

2020 Africa Sustainable Development Report

Executive Summary

Towards Recovery and Sustainable Development
in the Decade of Action



United Nations
Economic Commission for Africa



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Executive summary

Background and approach

The 2020 African Sustainable Development Report is the fourth in a series of reports dating back to 2017. These reports have sought to assess the progress and ongoing challenges faced by African States in meeting the Sustainable Development Goals (SDGs) included in the United Nations 2030 Agenda for Sustainable Development (the 2030 Agenda) and the corresponding goals of the African Union provided in Agenda 2063. This year's report uses an analytical lens that places all the SDGs into five "Pillars" or clusters: People, Prosperity, Planet, Peace, and Partnerships. These five Pillars break down the goals and targets into smaller areas of analysis and focus on higher-level development objectives without losing sight of the overall trajectory of the goals and targets. The objective of the analysis is therefore to carry out a holistic examination of each of the Pillars, rather than examine each of the goals that fall within each Pillar. To further focus the Report, wherever possible, the analysis focuses on comparing the progress and challenges according to Africa's five commonly defined subregions: Northern Africa, Western Africa, Central Africa, Eastern Africa, and Southern Africa.

Findings

Overall SDG progress

On a positive note, African governments have made significant efforts to incorporate the SDGs and Agenda 2063 goals into national strategies and development plans, have identified government units to coordinate their implementation and have prioritized specific targets and indicators. However, in 2019 (before COVID-19), the overall Africa SDG progress score was 52.9 percent with a gap of 47.1 percent. Northern and Southern Africa had a slightly higher progress score than East, West and Central Africa, which scored below the continental average. In terms of SDG ranking in 2020, the top eight ranked States were Tunisia (1), Mauritius (2), Morocco (3), Algeria (4), Cabo Verde (5), Egypt (6), Botswana (7), and Ghana (8). Overall, the average score across all States was 53.82 in 2020 which is slightly higher than the 2019 average, but still implies that, after four years of SDG implementation, the African continent is only halfway towards achieving the SDG goals and targets by 2030.

People Pillar

The chapter examines the broad themes of poverty, hunger, health, education, and gender. In many ways, this Pillar overlaps with the Prosperity Pillar, particularly given the importance of economic considerations in the determination of the individual's and family's well-being within both Pillars. The single most important goal within this Pillar is progress in reducing and eliminating poverty, the origins of which are multidimensional. Nearly 40 percent of all Africans are still living in extreme poverty.

The poverty headcount remains consistently low in Northern Africa, at around 2 percent, but exhibits a slight rise from 2015. The Central Africa subregion exhibits the highest incidence of poverty, at nearly 67 percent, which only dropped to approximately 59 percent in 2019. Western Africa had the lowest poverty headcount among the subregions south of the Sahara but nonetheless had 35 percent of its population living in extreme poverty by 2019. The most unexpected trend is that of Southern Africa whose poverty headcount rose from 44 percent in 2010 to 47 percent in 2019.

In order to eradicate absolute poverty in Africa (excluding Northern Africa) by 2030, the speed of reduction has to be four times higher than between 2013 and 2019. To reach the Agenda 2063 target (28.5 percent of poor people) in Africa (excluding Northern Africa), the speed has to be more than double relative to the 2013–2019 rate.

Currently, the most alarming concern is that the absolute number of poor people has increased. The poverty headcount has not fallen fast enough to keep pace with, much less exceed, population growth. The World Bank estimates that there were 284 million people living in extreme poverty in 1990 in Africa excluding Northern Africa, compared with 433 million in 2018. If poverty were reduced across the continent, Africans would be less likely to suffer from hunger and food insecurity and would instead be able to live healthier lives, be better educated, enjoy improved gender equality and face less discrimination. Poverty reduction is therefore perhaps the most useful proxy indicator for assessing the People Pillar of Africa's development trajectory and the overarching objectives found in the two Agendas.

Prosperity Pillar

This chapter focuses on three key aspects of Prosperity, namely, Africa's efforts to achieve inclusive economic growth, access to affordable energy, and Internet access as a reflection of infrastructure that is able to serve all Africans. In this regard, economic growth, measured by per-capita income growth, has lagged behind real income growth in every subregion of the continent for all four decades between 1980 and 2019, implying that even periods of modest growth have not necessarily translated into higher standards of living for most Africans, but instead resulted in the paradox of greater income inequality. Within the Prosperity Pillar, affordable energy is another indicator of the extent to which all Africans have access to one of the key inputs that facilitates a more prosperous Africa. Between 2000 and 2018, while there were wide variations from State to State, the continent on average more than doubled energy access, but is still only slightly more than 50 percent connected. The lack of access to affordable energy means fewer open doors to new opportunities at the household, small enterprise, and industrial level. Africa also lags behind in terms of Internet usage compared with other developing regions. On average, the number of Internet users per 100 population across Africa increased from almost 12 in 2011 to 39 in 2018. This represents a 225-percent increase in Internet usage across Africa from 2011 to 2018, but remains comparatively low. Overall, the Prosperity Pillar has still not reached the critical takeoff point for a rapid acceleration of inclusive prosperity for most Africans, both in terms of per-capita income growth and inclusive access to infrastructure.

Planet Pillar

This chapter examines the situation in Africa through an environmental lens, as it continues to face enormous environmental challenges. Although many African States have put in place the legal and policy frameworks required to address environmental concerns, progress within this Pillar has been slow on many fronts. The Environmental Performance Index (EPI) calculated the State ranking for 51 African States out of the 180 States surveyed. Seychelles was the highest ranked State in Africa, at thirty-third. Six other African States were among the top 100 States in the EPI: Egypt, Gabon, Mauritius, Morocco, South Africa and Tunisia. Conversely, 33 African States south of the Sahara were among the bottom 50.

As Africa begins to emerge from the economic slowdown caused by COVID-19, policymakers must not lose sight of the importance of protecting and sustainably using Africa's vast "natural capital" to ensure long-term inclusive economic growth. Furthermore, African States may benefit from the growing attention of the global community to the existential importance of combating climate change in this generation. Hopefully, this will lead to increased resource flows to respond to Africa's environmental challenges and the acknowledgement that while Africa is bearing the brunt of climate change, it is largely not responsible for its causes.

Peace Pillar

Based on current trends, Africa is unlikely to achieve any of its goals for peace, security and governance found in either of the two Agendas. While there are State exceptions, the slow progress in improved governance is generally the overriding drag on the Peace Pillar. There has also been a decline in democratic values, challenges in holding free and fair elections, and unconstitutional changes of government. Africa underperforms on the rule of law, with even basic governing functions—such as civil registration systems—falling short. Human rights abuses and limits on participation also hinder progress. Furthermore, rampant corruption remains a threat to governance, peace and security. Rather than a convergence around African democratic practices, the gap between democracies and authoritarian States is likely to widen further by 2030. Currently, armed groups have failed to heed the calls for a global ceasefire and conflict looks set to continue in hotspots across the continent. In addition, changes in climate and urbanization, a growing demographic youth bulge, unequal access to resources, and rising unemployment may drive governance, peace and security trends further downward, with these trends reinforcing one another.

Partnerships Pillar

While there are many elements of partnerships, this chapter focuses on the critical role of development financing as the underlying condition required for African governments to achieve the 2030 Agenda and Agenda 2063. The availability and effectiveness of resource flows are closely linked to the enabling environment of policies and programmes which allow the resources to be generated and used productively. This chapter looks at the trends in domestic resource management, the composition of financial flows from both domestic and international sources, and debt management.

The analysis finds that the majority of African States are not on track to take “full responsibility for financing [their] development Goals” (African Union [AU], n.d.) as defined by either the 2030 Agenda or Agenda 2063. The analysis also reveals that Africa’s debt management situation is unsustainable. Between 2011 and 2018, Africa’s average debt ratio as a proportion of Gross National Income increased by 22.2 percent (from 34.2 percent in 2011 to 39.6 percent in 2018) or 7.2 percentage points. At the time, the debt service coverage ratio increased to 183.3 percent of gross domestic product (GDP) in 2018. A 2021 study by the United Nations Development Programme (UNDP) found that 33 African States are among the most ‘debt vulnerable’ States in the world. Africa’s debt position is further compounded by COVID-19 with States accumulating more debt to respond to the pandemic as well as finance recovery efforts.

Impact of COVID-19 on the Sustainable Development Goals

By any measure, the COVID-19 pandemic has been a serious socio-economic and humanitarian crisis affecting the lives of millions of Africans. In the first instance, the direct health impact of the first wave of COVID-19 was relatively small in terms of infections, morbidity and mortality. However, as the pandemic continues, this may change, given that the Delta variant is starting to appear in several States and other mutations of the virus could also appear in the near term. While the health consequences have been and will continue to be heart-rending, the social and economic consequences of COVID-19 pose the greatest threat to recovery and long-term sustainable development, particularly in Africa. The economic impact of the pandemic on the continent has been severe due to a drop in global demand for African goods and commodities, and disruptions to global trade and tourism, as well as the negative domestic economic impact of the lockdowns, particularly on small businesses and the informal sector. A recent report estimated that 97.7 million Africans were facing severe risks of hunger and malnutrition in 2020, compared with 70.5 million in 2019, attributable to not only the pandemic but interlinkages with conflict and weather extremes. Another study by the African Development Bank (AfDB, 2021) estimated that 30 million Africans were pushed into extreme poverty in 2020 and that 39 million more could fall into extreme poverty in 2021.

Policy recommendations

A stark point that arose from the five-Pillar analysis is that most African States (especially those south of the Sahara) are not on track to meet the intended goals and targets of the SDGs or Agenda 2063. The situation has been further exacerbated by the COVID-19 pandemic that has had serious socio-economic impacts on the lives of millions of people. It is not an exaggeration to say that the current constellation of factors is potentially the greatest challenge confronting Africa since the independence era that began in the 1960s. Under such circumstances, African policy makers are confronted with the herculean task of designing appropriate responses that help their economies get back on track, address the socio-economic dimensions of the citizens impacted by the pandemic, and recalibrate their policies and programmes to accelerate or re-start efforts to achieve the SDGs and Agenda 2063.

In exploring remedial actions, the report calls for ‘higher-order’ strategic approaches for jumpstarting the two Agendas. Three concerns discussed are: (i) strategic planning, budgeting and implementation; (ii) strengthening adaptive policies and institutional capacities; and (iii) identifying and implementing accelerators that are linked to recovery and renewal. A key message of this chapter is that accelerating the pace of inclusive and sustainable development will require governments to commit to strong, proactive and responsible governance frameworks, based on a long-term vision and leadership, shared norms and values, and rules and institutions that build trust and cohesion.

Synergistic accelerators take a functional approach, impacting multiple sectors in ways that could have medium- and longer-term benefits for sustainable and inclusive development.

When discussing measures to get progress towards the goals in both Agendas back on track, government policymakers face the complex task of determining the optimal order in which the wide variety of policy and programme options should be implemented, with a particular focus on which actions should be prioritized. Invariably, this will require not simply choosing a series of individual policy measures but rather a bundle of policy interventions—or accelerators—that are both synergistic and actionable in terms of available human and funding resources. In light of the analysis of the five Pillars, five examples of synergistic accelerators are discussed that could result in improvements across all five Pillars in particular and the SDGs and Agenda 2063 more generally. These accelerators take a functional approach, rather than sectoral approach, thereby impacting multiple sectors in ways that could have medium- and longer-term benefits for sustainable and inclusive development. The functional accelerator approach implies increased investment in the chosen accelerators. The analysis of the five Pillars suggests that the highest priority should be given to the People, Prosperity, and Peace Pillars.

Five representative accelerators are discussed that focus on easing policy and programme bottlenecks and blockages, helping to reach critical mass in supporting reforms, supporting efforts to contain or manage 'derailing' risks such as the pandemic or other systemic disruptors, and helping to reach critical mass to generate positive feedback loops for policies and programmes. While the selection of accelerators will vary from State to State, the five possible accelerators are: (i) digitization and information technologies; (ii) energy access; (iii) trade, supply chains and regional cooperation; (iv) youth at the centre of development priorities; and (v) promoting innovation. The identification of accelerators is thus seen as a way of developing policy and programmatic approaches that can leverage efforts that transcend specific sectors and can be applied both for addressing a pandemic of indefinite duration and for re-starting stalled, long-term development efforts.



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