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Item 4 of the provisional agenda*
**Progress report on the implementation of the 2030 Agenda
and Agenda 2063 at the regional and subregional levels**

2020–2030: A Decade to Deliver a Transformed and Prosperous Africa through the Sustainable Development Goals and Agenda 2063

Summary report on Africa's progress on the Sustainable Development Goals

I. Key messages

1. *Africa's progress on the Sustainable Development Goals is mixed:* Poverty rates are declining; access to primary education, health care and electricity are improving; and so is gender parity in schools and representation of women in national parliaments. Africa's contribution to material consumption is relatively low; all African countries have signed and 48 countries ratified the Paris Agreement on Climate Change. However, progress is insufficient on many goals, variations across and within countries are large, and so are the additional financing requirements. The absolute number of people living in poverty is rising due to high population growth rates; millions of children are not receiving quality education, not completing relevant grades or dropping out of school altogether; only 60 per cent of pregnant women are attended to by trained health-care personnel.

2. *Address poverty and inequality in tandem:* While the proportion of people living in extreme poverty declined from 43 per cent (2013) to 34.9 per cent (2015) to an estimated 32.5 per cent in 2019, the absolute number of poor people increased from 388 million to 413 million and to 422 million over the same period. Reducing inequality by improving the livelihoods of poor people and the most vulnerable helps reduce poverty faster. Eliminating gender-based violence, conservative norms and increasing opportunities of women and girls will promote inclusive growth by boosting the productivity and participation of half the population. Investments and policies to expand job creation, increase household incomes, and enhance human capital and labour productivity are key to promoting inclusive growth and reducing poverty.

3. *Improve the quality of basic services: learning, skills acquisition and access to health care, especially for girls:* African Governments, with the support of development agencies should design and implement measures to improve the quality of learning at all levels. Improving teaching methods,

* ECA/RFSD/2020/1.



school infrastructure and the use of information and communications technology in teaching and learning are critical to improving learners' experiences and outcomes, and to keeping children in school. Increasing the number of professionally qualified, empowered, motivated and remunerated teachers is key to realising the education targets. Outreach programmes for the millions of out-of-school children to build their skills for employment are critical. Improving the quality of health care and ensuring all births are attended by skilled health workers will help to further reduce child and maternal deaths.

4. *Good governance, and strong and accountable institutions, are critical to realizing sustainable development in Africa:* Inclusive economic growth can only be built on the foundations of just, transparent and efficient institutions, administered by capable States. Strong institutions are key to translating the development aspirations of the national development strategies, as well as the global and regional development frameworks, into actions that accelerate inclusive economic growth and transformation. African Governments and partners need to coordinate efforts in order to strengthen the capacities of State and non-State actors to deliver quality services, and promote accountability and the drive for results.

5. *Investment requirements are large, and so is the scope for mobilizing the required resources:* To realize the Sustainable Development Goals, Africa requires up to \$1.3 trillion annually. Implementing the many development priorities; – infrastructure, expanding the reach and quality of social services (education, health care, water, and sanitation and health); creating enough decent jobs for the youth; and tackling climate change – requires adequate resources. It also requires deploying the resources transparently to build necessary capacity for increased productivity and value addition at all stages.

6. *More trade, within and among African countries, is needed for growth and jobs creation:* Taking advantage of the African Continental Free Trade Area, African countries must invest in areas that support increased production and value addition, trade facilitation and trade-related infrastructure. Increased competitiveness – through reforms to reduce barriers to business entry, external markets, access to electricity, payment of taxes, strong property rights and better infrastructure – are key to promoting domestic and foreign investment and employment creation.

7. *Quality infrastructure is an important prerequisite for expanding growth through increased trade, manufacturing, industrialization and access to social services:* Improvements in road, rail, air and marine transportation systems, and connectivity across the continent, will spur economic growth. Given the high cost of such investments, a regional approach to infrastructure design and pooled funding is needed. Africa invests only 4 per cent of its gross domestic product (GDP) in infrastructure and only 5 per cent of available water resources are developed.¹ Investments in integrated water development and management are central to sustainable water, food and energy security for a green and inclusive growth.

8. *Plan for the expanding urbanization to make cities and human settlements inclusive, safe and resilient:* Africa is one of the fastest urbanizing continents globally, with potential for industrial and entrepreneurship growth, and releasing rural land for large-scale agriculture. To promote inclusive and sustainable urban development, African Governments and urban authorities need to strengthen their capacities in urban planning to promote the sprawling cities as centres for quality living and economic activity. Upgrading of slums and improved access to basic social services and amenities are critical to improving the quality of life of the majority of the urban population.

¹ African Development Bank (AfDB) (2019). *African Economic Outlook*. Abidjan. Available from www.afdb.org/en/knowledge/publications/african-economic-outlook. Accessed on 2 January 2020.

9. *Expand fiscal space for equitable spending:* To realize the breadth and depth of both agendas, African Governments need to design measures to expand fiscal space. Adjusting fiscal and tax policies and the management of tax revenue, African countries can raise additional domestic revenue to the tune of 12–20 per cent of GDP. Broadening the tax base, eliminating loopholes for tax avoidance, prioritizing expenditures with the biggest impact on the most vulnerable (especially social services and social protection), monitoring the reach of public spending, and eliminating illicit financial flows will have large payoffs. Foreign direct investment, official development assistance and international remittances can play a complementary role in mobilizing resources for investment in Africa. Capital markets can be leveraged to enhance the role of the private sector in mobilizing resources for development.

10. *A decade of action, 2020–2030, is now:* African Governments need to engage the youth, women’s groups, the private sector, civil society and development partners to convert the existing and new national development strategies into action. Currently, 50 and 36 African countries, respectively, have medium-term development strategies and long-term visions for accelerating growth and achieving sustainable development. Sustainable development is everybody’s business, calling for whole-of-government and whole-of-society approaches going forward. Measures to rally all stakeholders – communities, local governments, central government ministries and departments and agencies, the private sector, civil society, academia and development partners – are needed to realize the contributions of all to leave no one behind. Increased efficiencies in partner coordination and support to Governments are critical to leveraging resources for better results and serving as models for improved governance and whole-of-society coordination.

11. *The strong convergence between the Sustainable Development Goals, Agenda 2063 and AfDB’s High Fives creates an opportunity for strong collaboration and coordination between AfDB, the African Union Commission and the United Nations, alongside the regional economic communities, the International Monetary Fund, the World Bank and bilateral partners, in support of Africa’s sustainable development and transformation:* Adequate monitoring, reporting and impact evaluation arrangements are critical to leaving no one behind.

II. Key trends and progress

12. This paper uses multiple sources of information to review Africa’s progress and highlight gaps along the five pillars of sustainable development; people, prosperity, planet, peace and partnerships. This approach helps to underscore the interconnectedness of the goals and the need for coordinated efforts by Governments and all stakeholders to accelerate action and mobilize additional resources for sustainable development in Africa.

A. People: Improvements in the quality of life are occurring, albeit at a slow pace²

13. Many countries are making progress towards ending extreme poverty, while for others much more effort is needed. The proportion of people living in extreme poverty³ declined from 48.7 per cent in 2010 to 42.8 per cent in 2013 and to 34.9 per cent in 2015.⁴ Based on the Africa Poverty Clock,

² Covers Sustainable Development Goals 1 (No poverty), 2 (Zero hunger), 3 (Good health and well-being), 4 (Quality education) and 5 (Gender equality).

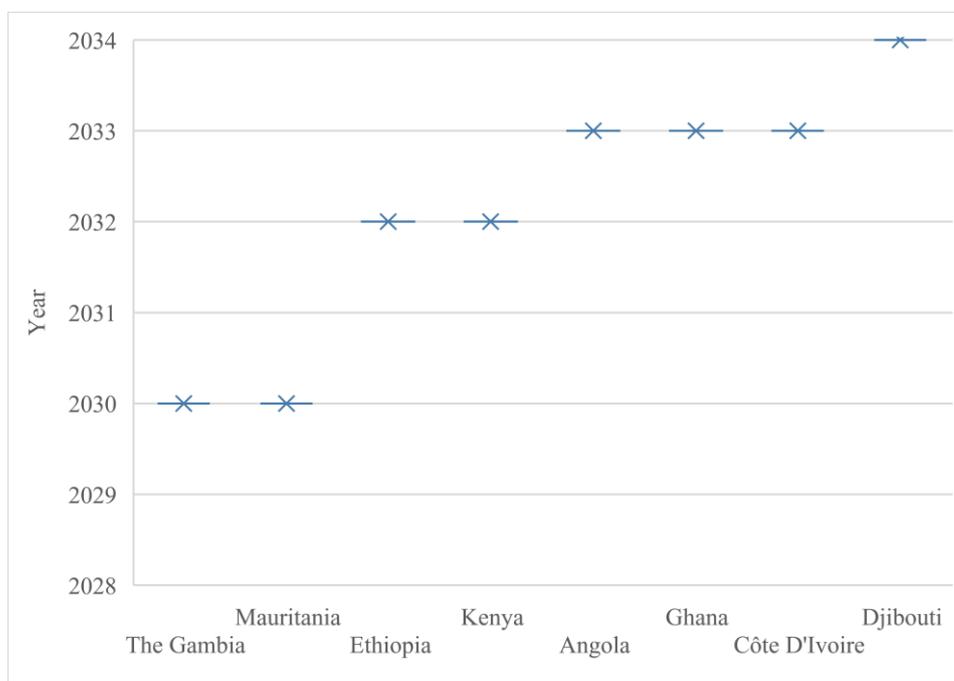
³ Less than US\$1.90 per person per day.

⁴ World Bank (2019). World Development Indicators database. Available from <http://data.worldbank.org/data-catalog/world-development-indicators>. Accessed on 2 January 2020.

currently 32.5 per cent of people in Africa live in extreme poverty. Poverty rates are below 3 per cent in six countries: Algeria, Egypt, Mauritius, Morocco, Seychelles and Tunisia; and below 10 per cent in another six: Cabo Verde, Equatorial Guinea, Gabon, the Gambia, Mauritania and the Sudan. Projections are bright: eight countries are expected to eradicate extreme poverty by 2034 (figure I).

Figure I

African countries projected to eradicate extreme poverty by 2034

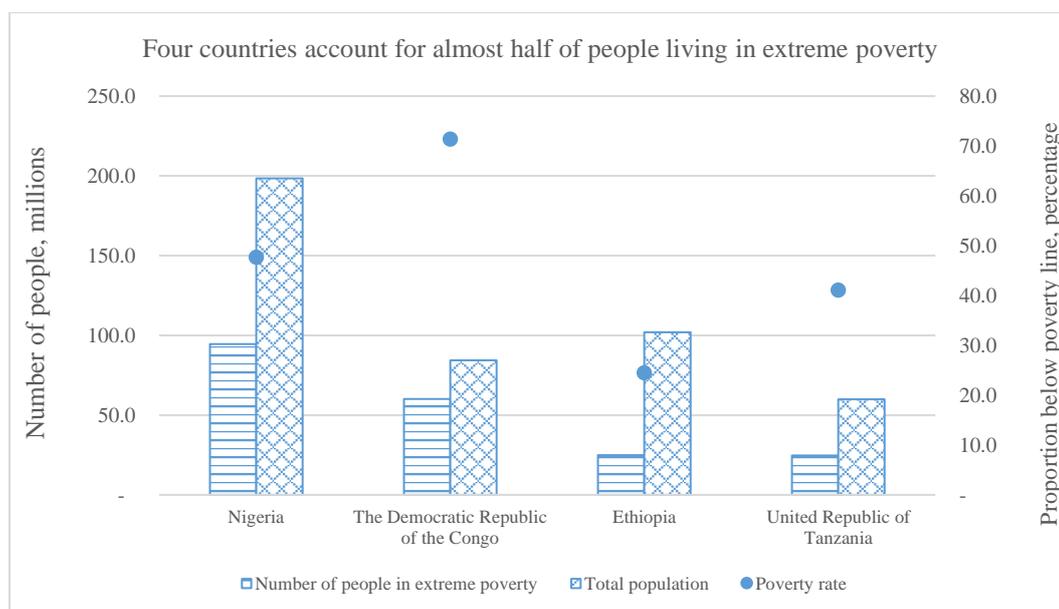


Sources: Beegle, Kathleen, Luc Christiaensen, Andrew Dabalén, and Isis Gaddis (2016). Poverty in a Rising Africa, Africa Poverty Report. Overview. World Bank, Washington, D.C. License: Creative Commons Attribution CC BY 3.0 IGO.

World Bank (2018). PovcalNet. Available from <http://iresearch.worldbank.org/PovcalNet/povOnDemand.aspx>. Accessed on 2 January 2020.

14. The absolute number of people living in poverty increased from 389 million in 2013 to 422 million in 2019, owing to high population growth rates. Four countries with populations of over 50 million and more than 20 million poor people account for almost half of the people living in extreme poverty in Africa (figure II). Another 10 countries with populations of between 10 million and 55 million and over 10 million poor people bring the proportion to almost 78 per cent. Sustained poverty reduction efforts in these countries will have substantial impact.

Figure II

Poverty in Africa: Gaps in select countries

Sources: World Bank (2018). PovcalNet. Available from <http://iresearch.worldbank.org/PovcalNet/povOnDemand.aspx>. Accessed on 2 January 2020.

Africa Poverty Clock, 2019.

15. *Rising food insecurity is exacerbating poverty and extreme hunger:* In 2018, severe food insecurity declined to 21 per cent from 26.1 per cent in 2016; over 270 million people in Africa experience severe food insecurity and 256 million people are undernourished. Africa's agriculture orientation index of government expenditures was only 0.20 in 2017, compared with 0.39 in Europe and North America. This calls for increased and focused public and private investments in agriculture, including irrigation, innovation and climate change actions to counteract weather unpredictability and improve food security.

16. *Africa's growth is volatile, predominantly resource-based, and has weakly inclusive growth,⁵ and exports are largely capital-intensive primary commodities, with limited impact on job creation and poverty reduction:* Economic growth has reached or exceeded the 7 per cent annual rate needed to realize sustainable development in only a handful of countries, and 60 per cent of Africa's workers are in vulnerable employment. Young people and women are more susceptible: 42 per cent and 39 per cent of employed youth and women, respectively, live in poverty, compared with 37 per cent of employed men. Weak social protection systems exacerbate poverty and inequality: only 13 per cent of people in Africa receive at least one form of social protection, compared with 45 per cent globally; only 3 per cent and 7 per cent of unemployed and vulnerable populations, respectively, are covered by some social protection system.

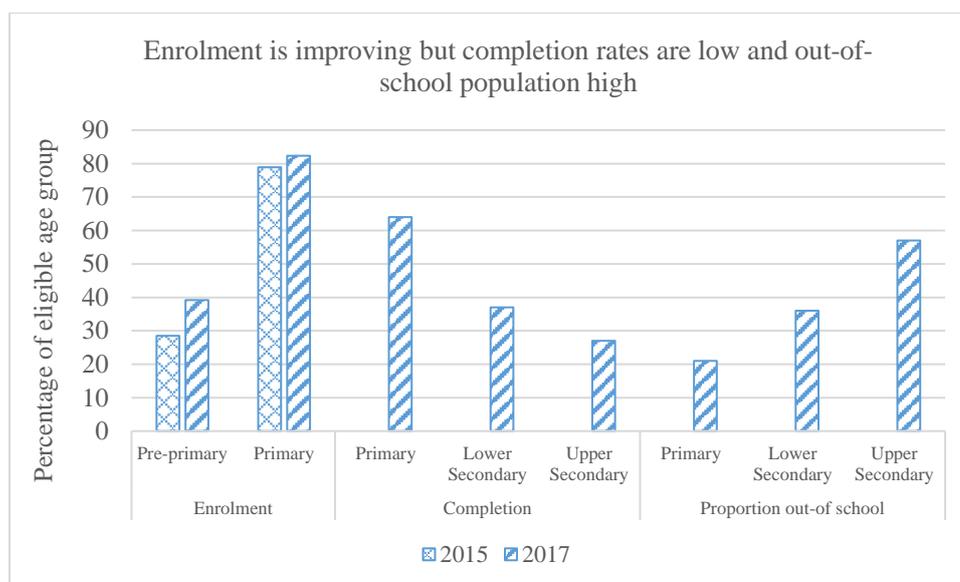
17. *Quality education and health care are improving slowly:* Pre-primary school enrolment improved from 28.5 per cent in 2015 to 39.2 per cent in 2017, and primary school enrolment from 78.9 per cent to 82.3 per cent. However, completion rates are low and out-of-school population is high (figure III),

⁵ For any growth rate, low initial levels of inequality further reduces poverty directly through boosting incomes of the poor; and indirectly spurring additional growth through increased savings and human capital investments (Galor, O., and Zeira, J. (1993). Income Distribution and Macroeconomics. *The Review of Economic Studies*, vol. 60, No. 1, pp. 35–52).

limiting skills acquisition and the transformative potential of education.⁶ At least 61 per cent of 36–59-month-old children are developmentally on track in one of three critical areas: literacy–numeracy, physical development, social–emotional development and learning. Measures to strengthen the capacity, numbers and proportion of teachers with minimum organized teacher/pedagogical, pre-service or in-service training at each level are needed. Currently, only 48 per cent of pre-primary teachers have the minimum training required.

Figure III

School enrolment, completion and out-of-school population



Source: United Nations Educational, Scientific and Cultural Organization (UNESCO) Institute for Statistics (2019). Data for the Sustainable Development Goals. Available from <http://uis.unesco.org/>. Accessed on 2 January 2020.

18. *During 2010–2018, Africa recorded significant gains in health outcomes:* Under-5 mortality declined from 100.9 to 75.5/1,000 live births (a 33.6 per cent decline); and maternal mortality declined by 35 per cent to 546/100,000. However, Africa has the highest burden of child and maternal deaths globally, with large intra- and cross-country disparities. Only about 60 per cent of births are attended to by skilled health personnel.

19. *Gender equality in education and leadership positions is improving:* Gender parity in primary and secondary schools reached 96 per cent and 90 per cent, respectively, in 2018, but is lower at the tertiary level. Representation of women in national parliaments and managerial positions increased to 24 per cent and 29.3 per cent in 2018, respectively, from 18 per cent and 28.1 per cent in 2010. While private companies in Africa have more women staff at middle and senior levels than the global average, only 5 per cent of these companies are headed by women, and the numbers do not represent decision-making power.⁷ Furthermore, conservative norms and practices, limited inclusion limited access to education and health care, holds back progress. One in every five ever-partnered women (15–49 years of age) has experienced physical

⁶ Some 20 per cent (25 per cent female) of youth (15–24 years of age) are not in education, employment or training.

⁷ Moodley, L., T. Holt, A. Leke, and G. Desvaux (2016). *Women Matter Africa: Making gender diversity a reality*. McKinsey and Company. Available from www.mckinsey.com/~/media/McKinsey/Featured%20Insights/Women%20matter/Women%20matter%20Africa/Women%20Matter%20Africa%20August%202016.ashx. Accessed on 2 January 2020.

and/or sexual violence from a partner. Almost 12 per cent and 37 per cent of women (20–24 years of age) are married before attaining 15 and 18 years, respectively. More than 25 per cent of girls aged 15–19 years have undergone female genital mutilation. Addressing these gaps and increasing opportunities of women and girls will boost the productivity and participation of half the population. Expanding access to early learning, quality primary and higher education, training and skills acquisition, property rights, and legal and financial rights for all will empower women, and promote enterprise, economic growth and transformation.

20. *Access to safely managed water and sanitation services is extremely low in most of Africa:* Such access was only 27 per cent and 18.4 per cent, respectively, in 2018, up from 22 per cent and 17.2 per cent in 2010. Access to safely managed water services is 81 per cent in North Africa. Large geographical and income inequalities exist in gaining access to water and sanitation: for example, 11.6 per cent and 17.5 per cent, respectively in rural areas, compared with 50 per cent and 19.8 per cent in urban areas. Water stress; the ratio of total freshwater withdrawn to total renewable freshwater resources above a threshold of 25 per cent, is a major problem in North Africa, at 112 per cent; climate change exacerbates the problem.

B. Prosperity is growing but not spreading fast enough⁸

21. On average, Africa recorded positive growth over the two decades leading up to 2019, and structural transformation is occurring, albeit slowly. This transformation is driven by the knowledge-intensive service sector and less by labour-intensive industrialization or agriculture modernization and related value chains. During 2000–2016, the servicesector grew at about 5.5 per cent annually, with its contribution to GDP increasing from 46.1 per cent to 52 per cent; manufacturing grew at 4 per cent annually, while its contribution to GDP declined from 12.1 per cent to 10.1 per cent. Overall, the industrial sector remained around 14 per cent of GDP.

22. Most economic activities are informal – employment outside agriculture is 77 per cent (83 per cent among women), and low productivity growth is 2 per cent annually, compared with 4.7 per cent in East Asia – and inability to create quality jobs.⁹ Most economies rely on raw materials, with limited value addition and diversification. Access to financial services is low and unequal: only 44 per cent of adults (49 per cent of men and 37 per cent of women) have bank accounts or mobile money providers.¹⁰ Sustained economic transformation and diversification will help to generate productive opportunities for the growing and youthful population. Innovation, entrepreneurship and private sector development – underscored by human capital, good infrastructure, and efficient State and non-State institutions – are critical to promoting inclusiveness and sustainable development.

23. *The transformative power of electricity is not fully exploited:* About 53 per cent of the population has access to electricity, up from 35 per cent in 2010, and about 70 per cent of total final energy consumed comes from renewable sources. However, only 35 per cent of primary schools have access to electricity, limiting night-time study and critical science-based experiments. Only 15 per cent of the population relies primarily on clean fuels and technology for

⁸ This section covers Sustainable Development Goals 7 (Affordable and clean energy), 8 (Decent work and economic growth), 9 (Industry, innovation and infrastructure), 10 (Reduced inequalities) and 11 (Sustainable cities and communities).

⁹ AfDB (2019). *African Economic Outlook*. Abidjan. Available from www.afdb.org/en/knowledge/publications/african-economic-outlook. Accessed on 2 January 2020.

¹⁰ The global average is 67 per cent.

cooking and lighting, with adverse health implications for the majority of the population, especially women and children.

24. *Infrastructure is improving but gaps remain:* Infrastructure and connectivity unlocks a country's growth and development potential, promotes value addition and structural transformation, improves agricultural productivity and food security, enhances community participation, and increases efficiency and learning from others. However, Africa invests only 4 per cent of GDP in infrastructure,¹¹ leading to large gaps and low connectivity. Air transport passengers and freight volumes are each only about 2 per cent of global traffic; rail passengers and freight volumes are only 0.6 per cent and 1.8 per cent, respectively; road passenger and freight volumes are only 8.1 per cent and 2.3 per cent.¹² Domestic material consumption is only 4.1 tons per capita. Access to mobile telephony is improving: at least 85 per cent of the population has access to 2G mobile networks, 62 per cent to 3G, and about 30 per cent to 4G.

25. *Urbanization is an opportunity for transformation:* Driven by high fertility rates, rural–urban migration and reclassification of rural settlements, Africa's urbanization rate is about 4.3 per cent annually^{13, 14} with 43 per cent of the population living in urban areas and expected to surpass 50 per cent by 2030.¹⁵ Africa is yet to reap the transformative benefits of urbanization and population agglomeration, including (a) new economic activities, sources of employment and income, (b) changing consumption patterns, (c) higher productivity and demand for goods and services¹⁶, (d) lower unit costs of services¹⁷ and (e) expanded scope for entrepreneurship.¹⁸

26. Cities and emerging urban centres are weakly planned, lack connectivity and contribute suboptimally to economic growth and transformation. Over 50 per cent of the urban population lives in slums, with limited access to essential social services: less than half of municipal solid waste is collected regularly. Planning for inclusive and sustainable cities, expanding and improving the reach and quality of basic services (education, health care, green parks, reducing pollution) will contribute to improving the quality of life in Africa's sprawling urban centres.

¹¹ AfDB (2019). *African Economic Outlook*. Abidjan. Available from www.afdb.org/en/knowledge/publications/african-economic-outlook. Accessed on 2 January 2020.

¹² Economic Commission for Africa (ECA), African Development Bank (AfDB), African Union Commission and United Nations Development Programme (UNDP) (2017). *2017 Africa Sustainable Development Report: Tracking Progress on Agenda 2063 and the Sustainable Development Goals*. (United Nations publication, Sales No. E.17.II.K.5). Addis Ababa.

¹³ ECA (2017a). *The Imperative of Urbanization for Africa's Structural Transformation: A new narrative on urbanization towards Agenda 2063*. Available from www.uneca.org/sites/default/files/PublicationFiles/urbanization_en.pdf. Accessed on 2 January 2020.

¹⁴ ECA (2017b). *Economic Report on Africa 2017. Urbanization and industrialization for Africa's transformation* (United Nations publication, Sales No. E.17.II.K.1). Available from www.uneca.org/sites/default/files/uploaded-documents/ERA/ERA2017/era-2017_en_fin_jun2_017.pdf. Accessed on 2 January 2020.

¹⁵ Economic Commission for Africa (ECA), African Development Bank (AfDB), African Union Commission and United Nations Development Programme (UNDP) (2018). *2018 Africa Sustainable Development Report: Towards a Transformed and Resilient Continent*. (United Nations publication, Sales No. E.19.II.K.1). Addis Ababa.

¹⁶ Commission on Growth and Development (2009). *Urbanization and Growth*. #47061. Edited by M. Spence, C.P Annez, and Robert M. Buckley. Washington, D.C. The International Bank for Reconstruction and Development/The World Bank. Available from <https://openknowledge.worldbank.org/bitstream/handle/10986/2582/470610PUB0Urba101OFFICIAL0USE0ONLY1.pdf>. Accessed on 2 January 2020.

¹⁷ Lall, S.V., J.V. Henderson, and A.J. Venables (2017). *Africa's Cities: Opening Doors to the World*. World Bank, Washington, D.C. License: Creative Commons Attribution CC BY 3.0.

¹⁸ Nalevanko, C. (2015). *Up-and-Coming: How Urbanization Sparks Entrepreneurship in Cities*. SAGE Publishing.

27. *High inequality undermines poverty reduction efforts and progress on other goals:* With a Gini Coefficient of 0.43, Africa hosts 7 of the world's 10 most unequal countries; during 2012–2016, four countries registered negative growth rates in the incomes of the bottom 40 per cent of the population.¹⁹ Large inequalities in access to social services that are accentuated by low coverage of unemployment and social protection systems lead to unequal development outcomes. Reducing inequality within and among countries is critical to promoting faster economic growth, reducing poverty and deprivation, and strengthening social cohesion.

28. At the global level, membership of the developing countries (most of them in Africa) in international organizations has remained generally flat at 50–75 per cent, with voting rights at 32–70 per cent.

C. A planet in peril, Africa bearing the consequences²⁰

29. *Africa contributes the least to carbon emissions globally, but is most vulnerable to climate change:* Actions on climate change are critical towards improving food security and reducing water stress in Africa, thus improving the livelihoods of millions of people. Average per capita emissions in Africa are 0.8 tons of carbon dioxide equivalent per person per year (tCO₂e/yr), compared with the global mean of 5 tCO₂e/yr, 10 tCO₂e/yr for Europe and 20 tCO₂e/yr for North America. With a per capita material consumption of about 5 tons (compared with 20 tons in Asia and 11 tons globally), Africa's contribution to material consumption is only 6.7 per cent of the global 88 million tons.

30. Land degradation, rapid deforestation, use of outdated technology of slash and burn, and carbon-based fuels have adverse implications for poverty, extreme hunger and overall quality of life. Forest area as a proportion of total land area in Africa is only 27 per cent, compared with 49 per cent in South-East Asia; during 2011–2015, Africa's forest cover declined by about 0.5 per cent annually, compared with 0.09 per cent globally. Forest areas with long-term management plans constitute only 20 per cent, compared with 57 per cent globally. Fourteen countries have sustainable consumption and production national action plans, or those plans are mainstreamed in national policies. Africa performs at level 4 (out of 5) on application of legal/regulatory/policy/institutional frameworks, recognizing and protecting access rights for small-scale fisheries. On average, 30 per cent of marine Key Biodiversity Areas are protected, up from 24 per cent in 2010.

D. Peace, access to justice and strong institutions are musts for sustainable development

31. The importance of good governance and strong institutions to promote peace and justice, as well as design and implement visions and strategies for inclusive growth and sustainable development, cannot be overstressed. Reports by the Sustainable Development Goals Centre for Africa and the Mo Ibrahim Foundation show strong correlation between the governance scores and overall country progress towards the Sustainable Development Goals. The correlation coefficient is 0.82, demonstrating the importance of good governance in

¹⁹ Economic Commission for Africa (ECA), African Development Bank (AfDB), African Union Commission and United Nations Development Programme (UNDP) (Forthcoming). *2019 Africa Sustainable Development Report: Empowering people and ensuring inclusiveness and equity*. Addis Ababa.

²⁰ Sustainable Development Goals 6 (Clean water and sanitation), 12 (Responsible consumption and production), 13 (Climate action), 14 (Life below water) and 15 (Life on land).

realizing sustainable development.²¹ Further analytical work on the links between specific governance dimensions, such as participation and critical outcomes (stability, skills development and innovation), are needed.

32. *Birth registration, which accords an individual a unique name and the first point of call to claim rights, is low:* Birth registration is only 46 per cent for children under 5 years of age, compared with the global average of 72 per cent. The prevalence of violence and related death rates, as well as data gaps, is high. In 2015, Africa recorded at least 15 intentional homicides per 100,000 population, second to Latin America and The Caribbean. Physical punishment and/or psychological aggression by caregivers is rampant, experienced by 83 per cent of children (1–14 years of age); and 6 per cent of women (18–29 years of age) experienced sexual violence by age 18. Some 23 per cent of firms in Africa experience at least one bribe payment request.

E. Partnerships for the goals

33. *The financing requirements for sustainable development are large and there is no room for complacency:* The ballpark annual financing requirements are around \$600 billion–\$638 billion,²² and up to \$1.3 trillion.²³ Given Africa’s rapid population growth, demand for investments in human and physical capital will continue expanding, and postponing such investments is not an option.²⁴ To achieve this, innovative financing and public expenditure management arrangements are required to ensure accountability, transparency and value for money. Country level investment requirements are needed to better understand the magnitude of the financing gaps. For example, achieving the child-sensitive Sustainable Development Goals in Ethiopia requires \$230 per capita, annually, almost six times the investments of \$40 per capita in 2018.²⁵

34. *Expand fiscal space for equitable spending:* To realize the breadth and depth of both agendas, it is important for African Governments to design measures to expand fiscal space. On the average, Africa’s tax-to-GDP ratio is about 17 per cent (ranging from 6 per cent in Chad to 42 per cent in Lesotho), with a non-tax-to-GDP ratio of 5 per cent.²⁶ This underscores the scope for raising more domestic revenue. Adjusting fiscal and tax policies and better management of tax revenue, African countries can increase domestic revenue by 12–20 per cent of GDP. Broadening the tax base, eliminating loopholes for tax avoidance, prioritizing expenditure with the biggest impact on the less privileged (basic social services), monitoring the reach of public spending to the intended beneficiaries, and fighting illicit financial flows are critical to reducing poverty and realizing the equity role of fiscal policy. A conducive

²¹ Mo Ibrahim Foundation (2019). *African Governance Report 2019: Agendas 2063 & 2030: Is Africa On Track?* Available at <http://mo.ibrahim.foundation/media/1>. Accessed on 2 January 2020.

²² Schmidt-Traub, G. (2015). Investment needs to achieve the Sustainable Development Goals – understanding the billions and trillions. Sustainable Development Solutions Network Working Paper, version 2.

²³ Globally, total investment costs of achieving the Sustainable Development Goals range from US\$5 trillion to US\$ 7 trillion annually; and from US\$ 3.3 trillion to US\$4.5 trillion for developing countries (Kante, H. (undated). SDGs in Africa – The Financing Gap. Africa Sustainability Centre).

²⁴ Begashaw, B. (2019). Africa and the Sustainable Development Goals: A long way to go. Africa in Focus. Available from www.brookings.edu/blog/africa-in-focus/2019/07/29/africa-and-the-sustainable-development-goals-a-long-way-to-go/. Accessed on 2 January 2020.

²⁵ United Nations Children’s Fund (UNICEF), Economic Policy Research Institute and Zerihun Associates (2018). Financing the Child-Centred Sustainable Development Goals in Ethiopia.

²⁶ ECA (2019). *Economic Report on Africa 2019: Fiscal Policy for Financing Sustainable Development Policy in Africa* (United Nations publication, Sales No. E.19.II.K.2).

investment climate is needed, with reduced transaction costs, lower barriers to business entry, strong property rights and better infrastructure.

35. At \$77 billion in 2018, remittances are becoming an important component of capital flows to Africa; reducing remittance costs from 9 per cent in 2018 to the target of 3 per cent will help to increase net receipts.²⁷ Net foreign direct investment inflows to Africa shrunk from the 2008 peak of \$61 billion to \$46 billion in 2010 and to \$41 billion in 2017, and recovered to \$45 billion in 2018.²⁸ Underlying factors include the global financial crisis and the recent rebalancing of portfolios due to rising interest rates among advanced economies, as well as the continent's weak investment climate. Official development assistance to Africa peaked at \$52 billion in 2013 before declining to \$47 billion in 2017.

36. *Promoting science, technology and innovation (STI) and entrepreneurship is critical for inclusive growth:* Advances in scientific and technological knowledge through research helps to promote home grown solutions for economic and social challenges. Both the 2030 Agenda for Sustainable Development and Agenda 2063 have targets and indicators on strengthening national systems/infrastructure for research and development and public expenditure on STI (to at least 1 per cent of GDP in Agenda 2063) to promote research and STI-driven entrepreneurship. Expansion of entrepreneurship and opportunities for innovation are key to generating new products consistent with Africa's needs and use of appropriate technology.

37. Africa is registering progress in technology development and transfers in terms of information and communication technologies and importation of capital goods. Partnerships for technology development and transfer with developing and developed countries, philanthropic organizations and United Nations agencies are being strengthened.²⁹ The Science, Technology and Innovation Strategy for Africa 2024 by the African Union Commission aims to guide technology development and transfer initiatives. The African Scientific Research and Innovation Council, launched in Abuja in 2018, serves as the continental platform for mobilizing research and innovation excellence, and provides space for promoting dialogue and participation in science, technology and innovation.

38. With about 444 million people connected, mobile telephone business in 2017 generated about \$110 billion worth of transactions and contributed \$14 billion to government revenue in Africa, excluding North Africa. Internet penetration reached 35 per cent in 2017. Mobile money technology is helping to promote financial inclusion and transform economies: in 2018, MPESA, a mobile money transfer and microfinancing platform in Kenya, served over 33 million users and had over 200,000 agents in East and Southern Africa and parts of Asia.

39. Driven by increases in commodity prices, investment and consumption expenditure, Africa registered the highest growth in the value of exports (18.3 per cent) in 2017 compared with other regions. However, Africa's share in total

²⁷ United Nations Department of Economic and Social Affairs (UN DESA) (2019). Sustainable Development Goal 17: Strengthen the means of implementation and revitalize the global partnership for sustainable development. Available from <https://sustainabledevelopment.un.org/sdg17>. Accessed on 2 January 2020.

²⁸ United Nations Statistics Division (UNSD) (2019). Available from <https://unstats.un.org/sdgs/indicators/database>. Accessed on 2 January 2020.

²⁹ Including the Bill and Melinda Gates Foundation, the United Kingdom Department for International Development, the European Union, Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), the International Fund For Agricultural Development, the Swedish International Development Cooperation Agency, the Danish International Development Agency, the International Development Research Centre, the United States Agency for International Development and the World Health Organization.

world exports remains low but is improving slowly: from 2.2 per cent in 2016 to 2.4 per cent in 2018.³⁰ The African Continental Free Trade Area, which became a reality in May 2019, offers the opportunity to expand intra-African trade, increase expand fiscal space, promote economic growth by 1–6 per cent, and promote structural transformation.

III. Gap constraints and emerging issues

40. *Measures to improve the reach and quality of basic social services – including through child-friendly schools, inclusive health-care services, and expanding access to electricity and safe water – are critical to realizing sustainable development:* Expanding access to economic opportunities for all, generating decent jobs and reaching the most vulnerable with essential social services, productive safety nets and social protection are needed for inclusive growth. Africa can lead green growth through investments in clean energy, climate-smart agriculture and sustainable water resource management. Good governance, sustained investments in human capital and physical infrastructure, regional integration and trade, exploiting existing potentials and emerging comparative advantage are needed to make Africa the global growth pole of the next decade.

41. The impacts of inaction on climate change are grave: 600,000 people, mostly women, die annually due to fumes from carbon-based fuels; and climate change is worsening the occurrence of extreme events. By 2050, 86 million people in Africa could be internally displaced due to climate change effects, and droughts, floods and heat stress will lead to a 20–30 per cent fall in crop yields. Accelerated implementation of commitments on climate change actions is needed to limit global warming to 1.5°C. Climate action and measures to transition to a green economy – investments in innovation and appropriate technologies, renewable energy, conservation of critical natural habitats (marine life, forests), biodiversity and ecosystems – will help to secure the future and create more jobs.

42. Africa spends less than 0.5 per cent of its GDP on research and development, and has only 95 full-time researchers per 1 million inhabitants, compared with over 2 per cent and 3,641 researchers per 1 million inhabitants in developed regions, respectively. The low investment in research and development has adverse implications for innovation and transformation of the African countries.

43. The increasing public debt and illicit financial flows are critical challenges to financing investments for sustainable development. By 2018, Africa's total government debt averaged 59 per cent of GDP, with ratios higher than 100 per cent in at least six countries.³¹ During 2011–2016, Africa lost about \$100 billion per annum in trade mis-invoicing.³²

³⁰ United Nations Statistics Division (UNSD) (2019). Available from <https://unstats.un.org/sdgs/indicators/database>. Accessed on 2 January 2020.

³¹ ECA (2019). *Economic Report on Africa 2019: Fiscal Policy for Financing Sustainable Development Policy in Africa* (United Nations publication, Sales No. E.19.II.K.2).

³² Lepissier, A., and G. Ibrahim (2019). Estimates of Trade Mis-invoicing. Presentation for the Project Inception Meeting: Preventing Trade Mis-invoicing in Selected African Countries. Unprocessed.

IV. Stepping up the pace and scale of implementation

44. *Sustainable development is everybody's business:* The interconnectedness of the Sustainable Development Goals and their strong convergence with the African Union's Agenda 2063 and the African Development Bank's High Fives calls for a comprehensive, whole-of-government and whole-of-society approach to their implementation. Strong coordination within and among government ministries and agencies – as well as with civil society, the private sector, academia, communities and development partners – is critical for success. Measures and platforms to rally all the stakeholders are critical to ensuring that the voices of all are heard and contributions realized. For example, in the area of climate change action, everybody has an important role to play, including from managing material consumption and applying appropriate technologies in production, to appropriate disposal of waste products, including recycling.

45. *Strong data, monitoring and evaluation systems and resource mobilization frameworks are needed:* Realizing the principle of leaving no one behind requires up-to-date and accurate data and mechanisms for regular review and evaluation of the impacts of different investments and policies, to ensure that all people in all regions and subregions are reached, with a focus on the most vulnerable. This calls for strengthening the national statistical systems for data generation and analysis. Such systems will help to identify and address bottlenecks, as well as rally partners towards sustainable development in Africa. In addition, integrated financing frameworks, aligning national development plans with national budgets, and partner support, are very critical for success. Measures to promote accountability and ensure that funds reach intended people and regions are critical.

46. *The African Union–United Nations framework for implementation of Agenda 2063 and the 2030 Agenda for Sustainable Development underscores the principles for collaboration and the criticality of the peace–security–humanitarian and development nexus towards realizing sustainable development:* The framework is an opportunity to rally the African Union and United Nations agencies at the regional, subregional and national levels (including the African Development Bank and pan-African institutions, and the regional economic communities) to coordinate efforts and build synergies for harmonized implementation and reporting on the two agendas.