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Plenary round-table panels and parallel meetings on in-depth review, peer learning and dialogue on the sub-themes of the Regional Forum: Plenary round-table on the sub-theme of partnerships and realizing the means of implementation to deliver the 2030 Agenda and Agenda 2063 in the decade 2020–2030

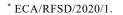
# Scaling up innovative means of implementation for achieving the Sustainable Development Goals and Agenda 2063

# I. Background

1. Sustainable Development Goal 17 seeks to revitalize global partnerships to support sustainable development through funding, capacity-building, peer learning and knowledge sharing, debt sustainability, trade facilitation, effective public–private partnerships and access to technologies. It involves the means of implementation, without which none of the other Sustainable Development Goals and the African Union Agenda 2063 goals could be realized. It implies a diverse range of multisectoral stakeholder partnerships, a common shared vision among countries and communities, effective public and private sectors, civil society organizations and public sector partnerships, policy coherence, and a strong commitment to providing innovative means to make that vision a reality.

2. Innovative funding mechanisms that are public-private at the national and global levels must be substantial to accelerate the progress towards the realization of these two agendas. Equally as important will be the ability to promote science and technology-based innovations in various sectors, namely agriculture in the form of smart/precision farming, to increase productivity along the value chains, health care (sophisticated and digitally-enhanced point of care diagnostics and treatment), energy (petrochemicals), cleaner and greener environment (smart cities), business (business intelligence), transport, communications and other critical socioeconomic aspects of the digital economy. Furthermore, readily available, accurate and high-quality data remain fundamental to countries setting their own national agendas, vision and development plans in order to monitor and assess the implementation progress.

3. Overall in Africa, rapid progress has been made on implementation of many targets. At \$77 billion in 2018, remittances reached an all-time high, and have become an important component of capital flows to Africa. Financial technology services have become a powerful lever for growth and financial inclusion in Africa by providing large numbers of services to people excluded





from basic financial services. Since the Abuja Treaty Establishing the African Economic Community, the milestone Agreement Establishing the African Continental Free Trade Area (AfCFTA) entered into the operational phase with 54 signatures and 24 ratifications, and is set to become the largest free trade area since the formation of the World Trade Organization by geographic and economic coverage, with a consolidated gross domestic product (GDP) of \$2.5 trillion across Africa. Yet, significant challenges remain: official development assistance (ODA) to Africa peaked at \$52 billion in 2013 before declining to \$47 billion in 2017, while private investment flows are not well aligned with sustainable development. The increasing public debt and illicit financial flows are critical challenges to financing investments for sustainable development. In 2018, Africa's total government debt averaged 59 per cent of GDP, with ratios higher than 100 per cent in at least six countries.<sup>1</sup> Only 40 per cent of the indicators in the Global Sustainable Development Goal data framework are accompanied by data in Africa.<sup>2</sup>

4. This paper provides analysis of the status of partnerships and cooperation needed to achieve the Sustainable Development Goals and Agenda 2063 goals, and the extent to which African countries are harnessing the means of implementation. This progress is assessed by focusing on major targets, namely finance, technology, trade, capacity-building and statistics. It considers the fact that the targets are interconnected: actions that contribute to one target may also have an impact on other targets. Likewise, some overarching issues can affect multiple targets. For instance, mobilizing innovative domestic funding will require improving domestic capacity for tax and other revenue collection, financial regulation and supervision. Generating statistics through household surveys requires complex skills and massive human capacity. Data challenges can be tackled by mobilizing donor funds to set up real-time dashboards at the sectoral levels. Innovative funding is required to increase investment in promoting universal access to digital infrastructure and services. While technological advances pose risks related to illicit financial flows, they can also be used in strengthening tax administration, as well as assisting member States to combat illicit financial flows. Therefore, the analysis will focus on targets by excluding overlap.

5. The assessment provided in this paper is focused on a high degree of convergence between the two agendas; the only goals that are not reflected in the global agenda are goals 8 and 16 of Agenda 2063, which address priorities related to, first, a united Africa and cultural values and, second, establishing key continental and financial institutions, respectively. Sustainable Development Goal 17, the subject of this paper, is directly linked to goal 19 of Agenda 2063, while capacity-building and technology targets have direct correlations with the Agenda 2063's goal 2, and finance on goal 20. Promoting and revitalizing means of implementation of the Sustainable Development Goals will therefore also contribute to the acceleration of the implementation of the Agenda 2063 objectives.

6. The paper is organized into five sections. Section I is the introduction and section II highlights key trends and progress. Section III focuses on constraints and emerging issues. Section IV examines the road map, priorities and way of actions to accelerate the implementation. The paper concludes with key messages under section V.

<sup>&</sup>lt;sup>1</sup> Economic Commission for Africa, African Union, African Development Bank and United Nations Conference on Trade and Development (2019). *Assessing Regional Integration in Africa IX*. Addis Ababa (United Nations publication, Sales No. E.19.II.K.3).

<sup>&</sup>lt;sup>2</sup> Available at <u>https://unstats.un.org/sdgs/report/2018/data\_revolution</u> (accessed on 16 December 2019).

# **II.** Key trends and progress

#### A. Finance

7. The financing requirements for the Sustainable Development Goals are large and there is no room for complacency. Annual financing requirements are estimated between \$600 billion and \$638 billion,<sup>3</sup> and up to \$1.3 trillion.<sup>4</sup> Given Africa's rapid exponential population growth, demand for investments in human and physical capital will continue expanding, and postponing such investments is not an option.<sup>5</sup>

8. Fiscal space should be expanded 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.<sup>6</sup> This underscores the scope for raising more domestic revenue. Through adjusting fiscal policies and better management of tax revenue, African countries can increase domestic revenue by 12–20 per cent of GDP (ibid.).

9. At \$77 billion in 2018, remittances are becoming an important component of capital flows to Africa. Reducing remittance costs from the 9 per cent in 2018 to the target of 3 per cent will raise net receipts. 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.<sup>7</sup> 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. ODA to Africa peaked at \$52 billion in 2013 before declining to \$47 billion in 2017.<sup>8</sup>

#### B. Technology

10. Science, technology, and innovation (STI) are central to supporting endogenous growth and achieving the Sustainable Development Goals and the goals of Agenda 2063. STI offers significant opportunities for African countries' structural transformation. Improving access to STI, knowledge and wisdom is an imperative way to share ideas, foster innovation and ensure that all Sustainable Development Goals are achieved by 2030.

11. The 2018 Africa Sustainable Development Report<sup>9</sup> reviews the state of STI in Africa, taking the underlying components of access to electricity,

<sup>&</sup>lt;sup>3</sup> 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.

<sup>&</sup>lt;sup>4</sup> Kante, H. (undated). SDGs in Africa – The Financing Gap. Africa Sustainability Centre.

<sup>&</sup>lt;sup>5</sup> Bagashaw, B. (2019). Africa and the Sustainable Development Goals: A long way to go. Africa in Focus. Available from <u>www.brookings.edu/blog/africa-in-focus/2019/07/29/africa-and-the-sustainable-development-goals-a-long-way-to-go/</u> (accessed on 18 December 2019).

<sup>&</sup>lt;sup>6</sup> ECA (2019). Economic Report in Africa: Fiscal policy for financing sustainable development in Africa (United Nations publication, Sales No. E.19.II.K.2). Available at

www.uneca.org/publications/economic-report-africa-2019 (accessed on 18 December 2019).
<sup>7</sup> United Nations Department of Economic and Social Affairs (2019). Sustainable Development Goal 17: Strengthen the means of implementation and revitalize the global partnership for sustainable development. Available at <a href="https://sustainabledevelopment.un.org/sdg17">https://sustainabledevelopment.un.org/sdg17</a> (accessed on 18 December 2019).

<sup>&</sup>lt;sup>8</sup> United Nations Statistics Division. Available at <u>https://unstats.un.org/sdgs/indicators/database</u> (accessed on 18 December 2019).

<sup>&</sup>lt;sup>9</sup> Economic Commission for Africa, African Union, African Development Bank and United Nations Development Programme (2018). 2018 Africa Sustainable Development Report:

education and skills development, access to the Internet and research and development (R&D) expenditure as a proportion of GDP as key parameters with respect to the public and private investments in these areas. Today, Africa accounts for just 2 per cent of world research output, 1.3 per cent of world research spending, and holds a tiny 0.2 per cent of patents worldwide (United National Educational, Scientific and Cultural Organization (UNESCO) Institute for Statistics, 2018).

12. Africa is already tapping into outstanding opportunities unlocked by digitalization and the mobile revolution. Over the past 10 years, the continent has recorded the highest growth globally in Internet access, from 2.1 per cent in 2005 to 24.4 per cent in 2018 (ITU, 2018).<sup>10</sup> This trend is also observed in mobile-cellular telephone subscriptions and in households with computers, affecting the economy as a whole. Infrastructure deployment in sub-Saharan Africa increased 3G coverage from 63 per cent in 2017 to 70 per cent in 2018, extending access to more than 80 million people (GSMA, 2019).<sup>11</sup> This progress is also evident in financial technologies, as Africa is currently experiencing a boom in mobile financial services and payment technologies fuelled by the continent's three main hubs of South Africa, Kenya and Nigeria.

### C. Trade

13. In March 2018, 44 African Union member States signed the Agreement Establishing the African Continental Free Trade Area (AfCFTA). The Agreement entered the operational phase with 54 signatures and 24 ratifications. AfCFTA should be a key milestone towards not only the achievement of Agenda 2063 of the African Union but also the Sustainable Development Goals, particularly Sustainable Development Goal 17.

14. Implementation of AfCFTA is expected to commence on 1 July 2020 with the liberalization of trade in goods and services. Through the progressive elimination of at least 90 per cent of tariff lines representing not less than 90 per cent of import values, AfCFTA signatories will radically accelerate efforts towards the achievement of Sustainable Development Goal target 17.10 by contributing to the "worldwide weighted tariff-average" (indicator 17.10.1). Beyond purely customs duties, efforts will also be made in parallel to facilitate exchanges of services within Africa, starting with five identified priority sectors: business, communication, financial, transport and tourism services.

15. While the share of intra-African trade (exports) for merchandise was approximately 16 per cent of Africa's total trade in 2018, ECA's recent empirical work estimates that it could increase by more than 50 per cent within the next two decades, following reduction of import duties on goods within the African continent, as stipulated under AfCFTA. From a different angle, ECA's assessment demonstrates that with the AfCFTA reform, the value of intra-African exports would increase significantly, between about \$50 billion (15 per cent) and nearly \$70 billion (25 per cent), relative to a situation without AfCFTA in place, in 2040. In turn, the AfCFTA is expected to strongly contribute to the achievement of target 17.11 as it would help raising developing

*Towards a Transformed and Resilient Continent* (United Nations publication, Sales No. E.19.II.K.1). Available at <u>www.uneca.org/sites/default/files/PublicationFiles/asdr\_2018\_en\_web.pdf</u> (accessed on 16 December 2019).

<sup>&</sup>lt;sup>10</sup> International Telecommunication Union (2018). Measuring the Information Society Report, 2018. Available at <u>https://www.itu.int/en/ITU-D/Statistics/Pages/publications/misr2018.aspx</u> (accessed on 17 December 2019).

<sup>&</sup>lt;sup>11</sup> GSMA (2019). The state of Mobile Internet Connectivity, 2019. Available at <u>www.gsma.com/mobilefordevelopment/wp-content/uploads/2019/07/GSMA-State-of-Mobile-Internet-Connectivity-Report-2019.pdf</u> (accessed on 18 December 2019).

countries and least developed countries' share of global exports" (indicator 17.11.1).

#### **D.** Statistics

16. Accurate data and science-informed planning are essential for sustainable development and Africa's transformation. The huge demand for statistics to leverage effective planning and monitoring of the Sustainable Development Goals has not been matched which, in turn, challenges effective monitoring.

17. Despite the support for enhancing the statistical capacity in Africa, there has been an increase from \$68 million in 2006 to \$222 million in 2016 for statistics development. This has not translated to commensurate improvement of statistical capacity, as this has been donor-driven and not aligned to countries' priorities.<sup>12</sup>

18. The United Nations (2019),<sup>13</sup> estimates that the amount of \$623 million received by developing countries in support of statistics development represents 0.33 per cent of total ODA. That is below the 0.7 per cent per cent of ODA required per year. Moreover, these resources have given greater support to demographic and social statistics over environmental and multisectoral statistics.<sup>12</sup> Gender is another area where investment in statistics has been insufficient. According to UN Women (2019),<sup>14</sup> only 38 per cent of ODA resources were devoted to gender equality.

19. Furthermore, disaggregated data and statistics are needed to inform gender-related and vulnerable groups-related targets and indicators for an effective monitoring of progress towards the Sustainable Development Goals commitment of leaving no one behind. However, in the global Sustainable Development Goals database, none of the 54 African countries has information on the proportion of Sustainable Development Goal indicators produced at the national level with full disaggregation when relevant to the target, in accordance with the fundamental principles of official statistics.

20. It was noticed that 78 per cent of countries have conducted a comprehensive assessment of their various systems and 29 out of the 40 countries, or 73 per cent, have developed a strategic plan to rekindle their civil registration and vital statistics systems.

### E. Capacity-building

21. Several factors have contributed to an upward trend in diversifying domestic knowledge sources that can be harnessed in support of capacity development. Homegrown think tanks and knowledge networks are emerging in many countries, making them less dependent on foreign technical expertise.

22. The marketplace for capacity development support has also gone global and is becoming multi-polar. The emerging economies offer new sources of

<sup>&</sup>lt;sup>12</sup> Paris 21 (2019). Statistical capacity development outlook 2019. Available at <u>https://paris21.org/sites/default/files/inline-</u> <u>files/Statistical%20Capacity%20Development%20Outlook%202019.pdf</u> (accessed on 17)

December 2019).

<sup>&</sup>lt;sup>13</sup> United Nations Department of Economic and Social Affairs (2019). Sustainable Development Goal 17: Strengthen the means of implementation and revitalize the global partnership for sustainable development. Available at <u>https://sustainabledevelopment.un.org/sdg17</u> (accessed on 18 December 2019).

<sup>&</sup>lt;sup>14</sup> UN Women, Women Count and United Nations Department of Economic and Social Affairs (2019). Progress on the Sustainable Development Goals: Gender Snapshot 2019. Available at <u>https://unstats.un.org/sdgs/report/2019/gender-snapshot.pdf</u> (accessed on 16 December 2019).

relevant expertise, as manifested in the growth of South-South cooperation, especially at the regional level.

23. Advances in technologies have also helped to level the playing field. The growing connectedness of people and markets in most of the African countries is now able to tap into a rapidly growing global knowledge pool and global capital markets of peers for exchange and advice in their own regions.

24. Against this background in 2019, ECA, in collaboration with its partner the African Union Commission, has scaled up its capacity development support to member States and regional economic communities, with the aim of advancing the implementation of the two agendas through strengthening collaborative frameworks, and South-South and triangular cooperation.

25. ECA and its partners have since supported African countries in the development and implementation of the macroeconomic models to aid in their policy formulation and implementation process. Currently, there are 19 countries – Burkina Faso, Burundi, Cameroon, Chad, the Congo, Côte d'Ivoire, Ethiopia, Ghana, Liberia, Nigeria, Rwanda, Senegal, Seychelles, South Africa, the Sudan, Uganda, the United Republic of Tanzania, Zambia and Zimbabwe – that have been trained in the use of the toolkit and have aligned their national development plans with the Sustainable Development Goals and Agenda 2063 over this period.

26. Furthermore, trainings on trade economics, regional integration and capacity-building for trade policy and structural transformation, and trade modelling were delivered to 29 member States. They have also equipped member States in understanding the benefits and challenges of implementing AfCFTA.

# III. Gaps, constraints and emerging issues

# A. Finance

27. The increasing public debt and illicit financial flows are critical challenges to financing investments for sustainable development. In 2018, Africa's total government debt averaged 59 per cent of GDP, with ratios higher than 100 per cent in at least six countries (ECA, 2019).<sup>15</sup>

# B. Technology

28. A scan of the continent reveals that fewer than half of African countries had adopted STI policies that consider sustainable development imperatives holistically. Instead, they tend to focus on funding scientific research with less emphasis on technology development, procurement and innovation. Policy implementation is hampered by low policy literacy, low human capacity, insufficient monitoring and accountability, and inadequate budgets for STI policy. Progress regarding investment in R&D in the last decade has been mixed across the continent. Most countries are yet to meet the African Union's goal of investing at least 1 per cent of their GDPs in R&D. Few countries have increased their national annual Gross Expenditure on Research and Development. The continent's average expenditure on R&D is estimated to be about 0.5 per cent of GDP – far from the global average of 2.3 per cent. Few

<sup>&</sup>lt;sup>15</sup> ECA (2019). Economic Report in Africa: Fiscal policy for financing sustainable development in Africa (United Nations publication, Sales No. E.19.II.K.2). Available at www.uneca.org/publications/economic-report-africa-2019 (accessed on 18 December 2019).

members of the regional and international partnership for research and innovation are endowed with adequate funding.

29. All these have also been impacted by the capability in terms of the current stock of graduates with secondary and tertiary-level skills, which are still highly skewed towards humanities and social sciences, while the proportion of students in STEM (science, technology engineering and math) averages less than 25 per cent.

30. Furthermore, there are also challenges brought about by emerging technologies, including the Fourth Industrial Revolution. The new wave of innovation in new technologies is currently underway, and is yet to be harnessed by the continent.

#### C. Trade

31. Digital trade is an emerging issue that deserves particular attention for Africa. While the push towards multilateral negotiations on e-commerce has been resisted by the majority of African members of the World Trade Organization - largely on the argument that policy space for industrial and technological development will be constrained by the liberalization in the digital sphere, the issue is gaining importance in the African context (ECA, 2019)<sup>16</sup>. The potential for the digital economy to contribute to economic and social development is evidenced in the increase in digital policies and strategies at the national and regional levels. Importantly, technologies manifested in the Fourth Industrial Revolution – such as artificial intelligence, robotics, big data and cloud computing – are transforming the nature and dynamics of production and distribution. It is now crucial for Africa to adopt these technologies in order to enhance efforts towards the achievement of industrial ambitions. In addition, in the context of AfCFTA, digital platforms are important drivers of trade across borders and instruments that can facilitate achievement of Sustainable Development Goal 17, but there are also associated complexities in relation to consumer protection, payments and regulation. There are ongoing efforts towards forging a continental approach to harness the benefits of the digital economy through the forthcoming African Union Digital Trade and Digital Economy Strategy (mandated by the African Union Executive Council in January 2019) to be submitted to the African Union Assembly of the Heads of State and Government in 2020.

32. Another area that requires special attention is the nexus between trade and climate change, following the devastating effects of natural phenomena – including Cyclone Idai in the south-eastern part of Africa, desertification in the Sahel region and droughts across the continent – and the associated implications for production and distribution of goods and services.

#### **D.** Statistics

33. Further efforts are needed to address the data gap related to Sustainable Development Goal target 17.18 on statistical legislation and national statistical plans. Data have been available for 2018 only, so it is not possible to measure progress through time. Data availability has been a constraint. Data on the compliance of statistical legislation with Fundamental Principles of Official Statistics was only available for 54.7 per cent of the ECA member States. Moreover, only about 61.1 per cent of the member States had data on the source of finance to implement their national statistical plans. Funding has been a challenge in implementing national statistical plans.

34. Regarding support to statistical capacity, the effectiveness of assistance provided by donors has been limited by the lack of coordination and harmonization of efforts, as well as the non-alignment of statistical support to countries' needs and priorities. The successful achievement of development agendas requires greater investments in these areas. In the same line, despite its importance in the measurement and achievement of Sustainable Development Goals and Agenda 2063, capacity-building was not the top priority of donors.

35. In regard to census, the main constraint is how to strengthen national capacities for the production, use and sharing of georeferenced census data by government line ministries, non-governmental organizations, academia, development partners and the public at large without compromising confidentiality. Resource mobilization, civil conflicts and inadequate technical capacities are among some of the issues hindering the effective undertaking of censuses in the 2020 round.<sup>17</sup>

36. Civil registration that can be the source of many Sustainable Development Goals and Agenda 2063 indicators is incomplete in most African countries. National authorities and development partners should continue supporting improvement of civil registration and vital statistics, and national identity systems, in member States, and at the regional and continental levels.<sup>18</sup>

# E. Capacity-building

37. Despite ongoing efforts, one of the challenges some African countries are facing include the ability to effectively align the national development plans to the 2030 Agenda for Sustainable Development and Agenda 2063. Effective and critical mass of operational capacity change and transformative capacity, composite capacity and critical, technical, and sector-specific skills are necessary and therefore are needed to increase investment for capacity-building. Other noticeable challenges include monitoring and evaluating the impacts of programmes, and coordination across government institutions and with other stakeholders.

38. African countries face enormous challenges, both in terms of working on the measurability of the targets of the development agendas and developing the statistical capacity required to collect the data to measure those targets, especially in the rural sector.

# IV. Stepping up the pace and scale of implementation

39. To scale up implementation, integrated development approaches need to be mainstreamed into each stage of the national planning cycle, which will require capacity-building across government and specialized agencies in the broad range of tools that can inform integrated planning. Capacity-building and finance remain vital for harnessing technology and trade for sustainable development, and for effectively measuring and benchmarking the objectives of the 2030 Agenda for Sustainable Development and Agenda 2063. Scaling up the implementation of Sustainable Development Goal 17 will require giving priority and mainstreaming capacity- building and finance into other targets. Specific actions per target are presented below.

<sup>&</sup>lt;sup>17</sup> United Nations Statistics Division, available at

https://unstats.un.org/unsd/demographic-social/census/censusdates/ (accessed on 17 December 2019).

<sup>&</sup>lt;sup>18</sup> Africa Programme for Accelerated Improvement of Civil Registration and Vital Statistics, Fifth Conference of African Ministers Responsible for Civil Registration, <u>available at www.apai-crvs.org/CR5</u> (accessed on 17 December 2019).

## A. Finance

40. To achieve progress, innovative financing and public expenditure management arrangements to ensure accountability, transparency and value for money are required. 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 (UNICEF et al., 2018).<sup>19</sup>

41. 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 intended beneficiaries and fighting illicit financial flows are critical to reducing poverty and realizing the equity role of fiscal policy. Innovative financial opportunities such as green bonds, blue bonds, blended finance, linked bonds and development bonds should be harnessed. Digital financial sectors should be promoted and regulated. A conducive investment climate is needed, with reduced transactions costs, lower barriers to business entry, strong property rights and better infrastructure. The implementation of the *United Nations Secretary-General's Roadmap for Financing the 2030 Agenda for Sustainable Development 2019–2021*<sup>20</sup> should be supported, which will also contribute to the achievement of Agenda 2063.

42. Therefore, countries have to undertake research, and design and implement an integrated national innovative financing policy, strategy and plan to support their national development strategies in line with objectives of the Sustainable Development Goals and Agenda 2063. The financing strategy will bring together various financing policies and instruments in an integrated manner. This requires countries to undertake a strategic assessment of their development needs and allocate the right type of capital to fund the prioritized needs.

43. Climate change is an extraordinary challenge facing the continent and the world. Trillions of dollars of investment are needed to urgently shift to a low-carbon and climate-resilient economy. Green bonds and climate bonds have become an important part of the green finance movement working to meet this challenge. There's a need to build human and institutional capacity within African countries to leverage various forms of international climate finance.

### B. Technology

44. In order to realize the Sustainable Development Goals and the aspiration of Agenda 2063, countries need to improve the quality and relevance of their national STI policy frameworks to sharpen focus on social and environmental dimensions of sustainable development. Some of the major interventions to scale up the implementation may include mobilizing innovative domestic (public and private) and international investment through foreign direct investment, because STI will have a significant role to play in accelerating the achievement of Sustainable Development Goals 2, 3, 8, 9, 13 and 17.

 <sup>&</sup>lt;sup>19</sup> UNICEF and others (2018). Financing the Child Centred Sustainable Development Goals (SDGs) in Ethiopia, 2018. Available at <u>https://ethiopia.un.org/sites/default/files/2019-</u> <u>09/Financing%20the%20Child%20Centred%20Sustainable%20Development%20Goals%20%28SDGs%2</u> <u>9%20in%20Ethiopia.PDF</u> (accessed on 18 December 2019).

<sup>&</sup>lt;sup>20</sup> United Nations (2019). United Nations Secretary-General's Roadmap for Financing the 2030 Agenda for Sustainable Development 2019–2021. New York. Available at www.un.org/sustainabledevelopment/wp-content/uploads/2019/07/UN-SG-Roadmap-Financingthe-Sustainable Development Goals-July-2019.pdf (accessed on 17 December 2019).

45. The United Nations Commission on Science and Technology – in collaboration with ECA, the African Union Commission and the United Nations – should support an annual publication on "Outlook STI-Sustainable Development Goals–Agenda 2063 goals", an STI-sustainable development nexus, integrating Sustainable Development Goals and Agenda 2063 objectives into scientific research and innovation programmes, and indicators for measuring STI contributions to the Sustainable Development Goals and Agenda 2063.

46. African nations must create policies that encourage African and non-African investment to promote research uptake of transformative science that results in real benefits to their people, and promote community ownership, public and political constituencies for STI, enforcing accountability mechanisms to hold Governments responsible for increasing domestic financial investment in STI and strengthen the participation of non-State actors.

47. Furthermore, countries should embrace digital transformation, and enable the necessary digital infrastructure to reduce the digital gap and inequality through effective policies and strategies.

48. All African countries should design and implement digital transformation policies and strategies by 2025, and at least 40 per cent of populations should be using digital financing.

49. By 2025, entry-level broadband services should be made affordable in all African countries, at less than 2 per cent of monthly gross national income per capita, with a broadband Internet user penetration of 35 per cent. Furthermore, by 2025, 60 per cent of youth and adults should have achieved at least a minimum level of proficiency in sustainable digital skills.

### C. Trade

50. As highlighted previously, the role of AfCFTA is key to achieving Sustainable Development Goal 17. AfCFTA is also a flagship project in Africa's vision to achieve structural transformation of African economies and as articulated in Agenda 2063,<sup>21</sup> thanks to the potential of AfCFTA to increase intra-African trade and its industrial content, as well as to raise Africa's position in the global trade landscape. Agenda 2063 establishes clear links with the Sustainable Development Goals, beyond Sustainable Development Goal 17.

51. Towards achieving targets 17.10 and 17.11, African member States should effectively implement the AfCFTA Agreement and its provisions. Under target 17.10, progress will be deemed satisfactory if Member States have fully eliminated tariffs within the African continent on at least 90 per cent and 95 per cent of the tariff lines by 2025 and 2030, respectively. Under target 17.11, adequate AfCFTA implementation is expected to help increase the current share of intra-African trade by 25 per cent and 37 per cent by 2025 and 2030, respectively.

52. Achievements under targets 17.10 and 17.11 are closely related, as the removal of tariffs within the continent is expected to contribute to the increase in intra-African trade. In other words, efforts to achieve target 17.10 are foreseen to directly contribute to fulfilling target 17.11.

53. In order to support African member States in the AfCFTA implementation process, United Nations entities such as ECA, working closely with the African Union Commission, should assist (upon request) member States in the development of national/regional AfCFTA implementation

<sup>&</sup>lt;sup>21</sup> See African Union, Flagship Projects of Agenda 2063. Available at

https://au.int/en/agenda2063/flagship-projects (accessed on 17 December 2019).

strategies and their subsequent execution. As the private sector will play a key role in the AfCFTA implementation process, the development of a monitoring tool to identify (and facilitate the overcoming of) bottlenecks and ensure that the private sector can best take advantage of AfCFTA would be critical.

54. African member States should therefore articulate a common position by 2025 so that negotiation at African Union level with external partners are initiated before 2030. This is critical in reshaping relations with the European Union and the United States in the Post-Cotonou and Post-2025 African Growth and Opportunity Act eras, respectively, as well as with emerging partners (such as China and India).

55. United Nations bodies – with ECA, in collaboration with the African Union Commission, at the forefront – need to advocate for new trading relations between Africa and its partners, with the Think 20/G 20 as a credible platform for advocacy. Further research by United Nations entities should also be undertaken to better justify the importance of future trade negotiations involving Africa to be driven at the continental level.

56. The development of national AfCFTA implementation strategies – taking into consideration the macroeconomic framework, identifying trade opportunities and measures to maximize benefits of AfCFTA and minimizing its risk, including realistic financing mechanisms and solid monitoring and evaluation plans – is essential.

#### **D.** Statistics

57. Quality and timely disaggregated data and statistics are needed for the measurement, monitoring and evaluation of all Sustainable Development Goals and targets, as well as Agenda 2063 aspirations. The significant role of statistics in the success of all 16 other Sustainable Development Goals and targets was recognized by the 2030 Agenda for Sustainable Development, which calls for global partnership to strengthen statistical capacities in developing countries (para. 48). The following actions could be recommended to revitalize this target:

(a) United Nations institutions, and bilateral and multilateral development partners, should support the human and institutional capacitybuilding and modernization of national statistical offices and other institutions, agencies and civil society organizations, as part of the national statistical systems.

(b) Countries should promote national institutional coordination mechanisms that facilitate the safe sharing or linking of data between institutions. These will ensure that statistical activities, data infrastructure, classification and legislation are coordinated across relevant institutions. National statistical offices could play this role.

(c) United Nations institutions and development partners should support countries to put in place a solid foundation of properly designed data infrastructure; well organized and coherent national data infrastructure facilitating data sharing and linking; and national data infrastructure support with proper open and transparent legislation, with robust data governance procedures and a sound ethical framework.

(d) African countries should establish national Sustainable Development Goals observatory portals for systematically and regularly collating, processing and storing data and information on each of the goals and targets. The governance of the observatories should be composed of all ministerial departments, banks, mobile service providers, fast-moving consumer goods companies, health-care providers, utility companies, intergovernmental organizations and non-governmental organizations.

(e) Regional Sustainable Development Goals observatories linking national Sustainable Development Goals observatories should be established at the level of the regional economic communities. Regional Sustainable Development Goals observatories will regularly conduct review meetings and monitor and report annually on the progress in the implementation of goals, targets and indicators. Regional Sustainable Development Goals observatories will support the Voluntary National Review and Voluntary Regional Review processes within their regions. Regional Sustainable Development Goals observatories will constitute a vital reporting mechanism for the Africa Regional Forum on Sustainable Development.

# E. Capacity-building

58. Capacity-building as finance is a vital cross-cutting target that has impact on all other targets, Sustainable Development Goals and Agenda 2063 objectives. Priority should be given to this target. Human and institutional capacity-building is required at all levels. Some major interventions may include:

(a) Establishing a Sustainable Development Goals and Agenda 2063 committee on capacity-building, with the aim to address gaps and needs, both current and emerging, in implementing capacity-building for Sustainable Development Goals and Agenda 2063 goals in countries, and further enhancing capacity-building efforts. This committee can be at regional, subregional and national levels. Specific objectives of the committee should include:

(i) Identifying capacity gaps and needs, and making innovative recommendations to address them;

(ii) Fostering global, regional, national and subnational cooperation;

(iii) Identifying and collecting good practices, challenges, experiences and lessons learned from work on capacity-building;

(iv) Identifying opportunities to strengthen capacity at the national, regional and subnational levels.

(b) United Nations organizations and development partners should give support to national capacity-building activities – including in the areas of the design of programmes and projects, and their implementation and evaluation – through demand-driven approaches, emphasizing facilitation and stressing a programmatic rather than a project-oriented framework for capacity-building.

(c) United Nations organizations and development partners should enhance international support for implementing effective and targeted capacitybuilding in countries to support national plans to implement all the Sustainable Development Goals, including through North–South, South–South and triangular cooperation.

(d) Domestic resources, private sector collaboration, South–South and North–South cooperation should be promoted to ensure adequate investments, to accelerate capacity-building of a critical mass of skilled people for the realization of the Sustainable Development Goals and Agenda 2063 goals.

# V. Key messages

59. Given Africa's rapid population growth, demand for investments in human capital and physical infrastructure development will continue

expanding. This is in addition to investment requirements for peace and security to improve the environment for economic and inclusive growth.

60. Implementation of AfCFTA requires cooperation and strong rules-based systems to address potential challenges and disputes. The private sector is central to the successful implementation of the Agreement, as its primary driver of trade.

61. Digitalization has transformed the nature of production and trade, with associated implications for the industrial ambitions of African countries, as well as implementation of AfCFTA. The urgent need for a continental approach to harnessing the benefits of the digital economy is being tackled through an African Union Digital Transformation Strategy. All African countries should design and implement digital transformation policy and strategy by 2025, and at least 40 per cent of populations should be using digital financing.

62. A National Sustainable Development Goals and Agenda 2063 observatory institution – with a Web portal for systematically and regularly collating, processing and storing data and information on each of the goals and targets, and ensuring capacity-building of national statistic systems – will enable better monitoring and scaling of the implementation of the two agendas.

63. A Sustainable Development Goals and Agenda 2063 committee on capacity-building – with the aim to address gaps and needs, both current and emerging, in implementing capacity-building for Sustainable Development Goals and Agenda 2063 goals in countries, and further enhancing capacity-building efforts – will be critical to accelerate the realization of the two agendas.

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