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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 2023/13 and contains an examination of how to improve the effectiveness of the work of United Nations bodies in regard to the social dimensions of the New Partnership for Africa's Development, Agenda 2063: The Africa We Want and the latter's links with the 2030 Agenda for Sustainable Development, taking into account current processes related to social development in Africa.

The report also contains a review of the socioeconomic progress and challenges experienced in Africa. As the theme of the African Union for 2023 was "Acceleration of the African Continental Free Trade Area implementation", the potential impacts of the Area on promoting socioeconomic development in Africa are discussed. Efforts undertaken by African countries and their partners to achieve inclusive and sustainable development are also outlined, and the progress made in ensuring coordinated implementation of the 2030 Agenda and Agenda 2063 is highlighted.

The report concludes with recommendations aimed at further promoting social progress in Africa. Recommendations are focused on action across six key areas: (a) accelerating progress towards creating decent jobs for all; (b) accelerating actions to end extreme poverty and hunger; (c) investing in clean energy and inclusive climate action; (d) accelerating strategies to reduce gender inequality; (e) mobilizing domestic resources; and (f) combating illicit financial flows and improving tax administration.

<sup>\*\*</sup> The present report was submitted to the conference services for processing after the deadline for technical reasons beyond the control of the submitting office.





<sup>\*</sup> E/CN.5/2024/1.

### I. Introduction

1. The New Partnership for Africa's Development, adopted in 2001 by the African Union, provided a programmatic framework for the socioeconomic development of Africa. A step further was taken with the adoption of Agenda 2063: The Africa We Want, in which a shared vision for the continent was created and specific goals established towards an inclusive, prosperous and peaceful Africa where no one is left behind. Written in the context of multiple global crises, the present report starts with a review of the socioeconomic progress and challenges experienced by Africa recently, followed by a discussion of the potential impacts of the African Continental Free Trade Area on promoting socioeconomic development in Africa, given that the theme of the African Union for 2023 was "Acceleration of the African Continental Free Trade Area implementation". The report continues with an account of actions taken by African countries and their partners to advance social development. It ends with policy recommendations to further promote social progress in Africa.

# II. Progress and challenges in achieving the social dimension of sustainable development in Africa

### A. Poverty, inequality and access to social protection

- 2. Before the coronavirus disease (COVID-19) pandemic, Africa had made significant progress in terms of the proportion of people living in extreme poverty (i.e. living with less than \$2.15 a day per person), which decreased from 53.4 per cent in 2000 to 40.1 per cent in 2019. The absolute number of Africans living in extreme poverty, however, continued to increase because of high population growth. Recent global crises, especially the pandemic and the conflict in Ukraine, have worsened the situation, pushing an additional 62 million Africans into poverty in 2020 and 2021 and an additional 18 million in 2022. The number of people living in extreme poverty in Africa reached 546 million in 2022, which accounted for more than half (55 per cent) of global poverty.
- 3. Within Africa, poverty is concentrated in sub-Saharan Africa, in particular in its least developed countries. In 2019, the extreme poverty rate in sub-Saharan Africa was the highest in the world, at 35.4 per cent, which corresponded to 397.4 million people living in extreme poverty. Owing to the economic setbacks linked to the pandemic, the rate increased to 35.8 per cent in 2020, but post-pandemic recovery efforts have decreased extreme poverty in the region to pre-pandemic levels: 35.4 per cent in 2021 and 34.9 per cent in 2022. The number of people living in extreme poverty in sub-Saharan Africa, however, continues to increase, standing at 411.7 million in 2020, 418.3 million in 2021 and 422.7 million in 2022; almost two thirds of people living in extreme poverty in 2022 were found in the 10 least developed countries. These data suggest that social development efforts have managed to decelerate the growth in the poverty rate in the continent. However, high

<sup>&</sup>lt;sup>1</sup> Information in section II.A is drawn from: the issues paper on fostering recovery and transformation in Africa to reduce inequalities and vulnerabilities (E/ECA/COE/41/4–E/ECA/CM/55/4); Economic Commission for Africa (ECA), "Renewing the social contract to reduce poverty and inequality in Africa," ECA Policy Brief No. ECA/23/030 (Addis Ababa, United Nations, 2023); Food and Agriculture Organization of the United Nations (FAO), *The Status of Women in Agrifood Systems* (Rome, FAO, 2023); International Labour Organization (ILO), *World Social Protection Report 2020–2022* (Geneva, ILO, 2021); World Bank, Poverty and Inequality Platform; and Nishant Yonzan, Daniel Gerszon Mahler and Christoph Lakner, "Poverty is back to pre-COVID levels globally, but not for low-income countries", World Bank, 3 October 2023.

population growth is responsible for the continued increase in the absolute number of Africans living in poverty.

- 4. With the majority of countries on the continent still facing high poverty rates and with seven years remaining to implement the 2030 Agenda, it seems unlikely that Africa will achieve Sustainable Development Goal 1, which has implications for the fulfilment of Agenda 2063. The high poverty rate in Africa is driven by several factors, including low productivity and job precarity, which are particularly visible in agriculture and food systems in Africa, the sources of livelihoods for 85 per cent of Africans. As a result, 80 per cent of people living in extreme poverty in the continent reside in rural areas. Higher existing poverty levels, high fertility rates, low levels of asset ownership and limited access to public services also make it difficult for households to take advantage of economic growth.
- 5. Africa is also afflicted by pervasive inequality. Income inequality has widened and remains high in the continent. In 2022, the continental average for the Gini coefficient was 0.40. At the regional level, Southern Africa had the highest income inequality (Gini coefficient of 0.61), followed by Middle Africa (0.45) and East Africa (0.41). West Africa and North Africa had the lowest income inequality, with Gini coefficients of 0.36 and 0.32, respectively. Income inequality is particularly high in upper-middle-income countries in Africa, suggesting that the robust economic growth experienced by Africa over the two decades before the pandemic has been insufficient to reduce income inequality.
- 6. Wealth inequality is extremely high in Africa. At the subregional level, the wealth inequality index<sup>2</sup> varies from 0.78 in West Africa to 0.95 in Southern Africa. High levels of inequality and poverty make the population of Africa chronically vulnerable to both economic and non-economic shocks. As many as 149 million non-poor Africans remain at high risk of falling into poverty.
- 7. Women and girls remain particularly vulnerable. Factors contributing to gender inequality include harmful social norms that condone gender-based violence and a low prioritization of the rights of women and girls to education, safe sexual and reproductive health services, land ownership and decent work. Although women constitute half of all workers in the agrifood system, food insecurity is significantly higher among women, and 35 per cent of women engage in agriculture as contributing or unpaid family workers.
- 8. Social protection is a major policy tool to advance social development, including by reducing poverty and inequality in the medium and long term. As of 2020, only 17.4 per cent of the population in Africa enjoyed at least one social protection benefit, compared with 46.9 per cent at the global level, with unemployed workers, persons with disabilities, vulnerable persons and children being the least covered groups. As a result of efforts by countries to increase coverage for old age, 27.1 per cent of the older population in Africa now receive a pension. Coverage is higher (around 50 per cent) in North and Southern Africa.

24-00903 3/**20** 

<sup>&</sup>lt;sup>2</sup> The wealth inequality index reflects the incidence of wealth inequality on a range from 0 (perfect equality) to 1 (extreme inequality).

### B. Hunger, food insecurity and climate change

- 9. Hunger has been rising in Africa since 2010.<sup>3</sup> Between 2021 and 2022, the prevalence of undernourishment increased from 19.4 per cent to 19.7 per cent, and an additional 11 million people were facing hunger. In 2022, the proportion of the population in Africa facing hunger was much larger than in any other region of the world (8.5 per cent in Asia for instance). Hunger in Africa is projected to increase significantly between now and 2030. Beyond hunger, nearly 1 in 4 people in Africa, or an estimated 342 million people, were facing severe food insecurity (famine or food stress, crisis or emergency) in 2022.
- 10. Africa is extremely vulnerable to the effects of climate change, as almost 6 out of every 10 people in sub-Saharan Africa live in rural areas, 90 per cent of whom depend on agriculture that is mostly rain-fed for their livelihoods. Climate change is causing a higher incidence of disasters and extreme weather events worldwide (such as droughts, high temperatures, unpredictable rainfall, cyclones and flooding), resulting in temperatures rising at a rate faster than the world average, more frequent and longer heatwaves, land degradation, loss of biodiversity and spread of pests and invasive species in Africa. Climate change has also contributed to rising food insecurity in the continent through losses in crop yields, rangelands, livestock and fisheries, deterioration of food nutritional quality and in access to and distribution of food, and price spikes. More than 110 million people on the continent were directly affected by weather, climate and water-related hazards in 2022, causing more than \$8.5 billion in economic damages.
- 11. National policies that have been proven successful in building more food-secure African countries while addressing climate change include: (a) investing in climate-smart agriculture to enhance domestic production capacity and build resilience to climate disasters; (b) designing and implementing social protection programmes that can be scaled up to reach vulnerable individuals during natural disasters; and (c) developing contingency plans for food crises.
- 12. In places where climate-smart agriculture is practised, farmers are seeing increased food security and resilience. For example, under the project for land husbandry, water harvesting and hillside irrigation in Rwanda, improved technologies were disseminated that helped to control erosion, enhance productivity (increase yields and soil fertility) and provide greater protection from droughts. In addition, the nutrition awareness training conducted and the 47,611 kitchen gardens built as part of the project led to improvements in the composition of people's diets and, by extension, in the nutritional status of 83 per cent of households. In places where digital technologies are used, productivity along the food value chain has improved, as indicated by the example of farmers in Ghana, Kenya and Nigeria participating in the "Hello Tractor" project.

Information in section II.B is drawn from: ECA, "Africa should leverage the AfCFTA to promote green transition", 5 October 2023; FAO and others, *The State of Food Security and Nutrition in the World 2023* (Rome, FAO, 2023); United Nations Environmental Programme (UNEP), "Responding to climate change", available at www.unep.org/regions/africa/regional-initiatives/responding-climate-change; World Meteorological Organization (WMO), *State of the Climate in Africa 2021* (Geneva, WMO, 2022); WMO, "Africa suffers disproportionately from climate change", 4 September 2023; Global Agriculture and Food Security Program, "Land husbandry, water harvesting and hillside irrigation project"; and Christopher Trisos and others, "Africa" in *Climate Change 2022: Impacts, Adaptation and Vulnerability: Contribution of Working Group II to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change*, Hans-Otto Pörtner and others, eds. (Cambridge, United Kingdom, Cambridge University Press; New York, Intergovernmental Panel on Climate Change, 2022).

13. Africa also needs to move towards a green transition by creating a policy and regulatory environment that promotes green (low-carbon) growth, including green industrialization and environmental protection. A low-carbon future will be mineral-intensive owing to the high demand for essential minerals from producers of battery electric vehicles and from manufacturers of components for solar photovoltaic, wind and geothermal low-carbon technologies, for instance. As a continent abundant in those resources that are vital for the green transition, Africa can seek to leverage trade and investment opportunities for key sectors in the clean energy transition under the African Continental Free Trade Area by building resilient value chains that can generate green industrial development and also attract investment for the sustainable competitive advantage of African businesses in the global market.

### C. Health, water and sanitation

- 14. Over the past decade, notable improvements have been made on several health indicators in Africa. Under-5 mortality rates, maternal mortality rates, adolescent birth rates and annual figures of new HIV infections have all decreased, while the proportion of needs for family planning satisfied with modern methods of contraception has increased. For instance, between 2010 and 2021, under-5 mortality rates decreased by 3 per cent annually, from 103 deaths per 1,000 live births to 74 deaths per 1,000 live births in sub-Saharan Africa and from 39 deaths per 1,000 live births to 28 deaths per 1,000 live births in North Africa. From 2010 to 2020, maternal mortality rates decreased from 657 maternal deaths per 100,000 births to 536 maternal deaths per 100,000 births to 56 maternal deaths per 100,000 births in North Africa (and the Middle East). However, sub-Saharan Africa still has the highest child mortality rates, the highest maternal mortality rates, the lowest level of contraceptive use, the highest level of adolescent birth rates and the largest HIV burden in the world.
- 15. Access to safe drinking water and proper sanitation is a fundamental human right, yet millions of Africans continue to lack access to these basic services. Africa has the lowest levels of water, sanitation and hygiene access in the world. In 2020, only 69 per cent of the population had access to a basic drinking water service, and only 15 per cent had access to safe drinking water. Only 42 per cent of the population had access to basic sanitation, and only 18 per cent had access to safe sanitation services. Only North Africa had a relatively high percentage of the population using basic hand-washing facilities (67 per cent), and more than half of African countries had access rates lower than 45 per cent. Moreover, there was little progress at the continental level between 2015 and 2020. The low level of water, sanitation and hygiene access led to a high mortality rate in 25 African countries: over 40 deaths per 100,000 population annually.
- 16. The commitment of all countries to universal health coverage is highly critical to improving health in Africa. Between 2000 and 2019, the World Health Organization (WHO) Regional Office for Africa made good progress in service coverage but no progress in financial risk protection (out-of-pocket expenditure and government

24-00903 **5/20** 

<sup>&</sup>lt;sup>4</sup> Information in section II.C is drawn from: World Population Prospects 2022: Summary of Results (United Nations publication, 2022); The Sustainable Development Goals Report 2023: Special Edition (United Nations publication, 2023); Institute for Water, Environment and Health, Global Water Security 2023 Assessment (Hamilton, Canada, Institute for Water, Environment and Health, 2023); Grace Oluwasanya and others, "Water security in Africa: a preliminary assessment", Institute for Water, Environment and Health Report Series No. 13 (Hamilton, Canada, Institute for Water, Environment and Health, 2022); World Health Organization (WHO), Tracking Universal Health Coverage in the WHO African Region (Brazzaville, WHO, 2022); and WHO, "Rwanda: the beacon for universal health coverage in Africa", 13 December 2019.

public expenditure on health), the two indicators used to monitor progress towards universal health coverage. Out of the 47 member States of the WHO African Region, performance by 15 countries was above average in terms of combined service coverage and financial risk protection. Good performance does not depend on national income level, with some low-income countries exhibiting good performance and some middle-income countries exhibiting low performance. The universal health coverage system in Rwanda is a positive example. The system is intended to ensure that all Rwandans have access to the health services they need, whenever and wherever required, without financial hardship. Universal health coverage includes the full range of essential health services from health promotion to prevention, treatment and care, with a view to minimizing out-of-pocket payment. With a view to facilitating attainment of universal health coverage, Rwanda implemented key activities across the pillar areas of health systems pertaining to pre-service training of the health workforce; strengthening of health information systems; health governance; health products, vaccines and supplies; service delivery systems; and health financing systems. Activities pertaining to health financing systems included the development and validation of the implementation and sustainability plan 2021– 2030 for community-based health insurance in Rwanda. Universal health coverage was attained in Rwanda as a result of its prioritization by the Government, which considers good health and health for all as fundamental human rights, and through the support for those efforts shown by the people of Rwanda, who have trusted and embraced health insurance, leading to 91 per cent coverage.

### D. Employment and education

- 17. Employment numbers in Africa have increased by 3.6 per cent per annum since 2021, reaching 511 million in 2023.<sup>5</sup> That growth is in line with population growth in sub-Saharan Africa; consequently, unemployment rates are estimated to have remained unchanged at about 7.1 per cent since 2020. Labour force participation rates have increased since 2021 but only reached pre-pandemic levels in 2023 (62.7 per cent).
- 18. Most of the employment gain has taken place through an expansion of informal employment in sub-Saharan Africa, which increased from 86.9 per cent in 2019 to 87.3 per cent in 2022. Most workers therefore remain in fragile situations, with 60.8 per cent living in extreme or moderate poverty in 2021. In North Africa, the number of hours worked per person employed has decreased, with the employment-to-population ratio dropping from 39.2 per cent in 2019 to 38.8 per cent in 2022, despite an increase of 4 million in total employment during the same period (from 65 million employed people to 69 million employed people).
- 19. Youth unemployment in Africa has also been rising since even before the pandemic, and 26.1 per cent of young people (around 72 million young people) were not in employment, education or training in 2022. The green transition can offer young people opportunities for employment. Moreover, there are significant gender

Information in section II.D is drawn from: World Population Prospects 2022: Summary of Results (United Nations publication, 2022); ILO, World Employment and Social Outlook: Trends 2023 (Geneva, ILO, 2023); Vipasana Karkee and Niall O'Higgans, "African youth face pressing challenges in the transition from school to work", ILO Labour Statistics, 10 August 2023; United Nations Educational, Scientific and Cultural Organization (UNESCO), "The persistent teacher gap in sub-Saharan Africa is jeopardizing education recovery"; and Ijeoma Onuoha-Ogwe, "Toilets help keep children, especially girls, in school", United Nations Children's Fund (UNICEF); World Bank and others, The State of Global Learning Poverty: 2022 Update, Conference Edition, 23 June 2022 (Washington, D.C., 2022); and World Bank, "Literacy rate, adult total (% of people ages 15 and above) – sub-Saharan Africa", World Bank Open Data, available at https://data.worldbank.org/indicator/SE.ADT.LITR.ZS?locations=ZG.

- gaps in labour market indicators. In North Africa, women are three times less likely to be economically active than men owing to deep structural barriers often rooted in social norms. The disparity between labour force participation rates for men and women is stark: 67.5 per cent and 19.8 per cent, respectively, in North Africa, and 72.9 per cent and 62.2 per cent, respectively, in sub-Saharan Africa.
- 20. More African children have access to education than ever before, yet school enrolment is still low and learning outcomes remain poor. In sub-Saharan Africa, 1 out of 5 primary school-age children and almost 6 out of 10 upper secondary school-age adolescents do not attend school. Only 2 out of 3 children in the region complete primary school by age 15. Among those who do, only 3 out of 10 achieve the minimum proficiency level in reading. In fact, completion rates in sub-Saharan Africa remain well below the global average, by more than 20 percentage points in primary education (64 per cent) and by more than 30 points in lower secondary (45 per cent) and upper secondary education (27 per cent).
- 21. Access to education varies according to urban or rural residence, wealth and gender. In all countries, children in rural areas and from the poorest households are disadvantaged. Similarly, young women face the greatest disadvantages with respect to accessing education in sub-Saharan Africa. Between 2015 and 2020, the number of young women completing secondary school for every 100 young men increased slowly, from 84 per cent to 88 per cent. On the positive side, the rate of progress over the period 2008–2020 was twice as fast as that of the period 2000–2008. The adult literacy rate (people ages 15 to 64) in sub-Saharan Africa improved significantly between 2000 and 2022 but remained low: 68 per cent among all adults, 61 per cent among women and 74 per cent among men. Youth literacy rates (ages 15 to 24) were higher: 78 per cent, 76 per cent and 81 per cent, respectively.
- 22. Teachers with the right training are the most important factor in providing quality education to children and young people. In sub-Saharan Africa, a high proportion of teachers lack sufficient competencies to teach basic literacy and numeracy skills effectively, as efforts made by Governments to provide trained teachers cannot keep pace with the growth in enrolment in recent decades. On average, there are 56 pupils per trained teacher. The persistent teacher gap is jeopardizing education recovery, given the importance of teachers, as showcased by the coronavirus disease (COVID-19) crisis.
- 23. Although women who are teachers have a positive impact on girls entering and remaining in school, women comprised just below 50 per cent of teachers in primary education and 30 per cent of teachers in secondary education in sub-Saharan Africa in 2018. In addition, children in sub-Saharan Africa lack the means for learning adequately. For instance, having one's own textbook can increase a child's literacy scores by up to 20 per cent, yet in the region each textbook is shared by three students, on average. Toilets contribute significantly to keeping children, especially girls, in school. Having separate toilets for girls and boys provides privacy for girls, especially when they are menstruating, and protects them from the risk of sexual assault. In sub-Saharan Africa, 1 out of 10 girls misses school during her menstrual cycle, resulting in a loss equivalent to 20 per cent of the school year. In Africa, half of young girls who drop out of school do so because their school lacks toilets.

24-00903 **7/20** 

### E. Technological innovation

- 24. Despite the boom in innovative digital services in Africa witnessed during the pandemic, access to the digital world is still limited. For instance, the proportion of the population using the Internet was 40 per cent in 2022, compared to 66 per cent globally. Access remained much higher in urban areas than in rural ones (64 per cent of urban residents use the Internet, compared with 23 per cent of rural residents), and access was lower among women than among men (34 per cent and 45 per cent, respectively) in 2022, with little progress towards gender parity since 2019.
- 25. In addition, even when the Internet is widely available, the productive use of digital technologies in Africa is very low, mainly owing to a lack of affordability, knowledge and skills. At the household level, in areas of sub-Saharan Africa where mobile Internet services were available to 84 per cent of the population, only 22 per cent of the population used those services in 2021. At the enterprise level, 70 per cent of microenterprises did not perceive a need for Internet-supported technologies, and the cost of data plans paid by small and medium-sized enterprises was much higher than in other regions of the world.
- 26. Nevertheless, there is growing evidence that digital technologies and factors such as Internet availability, are an essential driver of job creation and poverty reduction in Africa. For instance, in areas where high-quality Internet has been available for three or more years (third or fourth generation mobile communications technology), such as Nigeria and the United Republic of Tanzania, labour force participation increased, by 3 and 8 percentage points, respectively, by the mid-2010s. In addition, poverty rates fell by 7 percentage points in each country. The inclusive jobs created by the presence of digitalization and complementary technology generated income growth that benefited all, particularly the poor, women and lower-skilled workers.
- 27. The presence of high-speed Internet has also been shown to boost entrepreneurship, innovation, foreign direct investment in financial services, aggregate economic growth and business productivity. For instance, following the roll-out of terrestrial fibre broadband Internet infrastructure across the continent, the probability that a household would establish a non-farm business was 17 percentage points higher, and the probability that a firm would undertake process or product innovation was 20 percentage points and 12 percentage points higher, respectively, in areas with Internet availability in several African countries.
- 28. The conventional approach has been to invest in longer-term upgrading of skills to match the level for which current digital technologies were designed. An alternative approach would be to design technologies often requiring adaptations of existing products to match the current skill levels and needs of African populations, ensuring that technologies are easy to use, create jobs and lead to higher worker productivity. The large youth population in Africa provides a potentially significant source of talented and tech-savvy entrepreneurs and workers (as shown during the pandemic) to design, implement and use such technologies.

<sup>&</sup>lt;sup>6</sup> Information in section II.E is drawn from: Financing for Sustainable Development Report 2023 (United Nations publication, 2023); International Telecommunication Union (ITU), "Internet use: two-thirds of the world's population uses the Internet, but 2.7 billion people remain offline", Facts and Figures 2022 (Geneva, ITU, 2022); and Tania Begazo and others, Digital Africa: Technological Transformation for Jobs (Washington, D.C., World Bank, 2023).

### F. Economic growth and energy security

- 29. Growth in gross domestic product (GDP) in Africa is projected to decelerate from 4.7 per cent in 2021 to 3.5 per cent in 2022 and 3.4 per cent in 2023, before returning to 3.5 per cent in 2024, with the mining sector being the main driver of recent growth.<sup>7</sup>
- 30. Unlike in most developing regions, annual inflation in Africa will remain well above the long-term average. External debt service as a share of government revenue has also increased, further constraining fiscal space in many countries in sub-Saharan Africa, while access to development assistance and private finance has diminished. Growing concerns regarding debt sustainability are restricting the ability of Governments to invest in their populations and accelerate progress towards sustainable development. As of November 2023, 36 African countries were in or at risk of debt distress.
- 31. One major constraint to economic growth in Africa is an insufficient supply of sustainable and reliable energy, which is a key factor of production. In 2019, Africa was already not on track to reach Goal 7 (universal access to modern energy by 2030), despite abundant resources in energy, whether fossil fuels or clean energy. The economic crises brought on by the COVID-19 pandemic and the surge in energy prices brought on by the conflict in Ukraine (together causing a drop in household incomes) have worsened the situation. In 2021, 43 per cent of the population of Africa (600 million people) lacked access to electricity, 590 million of whom were in sub-Saharan Africa. It is estimated that the number of people without access increased by 4 per cent in 2021 relative to 2019, a reversal of gains made over the period 2015–2019.
- 32. The number of people without access to clean cooking fuels and technologies had already been increasing by an average of 17 million (2 per cent) annually between 2010 and 2019 owing to rapid population growth that outpaced efforts to increase access. The pandemic and the conflict in Ukraine accelerated this trend, with the number increasing by 20 million (2.5 per cent) annually between 2020 and 2021. If current trends continue, 565 million Africans will continue to lack access to electricity and around 1 billion will still rely on traditional fuels for cooking in 2030.

### G. Conflicts and governance

33. The pandemic demonstrated the crucial role of institutions in managing development challenges and seizing the opportunities that crises provide to address dysfunctionalities and strengthen social, political and economic structures. Development challenges might be the tipping point that unleashes major crises if root causes of tensions and grievances linked to political governance are not addressed. Unfortunately, Goal 16, aimed at promoting peace and building accountable and inclusive institutions, remains one of the most challenging Goals for Africa, with 46 of the 54 African

**9/20** 

<sup>&</sup>lt;sup>7</sup> Information in section II.F is drawn from: World economic situation and prospects as of mid-2023 (E/2023/80); International Monetary Fund, "List of LIC DSAs for PRGT-eligible countries as of November 30, 2023", available at <a href="https://www.imf.org/external/pubs/ft/dsa/dsalist.pdf">www.imf.org/external/pubs/ft/dsa/dsalist.pdf</a>; International Energy Agency, Africa Energy Outlook 2022 (Paris, International Energy Agency, 2022); and Nicole Kearse and others, Top Priorities for the Continent in 2023: Foresight Africa (Washington, D.C., Brookings Institution, 2023).

Information in section II.G is drawn from: the report of the Secretary-General on the promotion of durable peace and sustainable development in Africa (A/77/644-S/2022/959); ECA, 2021 Africa Sustainable Development Goal Progress Report (Addis Ababa, ECA, 2022); and Mo Ibrahim Foundation, 2022 Ibrahim Index of African Governance Index Report, January 2023.

Member States (85 per cent) reporting in 2021 that they experienced "major challenges" in their efforts to achieve that Goal.

- 34. According to the 2022 Ibrahim Index of African Governance, which is the most comprehensive data set measuring governance performance in Africa, overall governance scores on the continent have plateaued since 2019, despite a marginal improvement over the period 2012–2021. Progress in the continent has been hindered by the deterioration in scores in the categories of "security and rule of law" and "participation, rights and inclusion" that has accelerated since 2017.
- 35. In 2021, much of Africa was less safe and less secure than it was 10 years earlier, with a deteriorating security situation driven by rising violence against civilians and armed conflicts and by Governments that are less accountable and less transparent. The rule of law was also weaker compared to the situation five years before. Much of Africa has also become less democratic, as democratic backsliding has accelerated since 2018, the participatory environment has been shrinking, major restrictions have been placed on freedom of association and assembly since 2012 and rights have been constrained by limits on freedom of expression.
- 36. Across the continent, electoral cycles and democratic consolidation remain fragile and inconsistent. In the years since the outbreak of COVID-19, there has been an increase in political instability, which has manifested in incidents (attacks, protests and episodes of violence) across the African continent. In 2021, such incidents increased by 4 per cent compared with 2020, resulting in a 14 per cent increase in fatalities. The upward trend continued in 2022: between January and September, incidents and fatalities increased by 5 per cent and 9 per cent, respectively, compared with the same period in 2021.
- 37. Sound governance is linked to progress towards sustainable development as shown by the correlation between the scores received by African Member States on the 2019 Ibrahim Index of African Governance and the scores they received on the 2021 Sustainable Development Goals Index (on a scale from 0 to 100). There is a clear indication that, as of 2019, countries with more robust governance had achieved more substantial results in terms of achieving the Goals.
- 38. Many State institutions and governance structures in Africa have a limited presence at the local level, which creates a void for governance and the provision of essential services. In such cases, engaging traditional and religious leaders can be an effective way of sustaining peace, promoting community development and increasing democratic responsiveness by complementing formal democratic structures and bolstering inclusion and dialogue in diverse societies. Those leaders participate in the local context and can identify the grievances at the root of conflicts. Other types of community-based governance systems can also be effective ways to bring public services closer to the communities, thereby promoting participation and inclusion and adapting service delivery to the needs and characteristics of local populations. Traditional leadership has also been a tool for promoting the involvement of women in governance and peace and security in Africa.
- 39. Regional integration can also help to achieve good governance, with the African Peer Review Mechanism of the African Union being an example of innovative, concerted action taken by African countries to address governance issues on the continent. As the structures immediately above the State level, regional economic communities also constitute a crucial piece in strengthening governance through regional integration. They can be a tool for addressing existing challenges, such as the absence of the State in a territory.

### III. Implementation of the African Continental Free Trade Area

### A. The African Continental Free Trade Area and its objectives

40. International trade in Africa is heavily dependent on external markets, with only 16 per cent of African exports going to other African countries. <sup>9</sup> The African Continental Free Trade Area (AfCFTA), a flagship project under Agenda 2063, is designed to create a single African market for goods and services, facilitated by the free movement of people, capital and investment. The Area is also aimed at deepening economic integration, promoting sustainable and inclusive socioeconomic development, achieving gender equality, fostering industrialization, advancing agricultural development, ensuring food security and driving structural transformation. The Area formally came into effect on 30 May 2019 for the 24 member States that had deposited their instruments of ratification by that date. Nevertheless, only about 100 products have been traded under the treaty, out of 4,500 eligible products. With a view to galvanizing political momentum and spurring progress towards full implementation of the Area, the African Union designated "Acceleration of the African Continental Free Trade Area implementation" as the theme for 2023.

# B. Potential impacts of the African Continental Free Trade Area on promoting sustainable development and reducing poverty and inequality

- 41. The Economic Commission for Africa (ECA) predicts growth of 33.5 per cent in intra-African trade by 2045 as a result of the African Continental Free Trade Area, with major trade growth projected in the agrifood sector and in industrial products. In addition to fostering intra-African trade, the Area is aimed at promoting value chain development, industrialization and the growth of the service sector, all of which contribute to economic diversification. The World Bank estimates that, as a result of the Area, real income in Africa will increase by \$450 billion by 2035 and 45 million people will be lifted out of extreme poverty.
- 42. Intra-African trade is seen as a crucial avenue to economic diversification and industrialization as African countries will tend to exchange more manufactured and processed goods when they trade with each other. The African Continental Free Trade Area provides a blueprint for the accelerated industrialization of Africa, offering conditions for transformational investment and sustainable development. Leveraging the abundant natural resources of the continent and promoting domestic investment are key strategies in this endeavour.
- 43. With the effective implementation of the African Continental Free Trade Area, it is likely that tariff and non-tariff barriers to intraregional trade will be removed and regional market integration will be promoted. Such measures would lead to a reduced cost of doing business, thereby allowing firms to improve their productivity by exploring economies of scale. Increased revenues generated through intraregional

24-00903 **11/20** 

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<sup>&</sup>lt;sup>9</sup> Information in section III is drawn from: the report of the Secretary-General on solving the paradoxes of development in Africa: financing, energy and food systems (A/78/309); ECA, "Tracking Africa's progress on AfCFTA", 20 March 2023; ECA, "Takeaways from the expected impact of AfCFTA's implementation"; Roberto Echandi and others, Making the Most of the African Continental Free Trade Area: Leveraging Trade and Foreign Direct Investment to Boost Growth and Reduce Poverty (Washington, D.C., World Bank, 2022); Andrew Mold, "The economic significance of intra-African trade – getting the narrative right", Brookings Global Working Paper No. 44 (Washington, D.C., Brookings Institution, 2022); and Trade Law Centre NPC, "Status of AfCFTA Ratification", 6 September 2023.

trade and cooperation would also generate resources that could be invested in key areas, such as roads, energy and agriculture, to unlock further growth potential. The decline in tariff revenues in Africa will be progressive and is not expected to hamper countries' welfare, thanks to the benefits generated by intra-African trade expansion.

- 44. Growth in e-commerce was accelerated during the COVID-19 pandemic, and the digital economy is projected to account for nearly 6 per cent of African GDP by 2025 and over 10 per cent by 2050. While challenges remain, the digital trade protocol of the African Continental Free Trade Area presents an opportunity for coordinated efforts, potentially driving digital transformation and economic growth in Africa.
- 45. The trade liberalization facilitated by the African Continental Free Trade Area will increase GDP in almost every region, especially in countries with high shares of intra-African exports. Disposable incomes will also increase as households are the main beneficiaries of the increased economic activity. Those higher incomes will translate into improved purchasing power for food, resulting in increased food security.
- 46. Strategies for implementation of the African Continental Free Trade Area plan to support the development of green and blue economy value chains and promote environmentally friendly policies and standards enforcement. For instance, countries may consider developing services related to the production of electricity from renewable energy sources.
- 47. In order to fully realize the potential benefits of the Area, investments in infrastructure, logistics and regulatory frameworks that facilitate efficient trade are required. In addition, the ease of movement of people within the continent, as outlined in the Protocol to the Treaty Establishing the African Economic Community relating to Free Movement of Persons, Right of Residence and Right of Establishment, is essential for realizing the spillover effects of increased cross-border trade and informal economic activities, thereby further contributing to the reduction of poverty and inequality in Africa.

## C. Measures to accelerate the implementation of the African Continental Free Trade Area: integrating inclusivity

- 48. Negotiations have begun for a protocol on women and youth in trade under the African Continental Free Trade Area, presenting a critical avenue for integrating inclusivity in trade. Under that framework, doors can be opened for small and medium-sized enterprises and women and youth-led enterprises can be uplifted in cross-border trade by addressing socioeconomic challenges to move towards broadbased prosperity. Women will be offered opportunities through increased access to continental markets, value chains and digital trade. Agriculture, which employs 50 per cent of African women, will benefit from increased intra-African food imports, offering opportunities to women producers.
- 49. To accelerate women's and young people's participation in trade, it is necessary to facilitate access to finance; design tailored training and capacity; build programmes focused on entrepreneurship, trade facilitation and financial literacy; foster networks and mentorship arrangements connecting experienced entrepreneurs, including women and young people, with new entrepreneurs; actively identify and address gender-based obstacles that hinder women's involvement in trade, including legal, regulatory, cultural and social barriers; engage youth organizations and associations in the African Continental Free Trade Area process and advocate their participation in decision-making and policy development related to trade and economic integration; and lead public awareness campaigns to educate women and young people about the

opportunities presented by the Area and provide guidance on how to actively engage in these opportunities.

50. With a view to fully achieving the objectives of the African Continental Free Trade Area, countries need to give serious attention to the informal economy by supporting and formalizing informal cross-border transactions to accelerate trade, spur economic growth and reduce poverty. The Pan-African Payment and Settlement System, a digital finance platform designed to facilitate cross-border payments, is one initiative under the Area that can harness the vibrant informal economy of Africa. The system reduces costs associated with cross-border payments by eliminating the need to route transactions through a developed country. Currently, 80 per cent of intra-African payments go through Europe or the United States before reaching the intended recipient, and required transaction costs related to third-party currency conversions are estimated to cost Africa \$5 billion annually.

# IV. Policies for enabling an inclusive and sustainable recovery and development

### A. National level

### 1. Investing in social protection

- 51. In order to enable inclusive and sustainable development and as part of their overall poverty eradication efforts, Governments need to implement integrated policy measures that strengthen human capacities and enhance vulnerable households' resilience by investing in quality education and training, universal health coverage and comprehensive social protection systems, in addition to stimulating economic growth.<sup>10</sup>
- 52. Social protection policies are not a priority in national budgets. African countries spend, on average, 3.8 per cent of their GDP on non-health social protection, and a mere 2 per cent on public health expenditure; both figures are around one third of the world average. While countries in North Africa spend, on average, 7.7 per cent of their GDP on social protection (excluding health care) and 2.4 per cent on health, the corresponding figures for countries in sub-Saharan Africa are 2.1 per cent and 1.8 per cent, respectively, compared with 12.9 per cent and 5.8 per cent globally.
- 53. Expanding social protection systems is particularly important in sub-Saharan Africa. Those systems need to be funded primarily by domestic resources to ensure that they are sustainable in the long term. Even in low-income countries, sustainably increasing fiscal space for social protection is possible through such measures as improving tax collection systems and tax rates, building fair and progressive tax systems and confronting tax evasion.
- 54. Developing a comprehensive social protection system requires not only greater funding but also putting in place a standard infrastructure (institutions) with support from the appropriate staff, particularly in operational areas, such as registration,

24-00903 **13/20** 

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Information in the present section is drawn from: Haroon Bhorat and Chris Rooney, "Expanding social protection in Africa: a menu of early policy ideas", available at: https://social.desa.un.org/sites/default/files/inline-files/Social%20Protection%20in%20Africa-Input%20Paper-Bhorat2.pdf; World Food Programme (WFP), The State of School Feeding Worldwide 2022 (Rome, WFP, 2023); UNESCO and others, Ready to Learn and Thrive: School Health and Nutrition Around the World (Paris, UNESCO, 2022); and Hatem Elliesie, "Traditional forms of social protection in Africa: selected examples from Ethiopian and Eritrean Societies".

payments and case management. In many African countries, the basic traditional infrastructure does not exist or is very weak.

- 55. Some African countries have implemented creative policies for extending social protection programmes to the large informal economy. Ghana successfully set up a system under which workers in the informal economy were allowed to make flexible contributions and have access to a portion of their savings on a short-term basis, which aimed to provide a degree of income smoothing in times of economic shocks. That example could serve as an early pilot for how a contribution-based system of social protection could be built for a large cohort of African workers.
- 56. Risks to social development stemming from shortcomings in formalized and institutionalized social protection mechanisms have been mitigated in many African countries by a wealth of informal community-based solutions. Traditional social protection systems in Africa play an important role in fostering social inclusion, societal harmony and poverty alleviation, especially in the rural context.
- 57. Homegrown school feeding is also a potential efficient social protection policy for Africa, as such programmes alleviate the economic burden of vulnerable households, thereby contributing to addressing income inequality at the micro level. School feeding also helps advance children's health and nutrition and is proven to reduce dropout rates, increase girls' inclusion and improve educational attainment, laying the foundations needed to leverage the potential of human capital in Africa. It can also be a catalyst to local agricultural development and create up to 1,377 direct jobs per 100,000 children fed, which means that if all primary school-age children in Africa benefited from such programmes, the continent could generate over 2.7 million direct jobs. Homegrown school feeding is a social protection programme that reduces public budget expenditures in the medium and long term, as it generates a return of \$9 per every dollar invested.

#### 2. Mobilizing domestic resources

- 58. Despite its vast resources, Africa continues to face a significant financing gap. <sup>11</sup> To overcome this challenge, key issues that hinder the financial growth of the continent must be addressed, such as unproductive tax incentives, inefficiencies in public spending, illicit financial flows and unused pension funds and remittances, through strong institutions, improved governance and transparency.
- 59. Unproductive tax incentives amount to \$46 billion in potential taxes that are not collected in Africa because of redundant tax incentives that are often offered to attract foreign investment, resulting in revenue leakage and limiting the capacity of Governments to finance their development agendas. Annually, more than \$70 billion is estimated to be lost in inefficient public spending in Africa. The adoption of technology and digital solutions can significantly enhance the efficiency of revenue collection and spending.
- 60. The share of African pension funds in the financing of infrastructure development is minimal compared with other regions, at around 1 per cent. Despite their considerable resources, African pension funds often invest a significant portion of their assets abroad. Clear and transparent policy frameworks, improved risk

Information in the present section is drawn from: the report of the Secretary-General entitled "New Partnership for Africa's Development: nineteenth consolidated progress report on implementation and international support" (A/76/888); Organisation for Economic Co-Operation and Development (OECD), Pension Markets in Focus 2022 (Paris, OECD, 2023); Political Economy Research Institute, "Capital flight from Africa"; and Matilda Moyo, "Tackling illicit financial flows, a matter of survival for Africa's development", Africa Renewal (July 2021).

management mechanisms, diversification of assets, pooling of resources and institutional capacity-building are essential steps to address this issue.

- 61. About \$88.6 billion, or 3.7 per cent of GDP, is lost in A frica annually through illicit financial flows, which is a core issue behind the financial problems faced by the continent. The enablers of these losses are national, regional and global and include the global finance system with its loopholes and shortcomings in rules that allow tax abuses, corruption and money-laundering to flourish.
- 62. Remittances have doubled in Africa over the past decade, reaching \$100 billion in 2022 and benefiting over 200 million family members of African migrant workers, the majority of whom live in rural areas. By reducing the high transaction costs of remittances and providing incentives for investments, at least a quarter of remittances can be redirected towards savings and investments within the continent. Bringing those funds into the formal financial system can dramatically increase their impact.

### 3. Investing in energy

- 63. Energy access plays a crucial role in building development, especially in key areas such as food security, health outcomes and water resources management. <sup>12</sup> Energy poverty in Africa leads to a heavy reliance on traditional biomass for cooking and heating, which in turn contributes to deforestation. In addition to minimizing pollution, providing access to clean cooking contributes to reducing gender disparities, since women often bear the time-consuming and physically demanding responsibility for household energy tasks, such as cooking and gathering fuelwood.
- 64. Achieving full access to modern energy in Africa by 2030 would require investments of \$25 billion annually, including \$22 billion for electricity connections and \$3 billion for clean cooking solutions. Current annual investments amount to just 13 per cent of needs for electricity and 6 per cent for clean cooking. There is an urgent need for stronger local government and international development support, including concessional finance, given that most countries in sub-Saharan Africa are low-income countries.
- 65. Given the size of the investments needed, governments need to collaborate with the private sector to mobilize resources and expertise and foster investments in energy infrastructure. Regionally, developing long-term energy plans and strategies can provide investors with a clear vision of Governments' regional energy goals and priorities and leverage shared infrastructure. At the national level, ensuring that regulatory agencies and utility companies are independent and free from political interference enhances transparency and trust. It is also important to engage local communities and stakeholders to address concerns, ensure social responsibility and gain the local support that facilitates targeted energy infrastructure deployment and system optimization at the local level. Similarly, focusing on expanding access to energy in underserved areas and mandating a certain level of local content in manufacturing can encourage sustainable local industry growth and create jobs in rural areas.

24-00903 **15/20** 

<sup>&</sup>lt;sup>12</sup> Information in the present section is drawn from the International Energy Agency, Africa Energy Outlook 2022.

## B. Global and regional levels: international development cooperation efforts, including financing for development

66. Official development assistance (ODA) to Africa decreased in 2022. 13 Net bilateral ODA flows to Africa from countries that are members of the Development Assistance Committee of the Organisation for Economic Co-operation and Development (OECD) amounted to \$35 billion in 2022, representing a drop of 8.5 per cent in real terms compared with 2021. Within that total, net ODA to sub-Saharan Africa was \$29 billion, a fall of 8.6 per cent compared with 2021. Foreign direct investment in Africa was \$45 billion in 2022, which is the same level as in 2019. In 2019, social infrastructure and services made up 45 per cent of bilateral ODA flows to Africa from Development Assistance Committee countries. Nevertheless, no significant progress towards sustainable social development is achieved through ODA because such assistance is focused on short-term needs but fails to ensure their medium or longterm sustainability or promote structural transformation. For example, in 2019, 8.5 per cent of bilateral ODA flows were focused on the health sector in general, yet only 0.00048 per cent of bilateral ODA went to the pharmaceutical industry, a sector that would have greatly helped the response and resilience to the COVID-19 pandemic in Africa.

67. Development banks have the potential to play a larger role in development finance for Africa, as recognized by the Sustainable Development Goal stimulus and other initiatives. The African Development Bank is exploring the expansion of its lending through a special drawing rights (SDRs) recycling initiative, which could also be considered by recently approved prescribed holders of SDRs. The European Bank for Reconstruction and Development is expanding its operations to sub-Saharan Africa, which will help to meet the growing financing gap in the region. The United Nations system continues to support South-South and triangular cooperation. For instance, the United Nations Capital Development Fund and the Intergovernmental Authority on Development (IGAD) provided support to an initiative aimed at harmonizing remittance policies across IGAD countries (Djibouti, Eritrea, Ethiopia, Kenya, Somalia, South Sudan, the Sudan and Uganda).

# V. Enhancing the coordinated implementation of Agenda 2063 and the 2030 Agenda

68. 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

69. Migration resulting from the free movement of people under the African Continental Free Trade Area can boost trade and regional integration. The African Union Commission and ECA launched a joint migration project in May 2023, under which several capacity-building initiatives are planned for member States, including: (a) promoting economic empowerment of migrant women: identifying and supporting

**16/20** 24-00903

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<sup>&</sup>lt;sup>13</sup> Information in section IV.B is drawn from: United Nations, "From residual to worthy: enhancing the value of ODA for Africa's development", Policy Brief, July 2022; World Investment Report 2023: Investing in Sustainable Energy for All (United Nations publication, 2023); Financing for Sustainable Development Report 2023 (United Nations publication, 2023); and OECD, "Aid (ODA) disbursements to countries and regions", OECD.Stat.

migrant women's engagement in economic activities; (b) improving migration statistics and strengthening the legal identity of migrants in East Africa and the Horn of Africa; and (c) enhancing the free movement of persons and pathways for labour mobility and skills portability in Africa. The focus of the joint initiatives by the African Union Commission and ECA is to strengthen national capacities and to create a solid foundation in Africa for an evidence-based response to migration issues with a view to developing appropriate policies and strategies.

### B. Advancing the implementation of the 2030 Agenda and Agenda 2063

### 1. Coordination and coherence within the United Nations system

- 70. At the global level, two coordination mechanisms bring the United Nations system together in its support to Africa: the United Nations Sustainable Development Group, which serves as a high-level forum for joint policy formation and decision-making, and the interdepartmental task force on African affairs, mandated to strengthen the strategic coordination and coherence of the United Nations system's support for Africa.<sup>14</sup>
- 71. At the regional level, United Nations entities working on sustainable development in Africa collaborate and coordinate their support to African countries through the Regional Collaborative Platform for Africa. The Platform provides policy support and access to expertise at the service of the specific needs and priorities of Africa and in support of the work of resident coordinators and United Nations country teams at the country level. The following priorities have been advanced under the Platform: data and statistics, climate action, macroeconomic transformation and energy and digital transitions. In the area of climate, support was provided to Member States on just energy transitions in the African context and the adoption of the African Common Position on Energy Access and Just Energy Transition. Members of the platform also supported the operationalization of the outcomes of the Transforming Education Summit through national consultations and monitoring under the Continental Education Strategy for Africa 2016–2025.
- 72. The interdepartmental task force on African affairs continued to enhance United Nations system coordination in support of African countries, particularly on energy and food systems transformation. As a result of the interdepartmental task force's focus on energy as an entry point to building forward better, one of the critical recommendations formulated by its working groups on people, planet and prosperity was that access to energy was essential to developing agrifood systems and building resilience in Africa.
- 73. At the country level, resident coordinator offices were trained to support the operationalization of the African Continental Free Trade Area and the Economic Commission for Africa integrated planning and reporting toolkit to bolster national and regional performance for the 2030 Agenda and Agenda 2063.

24-00903 **17/20** 

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Information in section V.B is drawn from: the report of the Secretary-General on the implementation of General Assembly resolution 75/233 on the quadrennial comprehensive policy review of operational activities for development of the United Nations system (A/78/72-E/2023/59); the report of the Chair of the United Nations Sustainable Development Group on the work on the Development Coordination Office (E/2022/54); and United Nations Interdepartmental Task Force on African Affairs, Compendium: African Energy Access and Just Transition Trajectory Anchored on the Common African Position (New York, United Nations Interdepartmental Task Force on African Affairs, 2022).

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

- 74. United Nations bodies and entities and the African Union have enhanced their collaboration and coordination through various mechanisms at the global, regional and country levels with a view to making progress on the Sustainable Development Goals and the aspirations of the members of the African Union. The African Union-United Nations annual conference provides the apex level coordination mechanism between the institutions. The sixth edition, held in December 2022, reviewed progress in implementing the Joint United Nations-African Union Framework for Enhanced Partnership in Peace and Security and the African Union-United Nations Framework for the Implementation of Agenda 2063 and the 2030 Agenda for Sustainable Development. The conference underscored the importance of deeper horizontal and vertical integration, coordination, collaboration and alignment of efforts by the United Nations and the African Union towards implementing Agenda 2063 and the 2030 Agenda.
- 75. The seventh African Union-United Nations Conference, held in 2023, established a high-level strategic dialogue on sustainable development, which will convene twice a year to address priority issues on sustainable development. A call was issued for a leveraging of the Summit of the Future, to be held in 2024, and the Fourth International Conference on Financing for Development and the World Social Summit, both to be held in 2025, to reach consensus on ambitious reforms to international financial institutions, including governance reforms related to capitalization increases at multilateral development banks, and on establishing an effective debt resolution mechanism.
- The Department of Economic and Social Affairs provides support to African countries and the African Union through both analytical work and capacity development projects. For instance, the Department and the African Peer Review Mechanism of the African Union have been supporting countries in the development of governance capacities since 2019, using the principles of effective governance for sustainable development as a foundation for action. The Department and the Mechanism organized a continental workshop entitled "Strengthening institutional capacities in Africa for effective implementation of the 2030 Agenda and Agenda 2063: follow-up to the 2023 Summit", held in October 2023. The workshop was the fourth in a series jointly organized in support of building effective, accountable and inclusive institutions in Africa at all levels. At the midpoint of the 2030 Agenda, the workshop also examined the outcome of the 2023 Sustainable Development Goal Summit and its implications for Africa. The capacity-building workshop expanded on efforts to implement recommendations reached at previous joint events, in which there had been a clear call to assist countries with operationalization of the United Nations principles of effective governance for sustainable development, developed by the Committee of Experts on Public Administration and endorsed by the Economic and Social Council in 2018.
- 77. The Africa Regional Forum on Sustainable Development is an annual multi-stakeholder platform organized jointly by ECA and the host Government (the Niger in 2023) in collaboration with the African Union Commission, the African Development Bank and United Nations system entities. The ninth session was convened from 28 February to 2 March 2023 with the theme "Accelerating the inclusive and green recovery from multiple crises and the integrated and full implementation of the 2030 Agenda for Sustainable Development and Agenda 2063". Key messages and a declaration from the Forum served as the collective African input for the high-level political forum on sustainable development and for the Sustainable Development Goal Summit 2023, held during the high-level week of the General

Assembly. The Africa Regional Forum is one of the three mechanisms mandated to follow up, review and catalyse actions to achieve the Goals and the aspirations of Agenda 2063. The other mechanisms are the high-level political forum and the voluntary national reviews. In 2023, seven African countries presented their voluntary national reviews for the second time.

### VI. Conclusions and recommendations

- 78. The 2030 Agenda and Agenda 2063 have promoted progress and reoriented African Governments and their development partners towards addressing the gaps and challenges related to social, economic and political transformation in Africa. The negative social and economic consequences of global intersecting crises, including the lingering effects of the COVID-19 pandemic, the conflict in Ukraine and climate change, call for policies focused on integrated, inclusive and sustainable measures that leave no one behind.
- 79. Agenda 2063 of the African Union, as successor to the New Partnership for Africa's Development programme, is the most comprehensive plan for the development of Africa and a translation of the Goals of the 2030 Agenda into the African context and reality. Adopting Agenda 2063 as the guiding framework is indispensable in order to enhance the effectiveness of efforts to advance development in Africa. Working together with African countries in a coordinated manner, the international community can support the implementation of the social dimensions of Agenda 2063.
- 80. With a view to further promoting social progress, it is recommended that African countries, in partnership with the international community, multilateral organizations and bilateral donors:
- (a) Accelerate progress towards creating decent jobs for all, by advancing alternative pathways to economic growth, such as industries without smokestacks, including blue and green economy industries and tradable services, which can employ large numbers of low- and medium-skilled workers, including women and young people, so as to stop their exploitation as sources of low-wage labour in Africa;
- (b) Invest in the development of productive capacities, infrastructure and labour force skills for structural transformation and industrialization to harness the opportunities offered by the African Continental Free Trade Area;
- (c) Invest in affordable, universal health coverage, nationally appropriate social protection systems for all, universally accessible quality education and training, including digital skills training, and safe water and sanitation services to end extreme poverty and hunger;
- (d) Promote synergies and complementarity between formal and informal social protection mechanisms, leading to the establishment of integrated approaches that leverage existing community-based initiatives to enhance the impact of social protection policies;
- (e) Invest in clean energy and the adoption of inclusive climate actions that enhance access of small-holder farmers and cooperatives to finance, including for climate adaptation efforts, and reform agricultural food systems to make them more resilient to increased adversity caused by climate change and limited water resources;

24-00903 **19/20** 

- (f) Accelerate strategies to reduce gender inequality, including in access to education, health care and services, decent jobs, digital technology and food and agricultural services;
- (g) Invest in the strengthening of domestic resource mobilization systems to obtain the financing required to effectively drive the continent's economic growth and development in an inclusive and sustainable manner while reclaiming fiscal and policy space;
- (h) Adopt tools to prevent and combat illicit financial flows, invest in improved tax administration to facilitate domestic resource mobilization, reform tax structures through progressive taxes on personal income, property and wealth and close loopholes for tax evasion.