear indication of Members' interest in bringing the engagement with Africa to a new level, based on a strategic whole-of-the Organisation vision. The willingness to scale-up co-operation expressed by the OECD and the African Union (AU) at the meeting of the OECD Council at Ministerial level in June 2022¹, and the successful outcomes of the 21st International Economic Forum on Africa, marked a new step in the relationship between OECD and African stakeholders.
3. Following the invitation made by the OECD Council at Ministerial Level (MCM) to the Secretary-General to work towards an OECD-Africa Partnership, on the basis of documents [C/MIN\(2022\)4](#) and [C/M\(2022\)14](#), Item 175, iv) in June 2022, the OECD Secretariat and the African Union Commission (AUC) have engaged in a process of consultations to shape and formalise an enhanced and inclusive partnership based on equal-footing dialogue and mutual interest.
4. The proposed partnership aims at implementing a commonly agreed agenda of work designed to support Africa's transformational agenda and foster African countries' convergence with OECD standards and best practices, leveraging on the existing work with Africa's continental, regional and national stakeholders and paving the way for new areas of work. The partnership would amplify stronger presence of African countries across the OECD where governmental officials gather to discuss policies aimed at addressing global and regional challenges, thus enriching the OECD's information and know-how to level the global playing field and enhance policy coherence for development.

¹ [The African Union Commission \(AUC\) and the OECD discuss potential partnership for responding to global challenges](#)

Box 1. The consultation process

The methodology for identifying the priority areas was based on three main criteria set jointly by the African Union Commission (AUC) and the OECD Secretariat and aimed at ensuring:

- a) Results-oriented conversations focused on domains where the OECD has recognised added value
- b) Ownership and political buy-in built through discussions led at both senior leadership and technical levels.
- c) Relevance, efficacy, efficiency and sustainability through clear monitoring and evaluation mechanisms.

To reflect the diversity of the African continent and take into consideration the perspectives of the different stakeholders, the consultation process combined three levels of engagement at the continental, regional and country levels.

African Union Commission (AUC). The AUC has engaged with the OECD Secretariat at senior political level with its Deputy Chairperson, H.E. Monique Nsanzabaganwa, leading the process along with the OECD Deputy Secretary-General, Ms. Kerri-Ann Jones. Following a first in-depth discussion with H.E. Albert Muchanga, Commissioner for Trade and Industry, consultations at Commissioner level have taken place on Agriculture, Rural Development, Blue Economy, and Sustainable Environment (H. E. Josefa Leonel Correia Sacko) as well as Education, Science, Technology, and Innovation (H.E. Mohamed Belhocine). These meetings involved OECD Directors and resulted in the identification of a clear set of priorities for each policy area.

Multilateral and regional African entities. The consultation process involving Regional Economic Communities (RECs) and African specialised agencies has taken place through discussions at senior leadership level and/or meetings at the working level. Consultations have been held with the Community of West African States (ECOWAS); the Common Market for Eastern and Southern Africa (COMESA); the Southern African Development Community (SADC); the West African Monetary and Economic Union (WAEMU); the Economic and Monetary Community of Central Africa (CEMAC); the Secretariat of the African Continental Free Trade Area (AfCFTA); the African Union Development Agency (AUDA-NEPAD); the United Nations Economic Commission for Africa (ECA); the African Peer Review Mechanism (APRM); and the African Development Bank (AfDB).

African countries. The engagement has started with African countries that have strong and longstanding linkages with the OECD, as well as with countries that have showed interest in deepening relations. A first step towards the establishment of the informal Group of **Friends of Africa**, whose aim is to foster dialogue and exchange of information between OECD and African Ambassadors, has been made with the working lunch organised on the visit of His Majesty King Felipe VI of Spain at the OECD.

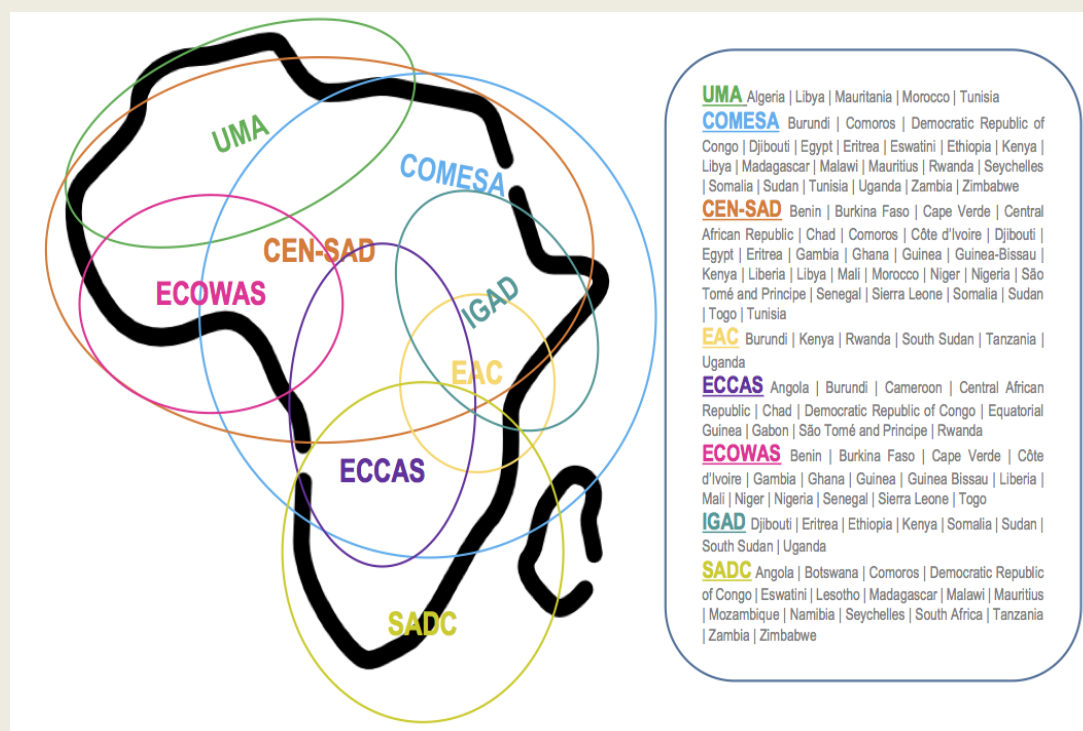
The OECD Secretariat participated in the African Union Summit on Industrialisation and Economic Diversification hosted by the Government of Niger in Niamey, from 20 to 25 November 2022, as well as in the AfCFTA Business Forum in Cape Town, South Africa, from 16 to 19 April 2023.

Strategic focus of the partnership: continental integration as a main driver of economic transformation

5. **Africa's priorities are guided by Agenda 2063, a wide-ranging long-term vision for the continent.**² The Agenda 2063 is a continental strategic framework that aims to deliver inclusive and sustainable development across regions and countries. Agenda 2063 includes issues such as regional integration and productive transformation, agriculture and food security, taxes, innovative finance for sustainable development, infrastructure financing, good governance, private sector development, technological innovation, climate change, green and blue growth, triangular and South-South co-operation, as well as equal contribution by women and men to the development of their societies.
6. The consultations have highlighted continental economic integration as a main driver of policy action and structural transformation. **The African Continental Free Trade Agreement (AfCFTA)** and its multiple implications encompass a strategic policy agenda, with great potential impact at multilateral, regional, and national levels. The fallout of the **COVID-19 pandemic** and **Russia's war of aggression against Ukraine** have reinforced the political momentum for integration. Severe supply chain disruptions, increases in energy and food prices, insufficient pharmaceutical supplies - that resulted in the lowest vaccination rates in the world - strengthen the need for enhancing economic resilience at the continental level.
7. The consultations have indicated that the implementation of the AfCFTA should prioritise the alignment of national policies with continental objectives and that the expertise of the OECD in this domain could provide useful guidance, including through reinforced co-operation with **RECs**, which are called to play an important role in achieving this objective. Indeed, since its creation over 60 years ago, the OECD works to help its Members promote a culture of compliance and accountability through alignment of their policy and legal frameworks with their commitments at the multilateral level. To this purpose, effective mechanisms of identification and dissemination of good practices, as well as processes of peer-learning and peer review contribute to increasing the overall quality and impact of Member countries' policies. This work, conducted through the different OECD policy communities, can inspire the engagement of the RECs with continental institutions and African countries.
8. The AU recognises eight RECs created to facilitate, through their convening power, economic integration and collaboration between African countries. Their Secretariats ensure Member States' compliance with treaty obligations, facilitate multilateral decision-making and the implementation of policies towards regional integration. While the RECs are autonomous institutions, the AU plays an important role in strengthening policy coordination among these institutions to promote unity among African people. Improving coordination between the RECs and the AU is a target these institutions are striving to achieve. For instance, AUDA-NEPAD is working to establish a platform to strengthen coordination among the RECs and help them deliver on their objectives in a harmonised manner. As part of the consultations, AUDA-NEPAD has invited the OECD to support this platform and contribute to its objectives.

² African Union (2013) <https://au.int/en/agenda2063/overview> and <https://au.int/en/agenda2063/goals>.

Box 2. Mapping of Africa's Regional Economic Communities (RECs)



Source: OECD elaboration (2021)

9. The diversity of Africa requires tailored approaches to suit the heterogeneity of its countries. Such heterogeneity lies in different **degrees of economic growth and diversification**, as well as different **structural conditions** affecting various African economies. Larger diversified economies, such as Egypt and South Africa, landlocked economies, coastal economies, resource-rich economies, and countries exposed to fragility risks, such as the Sahel, and West and Central Africa region, are confronted with diverse conditions and challenges, which need to be addressed by the partnership.

Areas of work and deliverables of the partnership

10. Following the extensive process of consultations, the thematic areas that have been identified are: 1) **Regional integration through trade, investment, and value chain resilience**; 2) **Resources mobilisation for economic transformation**; 3) **Human capital development and just green transition for sustainable growth**; 4) **A transversal pillar on statistics and data development**.
11. The collaboration in these areas will follow a gradual approach. The engagement between the AU and the OECD will be a key feature of this approach. This will include high level

policy dialogue and technical collaboration, as well as participation in selected bodies. In addition, OECD substantive committees will be invited to consider the participation of the AU in their meetings and those of their subsidiary bodies in accordance with OECD rules of procedure. The continental pillar would be further strengthened through partnerships with the **AfCFTA Secretariat**, **AUDA-NEPAD** and the **APRM** based on the interest expressed by these institutions. This document also proposes specific engagements at the regional level with three Regional Economic Communities (namely **ECOWAS**, **COMESA** and **SADC**) as a pilot approach to enhance the impact of the partnership at the continental level and foster dissemination of OECD standards across regions and countries.

Regional integration through trade, investment, and value chain resilience

Strategic objectives

12. Increasing trade and investment – both from within and outside Africa – will be critical for achieving regional integration and growth. The integration of Africa into a free and open global trade system would further foster sustainable development across the continent. Africa is home to 33 out of 46 Least Developed Countries (LDCs) globally, which all face a chronic trade deficit that grew by two and a half times over the last decade, from USD 40 billion in 2011 to 99 in 2020.³ Enhancing trade opportunities by improving market access for LDC products, including through duty-free and quota-free market access, would support LDCs in realising their potential, especially in sectors that are key for the employment and livelihood of people, such as agriculture and fisheries.
13. Currently, Africa accounts for less than 3% of **foreign direct investment (FDI)** stock⁴ while **intra-African trade** is only at 14% of total African exports.⁵ The AfCFTA is expected to increase intra-African trade by 15-20% by 2040,⁶ opening opportunities for African economies in terms of attracting investment for the development of intra-African value chains and the enhancement of **intra-African investment**. It can also boost the recovery from the consequences of COVID-19 and the Russian war of aggression against Ukraine, reduce vulnerabilities, and build supply chain resilience to deliver more and better jobs.
14. The African Union has accelerated the AfCFTA implementation as a theme for its Summit in 2023, in particular the implementation of the Investment Protocol. Protocols on Competition Policy and Intellectual Property Rights have also been high on the Summit agenda⁷, as effective competition frameworks in each African countries is a precondition for trade and investment policies to translate into higher per capita income growth. The OECD and the AUC have considerably advanced in the design of the **AU-OECD Investment Observatory**, whose launch is expected in 2023 to help boost private investment and enhance the mobilisation of domestic resources for productive transformation and job creation. The Observatory will also feed into existing AU, OECD

³ WTO, Least Developed Countries' Integration in Global Trade 2011-2020.

⁴ World Bank Development Indicators, and AUC/OECD, 2018

⁵ UNCTAD (2021), <https://unctad.org/news/blog-new-opportunities-accelerating-pan-african-trade>

⁶ UNECA (2020), Economic Report on Africa 2020: Innovative Finance for Private Sector Development in Africa Development in Africa, United Nations Economic Commission for Africa, <https://unece.org/era2020>

⁷ These Protocols to the Agreement Establishing the African Continental Free Trade Area (AfCFTA) have been approved by the Assembly of Heads of States of the AU in February 2023.

and other programmes on awareness raising, analysis, skills development activities, policy dialogue, and support for policy implementation at the RECs and country levels.

15. Enhancing the **resilience of regional and global value chains** in the economic agenda of African countries could accelerate economic diversification and industrialisation in the continent and reduce dependency on primary goods and natural resources as exports. Stronger development of continental value chains can also support African companies in the development of their productive capabilities through leveraging their strengths and specialisations. Sectorial approaches are also relevant to achieve strategic objectives, such as increasing pharmaceutical supplies to address unforeseen health crisis and **agri-food** production to foster the transition towards **sustainable agrifood systems**.
16. Agriculture is key to African strategies aimed at promoting job creation and growth. The impact of climate change, COVID-19, and Russia's war of aggression against Ukraine on food prices urged African governments to further prioritise support to this sector. The participation of African countries in the **OECD Agricultural Codes and Schemes**⁸ would facilitate considerably Africa's integration into the international trade system while contributing to environmental protection. For instance, COMESA already applies the OECD Seeds Schemes as a benchmark in international seed trade between its Member States. Africa could also benefit from integration into the **Agricultural Policy Monitoring and Evaluation** that provides policy solutions based on comparable information across countries on the nature and extent of support and aimed at supporting governments in achieving long-term goals and tackle challenges posed by climate change and other food-system challenges. Stronger integration of Africa in the work of the OECD work on agricultural support may facilitate the design of policies that promote the health of populations and benefit the environment, the incomes of farmers and the poor.

Outputs and relevant OECD and AU bodies	
<p>Enhancing and mainstreaming the following existing initiatives:</p> <ul style="list-style-type: none"> ○ OECD Sustainable Investment Programme for Africa (SIPA) ○ AUC-OECD Platform on Investment and Productive Transformation in Africa ○ Africa's Development Dynamics flagship report ○ ECOWAS: Unlocking Investment for Development ○ Emerging Markets Network (EMnet) ○ EU-OECD Programme on Investment in the Mediterranean (Phase II) ○ AUC-OECD International Economic Forum on Africa <p>Upcoming initiatives:</p> <ul style="list-style-type: none"> ○ Establishment of the OECD-AU Investment Observatory (AfIO) ○ Multilateral dialogue on rethinking and redesigning international cooperation and development partnerships with Africa 	<p>Relevant OECD bodies:</p> <ul style="list-style-type: none"> • Development Centre Governing Board • Investment Committee • Committee for Agriculture <ul style="list-style-type: none"> ○ Joint Working Party on Agriculture and the Environment (joint with the Trade Committee) • Environment Policy Committee <ul style="list-style-type: none"> ○ Joint Working Party on Trade and the Environment (joint with the Trade Committee) • Committee on SMEs and Entrepreneurship • Regulatory Policy Committee • Competition Committee • Committee for Industry, Innovation and Entrepreneurship (CIIE) <p>Relevant AU bodies</p>

⁸ Decision Revising the OECD Schemes for the Varietal Certification or the Control of Seed Moving in International Trade [[OECD/LEGAL/0308](#)]; Decision revising the OECD Standard Codes for the Official Testing of Agricultural and Forestry Tractors [[OECD/LEGAL/0334](#)]; Decision revising the OECD Scheme for the Application of International Standards for Fruit and Vegetables [[OECD/LEGAL/0346](#)]; Decision establishing the OECD Scheme for the Certification of Forest Reproductive Material Moving in International Trade [[OECD/LEGAL/0355](#)].

<p><i>African focus in OECD global initiatives:</i></p> <ul style="list-style-type: none"> ○ OECD Initiative on Global Value Chains (GVCs), Production Transformation and Development ○ OECD-FAO Guidance for Responsible Agricultural Supply Chains ○ Agricultural Policy Monitoring and Evaluation ○ Trade in Value Added (TiVA) ○ OECD Global Forum on Competition 	
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Activities year 1

- Africa's Development Dynamics flagship report
- AUC-OECD International Economic Forum on Africa
- Establishment of the OECD-AU Investment Observatory (AfIO)
- Policy reports on Sustainable Investment Perspectives in SADC and EAC identifying regional challenges and opportunities for attracting quality investment, in partnership with respective REC-level investment bodies and involving public-private dialogue activities
- Mapping the evolving regulatory environment for digital trade and collecting information on existing barriers to digital trade through the use of the OECD's Digital Services Trade Restrictiveness Index (Digital STRI) methodology.
- Meeting of the OECD Working Party of National Experts on Science and Technology Indicators (NESTI) to which the AU participates through AUDA-NEPAD.

Resource mobilisation for economic transformation

Strategic objectives

17. Official development finance has historically been an important factor to mobilise resources for Africa.⁹ Yet, financing the multiple needs of African economic transformation far exceeds the capacity of official development assistance and this calls for a mobilisation and alignment of domestic financial resources and private finance. Africa seeks to accelerate its economic growth to meet its **development agenda goals** in a way that is financially and environmentally sustainable. The cost to achieve the SDGs by 2030 in Africa is estimated at about USD 1.3 trillion a year.¹⁰ Yet, every year, Africa is deprived of important resources that are necessary for its sustainable growth policies, due to tax evasion and other illicit financial outflows.¹¹

⁹ Preliminary statistics on Official Development Assistance (ODA) in 2022 suggest that net bilateral aid flows from DAC countries to Africa amounted to USD 34 billion, a drop of 7.4% in real terms from 2021. Total ODA from official donors to Africa was USD 75.5 billion, meaning that a large portion of ODA is also channelled through multilateral organisations and non-DAC providers.

¹⁰ UNECA (2020), Economic Report on Africa

https://www.uneca.org/sites/default/files/chapterimages/CHAPTER%205_LONG-TERM%20FINANCING%20FOR%20SUSTAINABLE%20DEVELOPMENT%20IN%20AFRICA.pdf

¹¹ 25 African countries joined the historic agreement on a [two-pillar solution to address the tax challenges arising from the digitalisation of the economy](#), which reallocates more than USD 125 billion of profits from around 100 of the world's largest and most profitable multinationals and sets a globally agreed minimum corporate tax rate of 15% for the first time, leading to a minimum of USD 150 billion of additional revenues. African members of the Inclusive Framework have influenced the global tax deal significantly, working with the African Tax Administration Forum (ATAF) and the Cercle de réflexion et d'échange des dirigeants des administrations fiscales (CREDAF) in Francophone Africa.

18. In 2020, Africa's average tax-to-GDP ratio was 16% down by 0.3 percentage points from 2019 due to the impact of the COVID-19 pandemic. Africa's tax-to-GDP ratio in 2020 was below the average for economies in Asia and the Pacific (19.1%), Latin America and the Caribbean (21.9 %), and the OECD average (33.5 %).¹² Illicit financial flows are estimated to be in the range of USD 50-80 billion annually for the continent. According to the last Corruption Perceptions Index, sub-Saharan Africa remains the lowest performer with an average score of 32/100.¹³ And given the size of the informal sector in Africa, there are numerous economic activities which go untaxed.
19. Better identifying the potential tax base through enhanced revenue statistics and fighting tax fraud and avoidance are key to increase tax revenues. It is also important to counter trade-based **illicit financial flows** and address the transnational dimension of **corruption** and of its enablers to enhance domestic resource mobilisation. This can also send a strong signal that Africa is implementing good economic governance standards and is taking necessary steps to enhance its attractiveness through sound regulatory frameworks, which could improve access to capital with better conditions for large scale projects, including through export credits. The OECD could facilitate a dialogue exercise on **export credits** between relevant stakeholders to enhance mutual understanding and alignment with OECD standards and best practices.
20. **Improved tax systems through sound tax policy reforms** would be beneficial to enhance domestic resource mobilisation and economic growth while increasing accountability of public institutions to their citizens. Interested African governments could benefit from capacity-building and institutional development support for the design of rules and regulations of state administrations and the monitoring of their performance. Increased participation of African countries in the **Forum on Tax Administration (FTA)** where stakeholders discuss global trends and new ideas to improve the fairness, efficiency, and effectiveness of tax administrations would support the achievement of this objective. Moreover, stronger inclusion of African countries in OECD publications and analysis, such as the **Tax Policy Reforms** report would provide policymakers with comparative information on tax reforms across a wide range of countries, both from within and outside the OECD community.

Outputs and relevant OECD and AU bodies

Enhancing the following existing initiatives:

- Africa Initiative of the Global Forum on Transparency and Exchange of Information for Tax Purposes and regional partners in Africa
- Fiscal Transition Support Programme in West Africa
- Revenue Statistics in Africa annual report
- VAT Digital Toolkit for Africa
- OECD/AfDB joint initiative to support business integrity and anti-bribery efforts in Africa

African focus in OECD global initiatives:

- OECD/UNDP Tax Inspectors Without Borders
- OECD Debt Transparency Initiative
- OECD International Academy for Tax and Financial Crime

Relevant OECD bodies:

- Development Centre Governing Board
- Committee on Fiscal Affairs
 - Inclusive Framework on Base Erosion and Profit Shifting (BEPS)
 - Forum on Tax Administration (FTA)
 - Task Force on Tax Crimes and Other Crimes
 - Working Party No. 10 on Exchange of Information and Tax Compliance
 - Working Party No. 2 on Tax Policy Analysis and Tax Statistics
- Global Forum on Transparency and Exchange of Information for Tax Purposes
- Committee on Financial Markets
 - Joint Task Force on Institutional Investors and

¹² OECD (2022), Revenue Statistics <https://doi.org/10.1787/2617653x>

¹³ Transparency International (2022), Corruption Perceptions Index 2022 <https://www.transparency.org/en/cpi/2022>

<ul style="list-style-type: none"> Investigation ○ OECD Auditors Alliance ○ OECD Spending Better Framework ○ Official Development Assistance (ODA) and Total Official Support for Sustainable Development (TOSSD) ○ INFF (Integrated National Financing Frameworks) Facility (joint UN-DESA, UNDP, OECD). ○ Finance for Sustainable Development and Blended Finance 	<ul style="list-style-type: none"> Long-Term Financing (TFLT) (joint with the Insurance and Private Pensions Committee) ○ Working Party on Debt Management (WPDM) • Development Assistance Committee ○ DAC Network on Governance (GovNet) ○ DAC Network on Environment (Environet) ○ DAC Working Party on Development Finance Statistics (WP-STAT) • Public Governance Committee and its subsidiary bodies • Committee of Senior Budget Officials <p>Relevant AU bodies</p>
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Year 1 activities

- Revenue Statistics in Africa annual report
- Global Forum's Africa Initiative meeting – annual
- Tax Transparency in Africa annual report
- Global conference on the future of resource taxation by ATAF and the Intergovernmental Forum on Mining, Minerals, Metals and Sustainable Development (IGF)
- Pan-African Network Conference on Fighting Illicit Financial Flows in Africa – 2024
- Workshop on Revenue Statistics jointly organised by the AUC, ATAF and the OECD – 2023
- Report for the G7: International Tax and Africa – Challenges and Opportunities for African Countries
- TOSSD Friends of Africa group meetings – 2023 and 2024

Human capital development and just green transition for sustainable growth

Strategic objectives

21. Since 2009, the out-of-school population in sub-Saharan Africa has increased by 20 million, reaching 98 million in 2021, and 17 million additional teachers are needed to respond to the demand. Africa strives for both **quality education** and **quality of teaching**, as well as for educational systems that allow to meet the knowledge, technology and innovation required for sustainable development. This includes **ICT skills development** and the **digitalisation of education** in a context in which the AfCFTA is expected to unleash the huge potential of the digital economy, estimated to reach USD 180 billion by 2030.¹⁴ Creating safe, regular and orderly pathways for human mobility can play a determining role in ensuring the right skills are acquired and matched across African labour markets and take advantage of the continental integration process. Mainstreaming OECD programmes and initiatives, such as the **Programme for International Student Assessment (PISA)** and the **Teaching and Learning International Survey (TALIS)**, could support the achievement of the targets set by the AUC.

¹⁴ IFC (2020), Tapping Africa's \$180 billion opportunity

https://www.ifc.org/wps/wcm/connect/news_ext_content/ifc_external_corporate_site/news+and+events/news/insights/internet-economy-africa

22. Gender disparity persists across the continent, with a female out-of-school rate that is 4.2% age points higher than the male rate.¹⁵ African women are disproportionately affected by poverty and the pandemic. The growing effects of climate change have been farther exacerbating **gender inequalities**. Over the past decade, African countries have made considerable efforts towards closing the gender gap.¹⁶ However, the progresses made in some areas have not translated into enhanced gender equality in all areas and boosting women's economic empowerment and their participation in public life is still a major goal at the core of the AUC's programme of work. Africa is also the youngest continent in the world, with 70% of its population being under the age of 30.¹⁷ Such a high number of young people is an opportunity for the continent's growth, but only if these new generations are fully empowered. The AUC has developed several **youth development** policies and programmes at continental level aimed at ensuring the continent benefits from its demographic dividend. The partnership could benefit from the OECD Horizontal Project "A Better Future for Young People in Ageing Societies", which focuses on strategies to improve youth measures and outcomes in several domains, including employment, entrepreneurship, education and social policies, as well as civic engagement and public governance. Moreover, the partnership will support the ongoing work conducted by the AUC, as well as by regional institutions and African countries, aimed at fostering the economic empowerment of women and youth, including through the angle of enhancing the capabilities of women and youth entrepreneurs and encouraging the formalisation of SMEs.
23. African countries and institutions place a great deal of importance on the compliance of business enterprises and corporate actors with standards related to **responsible business conduct**, particularly in high-risk sectors such as oil and gas, mining, and construction. As **alignment with safeguards and accountability mechanisms** is perceived as key to ensure respect of human rights and improve social development, African institutions seek support in fulfilling corporate responsibility and in ensuring access to remedies for victims.¹⁸
24. Achieving **climate resilience** and a **just green transition** may have short term costs but could also have several positive effects on Africa's economic and social dynamics. By reinforcing existing vulnerabilities, climate shocks are likely to lead to long-term setbacks for human development, including through exacerbating gender-based inequalities. Climate change is hampering African countries' economic growth with average annual losses in GDP per capita growth of 5–15 % during 1986-2015.¹⁹ With fast urbanisation and wide infrastructure gaps, African countries have an opportunity to build climate resilient and low-carbon infrastructure for the green energy transition. One challenge is to identify investment opportunities for climate finance and to ensure that

¹⁵ UNESCO (2022), Factsheet 62/Policy Paper 48 <https://unesdoc.unesco.org/ark:/48223/pf0000382577>

¹⁶ World Bank (2023), Women, Business and the Law <https://openknowledge.worldbank.org/server/api/core/bitstreams/105265e8-311a-4b39-a71b-e455a86dd0ba/content>

¹⁷ UN (2022) Office of the High Representative for LDCs <https://www.un.org/ohrrls/news/young-people%E2%80%99s-potential-key-africa%E2%80%99s-sustainable-development>

¹⁸ The OECD Guidelines for Multinational Enterprises [OECD/LEGAL/0144] are the first international standard to integrate respect for human rights as a corporate responsibility and are also the first international corporate responsibility instrument to recommend incorporating risk-based due diligence into all areas where business operations intersect with society.

¹⁹ AfDB (2022), African Economic Outlook 2022 <https://www.afdb.org/en/documents/east-africa-economic-outlook-2022>

climate finance is additional to development finance.²⁰ The AUC is engaged in fostering accountability through alignment of national investment plans and policies in the areas of agriculture and environment with the objectives of Agenda 2063 and the SDGs. Developing joint work on climate change could be mutually beneficial – e.g. addressing the challenges related to water scarcity, assessing the long-term trends of climate change impacts in African countries to limit loss and damage and organising policy dialogues on enhancing climate resilience and supporting a just green transition in Africa.

25. Climate change is also disrupting livelihoods and forcing people to move away from their homes to other parts of the country, or to other countries. Integrating forced displacement into national adaptation plans is crucial, as is the creation of human mobility pathways for new green skills, adapted to greener economic models, such as skills mobility partnerships. The OECD could support the AUC in developing and putting in place effective mechanisms to monitor the implementation of strategies and reforms and report on progress. The **OECD Paris Collaborative on Green Budgeting** provides a platform for governments to introduce monitoring and reporting mechanisms on the government revenue, expenditure and subsidies to improve climate resilience. Moreover, the OECD could share policy guidance and best practices to support the implementation of the African Union Green Recovery Action Plan 2021-2027, which focuses on critical pillars such as access to finance, clean energy transition and just transition, climate change adaptation and nature-based solutions, resilient agriculture, and green cities. Moreover, by fostering participation of African countries in the **Inclusive Forum on Carbon Mitigation Approaches (IFCMA)**, the OECD could support the achievement of African countries' objectives in terms of context-specific mitigation policies through data and information sharing, evidence-based mutual learning, and equal-footing multilateral dialogue.

Outputs and relevant OECD and AU bodies	
<p>Enhancing the following existing initiatives:</p> <ul style="list-style-type: none"> ○ OECD Responsible Minerals Implementation Programme ○ OECD joint project with the APRM on policy coherence for implementing the 2030 Agenda and Agenda 2063 in Africa ○ Open Government Initiative ○ MENA-OECD Women's Economic Empowerment Forum (WEEF) ○ MENA-OECD Youth Empowerment Network <p>African focus in OECD global initiatives:</p> <ul style="list-style-type: none"> ○ OECD Trust in Business Initiative ○ International Programme for Action on Climate (IPAC) ○ OECD Global Forum on Environment ○ Roundtable on Water Financing in Africa ○ OECD Paris Collaborative on Green Budgeting ○ Policy Dialogue on Natural Resource-based Development (PD-NR), including the implementation of the Equitable Framework and Finance for Extractive-based Countries in Transition (EFFECT) ○ Programme for International Student Assessment (PISA) ○ Teaching and Learning International Survey (TALIS) ○ OECD Gender Initiative ○ Social Institution and Gender Index (SIGI) 	<p>Relevant OECD bodies:</p> <ul style="list-style-type: none"> • Development Centre Governing Board • Investment Committee <ul style="list-style-type: none"> ○ Working Party on Responsible Business Conduct (WPRBC) • Environment Policy Committee and subsidiary bodies • Public Governance Committee and its subsidiary bodies • Education Policy Committee <ul style="list-style-type: none"> ○ PISA Governing Board ○ TALIS Governing Board • Development Assistance Committee <ul style="list-style-type: none"> ○ Network on Gender Equality (GENDERNET) ○ Network on Environment and Development Co-operation (ENVIRONET) • Employment, Labour and Social Affairs Committee <ul style="list-style-type: none"> ○ Working Party on Social Policy • Health Committee • Committee on Fiscal Affairs, Environment Policy Committee, Economic Policy Committee <ul style="list-style-type: none"> ○ Inclusive Forum on Carbon Mitigation Approaches (IFCMA)

²⁰ The G20 mandated OECD report [Investing in Climate, Investing in Growth](#) (OECD, 2017) showed that countries can achieve strong and inclusive economic growth while reorienting their economies towards development pathways with low GHG emissions and high resilience to the effects of climate change.

<ul style="list-style-type: none"> ○ Youth Empowerment and Intergenerational Justice ○ OECD work on triangular co-operation in Africa and on climate ○ OECD work on scientific and research careers (CSTP) ○ OECD Global Forum on Technology ○ Development in Transition ○ Policy Dialogue on Migration and Development (PDMD) ○ OECD Horizontal Project “A Better Future for Young People in Ageing Societies” 	<ul style="list-style-type: none"> ● Committee for Scientific and Technological Policy ● Committee on Digital Economy Policy ● Committee on Industry, Innovation and Entrepreneurship <p>Relevant AU bodies</p>
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Year 1 activities

- OECD Responsible Minerals Implementation Programme, activities on:
 - a) Promoting responsible mineral supply chains in conflict-affected and high-risk areas.
 - b) Establishment and support of multi-stakeholder RMG in gold mineral supply chains in West Africa.
 - c) Promotion of tin, tungsten, tantalum, gold, cobalt, copper and lithium responsible value chains.
- Capacity needs assessment and capacity building in preparation for participation in 2025 PISA cycle with Egypt (also in PISA Lead Analyst Programme), Ghana (also in PISA Lead Analyst Programme) and Kenya (also in PISA Lead Analyst Programme) – publication of reports on capacity needs assessment.
- Activities under the OECD-APRM joint project on policy coherence for implementing the 2030 Agenda and Agenda 2063 in Africa
- Social Institution and Gender Index (SIGI) report
- Policy analysis on triangular co-operation in Africa as part of the new report on Global perspective on triangular co-operation
- OECD Global Forum on Environment with a focus on Africa
- African focus in the Annual Policy Dialogue on Migration and Development (PDMD)

Statistics and data development

Strategic objectives

26. A **transversal pillar on statistics and data development** to produce comparable analyses and effective public policies will be mainstreamed in the above-mentioned policy areas. Within the three areas of work, the partnership will support statistical capacity building to strengthen data production and dissemination and promote convergence with OECD and international statistical standards. This will also be instrumental in fostering to enable **integration in the OECD’s statistical work**.
27. Work on statistics and data development could leverage ongoing collaborations at the continental level. The OECD could also facilitate co-operation with the **Partnership in Statistics for Development in the 21st Century (PARIS21)** initiative, whose Secretariat is hosted within the OECD’s Statistics and Data Directorate. In particular, the **Statistical Capacity Monitor** could be leveraged to support African countries in developing statistical capacities through tracking their progress towards effective national statistical systems.

Outputs and relevant OECD and AU bodies	
Strengthening African statistical systems, quality data production and data use.	Relevant OECD bodies <ul style="list-style-type: none"> Committee on Statistics and Statistical Policy and subsidiary bodies

Year 1 activities

- Regional training workshops on the Guidelines for National Strategy for the Development of Statistics (NSDS).
 - Regional training for top managers of national statistics office.
 - Monitoring funding for statistics through national budget – continental annual report.
 - Training for middle managers of national statistics office in selected countries: Burkina Faso, Lesotho, Liberia, and Sierra Leone.
 - Training for journalists and statisticians on data communication strategy
28. The activities to implement during year two and three will be designed building on the results of the first year of implementation. New areas of work and deliverables may be considered, provided that the necessary resources are mobilised.

Institutional considerations

29. The cornerstone of the Africa-OECD Partnership will be the collaboration between the OECD and the AU. The two organisations are in the process of renewing their Memorandum of Understanding (MoU)²¹ to integrate the operational modalities elaborated in this document and set the governance mechanism for their overall collaboration.
30. The collaboration between the two organisations, to be enshrined in the renewed MoU, would aim to foster institutional policy dialogue between the OECD and the AU through regular participation in high-level meetings and meetings of relevant bodies, based on the principle of reciprocity.
31. A **bilateral AU-OECD joint steering group** would monitor the implementation of the partnership and convene every six months to discuss progresses and challenges, as well as upcoming priorities based on strategic considerations. The steering group, whose composition will be discussed and agreed upon between the AUC and the OECD, will decide on the annual programme of work. Representatives of RECs and other regional institutions, as well as other stakeholders, may be invited to participate to meetings or parts of the meetings of the steering group based on their relevance and interest.
32. The effective implementation of the partnership would benefit from a **monitoring and evaluation system based on targeted indicators**. This tool will be inspired by the practices and evaluations of Country Programmes, notably regarding the methodology used to measure qualitative and quantitative metrics. The system will allow to track progress in implementing each policy recommendation of the OECD using logical frameworks.

²¹ Memorandum of Understanding between the African Union and the OECD 2014-2016; Memorandum of Understanding between the African Union and the OECD 2016-2021.

33. In addition to the AU, six African continental and regional institutions have expressed interest in entering into structured relationships with the OECD: the **AfCFTA Secretariat**, **AUDA-NEPAD**, the **APRM**, and three RECs, namely **ECOWAS**, **COMESA** and **SADC**. Under the overall umbrella of the Africa-OECD Partnership, specific agreements could therefore set the modalities for institutional collaboration and identify the priority areas for co-operation in line with the programme of work. Through such agreements, the convening power of continental and regional institutions would be leveraged to disseminate OECD work across African countries.

Table 1. Focus of the engagement with African organisations

African organisation	Main focus ²²
African Union Commission	<ul style="list-style-type: none"> • High-level political engagement through participation in high-level meetings in particular the OECD MCM and the AU Assembly at Heads of State and Government level • Policy dialogue and peer-learning through AU's participation in OECD substantive Committees and OECD's participation in AU Specialised Technical Committees (STCs). • Enhancing existing joint collaboration: <ul style="list-style-type: none"> ○ Africa's Development Dynamics flagship report ○ International Economic Forum on Africa ○ Revenue Statistics in Africa annual report • New OECD-AU Investment Observatory (AfIO)
AfCFTA Secretariat	<ul style="list-style-type: none"> • Investment • Competition policies • Digital trade
AUDA-NEPAD	<ul style="list-style-type: none"> • Leveraging AUDA-NEPAD coordination mechanism with the RECs to improve collaboration with these regional communities • Trade and investment and quality infrastructure <ul style="list-style-type: none"> ○ Leverage and expand the AUDA-ACET-OECD project on Accelerating and Scaling-up Quality Infrastructure Investment in Africa (ASQIIA) • Build upon existing collaboration with AUDA on promoting a multilateral dialogue on rethinking international cooperation and development partnerships with Africa, within the framework of <i>Development in Transition</i>.
APRM ²³	<ul style="list-style-type: none"> • Co-operation with the APRM on strengthening governments' capacities to enhance policy coherence for implementing the 2030 Agenda and Agenda 2063
ECOWAS	<ul style="list-style-type: none"> • Trade and investment • Public governance • Statistics

²² In line with the respective rules and established practices of the concerned organisations.

²³ The MoU between the OECD and the APRM focusing on public and corporate governance will be signed in the margins of the UN High-Level Political Forum on the 2030 Agenda taking place on 10-19 July 2023.

COMESA	<ul style="list-style-type: none"> • Trade and investment • Gender equality • Statistics
SADC	<ul style="list-style-type: none"> • Investment • Human capital • Competition policies

34. The proposed partnership would reflect existing country-specific approaches and could incorporate further work with selected countries based on demand and mutual interest. The fruitful co-operation with South Africa, Key Partner of the OECD, as well as with Egypt and Morocco through the respective Country Programmes would be leveraged to facilitate the sharing of experiences and the dissemination of results and best practices across regions, so as to encourage other countries to follow suit.
35. The **External Relations Committee (ERC)** and **Council** would continue ensuring oversight and strategic guidance through discussions based on regular reporting by the **Secretary-General** and his team. Subsidiary bodies would contribute to and oversee specific outputs. The **Directorate for Global Relations and Co-operation (GRC)** would ensure the overall coordination of the partnership, guarantee horizontal synergies between the substantive Directorates, as well as sharing information.
36. The informal **Group of Friends of Africa** of OECD Ambassadors could meet on a regular basis and engage with African Ambassadors to discuss strategic orientations and common priorities that the partnership could address. OECD member countries' Permanent Representatives to the AU may be invited to attend meetings of the Group with the purpose of providing insights as well as facilitating contacts with AU high-level senior officials.
37. The OECD Istanbul Centre and the OECD Centre on Public Governance in Caserta will support the implementation of the partnership.
38. Voluntary contributions (VCs) would need to be mobilised for the implementation of the partnership.

