

### Sixth session of the Africa Regional Forum on Sustainable Development

"2020-2030: A Decade to Deliver a Transformed and Prosperous Africa through the 2030 Agenda and Agenda 2063"

### 24 - 27 FEBRUARY 2020

Elephant Hills Resort, Victoria Falls, Zimbabwe

Advancing Prosperity in Africa

Alexio Musindo

Director, LO Addis Ababa













## Key Issues: inequalities persist regarding income and wealth

Many people are "too poor to be unemployed", thus having to engage in lowly paid, insecure, unsafe and precarious employment activities.

- unemployment rates are just 'tip of the iceberg'
- in rural areas, where poverty is 3 times higher than in urban areas.

### Strong economic fundamentals needed to achieve full employment -

- high rates of informal employment- with low labour productivity, low wages
- working poverty
- 82 per cent of Africa population approximately 800 million not covered effectively covered by at least one social protection benefit,
- women and youth are especially disproportionally affected
- Unpaid Care work

### Key Issues: inequalities persist regarding access to social services

Demand for infrastructure and services related to transport, water and sanitation, and energy, is pressing

- 600 million people will not have access to electricity by 2030.
- lack of access to electricity costs about 2.1 per cent of GDP on average.
- 8 to 16 per cent of household expenditures for transport and even higher
  30% for lower income households spend on basic travel requirements
- 56 per cent of urbanites in Africa, with the exception of those in North Africa, have access to piped water
- Transition towards renewable resources

# Key Issue...Urbanization-labour supply outweighing labour demand

### Urbanization not effective used as a vehicle to:

- create wealth, generate employment
- drive human progress by harnessing agglomeration forces and industrialization for inclusive and sustainable development.

High demographic growth, which results in unemployment, underemployment and often precarious working conditions for workers and business owners alike.

- poor infrastructure,
- dysfunctional land and property markets,
- inefficient transport systems,
- Urbanizing without industrializing and without structurally transforming.

Role of urbanization is not sufficiently linked to national development planning processes and growth strategies in policymaking,

### Key Issues: Innovation and trade

### **Limited Innovation**

- No country has met the target set by the African Union allocating 1 per cent of GDP expenditure on research and development (R&D)—
- Limited focus on the Future of Work, 4IR, especially the digital economy incorporating advanced robotics, factory automation, Internet of Things, cloud computing, big data analytics and artificial intelligence.

Fragmentation of African economies, coupled with numerous infrastructure bottlenecks, undermines the competitiveness of African firms.

## Key Issues: Reliable Data for policy making

Lack of robust, reliable, relevant and disaggregated data to support evidence-based policy formulation and overall monitoring and evaluation of development outcomes

### Need for Policy Action

Strong and sustainable economic growth is necessary for greater inclusion and significant and rapid improvement in the living standards of the bottom 40 per cent of the population.

How do we get the policy options for the growth to:

- focus on pro-employment economic policymaking (macroeconomic and sectoral) is needed.
- Address both labour supply and demand
- To ensure investments address the binding constraints to the productivity capacities of African cities, especially regarding infrastructure, energy and institutional capacities.

Building and strengthening national statistical systems to be able to collect, disaggregate, manage and analyze economic, social and environmental data at city level are critical.

Migration governance should be considered as an integral part of all development efforts.

Greater coordination is required across government ministries, private sectors and agencies for implementing the SDGs

### Need For Policy Action

energy sector needs investment from diversified sources that include the private sector, which calls for action to tackle the current inadequate regulatory mechanism

Investments are urgently needed to address the binding constraints to the productivity capacities of African cities, especially regarding infrastructure, energy and institutional capacities.

### African Continental Free Trade Area

### How can the African Continental Free Trade Area be the catalyst for:

- the continent's industrial transformation
- Addressing infrastructure deficits is a priority for accelerating industrialization and regional economic integration
- boosting domestic resource mobilization, foreign direct investment and private sector participation in infrastructure development.
- Ensuring that infrastructure and other investment be employment-intensive for maximum socio-economic and local benefit
- Connecting the formal and informal economies
- Promotion of Decent work
- Migration and free movement of persons



### THANK YOU!

Follow the conversation: #ARFSD2020

More: www.uneca.org/arfsd2020

