

OUTCOME DOCUMENT OF THE SIDE EVENT HELD DURING THE 10TH AFRICAN REGIONAL FORUM ON SUSTAINABLE DEVELOPMENT (ARFSD)

**Co-organised by African CSOs and the Global Call to Action Against Poverty (GCAP)
Held online on 18th april 2024**

Introduction

We the participants gathered online at the Side Event organized by GCAP on the occasion of the 10th Session of the Africa Forum on Sustainable Development (ARFSD), and representing different CSOs from different countries in Africa as well as representatives of other organisations and individual persons; and having held discussions, exchanged ideas and concerns on the state of development in Africa; Note with appreciation the effort made collectively and individually by the countries on the continent towards better living standards of their people; and the general strides all the countries have made so far towards achievement of the SDGs; We especially commend the level of effort each country is making to Improve access to social protection of their citizens, made evident since the onset of the COVID-19 pandemic. We note that social protection is a right. Of all Africans now enshrined by the 2022 African Union protocol.

Our shared concerns

However, despite our recognition of this effort on The SDGs and to put in place and strengthen social protection policies and programmes, we note with great concern that he high debt repayments of Africa. We also note with equal concern that ours is the region that is furthest behind other regions on social protection investment, with ILO estimates of 1.2 billion Africans today without any social protection coverage. In rural areas especially many Africans do have access to any social protection and are at greater risk of economic, health, climatic or other shocks, which exacerbates the existing vulnerabilities faced by the already poor and marginalized, leaving them further behind.

We further note with concern that any gains that the region had made on SDG1, and on social protection coverage have been eroded by the COVID-19 pandemic with millions of people pushed under the poverty line.

We find it especially concerning that so far only two countries in Africa (Niger and Sao Tome & Principe) have ratified the 2022 AU *Protocol to the African Charter on Human and Peoples' Rights on the Rights of Citizens to Social Protection and Social Security*.

We are alarmed that many African countries are caught up in debilitating and unsustainable public debt levels (a total of 1.13T USD) against a total revenue collection by all African countries of 523B USD forcing many of them to use close to, and in some cases more than, 50% of their national revenues to service public debts owed to foreign creditors. This leaves them with insignificant budgets to provide any meaningful public services for the implementation of programs aimed at achieving the SDGs and alleviation of poverty, including social protection floors. We are also concerned by the high level of illicit financial flows out of Africa causing 90 B USD of loss of taxes per year further weakening countries' effort to mobilise adequate domestic resources for development.

Our joint call

In the light of the above, we call on individual African governments, the African Union, the United Nations and all the development partners of each African country:

a) On the Challenge of Unsustainable Public Debt

1. Reforming the global financial architecture
2. Develop a debt work out mechanism under the auspices of the UN.
3. A call to address the root causes of the Debt crisis which is embedded in the structural arrangement of the global financial architecture as opposed to just treating the symptoms of the crisis
4. Providing structural solutions, and not treat debt as a solvency and a liquidity problem.
5. To relook at the structure of each owed public loan and identify aspects that contribute to its unsustainability with the objective of making reasonable adjustments especially where there are clear issues of biases specific to Africa -a good example being double standards in application of interest rates especially by private lenders
6. To re-examine the basic credit terms especially the credit rating standards and identify biases that unfairly rate African countries as risky for investment thus incorrectly inflating interest rates charged to public loans.
7. Renegotiate all those existing loans based on unfair rating mechanisms to determine reasonable levels and practical payments timelines that are sensitive to a country's circumstances.
8. To use mechanisms capable of capturing the true value of African countries' assets including the unmined/unexploited natural resources in order to reflect the true net worth in countries' balance sheets
9. African Union to expedite the ongoing process of developing own credit-rating mechanism

10. African Union to accelerate conclusion of the establishment of the Alliance of African Multilateral Finance Institutions (AAMFI) or simply, the Africa Club, and operationalise it effectively to support Africa's sustainable economic development and integration objectives.
11. Each African country to create national policy frameworks that allows public participation in the whole process of debt contracting and repayment to enhance public accountability
12. To agree on a framework convention on tax in the UN to address the challenge of illicit financial flows from Africa.

b) On Social Protection

13. All African countries to move with speed to ratify the 2022 AU **Protocol to the African Charter on Human and Peoples' Rights on the Rights of Citizens to Social Protection and Social Security** and develop effective national policies, and budgeted programs to implement it;
14. All African countries to put in place and develop sustainable and increased revenue streams to finance and effectively manage universal social protection schemes.
15. All African countries to put in place without delay social protection floors, to guarantee basic income and access to health for older persons, persons with disability, those unable to work and for children
16. All African countries to design and adopt an adaptive social protection framework to enable effective responses to shocks such as health pandemics/ crises. climate and natural disasters and conflict, and sudden economic downturns linked to high inflation and austerity measures. Each framework should take account of the demographic realities of each country taking account of age, gender, disability, ethnicity, rural – urban divide and be responsive to life course risks
17. All African countries to prioritise citizens 'Voice'/participation and engagement in designing, implementing and monitoring of social protection programmes, taking forward the principles of inclusivity, equity and diversity
18. All African countries to have in place a flexible financing fund for rapid response to Shocks
19. All African countries to invest in capacity building and development of their national social protection agencies with investment in technology to maximise accountability.
20. All Africa countries to strengthen data systems for social protection and invest in developing integrated data information systems to ensure no one is left behind
21. Use the Summit of the Future conversation and outcome document to turbo charge and inspire governmental and non-governmental action to both end the debt burden and illicit financial flows and put in place social protection floors essential to attain of the sustainable development goals.