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Cairo, Egypt

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## *Draft Communiqué*

We, ministers of governments, representatives of international organizations, private sector, civil society, and think tanks convened in Cairo, Egypt, from 8 to 9 September 2021 at the first edition of the Egypt International Cooperation Forum to acknowledge and emphasize the role of multilateral partnerships in the post-COVID19 era to “Build Back Better”. Through a valuable exchange of ideas and insightful discussions, we look forward to including the recommendations stated hereinafter on the international agenda:

### Multilateralism

- **We acknowledge that COVID-19 created the urge to foster more effective and agile multilateral cooperation** capable of addressing pressing and emerging global challenges. To that end, we commit to concerted efforts towards inclusive, effective and harmonized cooperation towards sustainable development.
- **We realize that the pandemic imposed unprecedented challenges to our development endeavors, but also created new opportunities** and pushed to the forefront of the global agenda climate change, food security, trade and digitalization, infrastructure for development and inclusive partnerships.
- **We encourage establishing partnerships that leverage the comparative advantage of the various stakeholders** to deliver on the 2030 Agenda. We therefore note the significance of capitalizing on the role of the private sector, civil society and think tanks in solving global cooperation challenges, ensuring the optimal allocation of resources, strengthening mutual accountability and achieving sustainable impact.
- **We commend the findings and instruments of current international organizations** that aim to maintain the spirit of multilateralism, and we call for effective collaborations to build on these efforts.
- **We emphasize the importance of following-up on commitments and agreements at the various global summits and international platforms**, including the Paris Declaration on Aid Effectiveness and the Accra Agenda, and encourage the initiation of an inclusive, multi-stakeholder global dialogue on the establishment of a universal monitoring framework to track the implementation of such commitments.

## South-South and Triangular Cooperation

- **We recognize that South-South and triangular cooperation complement and add value to conventional forms of development cooperation**, which facilitates access to technical and financial resources, promotes knowledge sharing, exchange of experience and technical know-how and ultimately contributes to sustainable development.
- **We also assert that South-South does not substitute North-South Cooperation**, which is key to bridge the technological gap between the North and South.
- **We call for strengthening existing South-South and triangular cooperation platforms** and reinforcing the mechanisms for sharing knowledge and experience, in order to scale up successful practices through cooperative cross-border frameworks. We hence capitalize on the Buenos Aires Action plan on South-South Cooperation and the Nairobi outcome document, to further promote technical cooperation among developing countries and stimulate national and regional, social and economic development on the medium and long terms.
- **We underline the importance of increased technical cooperation** to promote South-South and triangular cooperation and acknowledge the support already provided to improve national capacities of developing countries, in line with their national strategies.
- **We urge the proliferation of knowledge sharing through south-south cooperation in light of propagating lessons learned, and sharing methodologies for planning, monitoring and evaluating** South-South and triangular cooperation, whilst building upon successful practices in the field. We underline the need for more evidence-based information regarding the scope and impact of South-South and triangular cooperation to guide future identification of priority sectors and projects and optimize the allocation of resources to accelerate our global progress.

## Advancing the 2030 Agenda

- **We reaffirm that the 2030 Agenda for Sustainable Development is the blueprint** the international community needs to ensure long-term growth post COVID-19. Having reflected on the biggest challenges in its implementation amplified by the pandemic, we look forward to focusing on not only the mobilization of resources, but also measuring the impact of development cooperation.

- **We realize the 2030 Agenda results framework and encourage each country to take innovative approaches in mapping their progress** to align the results of international development cooperation projects with the SDGs' objectives. Aiming to strengthen inclusive and impactful engagement with development partners, governments, global policymakers, the private sector and civil society - this exercise will underscore key relations, as well as multidimensional linkages across sectors and projects. Thus, guiding future decision making and revealing gaps, opportunities and successful practices.
- **We are committed to streamlining and synchronizing the contributions** of different stakeholders to create necessary synergies that promote further collaboration. Streamlining efforts will not only take place on the international level, but on the national level as well by developing an integrated and inclusive approach to achieving the SDGs across all sectors, and through different channels.

### **Private Sector Engagement in Development**

- **We recognize the persistent SDGs financing gap**, as an additional US\$3.7 trillion a year will be required to achieve the SDGs by 2030. Hence, we call upon all nations and international organizations to capitalize on the indispensable role of the private sector and private investments in achieving the SDGs through the promotion of sustainable corporate practices and impact investment.
- **We are committed to enhancing the alignment and harmonization of business practices with international development narratives**, by aligning strategic business objectives with the 2030 Agenda, with a special emphasis on closing the financial gap especially amid the pandemic economic recovery. We encourage businesses to implement more inclusive economic policies that increase cross-institutional collaboration and align all stakeholders towards environmental, social and governance (ESG) principles, hence fostering impact investing and creating sustainable value chains.
- **We underscore the significance of capitalizing our progress** and shortcomings through analyzing and measuring the volumes of finances directed towards achieving the SDGs, especially in regards to private sector engagement, to assess actual impact. Quantifying and mapping the contributions of the private sector towards the SDGs will allow for more efficient allocation of funds and shed light on successful initiatives that may otherwise go unnoticed, encouraging further cooperation.

- **We acknowledge the significance of reorienting business financing tools towards new blended finance instruments** based on resilient public-private and multi-stakeholder partnerships that help in fostering robust channels of communication. They would also support creating an incentivizing framework for the private sector to invest in a wide range of development sectors, as highlighted in the Addis Ababa Action Agenda. These partnerships are to rest on the notions of risk-sharing, transparency and accountability. With such a model in action, investments in sustainable infrastructure are to be secured, leading to a spillover effect on long-term investment plans across all key development players.
- **We encourage the formulation of multi-stakeholder task forces and working groups** that aim to:
  - 1) determine all structural, institutional and economic policy reforms that are vital for stimulating private sector engagement in development;
  - 2) put forward recommendations for creating an incentivizing environment for businesses to catalyze their investments towards achieving the SDGs; and
  - 3) develop risk-sharing mechanisms to build strong public-private partnerships;
  - 4) pinpoint systemic gaps and key impact investment opportunities for private sector contribution to the development process at the national and international levels;
  - 5) identify sectors that act as catalysts to achieve the UN 2030 Agenda;
  - 6) outline innovative sustainable financial instruments that deliver socio-economic and environmental impact; and
  - 7) promote partnerships between the private sector and civil society.
- **We call upon governments to pursue economic reforms** to facilitate both domestic and foreign private sector investments that are coupled with capacity building and knowledge transfer to ensure long-lasting benefits.

### Climate Action: A Gradual Transition

- **We reiterate our commitment to the United Nations Framework Convention on Climate Change (UNFCCC) and its Paris Agreement.**
- **We underscore the disproportionate impact of climate change;** Although African countries are the least contributors to global emissions, accounting for less than 4% of total emissions, they are deemed the most vulnerable to climate turmoil.
- **We acknowledge the negative impacts of climate change, amplified by the COVID-19 pandemic, on socio-economic development** in developing countries, which jeopardize

the efforts exerted to achieve the 2030 Agenda. We realize the projected cost of climate damage, if no policy measures are adopted, is estimated at USD 18 billion every year.

- **We recall the commitment of the developed countries to jointly mobilize USD 100 billion** per year by 2020 from different sources of finance to support climate action in developing countries. We also encourage judicious investment in green infrastructure to stimulate economic growth.
- **We recognize the importance of international partnerships and collective efforts in addressing climate change and its consequences** especially in developing countries and among vulnerable communities in order to mobilize resources needed for building back better and greener. We reaffirm the value of sharing experience, best practices and propagating lessons learned to achieve a green transition and build resilience to climate change.
- **We therefore call upon all developing stakeholders and the international community to mobilize all means of implementation** especially finance and to have an equal ambition between financial support and mitigation reflecting common but differentiated responsibilities taking into consideration respective capabilities in light of countries' different national circumstances and pushing forward for a joint action plan to contribute towards the achievement of the global goal on adaptation by stepping up our adaptation actions in the context of Paris Agreement.
- **We encourage the promotion of investment and green finance in economic recovery plans.** We underline the importance of introducing new financial instruments such as green bonds and carbon market instruments to reduce GHG emissions, while taking the share of proceeds into account to meet the adaptation target in many developing countries.

### **Boundless Digital Trade in Africa**

- **We reaffirm the role of the African Continental Free Trade Area (AfCFTA) in boosting growth and integration of the African economies amidst the COVID-19 pandemic.** We reiterate the need to finalize negotiations relating to the enactment of an e-commerce protocol as a guiding tool to harmonize data regulations, facilitate cross-border digital trade, and enable digital taxation on e-commerce. This would eventually foster an inclusive economic recovery, as youth, women and small and medium enterprises (SMEs) are the key beneficiaries of formalizing digital trade in Africa.
- **We acknowledge that creating an enabling environment for cross-border e-commerce** in Africa requires strong telecommunication infrastructure, cost-effective transportation, consolidated tax systems, reliable payment solutions, and overall awareness of regulatory rules and custom duties and procedures.

## Digital Transformation: Empowering Women and Young Entrepreneurs

- **We acknowledge that the inclusion of women in economic activities is pivotal for sustainable growth and for expediting socio-economic recovery post COVID-19.** We also realize the importance of collective action to overcome the challenges that hinder their active engagement in digital services, as well as their economic empowerment.
- **We realize the importance of harnessing the potential of digital technologies to provide women-led businesses with vast opportunities and enhance their competitiveness.** We therefore call for enhancing accessibility to digital technology, especially for those residing in rural areas, by providing women with the necessary digital skills and strengthening their entrepreneurial capacity. We call upon increasing investments directed to ICT infrastructure, which would in turn improve internet connectivity, and ultimately promote women's participation in entrepreneurship and innovation.
- **We reaffirm our commitment to the African Union's Agenda of Digital Transformation.** We realize that driving youth-led innovative solutions to sustainable growth will foster inclusion, lower transaction costs, increase accessibility to the global market and attract multi-sectoral investments.
- **We emphasize the needed policy reforms to improve regulations and create the enabling environment to facilitate the youth-led digital transformation in Africa.** With 60% of the African population under the age of 25, the youngest continent could benefit from the accelerating momentum of digital technologies in reshaping business models by increasing access to finance and enhancing the employability of young workers to meet the demands of the digital economy job market.

## The Roadmap to Food Security

- **We emphasize the need for collective action to scale up scientific research and innovation in efforts to strengthen Africa's resilience** to climate change and other shocks that threaten the food security of its people.
- **We call upon the international community to support the development of a roadmap** that outlines short-, medium- and long-term solutions for building resilient agricultural and food systems. It would entail guidelines to facilitate knowledge sharing; promote technology transfer; adopt country-led sustainable agricultural methods; foster smart-climate practices; and support the diversification of livelihoods among rural communities seeing as they are the most vulnerable to food scarcity in the face of climatic shocks.

## Investing in Human Capital

- **We acknowledge that investing in human capital is key to long-term growth and sustainable development**, which reinforces the importance of mobilizing international resources to support the efforts of developing and emerging countries to improve the standards of living of citizens. This is done by increasing human capital investments and strengthening health and educational services and social protection programs for the lower-income classes, thus contributing to building resilient societies capable of building a better future.
- **We affirm that the repercussions caused by the COVID-19 pandemic had a significant negative impact on human capital**, as it cost millions of people their jobs, prevented children from going to school, and disrupted access to basic healthcare services across the world. This calls for concerted global efforts to mobilize the necessary development funds to support the country's efforts to counter the effects of the pandemic.
- In the context of COVID-19, **we recognize the vital need for ensuring equal access to vaccinations and the encouragement of relevant initiatives and vaccine production across Africa**. Additionally, as important as targeting social sectors is to human development, non-social sectors such as infrastructure, transport and energy equally contribute to enhancing socio-economic outcomes and hence people's livelihoods. These sectors help expand outreach of public services, facilitate access to different markets and reduce logistical costs.
- **We realize that economic infrastructure is one of the most prominent sectors with persistent financing gaps** ranging from USD 770 billion to USD 950 billion. We acknowledge that additional financial resources (up to USD 2.1 trillion) are still needed for low middle-income and emerging countries to achieve SDG targets in education and health, transport, energy and water and sanitation sectors by 2030.
- **We further note that infrastructure investment has a multiplier effect on job growth**. It is estimated that public investment in key infrastructure sectors, if amounts to 1 percent of GDP, is capable of generating at least seven million jobs across both advanced and emerging economies.
- **We therefore emphasize the importance of addressing investment gaps** by mobilizing private and public finance to support power, transport and social infrastructure. This calls for formulating strategic infrastructure development plans, as well as gauging the amount of annual investments needed.