

**Your Excellency Mia Mottley, Prime Minister of Barbados and
Chair of the World Bank-IMF Joint Development Committee**

**Excellency and my good friend, Vera Songwe, United Nations
Under-Secretary-General and Executive Secretary of the
Economic Commission for Africa**

**Honorable Ministers,
Ladies and Gentlemen,**

Let me first welcome you to the 53rd session of the Conference of African Ministers of Finance and development organized by the UN Economic Commission for Africa.

This timely topic points to the need for African economies to respond effectively to the accelerating pace of digital transformation and generational challenge of climate change.

Among rapid global technological and environmental shifts, and a new normal introduced by the COVID19 pandemic, African leaders at every level are tasked with developing innovative responses.

Innovations need to respond to the livelihood needs and prosperity aspirations of a growing youth population. Particularly, one year later into the COVID19 pandemic.

However, a year later, here we stand. Africa has demonstrated it is not only capable of facing this crisis, but it is also ready to help formulate and implement solutions.



Finance and development ministers from throughout the continent, together with UNECA, have been at the fore of discussions on the response and have proposed solutions that have benefitted not just the continent but the world such as the debt service suspension initiative and now the quest for SDRs.

Africa was in a race to embrace economic diversification, the fourth industrial revolution and digitalization in a sustainable and inclusive way. COVID19 came to test our readiness and our resilience. From the crisis we have not only demonstrated Africa's readiness to confront challenges but also Africa's steadfast commitment to focusing on growth through innovation.

Ladies and Gentlemen,

As leaders, I find we are pressed to discern and respond to two sources of disruptions: nature and humanity itself. Nature's signals are becoming louder and more frequent. And an ever more alert and interconnected world population is becoming more demanding and less patient.

Each country and its circumstances may be different, but in this disruption-prone world, each one of us must get at least three crucial agenda items right:

- the digital transformation,
- the climate-smart economy and
- an institutional framework for implementation and accountability.



Africa will account for more than half of the growth of the world's population between 2019 and 2050, and the continent's population—unlike the rest of the world—is projected to continue growing through the end of the century. In a world of shrinking working age population, Africa provides an abundant and increasingly educated workforce.

There is no doubt that Africa will overtime be a vital linchpin to the global economy. However, it must do these three things well and quickly to improve its chances of success.

First, on the digital economy, we must scale up our investments—a trend already turbocharged by the COVID19 pandemic. The digital economy is both a source of growth and a key competitive enabler of other productive sectors.

Our ambitious youth - capable and hopeful, connected and technology savvy—are busy addressing problems as diverse as public service delivery, health care access and digital finance. Policymakers can and should do more to support the digital transformation agenda. As we committed to track spending on education we must also track spend on enabling the digital economy.

The good news is that this is an area where the private sector is keen to invest so most of what we need to do is on creating the enabling environment. Put in place the policy reforms to facilitate innovation and investment once the basic back bone public sector investments are in place.



In Ethiopia for example, my administration approved a National Digital Strategy last year, to guide the digital transformation agenda.

In this strategy, we have identified four foundational building blocks for the digital economy--the establishment of a national digital ID, building payment platforms that work across, strengthening e-government applications, and finally enabling e-commerce. These are supported by reforms in the energy and telecom sectors.

In parallel, we are also investing in digital skills, artificial intelligence and cybersecurity. Already we are seeing good results as a clear demonstration of the soundness of our national development strategy. Our renewed focus in the digital economy has started to attract large investments in the ICT park mainly around data centers to enable data mining. It has also attracted investments in digital innovation and training centers, device manufacturing plants and business process outsourcing companies that hire hundreds of people. This should in turn increase our fiscal revenues as it creates jobs.

Ladies and Gentlemen,

The second goal that every African country must adopt is making our economies climate smart and resilient in diverse ways. In this regard, a climate smart manufacturing sector plays a critical role in increasing our exports and foreign currency earnings, in creating employment opportunities, and in creating a spillover effect of knowledge and technology.



Without a strong manufacturing base, we cannot build a diversified national economy. In Ethiopia, we have made an extensive and targeted effort to attract and retain quality investors with sound capital and finance, strong technological transfer and export growth contribution potential.

All our industry parks were designed and constructed in strict compliance with environmental safety and protection standards as eco-friendly and green industrial parks.

Let me also highlight another mega trend that may be favorable for Africa in at least two ways—the renewable energy sector. Firstly, for most of the developed world, adapting to green energy has been costly – politically and financially. Africa’s energy supply and distribution base is far from depletion; we can have the opportunity to build an energy system that is green from the get-go.

Secondly, Africa is well endowed with the natural resources needed for green energy and also wind and solar energy supply.

The Grand Ethiopian Renaissance Dam is one expression of Ethiopia’s boldness and agency to ride the waves of the energy disruption, rather than fall victim to it. Through the GERD we plan to light up every Ethiopian home and fuel every Ethiopian factory. African women were not born to spend their days gathering firewood. Sustainable energy projects like the GERD will transform their lives in meaningful ways.



As another example, Ethiopia has also taken bold leadership on climate action by launching its ambitious Climate Resilient Green Economy Strategy that aspires to build a carbon-neutral and resilient economy by 2030. Over the last two years, this strategy has been fully mainstreamed into the recently launched Ten-Year National Perspective Development Plan.

We have also recently intensified our commitment in the fight against climate change by launching our Green Legacy initiative in 2019, aimed at planting 20 billion seedlings within four years. In the last two years we planted 9 billion seedlings nationwide and this coming rainy season, we will plant another 6 billion, with the intention to share another one billion seedlings with neighboring countries.

We envision a green continent – literally as we cover our land with trees and otherwise, as we invest in renewables.

**Excellencies,
Ladies and Gentlemen,**

Finally, as we embrace disruptions and volatility as the new normal, we must build resilient institutions capable of implementing reforms to help us withstand the challenges of the future. However, unlike investments in the digital economy and in a climate resilient infrastructure, institution building is a pain staking, long and less tangible process. It requires reforms, consensus building, monitoring and course correction. It is the best anchor we can build as we prepare collectively for the next crisis.



We need continental institutions, regional institutions and national institutions to all stand together.

The African Union, the UNECA, the Africa CDC, the African Finance Ministers, are all part of this institutional fabric and have demonstrated the power of collective ambition and action. We must build on that to prepare for tomorrow's challenges and also tomorrow's promise of a brighter Africa.

With these insights, I would like to officially declare the conference open. I wish you all fruitful deliberations.

Thank you for your attention!

