

**Communiqué of the Fifth Meeting of the Committee of Ten of the
African Ministers of Finance and Central Bank Governors
30 October 2011, Cairo, Egypt**

1. We members of the Committee of Ten (C10) Finance Ministers and Central Bank Governors met on October 30, 2011 in Cairo, Egypt. The meeting was chaired by His Excellency Dr. Hazem El-Beblawy, Deputy Prime Minister and Minister of Finance for Egypt, and was jointly organised by the African Development Bank (AfDB), the UN Economic Commission for Africa (UNECA), and the African Union Commission (AUC). This committee was established under the auspices of African Finance ministers and Central Bank Governors to monitor the global economic situation and make appropriate recommendations. It was preceded by a meeting of Deputies on 29 October 2011.
2. The following countries and institutions participated in the meeting: Algeria, Cameroon, Egypt, South Africa, Tanzania, the Central Bank of West African States (BCEAO), and the African Development Bank.
3. We look forward to the outcomes of the forthcoming G20 meetings. We reviewed the impact of the recent developments in the United States and European Union on Africa. We highlight that a one percentage point drop in OECD countries' growth rate will translate into a 10 per cent drop in Africa's export and half a percentage point lower GDP growth rate. We urge Europe to undertake decisive measures to address underlying structural problems, and the G20 to bring the global economy back on a sustainable growth trajectory.
4. We noted that trade is amongst the most important transmission channels by which Africa is impacted. We request the African Development Bank to reactivate and scale up the trade finance initiative set up during the 2008/9 financial crisis.
5. We note with great concern, recent speculative practices against some African currencies. We call on the authorities to undertake necessary measures, promptly and collaboratively, to combat these practices.
6. We welcome earlier successful efforts by the international finance institutions and multilateral development banks to review and enhance their instruments to assist vulnerable countries. However, we recognise that further improvements to address the needs of the broader membership, and better access to their facilities, are essential. We call on international finance institutions to come up with concrete proposals to fulfil these demands.
7. We recognise that job creation is our utmost priority. Our strategies will not only help promote higher growth rates, but also more economic inclusion for the majority of our people. We call on our pan-African institutions to help African countries achieve such goals with a clear road map. We urge African countries to stay the course on reforms within an inclusive growth framework, emphasising the following:
 - education, training and measures to address poverty
 - financial sector stability
 - market and product diversification

- further enhance intra-African trade and regional integration
- enhance domestic resource mobilisation
- management of the continent's natural resources

8. We noted that we are in a new era of long-drawn food price volatility in the prices of cereals and other products. Over the last five years, the price volatility of wheat has more than doubled, while that of rice increased by around 70 per cent. In light of risks posed by food price volatility, we recommend:

- developing and using new risk management instruments
- developing early warning mechanisms and contingency plans
- supporting the provision of timely and accurate information on stock holdings and market prices
- improving local supply by addressing barriers across the entire value chain

9. We call on the AfDB to carry out further work and promote knowledge sharing, in dealing with volatility in the international food prices. We call on African governments to ensure adequate safety nets while avoiding product subsidies that could undermine public finance. We urge for the early and successful conclusion of the Doha round.

10. We call on the G20 to urge its members and other non-G20 countries to undertake necessary measures to eliminate trade distortion practices, including high import tariffs on African exports and large agricultural subsidies to their local farmers, which hinder Africa's competitiveness and exports, thus harming development and living standards in our rural communities. We urge that concrete efforts be made to help implement the proposed increased investment in agriculture using the value chain approach.

11. We note progress made so far on the development of the framework for implementing the African Green Fund, as instructed by the Malabo African Union summit, as an instrument to channelling international resources allocated for climate finance to respond to the imperative needs of African countries. We look forward to the early conclusion of the Green Climate Fund.

12. We take note of the work of the G20 High Level Panel on infrastructure. We look forward to the G20 decisions on means to channel additional resources, including innovative financing mechanisms as international instruments, in infrastructure. We call upon the G20 to support scaling up of infrastructure investments in Africa.

13. The framework for 'Invest Africa' Initiative, an intended institutionalised vehicle to help attract new investments into Africa at sub-regional and national levels, was reviewed during the meeting. We underscore the important role of the initiative to co-ordinate the various efforts aimed at improving the prosperity of African economies and people.

14. We explored Egypt's experience in public-private partnerships as part of our exchange of experiences on national approaches and experiences in PPPs in infrastructure development. We

call on the AfDB to enhance advisory services and capacity building to promote PPP investments in Africa.

15. We look forward to a successful 17th Committee of Parties (COP 17) under the United Nations Framework for Climate Change Convention (UNFCCC), scheduled for December 2011 in South Africa, which should result in an agreement that meets the challenges of the African continent.

16. The next meeting will be held on the sidelines of the Spring Meeting in Washington D.C., with Egypt as Chair and the following meeting will be held in Algeria towards the end of 2012, with Algeria as Chair.

17. We express our deep appreciation to the Government and People of Egypt for their hospitality.

Cairo, October 30, 2011