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Promoting inclusive green industrialization in Africa through sustainable infrastructure, agropoles and effective financial markets

I. Introduction

1. The Private Sector Development and Finance Division of the Economic Commission for Africa (ECA) leads the work of ECA on energy, infrastructure and services, innovative finance and capital markets, and improvements to the business environment relating to agriculture. Through that work, ECA seeks to enhance the business environment to leverage the role of the private sector and its investment in the economic growth and transformation of the continent, improve land tenure security, in particular for women, and enhance innovative private sector finance for and investment in infrastructure, energy, services and agriculture.

2. The Division works to achieve three outcomes: first, improved investment in infrastructure and agriculture through land policy reform and sustainable energy and transport policies; second, the enhanced use of innovative finance and capital markets to meet long-term sustainable development needs; and third, the enhanced capacity of ECA members to design and implement policies, strategies and programmes to improve the business environment in infrastructure, agriculture and financial markets.

3. Africa must respond to global challenges that could prevent it from achieving the Sustainable Development Goals. The continent is still recovering from the coronavirus disease (COVID-19) pandemic, which has raised questions about its resilience, and it must now respond to the effects of climate change and the war in Ukraine. The impact of climate change in the current decade is becoming more apparent, especially in the frequency and intensity of a diverse range of climate events and the cascading effects of those events on socioeconomic systems. Investment in infrastructure and technology is low in most African countries, which has a significant impact on their efforts to mitigate the effects of climate change. Most African countries have insufficient resilience and adaptability capacities, and the effects of climate change will, therefore, limit their economic growth.

4. The Russian Federation and Ukraine are globally significant producers of commodities, and disruptions triggered by the ongoing war in Ukraine have caused global commodity prices, in particular for oil, natural gas and various agricultural products, to soar. Many African countries rely on the Russian Federation and Ukraine for a significant share of their wheat imports, fertilizer and vegetable oil. The war has

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disrupted global commodity markets and trade flows to Africa, and has increased food prices.

5. The overall objective of the present report is to present a selection of recent interventions by ECA, through the Division, to assist Africa to overcome those challenges and develop a green, inclusive industrialization for a sustainable economy while attracting domestic and international private sector support in crucial economic sectors.

II. Promoting investment in the just energy transition

6. Although estimates of the investment requirements for the African energy sector vary depending on the source of information, the costs remain staggering. The World Energy Network estimates that Africa will require approximately €340 billion to achieve universal access to electricity across the continent by 2030.[1] The International Energy Agency has estimated that achieving a reliable electricity supply for all would require approximately $120 billion annually until 2040.[2] The African Development Bank has estimated that the annual investment needs of the continent for infrastructure overall range from $130 billion to $170 billion.[3] The average annual investment requirement for the transmission sector from 2015 to 2040 ranges from $3.2 billion to $4.3 billion.[4] Although the role of the private sector in energy is growing, it remains limited. The huge energy financing need of the continent implies that the participation of the private sector will continue to be crucial.

7. According to the International Energy Agency, the continent has made progress towards universal energy access in recent years.[5] Electricity coverage increased from 44 to 56 per cent of the continent's population between 2010 and 2020. Nearly 600 million people on the continent – equivalent to 43 per cent of the population – lacked access to electricity in 2020, however. Most of those people live in rural areas, and, despite numerous national initiatives, rural electrification remains a significant difficulty for most African countries. There is, therefore, a substantial urban-rural difference in electricity access, with electrification in urban areas averaging 82 per cent (78 per cent in sub-Saharan Africa) and rural areas electrified on average at 37 per cent (28 per cent in sub-Saharan countries). Most people have only basic, tier 1 access to electricity, which has no beneficial effects on economic growth.[6]

8. The situation will worsen if there is no change to existing policies and levels of ambition. At the current rate of progress, 595 million Africans will remain unconnected in 2030.[7] Owing to their vast populations, the Democratic Republic of the Congo, Ethiopia and Nigeria have a comparatively bigger role in increasing the number of people with access to electricity. Other least electrified countries, including Burkina Faso (where the rate of access to electricity is 19 per cent), Burundi (10.2 per cent), the Central African Republic (15.7 per cent), Chad (11.3 per cent), Malawi (14.2 per cent), Niger (18.7 per cent) and South Sudan (7.7 per cent), will also need attention to ensure that no one is left behind.[8]

[1] Benjamin Fox, "Leap-frogging the African electricity grid with solar", Euractiv, 26 September 2018.

[2] International Energy Agency, *Africa Energy Outlook 2019: World Energy Outlook Special Report* (Paris, 2019).

[3] African Development Bank, *African Economic Outlook 2018* (Abidjan, 2018).

[4] World Bank Group, *Linking Up: Public-Private Partnerships in Power Transmission in Africa* (Washington, D.C., 2017).

[5] International Energy Agency, *Africa Energy Outlook 2022: World Energy Outlook Special Report* (Paris, 2022).

[6] In the multi-tier framework, electricity access refers to sufficient electricity for all required power demands across households and community institutions. The supply must be reliable, of good quality, inexpensive, legal, convenient, healthy and safe.

[7] World Bank, "Solar mini grids could sustainably power 380 million people in Africa by 2030 – if action is taken now", 17 February 2023.

[8] ECA analysis based on data provided by the World Bank. For further information, see United Nations, *Advancing SDG7 in Africa* (2023).

9. Given that energy is a priority sector, ECA has continued to support several efforts at the country, subregional and continental levels to transform the energy sector and the mobilization of resources. ECA continues to provide technical support to the Programme for Infrastructure Development in Africa for the energy and transport sectors, and, as a member of the steering committee of that Programme, ECA has channelled its support to the establishment of the African Single Electricity Market. With support from the African Export-Import Bank, ECA is enhancing the capacity of African power pools to deliver better their mandate to attract investments in interconnectivity. One of the bigger initiatives of ECA is the promotion of public-private partnerships as a financial model and management tool for infrastructure projects in Africa. In that regard, ECA is working with the African Development Bank, Global Energy Interconnection Development and Cooperation Organization, and other strategic partners.

A. Regulatory system and private sector participation in Africa

10. A review of the regulatory preparedness of Africa is being undertaken using the policy and regulatory environment assessments methodology of ECA and Renewable Energy Solutions for Africa, implemented in 16 African countries. The analysis covers regulations relevant to private sector investment participation in the generation, transmission, distribution and off-grid market segments. Regulatory challenges across the electricity market value chain are broadly reviewed in three high-level areas relevant to private investment. First is the degree to which electricity markets are designed to be open, through policy and regulatory provisions. Second is the extent to which such markets are attractive, which is assessed by considering the offer and management of contracts, tariffs and incentives. Third is the level to which African electricity markets are ready by regulatory design and provide clarity on technical standards, market participation and operational rules.

11. Sufficiently independent regulatory authorities are generally supportive of private sector investment participation in power generation in Africa. Public procurement systems are mainly open to the private sector providing generation market services. The regulation of the power generation market is moderately suited to private sector business models, except merchant generation models, and affords a degree of competition in generation markets.

12. Although there is variation among countries, the openness of the transmission market to private sector participation is generally less encumbered by governance, mainly by regulatory authorities, of the power sector. There are significant regulatory challenges related to energy policy, strategy and planning. The role of the private sector in transmission service provision must often be better developed in regulatory provisions. Consequently, system-wide planning must reflect the role of private investment in the development and management of long-term transmission assets. Although public procurement systems open the market to the development of public assets by the private sector, direct investment by the private sector is often limited.

13. As in the African transmission services market, the distribution services market has key regulatory bottlenecks. There is some market openness to the development of distribution assets through the procurement process, but it is limited primarily to public assets.

14. The African off-grid market is touted as the most promising way to improve access to electricity, in particular in peri-urban and rural settings. In addition, it is often a market with lax regulation and ample regulatory uncertainties constraining market entrance and operation.

15. Since 2018, ECA and its partners have been heavily involved in improving the regulation of the electricity sector, mainly to promote private sector participation and investment. The electricity sectors in 16 countries have been evaluated for their attractiveness, openness and readiness to welcome private sector investment. A continental regulatory framework for crowding-in private sector investment in

electricity markets in Africa, which was developed by ECA and the African Union Commission, was adopted at the fourth ordinary session of the African Union Specialized Technical Committee on Transport, Transcontinental and Interregional Infrastructure and Energy, held in Zanzibar, United Republic of Tanzania, in September 2023. ECA was instrumental in establishing the African School of Regulation, which aims to improve the quality of African energy regulation and policy and seeks to be a centre of excellence for learning practical skills on a sound foundation, promoting independent discussion and knowledge-sharing, conducting applied research to address new challenges and making available a repository of resources on energy regulation and policy to achieve sustainable, reliable and affordable energy in Africa.

B. Promoting the African just energy transition and increasing the use of modern sustainable energy

16. For Africa to address the energy deficit and provide more than 600 million people, mainly in rural areas, with electricity sustainably, all energy sources, in particular renewables, must be considered. By international standards, investment in renewables is still in its infancy. Owing to an excessive reliance on solid biomass in Africa, the proportion of renewable energy in total energy consumption has decreased slightly, from 56.6 per cent in 2010 to 52.1 per cent in 2019.[9] That proportion has remained significantly higher than the global average of 19.1 per cent, however. Nonetheless, Africa has the lowest share – 7.6 per cent – of modern renewable energy in its final energy consumption, compared with other continents in the world. The continent's total installed renewable power capacity, including hydropower, rose by 107 per cent between 2010 and 2020, from 27 gigawatts to 56 gigawatts. Wind and solar power have dominated non-hydro renewable energy generation and installed capacity. Wind power capacity increased from 865 megawatts to 7.3 gigawatts over the same period, and solar power capacity increased from a meagre 233 megawatts in 2010 to 11.6 gigawatts in 2021. Although natural gas and coal still account for most of the African power mix, the proportion of renewable energy sources in installed capacity climbed from 19.2 per cent in 2010 to 23.1 per cent in 2021 and, in generation capacity, grew from 16.2 to 21.2 per cent in the same period. In comparison to other regions, those shares are relatively small.

17. ECA is a member of the multi-stakeholder technical advisory group on Sustainable Development Goal 7 to the high-level political forum on sustainable development and has been tracking the African energy transition since 2016. In 2022 and 2023, ECA and several partners produced policy papers on advancing the Sustainable Development Goals in Africa, setting out priority action areas, including the need for development partners to support countries in harnessing the energy transition as a catalyst for socioeconomic development and local value creation. That aim should be pursued through industrial policies, including developing and implementing local content enhancement throughout the renewable energy value chain. Such policies should address regional trade cooperation, skills and education, to create the workforce of the future, and the labour market, to support decent, well-paying jobs.

18. ECA continues to help African countries to achieve a just energy transition, in particular by harnessing renewable energy investments. In September 2023, ECA prepared a document on accelerating decentralized sustainable energy investments to enhance food security and rural development in Madagascar, in response to a request from the World Food Programme and the Government of Madagascar to address regulatory constraints to private sector investment, identify business models for rural electrification, build the capacity of relevant stakeholders and identify investment opportunities in rural electrification using state-of-the-art techniques.

[9] The analysis in this paragraph is based on data provided by the World Bank and information in United Nations, *Advancing SDG7 in Africa* (2023).

19. Other initiatives are being considered, including support for the energy transition in the Sahel. That initiative is aimed at, first, enhancing the enabling environment for deploying off-grid renewable energy solutions; second, improving public services through accelerated access to sustainable energy in vulnerable communities; third, increasing socioeconomic development in rural areas through access to green productive use of energy and the promotion of the ecovillage model; and fourth, increasing access to clean cooking fuels and technologies.

III. Transport infrastructure and services

20. Despite the challenges and disruptions caused by the COVID-19 pandemic, ECA continues to implement programmes to strengthen the business environment for private sector participation and investment in transport and energy infrastructure. The pandemic has demonstrated the centrality of infrastructure development in post-pandemic recovery plans for Africa. The planning and delivery of infrastructure assets must be reconsidered, with a particular emphasis on diversification in finance, given that the priorities of most countries have been diverted to welfare and health. Sound policies, rules, regulations and laws are critical to the development of sustainable transport infrastructure and services on the continent, in particular in the post-pandemic era.

A. Railway connectivity in Africa

21. Reviving African railways will help to reduce transport costs, improve the safety of transport services and stimulate regional trade and economic growth. Railways are an integral component of the African transport strategy, as demonstrated by the designation of the African integrated high-speed railway project as a flagship project of Agenda 2063: The Africa We Want, of the African Union. Railways will be crucial for the complete implementation of the Agreement Establishing the African Continental Free Trade Area, in particular for the cost-effective and environmentally friendly transport of large quantities of goods over long distances. ECA, in a report on the demand for transport infrastructure and services, has shown that implementing the Agreement will need an essential shift from road transport to rail.[10] Africa requires increased railway investment and, therefore, it is logical for Governments to provide rail operators with the means to acquire locomotives and carriages and cost-effectively finance their acquisition.

22. ECA is working closely with the Rail Working Group to promote the ratification by African countries of the Protocol to the Convention on International Interests in Mobile Equipment on Matters specific to Railway Rolling Stock, thereby contributing to a significantly more extensive and dynamic rail sector on the continent. The protocol could have a significant impact in countries and subregions of the continent presently underserved by rail transport. The protocol will help to achieve aspects of all the interdependent Sustainable Development Goals by encouraging a shift from high-carbon, greenhouse-gas-emitting modes of transport to rail.

23. To facilitate network connectivity, ECA has worked closely with the African Union Commission to revise and promote the technical specifications for the interoperability of the African railway network. Interoperability refers to the capacity of the network to provide the uninterrupted and safe transit of trains, which requires the satisfaction of all the necessary operational, technical and regulatory requirements.

[10] ECA, *The African Continental Free Trade Area and Demand for Transport Infrastructure and Services* (Addis Ababa, 2022).

B. Digitalization of African corridors and the Trans-African Highway network

24. For road users, policymakers, regulators, infrastructure managers and logistics companies to maximize the benefits of the digitalization of road infrastructure, a clear vision and strategy for the way ahead is necessary. In the context of inefficient road transport in Africa, digitalization is a viable strategy for substantially reducing transport costs and product prices. It offers a variety of time-saving and efficiency advantages for individuals and businesses, such as shorter travel times, lower vehicle operating costs and reduced business expenses, owing to the faster and more efficient delivery of goods, for example.

25. In 2022, ECA successfully conducted a study on digitalizing the monitoring and evaluation of corridors using geographic information systems, in particular satellite imagery and artificial intelligence tools. The tools enable greater corridor monitoring, which helps with the prediction of the quality of the corridors and the timeliness of interventions, and save corridor managers from the exorbitant costs of conducting on-site surveys.

C. Improving road safety in Africa

26. ECA has long played a leading role in efforts to improve road safety in Africa. Given such global strategic initiatives as the Decade of Action for Road Safety 2021–2030 and resolution 74/299 of the General Assembly, the African Union has embraced strategic directions for road safety on the continent post-2020, the primary goal of which is to achieve a 50 per cent reduction in road fatalities and injuries by 2030. That target is ambitious, in view of the prevailing conditions in numerous African countries, where fundamental features of road safety are lacking and management competence remains relatively poor. Poor management hinders the effective execution of interventions across the several pillars of road safety and leads to disjointed and temporary initiatives that may have only limited effects at a local level, falling short of the scale required to achieve the goal of halving road fatalities by 2030.

27. ECA supported Eswatini and the Gambia in developing their national road safety strategies and action plans. In the Gambia, the process of acceding to road safety conventions of the United Nations and ratifying the African Road Safety Charter has begun. In Eswatini, a road safety centre of excellence was launched in collaboration with the University of Eswatini. In 2023, ECA continued its support by developing a complete package of road safety legislation in both countries, on the basis of national contexts and international norms, standards and best practice. In addition, ECA provided Ethiopia with support to finalize the manufacture of vehicles in compliance with norms and standards of the United Nations.

28. Funding is a significant challenge in African road safety management, and, accordingly, ECA has mobilized funding from the United Nations Road Safety Fund for projects in Rwanda, Uganda and the United Republic of Tanzania. A 10-step plan for safer road infrastructure in the United Republic of Tanzania has been successively completed in collaboration with the International Road Federation and other partners, achieving significant results. The plan led to the finalization of the national infrastructure safety strategy and action plan. National design standards and geometric road design standards were completed and delivered to, and endorsed by, the Ministry of Works, Transport and Communications in March 2023. The Ministry has also endorsed a national training and accreditation scheme for the design of national road safety standards.

29. The Ministry of Works and Transport of Uganda is implementing a project to strengthen road safety management through reliable crash data and enhanced capacity in research, monitoring and evaluation of interventions. Stakeholders benefit from

research capacities and can develop papers that are directly concerned with the national and local context.

30. ECA and the Economic Commission for Europe have secured funding from the United Nations Road Safety Fund and the International Automobile Federation to implement a project in Rwanda, collaborating with the Ministry of Infrastructure of the country and other partners, including the private sector. The objective is to save lives and prevent disability by developing local capacity to manufacture, test and certify the quality of helmets for powered two-wheeled vehicles.

31. At the continental level, ECA and its partners led the development of a policy paper to mainstream road safety into national development policies. The document is expected to raise awareness of road safety at the highest political level and help to ensure that road safety is budgeted at the national level and prioritized by development partners.

32. At the global level, the General Assembly, in resolution 74/299, proclaimed the period 2021–2030 as the Second Decade of Action for Road Safety, with the explicit target of reducing road traffic deaths and injuries by at least 50 per cent. At the continental level, ECA worked closely with the African Union Commission to articulate an African road safety action plan for the period 2021–2030, which sets out the actions needed to achieve that target, and continuously worked to advocate the effective implementation of the action plan at the national level, organizing many high-profile events and initiatives in that regard. For instance, in collaboration with the Special Envoy of the Secretary-General for Road Safety, the Kofi Annan Foundation and the Government of Ghana, ECA organized the inaugural Kofi Annan Road Safety Award, in May 2022, recognizing the outstanding contributions of five countries – Ghana, Morocco, Namibia, Nigeria and South Africa – in reducing fatalities and injuries from road crashes in Africa. By celebrating excellence in thought and action, the award seeks to inspire Governments, the private sector, civil society organizations and individuals to develop and implement innovative initiatives that can save lives on African roads.

33. The high-level celebration by ECA of the seventh United Nations Global Road Safety Week, in May 2023, provided another platform to advocate road safety.

IV. Promoting agroprocessing in Africa: agropole expansion

34. Several demographic trends, such as population growth, rapid urbanization and a growing middle-income segment, are raising food demand across Africa and shifting consumption patterns, reflecting a greater preference for animal-based, fresh and processed products. The World Bank estimates that the African food market will grow from approximately $300 billion in 2013 to $1 trillion by 2030, and demand for food will at least double by 2050.[11] Traders have moved swiftly to close the demand-supply gap, resulting in widespread imports of processed products and other foodstuffs, which have caused annual food trade deficits as high as $39 billion in 2021 across the continent.[12] Growing trade deficits draw upon limited hard currency reserves and have caught the attention of many African Governments. It should be noted, however, that 60 per cent of the world's uncultivated land is located in Africa,[13] representing a vast untapped potential for the continent to achieve food self-sufficiency and contribute to global food security.

35. Agriculture is a significant source of income throughout Africa, and agro-industry is widely considered an essential contributor to the structural transformation

[11] World Bank, "Unlocking Africa's agricultural potential: an action agenda for transformation", Sustainable Development Series, No. 76990 (Washington, D.C., 2013).

[12] Food and Agricultural Organization of the United Nations, FAOSTAT. Available at https://www.fao.org/faostat/en/#home (accessed in September 2023).

[13] Food and Agricultural Organization of the United Nations, "Two strong voices added to the International Year of Soils global campaign", 11 June 2015.

of the region through greater industrialization and the attainment of the socioeconomic goals of greater factor productivity, poverty reduction, employment generation, equality and food security. The vast landmass, abundant water resources and varied climatic zones of the continent represent a comparative advantage for producing many agricultural products. The overwhelming prevalence of small land holdings, limitations in rural connectivity, including roads and electrification, limited access to finance and improved inputs, and trade bottlenecks within Africa, however, present significant challenges to improving land-labour productivity and developing the strong value chains and market access required for viable agro-industries.

36. Agroprocessing firms are commonly located in and around urban centres where there are relatively more reliable electricity and public services, factors that are a significant concern for many enterprises on the continent. That clustering effect, however, confines the geographical footprint from which processors can source their raw materials, especially given that poor road and electricity networks in rural areas significantly increase aggregation and transport costs. Such conditions restrict the number and location of agroprocessors in many countries and leave the potential of enhanced agroprocessing untapped. Many agropole programmes, therefore, are aimed at developing secondary and tertiary cities and improving connectivity to rural areas to expand agroprocessing beyond urban centres and locate industrial platforms within production basins.

37. African Governments have recognized the strategic importance of supporting agro-industrial growth to harness market opportunities and achieve economic objectives. Many have applied territorial approaches to catalyse private investment in agro-industries and create enclaves with attractive business environments to bypass broader reform and infrastructure investment. Various agropole programmes have been designed to be focused on limited resources and the achievement of tangible results within prioritized areas or value chains. Most agropoles have been launched in the past decade.

38. As part of the Common African Agro-Parks Programme, which is led by the African Union, and with input from several members of the technical working group of the Programme, ECA has prepared guidelines for agropole development in Africa. The guidelines document was adopted by the technical coordination team of the Programme on 27 July 2023 as a supplementary and complementary working document serving as a knowledge and guidance toolkit to accompany the implementation of the Programme, prior to its presentation to the steering committee of the Programme for endorsement and the African Union Commission Specialized Technical Committee on Agriculture, Rural Development, Water and Environment.

39. The guidelines were informed by the findings of five regional assessments, including 14 illustrative country case studies. The assessments make use of qualitative research methods, involving interviews with key individuals and a review of literature, websites, news articles and country statistics. The assessments provide insight into regional nuances, trends and lessons learned from existing initiatives regarding appropriate policy, legal and institutional frameworks for enabling private sector investment in agropoles.

40. The body of evidence on agropoles in Africa, lessons learned and recommendations have been synthesized in a pan-African report, in which the current status, trends and lessons learned across all the regional assessment reports are brought together within a global framework for agropole design, implementation and evaluation. Grounding the African experience within that broader framework will facilitate international comparability and allow for the application in Africa of global best practices in areas where challenges are encountered.

V. Developing African financial markets and innovative finance for inclusive green industrialization

41. Most African countries have limited access to global financial markets and thus experience constraints in financing inclusive green industrialization and growth-promoting infrastructure. Limited access stems from low sovereign credit ratings, which convey to international investors a perception of high risk in Africa. As a result of those ratings, which include “highly speculative” and “substantial risks”, the overall finance costs for Governments are high, and the financial stability of African countries is at risk, which severely threatens African progress towards the attainment of the Sustainable Development Goals and prosperity.

42. Given that efficient financial systems are considered a cornerstone of economic development, Africa needs to develop domestic capital markets, which are currently underdeveloped, narrow and illiquid. Deepening capital markets to finance inclusive green industrialization and growth-promoting infrastructure will require adequate guarantee schemes to mitigate currency and other risks.

43. Developing local currency bond markets can mitigate the impact of financial crises on the domestic economy and facilitate capital flow absorption. By providing domestic channels in which the savings of large emerging markets can be deployed, efficient local currency bond markets may facilitate the absorption of large and volatile capital flows and global rebalancing. Recent financial crises, including those caused by the COVID-19 pandemic, have demonstrated that efficient local currency bond markets can enhance financial resilience by mitigating currency risk, which is often a source of financial distress. Furthermore, such bond markets are integral to the development of a broader capital market, which allows risk to be priced appropriately, enables investors to manage their portfolios better and facilitates monetary policy transmission. Those factors contribute to the long-term economic growth of a country.

44. Through the Innovative Finance and Capital Markets Section, ECA assists African countries in developing their strategies for local currency bond markets, and supports countries willing to assess the feasibility of a sovereign rating to diversify funding sources and tap into international markets. A course is being developed jointly with the African Institute for Economic Development and Planning to help high-level officials in various ministries to understand the sovereign credit rating process, the determination of a rating, the regulation of the rating industry, the role of data and effective engagement with rating agencies and investors.

45. Improving risk perception through better sovereign ratings is an important challenge that requires African countries to make significant reform, not only of economic fundamentals but also aspects related to governance, which requires genuine political will. The improvement in risk perception is a prerequisite for attracting investment in productive sectors for green and inclusive industrial development and filling the infrastructural deficit from which the continent suffers.

46. The Innovative Finance and Capital Markets Section has developed support for States regarding innovative finance, in particular impact investment. The African industrial fabric mainly comprises small and medium-sized enterprises, many of which do not have access to traditional bank finance. A pilot study on impact investment has been conducted in Cameroon and Côte d’Ivoire.

VI. Conclusion

47. Inclusive and environmentally friendly African industrialization has long been a priority for ECA, notwithstanding the net import by the continent of raw material. The 2030 Agenda for Sustainable Development and Agenda 2063 are solid pillars on which to base that priority. Global shocks have boosted the industrial capabilities of the continent, which has enormous natural resources. Industrialization will create

jobs, boost productivity, encourage investment, provide infrastructure and transport facilities, improve business operations, transfer technology, lower operating costs and introduce appropriate standards to allow products to compete in global markets. Many African countries are laying the groundwork for green industrialization in the belief that economic stagnation may be cured by integrating green initiatives into value-chain processes, such as sourcing and processing raw materials, marketing, and selling finished products to customers. The work of ECA in that area complements that of its members.

48. To support efforts to achieve industrialization in Africa by attracting investment in sustainable infrastructure, agriculture and continental financial markets, the following questions must be answered:

(a) On energy:

(i) How can African countries harness the momentum for a just energy transition to promote green or renewable energy?

(ii) To what extent can public-private partnerships be used to implement or accelerate a just energy transition in Africa, and how can African countries make the most of such partnerships to optimize a just energy transition?

(b) On transport:

(i) What can be done to reduce high transport costs in Africa, and what role could policies, regulations and institutions play?

(ii) How can African countries use technology, such as satellite imagery and artificial intelligence, to digitalize the management of development corridors?

(c) On agropoles:

(i) How will national policies and regulations affect the development of agropoles and the pace of private sector investment participation, and what policy and regulatory reforms would speed up private investment?

(ii) Are African countries more open to trade in commodities or products? If the answer is commodities, what is needed to promote intra-Africa trade in products to allow economic diversification using competitive advantage and economies of scale?

(d) On financial markets:

(i) How does the tightening global monetary policy affect the development of innovative financing in Africa?

(ii) How can African countries harness the momentum of financing inclusive green industrialization?

(iii) What can or should Africa and African countries do differently, given that development finance directed to Africa is excessively low globally, severely adversely affecting the implementation of the 2030 Agenda and Agenda 2063?