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**Economic Commission for Africa
Committee on Private Sector Development,
Regional Integration, Trade, Infrastructure,
Industry and Technology**
Third session
Addis Ababa (hybrid), 14 and 15 November 2023

Item 5 of the provisional agenda*
**Presentation on the theme of the third session:
“Boosting regional integration, infrastructure, trade
and technology towards prosperous and inclusive
green industrialization in Africa”**

Boosting regional integration, infrastructure, trade and technology towards prosperous and inclusive green industrialization in Africa

Aide-memoire

I. Introduction

1. The third session of the Committee on Private Sector Development, Regional Integration, Trade, Infrastructure, Industry and Technology will be held at the headquarters of the Economic Commission for Africa (ECA) in Addis Ababa on 14 and 15 November 2023. The session will be preceded by expert group meetings organized by the relevant divisions of ECA on 13 November 2023. The session will be in a hybrid format (in person and online). The theme of the third session is “Boosting regional integration, infrastructure, trade and technology towards prosperous and inclusive green industrialization in Africa.”

II. Background

2. The Committee on Private Sector Development, Regional Integration, Trade, Infrastructure, Industry and Technology was created to review work by ECA in the areas of private sector development, regional integration, trade, infrastructure, industry and technology, by providing a forum for dialogue and consensus-building, and to catalyse progress at the national and regional levels in these areas. The Committee is expected to address topical and emerging issues of relevance and take stock of progress made by members of ECA in the relevant areas. The first session of the Committee was held on 11 and 12 December 2019, under the theme: “Private sector development and the digital economy in support of regional integration in

* E/ECA/CPRTIIT/3/1.



Africa”. The second session was held on 9 and 10 December 2021, under the theme “Africa’s economic development in the post-COVID-19 era: role of regional integration, infrastructure and technology”.

3. Africa faces a triple set of challenges that could prevent the continent from achieving the 2030 Sustainable Development Goals. These are the effects of climate change, pandemics and the war between the Russian Federation and Ukraine.

4. The impacts of climate change in this decade are becoming more apparent, in particular in the frequency and intensity of a wide range of climate events and the cascading effects of these events on socioeconomic systems. Investment in infrastructure and technology is low in most African countries, which significantly hinders efforts by these economies to mitigate the impact of climate change. Most of these countries also have insufficient resilience and adaptability capacities; thus, the effects of climate change will also have a cascading, limiting impact on their economic growth.

5. The Russian Federation and Ukraine are significant producers of commodities and disruptions to that production have caused global commodity prices to soar, in particular those of oil, natural gas and various agricultural commodities. Many African countries rely on the Russian Federation and Ukraine for a significant share of their wheat imports, fertilizers and vegetable oils and the war has disrupted global commodity markets and trade flows to Africa and increased food prices.

6. Of the top 10 African importers from the Russian Federation and Ukraine – Egypt, Ethiopia, Kenya, Libya, Morocco, Nigeria, Senegal, South Africa, Sudan and Tunisia – 8 are particularly exposed to the crisis as they depend heavily on imports of wheat and maize. Just as the continent was gradually recovering from the pandemic, this crisis erupted to threaten that progress. Many countries in the region are particularly vulnerable to the effects of the war, because of such specific effects as higher energy and food prices, reduced tourism and difficulties in gaining access to international capital markets.

7. It is a distressing paradox that, despite holding 60 per cent of the world’s uncultivated arable land, Africa currently has to import a significant amount of food products every year. The continent has the potential to become more than just a resilient food producer: it could be a global power in terms of food production. The triple threat to the productive, economic and geopolitical food systems posed by the Russian Federation-Ukraine crisis makes it harder for Africans to produce and feed themselves. This has significantly disturbed the world’s food supply and increased commodity prices. It is completely unacceptable that some 272 million people in Africa are forced to experience hunger.

8. This trilemma of problems has had a severe impact on the African economy. Economic growth in Africa, excluding North Africa, fell to 3.6 per cent in 2022 from 4.1 per cent in 2021, and the region’s economic growth is anticipated to slow further to 3.1 per cent in 2023. Gross domestic product (GDP) growth in West and Central Africa is projected to fall to 3.4 per cent in 2023 from 3.7 per cent in 2022, while that of East and Southern Africa has dropped to 3.0 per cent in 2023 from 3.5 per cent in 2022. Added to which, the region’s performance is hindered by slower long-term growth in the continent’s largest countries. Eight of the ten African

economies that together make up more than 75 per cent of the region's GDP are expanding at rates well below their long-term average.¹

9. Accordingly, the fiscal and debt sustainability of African countries could be boosted by taking advantage of their natural resource potential. During the world's transition to low-carbon economies, natural resources (oil, gas, and minerals) present a significant economic opportunity for African economies. Access to energy can be enhanced by expanding energy resources. African objectives for universal, high-quality energy access face a huge barrier, however. A total of 600 million Africans, or 43 per cent of the continent's population, lacked access to electricity in 2022. By creating a range of different energy sources, however, the continent's resource base and related investments could aid in accelerating economic development. For example, expanding green energy investments and regional infrastructure could reduce rural poverty and boost productivity, because many natural resource projects are situated in distant and rural communities.

10. Harnessing the economic benefits from oil, gas, and mineral resources, including through enhanced intra-African trade under the African Continental Free Trade Area, effective governance and sound macrofiscal management of resource revenues, while planning for a low-carbon future, will be essential to ensuring a just transition for Africa. The abundance of natural resources can be effectively managed to create enormous potential for value addition, employment creation, and investments in human development. Regional integration will enable African countries to use their natural resources effectively for productive transformation. Specifically, venturing into a common market will deepen the continent's trade integration through the adoption of harmonized policies in the relevant sectors, the fostering of a transition to green industrialization, improved prospects for competitiveness and enhanced participation in sustainable global value chains. Given the level of natural resource availability and diversity, this wealth can significantly alter the economic future of Africa.

III. Objectives

11. The overall objective of the session is to ensure that ECA responds effectively and efficiently to the evolving needs and demands of its members and to changing institutional landscapes and shifting priorities for national, regional and global economic and social development within the context of inclusive and sustainable industrialization.

12. Specifically, the objectives of the session are:

(a) To review the work of ECA on private sector development and finance, regional integration, trade, infrastructure, industry and technology and its contribution to inclusive green industrialization in Africa;

(b) To provide a forum for dialogue and consensus-building in the above areas in the context of the African development agenda, namely, Agenda 2063: The Africa We Want, of the African Union, and the 2030 Agenda for Sustainable Development;

(c) To catalyse progress at the national and regional levels in these areas;

¹ See World Bank, "The World Bank in Africa", Africa Overview, 5 April 2023. Available at <https://www.worldbank.org/en/region/afr/overview>.

(d) To address topical and emerging issues of relevance to the Committee's areas of focus and to take stock of the progress made by ECA members in the areas outlined above;

(e) To reflect on the prospective work of the relevant subprogrammes and issue recommendations to guide such future work;

(f) To generate inputs for the fifty-sixth session of the Conference of African Ministers of Finance, Planning and Economic Development, which will be held in 2024.

IV. Expected outputs and outcomes

13. The following outputs are expected:

(a) Report of the third session of the Committee, which will provide insights into the issues mentioned above;

(b) Reports of the expert group meetings.

14. In addition, the session will aim to achieve the following outcomes:

(a) Better understanding of the challenges faced by members of ECA and the opportunities available to them to boost regional integration, infrastructure, trade and technology in pursuit of prosperous and inclusive green industrialization in Africa;

(b) Guidance from members of ECA, in the form of recommendations, on the work of ECA in private sector development and finance, regional integration, trade, infrastructure, industry and technology.

V. Format

15. The session will consist of plenary meetings, during which the secretariat will deliver presentations on parliamentary documents and the issues paper on the theme of the Committee session. The presentations will be followed by a general discussion.

VI. Participation

16. Representatives of members of ECA, the African Union Commission, regional economic communities, development finance institutions, United Nations funds, programmes and specialized agencies, the private sector, civil society, the academic community and sectoral organizations will attend the session.

VII. Contacts

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