

**Meeting of the Council at Ministerial Level, 30-31 May 2018**

**THE OECD'S MUTUAL ENGAGEMENT WITH AFRICA: PROGRESS AND NEXT STEPS**

Declassified

*This document is published under the responsibility of the Secretary-General of the OECD and does not necessarily reflect the official views of OECD Members.*

**JT03432019**

## 1. Background and rationale

1. Over the past decades, the African continent has been experiencing profound economic and social changes. Improved macroeconomic and structural policies, exceptional measures to reduce sovereign debt levels, a more diversified set of economic partners, and buoyant external demand delivered stronger growth. Today, Africa is growing faster than Latin America and the Caribbean though not as much as Asia. In fact, according to the World Bank, 6 of the 10 fastest growing economies in the world in 2018 are in Africa.

2. Looking ahead, Africa's place in the global context can only grow. The rapid and unprecedented growth of its population foreseen until 2050 and the dynamic expansion of the continent's own domestic and regional markets can be amongst the major drivers of growth and sustainable development. In addition to opening up new opportunities for the African people themselves, rapid urbanisation, a growing youth labour force, rising incomes and faster continental integration will offer greater opportunities for domestic and foreign investment, participation in regional and global production networks, and job creation. However, while OECD nations were able to face the challenges of demographic transition, economic transformation and environmental sustainability in a sequence, the majority of African nations must face them simultaneously. The challenges are, therefore, bigger and the opportunities for partnerships many.

3. African governments are taking historic steps to integrate their economies and achieve the vision set forth in the African Union's (AU) Agenda 2063 for an "integrated, prosperous and peaceful Africa". With the agreement to establish the Africa Continental Free Trade Area (AfCFTA), signed in Kigali on 21 March 2018, African Leaders accelerated a process of integration that could fundamentally alter the development trajectory of the continent. The AfCFTA, with 44 signatories, will cover a market of 1.2 billion people across member States of the African Union and a combined gross domestic product (GDP) of USD 2.5 trillion, which is projected to reach USD 3.6 trillion by 2025 – roughly the size of Mercosur's GDP today. Alongside the Single Air Transport Market and the Free Movement of People and Goods, the AfCFTA will provide a decisive boost to intra-regional integration and growth.

4. The realisation of Africa's potential will bear momentous consequences for the OECD and its Member countries. A stronger partnership between the OECD and Africa would promote opportunities for mutually beneficial engagement, and help achieve Agenda 2063, the 2030 Agenda for Sustainable Development and the Paris Agreement, in line with the mandates of the MCMs of 2015, 2016 and 2017.

5. In early 2017, OECD Member countries discussed the rationale and vision for the Organisation's engagement with Africa in view of the MCM 2017 [[ERC\(2017\)8](#)]. Reasons for strengthening co-operation with the continent included: recognising the rising economic and geopolitical importance of the continent; contributing to advancing global sustainable development and poverty reduction; further enhancing the global character of the Organisation and its contribution to the 2030 Agenda; broadening the

reach and impact of OECD standards for mutual benefit; and strengthening global governance and collective action to tackle common challenges (such as climate change, migration and tax transparency).

6. In this respect, Members stressed the importance of sharing best practices through mutual learning on an equal footing and welcomed the growing interest shown by African partners in increasing the participation of African governments in the work of the Organisation and in the setting of standards with OECD countries. The diversity of country contexts and capacity in Africa will call for new and different approaches to partnership with the OECD. Against this background, OECD Ministers encouraged further progress in the OECD's engagement with Sub-Saharan Africa at the MCM 2017 and requested a report on progress at the MCM 2018 [[C/MIN\(2017\)9/FINAL](#)].

## 2. State of play and recent developments in OECD-Africa relations

7. African countries and regional organisations have taken an increased interest in the OECD over the last years. African membership in the OECD Development Centre has significantly grown and nine countries are now members: Cabo Verde, Côte d'Ivoire, Egypt, Ghana, Mauritius, Morocco, Tunisia, Senegal, and South Africa. African countries have long engaged in OECD work on investment / competitiveness and on governance (notably those in Northern Africa through the OECD MENA programme); several countries (Ghana, Nigeria, Senegal, South Africa, Tunisia) are working on the development of Total Official Support for Sustainable Development; many more participate in the Global Forum on Transparency and Exchange of Information for Tax purposes as well as the Inclusive Framework on Base Erosion and Profit Shifting (BEPS) and *Revenue Statistics in Africa*<sup>1</sup>.

8. In line with the OECD's Global Relations Strategy<sup>2</sup> South Africa, as a Key Partner of the OECD and a G20 member, is particularly engaged with the OECD, with adherence to OECD instruments, broad participation in OECD bodies, inclusion in OECD databases, and extensive experience in the implementation of reviews and technical collaboration<sup>3</sup>. South Africa recently requested adherence to the OECD Code of Liberalisation of Capital Movements with a view to support its reform agenda and strengthen investors' confidence.

9. African continental and regional organisations have also strengthened their engagement with the OECD. A comprehensive Memorandum of Understanding with the African Union signed in 2014 was renewed in 2016 and has resulted in several joint activities in the areas of statistics, taxation, extractive industries, and policies for economic and social development, as well as the joint organisation of the International Economic Forum on Africa and the joint production of a new continental report: *African Development Dynamics*. The New Partnership for African Development (NEPAD), African countries and Regional Economic Communities have been involved in the NEPAD-OECD Africa Investment Initiative. West African organisations, such as the Economic Community of West African States (ECOWAS) and the West-African Economic and Monetary Union (WAEMU), contribute to the Sahel and West Africa Club. The International Conference on the Great Lakes Region (ICGLR) plays an active role in the implementation of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. Several African statistical organisations engage with the OECD-hosted PARIS 21. The African

---

<sup>1</sup> This list is not intended to be exhaustive but is just an example of some of the recent work done to further activities with Africa.

<sup>2</sup> For further information, please see the 2018 Report to the MCM "The OECD's Global Relations: Meeting the Strategic Challenges"[[C/MIN\(2018\)8](#)].

<sup>3</sup> Further details provided in the Annex of this document: "Participation in OECD work".

Development Bank (AfDB) and other regional organisations with a strong African imprint (e.g. BADEA, IsDB) report their development finance flows to the OECD on a regular basis.

10. Acknowledging the relevance of OECD expertise and standards, G20 leaders called upon the Organisation in 2017 to support – with the IMF, WB and AfDB – the African countries that have engaged in the G20 Compacts with Africa<sup>4</sup>. Three of the ten countries that have signed up for the G20 Compacts are currently undertaking Multi-dimensional Country Reviews (Cote d’Ivoire, Morocco and Senegal). Morocco is actively engaged in an OECD Country Programme including policy reviews, enhanced participation in several bodies of the Organisation and adherence to some of its instruments. Tunisia is also partnering with the OECD on a wide range of subjects and has recently undertaken an Economic Assessment. Several other countries have engaged in activities related to key objectives of the Compacts, such as investment frameworks and tax administration and co-operation.

11. Building on these and other engagements in OECD bodies, the Organisation has produced evidence and analyses and provided targeted policy advice on priority areas for African countries. These efforts have often been undertaken with partner international organisations. These cover issues including youth inclusion, migration, food security (e.g. with FAO), the food economy in the Sahel and West Africa region, social protection, education and skills, revenue statistics, tax policy and administration, investment policy frameworks and responsible business conduct, trade facilitation indicators (with WTO), the fight against corruption and illicit financial flows, as well as development co-operation and financing for development. These analyses have been supported by a gradual, albeit still limited, expansion of socio-economic data and indicators on African countries and greater participation of African representatives in OECD policy dialogue initiatives, such as those focused on global value chains, production transformation and development; natural resource based-development; investment; responsible mineral management, financing for development, including taxation, remittances, illicit financial flows, development cooperation and philanthropy.

12. Confronted with greater interest and demand from African governments and regional organisations to engage with the OECD, and responding to OECD Members’ request to deepen the Organisation’s engagement with the continent [[C/MIN\(2015\)14/FINAL](#), par. 16; [C/MIN\(2016\)8/FINAL](#), par. 26; [C/MIN\(2017\)9/FINAL](#), par. 24], the Secretariat undertook consultations with OECD and African government representatives, partner organisations and experts. The OECD Secretary-General actively participated in the G20 high-level event on Africa in Berlin, at the Hamburg Summit and subsequently in the Africa session of the G7 Summit in Taormina. On these occasions, the Organisation was able to engage with high-level African leaders and identify priority areas for future engagement.

13. Discussions among OECD Member countries and with African representatives took place in Paris, in Addis Ababa with the African Union and in Abuja with the ECOWAS Commission, in Midrand with NEPAD. The Governing Board of the OECD Development Centre dedicated a special session to Africa, including to discuss with the G20 presidency the proposed G20 partnership with Africa [[DEV/GB\(2017\)5](#)]. In the

---

<sup>4</sup> For further information, please see the 2017 G20 Hamburg Declaration: “Annex to G20 Leaders Declaration on G20 Africa Partnership”.

External Relations Committee, Members agreed to renew and reframe the NEPAD-OECD Investment Initiative, which is now called NEPAD-OECD Sustainable Investment Programme for Africa [[ERC\(2017\)13/REV1](#)]. The OECD Secretariat took part in senior and high level meetings of the African Union and African Regional Economic Communities. Box 1 provides an overview of other initiatives taken in 2017-18 to advance the OECD's mutual engagement with the continent.

### **Box 1. Selected engagement with African stakeholders in 2017-2018**

In 2017, the Secretariat and several OECD bodies continued to advance the mutual engagement with African countries and institutions.

Such engagement consisted of expanding the coverage of OECD databases to include African countries and building new indicators and capacities (e.g. tax revenues, PISA for development); undertaking cross-country analyses and national policy reviews to provide targeted policy advice (e.g. on migration, Multi-dimensional country reviews; engaging policy makers and senior officials in OECD policy networks and high-level events (e.g. Integrity Week, Policy Dialogue on Natural Resource-based Development, International Economic Forum on Africa); exploring new avenues for co-operation with African institutions (e.g. with the African Union, NEPAD, ECOWAS); and engaging the private sector and other non-state actors to promote African development.

Consultations took place on several occasions with the AU Commission, the Commission of the ECOWAS and the UN Economic Commission for Africa (ECA) and NEPAD. These included the presentation of Revenue Statistics in Africa in the Ministerial Meeting of the AU Specialised Technical Committee on Finance, Monetary Affairs, Economic Planning and Integration (26 October 2017), the presentation of a joint report with ILO on *How Immigrants Contribute to Developing Countries' Economies* during the 31st AU Summit (29 January 2018), the launch at OECD with ECA of the report *Illicit Financial Flows: The Economy of Illicit Trade in West Africa*, and a presentation of the OECD-SADC Investment Policy Framework aimed at helping the 15 SADC Member States.

The perspectives of the private sector were also explored during the SADC Industrialisation Week in Johannesburg (August 2017) and the International Economic Forum on Africa on entrepreneurship and Africa's industrialisation in Paris and in the back-to-back meeting of the *OECD Emerging Markets Network* (October 2017).

Several African countries took part in the 2017 OECD Integrity Week, including the Vice President of Nigeria, and the International Conference on the Great Lakes Region co-hosted the 2017 Forum on Responsible Mineral Supply Chains.

## **2.1. International Tax co-operation and standard setting**

14. African policy makers have also been increasingly involved in the discussion and application of OECD standards. This has been the case particularly in the area of

domestic revenue mobilisation and international tax co-operation, including by leveraging the OECD's engagement in the G7 and in the G20 processes (Box 2). Engagement in these areas was scaled-up over the last two years in several aspects: 21 African countries are members of the Inclusive Framework on BEPS (IF), and four of them are guiding the work on BEPS issues as members of the IF Steering Group; 27 African countries now participate in the Global Forum and eight African countries lead a flagship technical assistance and capacity building programme on transparency and exchange of information; and the number of countries included in 2017 Revenue Statistics in Africa doubled with respect to 2016.

**Box 2. Africa-OECD engagement on domestic resource mobilisation and international tax co-operation**

Tax transparency and exchange of information are essential for effectively tackling illicit financial flows. The OECD-based Global Forum on Transparency and Exchange of Information for Tax Purposes facilitates cross-border exchange of tax-relevant information on request (the EOIR Standard) and automatic exchange of information on the financial accounts of non-residents (the AEOI Standard). Information sharing between tax authorities assists nearly 150 member jurisdictions, of which 27 are in Africa, in mobilising their tax revenues and raising public confidence in the tax system.

To ensure that the new tax transparent environment and international collaboration delivers benefits to all members, including developing countries, the Global Forum operates a comprehensive assistance programme. The Global Forum's Africa Initiative offers a technical assistance and capacity building programme on transparency and exchange of information throughout the region vis-à-vis specific performance targets. Building on this initiative in 2016, a new induction programme was developed to provide a framework for the delivery of intensive technical assistance to all new African members.

In November 2017, a number of African Finance Ministers called for action to tackle illicit financial flows in Africa through international tax co-operation by issuing the Yaoundé Declaration. It is an important turning point in the participation of African countries in the international agenda on transparency and exchange of information for tax purposes.

Many African countries rely very heavily on corporate income tax from multinational enterprises (MNEs), and as a result, BEPS can have a particularly significant effect. Of particular concern in many African countries are abusive or inappropriate transfer pricing, excessive interest payments, abuse of tax treaties and artificial avoidance of permanent establishment status. The impact of BEPS on African countries, however, extends beyond revenue. When MNEs are (perceived to be) able to avoid their tax liabilities, the credibility of the entire tax system in the eyes of all taxpayers can be undermined.

Enhanced international co-operation and customised support programmes are assisting African countries to build more effective tax regimes to address BEPS. To date, 21 African countries are members of the Inclusive Framework on BEPS (IF),

including four which are guiding the work on BEPS issues as members of the IF Steering Group. The OECD is launching induction programmes in 13 African members of the Inclusive Framework to help them implement the new international standards on BEPS, particularly the four minimum standards covering harmful tax practises, tax treaty abuse, country-by-country reporting and improving mutual agreement procedures. Each programme is tailored to meet the particular needs and priorities of the country concerned. The OECD has been carrying out these customised programmes in partnership with the African Tax Administration Forum (ATAF), the European Commission (EC) and the World Bank Group (WBG). The Organisation has bilateral programmes on BEPS and transfer pricing in 18 African countries. As a result, 90% of the countries which have participated in such programmes have made or are in the process of making legislative or regulatory changes aimed at strengthening domestic revenue mobilisation in line with international norms.

Under the auspices of the Italian G7 presidency and the German G20 presidency, the OECD, Kenya, Italy and Germany launched the Pilot Africa Academy Programme for Tax and Financial Crime Investigation at the G20 Africa Partnership conference on 13 June 2017 in Berlin, Germany. Strengthening the capacity of tax and financial crime investigators is key to tackling illicit financial flows. Helping governments to tackle this issue more effectively will not only bolster domestic resource mobilisation but also help build trust and confidence in the fairness of the tax system, the efficiency of law enforcement, and in government as a whole.

## 2.2. Inclusive growth: employment, inequalities, migration

15. Inclusive growth<sup>5</sup> is another area where more analytical and policy dialogue efforts have been made to engage with Africa (Box 3). Africa's growth has not translated into adequate job creation, and both income and gender inequalities remain high. Lack of jobs, environmental pressure and conflict in some regions continue to fuel African internal and international migration. In 2017-18, four large multi-country projects provided analysis on how African countries could put in place strategies to promote youth inclusion and well-being, implement inclusive and sustainable social protection systems, harness the economic contribution of migration in the countries of destination, and enhance the coherence of public policies to maximise the contribution of migration to development. New analyses shed light on gender discrimination in West Africa and on women economic empowerment in North Africa. These analytical efforts expanded the availability of data, including on migrants and on gender, and fed policy discussions with African policy makers on these key issues for inclusive growth.

<sup>5</sup> A framework for policy action on Inclusive Growth will be transmitted to Ministers at the 2018 MCM [[C/MIN\(2018\)5](#)].

### Box 3. Engaging Africa on key issues for inclusive development

Inclusive growth: The African Union Commission and the OECD are jointly producing a flagship continental report – African Development Dynamics – that will be devoted in 2018 to the theme of “Growth, Employment and Inequality.” The report will be discussed with African member countries of the Development Centre and their development partners.

Gender equality and women empowerment: the OECD’s Social Institutions and Gender Index (SIGI)<sup>6</sup> and the related country profiles cover all African countries. Several OECD directorates are engaged in analyses and policy dialogues on gender inequality and women economic empowerment in Africa (e.g. gender discrimination in West Africa, women economic empowerment in North Africa, statistical capacities to measure discriminatory social norms and institutions in Burkina Faso).

Social protection systems: The African Union’s Agenda 2063 framework reaffirms the centrality of social protection for sustainable development. To support African efforts to build sustainable and inclusive social protection systems, the OECD and the Government of Finland have included specific activities on Africa in the joint EU Social Protection Systems programme (e.g. a regional foresight analysis for East Africa to identify policy reforms for the future of social protection; a study on the channels through which social protection could be extended to workers relying on the informal economy; country specific analysis and capacity efforts in Ethiopia, Mozambique, Namibia, Togo, and Zambia).

Youth inclusion: Many African countries have expressed growing political will to develop comprehensive policy frameworks that better respond to young peoples’ needs and aspirations. With co-financing from the European Union, the OECD implemented a Youth Inclusion project (2014-2017) to analyse policies for youth in developing countries using a well-being approach involving both country-specific analysis (Cote d’Ivoire, Malawi and Togo) and global analysis on entrepreneurship and rural youth (including Benin, Congo, Egypt, Liberia, Madagascar, Malawi, Tanzania, Togo, Tunisia, Uganda, and Zambia).

Migration and development: The OECD has expanded the coverage of its work on migration from Africa and in Africa. Most African migrants migrate to another African country. The OECD Database on Immigrants in OECD Countries (DIOC) helps assess migration flows to OECD and increasingly non-OECD destination countries. Country analyses of African migrants have expanded, including analysis of specific diasporas (e.g. “Talented abroad: A review of Moroccan Emigrants”) and through multi-country projects jointly implemented by the OECD and the European Union on the migration and

<sup>6</sup> The Social Institutions and Gender Index (SIGI) is a composite measure of gender equality, based on the OECD’s Gender, Institutions and Development Database. It complements and improves existing measures in several ways. While conventional indicators of gender equality capture inequality outcomes, the SIGI focuses on the root causes behind these inequalities.

development nexus (e.g. projects on “Interrelations between Public Policy, Migration and Development (IPPMD)”, including Burkina Faso, Côte d’Ivoire and Morocco, and “Assessing the Economic Contribution of Labour Migration in Developing Countries (ECLM)” including Côte d’Ivoire, Ghana, Rwanda and South Africa ).

Many of these activities are undertaken by the OECD Development Centre that benefits from a large membership of African countries and has developed long-standing relationships with African continental institutions.

### 3. Key focus initiatives

16. Responding to the mandates of the MCMs of 2015, 2016 and 2017 and building on the aforementioned consultations, the OECD could deepen its engagement with Africa in selected areas, with a view to strengthening coherence and synergies of existing activities and exploring opportunities for scaling-up the partnership. The proposed approach is to gradually engage in selected domains with African counterparts and progressively advance through learning by doing.

17. While they are by no means exhaustive, these selected activities respond to mutual priorities, and will help raise awareness and understanding between the OECD and African governments and institutions. They will help to enhance the capacity of the Organisation as a whole to better engage with African institutions and African countries around continental priorities in a coherent, coordinated and forward-looking manner. More effective and targeted co-operation will ensure that the Organisation's work on and with Africa will:

- Further enhance the global character of the Organisation, as stated in the 2011 Vision [[C/MIN\(2011\)16](#)], establishing a more deliberate partnership and structured dialogue with African countries and institutions, and potentially increasing the OECD's effectiveness as a global policy network;
- Broaden the reach and impact of OECD standards for mutual benefit, including greater uptake of OECD standards among African countries in order to level the playing field internationally, and increase the participation of African stakeholders in the design of global standards;
- Tackle global challenges and issues of mutual concern more effectively and consistently, including through the analysis of the transboundary impact of OECD Member policies on African countries;
- Strengthen global governance, multilateral institutions and collective action, which will help advance international co-operation on global public goods.
- Promote gender equality and women's economic empowerment, as well as youth empowerment, which are key for stronger, more inclusive and sustainable development.

18. To meet these challenges and objectives, the initiatives should aim to build, whenever possible, on existing activities and ongoing engagements by OECD committees or programmes, and should respond to priority areas for co-operation as identified by partnerships and consultations between the OECD and African countries and organisations, such as the MoU with the African Union. The initiatives should also contribute to regional public goods when possible, such as the expansion of databases and the improvement of statistical capacities and policy frameworks for greater international comparison and better policy design. They also aim to draw on broad OECD expertise,

including multiple directorates or committees/programmes and are ideally conducted in close partnership with an African institution.

19. To that effect, all parts of the Secretariat working on and with Africa will more regularly meet to discuss strategic initiatives and exchange information on existing and planned activities to ensure that those are well aligned with OECD- and Africa-wide priorities.

20. Against this background and building on the ERC discussions in 2017 and the Secretariat consultations thereafter, the following activities are proposed to add further momentum to the OECD's co-operation with Africa. These will also allow the Organisation to position itself and contribute to key global and continental debates and initiatives.

- A. **Domestic resources mobilisation.** African leaders recognised in Agenda 2063, and the AUC incorporated into the goals and priorities of the First Ten-Year Implementation Plan, the need to further increase domestic revenues and broaden their tax bases to finance the public goods and services that a fast growing and urbanising population need. They also acknowledged the inherent challenges<sup>7</sup>. The OECD has been cooperating in many ways with African governments and regional organisations in the area of taxation, including through the Tax Inspectors Without Borders (TIWB) initiative and the BEPS Inclusive Framework. An important component has been the development of comparable data on public revenues through *Revenue Statistics in Africa* and technical support to revenues authorities to deal with BEPS and other tax mobilisation issues through reforms of tax policy, administration and capacity building. This component has been achieved through collaborative efforts with the AU and ATAF and jointly with UNDP on Tax Inspectors Without Borders, transferring skills in audit capacity for tax administration.

*Building on these efforts, the OECD will expand the coverage and comparability of revenue data and support efforts to boost domestic revenue mobilisation in Africa. Synergies will be sought with TIWB and the BEPS Inclusive Framework, as well as Regional Economic Outlooks and the Global Outlook on Financing for Development. This initiative will contribute to other OECD activities in the area of financing for development, such as on blended finance, investment and illicit financial flows (IFF). On the latter, the OECD is exploring the possibility to establish a partnership with ECA for mutual review and policy dialogue on measuring and curbing illicit financial flows from Africa. The partnership would focus on tax transparency, trade transparency and corruption and IFF transparency, and aim to strengthen the coherence, relevance and impact of existing responses to IFFs. In addition, a reflection could be undertaken on African savings and how they could be better mobilised.*

- B. **Investment environment, competitiveness and structural transformation.** Most African countries struggle to increase productivity and diversify the production structures of their economies to create more and better jobs<sup>8</sup>. African leaders placed structural transformation at the

<sup>7</sup> For example, the African Union calculates that for social protection to achieve its potential in terms of reducing poverty and vulnerability, annual spending should more than double across the region to 5% of GDP. Significant domestic resource mobilisation will then be required. The average tax-to-GDP ratio in the 16 African countries covered in the 2017 OECD-ATAF-AUC report was 19.1% in 2015. The average in OECD countries in 2015 was 34.3%.

<sup>8</sup> See African Economic Outlook 2014 and 2016 for a detailed analysis of diversification and productivity challenges in the Africa.

core of Agenda 2063, together with sustainability built on African natural resources endowments, including the ocean economy<sup>9</sup>, as major contributors to continental transformation and green and blue growth. Co-operation with the OECD in areas relevant to structural transformation has resulted in the inclusion of African countries in the OECD FDI Restrictiveness Index, the FDI Regulatory Restrictiveness Index, Trade Facilitation Indicators and Trade in Value Added Database. It also resulted in the participation of African policy makers in the OECD Network on the Governance of SOEs, work on the MNEs Guidelines and responsible business conduct (RBC), the NEPAD-OECD Africa Investment Initiative, and the OECD Policy Dialogue on Global Value Chains, Production Transformation and Development.

*Building on these activities, the OECD would share analysis on investment, production transformation, productivity and competitiveness challenges and further include African countries in some of its relevant indicators. These activities could provide useful benchmarks for reforms, improvements of the policy and investment environment and structural transformation strategies as well as advancing responsible business conduct throughout the continent. They could also feed into the programmes of action designed by the signatories of G20 Investment Compacts with Africa.*

- C. Migration flows and impacts.** Migration is an increasingly important phenomenon for Africa and the OECD, not least because of demographic trends, limited job creation and environmental pressures<sup>10</sup>. A positive, constructive and multidimensional approach is crucial to tackle this phenomenon and address migration's roots causes. A large African diaspora exists in OECD countries, and many more African migrants leave for other African countries. Still, their impacts on both the countries of origin and destination are poorly monitored and understood. As stressed at the 2018 OECD-IOM-UNDESA International Forum on Migration Statistics, the improvement of migration-related data collection in Africa and analyses of migration's impacts on the economy are urgently needed<sup>11</sup>.

*The OECD would build on existing activities and partnerships and leverage its expertise and tools in the area of migration, including the International Migration Outlook and the work on the migration and development nexus, to support African countries better monitor migration flows and assess their impacts. This initiative will also address specific requests for cooperation expressed by international and regional organisations and could also lead to the development of an OECD-IOM Observatory on African Migrations.*

- D. Education policies and learning outcomes.** While access to education has generally expanded, educational outcomes and the acquisition of employable skills have been lagging behind in Africa. The 2017 G20 Summit and the conference of the Global Partnership for Education in Dakar emphasised the urgent need to close education and skills gaps and mobilise greater

<sup>9</sup> The report "Greening the Ocean Economy: Opportunities, challenges and the role of the OECD in enhancing concerted multilateral action" will also be provided as background document to Ministers at the MCM [[ENV/EPOC\(2018\)16](#)].

<sup>10</sup> For further information, see the MCM note on Migration "Working together to make the most of migrants' skills and foster social cohesion" [[DELSA/ELSA/WP2\(2018\)1](#)].

<sup>11</sup> On the impact of immigration in African economies and the importance of developing better data see for example OECD-ILO (2018) How Immigrants Contribute to Developing Countries' Economies.

resources to that end. The lack of appropriate metrics and comparable data to assess learning outcomes and how they are influenced by education policies and spending constraints limit the ability to design better policies. In fact, the African Union has identified the building and enhancement of capacities for data collection, management, analysis, communication, and use as one of the strategic objectives of its Continental Education Strategy for Africa 2016-25.

*Building on existing initiatives, such as OECD PISA for Development and partnerships (with AU, UNESCO, WB, ITU, UN WOMEN), the OECD will endeavour to expand the participation of African countries in relevant databases and initiatives, promote knowledge sharing and support the design of better education and training policies to close the education and skills gaps. Specific attention will be paid to priorities such as building teacher and leadership capacity, closing gender gaps in education, and equipping African youth with employable skills. A gender equality and youth lens will be injected in this and other initiatives in order to mainstream these issues across activities conducted by the OECD in the region.*

- E. **Statistical systems for evidence-base policy making.** African governments and continental organisations have long emphasised the need to strengthen their statistical systems to design better policies and advance the process of continental integration. The African Charter on Statistics and the Strategy for the Harmonisation of Statistics in Africa provide a framework for the development, production and use of statistics and guide the process of harmonisation of statistics. However, the African Union recognises the relatively slow pace of implementation. The establishment in 2018 of the Pan-African Institute for Statistics is intended to add momentum. Several capacity building initiatives aimed at institutional strengthening at all levels exist on the continent. In this context, the OECD, the OECD-hosted PARIS21 and SWAC, with its AFRICAPOLIS database, could further partner with African and other international organisations to enhance approaches to capacity development, share good statistical practices, and help promote data harmonisation, comparability, dissemination and use. The OECD could also engage with African counterparts to assess the transboundary impact of policies and its global footprint in the framework of the Sustainable Development Goals.

*Building on current collaboration and initiatives, the OECD, jointly with PARIS21, will engage in selected statistical networks and new capacity building initiatives to share good practices on the development, production and use of statistics and to support the implementation of the African Charter on Statistics and the Strategy for the Harmonisation of Statistics in Africa. Strong and accountable institutions based on sound data are essential for policy design and implementation to achieve inclusive development.*

#### 4. Proposed next steps

Following the discussion at the Ministerial Council Meeting, the OECD Secretariat will further advance consultations with relevant Committees to develop specific deliverables and roadmaps for advancing the OECD's engagement with Africa in the five aforementioned areas. The discussion of the proposed deliverables will be included in the preparation of the Programme of Work and Budget 2019-20. In so doing, the Secretariat will strive to promote synergies and co-operation across directorates, including an inter-directorate consultation platform. It will also incorporate feedback from African partners. The Secretariat will regularly update the relevant Committees on progress in various areas. Furthermore, the Secretariat will promote active outreach towards African institutions and strengthen its communications on relevant activities.

## Annex: Participation in OECD work

*Note: this annex is currently circulated as a draft, and may be revised in light of additional information.*

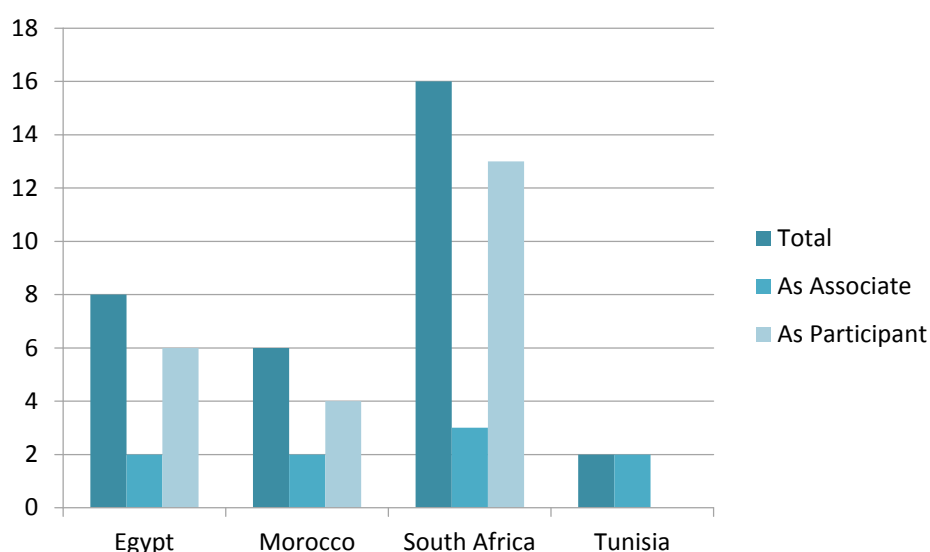
**Table 1. Type of participation in OECD bodies**

<b>INVITEE</b>	<ul style="list-style-type: none"> <li>● “may be invited, at the body’s discretion, to participate in individual meetings”.</li> <li>● Non-Members on the Invitee list have no right to attend meetings. Rather, the Invitee list merely allows the committee to invite any non-Member on this list to meetings or specific agenda items on an ad hoc basis at its discretion (i.e. without the need for Council approval).</li> <li>● Thus, the number of non-Members on the “Invitee” list in a PP has no direct impact on non-Member participation in meetings, this being determined by which and how many of those listed as Invitee the committee decides to invite to any specific meeting.</li> </ul>
<b>PARTICIPANT</b>	<ul style="list-style-type: none"> <li>● “are invited to attend all meetings ... for an open-ended period”.</li> <li>● have the right to attend non-confidential parts of meetings, propose agenda items, and intervene in discussions.</li> <li>● cannot serve on bureaux or take part in the body’s decision-making process.</li> <li>● pay fees, 11 000 euros for substantive Committees or 3 600 euros for subsidiary bodies.</li> </ul>
<b>ASSOCIATE</b>	<ul style="list-style-type: none"> <li>● “are invited to attend all meetings ... for an open-ended period”.</li> <li>● have the right to attend meetings, incl. confidential items (except agenda items regarding Accession or legal instruments to which they have not adhered),</li> <li>● take part in the decision-making process, and</li> <li>● may have a representative elected to bureaux.</li> <li>● pay fees (at levels higher than Participants).</li> </ul>

**Table 2. Participation of African countries in the Development Centre,  
Global Forum on Tax and Inclusive Framework**

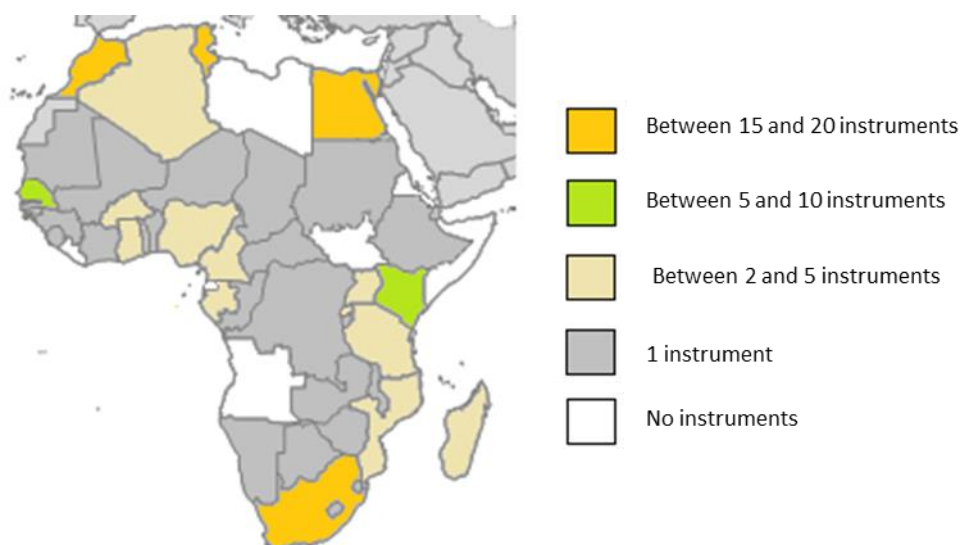
Country	Development Centre	Global Forum on TEI	BEPS Project
Algeria	...	...	...
Angola	...	...	✓
Benin	...	✓	✓
Botswana	...	✓	✓
Burkina Faso	...	✓	✓
Burundi	...	...	...
Cabo Verde	✓	...	...
Cameroon	...	✓	✓
Central African Republic	...	...	...
Chad	...	✓	...
Congo, Republic of	...	...	✓
Côte d'Ivoire	✓	✓	✓
Congo, Democratic Republic of	...	...	✓
Egypt	✓	✓	✓
Equatorial Guinea	...	...	...
Eritrea	...	...	...
Ethiopia	...	...	...
Gabon	...	✓	✓
Gambia	...	...	...
Ghana	✓	✓	...
Guinea	...	...	...
Guinea-Bissau	...	...	...
Kenya	...	✓	✓
Lesotho	...	✓	...
Liberia	...	✓	✓
Libya	...	...	...
Madagascar	...	✓	...
Malawi	...	...	...

Mali	...	...	...
Mauritania	...	✓	...
Mauritius	✓	✓	✓
Morocco	✓	✓	✓
Mozambique	...	...	...
Namibia	...	...	...
Niger	...	✓	...
Nigeria	...	✓	✓
Rwanda	...	...	...
Sao Tome and Principe	...	...	...
Senegal	✓	✓	✓
Seychelles	...	✓	✓
Sierra Leone	...	...	✓
Somalia	...	...	...
South Africa	✓	✓	✓
South Sudan	...	...	...
Sudan	...	...	...
Swaziland	...	...	...
Tanzania	...	✓	...
Togo	...	✓	...
Tunisia	✓	✓	✓
Uganda	...	✓	...
Zambia	...	...	...
Zimbabwe	...	...	...

**Figure 1. African countries with participation in OECD Bodies (by number of committees)**

Note: Countries participate in the following bodies as Member (M), Associate (A) or Participant (P)

Competition Committee – *Egypt<sup>P</sup>, South Africa<sup>P</sup>*  
 Committee on Consumer Policy – *Egypt<sup>P</sup>*  
 Committee for Scientific and Technological Policy – *South Africa<sup>P</sup>*  
 Committee on Statistics and Statistical Policy – *South Africa<sup>P</sup>*  
 Committee on Digital Economic Policy – *Egypt<sup>P</sup>, South Africa<sup>P</sup>*  
 Committee on Fiscal Affairs – *South Africa<sup>P</sup>*  
 Investment Committee in enlarged session for work related to the Declaration on international investment and Multinational Enterprises – *Egypt<sup>A</sup>, Morocco<sup>A</sup>, Tunisia<sup>A</sup>*  
 Joint Meeting of the Chemicals Committee and the Working Party on Chemicals, Pesticides and Biotechnology related to the Mutual Acceptance of Data in the Assessment of Chemicals (MAD) – *South Africa<sup>A</sup>*  
 Joint Meeting of the Chemical Committee and the Working Party on Chemical, Pesticides and Biotechnology (non-MAD-related bodies) – *South Africa<sup>P</sup>*  
 Joint Working Party on Agriculture and Trade of the Trade and Agriculture Committees – *South Africa<sup>P</sup>*  
 Local Economic and Employment Development Programme (LEED) Governing Board – *South Africa<sup>A</sup>*  
 Public Governance Committee – *Egypt<sup>P</sup>, Morocco<sup>P</sup>, South Africa<sup>P</sup>*  
 Regional Development Policy Committee – *Morocco<sup>P</sup>, South Africa<sup>P</sup>*  
 Tourism Committee – *Egypt<sup>P</sup>, Morocco<sup>P</sup>, South Africa<sup>P</sup>*  
 Steel Committee – *Egypt<sup>P</sup>, South Africa<sup>P</sup>*  
 Working Party on Financial Statistics – *South Africa<sup>P</sup>*  
 Working Party on Private Pensions – *South Africa<sup>P</sup>*  
 Working Group on Bribery in International Business Transactions – *South Africa<sup>A</sup>*

**Figure 2. Adherence of African countries to OECD Legal instruments**

*Note:* OECD Legal instruments include OECD Acts (i.e. Decisions and Recommendations adopted by the OECD Council) as well as other legal instruments developed in the framework of the OECD (such as Declarations, Arrangements and Understandings and International Agreements).

**Table 3. Adherence to OECD instruments by African countries**

Instrument	Adherents
Convention on Mutual Administrative Assistance in Tax matters as amended by the Protocol Amending the Convention on Mutual Administrative Assistance in Tax Matters	Cameroon, Mauritius, Nigeria, Senegal, Seychelles, South Africa, Tunisia, Uganda
Convention on Combating Bribery of Foreign Public Officials in International Business Transactions	South Africa
Daejeon Declaration on Science, Technology and Innovation Policies for the Global and Digital Age	Morocco, South Africa
Decision of the Council Revising the OECD Scheme for the Application of International Standards for Fruit and Vegetables	Kenya, Morocco, South Africa
Decision of the Council Revising the OECD Schemes for the Varietal Certification or the Control of Seed	Egypt, Kenya, Morocco, Senegal, South Africa, Tanzania, Tunisia, Uganda, Zimbabwe

Moving in International Trade	
Decision of the Council establishing the OECD Scheme for the Certification of Forest Reproductive Material Moving in International Trade	Burkina Faso, Kenya, Madagascar, Rwanda, Uganda
Decision of the Council concerning the Mutual Acceptance of Data in the Assessment of Chemicals	South Africa
Decision-Recommendation of the Council on Compliance with Principles of Good Laboratory Practice	South Africa
Declaration on Better Policies to Achieve a Productive, Sustainable and Resilient Global Food System	South Africa
Declaration for the Future of the Internet Economy (The Seoul Declaration)	Egypt, Senegal
Declaration on Automatic Exchange of Information in Tax Matters	South Africa
Declaration on Base Erosion and Profit Shifting	South Africa, Tunisia
Declaration on the Digital Economy: Innovation, Growth and Social Prosperity (Cancun Declaration)	Egypt
Declaration on International Science and Technology Co-operation for Sustainable Development	South Africa
Declaration on International Investment and Multinational Enterprises and related legal instruments	Egypt, Morocco, Tunisia
Declaration on the Fight Against Foreign Bribery – Towards a New Era of Enforcement	Mozambique, Sao Tome and Principe, South Africa
Declaration on Green Growth	Morocco, Tunisia
Declaration on Propriety, Integrity and Transparency in the Conduct of	Morocco, Tunisia

---

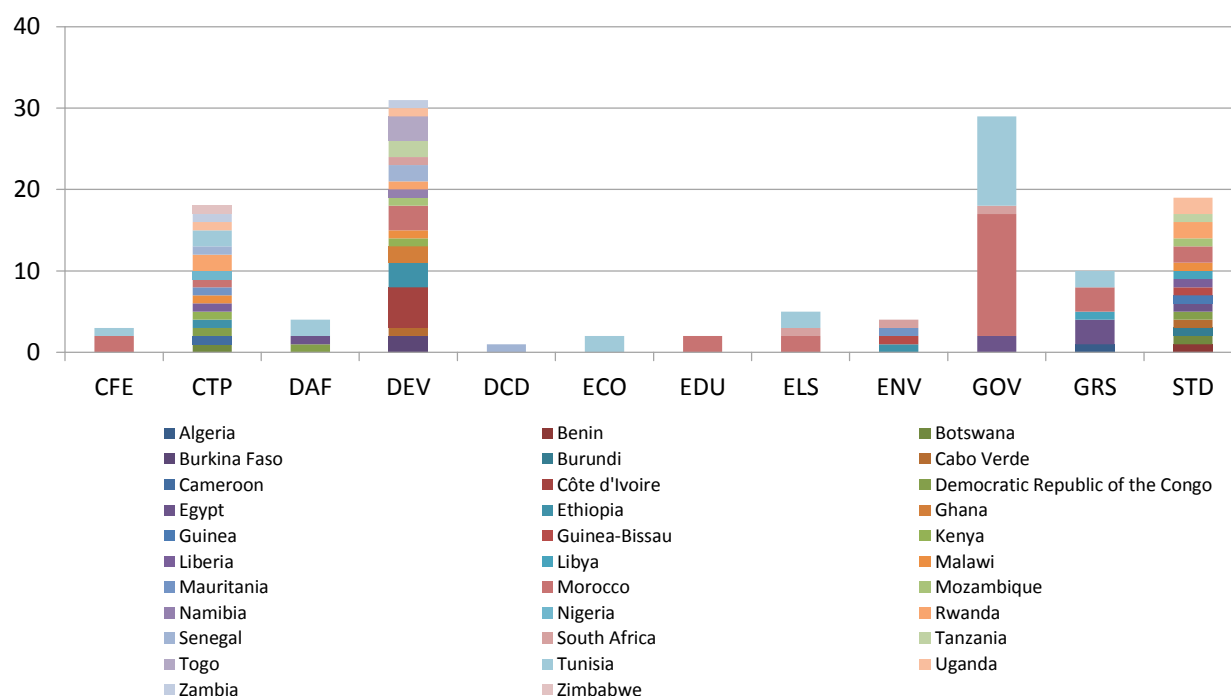
International Business and Finance

Istanbul Ministerial Declaration on Fostering the Growth of Innovative and Internationally Competitive SMEs	Algeria, Egypt, Ghana, Kenya, Morocco, Nigeria, Senegal, Tunisia
Joint Declaration on the Security of Supply of Medical Radioisotopes	South Africa
Paris Declaration on Aid Effectiveness	Benin, Botswana, Burkina Faso, Burundi, Cabo Verde, Cameroon, Central African Republic, Chad, Comoros, Côte d'Ivoire, Democratic Republic of the Congo, Djibouti, Egypt, Ethiopia, Gabon, Gambia, Ghana, Guinea, Guinea-Bissau, Kenya, Lesotho, Madagascar, Malawi, Mali, Mauritania, Morocco, Mozambique, Namibia, Niger, Nigeria, Republic of the Congo, Rwanda, Sao Tome and Principe, Senegal, Sierra Leone, South Africa, Sudan, Swaziland, Tanzania, Togo, Tunisia, Uganda, Zambia
Recommendation of the Council on Digital Government Strategies	Egypt, Morocco
Recommendation of the Council for Development Co-operation Actors on Managing the Risk of Corruption	South Africa
Recommendation of the Council on Principles of Corporate Governance	South Africa
Recommendation of the Council on Tax Measures for Further Combating Bribery of Foreign Public Officials in International Business Transactions	South Africa
Recommendation of the Council for Further Combating Bribery of Foreign Public Officials in International Business Transactions	South Africa
Recommendation of the Council on the Governance of Critical Risks	Morocco, Tunisia
The Bologna Charter on SME Policies	Algeria, Egypt, Morocco, South Africa, Tunisia

---

**Figure 3. OECD specific projects with African countries**

Recent and active projects in African countries by lead OECD Directorate



*Note:* The chart reflects projects conducted at the national level, including reviews, policy advice and capacity building activities. The notion of project is defined by the existence of a specific budget, provided by the beneficiary country or by a third party.

**Table 4. Regional and international initiatives**

Recent and active projects involving several African countries and institutions

Title		Countries	Directorate
<b>African Economic Outlook (OECD/AfDB/UNDP)</b>		All African countries	DEV
<b>African Revenue Statistics (OECD/ATAF/AUC)</b>		Cabo Verde, Cameroon, the Democratic Republic of the Congo, Côte d'Ivoire, Ghana, Kenya, Mauritius, Morocco, Niger, Rwanda, Senegal, South Africa, Swaziland, Togo, Tunisia and Uganda.	CTP/DEV
<b>Effective Institutions Platform</b>		Benin, Cameroon, Ethiopia, Ghana, Malawi, Rwanda, Senegal, South Africa, Uganda, Zambia	DCD
<b>Global Partnership</b>		All countries except Libya, Togo, South Sudan and Zimbabwe	DCD

<b>International Dialogue and State building</b>	Burundi, Central African Republic, Chad, Comoros, Côte d'Ivoire, Democratic Republic of Congo, Guinea, Guinea-Bissau, Haiti, Liberia, Sao Tome and Principe, Sierra Leone, Somalia South Sudan, Togo	DCD
<b>International Economic Forum on Africa (OECD/AUC)</b>	All African countries	DEV
<b>MENA-OECD Initiative on Governance and Competitiveness for Development</b>	Algeria, Djibouti, Egypt, Libya, Mauritania, Morocco and Tunisia	GRS GOV
<b>NEPAD-OECD Africa Investment Initiative</b>	Open to all countries	DAF
<b>OECD/AfDB Joint Initiative to Support Business Integrity and Anti-Bribery Efforts in Africa</b>	Benin, Burkina Faso, Cameroon, Ethiopia, Ghana, Kenya, Madagascar, Malawi, Mali, Mauritania, Mozambique, Namibia, Niger, Nigeria, Rwanda, Senegal, Sierra Leone, South Africa, Tanzania, Uganda and Zambia	DAF
<b>OECD Initiative for Policy Dialogue on Global Value Chains, Production Transformation and Development</b>	Egypt, Ethiopia, Morocco	DEV
<b>Partnership with the African Tax Administration Forum (ATAF)</b>	Angola, Benin, Botswana, Burkina Faso, Burundi, Cameroon, Comoros, Côte d'Ivoire, Egypt, Eritrea, Gabon, Gambia, Ghana, Kenya, Lesotho, Liberia, Madagascar, Malawi, Mauritania, Mauritius, Morocco, Mozambique, Namibia, Niger, Nigeria, Chad, Rwanda, Senegal, Seychelles, Sierra Leone, South Africa, Sudan, Swaziland, Tanzania, Togo, Uganda, Zambia, Zimbabwe	CTP
<b>Programme for International Student Assessment (PISA) &amp; PISA for Development</b>	Algeria, Mauritius, Morocco, Tunisia (PISA) Senegal, Zambia (PISA for Development)	EDU
<b>Sahel and West Africa Club</b>	Benin, Burkina Faso, Chad, Côte d'Ivoire, Gambia, Ghana, Guinea, Guinea-Bissau, Liberia, Mali, Mauritania, Niger, Nigeria, Senegal, Sierra Leone, Togo + ECOWAS and UEMOA	SWAC
<b>Social Institutions and Gender Index (SIGI)</b>	Algeria, Angola, Benin, Botswana, Burkina Faso, Burundi, Cameroon, Central African Republic, Chad, Democratic Republic of Congo, Egypt, , Côte d'Ivoire, Equatorial Guinea, Eritrea, Ethiopia, Gabon, Gambia, Ghana, Guinea, Guinea-Bissau, Kenya, Lesotho, Liberia, Libya, Madagascar, Malawi, Mali, Mauritania, Mauritius, Morocco, Mozambique, Namibia, Niger, Nigeria, Republic of Congo, Rwanda, Senegal, Sierra Leone, Somalia, South	DEV

Africa, Sudan, Swaziland, Tanzania, Togo, Tunisia,  
Uganda, Zambia, Zimbabwe