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Social dimensions of the New Partnership for Africa's Development

Report of the Secretary-General

Summary

The present report is submitted pursuant to Economic and Social Council resolution 2021/9 to improve the effectiveness of the work of United Nations bodies with regard to the social dimensions of the New Partnership for Africa's Development and Agenda 2063: The Africa We Want and the latter's links to the 2030 Agenda for Sustainable Development.

The report, written in the context of the coronavirus disease (COVID-19) pandemic, contains an updated review of its socioeconomic impacts in Africa and the corresponding recent response of African countries and their partners, including the United Nations system. It showcases the progress made in ensuring a coordinated implementation of the 2030 Agenda and Agenda 2063, as well as the collaboration between the United Nations and the African Union to build Africa back better, post-pandemic. Policy recommendations for a sustainable recovery in Africa are provided.



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I. Introduction

1. The New Partnership for Africa's Development (NEPAD), adopted in 2001 by the African Union, has provided a vision and policy framework for Africa's development and integration into the world economy. The goals of NEPAD have since been echoed by the 2030 Agenda for Sustainable Development and Agenda 2063: The Africa We Want, generating further momentum for action towards an inclusive, prosperous and peaceful Africa, where no one is left behind. Written in the context of the coronavirus disease (COVID-19) crisis, the present report contains an update on its negative socioeconomic impacts in Africa, including the continuing increase in poverty, food insecurity and inequality, followed by an account of the response of African countries and their partners, especially the social protection measures that have helped to limit the impact of the pandemic in the short term. Lastly, the report showcases the progress made in ensuring a coordinated implementation of the 2030 Agenda and Agenda 2063, as well as the collaboration between the United Nations and the African Union to build Africa back better post-pandemic, including in guaranteeing fair and equitable access to vaccines.

II. Socioeconomic impacts of the coronavirus disease (COVID-19) pandemic

2. The 2020 world recession sparked by the COVID-19 pandemic continues to have adverse health, economic and social effects on African countries, reversing hard-won development gains and derailing progress on the implementation of the 2030 Agenda and Agenda 2063. The sharp falls in revenues from commodity exports, tourism, capital and remittance flows as well as unsustainable debt levels not only negatively affect the performance outlook of African economies but exacerbate the vulnerability of their populations to climatic shocks. African countries that are highly dependent on food imports, mainly least developed countries, are facing the added challenge of ensuring food security during the crisis.

A. Health¹

3. A strong, resilient and responsive health-care system is required to effectively and efficiently respond to a health crisis such as the current pandemic. Clean water, hygiene and sanitation are also essential for protecting people's health and well-being, especially during such times of infectious disease outbreaks. The health-care system in Africa was facing tremendous challenges even prior to the onset of the pandemic. The region has only one medical doctor per 3,619 people and one nursing and midwifery professional for 973 people and is highly dependent on imports for its medicinal and pharmaceutical products. The average national percentage of domestic government health expenditure in the region was 7 per cent in 2018. Less than half of births and only 10 per cent of deaths are registered annually owing to a lack of wellfunctioning civil registration and vital statistics systems. Further, the mortality rate

¹ See World Health Organization (WHO), World Health Statistics 2021: Monitoring Health for the SDGs (Geneva, 2021); WHO, SCORE for Health Data Technical Package: Global report on health data systems and capacity (Geneva, 2021); https://who.maps.arcgis.com/apps/dashboards/0c9b3a8b68d0437a8cf28581e9c063a9; https://papersmart.uneca.org/meeting/302/document/2147; https://www.afro.who.int/news/less-10african-countries-hit-key-covid-19-vaccination-goal; https://africaedc.org/covid-19-vaccination/; https://www.who.int/southeastasia/health-topics/immunization/covid-19-vaccination; and https://ais.paho.org/imm/IM_DosisAdmin-Vacunacion.asp. associated with unsafe drinking water, unsafe sanitation and lack of hygiene was four times higher in the region than the global average in 2016.

4. The continent saw close to 8,500,000 cumulative confirmed cases and more than 217,000 recorded deaths caused by COVID-19 as at 31 October 2021. The healthcare services required as a result of the pandemic, namely, testing, protective equipment, isolation facilities, intensive care unit beds, ventilators and treatment, have taken a toll on the already overstretched public health-care systems and inadequate health-care coverage, disrupting the provision of essential health-care services. Women were especially affected by the limited access to sexual and reproductive health-care services, including prenatal care and safe childbirth. New variants of the virus could further prolong and worsen this dire situation unless the scaling-up of the vaccine roll-outs outpaces the transmission of the virus. As at 28 October 2021, the continent had fully vaccinated only 6 per cent of its population (77 million people), compared with 25 per cent in South-East Asia and around 50 per cent in the Caribbean.

B. Economic growth, employment and trade²

5. After contracting by 3.5 per cent in 2020, the economy of Africa is expected to grow by only 3.6 per cent in 2021, compared with 5.4 per cent in other world regions, owing to insufficient fiscal space to stimulate growth and a very slow vaccine roll-out, which exposes the region to emerging strains of COVID-19. In addition, a challenging debt situation persists given that debt levels are expected to rise sharply, with 17 countries in debt distress or at high risk of distress. Most African countries will not be able to regain their pre-pandemic levels until 2022. For instance, many economies were on the path of recovery in the first half of 2021, including South Africa, which was recovering even faster than expected, until they were hit by the Delta variant. Restrictions reimposed by Governments severely disrupted economic activity in many sectors and slowed the pace of recovery. Nearly 20 per cent of sub-Saharan African countries, accounting for 37 per cent of the gross domestic product (GDP) of the subregion, had some form of elevated restrictions during the third quarter of 2021.

6. Before the pandemic, Africa was already facing substantial decent work deficits, reflected in high unemployment rates among young people in North Africa and widespread working poverty and informality in sub-Saharan Africa. The pandemic containment measures further affected Africa's economies and labour market and induced 17 million job gaps in 2020, namely, 4 million net job losses relative to 2019 and 13 million forgone jobs that the region would have added had the pandemic not occurred. Among workers who remained in employment, women experienced a larger fall in working hours than men. Women are disproportionately affected by the social and economic effects of COVID-19 as a result of an increased amount of time spent on homeschooling and as caretakers. The COVID-19 crisis has also increased the share of workers living in extreme poverty, reversing some of the progress made in

² See United Nations, Department of Economic and Social Affairs, "World economic situation and prospects as of mid-2021", May 2021; International Monetary Fund, *Regional economic outlook:* sub-Saharan Africa – navigating a long pandemic (Washington, D.C., 2021); Economic Commission for Africa, "Waving or drowning: The impact of the COVID-19 pandemic on East African trade", 2021; World Bank, Africa's Pulse, vol. 94 (October 2021); Economic Commission for Africa, "Survey of impact of COVID-19 on African Trade Finance", 2020; International Labour Organization (ILO), World Employment and Social Outlook: Trends 2021 (Geneva, International Labour Office, 2021);and https://www.uneca.org/stories/eca-sro-saaccompanies-the-launch-of-the-report-on-developing-a-financing-model-for-msme-in.

reducing poverty in Africa. Looking ahead, employment is projected to grow by 18 million and 19 million jobs in 2021 and 2022, respectively.

7. Micro-, small and medium-sized enterprises, which account for the great majority (some 90 per cent) of all businesses and operate mainly in the informal sector on the continent, were especially hard hit by the economic fallout of the pandemic because of their precarity. Given that the informal sector is the major source of employment across Africa, (over 80 per cent), the closure of such enterprises led to massive job losses and drops in consumer spending.

8. Realizing that micro-, small and medium-sized enterprises have the potential to contribute considerably to boosting employment and economic growth, while reducing poverty and inequality, African countries and their international partners have taken steps to support them. If innovation-driven, these enterprises can be a catalyst for structural transformation; the prosperity of Africa's economies therefore depends on their successful recovery. For instance, Eswatini, with the support of the United Nations country team and the subregional Office of the Economic Commission for Africa recently launched an innovative, comprehensive and inclusive financing model to stimulate the sustainable growth of micro-, small and medium-sized enterprises in order for the local economy to recover quickly and better after the pandemic.

9. In 2020, Africa's trade with the rest of the world contracted as a result of the pandemic. In the first half of the year, capital outflows from Africa totalled \$5 billion, which strained African banks, affecting their trade finance activities. However, capital inflows resumed in July 2020 and amounted to almost \$4 billion over the second half of the year. In addition, remittance inflows, the largest source of foreign income, have recovered for many countries, and commodity prices and trade have increased in Africa, as a result of spillovers from the improvement in the global economy, which has been more rapid than expected.

10. COVID-19 is projected to have minimal effects on intra-African trade. In the East African Community, for example, intraregional trade has exhibited greater resilience than extra-East African Community trade. For instance, Kenyan exports to Rwanda, Uganda and the United Republic of Tanzania in the East African Community accelerated in 2020. African countries should seize the opportunity to fully implement the African Continental Free Trade Area, which could create one of the largest free trade zones in the world and therefore holds the promise of facilitating economic growth and human development across the continent.

C. Poverty, inequality and food insecurity³

11. Before 2020, Africa made slight progress in reducing poverty. In sub-Saharan Africa, the rate of extreme poverty fell by only half a percentage point per year after 1990, remaining high at 40.4 per cent in 2018. The pandemic reversed the small gains made, as a result of which Africa is not on track to eradicate poverty by 2030 and 2063, in accordance with the 2030 Agenda and Agenda 2063, respectively. In 2020, poverty rates increased for the first time in 20 years, pushing an additional 97 million

³ See http://iresearch.worldbank.org/PovcalNet/povOnDemand.aspx; https://blogs.worldbank.org/ opendata/updated-estimates-impact-covid-19-global-poverty-turning-corner-pandemic-2021; https://www.afro.who.int/news/fifteen-african-countries-hit-10-covid-19-vaccination-goal; https://www.afro.who.int/news/less-10-african-countries-hit-key-covid-19-vaccination-goal; International Telecommunication Union, *Measuring Digital Development: Facts and Figures* 2020 (Geneva, 2020); and Food and Agriculture Organization of the United Nations, International Fund for Agricultural Development, United Nations Children's Fund, World Food Programme and WHO, *The State of Food Security and Nutrition in the World 2021: Transforming Food Systems for Food Security, Improved Nutrition and Affordable Healthy Diets for All* (2021).

people into extreme poverty across the world, of whom 23 million, or 24 per cent, lived in sub-Saharan Africa. In 2021, while the additional number of people living in extreme poverty is projected to decrease, that number is expected to increase by 2.5 per cent in sub-Saharan Africa and by 4.1 per cent in the Middle East and North Africa. In addition, the pandemic is expected to jeopardize progress in reducing multidimensional poverty in Africa because of its severe impacts on two indicators, namely, nutrition and school attendance. With the risks of a prolonged pandemic and insufficient fiscal space to stimulate economic growth, Africa's most vulnerable countries are facing the prospect of a lost decade in their efforts to eradicate poverty.

12. The crisis has also exacerbated pre-existing inequalities, both within and across countries, with profound harmful societal and economic effects. As the pandemic hit Africa's most vulnerable particularly hard, within countries, the crisis has worsened the gap not only between rich and poor people, but also across subnational geographic regions, which may lead to social tension and political instability.

13. Rapid universal access to COVID-19 vaccines is needed to allow the resumption of economic activities and prevent Africa from becoming the next virus hotspot. Yet, there is extreme inequity in COVID-19 vaccine distribution globally, with African populations having little to no access to the life-saving shots. Only 15 out of 54 African countries met the goal of fully vaccinating 10 per cent of their population by September 2021 and just five countries are projected to hit the target of 40 per cent by the end of 2021 unless further efforts to accelerate the pace are made. At the end of October 2021, just 77 million persons, or 6 per cent of the population, had been fully vaccinated in Africa compared with 65 per cent in high-income countries, where vaccines are widely accessible.

14. In Africa, the pandemic is happening amid rising levels of hunger and food insecurity, driven by socioeconomic conditions, conflicts, climate extremes and pests. About one in five Africans, or 21 per cent of the population, faced hunger in 2020, representing more than twice the proportion in any other region and an increase of 3 percentage points since 2019. In absolute terms, more than one third of the world's undernourished, or 282 million people, was found in Africa in 2020 and, compared with 2019, about 46 million more people in Africa were affected by hunger. The increase in poverty and hunger especially affected the most vulnerable people. For example, in South Africa, almost half, or 46 per cent, of the people living in informal settlements reported that they had gone to bed hungry after the onset of the pandemic, compared with 34 per cent nationwide.

15. Food insecurity, which looks beyond hunger and measures how many people do not have access to nutritious and sufficient food, is also increasing. The majority (at least 60 per cent) of Africa's population depends on agriculture for its livelihood and access to food. However, Africa has to import the great majority (more than 80 per cent in 2018) of its food because its agricultural production is insufficient to meet its food security needs. Movement restrictions, supply chain disruptions and economic recession brought about by the pandemic have negatively affected the supply of food and agricultural production and have substantially increased Africa's acute food insecurity figures. In addition, climate change continues to pose a significant threat to food security, health and livelihoods in Africa. African countries have among the lowest overall and per capita carbon dioxide emissions, but they are suffering from the worst consequences of climate change. Those impacts are unfolding in the form of droughts, famine, desertification and population displacement such as those that occurred recently in Eastern Africa. In 2021, Africa is, after Latin America and the Caribbean, the region with the sharpest increase (5.4 percentage points) in moderate or severe food insecurity. In that context, rising food price inflation, combined with reduced incomes, is threatening past gains in food security, poverty reduction and health.

D. Access to quality education, lifelong learning and digital technologies⁴

16. The educational system in Africa has been producing mixed results, with increases in enrolment across all levels of schooling from preschool to tertiary levels, low inclusive access and weak learning outcomes. The skills produced with the completion of a secondary education are critical in the structural transformation and industrialization process of the continent and for the achievement of the 2030 Agenda and Agenda 2063 goals. Sub-Saharan Africa has the highest rates of education exclusion, with over one in five children between the ages of 6 and 11 years, one in three adolescents between the ages of 12 and 14 years and 60 per cent of young people between the ages of 15 and 17 years out of school. A total of 9 million girls and 6 million boys between the ages of 6 and 11 years will never go to school at all. Further, in 2017, about 88 per cent and 84 per cent of students did not meet minimum proficiency levels in reading and mathematics, respectively. Boys performed better than girls in both reading and mathematics.

17. Lockdown measures and school closures imposed during the pandemic came at a time when many schools had already been closed for months because of conflicts, insecurity and natural disasters in Africa, particularly in the Sahel region, and worsened the already challenging situation. Since the onset of COVID-19, more than 330 million learners of all levels and over 8.5 million teachers in sub-Saharan Africa have been unable to learn or teach from home, disrupting the functioning of education systems and reducing student learning. Those in vulnerable situations were hardest hit, especially girls, learners with disabilities and rural dwellers. The crisis risks reducing school participation, increasing the number of already high levels of out-of-school children and widening the educational gender gap across the region.

18. It is estimated that 4.3 million learners in Africa will face the risk of dropping out or not enrolling at all in 2021. To ensure learning continuity, countries have made use of various forms of technology-based, remote and hybrid education. About 73 per cent of African countries have reported using some form of online distance learning, with only less than half of the countries in the continent taking steps to ensure the inclusion of learners at risk, such as those with disabilities and in remote areas. Lack of electricity, sufficient devices and Internet connection, however, have made it extremely difficult to sustain remote teaching and learning for all students. The pandemic has further exposed the inherent digital divide, which has exacerbated inequities in education and opportunities.

E. Access to social protection⁵

19. In recent decades, African countries prioritized social protection as a strategy to reduce poverty and inequality. However, despite the progress made, the continent still has the lowest coverage. Prior to the pandemic, less than 20 per cent of childbearing women were covered in most of the countries for which data are available. Among those unemployed, only 5.6 per cent received unemployment benefits because of the high levels of informal employment and the lack of unemployment protection schemes. Nearly 30 per cent of older persons were covered by old-age pensions and only a minority of persons with severe disabilities received any social protection

⁴ See https://fr.unesco.org/sites/default/files/20210527a_snapshot.pdf; United Nations, "Policy brief: Education during COVID-19 and beyond", August 2020; and United Nations, "Policy brief: Impact of COVID-19 in Africa", May 2020.

⁵ See ILO, World Social Protection Report 2017 – 2019: Universal Social Protection to Achieve the Sustainable Development Goals (Geneva, 2017).

benefit. The region's estimate for social protection expenditure, excluding health, was 5.9 per cent of GDP.

20. Social assistance programmes in the continent cover only a small proportion of the population and target mostly individuals or families with limited or no labour capacity, such as older persons and persons with severe disabilities. In addition, contributory social protection schemes tend not to prioritize informal workers, a large proportion of the working-age population, who are disproportionately affected by the COVID-19 pandemic.

21. The combined effect of low social protection coverage prior to the pandemic and the large number of working-age persons in the informal sector being excluded from social insurance has catalysed a rethinking of social protection as an effective measure to enhance people's resilience to external shocks and leverage continental initiatives such as the African Continental Free Trade Area in employment creation and the shift towards contributory schemes.

III. Response by African Governments and institutions to the coronavirus disease (COVID-19) pandemic

A. Emergency measures⁶

22. As in other regions, the wide-range containment measures to control the transmission of COVID-19 unintentionally created hardship for millions of people in the continent by disrupting livelihoods and curtailing economic activity. African Governments responded to those negative impacts by taking several measures that centred around saving lives and protecting poor people and jobs in 2020.

23. To save lives, Governments adopted emergency health measures that focused on strengthening prevention, expanding testing and providing medical equipment such as portable ventilators, personal protective equipment and masks, as well as building health-care facilities, and strengthening community engagement, health-care systems and coordination. In 36 countries, such steps to strengthen the pandemic response and health-care systems were achieved through fiscal measures developed with World Bank assistance amounting to \$988 million.

24. To protect people and jobs, Governments devised and implemented socioeconomic response plans by releasing fiscal stimulus packages to support vulnerable households and formal sector companies, through mainly social protection measures. They also established public guarantee plans and credit lines, and refinancing measures, to facilitate access to finance by micro-, small and medium-sized enterprises.

25. African countries increased health spending and released fiscal stimulus packages to individuals and enterprises. In Botswana, Egypt, Kenya, Mauritius, Rwanda, Senegal and Somalia, the Government provided tax reliefs, fee waivers, food subsidies, aid and donations to people and to micro-, small and medium-sized enterprises. South Africa announced additional tax and unemployment insurance fund relief measures to mitigate the socioeconomic impact of the pandemic.

⁶ World Bank, "Factsheet: World Bank's response to COVID-19 (coronavirus) in Africa", April 2021.

B. Social protection measures and lessons learned from successful programmes⁷

26. To mitigate the negative socioeconomic impacts of the COVID-19 crisis, African Governments responded with measures that mainly expanded their social protection systems, prioritizing the most vulnerable, including people living in extreme poverty, low-income families, informal workers with no access to social insurance, and women. Between 1 February and 30 November 2020, 51 out of 55 African Union members announced a total of 227 social protection and labour market measures. In general, each country announced fewer than five measures, but Angola, Nigeria and South Africa responded with 10 or more measures each.

27. Social assistance, primarily in the form of cash and in-kind transfers, accounted for the great majority (86 per cent) of all responses recorded, over half of which were new programmes or benefits, including benefits for poor or vulnerable populations, benefits for workers and their dependants, subsidies on or reductions in the costs of necessities and utilities, tax relief or deferral for workers or individuals, and wage subsidies The rest of the measures took advantage of existing programmes and schemes by increasing the resources and budget allocation, improving the delivery mechanism or capacity, increasing the benefits given to existing beneficiaries, extending the coverage of existing programmes to new beneficiaries, or deferring, reducing or waiving the social contribution. Other measures modified existing programmes such as school meals, which were replaced with take-home rations or vouchers for children, with the assistance of the World Food Programme, in 68 countries.

28. African countries have, on average, doubled fiscal spending in response to COVID-19 to 3.3 per cent of GDP. Cash transfer benefits nearly doubled or soared by 95 per cent relative to pre-COVID-19 levels, ranging from 157 per cent in Egypt to 61 per cent in Cameroon. On the basis of data from 12 countries, the coverage increased by 353 per cent in Africa, compared with about 240 per cent globally. Four countries, namely, the Congo, Kenya, Madagascar and Mali, recorded increases in excess of 500 per cent. The large increases in cash transfers, however, have to take into consideration the low size of transfers in Africa prior to the pandemic.

29. These emergency social safety nets included direct cash transfers (Cabo Verde, Namibia, Rwanda and Uganda), food distribution (Burkina Faso, Niger, Nigeria and Senegal) and fee waivers for basic services to households and businesses (Democratic Republic of the Congo, Gabon, Mali and Togo). Ghana provided several months of free water and free or subsidized electricity services to public utilities customers, and soft loans to qualified micro-, small and medium-sized enterprises, and implemented an initiative, in partnership with faith-based organizations, to provide free food and other essentials to those in need in Accra and Kumasi during the partial lockdown. The Government also leveraged its main social safety net programmes to support Ghana's poorest and most vulnerable families.

30. Regarding social insurance, many Governments either extended eligibility for unemployment benefits or provided financial/income support to workers who became unemployed following the pandemic, including self-employed and informal economy

⁷ United Nations Development Programme, *The State of Social Assistance in Africa* (New York, 2019); United Nations, Department of Economic and Social Affairs, "Social policy and social protection measures to build Africa better post-COVID-19", Policy brief No. 93 (March 2021); Stephen Devereux, "Social protection responses to COVID-19 in Africa", *Global Social Policy* (June 2021); wfp.org/school-health-and-nutrition; and Kibrom A. Abay and others, "COVID-19 and food security in Ethiopia: Do social protection programmes protect?" Policy Research Working Paper, No. 9475 (World Bank, Washington D.C., 2020).

workers. A few Governments introduced incentives such as tax refunds to private sector employers, especially micro-, small and medium-sized enterprises, to retain their employees and continue paying them during the period of business inactivity. Morocco and Rwanda made access to health insurance and health care easier for the poor by waiving fees for, facilitating registration for or subsidizing health insurance.

31. Several Governments, mainly in Western and Middle Africa, but also in Northern and Southern Africa, established special social solidarity funds to compensate for the inadequate provision of social assistance before the COVID-19 pandemic. The funds were co-financed by the public and private sectors and individuals, with tax-deductible donations solicited from the latter adding to Government seed money.

32. The pandemic provided African Governments the opportunity to extend social assistance to the new poor and social insurance to informal workers (on a temporary basis). It also allowed them to rapidly adopt new technologies to deliver benefits. Thus, some countries, such as Togo, turned to artificial intelligence and used mobile phone technology to quickly distribute cash to the poorest informal workers.

33. Nonetheless, efforts to scale up the provision of social protection and jobs overlooked women's needs despite the disproportionate economic effects of lockdown measures on women, who are overrepresented among workers in the informal sector and unpaid caregivers within families and communities. In sub-Saharan Africa, only 30 measures, or 16 per cent, of the 189 social protection and labour market measures adopted by 45 countries and territories in response to COVID-19 were targeted at women.

34. The pandemic has positively changed perceptions and practices in respect of social protection. African countries have realized the need to introduce, scale up or adapt social protection programmes and measures to meet the challenges brought about by the COVID-19 crisis. The more than 200 emergency social protection measures implemented or announced in response to the pandemic accomplished what was rarely done prior to the pandemic, such as targeting workers in the informal economy. New programmes are more effective at reaching people living in poverty than before.

35. Countries with solid social protection systems were able to respond faster and better to the COVID-19 pandemic. The examples of Ethiopia and South Africa show that their social protection systems were key stabilizers for the economy, contributing to higher resilience.

36. On the one hand, Ethiopia is a low-income country with a population of around 115 million people. As at 10 October 2021, it had recorded 354,476 COVID-19 cases and 5,990 deaths, or 3,087 cases per 1 million persons, which is a low ratio. Ethiopia has a flagship national social protection scheme, the Productive Safety Net Programme, that had increased resilience to shock, improved food and nutrition security and reduced deforestation through land restoration and natural resources management before the pandemic. It was also responsible for reducing poverty, mainly in rural areas.

37. Participation in the Productive Safety Net Programme provided protection against the adverse impacts of COVID-19. In the aftermath of the pandemic, household food insecurity increased by 11.7 percentage points in the rural population, and the size of the food gap (the number of months the household was not able to satisfy its food needs) increased by 0.47 months. However, for households participating in the rural Productive Safety Net Programme, the likelihood of becoming food insecure increased by only 2.4 percentage points and the duration of the food gap increased by only 0.13 months. The protective role of the programme

was greater for households that were poorer or living in remote areas. Participants in the programme were also more likely to adopt effective coping strategies when they faced shocks. Those findings highlight the importance of having had a wellfunctioning social protection programme in place prior to the pandemic in order to protect the food security of poor households.

38. South Africa, on the other hand, is an upper-middle-income country with a population approaching 60 million people. It has the highest number of reported cases and deaths, as well as the highest prevalence rate of COVID-19 in Africa. South Africa has a well-funded and long-running social protection system and thus was ready to implement scale-ups of its existing programme. The country's experience confirmed that vertical expansions, namely, transferring more cash to beneficiaries already registered for social protection programmes, using existing payment mechanisms, was the most effective intervention. By contrast, setting up new programmes was slower – at a time when rapid response was essential – and susceptible to problems such as targeting errors and corruption.

39. In sum, the emergency social protection measures implemented in 2020 helped to mitigate the social and economic impacts of the pandemic-driven shocks. The measures, which were mostly non-contributory social transfers, also covered population groups that did not typically qualify but had been pushed into poverty since the pandemic. However, in general, such measures are temporary and countries need to strengthen their social protection systems.

IV. Building forward better: inclusive policies for a better recovery⁸

40. In the light of the COVID-19 pandemic and other challenges it is currently facing, Africa urgently needs inclusive policies to build forward better, including a response by the international community, which is set out in the section below. The response of the United Nations system is elaborated in the following section.

A. Global and regional levels: International development cooperation efforts, including financing for development

41. African countries are in urgent need of liquidity and debt relief to create jobs, expand social protection and reverse poverty trends. The Group of 20 countries established the Debt Service Suspension Initiative to help low-income countries to concentrate their resources on fighting the pandemic and safeguarding the lives and livelihoods of millions of the most vulnerable people. In all, 38 sub-Saharan African countries are eligible for a temporary suspension of debt-service payments owed to their official bilateral creditors. The suspension period, originally set for 1 May to 31 December 2020, has been extended to 31 December 2021. As of October 2021, 32 African countries were participating in the Initiative, the implementation of which is supported by the World Bank and the International Monetary Fund (IMF), which

⁸ See https://www.worldbank.org/en/topic/debt/brief/covid-19-debt-service-suspension-initiative; Economic Commission for Africa, "Africa's quarterly economic performance and outlook: January– March 2021"; Economic Commission for Africa and Economic Commission for Latin America and the Caribbean, "Special drawing rights", 2021; https://www.oecd.org/dac/financing-sustainabledevelopment/development-finance-data/ODA-2020-detailed-summary.pdf; https://www.un.org/ press/en/2020/dsgsm1525.doc.htm; https://repository.uneca.org/handle/10855/43950?show=full; https://www.worldbank.org/en/topic/debt/brief/covid-19-debt-service-suspension-initiative; and https://www.uneca.org/stories/eca-launches-lsf%2C-a-vehicle-for-debt-management-and-fiscalsustainability.

monitor spending, enhance public debt transparency and ensure prudent borrowing. Up to June 2021, more than half of African countries had received approximately \$8.2 billion from the Initiative. Those countries have committed to using resources made available from debt relief to increase social, health or economic spending in response to the crisis. Countries such as Chad, Ethiopia, Mauritania and Zambia have applied for the Common Framework for Debt Treatments beyond the Debt Service Suspension Initiative to deal with their high debt burden and have requested participation in Group of 20 debt restructuring.

42. IMF has also offered concessional lending and debt service relief (Catastrophe Containment and Relief Trust) to augment liquidity and alleviate debt vulnerabilities heightened by the pandemic. Monetary policy measures adopted by the monetary authorities include reduction in interest rates and preferential interest rates on loans to sectors such as tourism, industry and agriculture. Recently, IMF issued special drawing right (SDR) allocations of \$650 billion, about 3.6 per cent of which is allocated across sub-Saharan African countries – the equivalent of their IMF quota share – to boost liquidity and combat the pandemic. Further, African countries became the largest users of the Poverty Reduction and Growth Trust compared with other regions, with countries such as Guinea-Bissau and Sierra Leone having received about SDR 50 million. The Central African Republic, Gambia, Madagascar, Mali, Mauritania and Sao Tome and Principe received about SDR 151 million under the IMF Extended Credit Facility.

43. While multilateral financing and the Debt Service Suspension Initiative have been helpful, they are insufficient to meet the financing needs of African economies. With about a 52 per cent SDR utilization rate, Africa will receive only \$34 billion (about 5 per cent) worth of SDRs, while developed countries with a less than 10 per cent utilization rate will receive around \$418 billion (64 per cent). It is encouraging that international reflections are well under way on how the SDR resources can be channelled from high-income countries, which do not need the liquidity, to vulnerable low-income and middle-income countries, which do need it. Preliminary data show that net bilateral official development assistance flows from member countries of the Development Assistance Committee to sub-Saharan Africa amounted to \$31 billion in 2020, representing a reduction of 1 per cent in real terms compared with 2019. Net official development assistance to Africa as a whole increased by 4.1 per cent, to \$39 billion in 2020.

44. As part of the disaster risk management strategy, Africa is engaged in a number of regional and global initiatives. These include, curbing illicit losses of financial resources through institutional reforms and capacity-building, as well as the minimum tax rules for businesses, adopted in October 2021. The momentum on curbing illicit financial flows is driven by alarming evidence that Africa losses more than \$50 billion per year in the form of illicit financial flows, depriving countries of access to financial resources created within their jurisdiction that could fund sustainable development.

B. National level

1. Investments in comprehensive social protection systems, universal health-care coverage and human capacities development

45. A large share of the population in Africa was vulnerable to poverty before COVID-19, but the pandemic has intensified their vulnerabilities. Moreover, those who did not fall into poverty despite the shock of the pandemic in 2020 are now vulnerable to future poverty because the pandemic has increased household risks.

46. The recovery from the pandemic provides a unique opportunity to enhance the resilience of vulnerable households against future shocks as part of overall poverty

eradication efforts. In that regard, it is important to implement integrated policy measures to strengthen human capacities, including risk management and digital skills, and to reduce their vulnerabilities, by investing in comprehensive social protection systems, quality education and universal health-care coverage.

47. In that respect, a combination of State provision of public goods such as access to essential health-care services, quality education and safe drinking water and sanitation, social protection, market-driven interventions such as in the labour market, and other complementary government actions to stimulate the economy are the cornerstone of any recovery strategy. Building resilience and shifting from short-term emergency measures require a mindset that prioritizes expenditures on health, education and social protection as investments in future development that is inclusive and sustainable. Emphasis should be given to crisis prevention given that reactive crisis management is too costly in terms of human and financial resources.

48. The leveraging of non-State actors such as the private sector in the provision of public goods, including health and education, is an important element of building resilience. Furthermore, the link of human assets to labour market demand and job creation to exit poverty and informality is vital.

49. The leveraging of the African Continental Free Trade Area in improved delivery of health goods such as the African Medical Supplies Platform for improved accessibility and affordability is a crucial element of investing in social protection.

2. Mobilization of domestic resources

50. Rising government debt and the vulnerability of fiscal policy have exposed Governments to debt difficulties, including debt-servicing challenges. That calls for the rebalancing of fiscal and debt policy frameworks to maintain stable revenue and expenditure flows in the economy and for sustaining policies for the achievement of the Sustainable Development Goals and the goals of Agenda 2063 in countries' recovery process from the pandemic. To boost liquidity in general, fiscal space must be created to support the private sector.

51. The Economic Commission for Africa has partnered with PIMCO, an asset management corporation, to set up a liquidity and sustainability facility that is expected to lower the borrowing costs of Governments by increasing the demand for their sovereign bonds. That will be achieved by enabling existing sovereign bondholders to post such instruments as collateral for low-interest loans financed in part by a new issuance of SDRs. The resources mobilized through these repurchase agreements will then be used to finance investments in emerging-market sovereigns.

52. Non-tax revenue is an untapped source of revenue that could expand fiscal space. Political capture has often been an impediment to non-tax revenue collection, especially for property tax rents. Non-tax revenue sources could be strengthened by establishing strong institutions with high levels of expertise, building new infrastructure and establishing effective coordination between central and local governments. In addition, improved tax administration through the introduction of e-taxation and curbing tax evasion and avoidance, particularly in the natural resource sector, could further enhance non-tax revenue collection.

53. The various measures taken by African Governments have helped to limit the impact of the pandemic on growth in the short and medium terms. However, they have also exacerbated budgetary risk exposures and public sector debt vulnerabilities. Increased government revenues from taxation and other non-debt income streams are critical for reducing fiscal deficits and debt. African countries have the potential to increase their revenue over time by 12 to 20 per cent of GDP, through the adoption of policy frameworks that could strengthen revenue mobilization, and harness fiscal

policy instruments at their disposal to accelerate efforts to achieve the Sustainable Development Goals. They could reform their tax systems by leveraging the use of information technology, which would tighten compliance and lower administrative costs, thereby increasing revenues significantly. By introducing e-taxation, South Africa reduced compliance costs by 22.4 per cent and shortened the time to comply with the value-added tax by 21.8 per cent in 2008, and Rwanda increased its revenues by 6 per cent of GDP in 2021. By digitizing value-added tax operations, Kenya raised tax collections by more than \$1 billion between 2016 and 2017.

54. The use of technologies has also played a significant role in promoting transparency and accountability in the collection and utilization of public funds. The proliferation of information and communication technologies on the continent provides enormous opportunities for efficient fiscal policy management by reforming tax administration systems through digitization and other information technologies. These could improve compliance, lower administrative costs and widen the tax base for African countries. The expansion of mobile telephone use in Africa provides an important opportunity for the use of digital platforms to engage local communities in the oversight of public spending, including through information-gathering on public service delivery and the tracking of expenditure commitments.

V. Enhancing the coordinated implementation of Agenda 2063: The Africa We Want and the 2030 Agenda for Sustainable Development during the coronavirus (COVID-19) pandemic

55. The present section highlights ongoing activities and specific interventions executed, usually jointly, by the United Nations system and the African Union to strengthen resilience to future shocks while accelerating the implementation of the 2030 Agenda and Agenda 2063.

A. Strengthening national capacity, especially in vaccination roll-outs⁹

56. The Access to COVID-19 Tools (ACT) Accelerator is a global collaboration to accelerate the development, production and equitable access to COVID-19 tests, treatments and vaccines, especially to low-income and lower-middle-income countries such as those in Africa. The ACT-Accelerator is organized into four pillars of work: diagnostics, treatment, vaccines and strengthening of health systems. The World Health Organization (WHO) is co-leading the COVID-19 Vaccines Global Access (COVAX), the Accelerator's vaccines pillar, with the Coalition for Epidemic Preparedness Innovations and the Gavi Alliance, alongside the United Nations Children's Fund, a key delivery partner. These institutions have been working in close collaboration with other key partners to monitor progress, identify changes needed to resolve bottlenecks, coordinate information and prioritize actions. COVAX is aimed at guaranteeing fair and equitable access for every country in the world, targeting the low-income countries in particular.

57. To complement COVAX efforts, the African Union has secured 670 million vaccine doses for the continent, which will be distributed in 2021 and 2022 as countries secure adequate financing. The African Vaccine Acquisition Trust is a special-purpose vehicle that acts as a centralized purchasing agent on behalf of the African Union member States to secure the necessary vaccines and blended financing

⁹ See https://www.who.int/initiatives/act-accelerator/covax; https://africacdc.org/newsitem/african-vaccine-acquisition-trust-delivers-141600-doses-of-covid-19-vaccine-to-kenya/; and WHO, "Strategy to achieve global COVID-19 vaccination by mid-2022".

resources for achieving Africa's target of vaccinating a minimum of 60 per cent of its population. The Economic Commission for Africa is partnering with the African Union's Africa Centres for Disease Control and Prevention and the African Export-Import Bank to support the African Vaccine Acquisition Trust. An historic COVID-19 vaccine advance procurement agreement was signed on 28 March 2021 between the Trust and Johnson & Johnson for the purchase of 220 million doses of the Janssen COVID-19 vaccine, with the potential to order an additional 180 million doses. With those 400 million vaccines, Africa will be able to immunize a third of its population. The African Export-Import Bank provided a \$2 billion facility and the Economic Commission for Africa provided technical support on the financing arrangements and the alignment of the African Union Ministers of Finance to make the agreement possible.

58. WHO launched the Strategy to Achieve Global Covid-19 Vaccination by mid-2022 to help poorer countries obtain the vaccines they need. The new strategy outlines a plan for achieving the WHO target of vaccinating 40 per cent of the population of every country by the end of 2021 and 70 per cent by mid-2022. Substantial financing has already been invested to procure most of the required vaccine doses for low-income and lower-middle-income countries through COVAX, the African Vaccine Acquisition Trust and bilateral contracts.

59. The United Nations Development Programme (UNDP) intends to support countries by offering digital solutions for vaccine delivery, provide data for vaccine equity and support the greening of COVID-19 vaccine waste management. UNDP has pledged its support through a renewed strategic offer in Africa, drawing on decades of experience to create better policy, leadership, renewable energy and greater public engagement by women and young people. The African Union Commission and UNDP coordinate on all aspects of the plans, taking a partnership approach and aligning their work to help Africa recover and thrive.

60. These actions not only improve Africa's response to COVID-19, but also help to strengthen national capacity in public health, which relates to many Sustainable Development Goals, including poverty eradication and inequality reduction.

B. Advancing the implementation of the 2030 Agenda for Sustainable Development and Agenda 2063: The Africa We Want¹⁰

1. Coordination and coherence within the United Nations system

61. The United Nations has launched coordinated action at the strategic and operational levels to ensure the coherence of the United Nations system and the international community in providing support to African countries during the COVID-19 pandemic.

62. At the strategic level, the United Nations launched its framework for the urgent socioeconomic response to COVID-19 in April 2020, which is organized into five pillars of work ¹¹ that guide the integrated support that the United Nations development system will provide to Governments in order to protect the needs and

¹⁰ See https://unsdg.un.org/resources/un-framework-immediate-socio-economic-response-covid-19; E/AC.51/2021/8; and United Nations, Department of Economic and Social Affairs, "Social policy and social protection measures to build Africa better post-COVID-19", Policy Brief No. 93 (March 2021).

¹¹ (1) Health first: protecting health services and systems during the crisis; (2) Protecting people: social protection and basic services; (3) Economic response and recovery: protecting jobs, small and medium-sized enterprises and the informal sector workers; (4) Macroeconomic response and multilateral collaboration; and (5) Social cohesion and community resilience.

rights of people living under the duress of the pandemic, with particular focus on the most vulnerable countries and groups, so as not to leave anyone behind.

63. The Office of the Special Adviser on Africa promoted discussions on the response of the Organization to the pandemic in Africa through the interdepartmental task force on African affairs, a platform for strategic-level consultation, coordination and coherence of the United Nations system's support for Africa on issues straddling the peace and security, development, human rights and humanitarian nexus and for which the Office is the designated secretariat. In June 2021, as a result of discussions by the task force on priority actions to accelerate Africa's recovery, building on the five pillars, energy was identified as a key cross-cutting issue that was fundamental for the recovery and had a multiplying impact on the achievement of all the Sustainable Development Goals, from enabling better health systems or laying the foundations for Africa's economic growth and industrialization to promoting social inclusion.

64. The Africa Regional Forum on Sustainable Development is a multi-stakeholder platform that was established to follow up and review the implementation of the 2030 Agenda and Agenda 2063. It is convened annually by the Economic Commission for Africa, in collaboration with the African Union Commission, the African Development Bank and the United Nations system. The seventh session of the Forum was convened in March 2021 on the theme "Building forward better towards a resilient and green Africa to achieve the 2030 Agenda and Agenda 2063", which acknowledges the importance of reconstructing the socioeconomic systems of countries by leveraging opportunities presented by green and low carbon development trajectories with a view to building a resilient, inclusive and sustainable Africa. The outcome document of the seventh session, which identifies and articulates African priorities, policy options and recommendations to inform and accelerate the implementation of the two Agendas at various levels, formed Africa's collective input to the 2021 high-level political forum on sustainable development.

65. At the country level, United Nations country teams played a critical role in operationalizing the United Nations framework for the urgent socioeconomic response to COVID-19 by utilizing an "emergency in development mode" approach alongside the United Nations health and humanitarian responses. They designed socioeconomic response plans against the five pillars of the framework, integrating core elements (such as gender equality and the empowerment of women, poverty eradication, food security, health and vaccines, climate change mitigation and social protection) aimed at ensuring that recovery from the pandemic contributes to the acceleration of the achievement of the Sustainable Development Goals. A total of 47 country teams in Africa finalized their socioeconomic response plans, amounting to \$12.1 billion. Under pillar 2 (protecting people), efforts were deployed to scale up and expand social protection systems, maintain education, food and nutrition services and ensure the continuity and quality of water, sanitation and hygiene services, among other things. Over 10 million people benefited from food and nutrition support, 70 million people from distance learning and over 17 million people from water, sanitation and hygiene supplies in Africa.

66. As requested under the framework, country teams made significant efforts to reorient existing funding sources towards socioeconomic COVID-19 related needs. Four country teams were particularly successful: in Somalia (\$400 million, representing 45 per cent of funding needs), Senegal (\$200 million, or 116 per cent), Sierra Leone (\$92 million, or 93 per cent) and Ghana (\$91 million, or 69 per cent). As of December 2020, 36 per cent of total funding requirements had been met.

67. At the regional level, the new Regional Collaborative Platform for Africa unites all United Nations entities working in Africa on sustainable development, including

country teams, United Nations agencies and the United Nations Sustainable Development Group (Africa), to collaborate and coordinate their support to African countries.

2. Coordination and collaboration between the United Nations and the African Union

68. Coordination efforts between the United Nations and the African Union towards Africa's development is guided by the African Union-United Nations Framework for the Implementation of Agenda 2063 and the 2030 Agenda for Sustainable Development. At the fourth African Union-United Nations annual conference, held in December 2020, the Secretary-General and the Chairperson of the African Union Commission welcomed the significant progress made on working together on this African Union-United Nations development framework and agreed to accelerate joint efforts in the context of the recovery from the COVID-19 pandemic and the decade of action for the Sustainable Development Goals. The participants in the conference acknowledged the need for a renewed and inclusive multilateralism, the challenges on the continent and the unique relationship over the past four years that has helped to solidify the partnership between the African Union and the United Nations. They reiterated the importance of achieving gender equality and the inclusion of women and young people in all spheres to achieve inclusive growth and sustainable development.

69. The Department of Economic and Social Affairs provides its support to African countries and the African Union through both analytical work and capacity development projects. For instance, the Department issued a policy brief analysing the social protection response of African countries to the COVID-19 pandemic in March 2021 and co-organized a workshop on the theme "Accelerating the implementation of the 2030 Agenda and African Union Agenda 2063 in Africa: Building resilient institutions for the Sustainable Development Goals in the time of COVID-19" with the African Peer Review Mechanism in October 2021.

70. In the field, United Nations entities working in Africa collaborate on sustainable development and coordinate their support to the African Union through the new Regional Collaborative Platform for Africa, which includes United Nations country teams, United Nations agencies and the United Nations Sustainable Development Group (Africa). In March 2021, the Platform held its first annual meeting on the margins of the seventh session of the Africa Regional Forum on Sustainable Development, to deliberate on high-priority issues that would help the continent to recover better from the pandemic and move toward the achievement of the Sustainable Development Goals. These issues include accelerating the implementation of the continental free trade agreement; investing in the empowerment of young people and women to help countries to reap the benefit of the demographic dividend; advancing home-grown sustainable and scalable technologies and digital solutions; building climate and disaster resilience; and continuing to support the African Union's Silencing the Guns by 2030 initiative in a context in which COVID-19 has acted as a force multiplier in several existing conflicts on the continent.

VI. Conclusions and recommendations

71. The 2030 Agenda and Agenda 2063 have accelerated progress and shifted the way in which African Governments and their development partners address the gaps and challenges related to social, economic and political transformation in Africa. The COVID-19 crisis has reversed hard-won development gains, such as poverty reduction, and exacerbated inequalities that hamper the ability of African countries to

be resilient to external shocks and achieve sustainable development objectives. However, the pandemic also offers an opportunity to promote a paradigm shift and reset socioeconomic policies, for greater inclusion and to ensure a better recovery for all.

72. To further promote social progress in Africa and improve the effectiveness of the work of United Nations bodies with regard to the social dimensions of Africa's development agenda, the Commission for Social Development may wish to consider the following recommendations:

(a) To recover better from the COVID-19 crisis and accelerate inclusive growth during the decade of action for the Sustainable Development Goals, African countries should continue to prioritize policies and strategies that improve the health sector, eradicate extreme poverty, combat inequality, in particular gender inequality, and provide quality education and decent jobs for all;

(b) Such policies include adopting a new social contract that can transform systems and institutions to build a more inclusive, equal and sustainable Africa; investing in strong and prepared health-care systems while accelerating universal health coverage; strengthening social protection systems; facilitating agricultural, rural and structural transformation, with a view to creating jobs, especially for women and young people; and investing in human capital development to build the capacity of the labour market;

(c) African countries should invest in data collection and registries and in digital infrastructure and technologies to inform policy and programme delivery, create jobs, transition to the formal economy and close the digital divide;

(d) African countries and their development partners should use the opportunity of the pandemic to prioritize investments in social protection and aim for universal social protection in order to recover stronger post-COVID-19, build preparedness for future shocks, including climate shocks, and achieve the Sustainable Development Goals and the goals and aspirations of Agenda 2063;

(e) The international community, including vaccine manufacturers, countries that produce vaccines or have already achieved high vaccination rates, and multilateral development banks and institutions should engage with, and empower, the COVID-19 Vaccine Global Access (COVAX) Facility and the African Vaccine Acquisition Trust to enable all African countries to equitably and rapidly achieve the COVID-19 vaccine targets so that the entire world becomes safe from COVID-19 and its variants;

(f) The international community should provide financing support to African countries to invest in disaster risk reduction and climate change adaptation and mitigation strategies. Such support would contribute to their economic recovery and accelerate the implementation of the 2030 Agenda and Agenda 2063;

(g) The international community should re-embrace global solidarity and work together for the common good of all, including Africans. It should support the partnership of the United Nations with the African Union and subregional organizations. The African Union is also encouraged to continue collaborating with the Regional Collaborative Platform for Africa for an integrated and sustainable recovery in Africa.