

SYMPOSIUM OF EPISCOPAL CONFERENCES OF AFRICA AND MADAGASCAR

SECAM-Justice, Peace and Development Commission

Statement to the 56th Conference of African Ministers of Finance, Planning and Economic Development

Victoria Falls, Zimbabwe, March 4-5 2024

To the gathering of African Ministers of Finance, Planning, and Economic Development in Victoria Falls, Zimbabwe. During these challenging times when our continent and its people are facing the impact of various crises, our faith enjoins us to “speak up for those who cannot speak for themselves, for the rights of all who are destitute” (Proverbs 31:8). As we approach Jubilee 2025, a year dedicated to prayer by the Holy Father, we keep you, along with all our sisters and brothers in Africa, in our thoughts and prayers.

The theme for your meeting this year, “Financing the transition to inclusive green economies in Africa: imperatives, opportunities and policy options,” could not be more timely. Average incomes in the continent have yet to recover from the COVID and the Ukraine war shocks. In Sub-Saharan Africa the number of people facing food insecurity stress or crisis has more than doubled since 2019, reaching 420 million people last year,¹ and the effects of a changing climate, rising inflation, fragility and conflict compound. Over the past year, there has been an increase in climate-related droughts, cyclones, and floods affecting people and their livelihoods across the continent². Unfortunately, the necessary investments to rebuild and lessen the impact of these events, particularly on the most vulnerable populations, have not been fulfilled. By 2030, almost 120 million people in extreme poverty on the continent will face the risks of drought, floods, and extreme heat³.

Political instability and armed conflict in West and Central Africa have forcibly displaced many people on the continent, with a total of 3,937,845 individuals affected as of January 2024. Among them are 512,805 internally displaced persons (IDPs), 2,125,798 returnees former IDPs, 513,037 returnees from abroad, and 786,205 refugees.⁴ At the same time, African countries are facing a situation where their debt payments surpass by 50% what they spend on health, education, social protection, and climate initiatives⁵. This high level of debt, combined with fiscal gaps and increased interest rates, could further exacerbate their debt problems in the future. Additionally, as governments prioritise debt payments, they may need

¹ World Bank Global Economic Prospects 2024.

² UN Economic Commission for Africa, Round table 1: Global financial architecture reforms to address the intersection of debt, climate and development in Africa, Concept Note (2024).

³ World Meteorological Organization, State of the Climate in Africa 2020 (Geneva, 2021).

⁴ IOM, UN Migration, Situation in Central African Republic, DTM Monthly Dashboard #16 (January 2024)

⁵ Development Finance International. Debt Service Watch: The Worst Ever Global Debt Crisis (2023).



SYMPOSIUM OF EPISCOPAL CONFERENCES OF AFRICA AND MADAGASCAR

to make cuts to essential services and investments, potentially impacting the most vulnerable in society through service reductions and higher taxes.

The financial measures Africa needs today require a fundamental overhaul of the global financial system that can tackle fast debt reduction while enabling swift, scaled-up access to finance for sustainable development, public and private, in terms that put people and the planet at the centre.

While we recognise that these solutions may require more than just the efforts of African leaders, we encourage you to take on the responsibility of being even more ambitious in your vision and strategies for the continent's recovery from these crises. Let's work together to restore hope and trust among the African people for a future where everyone has access to what they need. We ask you to remain steadfast and articulate the necessary global changes to turn that vision into reality and rally the international community to take supportive actions. The African Union's recent membership in the G20 provides a fresh opportunity to influence agreement on significant reforms for a global financial system that better meets Africa's requirements. We recommend focusing on three key pillars that should be prioritised:

Effective frameworks that bring together all creditors based on debt forgiveness aligned with the achievement of the Sustainable Development Goals and the Paris Climate Agreement. We are proud to have stood with the many religious and lay leaders who supported bold debt reduction measures in the late 1990s through poverty reduction-oriented programs in the Heavily Indebted Poor Countries/ Multilateral Debt Relief Initiative. That initiative arguably arrived later than it should have, so a key lesson is that we can prevent a lot of suffering, at a lower cost, by undertaking early and pre-emptive debt cuts. Rapid debt relief action should be joined by a new generation of debt contracts that provide for a fairer allocation of risks from forces beyond the debtor's control, such as climate disasters and pandemics.

Significant increases in the flow of resources for development in affordable and non-debt terms. International development finance organisations should expand their capacity through a mix of capital increase and reforms that govern their capital use. They should also upgrade missions and instruments, especially with a focus on boosting transparency and accountability to the ultimate beneficiaries of their activity: people in recipient countries. Building on the experience of the 2021 allocation of Special Drawing Rights, new reforms should facilitate targeted and periodic allocations and easier paths to fund development finance institutions such as the African Development Bank.

Strengthened governance frameworks for the use of public resources and private investments. Responsible lending and borrowing frameworks, embedded in legal regimes,



SYMPOSIUM OF EPISCOPAL CONFERENCES OF AFRICA AND MADAGASCAR

and unwavering resolve to tackle corruption and theft are a key complement to boost confidence in public resource use. We recognise the increasing number of efforts aiming to use public funds to attract and partner with private investments towards climate and sustainable development goals. These initiatives and the private investors they aim to work with must be held to the same level of scrutiny and accountability.

As Pastors of the Church, we remain committed to bringing to your deliberations the voices of the poorest and most vulnerable in our flock.

Wishing you the best and most enlightened results in your deliberations.

Most Rev. Stephen Dami MAMZA,

President of SECAM Justice, Peace and Development Commission