



# Connecting the dots: Domestic Resource Mobilisation and Agenda 2030

by

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## Presentation Outline

- Understanding the meaning of ‘Domestic Resource’
- What is ‘domestic resource mobilisation’?
- The Global agenda
- Africa’s development agenda
- Connecting the dots – DRM -> SDGs



# Understanding 'Resource'

- What is a resource?
  - Is it physical? Virtual? Renewable? Non-renewable? Human? Monetary? Time? OR all the above?
- Have we therefore understood what the continent and our countries have in terms resources?



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# Understanding 'Resource'...





# Understanding 'Resource'...



Source  
<http://www.samrack.com/wp-content/uploads/2016/05/Ch2HOLzWwAIVjui.jpg>



# Understanding 'Domestic Resource'

- What then is a domestic resource?
  - A resource within geographical border?
  - Does the ownership matter? Local? National (state owned)? Foreign Subsidiary?
- The domestic resource of our continent is fundamental to its sustainable development and growth
- More importantly the management of this domestic resource



## Understanding 'Domestic Resource'...



Source

<https://www.google.co.ke/url?sa=i&rct=j&q=&esrc=s&source=images&cd=&cad=rja&uact=8&ved=0ahUKEwiV6tzM76jXAhVFVRQKHfnsD6MQjB0IBg&url=https%3A%2F%2Fwww.ituc-africa.org%2F%2B-STOP-THE-BLEEDING-AFRICA-IFF-%2B.html&psig=AOvVaw2gVxLPVTE7prS2XjMWndhQ&ust=1510020524130278>



# What is 'domestic resource mobilisation'?

- How do we go about creating DRM?
  - Lo-glo – making local industry global enterprises
  - Investment – education, industry, manufacturing, research and development
  - Revenue generation – sealing loopholes, stopping tax havens, negotiating better trade and investment deals
  - Creating value at the local and national level across all economic, productive, and social sectors
- Why is DRM important?





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# The Global Agenda



- Dependency on natural resources has left African countries vulnerable to economic shocks
- Lack of economic diversification
- Tax revenues are therefore skewed towards volatile sectors

Source

<https://www.google.co.ke/url?sa=i&rct=j&q=&esrc=s&source=images&cd=&cad=rja&uact=8&ved=&url=http%3A%2F%2Fwww.travelweek.ca%2Fnews%2Fdespite-windfall-lower-fuel-prices-airlines-boost-base-fares%2F&psig=AOvVaw3CfCu2hZfsDEC4OsNY2FVZ&ust=1510022372707640>



# The Global Agenda

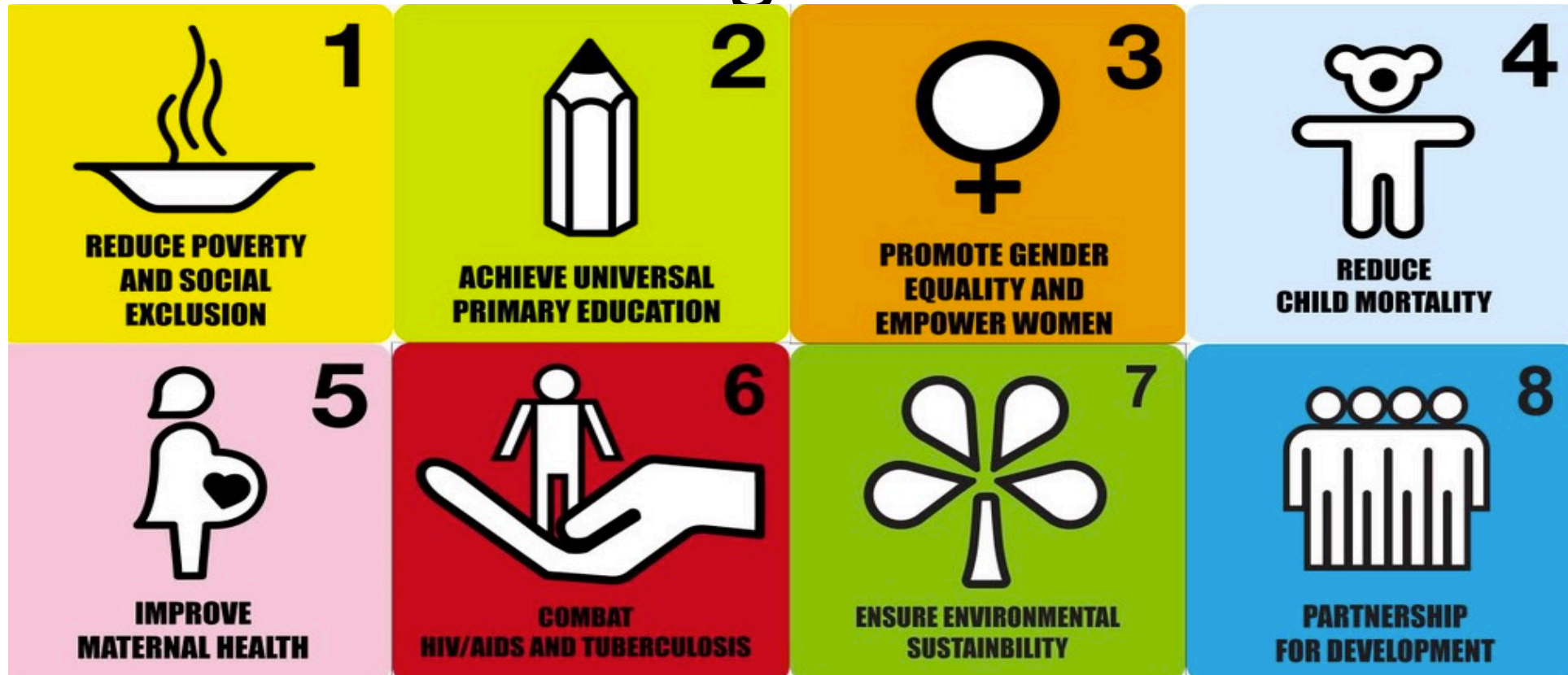


- A world that has been dominated by extraction and consumption means there are few winners and many losers
- In this world the % share of capital and consumption is high amongst the few

*“The global inequality crisis is reaching new extremes. The richest 1% now have more wealth than the rest of the world combined. Power and privilege is being used to skew the economic system to increase the gap between the richest and the rest. A global network of tax havens further enables the richest individuals to hide \$7.6 trillion. The fight against poverty will not be won until the inequality crisis is tackled.” (Oxfam 2016)*



# The Global Agenda





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# The Global Agenda



**SUSTAINABLE DEVELOPMENT GOALS**  
17 GOALS TO TRANSFORM OUR WORLD





# The Global agenda

- The global development agenda has made Africa dependent at several levels:
  - Resources – ODA; FDI; Remittances; Debt; IFFs; Technical Assistance;
  - Policy – growth instead of development -> the magic 7%
  - Politics – ideological deficit makes government and leaders vulnerable



# Africa's development agenda

- The Pan-African movement of the post colonial era
  - Attempted to foster a political, economic, and social paradigm of one Africa in the face of deep division
  - The global crises and neo-colonial of the post colonial period stifled any meaningful African development agenda (Debt; Oil; SAPs; and so on)
  - The 'bad' habits were passed on



# Africa's development agenda

- The political push for multiparty politics and democracy
  - Greater participation over recent decades
- Agenda 2063
  - The continental blueprint
- NEPAD
- Africa Mining Vision





# Africa's development agenda



- The Africa we want is dependent on several factors:
  - Understanding the diversity that exists within and across our borders
  - Appreciating the fractures and brokenness of the system within which we operate
  - Being aware of the wealth the continent possesses
- The ultimate aim of all stakeholders is to change the picture on left (your right)



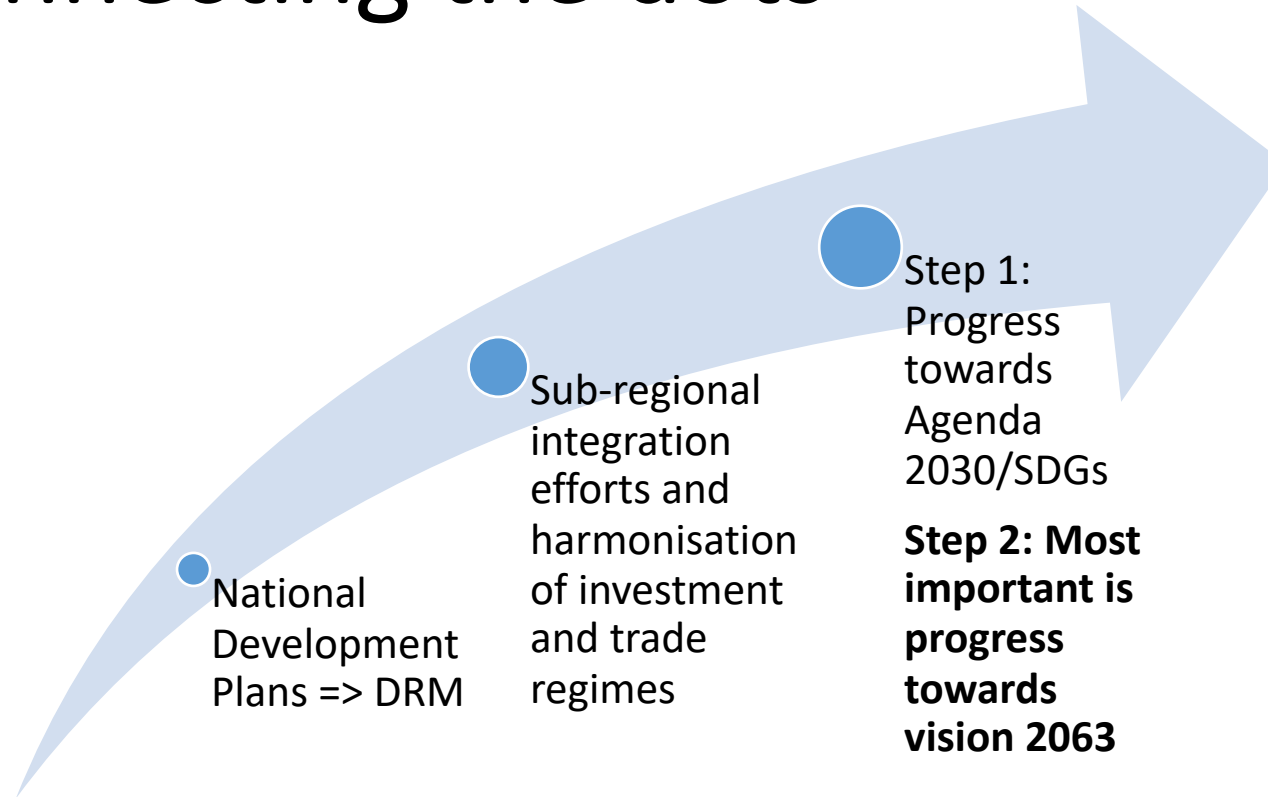
## Connecting the dots

- Africa remains a resource rich continent
- ODA is declining USD 37Bn in 2006 to USD 32Bn in 2015
- FDI inflows and outflows BUT how much is being captured?
- Tax Revenue dependent on natural resources and unequal
- Real GDP is volatile and below the magic 7%
- Socio-economic indicators still lagging behind



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# Connecting the dots





Questions?