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**An Overview of
Agenda 2063**



The AFRICA We Want



First Ten Year Implementation Plan

AU Anthem

Let us all unite and celebrate together
The victories won for our liberation
Let us dedicate ourselves to rise together
To defend our liberty and unity

O Sons and Daughters of Africa
Flesh of the Sun and Flesh of the Sky
Let us make Africa the Tree of Life

Let us all unite and sing together
To uphold the bonds that frame our destiny
Let us dedicate ourselves to fight together
For lasting peace and justice on earth

O Sons and Daughters of Africa
Flesh of the Sun and Flesh of the Sky
Let us make Africa the Tree of Life

Let us all unite and toil together
To give the best we have to Africa
The cradle of mankind and fount of culture
Our pride and hope at break of dawn.

O Sons and Daughters of Africa
Flesh of the Sun and Flesh of the Sky
Let us make Africa the Tree of Life

FIRST TEN YEAR IMPLEMENTATION PLAN

Over the past 50 years (1963-2013) Africa focused her collective on the decolonization, the struggle against apartheid and attainment of political independence for the continent. On the occasion of the golden jubilee (May 2013) of the Organization of African Unity (OAU)/African Union (AU) which spearheaded the decolonization process, the continent re-dedicated herself to the attainment of the Pan African Vision of *An integrated, prosperous and peaceful Africa, driven by its own citizens, representing a dynamic force in the international arena*. To achieve this vision, the Golden Jubilee Summit of the Union came up with a solemn declaration in eight areas spanning: social and economic development; integration, democratic governance and peace and security amongst others as the planks of the vision.

In order to make the solemn declaration a reality and within the context of the AU Vision, the Golden Jubilee Summit of the Union directed the African Union Commission (AUC), supported by the New Partnership for Africa's Development (NEPAD) Planning and Coordinating Agency (NPCA), the African Development Bank (AfDB) and the UN Economic Commission for Africa (UNECA), to prepare a continental 50-year agenda through a people-driven process outlining the *Africa We Want*, namely **Agenda 2063**.

The Seven Aspirations

- Aspiration 1: A prosperous Africa based on inclusive growth and sustainable development.
- Aspiration 2: An integrated continent; politically united and based on the ideals of Pan-Africanism and the vision of Africa's Renaissance.
- Aspiration 3: An Africa of good governance, democracy, respect for human rights, justice and the rule of law.
- Aspiration 4: A peaceful and secure Africa.
- Aspiration 5: An Africa with a strong cultural identity, common heritage, shared values and ethics.
- Aspiration 6: An Africa, whose development is people-driven, relying on the potential of African people, especially its women and youth, and caring for children.
- Aspiration 7: Africa as a strong, united, resilient and influential global player and partner.

After the adoption of the Agenda 2063 Framework Document by the Summit in January 2015 as the basis for Africa's long term socio-economic and integrative transformation, it directed the AUC to prepare the First Ten Year Implementation Plan of Agenda 2063 (2013 – 2023). This plan, the first in a series of five ten year plans over the fifty year horizon was adopted by the Summit in June 2015 as a basis for the preparation of medium term development plans of member states of the Union, the Regional Economic Communities and the AU Organs.

SCOPE OF THE FIRST TEN-YEAR IMPLEMENTATION PLAN

The plan document comprises seven chapters:

1. Introduction: Covers the context, purpose and foundation and preparatory process. It situates the plan within the context of Agenda 2063 and highlights its foundations as the AU Vision, The AU 50th Anniversary Solemn Declaration and the Seven African Aspirations with the purpose of providing a common results framework for Africa's socio-economic transformation within the first ten years of the 50 year horizon.
2. Goals and Priority Areas: Looks at the current development situation in the seven aspirational areas and provides the selection criteria for Goals and Priority Areas which form the basis for the plan framework; lastly it provides a snap shot of Africa in 2023 when all the set goals and targets have been attained.
3. Plan Framework It outlines for each of the 7 aspirations - the goals, the priority areas for each goal, the target(s) for 2023 (national, regional and continental) , the indicative strategies and key process actions/ milestones towards 2023 on continental frameworks (e.g. PIDA, CAADP).
4. Implementation Plan: It presents the principles (e.g. diversity, subsidiarity, inclusiveness, results orientation, leveraging of existing institutions) which will guide all stakeholders in the implementation of the First Ten Year Implementation Plan, the key stakeholders – national/ sub-national, RECs and AUC, PAP, ECA, AfDB etc. are identified and their roles indicated; timelines, policy guidelines for execution of key implementation activities and issues related to capacity and communication are presented.
5. Monitoring and Evaluation: It outlines the rationale for an M&E, structure of results framework, policy guidelines on M&E and knowledge and experience sharing required for the successful execution of the ten year plan.

6. Financing: It identifies the financing need of the First Ten Years together with the facilitative measures that will ensure funds availability; it also presents the implementation arrangements which will ensure funds availability.
7. Partnerships: It outlines the recommendations on partnerships with respect to having an AU common position on partnerships, measures to maximize Africa's benefits from partnerships and deepening of transformative benefits from partnerships

There are six annexes in addition to the seven chapters:

1. Policy Guidelines on Implementation Monitoring and Evaluation
2. The First Ten Year Plan: Implementation Timeline
3. Linkages/Commonalities between AU Agenda 2063 and the Sustainable Development Goals (SDGs)
4. Profile of Flagship Projects/Programmes
5. Critical Success Factors, Potential Risks and Mitigation Strategies
6. Funding Needs and Potential Sources of Funding

In summary the document seeks to : identify priority areas, their associated targets / expected outcomes and indicative strategies to stakeholders; highlight the fast track programmes/ projects that will bring quick wins and generate and sustain the interest of the African Citizenry in the African Agenda; assign responsibilities and accountabilities to all stakeholders in the implementation, monitoring and evaluation of the plan and outline the strategies required to ensure resource and capacity availability and sustained citizen's engagement for plan execution.

GOALS AND PRIORITY AREAS FOR THE FIRST TEN YEAR IMPLEMENTATION PLAN

Determinants of the goals and priority areas

Agenda 2063 is a 50 year strategic document and hence priorities had to be set within it for the First Ten Year Implementation Plan. The goals, priority areas within a goal and targets within a priority area were to a large extent influenced by four factors:

1. **Flagship Projects:** All the flagship projects and programmes approved by the AU Summit are included in the First Ten Year Implementation Plan. The African Citizenry through the consultations in the preparation of the 50 year framework document and supported by the AU Summit came out with 12 programmes/projects which they will like to see implemented immediately even before the adoption of the First Ten Year Implementation Plan

Flagship Programmes/Projects of Agenda 2063.

- **Integrated High Speed Train Network:** Connecting all African capitals and commercial centres through an African High Speed Train to facilitate movement of goods, factor services and people, reduce transport costs and relieve congestion of current and future systems.
- **An African Virtual and E-University.** Increasing access to tertiary and continuing education in Africa by reaching large numbers of students and professionals in multiple sites simultaneously and developing relevant and high quality Open, Distance and eLearning (ODEL) resources to offer the prospective student a guaranteed access to the University from anywhere in the world and anytime (24 hours a day, 7 days a week).
- **Formulation of a commodities strategy.** Enabling African countries add value, extract higher rents from their commodities, integrate into the Global Value chains, and promote vertical and horizontal diversification anchored in value addition and local content development.
- **Establishment of an annual African forum.** Designed to bring together, once a year, the African political leadership, the private sector, academia and civil society to discuss developments and constraints as well as measures to be taken to realize the Aspirations and goals of Agenda 2063.
- **Establishment of the Continental Free Trade Area by 2017.** To significantly accelerate growth of Intra-Africa trade and use trade more effectively as an engine of growth and sustainable development, through doubling of intra-Africa trade by 2022, strengthen Africa's common voice and policy space in global trade negotiations and establish the financial institutions within agreed upon timeframes: African Investment Bank and Pan African Stock Exchange (2016); the African Monetary Fund (2018); and the African Central Bank (2028/34).

- The African Passport and free movement of people: Transforming Africa's laws, which remain generally restrictive on movement of people despite political commitments to bring down borders with the view to promoting the issuance of visas by Member States enhance free movement of all African citizens in all African countries by 2018.
- Implementation of the Grand Inga Dam Project. The optimal development of the Inga Dam will generate 43,200 MW of power (PIDA) to support current regional power pools and their combined service to transform Africa from traditional to modern sources of energy and ensure access of all Africans to clean and affordable electricity.
- The Pan-African E-Network. This involves a wide range of stakeholders and envisages putting in place policies and strategies that will lead to transformative e-applications and services in Africa; especially the intra-African broad band terrestrial infrastructure; and cyber security, making the information revolution the basis for service delivery in the bio and nanotechnology industries and ultimately transform Africa into an e-Society.
- Silencing the guns by 2020. Ending all wars, civil conflicts, gender based violence and violent conflicts and prevent genocide. Monitor progress through the establishment and operationalization of an African Human Security Index (AHSI)
- Africa Outer Space Strategy aims to strengthen Africa's use of outer space to bolster its development. Outer space is of critical importance to the development of Africa in all fields: agriculture, disaster management, remote sensing, climate forecast, banking and finance, as well as defense and security. Africa's access to space technology products is no longer a matter of luxury and there is a need to speed up access to these technologies and products. New developments in satellite technologies make these very accessible to African countries. The Brazzaville meeting on aerial space technologies underlines the need for appropriate policies and strategies in order to develop regional market for space products in Africa.
- Establishment of a single African air transport market: This flagship Programme aims at delivering the single African air transport market to facilitate air transportation in Africa.
- Establishment of the African financial institutions: Establishment of the Continental Financial Institutions: aims at accelerating integration and socio-economic development of the continent, as they are important institutions when it comes to the mobilization of resources and management of financial sector.

2. Near Term National and RECs Development Priorities: National Plans of Member States were reviewed in addition to the strategic plans of the RECs. The focus areas of their development priorities have been included in the First Ten Year Implementation Plan- this will ensure that their priorities in the near term converge with the priority areas contained in the 50 year framework document. The priority areas that emerged include:
 - Sustainable and inclusive economic growth
 - Human Capital Development
 - Agriculture/value addition and agro-businesses development
 - Employment generation, especially the youth and females
 - Social Protection
 - Gender / Women development and youth empowerment
 - Good governance including capable institutions
 - Infrastructural development
 - Science, Technology, Innovation
 - Manufacturing-based industrialization
 - Peace and Security
 - Culture, Arts and Sports
3. Continental Frameworks: The AUC has developed continental frameworks as Comprehensive African Agricultural Development Programme (CAADP), Programme for Infrastructural Development in Africa (PIDA), African Mining Vision (AMV) , Science Technology Innovation Strategy for Africa (STISA), Boosting Intra African Trade (BIAT), Accelerated Industrial Development for Africa (AIDA) amongst others to support Member States of the Union in their development efforts. These frameworks are being implemented by some member states and to ensure coherence and convergence, they have to be captured in the priority areas of the First Ten Year Implementation Plan.
4. Agenda 2063 Results Framework: All the targets in the 50 year framework document that are due by 2023 must be included in the First Ten Year Implementation Plan. Examples are AU Decisions /Directives and AU Plan of Action / Treaties.

The Goals and Priority Areas for the First Ten Years of Agenda 2063

Aspiration	Goals	Priority Areas
1) A Prosperous Africa, based on Inclusive Growth and Sustainable Development	(1) A High Standard of Living, Quality of Life and Well Being for All Citizens	<ul style="list-style-type: none"> • Incomes, Jobs and decent work • Poverty, Inequality and Hunger • Social security and protection Including Persons with Disabilities • Modern and Livable Habitats and Basic Quality Services
	(2) Well Educated Citizens and Skills revolution underpinned by Science, Technology and Innovation	<ul style="list-style-type: none"> • Education and STI skills driven revolution
	(3) Healthy and well-nourished citizens	<ul style="list-style-type: none"> • Health and Nutrition
	(4) Transformed Economies	<ul style="list-style-type: none"> • Sustainable and inclusive economic growth • STI driven Manufacturing / Industrialization and Value Addition • Economic diversification and resilience • Hospitality/Tourism
	(5) Modern Agriculture for increased productivity and production	<ul style="list-style-type: none"> • Agricultural Productivity and Production
	(6) Blue/ ocean economy for accelerated economic growth	<ul style="list-style-type: none"> • Marine resources and Energy • Ports Operations and Marine Transport

Aspiration	Goals	Priority Areas
	(7) Environmentally sustainable and climate resilient economies and communities	<ul style="list-style-type: none"> • Sustainable natural resource management • Biodiversity conservation, genetic resources and ecosystems • Sustainable consumption and production patterns • Water security • Climate resilience and natural disasters preparedness and prevention • Renewable energy
2) An Integrated Continent Politically united and based on the ideals of Pan Africanism and the vision of African Renaissance	(8) United Africa (Federal or Confederate)	• Framework and Institutions for a United Africa
	(9) Continental Financial and Monetary Institutions are established and functional	• Financial and Monetary Institutions
	(10) World Class Infrastructure crisscrosses Africa	• Communications and Infrastructure Connectivity
3) An Africa of Good Governance, Democracy, Respect for Human Rights, Justice and the Rule of Law	(11) Democratic values, practices, universal principles of human rights, justice and the rule of law entrenched	<ul style="list-style-type: none"> • Democracy and Good Governance • Human Rights, Justice and The Rule of Law
	(12) Capable institutions and transformative leadership in place	<ul style="list-style-type: none"> • Institutions and Leadership • Participatory Development and Local Governance

Aspiration	Goals	Priority Areas
4) A Peaceful and Secure Africa	(13) Peace Security and Stability is preserved	<ul style="list-style-type: none"> • Maintenance and Preservation of Peace and Security
	(14) A Stable and Peaceful Africa	<ul style="list-style-type: none"> • Institutional structure for AU Instruments on Peace and Security
	(15) A Fully functional and operational APSA	<ul style="list-style-type: none"> • Fully operational and functional APSA Pillars
5) Africa with a Strong Cultural Identity Common Heritage, Values and Ethics	16) African Cultural Renaissance is pre-eminent	<ul style="list-style-type: none"> • Values and Ideals of Pan Africanism • Cultural Values and African Renaissance • Cultural Heritage, Creative Arts and Businesses
6) An Africa Whose Development is people driven, relying on the potential offered by African People, especially its Women and Youth, and caring for Children	(17) Full Gender Equality in All Spheres of Life	<ul style="list-style-type: none"> • Women and Girls Empowerment • Violence & Discrimination against Women and Girls
	(18) Engaged and Empowered Youth and Children	<ul style="list-style-type: none"> • Youth Empowerment and Children
7) An Africa as A Strong, United, Resilient and Influential Global Player and Partner	(19) Africa as a major partner in global affairs and peaceful co-existence	<ul style="list-style-type: none"> • Africa's place in global affairs. • Partnership
	(20) Africa takes full responsibility for financing her development	<ul style="list-style-type: none"> • African Capital market • Fiscal system and Public Sector Revenues • Development Assistance

KEY TRANSFORMATIONAL OUTCOMES BY 2023

Chapter three provides the plan framework – aspirations and their associated goals; goals and their associated priority areas; priority areas and their associated targets at the national, regional and continental levels; and targets and their indicate strategies. These together constitute the results framework for the First Ten Year Implementation Plan and when achieved by 2023 at the national, regional and continental levels there would be transformations in five key areas-highlights of such expected outcomes include:

Improvements in Living Standards

- Real per-capita incomes would be a third more than 2013 levels.
- Incidence of hunger, especially amongst Women and Youth will only be 20% of 2023 levels.
- Job opportunities will be available to at least one in four persons looking for work.
- At least one out of every three children will be having access to kindergarten education with every child of secondary school age in school and seven out of ten of its graduates without access to tertiary education enrolled in TVET programmes.
- Malnutrition, maternal, child and neo-natal deaths as at 2013 would be reduced by half; access to anti-retroviral will be automatic and proportion of deaths attributable to HIV/AIDs and malaria would have been halved.
- Nine out of ten persons will have access to safe drinking water and sanitation; electricity supply and internet connectivity will be up by 50% and cities will be recycling at least 50% of the waste they generate.

Transformed, Inclusive and Sustainable Economies

- GDP will be growing at 7% and at least a third of the outputs will be generated by national firms.
- Labour intensive manufacturing, underpinned by value addition to commodities and doubling of the total agricultural factor productivity will be attained by 2023
- The beginnings of value addition blue economy – fisheries, eco-friendly coastal tourism, marine bio-technology products and port operations-will emerge.

- Creative arts businesses will be contributing twice as much in real terms their 2013 contribution to GDP.
- ICT penetration and contribution to real GDP in absolute terms would be double of 2013 levels.
- Regional industrialization hubs linked to the global value chains and commodity exchanges will be in place by 2023.
- At least 17% of terrestrial and inland water and 10% of coastal and marine areas would have been preserved and 30% of farmers, fisher folks and pastoralist will be practicing climate resilient production systems.

Integrated Africa

- There will free movement of goods, services and capital; and persons travelling to any member state could get the visa at the point of entry.
- The volume of intra-African trade especially in agricultural value added products would increase three fold by 2023.
- The African Customs Union, an African Common Market and an African Monetary Union will be operational by 2023.
- The African Speed Train Network will have passed the inception stage and will be taking its first passengers between two connected cities.
- African Skies will be open to all African Airlines.
- Regional power pools boosted by at least 50% increase in power generation and the INGA dam will be operational and will contribute to the powering of the industrial transformation of the continent and comfort of the citizenry.
- African Education Accreditation Agency and a common educational system are in place and the African Youth will have the choice to study at any university and work any where on the continent.

Empowered Women, Youth and Children

- All obstacles related to Women owing/inheriting property or business, signing a contract, owning or managing a bank account would be removed by 2023.
- At least one in five women would have access to and control of productive assets.

- Gender parity in control, representation, advancement will be the norm in all AU Organs and the RECs.
- All forms of violence against women would have been reduced by a third in 2023.
- All harmful social norms and customary practices would have ended by 2023.
- The African Youth will be mobile and 15% of all new businesses will emanate from their ingenuity and talent and the proportion of 2013 youth unemployed will be reduced by at least a quarter.
- Child labour exploitation, marriages, trafficking and soldiering would have ended by 2023

Well-governed, peaceful and cultural centric Africa in a Global Context

- Democratic values and culture as enshrined in the African Governance Architecture would have been entrenched by 2023.
- At least seven out of ten persons in every member state of the union will perceive: elections to be free, fair and credible; democratic institutions, processes and leaders accountable; the judiciary impartial and independent; and the legislature independent and key component of the national governance process.
- African Peer Review Mechanism will have been ascribed to by all Member States and its positive impact on governance metrics felt.
- All guns would have been silenced by 2023.
- All Member States of the Union will have in place local and national mechanisms for conflict prevention and resolution.
- All Member States of the Union will have in place a dual citizen's programme for the diaspora.
- The Encyclopedia Africana will be launched by the 2023 Assembly of the Union.
- One in five poly techniques will be offering programmes in the creative arts and management of micro cultural enterprises to support the growth of the creative arts businesses.
- Local content in all print and electronic media would have increased by 60%.
- At least 30% of all cultural patrimonies would have been retrieved by 2023.

- An African Space Agency would have been established by 2023.
- An African Global Platform will be in place by 2017 and will contribute to an increase in the share of Africa's exports in global exports in 2023 by at least 20%.
- The African Investment Bank, the African Guarantee Facility, the African Remittances Institute and at least 2 Regional Stock Exchanges would have been established and functioning.
- National capital markets will contribute at least 10% of development financing and the proportion of aid in the national budget will be no more than 25% of the 2013 level.

IMPLEMENTATION MONITORING AND EVALUATION OF THE PLAN

The targets set in the plan cover national, the RECs and continental bodies, especially the AU Organs. Roles and responsibilities have been assigned to all these stakeholders in the implementation, monitoring and evaluation of the First Ten Year Implementation Plan. The implementation also covers building capacities of all the stakeholders to execute the plans and engaging citizens to own the process and outcomes of the plan implementation.

Highlights of Implementation, monitoring and evaluation responsibilities of Key Stakeholders:

Member States shall:

- Adopt/ integrate Agenda 2063 and the associated Ten Year Implementation Plans as the basis for developing their national visions and plans.
- Use the national planning systems- structures for implementation monitoring and evaluation, methodologies, systems and processes, rules and regulations, forms and formats in the execution of Agenda 2063.
- Develop policy guidelines on the design and implementation, monitoring and evaluation by various stakeholders.
- Ensure that the Legislature adopts Agenda 2063 as the blue print for Africa's social, economic and political development in the next 50 years.
- Encourage all political parties / private candidates use Agenda 2063 as a basis for preparing their political manifestos.

Regional Economic Communities shall:

- Adopt Agenda 2063 and its associated Ten Year Implementation Plans as the basis for developing their regional visions and plans.
- Serve as focal points for the facilitation of the adoption, implementation, monitoring and evaluation of all continental frameworks related to Agenda 2063 by Member States of the Union.
- Organize annual forums for Member States to review regional implementation performance (monitoring and evaluation) on Agenda 2063.
- Report annually to the AU Assembly on regional implementation, monitoring and evaluation of The First Ten Year Plan.
- Facilitate / coordinate / support the resource mobilization and capacity development initiatives of Members States for the Ten Year Plan implementation.

The African Union Organs

- The African Union Commission will be the body to follow up the formulation and adoption of decisions on Agenda 2063. These decisions / policies will cover – the 50 year Agenda; the 10 year plans; guidelines on implementation, monitoring and evaluation.
- The AUC will organize annual consultation(s) between the AU Organs and the RECs on implementation, monitoring and evaluation of Agenda 2063.
- The AUC / NEPAD will ensure the formulation of policies and frameworks for the assessment of RECs and national capacities for the execution of Agenda 2063 at the inception and mid-term review of every 10 Year Plan.
- The AUC will provide a continental framework / strategy / platform for the mobilisation of resources for the implementation of the Ten Year Plan by Member States of the Union
- The Pan African Parliament (PAP) will hold annual consultations with the African Legislatures on the progress towards the implementation, monitoring and evaluation of Agenda 2063.

- The Economic Social and Cultural Commission (ECOSOCC) will hold bi-annual consultations with the Member States Focal Groups for Agenda 2063
- The AUC/NEPAD Coordinating Agency will follow up on the implementation of continental programmes/projects

Continental bodies as the United Nations Economic Commission for Africa (ECA) and the African Development Bank (AfDB) have been assigned roles appropriate to their mandates.

Capacity Development for the Implementation of the First Ten-Year Plan

Lessons learnt from the implementation of past continental frameworks indicate the necessity for building the capacities of all stakeholders at the continental, regional and national levels. It is against this background that a capacity assessment and development plan is being prepared to cover some of the AU Organs and the RECs in the first instance and later to the national levels.

It is anticipated that the implementation of the outcomes of the capacity assessment and development studies will deepen the planning, monitoring and evaluation skills of development managers; strengthen institutional / organizational effectiveness in development management; provide transformative and visionary leadership and the enabling policy, legal and regulatory environment required for the successful execution of the First Ten Year Implementation plan at all levels.

The Role of Communications

Again among the major shortcomings experienced in the execution of previous continental strategies and frameworks was the lack of effective use of communication tools. In order to ensure successful implementation of the Agenda 2063, a Communication Strategy has been developed.

The Agenda 2063 Communication Strategy will generate sustained public awareness, involvement, support and ownership by the African population of the Agenda and its execution. It will ensure extensive out-reach with up-to-date and accurate information. It is linked to the overall Communications Strategy of the African Union, and targets AU Member States, staff, organs and agencies; RECs; African citizens both within the continent and in the diaspora and their institutions, including private sector, civil society etc.; as well as AU's partners.

FINANCING THE TEN YEAR PLAN

Financing Needs for First Ten Years: Agenda 2063 Financing and Resource Mobilization Strategy (RMS) outlines the key areas where resources will be required, the potential sources to finance each of these needs, processes for operationalization for matching demand and supply for funds at the national and regional/continental levels and institutional arrangements for making it happen.

Annex 5 outlines areas requiring financing by aspiration and the potential sources for funding each need while table 6.1. shows a succinct presentation of the areas requiring scaled-up financing at both continental/regional and national levels in the first ten years based on annex 5.

Sources of Finance for the First Ten Years: The typology of the sources for financing the First Ten Year Plan as per Annex 5 ranges from government budgetary increases, crowd sourcing for social causes, pure commercial finance from both public and private sources/savings including domestic capital markets, concessional loans, market price-based commercial loans, equity and other market instruments, FDI, portfolio investments by the private sector (debt, bonds, equity and other securities).

Domestic resource mobilization (DRM) is meant to contribute at least 75% to 90% of the financing of Agenda 2063 on average per country, namely through: (i) enhanced fiscal resource mobilization, (ii) maximization of natural resource rents – OGM, agriculture, maritime, tourism, etc.; (iii) the leveraging of the increasingly important pool of African institutional savings – pension funds, central bank foreign exchange reserves, sovereign wealth funds and capital market development; (iv) enhanced retail savings mobilization through financial inclusion namely; (v) the curbing of illicit financial flows; (vi) the reduction of inefficiency and governance/corruption-based financial leakages and wastages – government, infrastructure services, agriculture value chain, etc. Agenda 2063 should also be rightly financed through external financing mechanisms including (i) FDI, official development assistance (ODA); (ii) financial cooperation from emerging development partners such as BRICS countries, Arab world, etc.; (iii) FDI, PPP et other forms of investment partnerships; (iv) the leveraging of Diaspora remittances and savings; (v) improved access to the international financial markets

Channeling Resources into Agenda 2063 Programs and Projects: It is to be noted that Africa needs not only funds, but also a more effective and inclusive

means of channeling funds (including financial institutions and markets, financial instruments and financial services) to where they can be most effective and where there is market failure in the allocation of the needed resources.

From that perspective, **three levels of financial intermediation vehicles and resource channeling vehicles** will be considered as part of the First 10 Year Implementation Plan:

- Existing commercial financial intermediation vehicles such as, on the one hand, commercial banks, microfinance institutions (MFI), development finance institutions (DFI), insurance companies, etc. that will need to be up-scaled through additional capitalization and capacitated in relevant financial services and project finance expertise areas; and on the other hand, stock exchanges and bond markets that will need to be expanded, deepened and regionalized.
- New commercial financial intermediation vehicles to be created such as Africa 50 Fund, Africa Credit Guarantee Facility (ACGF), Africa Investment Bank (AIB), Africa Infrastructure Development Facility (AIDF), Diaspora bonds, Diaspora remittances securitization, African-owned private equity funds, African Angel Investors Network (AAIN), regional stock exchanges, regional commodity exchanges. Other processes that will promote commercial financing include: Intra-African investment promotion, PPPs targeted at African investors and local government DRM tools such as retail bond for infrastructure services for example
- Non-commercial finance channeling or intermediation vehicles to be considered include existing vehicles such as AU, RECs and Member State budgets and new vehicles to be created such as African Integration Fund (AIF), Fund for African Women, Youth Empowerment and Entrepreneurship Fund; but also crowd funding solutions for social or emergency causes.

Facilitation Measures for Access to Finance: During the period of the First Ten Year Plan the following facilitation measures will be put in place at the national, regional and continental level, depending on its appropriateness within the context of Agenda 2063 Resource Mobilization Strategy (RMS).

- Developing / implementing generic “framework conditions” (policy, legal, regulatory and institutional framework) for private sector development and industry/issue-specific enabling conditions (financial industry development, PPP/Infrastructure financing, large industrial project financing, private equity/venture capital market development, SME finance/banking and micro-finance).
- Setting up relevant project development funds, viability gap funds, capitalization funds, blending facilities to address demand side readiness.
- Establishing information infrastructure (country rating system, corporate governance standards, credit bureau and collateral registries etc.)
- Developing expertise in financial advisory services and specialist financial services where there is significant gap across Africa (project finance, capital market, private equity/venture capital, financial engineering, risk management and industry-specific financial services)
- Putting in place risk sharing and guarantee facilities to “de-risk” investment into African securities and enhance the risk of lending to African SME namely.

Implementation arrangements of the resource mobilization strategy (RMS) for the First Ten Years: The articulation of the institutional arrangements for the implementation of the RMS is still under consideration. The evolving consensus within Agenda 2063 implementation framework is that:

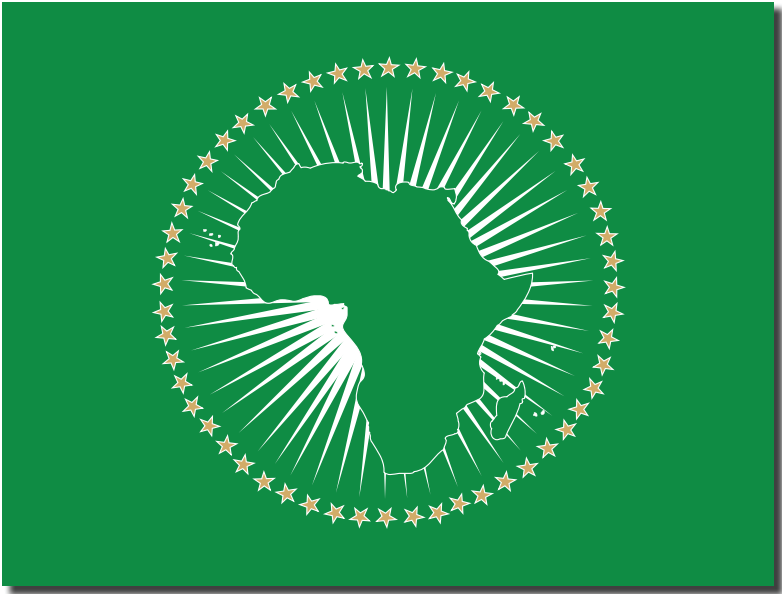
- Under the direction of the Agenda 2063 Ministerial Committee and its Secretariat, the AUC, African Development Bank will be the lead institution in facilitating, coordinating, monitoring and evaluation of Agenda 2063 RMS.
- Identifiable key stakeholders in the implementation of the RMS at the continental level in addition to the AU and AfDB include UN-ECA at continental level; and RECs, regional DFIs and regional stock exchanges at the regional level. Regional associations such as the African DFI associations, the African Venture Capital Association (AVCA) and the Association of African Stock Exchange will also play a significant role in the implementation. At the national level, governments and financial sector-related organizations (stock exchange association, banking

association, Insurance sector association, MFI association, etc.) and other non-state actors will be assigned responsibilities appropriate to their relevance and competencies.

LEVERAGING AFRICA'S STRATEGIC PARTNERSHIPS

The African Union has entered into a number of strategic partnerships to support its development process: Africa-EU, Africa-USA, Africa-Japan, Africa-China, Africa-India, Africa-Arab League of States, Africa-South America, Africa-Turkey, and Africa-Korea with more demand for partnership in the pipeline. However, the full potential of the financial pledges and technical assistance pledges embedded in these partnerships are yet to fully leverage from the African side. Hence, going forward the following three levels of actions need to be considered by the AU to take maximum advantage of its strategic partnerships:

- Preparing a comprehensive AU policy framework and articulating a partnership strategy for all high-potential partners around a limited number of interventions with meaningful socio-economic transformational benefits;
- Maximizing Africa's potential to exploit the full potential of its partnership by enhancing its strategic, governance, technical, logistical and financial support to the partnership management function of the AUC; by bringing more clarity to the implementation model of Africa's various continental programs (PIDA, CAADP/3ADI, AIDA/APCII/RADS/AMV, BIAT) to facilitate result-oriented cooperation with its strategic partners; and by improved involvement and coordination of/among Africa's various stakeholders of the partnership process: AUC, NPC, AfDB, RECs, Member States, PSO, CSO and other AU organs; and
- Deepening transformational benefits of the partnerships through alignment to Agenda 2063 priorities, namely: Agenda 2063 flagship projects, natural resource-based and STI-based industrialization and technology transfer, intra-African trade and export development, private sector and MSME development, financial market development, support to the post-2015 Agenda in social and sustainable development and domestic financial resource mobilization.





Africa United in Action!

Contribute to, or follow the dialogue:

-  **Twitter:** @_AfricanUnion, #Agenda2063
- **Facebook:** AfricanUnionCommission
- **African Union Website:** www.au.int
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