

Decision 1/SS6: Implementation of 2030 Agenda for Sustainable Development, the Sustainable Development Goals and African Union’s Agenda 2063: A Contribution of the Natural Capital¹

We, the African Ministers of Environment,

Having met in Cairo from 18 to 19 April 2016 at the sixth special session of the African Ministerial Conference on the Environment,

Noting the agenda 2063 “The Africa We Want” a shared strategic framework for inclusive growth and sustainable development for Africa and its first ten year implementation plan covering the period 2014-2023, adopted at the 24th African Union Assembly 23-24 January of 2015, Addis Ababa,

Recalling resolution 66/288 of the seventieth session of the United Nations General Assembly that adopted 2030 Agenda for Sustainable Development and the Sustainable Development Goals,

Recalling the Addis Ababa Action Agenda,² adopted at the Third International Conference on Financing for Development Conference in Addis Ababa, 13–16 July 2015 that provided a broad framework for addressing the challenge of financing and creating an enabling environment at all levels for sustainable development,

Welcoming the outcomes of the Ninth Joint Annual Meetings of the African Union Specialized Technical Committee on Finance, Monetary Affairs, Economic Planning and Integration and the Economic Commission for Africa Conference of African Ministers of Finance, Planning and Economic Development Meeting of the Committee of Experts Addis Ababa, 31 March – 2 April 2016,

Welcoming in accordance with African Ministerial Conference on the Environment decision SS5/3, the processes towards the development and implementation of a resource mobilisation strategy for the regional flagship programme being developed,

Recalling decision 1 of the 15th session of African Ministerial Conference on the Environment adopted in Cairo in 2015 on sustainably harnessing Africa’s natural capital in the context of Agenda 2063 that recognised the urgent imperative to harness, sustainably manage and leverage Africa’s natural capital for sustainable development and poverty reduction,

Noting the progress made by the Gaborone Declaration for Sustainability in Africa in pursuing sustainable development and implementing the African Green economy regional flagship programme of the African Ministerial Conference on the Environment and taking note of Declaration’s role in promoting and supporting the optimal utilisation and harnessing of natural capital,

¹ Natural capital is the environmental assets of a country. Natural capital comprises natural resource stocks, land and ecosystems as the principal categories.

² United Nations General Assembly resolution 69/313 of 27 July 2015.

Recalling Principle 2 of the 1992 Rio Declaration that affirmed sovereignty of countries, in accordance with the Charter of the United Nations and the principles of international law, to exploit their own resources pursuant to their own environmental and developmental policies,

Aware of the forthcoming second session of the United National Environment Assembly of UNEP scheduled to take place from 23-27May 2016 at UNEP headquarters in Nairobi under the overall theme of “*delivering on the environmental dimension of the 2030 Agenda for Sustainable Development*”,

Determined to sustainably and optimally manage the region’s natural capital in order to contribute to the implementation of 2030 Agenda for Sustainable Development and the Sustainable Development Goals and African Union’s Agenda 2063 and its first ten year implementation plan,

Decide

1. To agree to cooperate among the African states to strengthen our national capacity for the implementation of the environmental dimension of the Agenda 2030 and Agenda 2063 and the sustainable development goals.
2. To agree to take measures to invest in, including strengthening and developing institutional and governance mechanisms, processes and interventions of sustainable harnessing³ of environmental assets and reversing natural capital losses as part of the contribution to implement the 2030 Agenda for Sustainable Development, the sustainable development goals and agenda 2063.
3. To agree to create and strengthen partnerships between governments, private sector, non-governmental organisations, international community and other relevant parties to promote and enhance investments in natural capital value addition, sustainable/green industrialization and wealth creation.
4. To agree to advocate, create awareness and mobilise the public as well as build capacity on integration of natural capital in the systems of natural capital accounting as a gateway for contributing to the implementation of the 2030 Agenda, SDGs/Agenda 2063.
5. To call upon regional and international institutions to support sustainable harnessing of natural capital and reversing of environmental losses by creating innovative financing mechanisms and to agree to facilitate the creation and strengthening of private and public partnerships in the continent to establish centres for sustainable harnessing of natural capital and value addition.
6. To agree to take ownership of the regional flagship programme and cooperate in order to fast track implementation that will improve the livelihoods of our society.

³ Harnessing natural capital is adding value to environmental assets in a sustainable manner.

7. To call upon the African Union to reaffirm that sustainable harnessing of natural capital and reversing environmental loss is critical to achieving the grandeur continental development vision of the AU Agenda 2063, “the Africa We Want.”
8. To request UNEP, other UN agencies, development partners and international community to facilitate strengthening of international cooperation in undertaking studies, developing policies and measures that contribute towards integrating environmental and natural resources in macro-economic and sectoral policies, and for reversing environmental losses and sustainable harnessing of natural capital including on capacity, development of tools and methodologies, innovative technology and sustainable financing and coordination among multilateral agreements related to environment, finance and trade on trade and environment matters.
9. To call upon all member states of the United Nations Environment Assembly to consider adopting a universally applicable resolution on capturing the value of natural capital and the development of policies, plans and programmes during UNEA -2.
10. To agree to domesticate this decision into national policies and legislation especially on targeting the allocation of a portion of current natural capital earnings for re-investment in highly catalytic sectors towards achievement of the SDGs (especially clean energy and optimization EBA-Driven agro-value chains and adding value to extractives).
11. To mandate the President of African Ministerial Conference on the Environment, in consultation with members of the Bureau and other member states, to present this decision and the key messages on natural capital, to:
 - (a) the second session of the United Nations Environment Assembly due to take place in Nairobi, 23-27, May 2016, and the Executive Director of UNEP with the aim of galvanising international support and bringing to the attention of the world the need to strengthen the natural capital gateway as a means of implementing the 2030 Agenda, the sustainable development goals and Africa’s agenda 2063,
 - (b) African Union Specialised Technical Committee on Agriculture, Rural Development, Water and Environment with the aim of having these outcomes endorsed at the next African Union Summit in July 2016,
 - (c) Other regional and global fora, institutions and partners with the aim of drawing attention to the need to develop policies and programmes for sustainable harnessing of natural capital and reversing environmental losses,and report to the next ordinary session of the African Ministerial Conference on the Environment.
12. To argue Ministers responsible for the environment in Africa to report this decision and the outcomes of the sixth special session of the African Ministerial Conference on the Environment to their Heads of State and Governments.

Key Messages

1. We, African ministers of environment, recognize that Africa's natural capital underpins the continent's economy and that it will continue to represent a significant development opportunity for its people as a means to wealth creation.
2. We affirm that achieving long-term sustainable development and poverty alleviation in Africa will depend on the sustainable and optimal management and utilization of our natural capital.
3. We believe that using natural capital gateway will allow for action through financial, economic, social and environmental contribution towards the achievement agenda 2063/ 2030 Agenda and the SDGs as well as unlocking domestic resources.
4. We recognize that investing in harnessing natural capital, Africa could in the next 15 years, advance progress in sustainably expanding its economies towards creating jobs, promoting resources efficiency enhance competitiveness and market access promoting resources efficiency enhance competitiveness and market access achieving food security, combating climate change, enhancing productivity of its ecosystems that underpin economic productivity, alleviate poverty and achieve a more inclusive society.
5. In light of declining official development assistance to Africa and mounting development needs, we recognize the need for Africa to mobilize domestic resources to complement and leverage additional large scale international sources for implementation of both AU Agenda 2063 and 2030 Agenda.
6. We recognize the importance of research and development as well as technological innovations to promote sustainable development and to that effect emphasising national capabilities to develop environmentally innovative technology
7. We are committed to mobilising domestic resources by instituting innovative strategies, mechanisms and interventions to sustainably harness Africa's natural capital. We therefore call upon our governments to use the natural capital gateway by investing in (i) reversing environmental losses so as to free resources for development, and (ii) sustainable harnessing of natural capital and sustainable green industrialisation, green agriculture, integrated sustainable urban development, green transport systems, eco- tourism, sustainable trade through value addition and sustainable/green industrialisation
8. We recognize the importance of research and development as well as technological innovations to promote sustainable development and to that effect emphasising national capabilities to develop environmentally innovative technology
9. We will put in place strategies for sustainably harnessing Africa's natural capital including instituting appropriate policies and practices to reverse ecosystems degradation and promote sustainable consumption and production patterns.

10. We will establish and strengthen our policies and measures that safeguards funds recovered from illicit financial flows arising out of plunder of Africa's natural capital and re-channel them back into our economies as part of the financing for implementation of Agenda 2030/2063.

11. We will ensure prioritized allocation of current earnings from natural capital to catalytic natural capital- based sectors, such as enhancing agro-productivity and clean energy access that are capable of catalysing the achievement of multiple SDGs.

12. We will also ensure that our governments allocate a percentage of earnings from export of natural capital to sectors that will be highly catalytic in the achievement Agenda 2030, the Sustainable Development Goals 2030 and Agenda 2063.

13. We recognise that investing in natural capital, Africa will be able to achieve SDG 1, 2, 3, 4, 7, 8, 9, 10, 12, 13, and 15, among others, including through, value addition to optimize revenue; reversing environmental loss and crime, resource plunder and illicit financial flows; and re-prioritizing allocation of current natural capital earnings to catalytic highly potent sectors.

Reversing Environmental Loss

Africa's loses an estimate of up to \$195 billion annually of its natural capital through illicit financial flows, plundering of resources, environmental crimes such as illegal logging, illegal trade in wildlife, illegal, unaccounted for and unregulated fishing; illegal mining practices; food imports, unsustainable patterns of consumption and production and degraded ecosystems. This amount exceeds the total annual amount Africa needs to invest in infrastructure, health care and, education, and to combat climate change under a less than 2°C warming scenario.

Building both biophysical and social resilience of communities as well as enhancing the productivity of the very ecosystems that underpin economies and livelihoods can be effectively done through ecosystem based adaptation approaches.

14. We recognise that reversing environmental losses could result in Africa recouping of up to \$195 billion annually for re-investment in these sectors towards achieving SDGs.

15. We believe that investing in catalytic natural capital based sectors such as clean energy and optimized EBA-agro value chains will catalyse achievement of multiple SDGs.

16. We believe that by investing in better and sustainably management of environment assets such as EBA-driven agriculture and clean energy will reduce costs and reverse losses due to environmental degradation while at the same time creating wealth for our people and supporting achievement of the SDGs.

17. We believe that investment in capacity building, financial engineering and technology towards improving tax administration in countries will significantly reduce natural capital losses due to illicit financial flows.

18. We recognised that optimizing Africa’s agriculture, through sustainable agriculture approaches can enhance yields by up to 128% of more nutritious foods and increases farmer’s income thereby lowering environmental loss and financial cost.

19. We will use various methodologies and approaches to enhance the capacity of ecosystems that underpin productivity, while ensuring that the crucial ecosystem services such as water, soils, biodiversity, pollinators continue to be provided thus guaranteeing long term productivity.

20. We recognise that investing in EBA driven agriculture will simultaneously guarantee sustainable yield increases of more nutritious food, enhance farmer level incomes, ecosystems capacity, as well as climate adaptation and build climate resilience of our local communities.

Value Addition and sustainable industrialisation

Value addition to natural capital, whether from extractives or ecosystems goods and services, delivers SDGs/agenda 2063 through sustainable industrialisation which creates jobs, wealth and improves human well-being.

21. We will enhance productivity of the various natural capital and economic sectors by making an enabling framework for value addition including on policies and programmes that harness the full potential of our natural capital so as create wealth for our people.

22. We will create opportunities for the private sector to establish eco-entrepreneurship, add value and establish industries for sustainable harnessing of natural capital.

23. We will use the Gaborone Declaration on Sustainability in Africa as one of the mechanisms put in place by some African countries, to help value and manage natural capital and to sustainably improve economic and social wellbeing of the citizens of the African continent.

24. Given Africa’s abundant renewable energy sources and increasing global attention to clean energy investments, we will prioritize the expansion of accessible clean energy in rural areas with the specific objective of catalysing for example rural agro-industry, a derivative of the continent’s natural capital.

25. We will strengthen investments in agro-processing in ecosystem based adaptation driven agriculture to increase sustainable industrialization. By optimizing Africa’s agriculture productivity through linking ecological on-farm production with commercial value chains, including accessible energy to catalyse agro-processing, value addition and enterprises along the entire agro-value chain, Africa can create as many as 17 million jobs and catalyze an agro-industry projected to be worth US\$ 1trillion by 2030.

Natural Capital Valuation⁴ and Accounting⁵

26. We understand that knowing the value of our natural capital will help us determine how much the services provided by nature contribute to the economy and well-being of our people, which in turn help us make better decisions about the constituents of sustainable development.

27. We are aware that many of our country's development growth measurements such as accounting, economic performance and growth domestic product currently do not take into account valuation of our natural capital and its losses thus showing an incomplete analytical framework. We will therefore take policy actions to incorporate valuation of our natural capital in development planning and accounting as this is a foundation of our wealth.

28. We are also aware that without full valuation of less-tangible benefits from natural capital, their exploitation will remain unsustainable and degradation inevitable. We will therefore promote concerted efforts to mainstream natural capital valuation and accounting, which is critical for integrating the values of natural capital into decision-making processes.

29. We will encourage the use of environmental policy as part of the standard economic stimulus package in addition to the more traditional fiscal and monetary policy.

30. We encourage relevant bodies and agencies of the United Nations system, international financial institutions and other relevant institutions, in collaboration with other stakeholders, to provide further support to African countries in valuing and accounting for natural capital.

Governance and Partnerships

31. We will take policy, institutional and legal measures and reforms to sustainably harness Africa's natural capital, value addition, reverse current environmental losses, re-invest current earnings from natural capital at regional, national and local levels.

32. We will continue to mobilise policy makers, create awareness of the role of natural capital in the development process and build consensus at local, national, regional levels in Africa on the contribution of natural capital in sustainable development.

33. We will advocate for policy reviews and actions to integrate natural capital as a gateway for achieving sustainable development and poverty eradication as well as achieving sustainable development and poverty eradication as well as financing implementation of Agenda 2030/agenda 2063,

34. We will create and strengthen partnerships especially with the private sector, financial institutions, researchers and academia, international community in developing centres for natural capital harnessing and in uptaking investments in

⁴ Valuation is a process used to assess or appreciate the worth of natural capital.

⁵ Accounting is understanding the full value of natural capital to the economy and well-being.

processes and interventions which creates value addition and wealth using our natural capital.

35. We will strengthen our governance mechanisms at local, national and regional levels for sustainably harnessing natural capital, reversing environmental loss, and resource plunder through appropriate policies, processes and interventions.

Mobilising Global support

36. We call upon the international community to support sustainable harnessing of Africa's natural capital through the strengthening capacity, development of adaptable tools and methodologies and innovative technology transfer. Our priority is that technology transfer and support should target highly catalytic sectors capable of catalysing achievement of multiple SDGs.

37. We also call for international support in technology transfer and capacity building to minimize illegal financial flows, especially through stoppage of tax evasion and improved tax administration.

38. We request creation of global and regional partnerships for technology transfer and capacity building that can unlock opportunities for value addition such as in clean energy to power rural industries and provide alternatives to biomass, hence limiting forest degradation and enhancing the value of Africa's natural capital.

39. We request UNEP and other UN agencies and programmes to support Africa especially in rendering technical support and fostering international cooperation and coordination within the UN system in sustainable management natural capital.