
AFRICA ECONOMIC SUMMIT 2005

BUSINESS ENDORSEMENT OF THE RECOMMENDATIONS OF THE COMMISSION FOR AFRICA

CAPE TOWN, SOUTH AFRICA, 1-3 JUNE

The **New Partnership for Africa's Development (NEPAD)**, launched on 23 October 2001, has been adopted by the African Union and has attracted G-8, EU and multilateral support.

In June 2002 at the World Economic Forum's Africa Economic Summit and thereafter, over 350 leading companies and professional organizations based, or doing business, in Africa recognized the private sector's vital interest in the NEPAD's success and their responsibility to contribute to ensuring it.

These companies and professional service organizations committed to:

- Developing best practice standards of corporate governance, buttressed by proper accounting and audit procedures and a commitment to eliminate corrupt practices;
- Further improving the quality and effectiveness of their corporate social responsibility programmes and the continued transfer to national economies of appropriate skills and technology, to help build human capital and productivity;
- Providing support to African governments in achieving best practice standards of economic governance by sharing experiences and seconding skills, to support the enhancement of national accounts, corporate law, financial market operations, listing requirements, investment codes and other domains where the knowledge and skills of the private sector may be relevant.

A **Commission for Africa (CfA)** was constituted by UK Prime Minister Blair in February 2004. The Commission presented its report on 11 March 2005, after consultations with the African Union and NEPAD, a range of companies doing business in Africa, and segments of African civil society.

The CfA report translates the G-8 commitment to the NEPAD into an operational framework, by:

- Enabling good governance, capacity-building, peace and security;
- Investing in people through the improvement of public health services and education delivery;
- Reducing poverty and increasing growth through public and private collaboration to encourage and enable entrepreneurship, employment and investment;
- Facilitating more (and fairer) trade by enabling the emergence of more competitive export sectors in Africa, improving market access in the North, and helping Africa adjust to a changing global trade environment.

To enable this to happen, the CfA proposes provision of an additional US\$ 25 billion per year in ODA until 2010, and a further US\$ 25 billion per year – contingent on good governance – until 2015; better quality aid (more grants and untied aid, better harmonized in the donor community and less burdensome to African governments); progress on a timeline towards 0.7% of GDP in ODA by the "rich" countries; and total debt cancellation for poor African countries "as soon as possible".

Companies and professional organizations based, or doing business, in Africa welcome the recommendations of the Commission for Africa and commit to contributing, within the framework of their earlier commitments to the NEPAD, to enabling the effective application of the additional funds that are provided for Africa's advancement.

They call on the G-8 heads of state and government meeting in July, at Gleneagles, to give effect to the Commission's recommendations and offer their support to African and northern governments, through effective public-private partnerships in appropriate non-profit institutions, in strengthening Africa's capacity for superior macroeconomic and corporate governance, and its ability to ensure sustainable investment flows.