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Draft Africa Regional Report on the Sustainable Development Goals[1]

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ABBREVIATIONS AND ACRONYMS

- A21: Agenda 21
- AAA: Accra Agenda for Action
- AAP: AU-NEPAD African Action Plan: 2010-2015
- ABI: Africa Biosciences Initiative
- ABNE: Africa Bio safety Network of Expertise
- ACFS: African Centre for Food Security
- AEC: African Economic Community
- AEEP: Africa-EU Energy Partnership
- AFAIP: African Fisheries and Aquaculture Investment Partnership
- AfDB: African Development Bank
- AFFM: Africa Fertilizer Development Financing Facility
- AGRA: Alliance for a Green Revolution in Africa
- AIDF: African Infrastructure Development Fund
- AMCEN: African Ministerial Conference on Environment
- AMU: Arab Maghreb Union
- APDev: Africa Platform for Development Effectiveness
- APINA: Air Pollution Impact Network for Africa
- APRM: African Peer Review Mechanism
- ASTII: African Science, Technology and Innovation Indicators Initiative
- AU: African Union
- AUC: African Union Commission
- BDPA: Beijing Declaration and Platform for Action
- BRICS: Brazil, Russia, India, China and South Africa
- CAADP: Comprehensive Africa Agricultural Development Programme
- CDM: Clean Development Mechanism
- CDSF: AU-NEPAD Capacity Development Strategic Framework
- CEDAW: Convention on the Elimination of All forms of Discrimination Against Women
- CER: Certified Emission Reduction
- COMESA: Common Market for Eastern and Southern Africa
- COP: Conference of the Parties to the United Nations Framework Convention on Climate Change
- DAC: Development Assistance Committee
- DBSA: Development Bank of Southern Africa
- EAC: East African Community
- EAP: NEPAD Environment Action Plan
- ECCAS: Economic Community of Central African States
- ECOWAS: Economic Community of West African States
- ECREEE: ECOWAS Centre for Renewable Energy and Energy Efficiency
- FAO: Food and Agricultural Organization
- FOCAC: Forum on China-Africa Cooperation
- GEF: Global Environmental Facility
- GP: Global Partnership for Effective Development Cooperation
- HLF: High Level Forum on Aid Effectiveness
- IBSA: India, Brazil and South Africa Dialogue Forum
- IFC: International Finance Corporation
- IFF: Illicit Financial Flows

- IFI: International Financial Institution
- IGAD: Intergovernmental Authority on Development
- IISD: International Institute for Sustainable Development
- IMF: International Monetary Fund
- IWRM: Integrated Water Resources Management
- MDGs: Millennium Development Goals
- MfDR: Managing for Development Results
- MIGA: World Bank Multilateral Investment Guarantee Agency
- MNCs: Multinational Corporations
- MTEF: Medium Term Expenditure Framework
- NAFSIPs: National Agriculture and Food Security Investment Plans
- NCSD: National Council for Sustainable Development
- NEPAD: New Partnership for Africa's Development
- NFIPs: National Fisheries Investment Plans
- NPCA: NEPAD Planning and Coordinating Agency
- NPoA: National Programme of Action of the APRM
- OAU: Organization of African Unity
- ODA: Official Development Assistance
- ODF: Official Development Finance
- OECD: Organization for Economic Cooperation and Development
- PAF: Partnership for African Fisheries
- PCRD: Policy Framework for Post-Conflict Reconstruction and Development
- PD: Paris Declaration
- PFIA21: Programme for the Implementation of Agenda 21
- PIDA: Programme for Infrastructure Development in Africa
- PIDA-PAP: Priority Action Projects of PIDA
- PPPs: Public-Private Partnerships
- PRSP: Poverty Reduction Strategy Paper
- RCM: Regional Coordination Mechanism
- RECs: Regional Economic Communities
- Rio+20: United Nations Conference on Sustainable Development, June 2012
- SACU: Southern African Customs Union
- SADC: Southern Africa Development Community
- SLM: Sustainable Land Management
- SOER: State of Environment Report
- SPVs: Special Purpose Vehicles
- SSC: South-South Cooperation
- UEMOA: West African Economic and Monetary Union
- UNCED: United Nations Conference on Environment and Development
- UNCSD: United Nations Council on Sustainable Development
- UNCTAD: United Nations Conference on Trade and Development
- UNDP: United Nations Development Programme
- UNDP/RBA: United Nations Development Programme Regional Bureau for Africa
- UNECA: United Nations Economic Commission for Africa
- UNEP: United Nations Environment Programme
- UNFCCC: United Nations Framework Convention on Climate Change
- UN-RCM: United Nations Regional Coordination Mechanism
- WB: World Bank
- WCED: World Commission on Environment and Development

- WFP: World Food Programme
- WSSD: World Summit on Sustainable Development
- WTO: World Trade Organization

EXECUTIVE SUMMARY

I. INTRODUCTION

1. Overview

This report presents a summary of a draft proposal on Africa Regional Sustainable Development Goals, Targets and Indicators. It is the result of a consultative process undertaken in the five subregions and among a number of institutions supporting development in the region. Although the report presents a regional perspective that is richly informed by survey, it remains a working document for further consultation and refinement. Thus, essentially, it is a seminal guide to the determination of the region's priorities and ordering of such priorities on sustainable development goals. This proposal, after a rigorous review and endorsement by African stakeholders, will form the region's input into the global sustainable development goals, targets and indicators as well as the African Union Agenda2063 – a pan-African development strategy for the next fifty years.

The need for Sustainable Development Goals (SDGs) has been the result of a global concern whose time has come. It has increasingly become evident that economic growth that does not effectively support social development and protect the environment is no longer sustainable. The 21st Century therefore defines a new pathway for growth and development globally. This pathway has been advocated for decades dating back to the early 1960s, when concerns pointed distressingly to the environmentally destructive and the socially negligent and non-inclusive nature of development[2]. These concerns led to the UN Conference on Environment and Development (UNCED) also known as the Earth Summit in June 1992 and the World Summit on Sustainable Development (WSSD) in August-September 2002. When the UN Conference on Sustainable Development (UNCSD) known as Rio+20 was held in June 2012, the challenge before the world became more sharply defined and focused – it has become inevitable that countries must have to follow a sustainable development path to create the tomorrow that we want and which is socially inclusive and equitable; protects environmental resources; and follows sustainable production and consumption for current and future generations to meet their own growth and development needs. This is the essence of sustainable development.

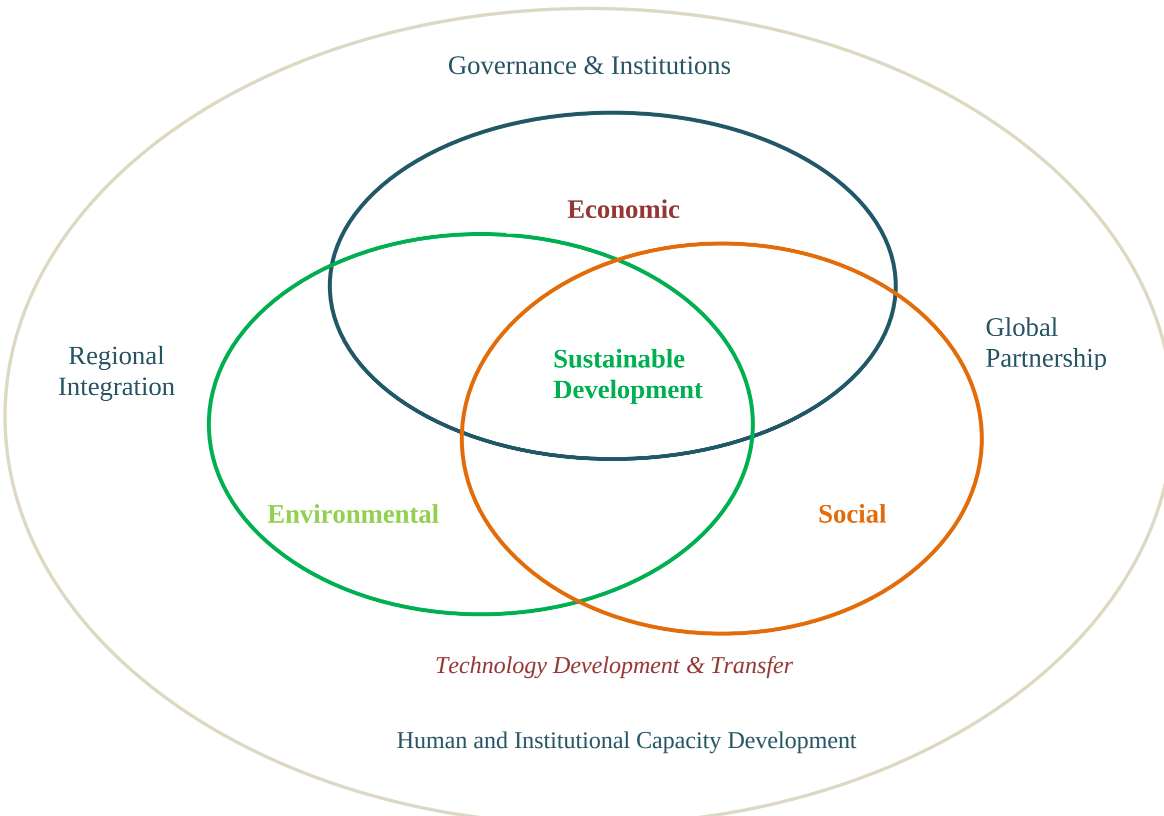
Viewed from the prism of a development pyramid[3], the environment is the source of life and gives rise to economic activities. Economic activities in turn sustain social development. Without growth, there

[2] *A fortiori*, the need for sustainable development as a framework for long-term transformation of economies and societies became more pronounced in June 1992 when the first Earth Summit was held - a landmark event at which the international community committed to addressing environment and development issues in a holistic and integrated manner for the achievement of sustainable development. However, the concern, which had long been expressed largely in terms of the destructive effect of economic growth on the environment, dates three decades back when in 1962 Rachel Carson published a controversial and instrumental publication titled "*Silent Spring*" which raised environmental awareness on a global scale, and June 1972 when the United Nations Conference on the Human Environment was held. By 1987 when the Brundtland Commission that was set up by the UN General Assembly to address growing concern "about the accelerating deterioration of the human environment and natural resources and the consequences of that deterioration for economic and social development" released its report, the key issues which provided the strands of the thoughts for the development of the concept and the definition of the components of sustainable development had begun to emerge very clearly. It has thus been a long journey in redirecting economic growth, social development and the use of environmental resources towards a common future that provides for oncoming generations. Much has been expended in determining what is wrong and how this should be corrected. It is now time to determine how to measure and monitor progress. And that is the challenge that the United Nations Conference on Sustainable Development that was held on 20-22 June 2012 has placed before the global community.

[3] Sustainable development is viewed more from the perspective of inter-linkages among the three components – economic, social and environmental.

will be no social development. This is however not necessarily a linear relationship as the environment also directly influences social development. The relation among the three is complex and nonlinear. The challenge of sustainable development is to achieve a balance in interrelationships among the three pillars. Current economic growth therefore has to be environmentally-friendly and socially responsible.

Fig.1: Pillars of Sustainable Development



For economic growth to be sustainable, efforts need to be directed to efficient and sustainable use of natural resources; environmentally-friendly agricultural practices; renewable energy development; less-carbon intensive production of goods and services, including efficient transportation, and less intensive consumption of resources, goods and services, among others. These promote efficient and resilient production systems, minimize resource depletion and degradation, as well as greenhouse gas emissions, thus leading to more resilient economies.

Sustainable social development must focus on key elements, which consist of poverty eradication, reduction of inequalities, as well as enhancement of access to education, health, water and sanitation, and other socio-economic infrastructure and social services. Also vital is the vigorous pursuit of gender equality and women empowerment and promotion of youth development, among others. And environmental resources, which consist of natural resources, including biodiversity and ecosystems need to be developed and used sustainably. Successful implementation of sustainable development as a framework lies in the existence of good governance and strong institutions in the African region.

For the region, governance and institutions, taken together as a component element, is fundamental to sustainable development. First, they provide the foundation on which economic growth, socially-responsible and environmentally-friendly development rests. Without an enabling governance environment and functional institutions, which provide constitutional, accountable, regulatory and legal frameworks for productive activities to thrive, there will be no basis for sustainable development. And a second reason for their centrality lies in the fact that African countries are at different stages in the good governance spectrum with different challenges. There is therefore a strong need for sustained mutual support at subregional level through the Regional Economic Communities and regionally through the African Union and NEPAD. Hence, good governance and effective institutions constitute the most important imperative for sustainable transformation in Africa.

Thus, with good governance, strong and effective institutions, availability of financial resources, the right policy mix, efficient use of resources, access to environmentally-friendly technology and innovations, human and institutional capacity development as well as strengthened and sustained international partnerships, the African region will transition effectively from conventional to sustainable development.

2. Background and Context

The United Nations Conference on Sustainable Development (Rio+20), which took place from 20 to 22 June 2012 in Rio de Janeiro, Brazil was a major land mark in the pursuit of sustainable development. The conference adopted an outcome document[4] entitled “The future we want” which was endorsed by the United Nations General Assembly (UNGA) in its resolution A/RES/66/288. The formulation of sustainable development goals (SDGs) is among the key commitments agreed upon at Rio+20. The compelling need for the SDGs is that they could be useful for pursuing focused and coherent action on sustainable development. The SDGs are intended to advance sustainable development and further integrate the three dimensions of sustainable development: economic, social and environmental. The aim is to guide and contribute to transformative change as stipulated in the Rio+20 outcome document, in support of rights-based, equitable and inclusive processes that enhance sustainability at global, regional, national and local levels[5]. Rio+20 emphasized among others that these goals should address and incorporate in a balanced way all three dimensions of sustainable development and their inter-linkages. The conference also recognized that the goals should be coherent with and integrated into the United Nations development agenda beyond 2015, thus contributing to the achievement of sustainable development and serving as a driver for the implementation and mainstreaming of sustainable development in the United Nations system as a whole.

In the development of the SDGs to be agreed by UNGA, Rio+20 called for an inclusive and transparent intergovernmental process that is open to all stakeholders. An open working group comprising 30 representatives nominated by Member States from the five United Nations regional groups, will propose the sustainable development goals for the consideration and appropriate action of the UNGA. It is expected that progress towards the achievement of the SDGs needs to be assessed by means of

[4] See Rio+20 Outcome Document - The Future We Want
[5] UN Secretary General’s initial input to the Open Working Group on SDGs

targets and indicators, while taking into account different national circumstances, capacities and levels of development.

As a prelude to the launch of this process, UNECA in collaboration with the African Union Commission (AUC), the African Development Bank (AfDB) and the United Nations Department of Economic and Social Affairs (UNDESA) organized the Africa Regional Implementation Meeting (Africa-RIM) that was held from 19 to 21 November 2012, to deliberate on the main outcomes of Rio+20 and their implications for Africa. This multi-stakeholder meeting brought together participants from the economic, social, environmental and governance dimensions of sustainable development and adopted the Africa RIM Outcome Document[6] for the post Rio+20 follow-up processes including the Twentieth Session of the UN Commission (CSD-20). It represents, among others, Africa's collective input into the CSD-20 and the UN General Assembly processes on Rio+20 follow-up, including the SDGs.

With respect to the SDGs, the Africa RIM reemphasized the principles[7] that these goals should be based on clearly defined priority areas that enjoy broad consensus across the region's diverse stakeholders. This makes an extensive regional consultative process in the identification of priorities pertinent to the case of Africa. Such process will enable the region, among others, to:

- Effectively speak with one strong voice to articulate and galvanize international support around SDGs that are well aligned with its sustainable development priorities.
- Lay a firm foundation for the ownership, championship, domestication and implementation of activities towards the achievement of the SDGs by regional and subregional organizations, the region's countries and major stakeholders' groups.
- Mobilize, enhance understanding and strengthen capacity of regional and subregional organizations, countries and major groups in the development and subsequent implementation of programmes and activities towards the achievement of the set SDGs.
- Enhance linkages across national, subregional, regional and global priorities.

It is in this context that UNECA launched the process of preparing the subregional and Africa Regional Reports on Sustainable Development Goals.

3. Purpose, Scope, Methodology and Framework of Analysis of Report

The purpose of this report is to present a well-informed analytical Africa regional perspective on Sustainable Development Goals, Targets and Indicators. In terms of scope, the report examined priorities at subregional and regional levels. As regards methodology, it draws on the five subregional reports, which were informed by questionnaire surveys administered at the national level and consultations with national and subregional institutions. In addition, the report also undertook an in-depth review of sustainable development issues, challenges and priorities at the regional level. Analytical value was added from perspectives and issues from various consultative meetings held in the region. Taking outcomes from these sources into consideration against the background of the region's performance results from the MDGs, the report first proposed a set of 20 Sustainable Development Goals. These goals were shared with ECA review team, which provided further guidance on rationalizing the goals, including consultation with relevant regional and subregional institutions. In

[6] See Annex 3, the Africa RIM outcome document
[7] See section IV of Annex 3 the Africa RIM Outcome document

this regard, AUC, NEPAD Agency, the 8-AU recognized RECs[8], AfDB, the African Legal Support Facility were consulted, among others, for preliminary feedback. Based on comments received, a total of 12 Sustainable Development Goals, Targets and Indicators were finally selected to guide sustainable development in the region over the period 2015-2045. The report is based on a time horizon of three decades. Justifications for this time period are presented in Section III.

II. ISSUES IN SUSTAINABLE DEVELOPMENT – CONCEPT, GOALS, TARGETS AND INDICATORS

1. Concept and Pillars of Sustainable Development

As a concept, sustainable development is already well-articulated. Knowledge, information and documentation about it are copious. The most widely-referenced definition of the concept is that by the Bundtland Commission, which defined sustainable development as development, which "*meets the needs of the present without compromising the ability of future generations to meet their own needs*"[9]. Thus, sustainable development places challenges facing growth and development within the context of the absorptive or carrying capacity of natural ecosystems and recognizes the limits of such systems. It also places emphasis on intra and intergenerational equity.

In analyzing sustainable development, development practitioners focus their attention on three components also known as the pillars. These are economic growth, social development and environmental sustainability. On these, there is a consensus among the international community, development management institutions and development practitioners. While there is a general consensus on the three pillars of sustainable development, it is very much important to accentuate the role and importance of governance and institutions as a fundamental and an overarching imperative of sustainable development. Also of importance are interlinkages among the pillars and the means of implementation of sustainable development goals and targets. Gaps in the means of implementation are by and large a measure of the extent to which SDGs and targets can be met.

2. Sustainable Development – Principles and Vision[10]

The African region is of the view that the development of the SDGs should be guided by the following principles:

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[8] Feedback by CEO, NEPAD Agency and detailed response by the Secretary-General of UMA to the seminal 20 SDGs are very much appreciated. Review by Benoit Faivre-Dupaigre of NEPAD Agency was also very helpful.
[9] In 1987, the United Nations released the Brundtland Report, which included what is now one of the most widely recognized definitions: "Sustainable development as development, which meets the needs of the present without compromising the ability of future generations to meet their own needs. The Brundtland Commission, formally the World Commission on Environment and Development (WCED), known by the name of its Chairperson, former Norwegian Prime Minister, Mrs. Gro Harlem Brundtland, was convened by the United Nations in 1983. The commission was created to address growing concern "about the accelerating deterioration of the human environment and natural resources and the consequences of that deterioration for economic and social development." In establishing the commission, the UN General Assembly recognized that environmental problems were global in nature and determined that it was in the common interest of all nations to establish policies for sustainable development.

The 1983 General Assembly passed Resolution 38/161 "Process of preparation of the Environmental Perspective to the Year 2000 and Beyond", which established the Commission.

[10] One major challenge in defining sustainable development goals, which this report attempts to address, is the development of goals that are universal in nature, yet reflect regional, subregional and national diversities in terms of their priorities.

- The Rio Principles, particularly the principle of Common but Differentiated Responsibility (CBDR) taking into account different national circumstances, capacities and priorities.
- The goals, targets and indicators should embody the three dimensions of sustainable development, as well as issues pertaining to good governance and effective institutions for sustainable development.
- The SDGs should be action-oriented and allow for tracking progress towards sustainable development over time. In this regard, they should have clear and measurable targets, which take into account different regional and national priorities, realities, capacities and levels of development.
- They should be universal in nature and flexible enough to cater for different national priorities. The SDGs must build on and complement the MDGs that must be maintained and be effectively implemented and supported.
- The SDGs must be accompanied by adequate means of implementation, particularly financing, technology transfer and capacity building. For each goal, there should be clearly defined means of implementation.
- The goals should promote equitable and inclusive human-centred development.

There is an emerging consensus with respect to the vision and priorities that should guide the development of the SDGs. The Rio+20 Outcome Document provides guides as to what the SDGs could seek to achieve. Foremost among these is poverty eradication – for which sustained, inclusive and equitable economic growth in developing countries is a necessary requirement (Para. 106). In addition, reducing inequalities, promoting gender equality, ensuring equal access to quality education are examples of additional outcomes towards which the SDGs will need to contribute. The Rio+20 Outcome Document also indicates that the process of developing the SDGs needs to be coordinated and coherent with the processes of the post-2015 development agenda (para.249) in order to facilitate the emergence of one set of appropriate goals, targets and indicators for the post-2015 development agenda.

3. Sustainable Development Goals – Guiding Framework and Criteria

The United Nations Secretary-General's High-level Panel on Global Sustainability (UN 2012b) called for a sustainable development index or set of indicators to be developed and stipulated that the SDG framework should, among others:

- Be universal in character, covering challenges to all countries rather than just developing nations.
- Express a broadly agreed global strategy for sustainable development.
- Incorporate a range of key areas that were not fully covered in the MDGs, such as food security, water, energy, green jobs, decent work and social inclusion, sustainable consumption and production, sustainable cities, climate change, biodiversity and oceans, as well as disaster risk reduction and resilience.
- Be comprehensive, reflecting equally the economic, social and environmental dimensions of sustainable development and the interconnections between them.
- Incorporate near-term benchmarks, while being long-term in scope, looking ahead to a deadline of perhaps 2030.

- Engage all stakeholders in implementing and mobilizing resources, including local communities, civil society, the private sector and Governments.
- Include progress metrics alongside absolute targets, to focus policy attention as a means of driving development outcomes and to reflect various development priorities and conditions across countries and regions.
- Provide scope to review these goals in view of evolving new knowledge and evidence.

There are therefore clear guidelines and criteria that the SDGs framework, goals, targets and indicators will need to satisfy in order to meet sustainable development concerns. Just as the pathway has become clearer, a number of common themes and priority areas have also begun to emerge. What follows are the emerging SDGs themes and priorities, especially for the African region following consultations and review of relevant documentation as earlier mentioned.

4. Sustainable Development Goals - Emerging Themes and Priority Areas

1. Global Level

At the global level, broadly, there is progress by regions and countries in the effort to define priority areas on which SDGs will focus. An analysis of responses thus far reveals that the overarching priority areas of poverty eradication and sustainable management of natural resources are high on the list. Sustainable management of natural resources includes enhanced capacity of natural ecosystems to support human welfare, ecosystem conservation and restoration, sustainable ecosystem management, and reduction of ecosystem pollution.

Other emerging priority areas include ensuring equal opportunity in accessing basic needs such as energy, water, food, education and health services, as well as improving the quality of these services. Also high on the priority list are sustainable agriculture, food security, nutrition, water management, combating of desertification and land degradation, sustainable energy and energy security. Yet, others point to a fair and stable global trading system; adequate financing for development; affordable access to technology and knowledge; and good governance practices based on rule of law, among others.

2. Africa Regional Level

In terms of priority areas for the SDGs, the African region considers eradication of poverty as its greatest challenge today and it remains an indispensable requirement for sustainable development. The emerging perspective from the region, based on proposals from several consultative meetings, including the Africa Regional Implementation Meeting on the Post-Rio+20 Follow-up Processes, is that the SDGs will need to address the following key areas:

- Poverty eradication and wealth creation.
- Combating hunger and ensuring food security and nutrition.
- Access to safe water supply and adequate sanitation facilities.
- Access to quality education and health services.
- Promotion of gender equality and empowerment of women.
- Enhancement of equitable and universal access to social services and social protection.
- Promotion of sustainable and inclusive economic growth.
- Reduction of vulnerability and strengthening of resilience to the impacts of climate change.

- Creation of decent employment opportunities.
- Enhancement of infrastructure development.
- Improvement of access to affordable and sustainable energy.
- Arresting of land degradation, desertification, drought and deforestation.
- Promotion of sustainable water resource management.
- Ensuring access to, and transfer of environmentally sound, technologies for climate change adaptation and mitigation.
- Fostering peace and security.

III. PROPOSED SUSTAINABLE DEVELOPMENT GOALS, TARGETS AND INDICATORS

1. Process in the Determination of Proposed Goals

In the determination of the sustainable development priorities and their rankings, this report reviewed findings from the surveys conducted in the five sub-regions. These surveys were guided by questionnaires that were administered on key institutions, development practitioners and partners in the sub-regions. In addition to the surveys conducted, the report also undertook an in-depth review of sustainable development issues, challenges and priorities at the regional level. Analytical value was added from perspectives and issues from various consultative meetings held in the region. Taking outcomes from these sources into consideration against the background of the region's performance results from the MDGs, the report first proposed a set of 20 Sustainable Development Goals. These goals were then shared with ECA review team, AUC, NEPAD Agency, the 8-AU recognized RECs[11], AfDB, and the African Legal Support Facility, among others, for preliminary feedback. Based on comments received, a total of 12 Sustainable Development Goals, Targets and Indicators were finally selected to guide sustainable development in the region over the period 2015-2045.

2. Justification for Time Horizon of 2015-2045

The achievement of the SDGs proposed in this report is set for a period of three decades, starting from 2015. This time horizon is influenced by a number of considerations. First, over a period of 15 years, the African region was unable to achieve the MDGs. Although significant progress was made in a number of areas, there were also significant shortfalls. In addition, the region is also facing new threats and challenges. Among these are climate change and growing insecurity from terrorism. The taste for conflict still lingers in some of the subregions. These are challenges that will divert resources from productive causes that are of immediate response to improved quality of lives.

Second, the region is still severely infrastructure deficient. Investment and growth require improved infrastructure. A bold attempt to address infrastructure need is put forward under the NEPAD Programme for Infrastructure Development in Africa (PIDA). The Institutional Architecture for Infrastructure Development in Africa (AIDA) has been established to implement PIDA, which has an implementation phase up to 2040 provided the region is able to mobilize and commit at least $93billion per annum to the implementation of the programme.

And lastly, given the encouraging but inadequate flow of development assistance, the region will have to look inward to generate financial resources to implement most of the programmes and activities to

[11] Detailed and painstaking response by the Secretary-General of UMA is very much appreciated.

achieve the goals. Economies will have to achieve significant and sustained growth rates to generate taxable capacity for domestic resource mobilization. Leakage of financial resources through corruption, an area where significant progress has not been made, will need to be stemmed. And global partnership must rise up to the challenge of effectively addressing illicit financial flows from Africa.

The foregoing considerations aside, it is of utmost importance to put the pace of growth and development in the region, especially sub-Saharan Africa in context. For instance, it took 11 years for extreme poverty to be reduced by 10 percentage points (from 58% to 48% over 1999-2010). At current pace, it will take 4 decades for extreme poverty to be eradicated.

It took 18 years for 9 percentage point increase to be achieved in access to improved water sources. The proportion of the population with access to water rose from 56% in 1990 to 65% in 2008. This means, all things being equal, it will take another 72 years for the entire population to be provided with clean drinking water.

And lastly, it took 12 years for a 3 percentage point reduction to be achieved in the proportion of the region's population living in slums. There was a decline from 65% to 62% from 2000 to 2012. The implication is that it will take 120 years to halve the current slum population in sub-Saharan Africa and 240 years to completely transform slum areas.

Given the foregoing, it is evident that the time horizon for the achievement of the proposed goals is ambitious. A shorter duration will at best be unrealistic for the region.

3. Situational Analysis I – Subregional Level Sustainable Development Challenges and Priorities

(a) Central Africa sub-region

The main challenges facing the Central Africa subregion despite efforts by governments and development partners are the need for sustainable peace and security, good governance, transparency, fight against corruption, as well as effective human and institutional capacity. In recent decades, the sub-region has been characterized by socio-political instability; rebellion and intra-and inter-ethnic and inter-state conflicts; illicit trafficking in arms, drugs, human beings and precious stones; and struggle for control of resources. The activities of armed gangs, which are the main causes of the instability have weakened a number of states in the subregion and destroyed natural resources, decimating species and protected wildlife areas. It has been estimated that three-quarters of the population of elephants in Central Africa have been decimated by heavily armed poachers in search of ivory. Proceeds of such poaching are in turn used to acquire arms, which fuel the subregion's conflicts. The situation is compounded by organized crime (smuggling of arms and drugs, kidnapping, piracy, among others) which is on the rise and further heightening the state of insecurity.

(b) North Africa Subregion

The foremost challenge facing the North Africa subregion is the effect of climate change. Variability in climate has led to loss of soil fertility, degradation of land, loss of vegetation cover, increasing water deficit, desertification and concentration of population in the coastal areas. This has impacted on agriculture, food security and availability of water, which is less than 1000 m3 annually. It will be recalled that the Intergovernmental Panel on Climate Change (IPCC) noted that the subregion is most vulnerable to the risk of climate change worldwide. Strategies and policies to adapt to climate change and raise resilience of communities, conserve biodiversity and protect ecosystems are a priority. Other challenges and priorities of the subregion include the need for political reforms to widen the space for all stakeholders to participate in socio-political development processes, gender equality and women empowerment, transition to a green economy framework and improved access to infrastructural services.

(c) West Africa Subregion

Countries in the West African subregion face the challenge of raising and sustaining economic growth. Economic growth within the subregion has not contributed to the creation of employment and exploitation of mineral resources has so far failed to place emphasis on value addition or beneficiation. Structural transformation is required by the subregion to improve the quality of life of the people. The shrinking of the agricultural sector's contribution to GDP accompanied by a decrease or at best a stagnation of the manufacturing sector suggests ineffective transformation. Countries in the subregion lag far behind in human development, particularly education, health, access to drinking water, sanitation and other basic infrastructure services. These persistent social challenges have seriously hampered efforts of countries within the subregion to accelerate growth and reduce poverty. Poverty remains the major challenge facing countries in the subregion. The incidence of poverty is among the highest in the world. Over a third of the countries within the subregion are ranked among the poorest in the world.

Many countries in the subregion are at the risk of climate change and are experiencing climatic variability and extreme weather conditions such as floods or droughts and frequent high maximum temperature. The subregion has since the 1960s been experiencing serious land degradation. The subregion continues to suffer biodiversity losses and was unable to achieve a reduction in loss rate by 2010 as expected by the JPOI. Significant threat is posed by population growth, urbanization, and poor waste management to ecosystems. The coast of West African supports a diversity of habitats and resources - rocky shores, sandy beaches, deltas, estuaries and coastal wetlands, coral reefs and lagoons. These aquatic environments which contribute significantly to the livelihoods of coastal communities have been seriously degraded.

(d) East Africa Subregion

The poor state of infrastructure, particularly roads, remains a major constraint to development in the subregion. Food insecurity is a pressing problem as there has been considerable decline in the level of food production and the price of food has increased significantly in the last two years, making food effectively unavailable to many households. The majority of the small scale farmers produce mainly for subsistence.

The region experiences intensive exploitation of natural resources and severely degraded environment. This is being exacerbated by recurrent droughts and other natural and man-made disasters. In the addition to these, the new and emerging challenges to sustainable development in the subregion include climate change and the associated extreme weather conditions; rising water scarcity; energy crisis precipitated by the unprecedented volatility in energy prices; biodiversity loss; degradation of ecosystems, including marine ecosystems; inefficient and wasteful patterns of consumption and production; and growing insecurity.

(e) Southern Africa Subregion

The subregion's economic output is dominated by raw materials largely in agriculture and mining. There is limited beneficiation of minerals, and subregional trade largely revolves around one country - South Africa. The key challenges on the economic front are unsustainable growth rate, limited value addition in mining and agriculture, high unemployment and limited diversification of outputs.

With an average poverty rate[12] of 45 percent, the subregion has more than half of its population below the poverty line and this has been the situation for over the last decade or more. There is high level of poverty and income inequality.

Other challenges are high incidence of disease probably related to or being worsened by HIV/AIDs; poor health service delivery; low enrolment in education beyond primary school; Gender Based Violence; unequal distribution of wealth between gender and a wide gender gap in participation and decision making at various levels.

The subregion's growth and social development have been at the cost of its environment. It suffers 7.4 percent forest loss per year. The main environmental sustainability issues are loss of forests, land degradation from mining, air pollution and climate change.

Based on the foregoing development challenges, the key priorities of the five subregions are set out in Table 1.

[12] Based on US$1.25 PPP, except for the first four middle income countries where US$ 2 PPP is used.

Table 1: Summary of Emerging Priorities at Sub-Regional Levels

CENTRAL AFRICA	EAST AFRICA	NORTH AFRICA	SOUTHERN AFRICA	WEST AFRICA
1. Promote peace, security and socio-political stability 2. Promote good governance and accountability 3. Develop physical, economic and social infrastructure 4. Combat poverty and promote food security 5. Promote green growth and the creation of decent employment 6. Improve access to health for all 7. Ensure high school education and vocational training for all 8. Ensure protection of the environment and promotion of resilience to climate change 9. Promote social inclusion, gender equality and the empowerment of women	1. Transition toward a green economy 2. Sustainable food security accessibility and use 3. Sustainable land management and biodiversity protection 4. Promotion of science and technology for development 5. Disaster risk management 6. Institutional and governance reforms	1. Reduce marginalization and social exclusion of vulnerable population 2. Foster transition towards a green and inclusive economy 3. Ensure universal access to basic services 4. Build lasting peace on a transparent basis	1. Sustainable poverty eradication 2. Improved learning 3. Gender equality and empowerment 4. Improvement of health and nutritional status 5. Ensure environmental sustainability 6. Improved governance	1. Reduction of extreme poverty and hunger 2. Achieve gender equality, equitable and universal primary and secondary education 3. Improve child and maternal health 4. Universal access to healthcare delivery service 5. Increase and improve infrastructure and urban management 6. Improve inclusive economic growth 7. Achieve structural economic transformation 8. Ensure good governance, peace and security 9. Reduce environmental pollution (ensure sustainable use and management of natural resources) 10. Development regional and global public-private partnerships for development (external financing and partnerships)

4. Situational Analysis II: Regional Level Sustainable Development Challenges and Priorities

(a) Sustainable Economic Development Priorities

In 2011, eight countries (Sudan, Cote d'Ivoire, Tunisia, Madagascar, Niger, Comoros, Mali and Senegal) had negative annual GDP per capita growth rate. Ghana recorded the highest of 11.76%. The highest external debt stock (% of GNI) in 2011 was registered by Seychelles followed by Sao Tome and Principe. The total external debt stocks as a percentage of gross national income was at least 50% in 8 countries (Seychelles, Sao Tome and Principe, Mauritania, Guinea, Zimbabwe, Cape Verde, Cote d'Ivoire, and Tunisia). On fiscal balance as a percentage of GDP, only Seychelles had a positive fiscal balance over the period. The highest negative fiscal balance or deficit as a percentage of GDP was recorded by Egypt.

In sub-Saharan Africa, the share of manufacturing exports in total exports has been on the decline. For manufacturing value added as a percentage of GDP, the share declined from 13.72% in 2002 to 11.95% in 2011. For services, the value added decreased in 2011 compared to 2002 in 18 countries and increased in 15 countries in both 2002 and 2010/11. Unemployment, especially among youth remains a major challenge. Female unemployment rate is higher in all countries. Consumption and production are unsustainable due to very low resource/material productivity, over 90% of the population in 21 countries relying on solid fuels, high intensity of energy use in industry, and overall low share of renewable energy in total energy consumed

(b) Sustainable Social Development Priorities

Based on data for the period 2006-2011, over 50% of the population in Eastern and Southern Africa as well as West and Central Africa is living on less than $1.25 per day, which represents extreme poverty condition. For DRC, Liberia, Madagascar and Burundi, the percentage is much higher – about 80% of the population. Income distribution is skewed towards inequality. About 60% of the population does not have access to improved sanitation facilities; 69% does not have access to electricity; 35% does not have access to improved drinking water sources; 62% of the population lives in slums; urban population is growing though at a slower rate.

The proportion of seats held by women in parliament increased in 2012 compared to the situation in 2002 in all countries in the region, except Egypt, Botswana, Zambia, Namibia and Eritrea. Less women are however in non-agricultural employment. There is improvement in the gender parity index with respect to gross enrolment in primary and secondary education. In 22 countries, the proportion of pupils starting grade 1 and reaching the final grade is lower. The most challenged country in the region is Chad with only 27.8% of pupils reaching the last grade of primary education.

For sub-Saharan Africa, the adult literacy rate in 2010 was 63%. This ranged from 29% in Niger and Burkina Faso to 94% in Equatorial Guinea. Female literacy rate is lower than that of male by wide margins in some countries. No country in the region has reached 100% gender parity in primary, secondary and tertiary education enrolment. Only two countries are close to achieving full parity – Rwanda and Madagascar with a GPI of 0.91. Gender disparity is most severe in Niger and Mali, which have indexes of 0.35 and 0.47, respectively. For both countries, the adult female literacy rate is less than half of the male literacy rate.

In the region, there has been an improvement in life expectancy at birth, with the average for North African subregion being much higher than for other subregions. For the period 2002-2011, life expectancy was higher for female than for male in all countries except Botswana, Zimbabwe, Lesotho and Swaziland.

The number of new HIV/AIDS infections per year per 100 persons aged between 15 and 49 years is on the decline across the region. New infection rate was lower in 2010 than it was in 2001. The incidence recorded a decline in Central, Eastern and Southern Africa over the period 2002-2011. North and West Africa have much lower rates compared to the other subregions. The incidence is highest in Southern Africa.

Over the period 1990-2010, the number of women who died per 100,000 live births fell by 66% in North African subregion and 41% in the rest of sub-Saharan Africa. Sub-Saharan Africa still has a very high maternal mortality rate – 850 deaths per 100,000 live births, while for North Africa it is 230 deaths. At country level, Nigeria with 40,000 deaths accounted for 14% of the global maternal deaths in 2010. Under-five mortality rate is declining in all subregions. Between 2002 and 2011, the rate fell by 34% in Southern Africa; 27% in East Africa; 23% in West Africa; and 21% in North Africa. Between 1990 and 2011 North Africa reduced under-five mortality from 89 deaths per 1,000 live births to 41. Measles immunization coverage among 12-23 month olds has increased from its 2000 level. All subregions had measles vaccine coverage of at least 75%. North Africa had a coverage of 96%.

The proportion of children under-five years who are underweight decreased in 2010 compared to 1990. In 2011, Burundi, Comoros and Eritrea had more than 60% of their population undernourished, while Ethiopia and Zambia had undernourishment rates between 40 and 50%. On the other hand, Algeria, Egypt, Ghana, Libya, South Africa and Tunisia had only 5% of their population undernourished.

(c) Environmental Sustainability Priorities

In the region, the rate at which forest is converted to agricultural land showed a decrease in a number of countries, but continues in a high rate in others. As a percentage of total land, the proportion of terrestrial protected area is on the decrease. In 2011, the number of threatened species of birds, mammals and fish was highest in East Africa followed by West Africa, while the number of threatened species of plants was highest in East Africa followed by Central Africa. The number of extinct animals was highest in Southern Africa followed by East Africa. The region has the highest proportion of degraded land among other regions. Twenty-five (25%) of its land is wasteland, 12% lightly or moderately degraded and 4% strongly or extremely degraded. Over the period 2005-2010, a majority of the countries in the region (37) experienced forest loss. Among these were Comoros with the highest -9.71%, followed by Togo, -5.75%, Nigeria, -4%, Uganda, -2.72% and Ghana, -2.19%. Nine countries had positive net gain. Among these, Rwanda and Tunisia recorded the highest positive annual gains of +2.47% and 1.72%, respectively, for the period 2005-2010. Malawi, Tanzania and Cameroon had more than 100 threatened species of fish, while Uganda, Gabon, Guinea, Kenya, DRC, South Africa and Madagascar had between 60 and 90 threatened species in 2012. Lesotho, Chad, Mali, Botswana, Zimbabwe, Central African Republic, Swaziland, Niger, Burkina Faso, Comoros and Rwanda had less than 10 threatened fish species. Cote d'Ivoire has the highest per capita emission of GHGs in the region followed by Cameroon. Eritrea has the least per capita emission followed by Rwanda.
Between 1960 and 2012, all countries in the region had experienced one natural disaster or the other – drought, earthquake, epidemic, extreme temperature, flood, insect invasion, storm, wild fire, volcanic

eruption, landslides, among others. Between 50-90 of such disasters have occurred in 20 countries, and between 10 and 50 in 25 countries. Countries with less than 10 include Equatorial Guinea, Libya, Sao Tome and Principe, Seychelles and Eritrea. This implies that a significant proportion of the region's population faces the risk of extreme weather and natural disasters arising from climate change.

(d) Governance and Institutional Effectiveness

In the region there is growing improvement in governance. Based on the Ibrahim Index of Governance for 2012,compared to their overall governance performance level in 2006, West Africa, Central Africa and Southern Africa slightly improved their overall governance level, while North and East Africa registered slight declines, more markedly in North Africa. Governance measures, which included level of corruption, political stability and absence of violence showed similar trends, but with North African subregion turning out the weakest performance on political stability and absence of violence in 2011.

On institutional effectiveness, based on government capacity to formulate and implement sound policies and regulations as well as promote private sector development, progress was not satisfactory across all subregions, though relatively better in Southern Africa and worst in Central Africa. Countries with relatively better performance were Mauritius, Botswana, South Africa, Ghana, Namibia and Cape Verde.

As regards, government effectiveness, which is a measure of quality of public services, the quality of the civil service and the degree of its independence from political pressures, the quality of policy formulation and implementation, and the credibility of the government's commitment to such policies, performance was better in Southern Africa and worst in Central Africa over the 2002-2011 period. For North Africa the performance showed a declining trend and thus a deterioration.

(e) Linkages among Priorities

Poverty restricts access to nutritious food, health care, good education, clean water and improved sanitation facilities. Poor governance, which leads to social exclusion, conflicts and insecurity, diverts resources from growth and poverty-eradicating programmes. This, in turn, worsens deprivation and poverty. Corruption and ineffective public institutions raise cost of development programmes, thus reducing potential scale of interventions and the proportion of the population that can benefit. With agricultural output dependent largely on small-scale producers of which women make a significantly large proportion, empowering women through better access to land, credit, education, non-agricultural employment, equal pay and appointment to decision-making positions will contribute immensely in enhancing their productive capacity, improving childcare and nutritional status and reducing overall level of poverty. As women bear the brunt of poverty more than men, this has significant implications for societal wellbeing. Lack of social inclusion and security heightens tension and conflict in society. This creates an environment that is less conducive for investment and stable economic growth.

Sustained growth in the real sectors of an economy, coupled with equitable distribution of income, provides opportunities for a progressively larger proportion of a population to participate in the growth and development process, share in the fruits of economic growth and have a sense of inclusion in development. Growth is a prerequisite for the creation of employment opportunities to reduce the challenge of youth unemployment, poverty reduction and thus provide access to food, good health, quality education, and eradication of slums. Growth however is driven by fundamentals, which include availability of infrastructure, investments and capacity. A context of severe infrastructure deficit, as is the case in the region, exerts a significant constraint on growth. Hence the need to scale up infrastructure spending. Such spending will however not be possible without domestic financial resources, which depends on tax revenues that can only grow through sustained economic growth. Investments are also largely a function of a peaceful and stable political environment, among other factors, while capacity depends on the quality of education and institutions.

The quality of education, the nature of infrastructure, the capacity of economies to growth, sensible exploitation of natural resources and savings made for future investments determine intergenerational equity in the development process. Overexploitation of natural resources depletes capacity for future growth. Unsustainable consumption and production, high carbon intensity of production processes, poor waste management, which leads to pollution, deforestation, poor agricultural practices contribute to increases in greenhouse gas emissions, which raise the level of global warming and the risks of climate change. Environmental degradation, which results in loss of biodiversity and ecosystems, raises the cost of growth for future generations.

All these demonstrate the interlinkages among the priorities and thus the goals that are proposed.

The proposed goals relative to the priorities at the subregional level are presented in Table 2.

Table 2: An Overview of Sustainable Development Priorities at Sub-Regional and Regional Levels

CENTRAL AFRICA	EAST AFRICA	NORTH AFRICA	SOUTHERN AFRICA	WEST AFRICA	OVERALL AFRICAN REGION
10. Promote peace, security and socio-political stability 11. Promote good governance and accountability 12. Develop physical, economic and social infrastructure 13. Combat poverty and promote food security 14. Promote green growth and the creation of decent employment 15. Improve access to health for all 16. Ensure high school education and vocational training for all 17. Ensure protection of the environment and promotion of resilience to	7. Transition toward a green economy 8. Sustainable food security accessibility and use 9. Sustainable land management and biodiversity protection 10. Promotion of science and technology for development 11. Disaster risk management 12. Institutional and governance reforms	5. Reduce marginalization and social exclusion of vulnerable population 6. Foster transition towards a green and inclusive economy 7. Ensure universal access to basic services 8. Build lasting peace on a transparent basis	7. Sustainable poverty eradication 8. Improved learning 9. Gender equality and empowerment 10. Improvement of health and nutritional status 11. Ensure environmental sustainability 12. Improved governance	11. Reduction of extreme poverty and hunger 12. Achieve gender equality, equitable and universal primary and secondary education 13. Improve child and maternal health 14. Universal access to healthcare delivery service 15. Increase and improve infrastructure and urban management 16. Improve inclusive economic growth 17. Achieve structural economic transformation 18. Ensure good governance, peace and security 19. Reduce environmental pollution (ensure sustainable use and management of	1. Eradicate Poverty and Extreme Hunger, and Achieve Food and Nutrition Security 2. Vigorously Promote Good Governance, Peace and Security 3. Provide Adequate, Qualitative, Affordable and Accessible Health Care to All 4. Enhance Accessibility and Affordability of Quality Education to All 5. Improve Availability and Accessibility of Clean Water and Sanitation to All 6. Intensify Gender Equality, Women Empowerment and Youth Development 7. Heighten Social Inclusion and Security for All 8. Transform Conventional to Inclusive Green

climate change 18. Promote social inclusion, gender equality and the empowerment of women				natural resources) 20. Development regional and global public-private partnerships for development (external financing and partnerships)	Growth 9. Scale up Investments in Infrastructure Development and Efficient Services 10. Advance Sustainable Exploitation, Use and Management of Natural Resources 11. Improve Quality and Sustainability of the Environment 12. Promote Global Partnerships and Institutional Effectiveness

From Table 2, it is evident that each and every priority identified at the subregional level is captured in the overall priorities and thus goals defined at the regional level. There is thus complete representation of all the priorities across the five subregions. What differs is the ranking of priorities, albeit not significantly. While no two rankings are the same between two subregions, and expectedly too, there is however a consensus as to what constitutes the region's overall priorities.

5. Proposed Sustainable Development Goals, Targets and Priorities, 2015-2045

Based on the foregoing situational analyses, considering performance in the implementation of the MDGs and regional development frameworks put forward by the African Union under the NEPAD initiative as well as the Regional Development Strategies of the RECs, and guided by preliminary feedback on the 20 seminal SDGs, Targets and Indicators, this report hereby proposes the following 12 Sustainable Development Goals, Targets and Indicators in the order of the rankings as set out in Table 2 to guide sustainable development in the African region over the period 2015-2045.

Fig.2. Summary of Sustainable Development Priorities

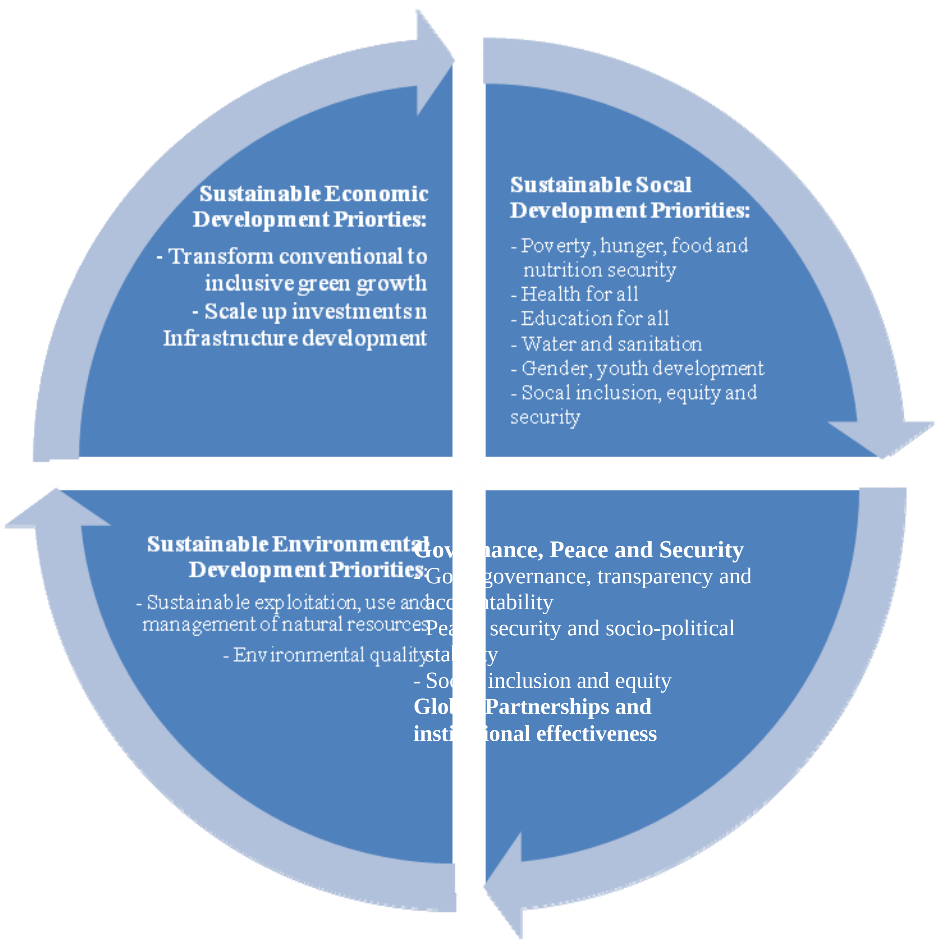

TABLE 3: AFRICAN REGION'S SUSTAINABLE DEVELOPMENT GOALS, TARGETS AND INDICATORS

No.	GOALS	TARGETS	INDICATORS
SUSTAINABLE ECONOMIC, SOCIAL AND ENVIRONMENTAL DEVELOPMENT			
Goal 1	Eradicate Poverty and Hunger and Achieve Food and Nutrition Security	1.1 Eliminate absolute poverty and reduce to 0 the number of people who live on less than 1.25 per day by 2030 1.2 End food aid dependency by 2030 1.3 Significantly improve nutrition status by 2030 1.4 Achieve a minimum of 10-12% investment of public resources in agriculture, food and nutrition security by 2020	1. % of population living on less than $1.25 a day 2. % of population chronically hungry 3. % of population depending on food aid 4. % of underweight children 5. Degree of inequality in incomes and opportunities 6. Share of public resources in agriculture 7. Growth in investments in agriculture relative to National Agriculture and Food Security Investment Plans
Goal 2	Vigorously Promote Good Governance, Peace and Security	(a) **Good governance, transparency and accountability** 2a.1 Reinforce participatory democratic processes and elections as means for change in government. 2a.2 Maintain zero tolerance to undemocratic change in government 2a.3 Hold leaders to the highest standards of transparency and accountability in public and private sectors 2a.4 Achieve accession to the APRM process by all African countries by 2020. 2a.5 Reform governance of major global financial and development institutions – World Bank, IMF, IFC and UN Security Council – for balanced representation across regions	1. Number of undemocratic changes of government 2. Degree of participation of stakeholders in political governance 3. Quality of elections 4. Level of corruption
		(b) Vigorously promote peace, security and socio-political stability	1. Number of armed conflicts per annum 2. Availability of resources for peace and

		2b.1 Reduce armed conflict to 0 by 2020 and achieve violent conflict-free society by 2045 2b.2 Enhance contribution to Africa Special Fund for Peace and Security by African Governments and Development Partners	security operations
Goal 3	Provide Adequate, Qualitative, Affordable and Accessible Health Care to All	3.1 Raise life expectancy at birth to a minimum of 60 years by 2020, 70 years by 2035 and 80 years by 2045 3.2 Ensure universal access to quality basic health services and essential medicines by 2025 3.3 Reduce to 0 infant, under-five and maternal mortality rates by 2025 3.4 Raise the share of health care resources by the public sector to a minimum of 15% of national budget	1. Average life expectancy 2. % of population with access to primary health care 3. % of births attended to by skilled health personnel 4. % of 1 year old immunized against measles 5. Infant and under-five mortality rates 6. Maternal mortality rate (deaths per 1,000 live births) 7. HIV/IDS prevalence and death rates 8. % of population with advanced HIV/AIDS infection with access to antiretroviral drugs 9. Tuberculosis prevalence rate, infection per 100,000 population 10. Tuberculosis death rate, % per 100,000 population 11. Incidence of malaria per 100,000 population and deaths due to malaria 12. Nutrition, lifestyle and obesity 13. Share of public expenditure in health relative to target set by the AU Assembly
Goal 4	Enhance Accessibility and Affordability of Quality Education to All	4.1 Achieve full gender parity and 100% net enrolment and completion rates in primary education by 2020. 4.2 Achieve a minimum of 80% enrolment and completion rates at secondary and tertiary levels by 2025 for both females and males. 4.3 Achieve 100% literacy rate in age bracket 15-24 years by	1. % of pupils starting grade 1who reach the last grade of primary education 2. Primary school enrolment and completion rate 3. Secondary school enrolment and

		gender from 2015 4.4 Raise adult literacy to a minimum of 60-70% by 2030 4.5 Achieve a minimum internationally comparable standard of education at national level by 2030 4.6 Raise share of public expenditure in education to a minimum of 20% of national budget by 2020.	completion rate 4. Tertiary education enrolment and completion rate 5. Mean years of schooling vis-à-vis expected years of schooling 6. Ratio of girls to boys in primary, secondary and tertiary education 7. Youth literacy rate 8. Adult literacy rate 9. Proportion of pupils obtaining at least 5 O/L passes at A-C grade 10. Proportion of undergraduates obtaining second class upper and above 11. National and international ratings of quality of education 12. Share of public expenditure in education relative to target set by the AU Assembly
Goal 5	Improve Availability and Accessibility of Clean Water and Sanitation to All	5.1 Ensure every household has access to clean drinking water by 2020 5.2 Provide sanitation facilities to 70% of the population by 2020; 80% in 2030; and full coverage by 2040 5.3 Raise share of public expenditure in water and sanitation to 2% of GDP by 2020	1. % of population with access to clean drinking water 2. % of population with access to improved sanitation facilities 3. Share of public expenditure in water and sanitation relative to target set by the minimum of 0.5% of GDP set by the AU Assembly
Goal 6	Intensify Gender Equality, Women Empowerment and Youth Development	(a) Intensify Gender Equality and Women Empowerment 6a.1 Achieve 50/50 gender parity in employment in all major public and private sector organizations by 2025 6a.2 Close gender pay gap – average female wage relative to male – by 2020 in major public and private organizations 6a.3 Enshrine right to land ownership and inheritance by women and the poor in national constitutions by 2020	1. % of women in non-agricultural wage employment in key public institutions and private sector organizations 2. Proportion of seats held by women in national parliaments 3. Proportion of women in ministerial positions and as heal of major

		6a.4 Reform laws and practices to grant equal land ownership right to women by 2020 6a.5 Create a Women's Agricultural Development Fund for better access to credit by 2025	institutions 4. Degree of access to land and credit
		(b) Raise Youth Employment and Development 6b.1 Reduce youth unemployment by at least 5% every year 6b.2 Half the number of illiterate youths by 2020 6b.3 Resource youth development agencies and programmes 6b.4 Put in place youth skills development programmes to build necessary skills 6b.5 Create youth development funds and programmes 6b.6 Provide for youth representation in decision making processes and structures 6b.7 Reform education and vocational training to develop appropriate skills that meet labour market needs	1. Unemployment rate 2. Unemployment rate for 15-24 age bracket 3. % of illiterate youth 4. % of unskilled youth 5. Labour market reforms to absorb youth unemployment 6. Youth re-training programme 7. Relevance of skills to labour market needs
Goal 7	Ensure Social Inclusion and Security for All	(a) Strengthen social security 7a.1 Increase share of social security and welfare resources in support of the poor and vulnerable group 7a.2 Reduce number of violent crimes per 100,000 population by 2020 7a.3 Halve gender-based violence by 2020 7a.4 Cut by half the number of rape cases per 100,000 population by 2020 7a.5 Transform 60% of slum areas by 2020, 70% by 2030 and 80% by 2040 7a.6 Improve the quality of social capital and social cohesion	1. % of child-headed households receiving welfare support 2. % of vulnerable group with access to housing 3. % of population with secure access to energy and other infrastructural services 4. Violent crimes rate 5. Gender-based crimes rate 6. Number of rape cases 7. % of population living in slums 8. Rate of transformation of slums 9. Share of social security and welfare resources in government expenditure
		(b) Enhance social inclusion and equity 2b.1 Ensure equity in access to mining rights and natural resources by local and disadvantaged communities.	1. Share of revenue from mining and other natural resources to local and disadvantaged communities. 2. Extent of participation of local

		2b.2 Mainstream social protection in national development strategies and provide safety nets for vulnerable groups without incomes.	communities in the negotiation of mining contracts. 3. Share of public resources for social protection of vulnerable groups
		(c) Preserve and nurture culture 2c.1 Preserve cultural identity, societal values and use of indigenous languages 2c.2 Promote local knowledge in all aspects of development	1. Extent of use of indigenous languages in schools 2. Extent of integration of local knowledge in health care, education and youth socialization 3. Extent of integration of cultural practices in sustainable development
Goal 8	Transform Conventional to Inclusive Green Growth	(a) Inclusive Green Growth and Wealth Creation 8a.1 Promote inclusive green growth in key sectors by 2025 8a.2 Promote inclusivity and ensure intergenerational equity in growth	1. % share of green investments in Gross National Product (GDP) 2. % of green employment opportunities generated 3. % of industries using renewable energy and green growth technologies 4. % share of public and private investment in green growth drivers – research and development, innovations, etc. 5. Degree of local participation in growth investments Medium to long-term trade balance 6. Debt/GDP ratios (domestic and external debts)
		(b) Promote Sustainable industrial development 8b.1 Achieve middle-income and emerging economy growth status by 2030 and develop online payment for goods and services by 2025. 8b.2 Beneficiate 60-80% of all raw materials by 2035 within the continent and develop innovation systems around all key products produced from raw materials in which local communities are endowed.	1. % growth in per capita GDP (raise growth to 7-10% per annum) 2. % of manufactures in trade (raise trade in manufactures to a minimum of 30% by 2035) 3. Extent of development of financial and payment system 4. Share of transactions and payment for goods and services processed online

			5. Degree of efficiency in the use of natural resources in production 6. Degree of energy and carbon efficiency in production of goods and services 7. Degree of efficiency in consumption of infrastructure services, natural resources (crops, fish, timber, grass for livestock feed) 8. Share of manufacturing in GDP (raise to a minimum of 20-25% by 2020) 9. Share of manufactured exports in total exports (raise to a minimum of 60-70% by 2030) 10. Extent of application of guidelines to promote sustainable consumption 11. Conduciveness of policy environment for industry to invest in sustainable production technologies 12. Timeline for public and private organizations to transit to green procurement 13. Existence of National Cleaner Production Centre and enabling environmental laws to promote their effectiveness in each country
Goal 9	Scale up Investments in Infrastructure Development and efficient services	9.1 Meet 60-70% of infrastructure needs from domestic resources by 2040 9.2 Provide fuel efficient public transportation system by 2030 9.3 Transform power infrastructure to raise access and affordability of electricity to 70-80% of the population by 2030 9.4 Secure access for at least 50% of rural population to clean and renewable energy by 2025. 9.5 Achieve a minimum of 50% energy and carbon efficiency in production by 2030 9.6 Achieve 50% efficiency in consumption of infrastructural	1. Share of public expenditure in infrastructure development 2. Share of public-private partnerships in infrastructure development 3. Rate of implementation of transportation, energy, ICT and Transboundary Water Basins projects under the Programme for Infrastructure Development in Africa

		services, natural resources and environmental resources by 2030 9.7 Ensure renewable energy accounts for 50% of energy supply by 2035.	(PIDA). 4. % of energy generated from renewable sources 5. Quality and efficiency of freight and passenger transportation 6. % of population with access to electricity
Goal 10	Advance Sustainable Exploitation, Use and Management of Natural Resources	(a) Sustainable Natural Resource Management 10a.1 Vigorously pursue laws and regulations to minimize intensity of exploitation/harvesting of natural resources – minerals, crops, fish stocks, timber resources and all endangered species. 10a.2 Rehabilitate by 2035 all land degraded through extraction of mineral resources 10a.3 Review and where applicable renegotiate existing mining contracts, mineral policies and legislations 10a.4 Ensure effective participation of local communities in the management of natural resources.	1. % of degraded arable land rehabilitated 2. Status of major fish stocks 3. Status of timber resources 4. Status of mineral resources 5. Agricultural soil quality 6. Ecosystems destroyed by mining and rehabilitated 7. Endangered species protected and restored 8. Strategies and policies for participation of local communities in management of natural resources
		(b) Sustainable Land and Water Management 10b.1 Halt land degradation, desertification, drought and deforestation and reclaim lost land 10b.2 Promote sustainable water resource management 10b.3 Improve soil quality and fertility 10b.5 Reduce use of non-organic fertilizers and agricultural pesticides	1. % of land area covered by forest 2. % of protected terrestrial and marine areas 3. % of grasslands replanted 4. Size of reforested area 5. Forest area under sustainable management 6. Size of land recovered from desertification 7. Level of use of pesticides and non-organic fertilizer 8. Water availability per capita 9. Extent of integration of sustainable land and water management in development strategies

Goal 11	Improve Environmental Quality	(a) Lift Air, Ocean and River Quality 11a.1 Reduce CO2 and greenhouse gas emission per capita by 2-5% annually 11a.2 Improve ocean and river quality 11a.3 Effectively manage waste	1. CO2 omission per capita 2. Urban air pollution 3. Ambient levels of air pollutants 4. Fresh water quality in rivers
		(b) Boost Resilience to Climate Change and Disaster Risk Reduction and Management 11b.1 Undertake measures to reduce effect of climate change on natural resources and ecosystems 11b.2 Enhance disaster risk reduction and management capacity and climate adaptation initiatives 11b.3 Mobilize US$18billion by 2030 annually through the CDM to meet climate change adaptation needs and support rural development	1. % of population at risk of flooding 2. Crop losses due to extreme variability in weather 3. Changes in water level 4. Status of marine resources 5. Effectiveness of disaster risk management strategies
		(c) Rehabilitate Biodiversity and Health of Ecosystems 11c.1 Restore ecological value or integrity of depleted forests and natural parks 11c.2 Promote biodiversity conservation 11c.3 Raise ecosystem quantity 11c.4 Enhance ecosystem quality 11c.5 Integrate biodiversity and ecosystems conservation in educational curriculum at all levels	1. % of natural ecosystem area left 2. % of species left 3. Status of species and habitats 4. Proportion of species threatened with extinction 5. Proportion of species regenerated or restored 6. Level of awareness of biodiversity and ecosystem conservation
Goal 12	Promote Global Partnerships and Institutional Effectiveness	12.1 Improve public service effectiveness and efficiency by 50% by 2020 12.2 Cut IFFs by 50% by 2020; halt flows by 2030 12.3 Repatriate ill-gotten wealth in foreign banks by 2025 12.4 Reduce cost of international transfers by 50% by 2016 12.5 Limit cost of Diaspora remittances to a maximum of 1% by 2016 12.6 Promote transfer of technologies to African countries by 2025 12.7 Raise trade and market access to African products 12.8 Reinvigorate global partnership to shift collective action to development effectiveness	1. Quality of public services 2. Size of IFFs 3. Amount of ill-gotten wealth repatriated 4. Cost of international transfers 5. Cost of Diaspora remittance 6. New technologies transferred 7. State of market access for African exports 8. Effectiveness of global partnership 9. Representativeness, accountability and

			transparency of major international multilateral development and financial institutions

It remains contentious to rank one goal over the other, given differences in subregional priorities and non-comparability of the issues in sustainable development, there is however a consensus that the region must place *Eradication of Poverty, Extreme Hunger and Achievement of Food and Nutrition Security* as its top priority. Next is the dire need for *Good Governance, Peace and Security*. Thus, what is evident in the region's priorities is that sustainable social development constitutes the set of the most significant goals, followed by sustainable economic growth and then environmental sustainability. However, unlike the MDGs, the SDGs are strongly interlinked and do not have to be implemented sequentially to achieve the desired sustainable development results. Hence in the pursuit of SDG 1 – Eradication of Poverty, Extreme Hunger and Achievement of Food and Nutrition Security – interventions will be driven by green and inclusive economic growth that targets 7-10% GDP growth rate, availability of food that is produced from climate-smart agriculture, efficient and less energy-intensive manufacturing as well as access to environmentally friendly (renewable) energy, housing and transportation system, among others. The implication is that the inputs and processes by which each goal is achieved will therefore be the guide to ensuring that sustainable development requirements are met. It is this dimension that marks the difference with, or the shift from, the conventional approach under the MDGs, which did not systematically provide for these interlinkages.

The proposed SDGs are seminal. It is the expectation of this report that they will provide the necessary basis for consultation during the Africa Regional Consultative Meeting on the Sustainable Development Goals of 31 October to 5 November 2013. The goals to be adopted at the meeting could be subject to modifications on the basis of new information and developments after the meeting. The targets and indicators are also expected to undergo a continuous refinement process to complement the most suitable set of goals that will guide the region's development in the post-2015 period. The sustainable development indicator set for the Fifth Issue of the Sustainable Development Report on Africa (SDRA-V) could be useful in the refinement process. The indicator set, which embodies the economic, social, environmental and governance dimensions of sustainable development was developed through an iterative consultative process involving all relevant stakeholders which began in March 2011.

IV. STRATEGY AND MEANS OF IMPLEMENTATION OF PROPOSED SUSTAINABLE DEVELOPMENT GOALS, TARGETS AND INDICATORS

The means for the implementation of the sustainable development goals and targets put forward in this report consist of financial and technical resources required to achieve sustainable development results. These means of implementation consist of domestic and external financial resources, education and capacity development, regional integration, trade and market access, development and transfer of environmentally-sound technologies, good governance and effective institutions, South-South Cooperation and reform of international financial and development institutions, among others. These have been extensively reviewed by recent reports in the region. Two of such reports are the Africa Review Report on Progress towards Sustainable Development (UNECA 2012) and NEPAD Agency-UNECA Study on Domestic Resource Mobilization (2013). The proposals in this section draw heavily on these reports[13]. While developed countries will have to reaffirm their commitment to reach the United Nations target of 0.7% of GNP for ODA, the African region must take responsibility for its development and to this end considerably step up the mobilization of domestic financial resources to achieve the SDGs proposed in this report. The MDGs were oriented strongly towards development aid, the SDGs on the other hand should be driven largely by

[13] Africa Review Report on Progress toward Sustainable Development, UNECA 2012; Mobilizing Domestic Resources for the Implementation of NEPAD Programmes – Africa Looks Within, NEPAD Agency-UNECA 2013

domestic financial resources[14]. The evidence is strong that the African region has the financial resource potential to meet its development needs. What is required are appropriate instruments for its mobilization, effective partnership from the international community to enable the region to reap the full benefits of its natural resources, fair trade and real market access as well as good governance and effective institutions.

1. Finance for Sustainable Development – The Commitments

The region's governments have emphasized, on several occasions, their commitment to mobilize additional domestic resources as well as improve governance and make the investment climate more propitious in order to attract increased domestic and foreign investment. They recognize the importance of domestic savings, improvements in public revenue collection and the significance of private capital flows as sources for development financing. Developed countries, on the other hand, have committed to reaching the United Nations target of 0.7% of GNP for ODA, 0.15 to 0.20% of their gross national income (GNI) to Least Developed Countries (LDCs)[15] and to encourage the private sector, including transnational corporations, private foundations and civil society institutions, to provide financial and technical assistance to developing countries[16].

Development partners also have specific commitments with respect to debt relief and innovative financing mechanisms. The commitments on aid to developing countries were estimated in 2005 to amount to US$25 billion a year in 2004 prices and exchange rates by 2010[17]. Further commitments were made in 2009 to increase the resources provided by the international financial institutions (IFIs), in response to the global crisis. There has been no donor-wide commitment in development assistance to Africa beyond 2010, though some donors have continued to make individual commitments.

Developed countries also agreed on the need to reduce unsustainable debt burden through debt relief, debt cancellation and other innovative mechanisms geared to address the debt burden of developing countries, in particular the poorest and most heavily indebted ones[18]. Specifically, the G8 countries proposed to augment debt relief to countries that reach the completion point under the Heavily Indebted Poor Countries (HIPC) Initiative, leading to 100% cancellation of debt owed by them to the International Development Association (IDA), the African Development Fund (AfDF) and the International Monetary Fund (IMF)[19].

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[14] It must be mentioned that external development assistance has played a tremendous role in pushing the frontiers of the region's sustainable development efforts. In 2008, aid volumes reached their highest ever absolute levels: US$121.5 billion, though this was still some way away from the pledges made at the Gleneagles G8 and United Nations (UN) Millennium +5 summits, which targeted an increase in aid to US$130 billion by 2010 at constant 2004 prices. Annual aid to Africa is estimated to increase by US$12 billion in 2004 prices. Although a number of individual donors met their individual commitments to sub-Saharan Africa in 2010, this was well below the US$25 billion target announced at the Gleneagles Summit for Africa. It must however be appreciated that in spite of the global financial crisis, Africa received the highest proportion of official development assistance to developing regions in 2009. This is a demonstration of sustained commitment by the region's development partners to assist Africa in achieving the MDGs and sustainable development.

[15] The Brussels Programme of Action (POA) for the Least Developed Countries (LDCs) for the Decade 2001-2010, 20 May 2001 available at http://www.un.org/special-rep/ohrlls/ldc/Contributions/Report%20of%20the%20LDC%20III_E.pdf

[16] WSSD, Johannesburg Plan of Implementation , X. Means of implementation , §86.d, 2002

[17] Earth Institute, 2011

[18] WSSD, Johannesburg Plan of Implementation, §89, 2002

[19] The proposal is set out in the G8 Finance Ministers' Communiqué entitled "Conclusions on Development", issued on June 11, 2005.

At the United Nations Framework Convention on Climate Change (UNFCCC) Conference of Parties (COP) in Copenhagen in December 2009, developed countries committed to providing new and additional resources approaching US$30 billion over 2010–2012 to address the climate change financing needs of developing countries, and mobilizing jointly US$100 billion a year by 2020 from public and private sources, including alternative sources of finance[20]. To that end, it was agreed to establish the Green Climate Fund as an operating entity of the financial mechanism of the Convention to support projects, programmes, policies and other activities in developing countries related to mitigation including Reducing Emissions from Deforestation and Forest Degradation (REDD-plus), adaptation, capacity building as well as technology development and transfer.

2. Domestic Financial Resources

A recent study by NEPAD Agency and UNECA (2013) has demonstrated convincingly that the African region's resource potential is enormous and strongly confirms that the region has the means to finance a significant portion of its own development. Evidence to this effect consists of the following, among others:

- African countries raise more than US$520billion annually from domestic taxes as against US$59billion that the region receives in private foreign investment flows and $50billion on ODA. This is an indication that there is a huge potential in tax revenue, if tax administration could be improved.
- The size of Africa's pension funds' assets is growing at an impressive pace. For instance: South Africa saw assets grow from $166billion in 2007 to $277billion in 2011; Nigeria from US$3billion in 2008 to $14 billion in 2010; and Namibia's pension funds' assets are put at N$16.3billion (US$1.840billion). Kenya's pension funds account for wealth estimated at Kes397 billion (US$4.564billion).
- Africa earns more than US$168billion annually from minerals and mineral fuels and has more than $400billion in international reserves held by its Central and Reserve Banks. Africa's Diaspora remittances climbed to $40billion in 2012 and represented a significant portion of total global remittances of $351billion during the year. The World Bank estimated that in the next decade the amount remitted by Africa's Diaspora could grow to $200billion. Africa has the potential to raise between US$5billion and $10billion annually in the international capital market through securitization of remittances from its Diaspora communities.
- Stock Market Capitalization in Africa rose from $300billion in 1996 to US$1.2trillion in 2007. Some 39 African countries issue Treasury Bills and 27 offer Treasury Bonds. With more than 700 bonds worth $206billion issued by African countries as at December 2011, the emergence of respectable bonds markets is within reach. Banking revenues are estimated at about $60billion and there is high liquidity in the banking sector. No less than ten African countries today have established Sovereign Wealth Funds.
- Illicit financial flows from the region reached $854billion over the period between 1970 and 2008. If curtailed, such flows are financial resources that will be available for the implementation of national and regional development programmes and projects towards the SDGs and targets put forward in this report.
- The Private Equity Market in Africa is worth about $30billion. In 2011, private equity firms raised 1.5billion for transactions in the region.
- Banking revenues are estimated at $60billion across the region.

[20] UNFCCC 2009, Copenhagen Accord Decision 2/CP.15

All these, among others, are pointers to resources that could support sustainable development programmes and activities, if appropriate instruments are deployed. Given the resource potential of these sources of development finance and the encouraging performance of some of them thus far in contexts where they have been applied, this report is highly optimistic that within the next two decades, the African region could robustly respond to most of its sustainable development goals and targets, which today stand between the region and the advancement of most of its economies to middle income level – a significant SDG proposed in this report.

3. Potential Instruments for Mobilizing Domestic Financial Resources

Guided by the financial resource potentials listed above and following a careful review of various development finance options, this report re-states the following instruments for the mobilization of additional domestic financial resources in the region for the implementation of the SDGs and targets proposed:

(a) Creation of an African Infrastructure Development Fund
(b) Development of Africa's Credit Guarantee Facility
(c) Promotion of Africa-Owned Private Equity Funds
(d) Deepening of Africa's Bonds Markets (to promote especially Infrastructure and Diaspora Bonds)
(d) Securitization of Africa's Diaspora Remittances
(e) Establishment of Strategic Development Sovereign Wealth Funds
(e) Establishment of Regional Stock Exchanges
(f) Promotion of new models of Public-Private Partnerships

In general, countries in the region will need to adopt more proactive approaches in the mobilization of development finance, if the region is to make a big leap in the implementation of sustainable development commitments.

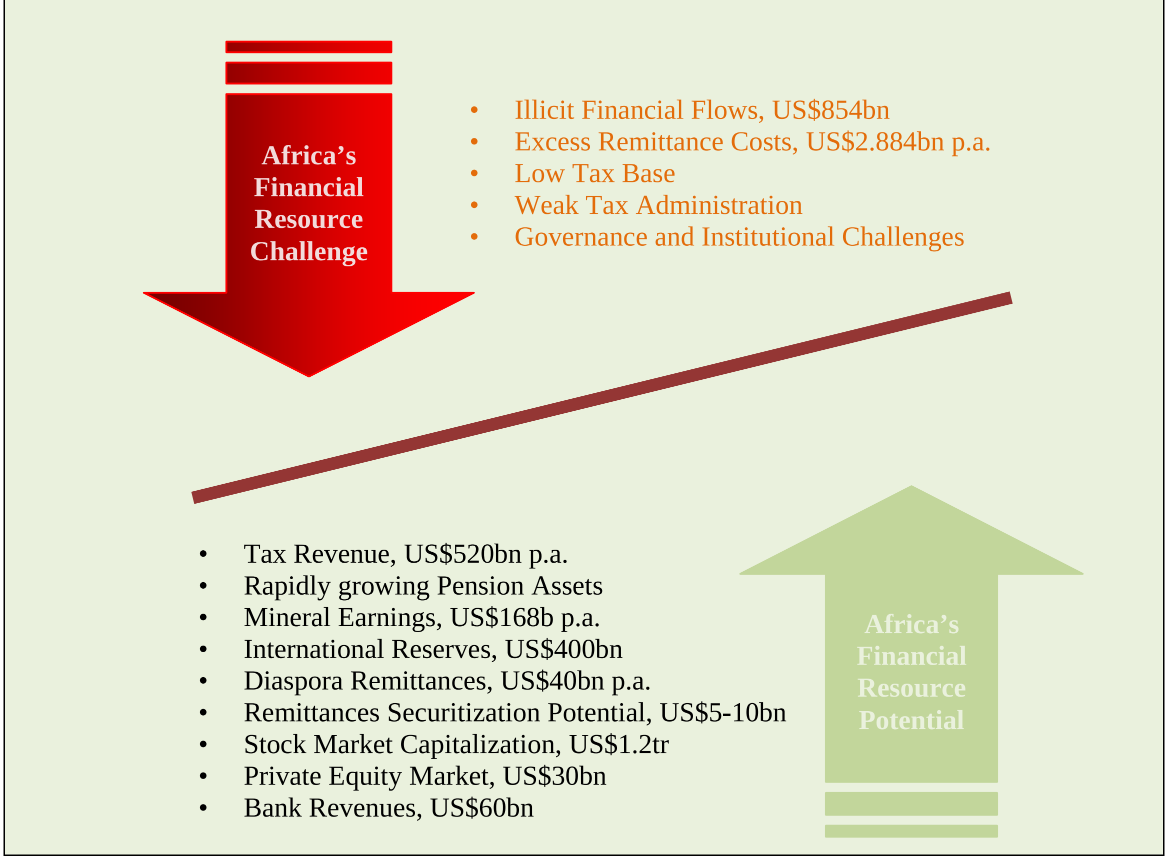
With respect to external sources of development finance, the African region will need to ensure that FDI flows are channelled to sectors and activities that can support the pursuit of sustainable national development strategies. Balanced flows should be encouraged but with greater concentration on sectors where FDI can provide value addition, promote green job creation, enhance development and transfer of environmentally-friendly technology and know-how, and protect the environment. Developed countries should support the region's efforts to mobilize domestic revenue by significantly intensifying efforts to tackle issues such as tax havens, transfer pricing and illicit financial flows. They should also enhance support in reducing the transaction costs of remittances.

Development partners need to deliver on ODA commitments in full and in a predictable manner to enable partner countries to plan effectively. They should honour existing commitments to increase global ODA over 2010–2015 and have plans for the post-2015 period. There is also a need to significantly accelerate efforts to improve aid effectiveness in order to reach the targets agreed in the Accra Agenda for Action and commitments made at the Busan 4th HLF in December 2011. Although it is the region which contributes least to the problem of climate change, Africa will be profoundly affected by the consequences. Therefore, Africa has a major stake in the international climate change negotiations. It is pertinent that developed countries deliver on the commitments made at Copenhagen and Cancun on climate finance and ensure that access to such finance is cost efficient.

Other means of implementation that need to be vigorously promoted are: Development Effectiveness, Capacity Development, Trade and Market Access, Regional Integration, South-South

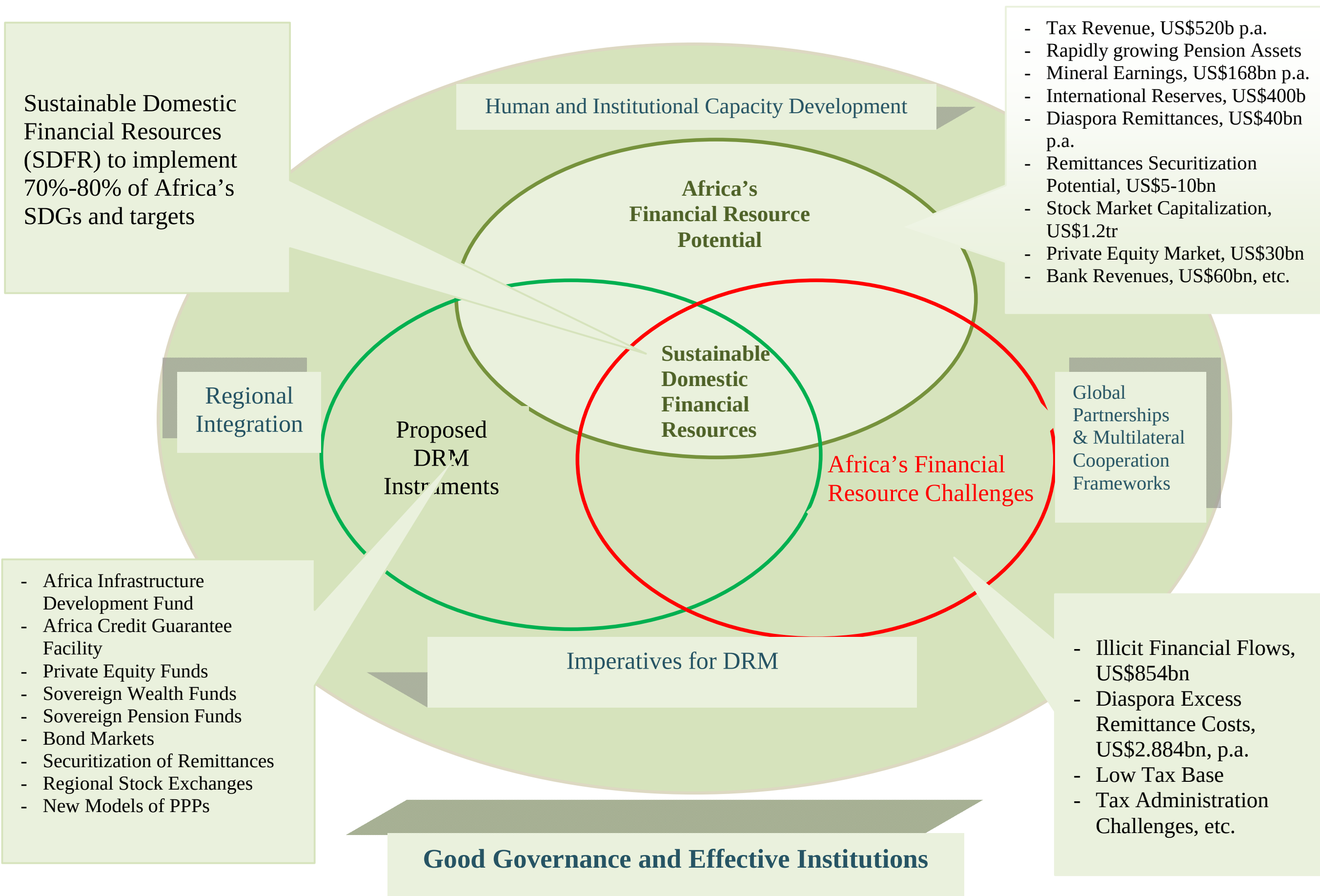
Cooperation, Governance, Policy and Institutional Reforms and Reform of Governance of Multilateral Institutions.

Box 1: Africa's Financial Resource Potential and Challenges



Source: NEPAD Agency-UNCA, DRM Report 2013

Fig.3 Mobilizing Domestic Financial Resources – Some Key Elements for the African Region



Source: NEPAD Agency-UNECA, 2013

V. MONITORING AND EVALUATING IMPLEMENTATION OF SUSTAIINABLE DEVELOPMENT GOALS, TARGETS AND INDICATORS

The monitoring and evaluation of implementation of the SDGs, targets and indicators put forward in this report should be undertaken at all levels – local, national, subregional, regional and global. Data will need to be systematically collected and analyzed to report regularly on performance. A common reporting framework for the indicators will be required to allow for comparability of performance across countries, subregions and regions. The AUC, ECA, AfDB, NEPAD Agency, UNDP and UNEP could lead regional level monitoring and evaluation, while the RECs could take responsibility for collating performance at the sub-regional level. The AU remains the apex institution in the monitoring of the implementation of the goals in the region. The APRM will need to incorporate the goals and indicators in its assessment framework. Technical thematic groups for each of the SDGs or related thematic areas should be set up at regional, subregional and country levels. At the global level, existing structures similar to the MDG Africa Working Group, which brings together regional and international institutions to monitor progress, should be maintained. This equally applies to structures within the UN system.

Central to monitoring and evaluation is capacity. Countries will need to invest in strengthening institutional capacity for systematic collection and collation of data on all indicators and to ensure these are updated at specified time interval.

VI. CONCLUSIONS AND RECOMMENDATIONS

This report has sought to examine priorities of the African region, review development performance with respect to economic growth, social development and environmental sustainability and present a proposal on sustainable development goals, targets and indicators for implementation over a period of three decades, 2015-2045. To this end, it assessed findings from the five subregions on sustainable development priorities, reviewed relevant documentation and proposed a set of 12 goals that sustainable development efforts will need to achieve in the region. To achieve these goals and targets, the report puts forward means of implementation, arrangements for monitoring and evaluation of the implementation of the goals and indicators and appropriate recommendations for the implementation of the proposals.

What follows are the main findings, conclusions and recommendations of the report.

1. Conclusions

Africa is on the path to sustained long-term growth. It is today the fastest growing region globally with six of its economies among the top ten fastest growing economies in the world. This growth needs to be sustained to provide a strong basis for transition to sustainable development and for the economies to be pulled into the medium income bracket.

A review of the region’s progress in sustainable development shows that significant results have been achieved and sustained progress is promising. On a balance, this report concurs fully with the Africa Review Report on Progress on Sustainable Development (UNECA 2012) that African countries have the potential to successfully advance within the next three decades (2015-2045) from conventional to sustainable development, given the encouraging economic growth performances. This will nonetheless require significant policy shifts as well as financial and technical resources to cushion the effect and avoid deterioration of poverty levels. Specific programmes and policy adjustments will need to be supported over a fairly long period of time.

On social development, the region has made progress in the pursuit of sustainable social development. Its social development framework consists of components, which include the AU Social Policy, protocols by RECs and countries’ specific national priorities. Despite progress, considerable challenges still exist which need to be addressed. This is particularly the case with poverty, inequality and extreme hunger, which remain a fundamental challenge for the post-2015 development framework, access to infrastructural services, youth unemployment and development and social security, among others.

As regards environmental sustainability, only little progress has been made in spite of the numerous agreements and protocols for the protection and management of the environment. This is a strong indication that the region is not yet on the path of balanced development. Economic growth and social development have been and are still at the expense of an overstretched carrying capacity of the environment.

National, regional and global institutions as well as development partners must work together to assist African countries achieve the SDGs and targets proposed in this report. Changes in production processes and consumption behaviour are fundamental to sustainable development. These must support a reduction in the use of scare environmental resources, promote technological innovations which support growing levels of efficiency, raise awareness, improve knowledge, and step up regional and international cooperation and partnerships. Interventions will have to call upon a robust mix of policy instruments, including market-based approaches, regulations and standards, measures to incentivize R&D, and information-based instruments to facilitate consumer choices. Correct pricing of pollution or the exploitation of a scarce resource through taxes, natural resource charges or tradable permit systems should be a key element of the policy mix, if clear market signals are to be provided. Yet, market-based instruments alone will not be enough to bring about a shift to sustainable consumption and production patterns. Regulations will be needed in cases where market failures result in weak responses to price signals or when a complete ban on certain activities is necessary. Other approaches, such as voluntary instruments and information-based measures including energy efficiency ratings and well-designed eco-labeling can play an important supporting role in raising consumer and producer awareness on the environmental impact of specific activities as well as on the availability of clean alternatives.

2. Recommendations

To contribute to the global SDGs, targets and indicators and provide a basis for post-2015 development framework in the African region, this report recommends the following:

(a) Proposed Sustainable Development Goals, Targets and Indicators

Guided by priorities identified through surveys and consultations at the national, sub-regional and regional levels, this report recommends the following 12 seminal goals for the African region:

- Goal 1: Eradicate Poverty and Extreme Hunger, and Achieve Food and Nutrition Security
- Goal 2: Vigorously Promote Good Governance, Peace and Security
- Goal 3: Provide Adequate, Qualitative, Affordable and Accessible Health Care to All
- Goal 4: Enhance Accessibility and Affordability of Quality Education to All
- Goal 5: Improve Availability and Accessibility of Clean Water and Sanitation to All
- Goal 6: Intensify Gender Equality, Women Empowerment and Youth Development
- Goal 7: Heighten Social Inclusion and Security for All
- Goal 8: Transform Conventional to Inclusive Green Growth and Promote Sustainable Consumption and Production
- Goal 9: Scale up Investments in Infrastructure Development and Efficient Services
- Goal 10: Advance Sustainable Exploitation, Use and Management of Natural Resources
- Goal 11: Improve Quality and Sustainability of the Environment
- Goal 12: Promote Global Partnerships and Institutional Effectiveness

(b) Leadership, Participation and Implementation Framework

- The process of implementing the SDGs, targets and indicators should be led at the highest level of political leadership at local, country, sub-regional and regional levels. Effective participation of all stakeholders - public, private sector, civil society, youth organizations, and women organizations – should be vigorously cultivated, encouraged and sustained. Participation should be integrated into the framework for social responsibility of the private sector.
- Countries should have well-defined national frameworks for the implementation of the goals and targets. This should guide policy, planning and institutional development and reforms. All indicators should have benchmarks starting from 2015.
- The APRM process should be reviewed to include measures for assessing the extent of sustainable development-compliance of policies and programmes in its National Plans of Action.
- Sustainable development is a paradigm shift in development frameworks. Its principles, dimensions, requirements and goals, among others, should become a part of the region's educational curricula at all levels so that future generations appreciate the need from an early start. Awareness should be shared and strongly promoted across all strata of the population and especially among the youths on whom future responsibility falls.
- The development of human and institutional capacity for the implementation of the goals and targets is of paramount importance. The adoption of the SDGs will require capacity building strategies and programmes to be fully oriented to sustainable development. Present approaches and priorities will have to change at local, national, sub-regional and regional levels. The AU-NEPAD Capacity Development Strategic Framework will need to be revisited to align it to the SDGs. So also are programmes by other institutions and development partners.
- Effective strategies to mobilize domestic and external financial resources will be required. Proposals put forward under the means of implementation to mobilizing domestic resources will need to be implemented.
- The SDGs have implications for the AU Agenda2063 for the African region, as the set targets will contribute to the achievement of the continent's development strategy, which has a much longer time horizon of 50 years. The SDGs like the MDGs are not a development strategy. Agenda2063 is a development strategy. The SDGs should therefore constitute some of the key goals and targets within the Agenda2063 development framework.

(c) Means of Implementation of Proposed Goals, Targets and Indicators

- To achieve the proposed SDGs and targets, the following means of implementation will be required:
    - Domestic and external financial resources, with a great deal of emphasis on the mobilization of domestic financial resources. The instruments for mobilizing additional domestic financial resources should include the following put forward by the 2013 NEPAD Agency-UNECA report on DRM:
        - Creation of an African Infrastructure Development Fund
        - Development of an African Credit Guarantee Facility
        - Promotion of Africa-owned private equity funds

        - Deepening of Africa's bond markets – to promote infrastructure and Diaspora bonds
        - Securitization of Diaspora remittances
        - Establishment of Sovereign Wealth Funds
        - Establishment of Regional Stock Exchanges
        - Promotion of new models of PPPs in the African regional context
    - External financial resources should draw on ODA, FDI, and Climate finance, among others.
    - Promotion of development effectiveness
    - Technology development and transfer
    - Capacity development
    - Improved trade and market access for African products
    - Regional integration
    - South-South Cooperation
    - Good governance and effective institutions
    - Reform of major multilateral development and finance institutions to give more voice to the region in their governance

- A number of African countries depend heavily on aid. This is however not the dominant source of finance for the region's development programmes. Indeed, it is an erroneous perception that the region's development is aid-driven. On the contrary, the largest source of finance is from domestic resources – savings and taxes. Tax revenues are rising, but more still needs to be done. Efforts need to be geared towards broadening and deepening the tax base and not increasing tax rates.

- Although the region raises more than US$520billion annually from domestic revenue sources as against US$59billion in private flows and US$50billion on ODA, its development budget is inadequate to meet the needs of sustainable development. . The development budget meets only a small portion of the financing requirements of development programmes. To this end, external financial resources will be required for the implementation of the SDGs and targets. Commitments to this end should therefore be followed through by the region's development partners.

- The region has the resource base to support the development and implementation of viable domestic financial instruments to mobilize a significant portion of its sustainable development needs. The potential to raise substantially more domestic financial resources to implement sustainable development programmes is huge. The AU should constitute a task force to fully implement the recommendations of the NEPAD Agency-UNECA 2013 proposal on domestic resource mobilization, including the AfDB Africa50Fund.

- The AU and UNGA should engage the rich countries in the OECD to step up efforts at disclosure standards and international partnerships should be more responsive to the challenge of illicit financial flows from the African region. Secrecy and practices of tax havens in rich countries should be decisively addressed for the region to achieve its sustainable development goals and targets. This should be a key commitment for enhanced global partnerships.

- Reforms in tax administration should be pursued to address the significant revenue leakage, which occurs as the result of illegitimate shifting of profits to jurisdictions where lower rates apply through transfer-pricing manipulation and resort to a host of sophisticated and advanced tax planning and avoidance measures especially by multinational companies. African countries should revisit the nature and duration of incentives granted to investors and related issues, which tend to weaken the tax administration system, create considerable cost and complications, and open loopholes for corruption to thrive. Equal treatment of taxpayers is central to boosting the credibility of revenue administration, simplifying tax systems, broadening the tax base and encouraging voluntary compliance by local and multinational taxpayers.

- Countries in the region which are underperforming in tax revenue collection and administration should invest more resources in building the capacity of their revenue agencies. Independent revenue agencies that are well-resourced, technically competent and with appropriate mandate remain a preferred option. They are working in some countries. The South African Revenue Service is a remarkable example with strong international reputation.

- The region should develop its capacity to draw effectively on development financing through Climate Change adaptation and mitigation mechanisms as an additional financial means for the implementation of the SDGs.

- Carbon finance mechanisms should be explored in greater depth to support implementation of the SDGs and targets and tackle climate change. Such finance could be generated from a number of sources, including taxation on greenhouse gas emissions, CO2 emission taxes on passenger cars, among others. Specifically, however, African countries should take greater advantage of external resources available in the Green Climate Fund (GCF), estimated at US$100 billion annually, and the existing Clean Development Mechanism (CDM). A specialist team could be constituted by the AU to make appropriate recommendations with respect to mechanisms that will work for the region.

- African Governments and other stakeholders should establish mechanisms and facilities that assist Africa‘s rural communities to effectively participate in international carbon markets through Agriculture, Forestry and Other Land Uses projects. This will scale up the region’s benefits from the Clean Development Mechanism (CDM).

(d) Governance, Institutional Effectiveness and Global Partnerships

- The strengthening of good governance in the region is yielding positive dividends. However, fault lines still exist in a few countries and these easily lead to unrest and political instability. The AU and the RECs should continue to implement protocols and measures to ensure the emergence of capable, transparent and accountable leaders and effective institutions in the region.

- There is a need to strengthen institutional frameworks that encourage greater levels of transparency and accountability in both the private and public sectors. At the regional level, an African Convention on Transparency should be established.

- As part of governance measures, the region needs to do more to track, report, stop and repatriate illicit financial flows. To this end, the AU and African governments should follow up vigorously all initiatives and measures through various international platforms and engagements, including the African Partnership Forum.

These include the G20 Multilateral Convention on Mutual Administrative Assistance in Tax Matters, Legally Binding Transparency Requirements on Mining and Oil Companies similar to the US Dodd-Frank Act, all-countries membership of the Global Forum on Transparency and Exchange of Information for Tax Purposes and the international Financial Action Task Force.

- The international community should do more to support the region's efforts to stem IFFs from African countries by stepping up effectiveness of global regulatory and institutional frameworks to combat IFFs. To this end, appropriate task forces at the level of the UN should be set up to facilitate the vigorous implementation of initiatives such as the United Nations Resolution 55/188 on the illegal transfer of assets and the Stolen Asset Recovery Initiative. These and other initiatives are not being effectively implemented because of lack of political will and inadequate cooperation from the developed countries.

- An African regional mechanism should be put in place to lead engagement on tax jurisdictions in the region and Africa's major trading partners on issues such as tax havens, transfer pricing and enhanced transparency particularly in the extractive industries sector. The mechanism should provide a regional front for a big push on major financial centres to take more decisive steps to address recovery of Africa's stolen assets.

- The 2009 pledge by the World Bank with the support of G8 Heads of State to reduce the average global cost of remittances from 10% to 5% by 2014 is yet to result in any appreciable reduction in the African context. Achievement of this pledge in Africa will enable the region to save more than US$2.884billion annually in Diaspora remittance costs towards implementation of the SDGs

- Initiatives to curb and eliminate IFFs from the region should be strongly encouraged. In particular, the recommendations of the High Level Panel on Illicit Financial Flows from Africa, chaired by President Thabo Mbeki should be implemented. This equally goes for the activities of the African Regional Anti-Corruption Programme (2011-2016) and the African Tax Administrative Forum (ATAF).

- Global partnership should help put in place appropriate mechanisms for mutual learning and technology transfer to the region. This is consistent with the Bali Strategic Plan for Technology Support and Capacity-Building.

- In line with the Copenhagen Accord and the Cancun Agreements on Sustainable Development financing, the international community should implement the Copenhagen Accord and the Cancun Agreements as soon as possible and establish the Green Climate Fund

- Efforts are required on the part of the countries in the region to enhance political stability, promote peace and security, strengthen public administration, raise confidence in the legal and regulatory frameworks, gain more ground in the war against corruption and invest more in capacity development.

(e) Political Commitment and Participation

- Effective political leadership is at the heart of the drive for sustainable development. The region needs renewed commitment by African leaders to sustainable development. The emergence of a new generation of leaders should be encouraged through credible electoral processes, which respond to the need for change, reforms and new perspectives in the pursuit of sustainable development.

- Countries in the region need to step up awareness of the issues in sustainable development and provide appropriate incentives to encourage participation by all national stakeholders. Leaders in all sectors of economy and society must take the lead in promoting sustainable development-compliant practices and ensure commitment by all stakeholders.

(f) Monitoring and Evaluation of Programmes and Performance

- Countries will need support in the development of the framework and tools for monitoring and evaluating performance in the implementation of the SDGs and targets. Regular reporting by countries to the appropriate regional body and the development of frameworks and tools enhanced to ensure a proper and regular review of the institutional requirements for effective implementation of sustainable development goals and targets.

- UNECA should collaborate with other regional institutions in the development and application of appropriate monitoring and evaluation frameworks for the goals, targets and indicators, the development of databases to facilitate performance tracking and the provision of technical support to countries on sustainable development strategy, policy and programmes.

- With assistance from African countries, regional and subregional organizations, as well as development partners, UNECA should establish a mechanism for systematically and regularly collating, processing and storing data and information on each of the goals and targets in the region. The aim is to provide ready access to data and information required by policymakers and development managers in monitoring progress in the implementation of the goals and targets as well as means of implementation.

- UNECA, AUC and AfDB should regularly convene consultative meetings and lead processes to monitor and evaluate progress in the implementation of the SDGs, targets and indicators by the region.

- UNECA, AUC and AfDB should create/ strengthen platforms for all-stakeholders' dialogue on sustainable development at all levels - regional, sub-regional and national - in order to share information, knowledge and lessons on progress in the implementation of the SDGs and targets, and to determine what works and what does not and why.

- UNECA, AUC and AfDB should ensure that annual progress reports on the implementation of the goals and targets are compiled using a participatory approach, with each country in the region reporting on its performance.

Based on the foregoing, this report expresses the view that the SDGs, targets and indicators put forward for the African region are in line with the region's sustainable development priorities as reflected in the persisting challenges facing the sub-regions and countries and are achievable within the proposed time frame. The time has come for the region, like the rest of the world, to transit from conventional to sustainable development. The SDGs and targets will guide this transition and the region is more than ever better placed to achieve sustainable development results. With adequate resources, strong and sustained political commitment, well-laid out strategies, enhanced awareness and effective participation of national, sub-regional and regional stakeholders and the international community, the set goals and targets will be achieved.

AFRICA REGIONAL REPORT ON SUSTAINABLE DEVELOPMENT GOALS

I

INTRODUCTION

1. An Overview

This report is a draft proposal on Africa Regional Sustainable Development Goals, Targets and Indicators. It is the result of a consultative process undertaken in the five sub-regions and among a number of institutions supporting development in the region. Although the report presents a regional perspective that is richly informed by survey, it remains a working document for further consultation and refinement. Thus, essentially, it is a seminal guide to the determination of the region's priorities and ordering of such priorities on sustainable development goals. This proposal, after a rigorous review and endorsement by African stakeholders, will form the region's input into the global SDGs, targets and indicators as well as the African Union Agenda2063 – a pan-African development strategy for the next fifty years.

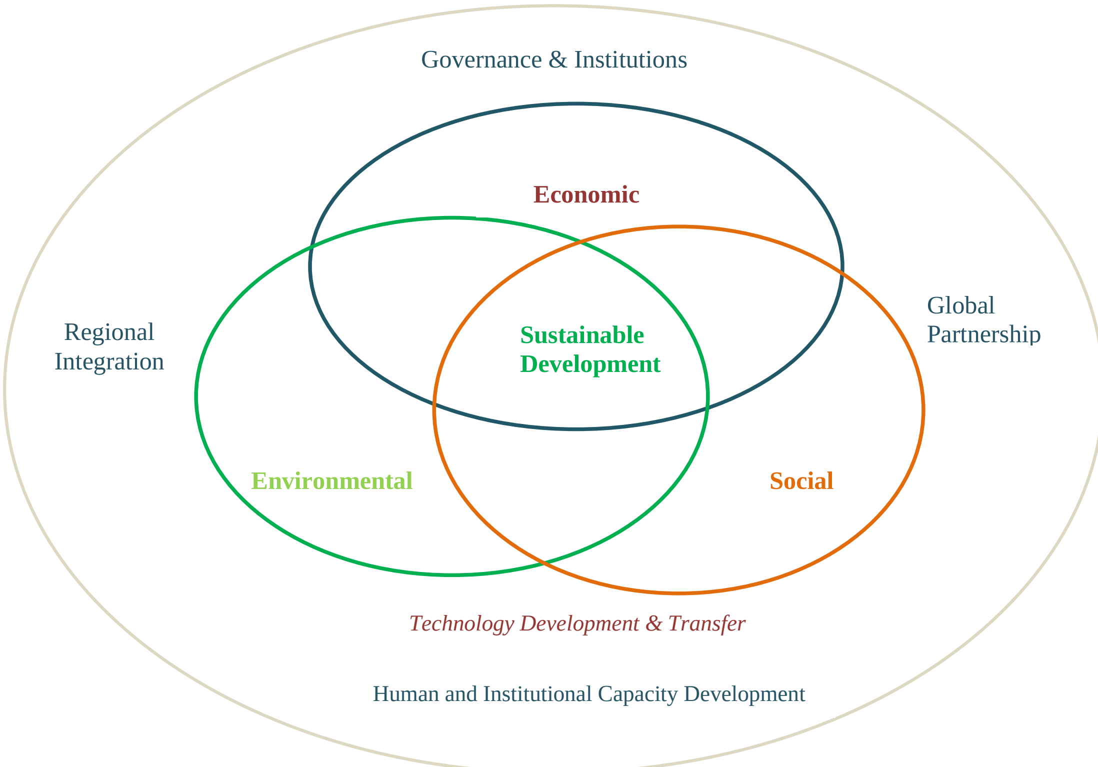
The need for Sustainable Development Goals has been the result of a global concern whose time has come. It has increasingly become evident that economic growth that does not effectively support social development and protect the environment is no longer sustainable. The 21st Century therefore defines a new pathway for growth and development globally. This pathway has been advocated for decades dating back to the early 1960s, when concerns pointed distressingly to the environmentally destructive and the socially negligent and non-inclusive nature of development[21]. These concerns led to the UN Conference on Environment and Development (UNCED) also known as the Earth Summit in June 1992 and the World Summit on Sustainable Development (WSSD) in August-September 2002. When the UN Conference on Sustainable Development (UNCSD) known as Rio+20 was held in June 2012, the challenge before the world became more sharply defined and focused – it has become inevitable that countries must have to follow a sustainable development path to create the tomorrow that we want and which is socially inclusive and equitable; protects

[21] *A fortiori*, the need for sustainable development as a framework for long-term transformation of economies and societies became more pronounced in June 1992 when the first Earth Summit was held - a landmark event at which the international community committed to addressing environment and development issues in a holistic and integrated manner for the achievement of sustainable development. However, the concern, which had long been expressed largely in terms of the destructive effect of economic growth on the environment, dates three decades back when in 1962 Rachel Carson published a controversial and instrumental publication titled "*Silent Spring*" which raised environmental awareness on a global scale, and June 1972 when the United Nations Conference on the Human Environment was held. By 1987 when the Brundtland Commission that was set up by the UN General Assembly to address growing concern "about the accelerating deterioration of the human environment and natural resources and the consequences of that deterioration for economic and social development" released its report, the key issues which provided the strands of the thoughts for the development of the concept and the definition of the components of sustainable development had begun to emerge very clearly. It has thus been a long journey in redirecting economic growth, social development and the use of environmental resources towards a common future that provides for oncoming generations. Much has been expended in determining what is wrong and how this should be corrected. It is now time to determine how to measure and monitor progress. And that is the challenge that the United Nations Conference on Sustainable Development that was held on 20-22 June 2012 has placed before the global community.

environmental resources; and follows sustainable production and consumption for future generations to meet their own growth and development needs. This is the essence of sustainable development.

Viewed from the prism of a development pyramid[22], the environment is the source of life and gives rise to economic activities. Economic activities in turn sustain social development. Without growth, there will be no social development. This is however not necessarily a linear relationship as the environment also directly influences social development. The relation among the three is complex and nonlinear. The challenge of sustainable development is to achieve a balance in interrelationships among the three pillars. Current economic growth therefore has to be environmentally-friendly and socially responsible.

Fig.1: PILLARS OF SUSTAINABLE DEVELOPMENT



For economic growth to be sustainable, efforts need to be directed to efficient and sustainable use of natural resources; environmentally-friendly agricultural practices; renewable energy development; less-carbon intensive production of goods and services, including efficient transportation, and less intensive consumption of resources, goods and services, among others. These promote efficient and resilient production systems, minimize resource depletion and degradation, as well as greenhouse gas emissions, thus leading to more resilient economies. Sustainable social development must focus on key elements, which consist of poverty eradication, reduction of inequalities, as well as enhancement of access to education, health, water and sanitation, and other socio-economic

[22] Sustainable development is viewed more from the perspective of inter-linkages among the three components – economic, social and environmental.

infrastructure and social services. Also vital is the vigorous pursuit of gender equality and women empowerment and promotion of youth development, among others. And environmental resources, which consist of natural resources, including biodiversity and ecosystems need to be developed and used sustainably. Successful implementation of sustainable development as a framework lies in the existence of good governance and strong institutions in the African region. For the region, governance and institutions, taken together as a component element, is fundamental to sustainable development. First, they provide the foundation on which economic growth, socially-responsible and environmentally-friendly development rests. Without an enabling governance environment and functional institutions, which provide constitutional, accountable, regulatory and legal frameworks for productive activities to thrive, there will be no basis for sustainable development. And a second reason for their centrality lies in the fact that African countries are at different stages in the good governance spectrum with different challenges. There is therefore a strong need for sustained mutual support at subregional level through the Regional Economic Communities and regionally through the African Union and NEPAD. Hence, good governance and effective institutions constitute the most important imperative for sustainable transformation in Africa.

**Box 1: GOVERNANCE AND INSTITUTIONS –
FUNDAMENTALS FOR SUSTAINABLE DEVELOPMENT**

Governance refers to state-society relations that are democratic, provide for respect for human rights and the rule of law. The relations are developmental and allow for the management of an economy in a way that promotes growth; structural change; and judicious, effective and efficient use of resources, including environmental resources, which is the focus of the environmental dimension of sustainable development. The relations must be socially inclusive, promoting participation by all segments and interests in society, including the youth who currently bear the brunt of a jobless growth in the region.

For these relations to work to promote development they need to be guided by institutions – organizations, systems, processes and procedures. Among these are constitutions, which provide the institutional framework and principles for electing leaders, ensuring transparency and accountability in the way they govern and protecting the rights of citizens. Violation of the provisions of the constitution is the beginning of a deterioration in state-society relations and thus of crisis. Within institutions are organizations, systems and processes such as electoral, legal and judicial systems and processes, human rights organizations, among others, which ensure that good governance prevails. Hence the legislature, judiciary, electoral system, media, human rights organizations are part of institutions, which ensure the emergence and sustenance of good governance. The strengthening of good governance in Africa is yielding positive dividends. Fault lines lead to unrest and political instability. Hence what the African region needs most are capable, transparent and accountable leaders and effective institutions.

Thus, with good governance, strong and effective institutions, availability of financial resources, the right policy mix, efficient use of resources, access to environmentally-friendly technology and innovations, human and institutional capacity development as well as strengthened and sustained international partnerships, the African region will transition effectively from conventional to sustainable development.

2. Background and Context

The United Nations Conference on Sustainable Development (Rio+20), which took place from 20 to 22 June 2012 in Rio de Janeiro, Brazil was a major land mark in the pursuit of sustainable development. In addition to its two themes, the conference deliberated on a number of thematic areas and cross-sectoral issues and highlighted key actions for implementation in order to achieve concrete results at global, regional and national levels. The conference adopted an outcome document[23] entitled "The future we want" which was endorsed by the United Nations General Assembly (UNGA) in its resolution A/RES/66/288.

The formulation of sustainable development goals (SDGs) is among the key commitments agreed upon at Rio+20. The compelling need for the SDGs is that they could be useful for pursuing focused and coherent action on sustainable development. The SDGs are intended to advance sustainable development and further integrate the three dimensions of sustainable development: economic, social and environmental. The aim is to guide and contribute to transformative change as stipulated in the Rio+20 outcome document, in support of rights-based, equitable and inclusive processes that enhance sustainability at global, regional, national and local levels[24]. Rio+20 emphasized among others that these goals should address and incorporate in a balanced way all three dimensions of sustainable development and their inter-linkages. The conference also recognized that the goals should be coherent with and integrated into the United Nations development agenda beyond 2015, thus contributing to the achievement of sustainable development and serving as a driver for the implementation and mainstreaming of sustainable development in the United Nations system as a whole.

In the development of the SDGs to be agreed by UNGA, Rio+20 called for an inclusive and transparent intergovernmental process that is open to all stakeholders. An open working group comprising 30 representatives nominated by Member States from the five United Nations regional groups, will propose the sustainable development goals for the consideration and appropriate action of the UNGA. It is expected that progress towards the achievement of the SDGs needs to be assessed by means of targets and indicators, while taking into account different national circumstances, capacities and levels of development.

As a prelude to the launch of this process, UNECA in collaboration with the African Union Commission (AUC), the African Development Bank (AfDB) and the United Nations Department of Economic and Social Affairs (UNDESA) organized the Africa Regional Implementation Meeting (Africa-RIM) that was held from 19 to 21 November 2012, to deliberate on the main outcomes of Rio+20 and their implications for Africa. This multi-stakeholder meeting brought together participants from the economic, social, environmental and governance dimensions of sustainable development and adopted the Africa RIM Outcome Document[25] for the post Rio+20 follow-up processes including the Twentieth Session of the UN Commission (CSD-20). It represents, among others, Africa's collective input into the CSD-20 and the UN General Assembly processes on Rio+20 follow-up, including the SDGs.

With respect to the SDGs, the Africa RIM reemphasized the principles[26] that these goals should be based on clearly defined priority areas that enjoy broad consensus across the region's diverse stakeholders. This makes an extensive regional consultative process in the identification of priorities pertinent to the case of Africa. Such process will enable the region, among others, to:

- Effectively speak with one strong voice to articulate and galvanize international support around SDGs that are well aligned with its sustainable development priorities.
- Lay a firm foundation for the ownership, championship, domestication and implementation of activities towards the achievement of the SDGs by regional and subregional organizations, the region's countries and major stakeholders' groups.

[23] See annex 2: The Future We Want
[24] UN Secretary General's initial input to the Open Working Group on SDGs
[25] See Annex 3, the Africa RIM outcome document
[26] See section IV of Annex 3 the Africa RIM Outcome document

- Mobilize, enhance understanding and strengthen capacity of regional and subregional organizations, countries and major groups in the development and subsequent implementation of programmes and activities towards the achievement of the set SDGs.
- Enhance linkages across national, subregional, regional and global priorities.

It is in this context that UNECA launched the process of preparing the Africa Regional Report on Sustainable Development Goals.

3. Purpose, Scope, Methodology and Framework of Analysis of Report

3.1 Purpose

The purpose of this report is to present a well-informed analytical Africa regional perspective on Sustainable Development Goals, Targets and Indicators. To this end, the report carried out the following, among others:

(i) Undertook a critical review and analysis of the priority sustainable development issues in the region.
(ii) Identified, analyzed and articulated main priority areas/themes in sustainable development in the region and undertook a relational or ranked ordering of these priorities based on inputs from the five sub-regions.
(iii) Proposed in a relational or ranked ordering a set of SDGs and associated targets and indicators for the region taking into account, as much as practicable, sub-regional and national specificities and development levels.
(iv) Provided well-informed, action-oriented recommendations and way forward in the operationalization/implementation of the proposed SDGs in the context of Africa.

3.2 Scope

In terms of scope, this report was prepared based on surveys conducted at the sub-regions drawing on responses to questionnaires administered at the national level. In the preparation of this report, the following activities were undertaken:

1. Conduct of a thorough review and analysis of the priority sustainable development issues, opportunities and challenges in Africa.
2. Identification, analysis and proposal of Africa's priority sustainable development areas/themes to inform the formulation of the SDGs.
3. Identification and proposal of SDGs under each of the priority sustainable development areas/themes taking into account Africa's sustainable development aspirations and unique specificities in the global context. The proposed goals cater for both the aspired sustainable development outcomes as well as enablers of such development, and are action-oriented and easy to evaluate and communicate. The SDGs are guided by the three dimensions of sustainable development- economic, social and environmental, as well as the governance and institutional dimension, which is considered overarching.
4. In light of (3) above, this report proposed realistic targets and indicators to be used in tracking progress towards the achievement of the proposed SDGs, taking into account subregional and national specificities, and development levels.

3.3 Methodology

This assignment was carried out through an extensive review of documentation, including reports from field surveys and consultations undertaken in the five subregions – East Africa, Central Africa, North Africa, Southern Africa and West Africa. Specifically, this involved:

- Extensive review to collect relevant data and information. In this connection, the report was guided by and took into consideration relevant information contained in the reports on SDGs in the five subregions, the Rio+20 Outcome Document, the Africa RIM Outcome Document for CSD-20, the CFSSD-8/Africa-RIM Report, the Africa Consensus Statement to Rio+20, the Africa Regional Review Report on Progress Towards Sustainable Development, the Review Reports on Progress Towards Sustainable Development in the five sub-regions of Africa, the Outcomes of Africa's consultations for the Post-2015 Development Agenda, the Johannesburg Plan of Implementation (JPOI) of the World Summit on Sustainable Development (WSSD), and Agenda 21. The report also drew on subregional development strategies, plans and programmes related to sustainable development.

- Consultation of institutions and agencies at regional and subregional levels to gather relevant and up-to-date data and information on sustainable development issues, opportunities and challenges and soliciting their inputs to proposals towards the identification of priority sustainable areas/themes and elaboration of goals, indicators and targets. To this end, the first set of 20 seminal SDGs, Targets and Indicators were shared with ECA review team for this report, AUC, NEPAD Agency, the 8-AU recognized RECs[27], AfDB, the African Legal Support Facility, among others, for preliminary feedback. Based on comments received, a total of 12 Sustainable Development Goals, Targets and Indicators were finally selected to guide sustainable development in the region over the period 2015-2045.

3.4 Framework of Analysis

In determining the SDGs, this report is based on a time horizon of three decades, 2015-2045. Detailed justifications for this time period are presented in Section IV. The ordering of priority goals was guided by a number of factors. Among these were outcomes of surveys conducted, documents reviewed, priority development challenges put forward by African stakeholders thus far, key elements of Africa's vision over the next 25-50 years as being currently articulated by the AUC through a planned long-term strategic vision for Africa's development (Agenda2063), the emerging African common position on the post-2015 development agenda, and technical requirements for balanced growth and development.

3.5 Structure of the Report

This report consists of seven sections. The first is the introductory section, which presents the background, purpose, scope of the report, methodology and analytical framework in its preparation. The second session briefly outlines the concept of sustainable development and its pillars, reviews the need for measures and progress, guiding framework and criteria as well as emerging themes and priority areas in the development of sustainable development goals, targets and indicators. In section three, the report analyzes progress in the African region from the economic, social and environmental perspectives. Under each component, the trend and major issues were briefly examined, progress in implementation and achievements assessed. Section four of the report presents the situational analysis of sustainable development challenges and priorities at the subregional and regional levels, justifies a time horizon of 2015-2045 and proposes 12 sustainable

[27] Feedback by CEO, NEPAD Agency and detailed response by the Secretary-General of UMA to the seminal 20 SDGs are very much appreciated. Review by Benoit Faivre-Dupaigre of NEPAD Agency was also very helpful.

development goals, targets and indicators for the region. In section five, the strategy and means of implementation of the proposed goals, targets and indicators are presented and discussed. Monitoring and evaluation of implementation of the sustainable development goals, targets and indicators is considered in section VI, while section VII presents the conclusions and recommendations.

II

ISSUES IN SUSTAINABLE DEVELOPMENT – CONCEPT, GOALS, TARGETS AND INDICATORS

1. Concept and Pillars of Sustainable Development

As a concept, sustainable development is already well-articulated. Knowledge, information and documentation about it are copious. The most widely-referenced definition of the concept is that advanced by the Bundtland Commission, which defined sustainable development as development, which "meets the needs of the present without compromising the ability of future generations to meet their own needs"[28]. Thus, sustainable development places challenges facing growth and development within the context of the absorptive or carrying capacity of natural ecosystems and recognizes the limits of such systems. It also places emphasis on intra and intergenerational equity.

It will be recalled that in the 1970s, the development concern was on economic sustainability, with ecologists pointing to the limits of growth. Since then, concerns have shifted to the steady state economy, which presents a state of balanced development that allows environmental issues to be addressed. Thus, the concept resulted from a gradual shift in development theories and their foci. In the 1950s and 1960s, development mainly focussed on economic growth and increases in outputs based on theories of production efficiencies. However, observations in the 1970s of the growing gap between the rich and the poor within and between regions resulted in the shift to addressing equity issues with emphasis on social development and income distribution as key elements. About the same time period, observations on the impact of economic growth on the environment brought into focus the importance of integrating environmental concerns in the development agenda. It is in this context that the seminal work by the World Commission on Environment and Development (WCED), later commonly known as the Brundtland Commission, can be argued to have contributed significantly to the recognition of the need to integrate the economic, social and environmental concerns in the development process. This recognition has grown over the years, culminating in the June 2012 United Nations Conference on Sustainable Development generally known as Rio+20, which led to the Outcome Document – The Future We Want. It is this conference that decisively placed before the international community the task of developing Sustainable Development Goals, Targets and Indicators to guide post-2015 global development. And this is the challenge before this report.

[28] In 1987, the United Nations released the Brundtland Report, which included what is now one of the most widely recognized definitions: "Sustainable development as development, which meets the needs of the present without compromising the ability of future generations to meet their own needs. The Brundtland Commission, formally the World Commission on Environment and Development (WCED), known by the name of its Chairperson, former Norwegian Prime Minister, Mrs. Gro Harlem Brundtland, was convened by the United Nations in 1983. The commission was created to address growing concern "about the accelerating deterioration of the human environment and natural resources and the consequences of that deterioration for economic and social development." In establishing the commission, the UN General Assembly recognized that environmental problems were global in nature and determined that it was in the common interest of all nations to establish policies for sustainable development.

The 1983 General Assembly passed Resolution 38/161 "Process of preparation of the Environmental Perspective to the Year 2000 and Beyond", which established the Commission.

In analyzing sustainable development, development practitioners focus their attention on three components also known as the pillars. These are economic growth, social development and environmental sustainability. On these, there is a consensus among the international community, development management institutions and development practitioners. While there is a general consensus on the three pillars of sustainable development, it is very much important to accentuate the role and importance of governance and institutions as a fundamental and an overarching imperative of sustainable development. Also of importance are interlinkages among the pillars and the means of implementation of sustainable development goals and targets. Gaps in the means of implementation are by and large a measure of the extent to which SDGs and targets can be met.

2. Sustainable Development – Principles and Vision[29]

Guided by the foregoing, it is evident that sustainable development is about the overall quality of economic, social and environmental development and their interactions underpinned by good governance and effective institutions. The past twenty years have been of deep concern for unsustainable development path that is being followed by nations. The costs and consequences of such development have been clearly articulated from UNCED in 1992, which gave rise to Agenda 21, through to WSSD that led to the Johannesburg Plan of Implementation (JPOI) in 2002 and most recently by the Rio+20 Summit in 2012 (Annex I). However, while this concern has been well expressed and backed by political commitments, sustainable development is still without commonly accepted measurement framework. The time has therefore come to define globally acceptable and comparable goals, targets and indicators, which provide appropriate framework for monitoring progress. Rio+20 gave rise to a consensus by countries to launch a process to develop a set of sustainable development goals that can be used to pursue focused and coherent action on balanced development among the three pillars.

It has become abundantly evident that countries must look beyond economic performance as a measure of progress. Measures of progress must meet specified criteria and must be even-handed between developed and developing countries, as well as within countries. The development of the indicators requires a two-stage process. First, generally acceptable sustainable development goals will need to be clearly defined, and second, measurable indicators that track progress in the achievement of these goals will need to be agreed.

The elaboration of sustainable development goals, targets and indicators is of considerable importance at this period in global development. The MDGs will come to an end in 2015. While globally, progress has been made to achieve these goals, Africa will be unable to achieve targets set for a number of them. The challenges they set out to address will therefore persist after 2015. It is in this connection that the principles that guide the development of SDGs have recognized the need for complementarity with, rather than replacement of, the MDGs.

The African region recognizes the importance of sustainable development goals and strongly desires to see their development, based on the MDGs, Agenda 21 and the JPOI in order to have an integrated and coherent development framework beyond 2015. Thus, it is the expectation that the SDGs will complement rather than substitute the MDGs and ensure that ongoing efforts, existing resources and focus are not diverted from the achievement of the MDGs. As noted by the Africa RIM, the linking of the SDGs to the MDGs and establishing goals that become part of the post-2015 development agenda would promote coherence in policymaking and synergistic implementation of internationally agreed goals. It would also minimize the pressure on the limited

[29] One major challenge in defining sustainable development goals, which this report attempts to address, is the development of goals that are universal in nature, yet reflect regional, subregional and national diversities in terms of their priorities.

institutional capacities of many African countries. The SDGs will be expected to encompass all dimensions of sustainable development, so as to ensure greater convergence among the issues captured by the Post-2015 development agenda. To this end, the African region is of the view that the development of the SDGs should be guided by the following principles:

- The Rio Principles, particularly the principle of Common but Differentiated Responsibility (CBDR) taking into account different national circumstances, capacities and priorities.
- The goals, targets and indicators should embody the three dimensions of sustainable development, as well as issues pertaining to good governance and effective institutions for sustainable development.
- The SDGs should be action-oriented and allow for tracking progress towards sustainable development over time. In this regard, they should have clear and measurable targets, which take into account different regional and national priorities, realities, capacities and levels of development.
- They should be universal in nature and flexible enough to cater for different national priorities. The SDGs must build on and complement the MDGs that must be maintained and be effectively implemented and supported.
- The SDGs must be accompanied by adequate means of implementation, particularly financing, technology transfer and capacity building. For each goal, there should be clearly defined means of implementation.
- The goals should promote equitable and inclusive human-centred development.

There is an emerging consensus with respect to the vision and priorities that should guide the development of the SDGs. The Rio+20 Outcome Document provides guides as to what the SDGs could seek to achieve. Foremost among these is poverty eradication – for which sustained, inclusive and equitable economic growth in developing countries is a necessary requirement (para. 106). In addition, reducing inequalities, promoting gender equality, ensuring equal access to quality education are examples of additional outcomes towards which the SDGs will need to contribute. The Rio+20 Outcome Document also indicated that the process of developing the SDGs needs to be coordinated and coherent with the processes of the post-2015 development agenda (para.249) in order to facilitate the emergence of one set of appropriate goals, targets and indicators for the post-2015 development agenda.

3. Need for Measures and Progress in Developing SDGs, Targets and Indicators

Sustainable development as a concept has existed for decades, but so far it has been difficult to systematically measure progress towards its achievement. The time has come for countries and the international community to put the concept into practice. This requires setting time-bound and measurable goals, targets and indicators. Current measures remain inadequate. Gross Domestic Product (GDP), the Human Development Index (HDI) and the set of Millennium Development Goals (MDGs) and related indicators predominantly present valuable measures of the economic and social dimensions of sustainable development. Efforts at indicators have also been undertaken by ECA[30] through its series on Sustainable Development Reports on Africa (SDRA), African Women's Reports, which measure gender inequality in the region based on the African Gender and Development Index (AGDI), the African Governance Reports, which assess and monitor progress towards good governance in Africa, and the Economic Report on Africa (ERA). Others include UNDESA's Trends in Sustainable Development; UNEP's Global Environmental Reports (GEO)[31], and the African Economic Outlook (AEO) annual reports. These will remain applicable to

[30] ECA in March 2011 produced a Compendium of Sustainable Development Indicators for Africa
[31] GEO was launched globally on 6 June 2012.

considerable extent. Also a number of initiatives have been undertaken to measure specific aspects of environmental change (the third dimension of sustainable development). In spite of these laudable efforts thus far, there is no comprehensive set of goals, targets and indicators to guide countries in the quest for the "*the future we want*".

In 1987, more than two and a half decades ago, the World Commission on Environment and Development had already proposed to develop new ways to assess progress towards sustainable development. Since then, this intention has continued to be expressed in subsequent international summits and agreements on sustainable development, including the first Rio Summit in 1992, the World Summit on Sustainable Development in 2002 and more decisively at the Rio+20 Summit. Over the years, efforts have put forward broad development goals as well as specific targets for the three components of sustainable development.

Prominent among these are the Millennium Development Goals (MDGs). They constitute the leading attempt to define specific development goals, indicators and targets for primarily social development especially for developing regions. Goal 7 provided some measures for environmental sustainability. A few other international environmental accords include targets, focusing on specific aspects such as climate change and biodiversity. In addition, UNEP and the Swiss government developed the Global Environment Goals initiative (UNEP 2010) and the fifth Global Environment Outlook (GEO-5) analyzes gaps in, and progress towards, meeting these goals while identifying policies that can speed up achieving them.

There are a number of impressive initiatives to measure the broader spectrum of sustainable development that include assessment of the environmental dimension. All these efforts have their strengths and weaknesses. In terms of aggregate, composite and country-wide indices on environmental trends and sustainable development, various efforts have led to indices such as Environmental Performance Index, the Environment Sustainability Index, and Ecological Footprint. Underlying methodologies on environmental accounting such as the System of Environmental-Economic Accounts (SEEA) by UNSD are also being developed and promoted, but implementation is limited and mainly confined to some developed countries due to complexity and data gaps. Generally speaking, the lack of a clear and simple measurable methodology like the HDI or MDGs, coupled with a lack of robust data at country levels, often hampers the development of credible, world-encompassing composite indices for the environment. Annex II presents an overview of selected composite indicators and their characteristics.

Thus, prior to this moment, there has been no coherent set of quantified goals, targets and indicators, which measure progress toward human well-being and environmental sustainability or sustainable development**.** For any goal or agreement to be effective, it is important to set out clear numerical targets and the mechanisms to monitor and review them using robust time series data sets. In addition to clear goals and targets, solid quantitative indicators showing trends over time are needed to track progress towards stated objectives. Indicators and composite indices illustrate and communicate complex data and trends in a simplified form and can help shape policy based on transparent information. While good indicator sets, or aggregated indices, exist on paper, data are often lacking to populate them, especially for developing countries and regions.

4. Sustainable Development Goals – Guiding Framework and Criteria

The Rio+20 Summit offered a new opportunity to address sustainable development issues. The Conference called for the development of an agreed set of Sustainable Development Goals and targets, including indicators to monitor progress. In the words of the UN Secretary-General Ban Ki-

Moon, “Let us develop a new generation of sustainable development goals to pick up where the MDGs leave off. Let us agree on the means to achieve them” (UN 2011a).

Also recently, the United Nations Secretary-General’s High-level Panel on Global Sustainability (UN 2012b) called for a sustainable development index or set of indicators to be developed and stipulated that the SDG framework should, among others:

- Be universal in character, covering challenges to all countries rather than just developing nations.
- Express a broadly agreed global strategy for sustainable development.
- Incorporate a range of key areas that were not fully covered in the MDGs, such as food security, water, energy, green jobs, decent work and social inclusion, sustainable consumption and production, sustainable cities, climate change, biodiversity and oceans, as well as disaster risk reduction and resilience.
- Be comprehensive, reflecting equally the economic, social and environmental dimensions of sustainable development and the interconnections between them.
- Incorporate near-term benchmarks, while being long-term in scope, looking ahead to a deadline of perhaps 2030.
- Engage all stakeholders in implementing and mobilizing resources, including local communities, civil society, the private sector and Governments.
- Include progress metrics alongside absolute targets, to focus policy attention as a means of driving development outcomes and to reflect various development priorities and conditions across countries and regions.
- Provide scope to review these goals in view of evolving new knowledge and evidence.

There are therefore clear guidelines and criteria that the SDGs framework, goals, targets and indicators will need to satisfy in order to meet sustainable development concerns. Just as the pathway has become clearer, a number of common themes and priority areas have also begun to emerge. What follows are the emerging SDGs themes and priorities, especially for the African region following consultations and review of relevant documentation as earlier mentioned.

5. Sustainable Development Goals - Emerging Themes and Priority Areas

5.1 Global Level

At the global level, broadly, there is progress by regions and countries in the effort to define priority areas on which SDGs will focus. An analysis of responses thus far reveals that the overarching priority areas of poverty eradication and sustainable management of natural resources are high on the list. Sustainable management of natural resources includes enhanced capacity of natural ecosystems to support human welfare, ecosystem conservation and restoration, sustainable ecosystem management, and reduction of ecosystem pollution.

Other emerging priority areas include ensuring equal opportunity in accessing basic needs such as energy, water, food, education and health services, as well as improving the quality of these services. Also high on the priority list are sustainable agriculture, food security, nutrition, water management, combating of desertification and land degradation, sustainable energy and energy security. Yet, others point to a fair and stable global trading system; adequate financing for development; affordable access to technology and knowledge; and good governance practices based on rule of law, among others.

5.2 Africa Regional Level

In terms of priority areas for the SDGs, the African region considers eradication of poverty as its greatest challenge today and it remains an indispensable requirement for sustainable development. The emerging perspective from the region, based on subregional priorities, is that the SDGs will need to address the following key areas:

- Poverty eradication and wealth creation.
- Combating hunger and ensuring food security and nutrition.
- Access to safe water supply and adequate sanitation facilities.
- Access to quality education and health services.
- Promotion of gender equality and empowerment of women.
- Enhancement of equitable and universal access to social services and social protection.
- Promotion of sustainable and inclusive economic growth.
- Reduction of vulnerability and strengthening of resilience to the impacts of climate change.
- Creation of decent employment opportunities.
- Enhancement of infrastructure development.
- Improvement of access to affordable and sustainable energy.
- Arresting of land degradation, desertification, drought and deforestation.
- Promotion of sustainable water resource management.
- Ensuring access to, and transfer of environmentally sound, technologies for climate change adaptation and mitigation.
- Fostering peace and security.

Prior to these surveys, a number of development outcomes had been put forward through extensive consultative processes on the Post-2015 development agenda for the African region to ensure an exhaustive list of potential indicators. These are summarized in Box 2.

Box 2: AFRICA: EMERGING PRIORITIES FOR POST-2015 DEVELOPMENT AGENDA

Ongoing consultations in the region on post-2015 development agenda have placed priority on three key areas of development outcomes: structural economic transformation and inclusive growth; innovation and technology transfer; and human development. The expected outcomes for each of these are as follows:

I. Structural Economic Transformation and Inclusive Growth
- Employment creation and decent work particularly for the youth
- Rural development, agricultural transformation and promotion of rural-urban linkages
- Domestic and external resource mobilization
- Inclusive green growth initiatives
- Fair trade, expanded intra-regional trade and investment as well as South-South Cooperation
- Increased investments in infrastructure
- Industrialization and value addition

II. Capacity development and technological access and innovation
- Quality education:
- Effective technology transfer
- Investment in research and development

III. Human development
- Gender parity: women and youth empowerment
- Access to social protection for vulnerable groups
- Health for all, with special focus on women and child health
- Empowerment of the elderly and disabled
- Disaster risk reduction and management capacity and climate adaptation initiatives
- Adequate shelter and access to water, sanitation and hygiene

IV. Development Enablers
- Peace and security
- Good governance, transparency and minimization of corruption
- Human and institutional capacity
- Equality and access to justice and information
- Human rights
- Domestic resource mobilization
- Credible participatory process
- Statistical capacity to measure progress and ensure accountability
- Growth oriented macro-economic policy
- Existence of a developmental state
- Access to means of implementation and monitoring

III

AFRICAN REGION – AN OVERVIEW OF PROGRESS IN SUSTAINABLE DEVELOPMENT

III.1a Africa's Economic Growth Performance

As pointed out in the Report on Progress towards Sustainable Development in Africa[32], for a country to progress from conventional to sustainable development, it is imperative for it to be on the path of inclusive, participatory and quality economic growth. Growth is a pre-requisite as it creates the wealth from which sustainable development commitments and targets can be met. Poverty levels and inequalities in incomes must fall progressively and socio-economic infrastructure, which encourages and supports investments as well as efficient social services, must be available to create the condition for sustainable development. Without these fundamentals, it would be difficult for most countries in the region to advance from conventional to sustainable development.

Present statistics puts no less than six African countries among the world's fastest growing ten economies over the decade, 2001 and 2011 (Angola, 11.1per cent; Nigeria, 8.9per cent; Ethiopia, 8.4per cent; Chad, 7.9per cent; Mozambique, 7.9per cent; and Rwanda, 7.6per cent). Forecasts by the IMF indicate that seven Africa countries are likely to occupy the top ten places over the next half decade, 2011-2015 (Ethiopia, 8.1per cent; Mozambique, 7.7per cent; Tanzania, 7.2per cent; Republic of Congo, 7.0per cent; Ghana, 7.0per cent; Zambia, 6.9per cent; and Nigeria, 6.8per cent). It has been observed that over the past decade, the unweighted average growth rate was about the same for Africa and Asia. Given the current prospects, there is a strong likelihood that Africa will surpass Asia in growth in the next decade. Present statistics also demonstrate that the region´s economies rebounded from the slump, which resulted from recent global recession[33] and growth prospects are very promising[34]. The rebound of African economies has been driven largely by prudent economic policies prior to the crisis, sustained development assistance, earlier debt relief and financial resources advanced by the International Monetary Fund (IMF) and the AfDB. Other measures have included the adoption of new and expanded social protection programmes; better policy coordination; and the incorporation of the MDGs and performance indicators into African countries' development strategies. Some of the key components of economic sustainability in which progress has been made are in sustainable agricultural development, sustainable consumption and production, sustainable tourism development, sustainable industrial development, sustainable energy development, sustainable land management, and sustainable mineral resources development.

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[32] ECA, Progress towards Sustainable Development in Africa, May 2012

[33] An uneven recovery across the region: Southern Africa, which was hardest hit in 2009, is recovering more slowly than other regions with an average growth of almost 4% in 2010/2011. East Africa, which best weathered the global crisis, is projected to again achieve the highest growth with more than 6% on average in 2010/2011. North and West Africa are expected to begin to grow at around 5% and Central Africa at 4% during the same period.

[34] The recent global financial and economic crisis brought to a halt a period of relatively high economic growth in Africa. Though on a strong rebound, African economies have suffered an impact, which could make it more difficult for some of the countries to meet the Millennium Development Goal of halving the number of people living in poverty by 2015. This is due to the fact that while, overall there is resilience in weathering the crisis, recovery has been uneven across the region. Also, an uneven recovery is expected across sectors. In 2009, Africa's export volumes declined by 2.5% and import volumes by about 8%. Sectors such as mining and manufacturing were particularly exposed to the fall of commodity prices and global trade in goods and services (AEO, 2010).

Despite the promising development, a number of countries in the region are still faced with structural problems to growth, which need to be addressed. In 2010, Africa´s average growth rate rose to 4.9per cent, from 3.1per cent in 2009. The political developments in North Africa had a depressing effect on the continent's growth leading to a fall to 3.7per cent in 2011. Growth however accelerated to an average of 5.8per cent in 2012. Nonetheless, despite the rebound in growth, generally the region still faces enormous development challenges.

On a balance, however, African countries have the potential to successfully advance within the next three decades (2015-2045) from conventional to sustainable development, given the encouraging economic growth performances. This will nonetheless require significant policy shifts as well as financial and technical resources to cushion the effect and avoid deterioration of poverty levels. Specific programmes and policy adjustments will need to be supported over a fairly long period of time.

III.1b Other Components of Sustainable Economic Development

Some of the other key components of economic sustainability in which progress has been made by the region are: sustainable agricultural development, sustainable consumption and production, sustainable tourism development, sustainable industrial development, sustainable energy development, sustainable land management, and sustainable mineral resources development.

The development of sustainable agriculture has been driven by a number of initiatives including the Comprehensive Africa Agricultural Development Programme (CAADP) that was endorsed by AU in July 2003. CAADP is an impetus that the region needs to generate the desired momentum in the agricultural sector. Sustainable tourism development has been guided by, among others, the NEPAD Tourism Action Plan, inclusion by countries of tourism in national development strategies and adoption of the global code of ethics for tourism. Sustainable industrial development is being pursued in the context of the Africa Productive Capacity Initiative (the NEPAD sustainable industrial development strategy), the African Productive Capacity Facility, a number of initiatives to promote cleaner production and the gradual emergence of Cleaner Production Centres that are being led by Egypt, Ethiopia, Kenya, Morocco, Mozambique, South Africa, Tanzania, Tunisia, Uganda, and Zimbabwe. Efforts at sustainable industrial development are also benefiting from improvement in metrology, standards, testing and quality institutions, which provide complementary support to the introduction of standards by allowing for proper control of product, health and environmental quality, and by providing the means for certification against the standards. These institutions also promote best practices and encourage the development of new products through Research and Development (R&D).

The Africa region has also made progress towards diversifying energy development into sustainable and environmentally friendly sources in order to improve access, affordability, economic viability, social acceptability and environmental soundness of energy services and resources. Reforms are being pursued to remove market distortions; establish domestic programmes for energy efficiency and accelerate the development and dissemination of energy efficiency and energy conservation technologies. It is in support of infrastructure development that on 24 July 2010, the AU, NEPAD and the AfDB launched a reinvigorated Programme for Infrastructure Development in Africa (PIDA). PIDA provides a vision, a strategic framework and a programme that would be implemented up to 2040. The programme's activities focus on developing transportation, energy, information and communication technologies, as well as trans-boundary water basins. Infrastructure and regional integration were key priorities of the AfDB's 2008-2012 medium term strategy. The infrastructure sector alone accounted for more than half of AfDB operations, which exceeded US$6 billion in 2009. The AfDB infrastructure project preparation facility has provided funding for the preparation of several regional projects.

Other programmes that are supporting the region's efforts toward sustainable energy development include the World Bank AFREA programme for the development of renewable energy in sub-Saharan Africa, regional power pools, reforms and awareness campaigns on efficient use of energy, which are showing results in Ethiopia, Tanzania and South Africa. Nigeria in 2012 launched an extensive reform of its electricity sub-sector that would provide for massive privatization of investments. Other initiatives include T*he Africa Electrification Initiative (AEI)* - A 3-year AFREA and German Technical Cooperation (GTZ)-supported program that was launched in 2009; *The Biomass Energy Initiative for Africa (BEIA) and Lighting Africa that became effective* in 2007. Other actions included responses by the International Atomic Energy Agency (IAEA), which focuses on promoting sustainable use of natural resources and increasing access to affordable energy; the UN-Habitat *Energy Scale Up Initiative;* the UNDP/ Institut de l'énergie et de l'environnement de la Francophonie programme for capacity building and investment in mini/micro hydro power being implemented in partnership with UNECA, UNIDO and UNEP in 11 African countries; the UNIDO energy productive use programme; the UNEP African rural energy development project; and regional rural electrification strategies developed in different forms by various RECs, such as EAC, ECOWAS and SADC.

There is a need to build capacity that is responsive to and inclusive of social and environmental factors in investment decisions related to energy projects. Institutional capacity is required for energy planning, analysis and modeling, using specific national and regional data to inform decision-making and policy development. Governments will need to intensify efforts to decentralize the decision-making process for energy investments and projects, and promote more participation by local governments, regional, communal, and community-based organizations. More actions need to be undertaken in the area of interregional cooperation. Frameworks and incentives need to be encouraged, developed and strengthened to promote regional integration of energy projects, programmes and systems. With the support of the international community, RECs could promote sub-regional and regional energy trade as a catalyst for development in the region, in order to improve the share of renewable energy in Africa's energy mix. The region's governments should promote energy diversification, and remove barriers for a fairer competition of all energy resources. International development partners, including the UN system, should improve their financial and technical support in order to enhance implementation of NEPAD energy initiative.

Also under the context of economic sustainability, sustainable land management has encouraged countries in the region to adopt innovative land management, especially in the area of land rights, implementation of important regional initiative like the Pan African Framework on Land Policy for Securing Rights, Enhancing Productivity and Improving Livelihoods. With the support of UN-HABITAT, benchmarks and indicators of land policy and land reforms are being developed through this initiative to allow for monitoring and evaluation of policy development and implementation processes and their outcomes. Several countries in the region are benefiting from the AUC/ECA/AfDB Land Policy Initiative, the Global Land Tool Network (GLTN), a UN-HABITAT and its partners' initiative that seeks to document best land management practices and tools in the region. Sustainable mineral resources development has seen efforts and progress being made by the region's countries to reform legislations in the mining industry. These reforms are geared towards raising investments, ensuring equity in access to mining rights and resources, empowering of disadvantaged communities and groups and ensuring access to the benefits by a growing percentage of the population. Mining companies are investing in exploration activities and the exploration budget is growing. Following entry of China and India into the region's mining sector there has been a leap in the exploration budget. The outlook in outputs of the various minerals was very promising based on projections over the period, 2005-2011.

III.2 Sustainable Social Development

The need for sustainable social development dominates Africa's priorities in the determination of its SDGs over the next three decades. On social development, the African region has made progress in the pursuit of social sustainability. Its social development framework consists of components, which include the AU Social Policy, protocols by RECs and countries' specific national priorities. The key elements in the analysis of sustainable social development consist of extent of social sector development, poverty eradication, and level of inequality, access to infrastructural services, among others. The region has recorded a number of success stories in the achievement of the MDGs and is on track. A number of countries have made good progress, but overall progress however is somewhat inadequate. Nonetheless, the evidence is strong and encouraging that with the right policy mix, efficient use of resources, improved governance, effective national institutions and enhanced and sustained international support, the region will achieve many of the MDGs and will be able to progress to the implementation of the SDGs and targets proposed in this report. Some of the key indicators of social development include the following:

(a) **Poverty and Inequality:** Poverty remains the fundamental challenge in Africa's development. The African region is still deeply characterised by poverty and inequalities**.** While there is respectable economic growth, this has come with an increase in inequality. The UNDP's new inequality-adjusted Human Development Index shows that the human development ratings of African countries are substantially lower, if adjusted for inequality in wealth distribution. The adjustment, for instance, reduces ratings for countries such as Central African Republic, Mozambique and Namibia by as much as 40per cent. Social protection frameworks are also still weak and ineffective. Recent global financial crises have provided a good test of vulnerability of some segments of the region's populations against unexpected shocks. While efforts are being made to implement the AU Social Policy Framework, a number of countries still lack mechanisms for social protection, as basic social security is still outside the reach of many. Less than 5per cent of the working age is covered by contributory pension schemes, unemployment benefits and other social safety nets. The poor are therefore still exposed to disproportionately higher effects of economic contractions and rise in prices. Worse still, and to the detriment of millions of the region's people, the strong economic growth that has occurred has been largely jobless and without visible poverty-eradication benefits. There are various projections of the region's growth prospects and their implications for the poverty eradication goal. While there is a general optimism, the region must have to grow at a minimum level to successfully eradicate poverty. This report targets a growth rate of 7-10per cent. The need for acceleration of progress is also underscored by IFAD 2011 Rural Poverty Report, which points to the fact that sub-Saharan Africa is still home to a third of the world's poor, a number that has risen from 268million to more than 300 million over the past decade. UNDP Multi-dimensional Poverty Index puts the number of poor in the region as high as 458million. Poverty has become both a rural and urban phenomenon.

(b) **Education:** Access to qualitative education is a highly ranked priority in Africa. Progress in achieving universal primary education has been the remarkable success story in Africa's MDG performance. The majority of countries in the region are on track to achieving the goal by 2015. Outstanding and notable progress was recorded by Burundi, Ethiopia, Ghana, Kenya, Mozambique and Tanzania through measures which included abolition of school fees, growth in public investments, and enhanced donor support especially the World Bank's Education for All Fast Track Initiative. The region however needs to make progress in areas, which include quality of education, completion rates, enrolment in secondary and tertiary education, reform in educational system and curricular, teaching capacity and infrastructure. Targets in these areas yawn for achievement in light of the fact that more than 30 million children in the region, most of them girls, are still out of school and the number of new teachers needed by 2015 equals the present teaching capacity of the region. At tertiary education level, with enrolment rate of merely 6per cent, low female participation and more than 40per cent of vacant faculty positions, the region faces an even greater challenge in expanding tertiary education required for sustained growth and development. Much still requires to be done to derive benefits from investments in higher education, improve strategic planning and reform educational curricular. Also requiring attention is greater relevance of acquired skills to market needs, as this is of vital importance for employment generation and the reduction of youth unemployment, which is fasting becoming a threat to social stability.

(c) **Gender Equality and Women Empowerment:** Gender equality and women empowerment remains a strong priority if Africa is to reduce poverty and achieve sustainable development. The international and regional frameworks for gender equality commitment include the Convention on the Elimination of all forms of Violence Against Women (CEDAW), the MDGs, the AU gender strategy and strategies adopted by RECs. Thus far, there has been measurable progress in the implementation of these commitments. The gender equality and women empowerment dimension of social sustainability saw the Protocol [to the African Charter on Human and Peoples' Rights] on the Rights of Women in Africa expanded to include definition in the Declaration on the Elimination of Violence against Women by including within its ambit economic violence or harm; more than half of African countries ratifying the Protocol; and the AU in October 2010 launching the African Women's Decade. There continues to be steady, albeit inadequate progress on the pathway towards universal primary education, the empowerment of women and gender parity in educational enrolment; significant and encouraging improvements in the proportion of seats held by women in national parliaments and ministerial appointments, but with visibly low rate of participation by women in the executive, the judiciary, traditional and other public spheres a well as key private sector organizations across the region.

Progress is being made in efforts to implement gender equality commitments through strengthening social policy and enacting laws to promote women's socio economic rights. Though a few countries, however, still maintain reservations on the CEDAW and periodic reporting to the UN Committee on CEDAW and some not reporting at all since 1992; 18 out of some 28 countries practicing female genital mutilation have outlawed it; about 6 countries have developed National Action Plans on women, peace and security; development partners continue to strengthen their support in the socio-economic sectors, aimed at addressing vulnerable groups and promoting gender equality.

There is continuing upward trend in political participation of the region's women who now hold more than 18per cent of parliamentary positions. It is worth noting that women's representation in national and regional parliaments in Africa is now higher than in most other developing regions. Most countries are on track to achieving gender parity in primary education by 2015. A growing number, which includes Benin, Burkina Faso and Senegal, have mainstreamed gender concerns into their national development plans and poverty reduction strategies. Over the last five years, Lesotho has achieved the greatest overall improvement by any nation measured by the World Economic Forum's Global Gender Gap Index.

In spite of these improvements, challenges and constraints still abound. There is paucity of gender-disaggregated data, gender budgeting is still not adequately encouraged, there are significant gender gaps in health, employment and wages, and cultural barriers still block effective utilization of women's talents. Labour-market conditions restrict access to employment and social-cultural barriers are still major impediments to the participation of a vast majority of women who face income and job insecurity. In the region, women constitute a majority of the agricultural workforce producing about 80per cent of the region's food, yet they own less than 1per cent of the land on which they work. They are often the first along with their children to suffer the effects of economic downturn, droughts, famines and violent conflicts.

The mechanisms for the integration of gender equality and women's empowerment still remain weak at all levels–lacking adequate capacity, authority and funding. Line ministries have not reached gender equality targets due to low levels of resource allocations. Gender concerns continue to be treated rhetorically or as separate women's projects. Sex-disaggregated data and information from gender-sensitive indicators are often not collected, lost in aggregation of published data, or simply not used.

The region needs to support women's press and communication initiatives. Women should also be allowed to play a prominent role in formulating and implementing sustainable development policies. Culturally sensitive programmes must be initiated that entrust men and boys with responsibilities to promote gender equality and girl/women empowerment. The need to generate quality gender disaggregated data in order to effectively monitor progress in achieving gender equality is equally essential. Development partners should ensure that adequate finances directed to support African partners translate gender equality commitments into concrete policies, actions and programmes.

There is a need to adjust human development ratings for gender equality in order to encourage countries in the region to do more to show results. Achieving the goal of gender equality and women empowerment is not the crucial aim of gender equality commitments. The benefit is more in drawing on the vast skills, knowledge and energy of women, which are currently grossly underutilized, to promote growth and development.

(d) **Health:** Sub-regional consultations ranked very highly universal access to health care as a major priority. The evidence however is very encouraging that the race to reduce infant and maternal mortality by 2015 is being won in the region, albeit with a great deal of struggle to scale obstacles. The results have been astounding: distribution of insecticide-treated mosquito nets has protected more than 578million people who are at the risk of contracting malaria in sub-Saharan Africa; 11 countries in the region have reduced by some 50per cent the number of confirmed malaria cases and the majority of countries are now on track to rolling back the advance of the disease before the expiration of the MDGs in 2015.

Reduction of infant mortality has recorded impressive results. More than 70per cent reduction has been achieved by Mozambique, 68per cent by Malawi and 64per cent by Niger. Maternal mortality rate has equally fallen appreciably. Countries such as Burundi, Cape Verde and Egypt have reported significant reductions. Efforts are therefore yielding good results and need to be boosted. It is in this context that the region's leaders at the AU Summit in July 2010 pledged to increase financial and political support for female and child health and to continue to work closely with interventions like the Campaign on Accelerated Reduction of Maternal Mortality in Africa (CARMMA).

Significant progress has been made in the elimination of river blindness, polio, measles, guinea-worm disease and mother-to-child transmission of HIV/AIDS. Routine immunization is progressing across the region and several new vaccines, including for meningitis and pneumococcal disease, are being introduced and yielding beneficial results. These results have been possible in the region as a result of government policies and programmes and support by the international community through innovative funding mechanisms such the Global Alliance for Vaccinations and Immunization

(GAVI) and the Global Fund to Fight HIV/AIDS, Tuberculosis and Malaria and interventions by agencies such as UNAIDS, WHO, the World Bank as well as support for successful regional health programmes like the African Programme for Onchocerciasis Control (APOC), SMS for Life, and the Roll Back Malaria Partnership, among other silent initiatives that are yielding beneficial results.

The achievement of the MDG health targets are within reach by 2015, if African governments and the international development community live up to their pledges. There is indeed substantial goodwill within the donor community. In June 2010 leaders at the G8 Summit pledged to mobilize $5billion to accelerate progress in the achievement of MDGs 4 and 5 as part of the Muskoka Initiative to cut down maternal and new-born mortality in poor countries. The MDG Review Summit in September 2010 saw world leaders and other development stakeholders making a pledge to provide a total of $40billion for health over the next five years. The replenishment meeting of the Global Fund in October 2010 raised $11.7billion for the period, 2011-2013, an increase from $9.7billion for the 2008-2010 programme phase. New commitments to GAVI were announced by a number of donors ahead of its replenishment meeting. African governments in 2001 signed the Abuja Declaration which enjoined countries in the region to allocate 15per cent of their public expenditure to health.

The challenge is to turn these pledges into actual disbursements. While the region looks forward to the actualization of the financial commitments by the donor community, it is critical that governments meet their pledge as expressed in the Abuja Declaration. At present, statistics show that some 19 countries spend less on health than they did when they signed the Declaration in 2001. Insufficient funding remains the most significant threat to the health systems in the region. Resources are needed for the health systems to respond effectively to the high prevalence of HIV/AIDS and non-communicable diseases, which include cancers, diabetes and cardiovascular diseases, that are set to rise over the next two decades. This makes the continued emphasis by the region on access to health care well placed.

(e) **Access to Water and Sanitation:** Access to water and sanitation remains a key priority in sustainable social development. It is in realization of its importance that the eThekwini Declaration was made by African leaders to allocate 0.5per cent of gross domestic product to water and sanitation, the African Ministers' Council on Water and the African Water Facility were set up. To guide the region's investment, the AfDB, which implements a Rural Water Supply and Sanitation Initiative, had estimated that an investment of $11bllion annually would be required to meet the region's drinking water supply and sanitation needs. Emphasis on water and sanitation was also driven home in July 2010 when the UN General Assembly declared access to clean water and sanitation as a human right.

Progress is being made to attain the goal of halving the proportion of the region's population without sustainable access to clean drinking water by 2015. At present, 26 countries are on track to attaining this goal and 9 are expected to meet the MDG target of halving the proportion of the population without sustainable access to basic sanitation by 2015. These countries are Algeria, Morocco, Tunisia, Libya, Rwanda, Botswana, Angola, South Africa and Egypt. At present 60per cent of the population of sub-Saharan Africa has access to improved sources of drinking water and less than half has access to basic sanitation facilities. These statistics point to the need to step up investment, as the challenge is that not only some 40per cent live in water-deprived areas, the amount of water available per person in the region is below the global average and is declining due to falling levels of groundwater resulting from climate change and over-exploitation. Present investments by governments, which stand at 0.2per cent of GDP as against 0.5per cent put forward by the eThekwini Declaration, means the target of $11billion is not being met. Also required is improvement in the governance of the water sector, better management of national sources, the 63 shared water basins, irrigation needs of the agricultural sector and capacity to drill for water and maintain water infrastructure especially in the communities.

(f) **Food Security and Reduction of Hunger:** Food security and reduction of extreme hunger is part of the Africa region's most fundamental goal in sustainable development. The region is still the most food-insecure in the world. Hunger is a major challenge and this is being compounded by rising food prices. Food prices are today higher than at any time since 1984 and could potentially serve as a trigger for social unrest. The region is making effort at addressing the food insecurity and hunger challenge through a number of agricultural initiatives including CAADP to which 29 countries have signed up to commit 10per cent of their national budget to agriculture and seek to achieve a minimum of 6per cent growth rate in agricultural productivity. Also at the regional level is the Alliance for a Green Revolution in Africa (AGRA) that is helping to initiate financial partnerships and risk-sharing instruments with a number of institutions to mitigate the risk of lending by commercial banks and other financial institutions to smallholder farmers and value chains that support them. International responses have also been robust. Among some of these are the G8 L' Aquila Food Security Initiative, the Global Agriculture and Food Security Programme and the World Bank's Global Food Crisis Response Programme. There are attempts to create more transparency around food stocks held by large exporters to avoid panic caused by market uncertainty about the availability of commodities.

As the region's food insecurity and hunger challenge existed before the rise in food prices, there is need to address structural barriers to food security. Some of these, which the means of implementation of the SDGs will need to address are the disadvantages the region faces with respect to international trade rules and agricultural subsidies, constraints to productivity arising from poor infrastructure, insufficient agricultural research and extension services, as well as lack of improved seeds, fertilizers and plant protection material. Other factors include poor soil and water management, poor access to credit and marketing services, as well as inefficient and wasteful agricultural value chains and loss of production due to conflict and diversion of food products to the production of biofuels. To address the food insecurity challenge, the region needs to scale up investment in agriculture. African countries must meet the minimum level of investment put forward under CAADP as an indicator under inclusive and sustainable economic growth. Focus on smallholder farmers needs to be invigorated.

(g) **Youth Unemployment and Development:** The challenge of youth unemployment and development is a priority that the region has to address with a greater sense of urgency. Every year, some 10 million new graduates join the labour market in the region. Although the region has in recent years been experiencing impressive economic growth, this growth has not generated meaningful employment opportunities. The result has been growing youth unemployment, which has implications for social development. Today, the region faces youth unemployment as a major social development challenge and it is one of the factors in the demand for political reforms that swept through much of North Africa in the beginning of 2011. Besides jobless growth, labour markets have not been flexible enough to absorb the growing supply of young workers. Given the region's rapidly growing population, the demographic pressure on labour markets is set to continue in many African countries.

The dynamics and causes of youth unemployment in Africa are complex and multi-dimensional. Youth (those between 15 and 24) represent more than 60per cent of the region's total population and account for 45per cent of the total labour force. Unlike other developing regions, Africa's population is becoming more youthful, with youth as a proportion of the total population projected at over 75per cent by 2015, due to the high fertility rate underlying the demographic momentum. It is expected that this increase in the number of youth will not decline before 20 years or more. The incidence of youth unemployment in the region is estimated to be over 20per cent. It is also estimated that about 133 million youth (more than 50per cent of the youth population) in Africa are illiterate. Many youth have little or no skills and are therefore largely excluded from productive economic and social life. Those with some education often exhibit skills irrelevant to current demand in the labour market, in a situation where educational and skill requirements are increasing, resulting in millions of unemployed and underemployed youth. University graduates are the most affected by youth unemployment. This has led many to question the capacity of higher education institutions in the region to provide youth with skills and knowledge adapted to the needs of the labour market. The link between youth unemployment and social exclusion has been clearly established: inability to find a job creates a sense of vulnerability, uselessness and idleness among young people and can heighten the attraction of engaging in illegal activities. For many young people today, being without work means being without the chance to work themselves out of poverty (ILO 2004).

By including youth unemployment and development in the SDGs proposed in this report, this will build up the momentum to find a sustainable solution to the problem of unemployed young people. A recent report by the International Labour Organization (ILO) once summarized the state of unemployment worldwide. It indicated that more than 1.5 billion people, or half the world's working population, are in vulnerable or insecure jobs and that 205 million workers were unemployed in 2011. According to the ILO, the official figure is probably an underestimate because many people have given up trying to find a job. The most unsettling aspect of the report is that 77.7 million young people between the ages of 15 and 24 are unable to find work. This is particularly a major challenge for the region. There are 200 million Africans in this age bracket, comprising more than 20per cent of the region's population. Worldwide, youth are 43.7per cent of the total unemployed people even though they account for only 25per cent of the world's working population. In sub-Saharan Africa, about 60per cent of the unemployed are youth, and an average of 72per cent of youth live on less than US$2 a day.

The region is making efforts to rise up to the challenge of youth unemployment, albeit unsuccessfully, given the challenges facing growth. The 17th African Union Summit held on 30 June-1st July 2011 in Malabo, Equatorial Guinea, was devoted to the theme of "*Accelerating Youth Empowerment for Sustainable Development*". Some recent major AU meetings, in particular those of March 2010, April 2011 and July 2011, successively provided opportunities to raise related themes on youth unemployment. These touched on employment policies and their financing with a view to reducing unemployment; social policies and the promotion of youth employment; and the acceleration of youth empowerment. The declaration on youth employment in Yaoundé, Cameroon, at the 8th Session of the AU's Labour and Social Affairs Commission, called upon the 17th Assembly of AU Heads of State and Government to promote youth employment. The determination of AU leaders to improve the employment situation will undoubtedly reinforce the commitment made in Yaoundé by Ministers of Labour and Social Affairs; AU, employers and trade unions to reduce unemployment of young people and of women by at least 2per cent a year over five years; and to harmonize labour market information systems by supporting the development, implementation and evaluation of employment policies. The 17th Summit provided an unprecedented opportunity for African Heads of State and Government as well as young men and women to participate in an open and frank debate on sustainable solution to the concerns of the region's youth. Some of the proposals put forward included: increased investment in education and training; increased investment to improve the integration of young people into economic, political and social life; introduction of vocational training that meet labour market needs; and promotion of grass-roots participation in decision-making processes. These strategies could form "a development incubator", by reducing social deprivation, improving the competitiveness of the education system and promoting youth empowerment.

(h) **Strengthening Culture and Indigenous Knowledge:** Responses to social development challenges are partly a reflection of innovations in the use of culture and knowledge to improve the quality of life of a people or region. This is where indigenous knowledge connects with social development. Communities identify themselves easily with indigenous knowledge systems that have enabled them to live in harmony with their environments for generations. The knowledge systems are important tools in environmental conservation and natural disaster management. The global scientific community acknowledged the relevance of indigenous knowledge and endorsed it at the World Conference on Science held in Budapest, Hungary in 1999 by recommending that scientific and traditional knowledge should be integrated particularly in the field of environment and development. UNEP recognizes the role of indigenous knowledge in the conservation of natural resources and management of natural disasters (UNEP 2008). Knowledge and access to information are essential for effective environmental management and have significant impacts on the economy and the livelihood choices people make. Indigenous knowledge systems based on centuries of observation and continuous development in response to changing social and environmental conditions are an important resource for many rural communities.

Indigenous knowledge, particularly agricultural and environmental knowledge, gained international recognition after UNCED in June 1992. A21 emphasizes that governments and intergovernmental organizations should respect, record and work toward incorporating indigenous knowledge systems into research and development programmes for the conservation of biodiversity and sustainability of agricultural and natural resource management systems. Other international documents, like the 1980 “World Conservation Strategy” by the International Union for the Conservation of Nature and Natural Resources (IUCN), also paved the way for the recognition of the important role played by indigenous knowledge in biodiversity and human development. The value of indigenous knowledge systems in facilitating development is now gradually being recognized by governments and developments agencies and is considered by this report as an SDG priority area.

Although in the implementation of sustainable development commitments, much attention has not been paid to growing and applying indigenous knowledge in the region, this knowledge is still very much intact among indigenous (or local) communities in many parts of Africa. A survey by UNEP (2006) of four countries in the region, namely Kenya, South Africa, Swaziland and Tanzania provided invaluable information on the application of indigenous knowledge in environmental conservation and natural disaster management. The study found that indigenous knowledge systems had enabled the various communities in those countries to live in harmony with their environments for generations, and the systems are important tools in environmental conservation and natural disaster management. Nearly all the communities had powerful structures that exercised authority to ensure smooth compliance with the observances and rules of indigenous knowledge. The study provided useful insights into how those communities interacted with their environment. It documented the various ways the communities relied on indigenous knowledge to sustainably utilize their natural resources. The indigenous knowledge systems provided them with a variety of options and innovations to deal with the challenges of nature conservation and disaster management in the course of making a living. The knowledge systems were particularly evident in agricultural production, food preservation and storage, health care, and in dealing with natural disasters, among others.

Through indigenous knowledge, communities in the region have been able to protect and manage ecosystems, face many natural hazards, grow drought-resistant and early-maturing indigenous crop varieties, wild fruits and vegetables, practice wetlands cultivation, livestock diversification and splitting that have enabled them to survive food, nutrition, health-care and climatic challenges with little or no support from the outside world. The communities were well aware of the disasters that faced them and in most cases had the knowledge and administrative structures to cope with them. At the same time, the communities knew that a well-conserved environment helped them reduce risks associated with natural disasters. Each community had an array of early warning indicators and well-developed structures through which the wisdom of the community was applied to deal quickly and efficiently with disasters.

Hence with the growing number of African governments and international development agencies now recognizing that local-level knowledge and organizations are a vital foundation for participatory approaches to sustainable and cost-effective development, the region stands to gain more by exploiting its application on a much wider basis. Hence its importance as an SDG that this report proposes. Strengthening the framework for developing, applying and sustaining indigenous knowledge will prevent loss of this invaluable asset in sustainable social development. The region's older generation, the traditional custodians of indigenous knowledge are dying off without leaving written records of their knowledge and rapid environmental, socio-economic and political changes are occurring in many communities in the region, which put indigenous knowledge in danger of becoming extinct and being overrun by globalization and new technologies. (UNEP 2008)

There is a role for indigenous knowledge in sustainable development, especially social and environmental sustainability. Consistent with what UNEP (2008) had earlier recommended, such knowledge needs to be documented and shared through indigenous knowledge data banks and networks, which should be established. Indigenous knowledge should be incorporated into national development plans and included in educational curricular. Further, efforts should also be made to integrate indigenous knowledge systems with modern knowledge and appropriate laws enacted to protected intellectual property in indigenous knowledge (UNEP 2008).

III.3 Environmental Sustainability

Over the next three decades in which the SDGs put forward in this report will be implemented, the pursuit of environmental sustainability will constitute a set of very important goals in the African region. As an essential part of the region's effort to reduce poverty, environmental degradation is inextricably and causally linked to problems of poverty, hunger, gender inequality, and health. Livelihood strategies and food security of the poor often depend directly on functioning ecosystems and the diversity of goods and ecological services they provide. Insecure rights of the poor to environmental resources, as well as inadequate access to environmental information, markets, and decision-making, limit their capacity to protect the environment and improve their livelihoods and well-being (UNECA 2008).

More than 30per cent of the global dry lands are located in susceptible dry land regions in North Africa, the Sahel and the southern part of Africa. They cover almost 2 billion hectares in 25 countries, representing 65per cent of the land mass in the region. Over 400 million people live in the dry lands and the majority of them are the rural poor with an annual population growth rate of 3per cent. The dry land is under threat from deforestation, soil erosion, nutrient mining, recurrent drought and climate change, potentially resulting in land degradation and desertification, and aggravated poverty. Sustainable agricultural innovations are key to limiting adverse impacts on the environment and on the livelihoods of rural populations (ECA/OECD 2011). Without complementary societal and government actions, markets can be weak on environmental sustainability, and therefore will tend to create the conditions for environmental degradation (UNDP 2010).

To promote environmental sustainability, the Joint Secretariat of the AUC, ECA and AfDB has been instrumental in initiating and launching regional initiatives, including the Land Policy

Initiative and the ClimDev-Africa Programme that seek to advance Africa's sustainable development agenda. NEPAD has a number of major frameworks or programmes, which integrate environmental concerns in sustainable development. These include CAADP, the Environmental Action Plan (EAP); the Programme for Infrastructural Development in Africa (PIDA); the Framework for Water and Energy; the Capacity Development Strategic Framework (CDSF); and Frameworks on Education, Health and Information and Communications Technology.

The African region is making progress to address environmental issues in its quest for sustainable economic and social development. Countries in the region are signatories to a number of Multilateral Environmental Agreements (MEAs), which provide frameworks for addressing environmental challenges. They are party to at least 30 conventions at the global level, dealing with various aspects of environmental management and related areas, including trade, which impacts directly on environmental sustainability. Most countries in the region have signed the three international conventions adopted at UNCED in 1992, namely, the Convention on Biological Diversity (CBD), the United Nations Framework Convention on Climate Change (UNFCCC) and the United Nations Convention to Combat Desertification (UNCCD). Other MEAs to which African countries are party include the United Nations Convention on the Law of the Sea (UNCLOS) and those dealing with international trade in endangered species, the management of migratory species, hazardous waste management, cultural heritage, ozone depletion, biosafety, invasive alien species and forest management.

Also of vital importance are agreements reached in the area of trade, especially the World Trade Organization (WTO) and related agreements on Trade-Related Aspects of Intellectual Property Rights (TRIPS), and sanitary and phytosanitary provisions. Several agreements in agriculture, like the International Convention for the Protection of Plants, have important implications for biodiversity and the sharing of benefits arising from its use. Human rights and development agreements adhered to also assist the region to rethink its strategies in response to environmental issues.

At the regional and sub-regional levels, the region has endorsed a number of agreements and protocols for the protection and management of the environment. These are promoting collaboration and harmonization of national laws, policies, strategies and programmes. Foremost among these is the African Convention on the Conservation of Nature and Natural Resources (ACCNNR) adopted by the AU in 2003. Many sub-regional organizations have spearheaded the development of environmental management policy and law. There have been important multilateral agreements, which include cooperation in the management of the region's 63 shared river basins, wildlife and forests.

Implementation of commitments has been guided by institutions set up at the regional and sub-regional levels. The AU, through its NEPAD agenda, remains the region's most decisive response to the issues of sustainable development. The African Ministerial Conference on the Environment (AMCEN) is one platform that has been instrumental in determining the region's common position in environmental and climate change issues and providing the region's negotiators and leaders with negotiation strategies and information. Its activities have contributed to the development of collaborative approaches to environmental management in the region. The Constitutive Act of the AU provided for the establishment of a specialized technical committee on natural resources and the environment. The Pan-African Parliament, established in March 2004, has a permanent standing Committee on Rural Economy, Agriculture, Natural Resources and Environment. In spurring implementation efforts, the region has continued to signal its political commitment to addressing environmental issues as evidenced by a number of endorsements, which included the 13th AMCEN

Session of June 2010, the 7th African Development Forum, the AU Summit in January 2011 and the Conference of African Ministers of Economy and Finance (CAMEF) of March 2011.

Efforts to involve other stakeholders like civil society are helping to broaden the consultative base through a number of initiatives. These include UNEP's Global Civil Society Forum and Global Women's Assembly on Environment. These and other initiatives in the region have played key roles in widening the space for giving voice to public concerns, interests and priorities in environmental management and governance issues. The participation of civil society played a valuable role in the development of AU protocols in critical issues of environment and development concern, including bio-safety, genetic resources and the rights of women.

The region has also made progress in the development of partnerships with governments and the business sector in response to environmental issues. These have led to the establishment of trans-boundary natural resource management areas, management of protected areas and implementation of environmental impact assessments. Cooperation has also been stepped up in the management of shared water resources, malaria and chemicals; peace-building; and the pursuit of food and nutrition security.

Implementation of environmental sustainability commitments has seen progress in a number of areas, which included growth in the practice of sustainable and organic agriculture, as Malawi and Uganda have shown; impressive growth in the development of renewable energies in countries like Egypt and Kenya and planned massive investment in solar energy in South Africa. Significant ecosystem restoration and sustainable tourism have taken place in Namibia and Rwanda as well as improved forest management in the Republic of Congo and Gabon. The Republic of South Africa is at present setting up the South African Renewables Initiative (SARI) to scale up production of renewable energy in the country. Also, National Cleaner Production Centres (NCPCs) have been set up in countries, which include Egypt, Ethiopia, Kenya, Morocco, Mozambique, South Africa, Tanzania, Tunisia, Uganda and Zimbabwe. Metrology standards, testing and quality institutions are being strengthened or established to provide complementary support for health and environmental quality programmes.

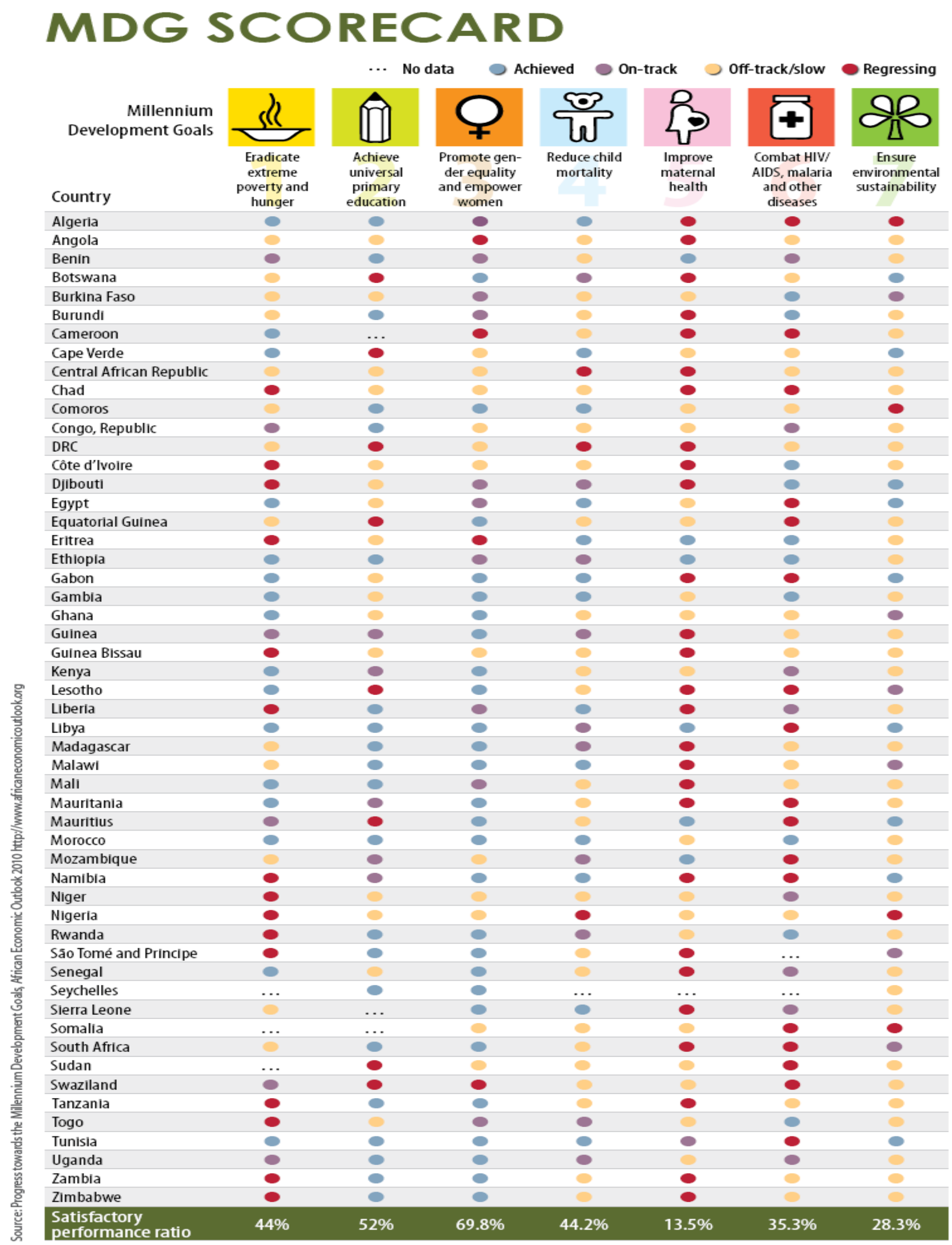
In spite of the progress in the implementation of commitments around the environmental pillar, there are monumental challenges, which need urgent attention and thus place components of this pillar as critical SDGs to be met post-2015 as proposed in this report. Among the most visible is the challenge of achieving a balanced integration of the three pillars of sustainable development in planning, budgeting and implementation of plans and programmes. There is a pressing need for national and sub-regional economic policies to adequately address environmental consequences. Mechanisms and administrative systems dealing with environmental issues are still weak. There is still insufficient public awareness about the real causes and magnitude of environmental problems and the consequences of not dealing with them. Also worthy of mention is inadequate forecasting of emerging environmental problems.

The region has enormous potential to benefit from an environmentally friendly development strategy. To make a big leap, however, it will need to undertake the following, among others:

- Strengthen implementation capacity and reform policies and development programmes that are harmful to the environment, while encouraging others, which are beneficial like public procurement policy that favours environmentally-friendly behaviour by the private sector.
- Empower environment ministers to achieve the full potential of their portfolios.

- Pursue improvements in international environmental governance for improved response to Africa's sustainable development needs and to this end explore possible enhanced role and effectiveness of UNEP in the region.
- Step up financing and other means of implementation for environmental sustainability initiatives.
- Encourage the development and application of measures of growth performance, which adjust for environmental degradation.
- Invest and participate in collaborative research geared towards improving understanding of how ecosystems such as forests and marine ecosystems can generate multiple benefits to support improved livelihoods.

Fig. 2: Africa – MDGs Scorecard



Source: Africa Progress Panel, Africa Progress Report 2011

IV

PROPOSED SUSTAINABLE DEVELOPMENT GOALS, TARGETS AND INDICATORS

IV.1 Process in the Determination of Proposed Goals

In the determination of the sustainable development priorities and their rankings, this section reviews findings from the surveys conducted in the five sub-regions. These surveys were guided by questionnaires that were administered on key institutions, development practitioners and partners in the sub-regions. In addition to the surveys conducted, the section also provides a review of sustainable development issues, challenges and priorities at the regional level. Analytical value was added from perspectives and issues from various consultative meetings held in the region. Taking outcomes from these sources into consideration against the background of the region's performance results from the MDGs in the foregoing section, this report proposed a set of 20 Sustainable Development Goals as set out in Annex II. These goals were then shared with ECA review team for this report, AUC, NEPAD Agency, the 8-AU recognized RECs[35], AfDB, the African Legal Support Facility, among others, for preliminary feedback. Based on comments received, a total of 12 Sustainable Development Goals, Targets and Indicators were finally presented to guide sustainable development in the region over the period 2015-2045.

IV.2 Justifications for Time Horizon of 2015-2045

The achievement of the SDGs proposed in this report is set for a period of three decades, starting from 2015. This time horizon is influenced by a number of considerations. First, over a period of 15 years, the African region was unable to achieve the MDGs. Although significant progress was made in a number of areas, there were also significant shortfalls. In addition, the region is also facing new threats and challenges. Among these are climate change and growing insecurity. The taste for conflict still lingers in some of the subregions. These are challenges that will divert resources from productive causes that are of immediate response to improved quality of lives.

Second, the region is still severely infrastructure deficient. Investment and growth require improved infrastructure. A bold attempt to address infrastructure need is put forward under the NEPAD Programme for Infrastructure Development in Africa (PIDA). The Institutional Architecture for Infrastructure Development in Africa (AIDA) has been established to implement PIDA, which has an implementation phase up to 2040 provided the region is able to mobilize and commit at least $93billion per annum to the implementation of the programme.

And lastly, given the encouraging but inadequate flow of development assistance, the region will have to look inward to generate financial resources to implement most of the programmes and activities to achieve the goals. Economies will have to achieve significant and sustained growth rates to generate taxable capacity for domestic resource mobilization. Leakage of financial resources through corruption,

[35] Detailed and painstaking response by the Secretary-General of UMA is very much appreciated.

an area where significant progress has not been made, will need to be stemmed. And global partnership must rise up to the challenge of effectively addressing illicit financial flows from Africa.

The foregoing considerations aside, it is of utmost importance to put the pace of growth and development in the region, especially sub-Saharan Africa in context. For instance, it took 11 years for extreme poverty to be reduced by 10 percentage points (from 58per cent to 48per cent over 1999-2010). At current pace, it will take 4 decades for extreme poverty to be eradicated.

It took 18 years for 9 percentage point increase to be achieved in access to improved water sources. The proportion of the population with access to water rose from 56per cent in 1990 to 65per cent in 2008. This means, all things being equal, it will take another 72 years for the entire population to be provided with clean drinking water.

And lastly, it took 12 years for a 3 percentage point reduction to be achieved in the proportion of the region's population living in slums. There was a decline from 65per cent to 62per cent between 2000 and 2012. The implication is that it will take 120 years to halve the current slum population in sub-Saharan Africa and 240 years to completely transform slum areas.

Given the foregoing, it is evident that the time horizon for the achievement of the proposed goals is ambitious. A shorter duration will at best be unrealistic for the region and especially sub-Saharan Africa.

IV.4 Situational Analysis I – Subregional Level Sustainable Development Challenges and Priorities

IV.4.1 Central Africa sub-region

(a) Context

Home to one of Africa's richest diversity of species and ecosystems, Central Africa is endowed with natural resources. It has the second largest reserve of dense rain forests in the world and 70per cent of the dense humid forest-cover in Africa. It features a unique capital of biodiversity with nearly half of all known terrestrial species and many lights and iconic species (Gorillas, Chimpanzees, Bonobos, Hippos, Leatherback Turtles, Whales, Duikers, Picathartes, and Congolese Peacocks, among others). These natural resources provide essential environmental functions and therefore need to be effectively and sustainably managed. Management has been the subject of a series of governments' initiatives over the years. The sub-region is also rich in mineral resources (Annex III). To manage these resources, governments in the sub-region have been making considerable efforts to promote transparency and accountability in order to ensure the benefits reach both current and future generations. To this end, countries in the subregion have been involved in extractive industries transparency initiatives. Regional development programmes target economic transformation by 2025, including transition to a green economy.

The main challenges facing the subregion despite efforts by governments and development partners are the need for sustainable peace and security, good governance, transparency, fight against corruption, effective human and institutional capacity. In recent decades, the sub-region has been characterized by socio-political instability; rebellion and intra-and inter-ethnic , inter-state conflicts; illicit trafficking in weapons, drugs, human beings, and precious stones; and struggle for control of resources. The activities of armed gangs, which are the main causes of the instability have weakened a number of states in the sub-region and destroyed natural resources, decimating species and protected wildlife areas. It has been estimated that three-quarters of the population of elephants in Central Africa have been decimated by heavily armed poachers in search of ivory. Proceeds of such poaching are in turn used to acquire weapons, which fuel the sub-region's conflicts. The situation is compounded by organized crime (smuggling of arms and drugs, kidnapping, piracy, among others) which is on the rise and further heightening the state of insecurity. For instance, in the first quarter of 2012, a total of 102 piracy attacks were recorded in the Gulf of Guinea.

(b) Sustainable Economic Development Priorities

Dependence on Natural Resources: The sub-region's growth rate remains vulnerable due to low diversification of the economy, dependence on agricultural commodities , forestry, oil and mineral resources; susceptibility to fluctuations in prices of raw materials in the international markets , etc. . In half of the countries in the sub-region , raw material exports account for more than 40 per cent to GDP and more than 60per cent for the Republic of Congo 64 with countries such as Equatorial Guinea, Chad and Angola dependent on oil exports .

Economic Growth Performance: The decade, 2000-2010, witnessed significant growth in the sub-region despite its challenges and the global financial crises of 2008 and 2009. Angola recorded a growth rate of about 20per cent, Equatorial Guinea 12per cent and Chad, 6per cent. Other countries in the sub-region had growth rates under 4per cent. The potential to achieve sustained high growth rate exists, if political stability can be maintained. There is a growing consciousness of the need for green growth and a number of initiatives are underway.

Sustainable Agriculture for Food Security: The subregion has vast expanse of virgin agricultural land. Of the 1.6million arable land, only 3.7per cent is used for agriculture. The potential for agricultural growth is therefore enormous. Yet, the subregion performs poorly in agricultural production and is direly food insecure.

Weak Industrial Base and Low Share of Manufacturing: The share of manufacturing in GDP is very low in the subregion. Other than mining, the industrial sector is severely constrained by inadequate investments, weak regulatory environment and underdeveloped financial system, among other constraints.

Inadequate Infrastructure: The subregion is constrained by inadequate vital infrastructure such as transport, energy, water supply, sanitation, health, etc, which is compounded by demographic pressure and high rate of urbanization. With respect to transport infrastructure interconnections and links are poor between different modes (air, road and rail), air connections are insufficient and costly, ports are poorly equipped, railways are outdated and inadequate. Intra-urban public transport in major cities is poor and inadequate and road conditions are in unusable state, less than 10per cent of roads are tarred. Most agricultural production areas are inaccessible because they are not connected by road, rail and air network.

Inadequate Access to Energy: Lack of energy is one of the most constraining obstacles to economic growth. There is chronic shortage of power supply across all countries, despite the huge hydroelectricity potential of the sub-region.

(c) Sustainable Social Development Priorities

Poverty, Hunger and Malnutrition: Due to limited access to basic social services (water and sanitation, housing, health, education, transport) the subregion has one of the highest levels of poverty in the region. It averages 50per cent (reaching 60per cent for Burundi and Equatorial Guinea), except for a few countries such as Cameroon, Gabon and Sao Tome and Principe where less than a third of the population is below the poverty line. The prevalence of malnutrition is high alongside pockets of population in extreme hunger. The average rate for malnutrition was spiked by the conflicts in the Great Lakes region – especially Burundi and DRC.

Need for Improved Access to Water and Sanitation: **A**ccess to water and sanitation facilities varies across countries in the sub-region. Gabon (87per cent for water and 36per cent for sanitation), Burundi (79per cent water and 35per cent for sanitation) and the Sao Tome and Principe (79per cent water and 24per cent for sanitation). These are the best performing countries. The most challenged countries with respect to access to water are: Chad (34per cent) and Equatorial Guinea (44per cent). Poor access to water and sanitation has been a major factor in death-related waterborne diseases.

Access to Quality Education: A number of countries in the subregion have made remarkable achievement in ensuring primary education for all. Burundi, Cameroon, Gabon and Sao Tome and Principe are among those that will achieve the 100per cent target. A few such as Chad and CAR remained challenged. Low spending on primary education and conflicts are among factors that are affecting quality of educational infrastructure and access. Quality and access therefore remain a challenge to educational attainment.

Gender Equality and Women Empowerment: The subregion has made significant progress in enacting laws aligned to CEDAW to protect the rights of women. Gender disparity has been totally eliminated in primary school enrolment. However parity is yet to be reached in a number of spheres: representation in parliament is less than 20per cent; access to land is limited; extremely limited senior management positions in non-agricultural employment, among others.

Unemployment and Underemployment: The unemployment rate in the sub-region of Central Africa ranges between 23per cent and 70per cent (DRC). Youth unemployment is particularly severe. It could potentially become a destabilizing factor. Resources must pour into addressing the unemployment problem to help stabilize the subregion.

Demographic Pressure and Need for Sustainable Urban Development: Demographic pressure is set to rise significantly over the next decades reaching 200 million by 2025 from 108 in 2002. The implication is that there will be pressure on natural resources, land, housing, intra-urban transport, water and sanitation, electricity. If this pressure is not properly managed and planned for, it could potentially exacerbate urban poverty, unemployment and underemployment, especially among the youth, and growth in slum population. Acute shortage of food and infrastructural services will result.

(d) Environmental Sustainability Priorities

Pressures on Environmental Resources: Most countries in the subregion have developed and are striving to implement action plans on the environment. They have also taken steps to integrate social and environmental concerns into economic projects. Nonetheless, the plundering of natural resources and mining activities have put a toll on the environment. In addition to addressing these, the adverse effects of climate change need to be managed. Protection is needed for groups that are most vulnerable to climate change, the effects of which have implications for biodiversity and ecosystems.

Sustainable Management of Water Resources: Water management in the subregion is a major challenge due to inadequate cooperation among the countries and institutional capacity for effective management. In addition, the water sector suffers from hydro-climatic variability, inadequate storage and rising demand relative to supply. There is need to strengthen cooperation among countries, effectively manage shared water from surplus and deficit areas. The subregion has 16 international river basins. They are located in the subregion or shared with other subregions. However, only five of these basins are managed as part of interstate or organizations basin commissions. There is an urgent need to develop institutional frameworks for formal management of river basins to avoid conflicts and strengthen water management capacity.

Conservation of Biodiversity and Protection of Ecosystems: The preservation of biodiversity is of paramount importance for the entire planet. The massive industrialization, pollution, removal of terrestrial and marine resources and the accumulation of waste are responsible for the loss or destruction of many ecosystems. The massive tropical deforestation, the expansion of urban areas, trafficking in rare animals and plants are other threats. Today, biodiversity and ecosystem losses have become a global threat.

In Central Africa, species are being decimated. January 2012 saw the loss of about 300 elephants from the Bouba Njida Park killed by heavily armed poachers in search of ivory. The proceeds often go into the procurement of arms. The subregion needs establishment of a legal and institutional framework for sustainable management of protected areas and species in order to conserve biodiversity and protect ecosystems.

Fight against Desertification: A growing portion of the land of the subregion is rapidly becoming desert. The most affected are the northern part Cameroon, CAR and Chad and the southern part of Angola. The main causes are land degradation resulting from erosion arising from agriculture, reduced soil fertility, recurrent droughts, population pressure in the Sahel as well as illegal and unsustainable logging for supply of timber to the local and international markets. Effective land management policies and practices need to be encouraged.

Management of Chemicals and Non-biodegradable Industrial Waste: Management of chemicals and non-biodegradable industrial waste is also a major challenge. The most problematic waste comes from electronic appliances and hospitals. These need special and proper treatment.

Discharge of wastewater or raw sewerage into rivers and coastal waters is a major source of pollution. Pollution is linked to rapid population growth and urbanization rates, poor sanitation and inadequate waste treatment infrastructure. It is a major threat to public health, wildlife as well as sources of livelihood for those who make a living from fishing and tourism. The subregion needs a comprehensive review of its waste management system and the strengthening of capacity for effective waste management.

(e) Governance and Institutional Challenges

The subregion is plagued by a high level political tensions and frequency of riots and military coups. This is due to weak governance and institutional frameworks due to corruption and lack of transparency and accountability in the exploitation of natural resources, including mining. With few exceptions, the credibility of electoral processes and mechanisms is questionable. There is a strong need to strengthen governance and democratic institutions to allow for transparent and participatory democratic process.

IV.4.2 North Africa Subregion

(a) Context

The foremost challenge facing the subregion is the effects of climate change. Variability in climate has led to loss of soil fertility, degradation of land, loss of vegetation cover, increasing water deficit, desertification, and concentration of the population in the coastal areas. This has impact on agriculture, food security and availability of water which is less than 1000m3 annually. It will be recalled that the Intergovernmental Panel on Climate Change (IPCC) noted that the subregion is most vulnerable to the risk of climate change worldwide. Strategies and policies for adaptation to climate change and raise resilience of communities, conserve biodiversity and protect ecosystems are a priority. Other challenges and priorities of the subregion include the need for political reforms to widen the space for all stakeholders to participate in socio-political development processes, transition to a green economy framework and improved access to infrastructural services.

(b) Sustainable Economic Development Priorities

Primary Product Dependent Economy: The subregion's economies are highly dependent on primary products from natural resources and are not diversified. Hydrocarbon accounts for 98per cent of Algeria's exports and 70per cent of budget revenues. Mauritania's exports are concentrated on limited number of products – minerals, fish, cattle and a lesser extent oil. Thus in the subregion, due to the dominance of primary products, the manufacturing sector accounts for an average of 13per cent of GDP. This ranges between 6 and 8per cent for Mauritania, Sudan, Libya and Algeria on the one hand, and about 17per cent for Morocco, Egypt and Tunisia. Diversification of the economy from primary production is therefore a priority.

Insufficient Employment-Generating Growth: The growth rate of the subregion has virtually stagnated since the increase between 1960 and 1980. Growth forecasts for 2013 are expected to average around 4.2per cent, and to accelerate to 4.6per cent in 2014, as the political environment normalizes and economic activities resume. Libya's economy is expected to recover to regain its pre-crisis levels, while Sudan, Mauritania and Algeria are expected to benefit from better agricultural harvests. Because of weak growth performance, unemployment especially among the youths has reached worrying proportions. Wide disparities in incomes and wealth also point to the need for strategies and policies for redistribution of earnings from natural resources. On the whole, structural economic reforms are needed to promote inclusive growth and create jobs. This is vital for restoration of socio-political stability.

Energy Insecurity and Need for Renewable Energy: Given the growing demand for energy in the subregion (6-8per cent per annum), it needs to invest in renewable sources for which there is significant potential.

(c) Sustainable Social Development Priorities

Developments in the subregion since the Arab Spring of 2011 have brought to the fore a number of social development priorities, including the need for improved democratic processes, reduction of inequalities and youth unemployment. The education system produces skills that are at variance with the needs of the labour market, job offers are governed by information arrangements that do not provide for social protection, are characterized by low wages and poor working conditions. The education system needs reforms to produce job-relevant skills. Import dependence, weak agricultural production due to climate change and steeply rising food prices make the subregion vulnerable to food insecurity. Commodity exchanges, sustainable water management, the establishment of a common policy for stabilization of food prices and the strengthening of production systems are components of the responses needed by the subregion.

Progress in achievement of Social Development: Countries in the subregion are among those globally that have made significant progress in the achievement of MDGs. Progress has been most visible in areas such as health, access to water and sanitation and efforts at poverty eradication. In this list, countries such as Algeria, Egypt, Libya, Morocco and Tunisia are likely to achieve a majority of the MDGs by 2015. The performance is however not universal across countries of the subregion. Wide disparities exist. For instance, while poverty rate is about 1per cent in Algeria, it is 42per cent in Mauritania. While Libya scores .0795 on the HDI and ranks 64th worldwide, Sudan's score is 0.402 and is ranked 169th. Such disparities are also visible within countries across communities or regions, especially in terms of access to infrastructure services. Rapid urbanization rate and growth of coastal areas population is putting significant pressure on infrastructural services.

Gender Equality and Women Empowerment: Following the emergence of legal frameworks, which guarantee seats for women in parliaments, there has been some improvement in women's representation in the political sphere. This is however not the case in other areas. Women are still discriminated against on wages, employment and decision-making positions. In 2012, while unemployment rate in the subregion stood at 9per cent for men, it was twice for women (18per cent). The unemployment rate for young women was estimated at about 42per cent in 2012.

(d) Environmental Sustainability Priorities

The subregion is faced with environmental issues, which include desertification, water scarcity, land degradation, loss of forests and pastures, pressure on marine ecosystem, climate change and industrial pollution.

Natural Resources Management Challenges: North Africa consists of coastal plains, mountain ranges and highlands. The desert formations account for most of the area of the region. The region is semi-arid to arid dominance, subject to a climate resulting from maritime influences in the north east (Mediterranean Sea) and west (Atlantic Ocean) and Saharan south. Arable land is limited. Their areas are between 1per cent (Libya) to 18.2per cent (Tunisia) of national territories. Overall, North Africa receives only 7per cent of the total precipitation of the African region, with an uneven distribution between countries and within countries.

The sub-region bears the full brunt of desertification (85per cent of the land) that has destroyed much of the biological potential of land and whose consequences are now water scarcity, declining land productivity, loss of biodiversity and ecosystems and lowering of the quality of life. Arable land (15per cent of the total area of the subregion) is threatened by erosion, salinization and unsustainable farming practices. Although these issues are shared in a common geographical space and an economic zone, national policies to fight these phenomena are variously undertaken by States, without adequate consultation. The degradation of land and forests undermines efforts towards food security and threatens the lives of future generations. It also has a direct impact on internal and external migration, which can worsen already high social pressures on land.

Apart from Mauritania (Senegal River), Sudan (Nile) and Egypt (Nile), the subregion does not have permanent rivers of importance. Consequently, focus has been on irrigation from aquifers and hydraulic structures. This often leads to questions relating to the sustainability of aquifers, just as intra-subregional conflicts over shared water resources. Oases are being threatened by climate change. Eight hundred and seventy plant species classified as rare are on the brink of extinction. There is overharvesting of fishery resources in countries such as Mauritania and Morocco, which are now experiencing over fishing of octopus and sardines.

(e) Governance and Institutional Effectiveness

The subregion needs to promote good governance and active participation of stakeholders in the development process.

Regional integration: The emergence of successful socio-political and economic union in the subregion has not occurred. It is not yet a success in terms of economic, social and environmental integration. To date, the countries of North Africa have not taken full advantage of the links between them as markets and sources of supply, and therefore did not realize the potential gains in terms of economic growth and employment. Trade within the subregion is less than 3per cent of the total volume of trade and the lowest level under all regional trade agreements under the WTO. Strengthening regional integration is therefore a priority for sustainable management of shared resources.

IV.4.3 West Africa Subregion

(a) Economic Development Priorities

Trends in real GDP growth since 1995 shows, that almost all West African countries experienced modest positive economic growth rate. Over the period 1995-2009, the average annual real GDP growth rate was 4.5 per cent for the subregion with the best performers being Liberia, Cape Verde, Burkina Faso and Mali and the low performers - Guinea-Bissau, Cote d'Ivoire, Togo and Guinea. Despite these moderate successes, most West African countries still face the challenge of raising and sustaining economic growth. Economic growth within the subregion has not contributed to the creation of employment and exploitation of mineral resources has so far failed to place emphasis on value addition or beneficiation. Structural transformation is required by the subregion to improve the quality of life of the people. The shrinking of the agricultural sector's contribution to GDP accompanied by a decrease or at best a stagnation of the manufacturing sector suggests ineffective transformation with limited impact on growth and poverty.

(b) Sustainable Social Development Priorities

Countries in the subregion lag far behind in human development, particularly education, health, access to drinking water, sanitation and other basic infrastructure services. These persistent social challenges have seriously hampered efforts of countries within the subregion to accelerate growth and reduce poverty as envisaged in national Poverty Reduction Strategies and the MDGs. Poverty remains the major challenge facing countries in West Africa. The incidence of poverty is among the highest in the world. Over a third of the countries within the subregion are ranked among the poorest in the world. However, on average, poverty rate is declining, except in a few countries like Nigeria.

Unemployment **-** Unemployment has increased over the past two decades for many of the countries and varies across countries. Countries such as Benin, Burkina Faso and Niger succeeded in maintaining low unemployment rates, while Cape Verde, Ghana and Mali have relatively high unemployment rates. In many of these countries, youth and more specifically, graduate unemployment rate is higher than total unemployment rate. Also, females are not only disproportionately worse off than men in most countries in terms of employment but also can mostly be found in the lower ranks at workplace and in the informal sector where conditions are below labour standards.

Population and urbanization **-** Population growth in the subregion although has on the average been declining, is relatively higher compared to other regions globally. Average total population growth in the subregion has declined from 2.7 per cent annual growth over the period 1990-1995 to 2.6 per cent over 2000-2010. Urbanization is also increasing as almost all the countries have a higher proportion of their population living in urban areas. This has placed inadequate infrastructure under severe strain and led to growth in slum population in urban areas.

Fertility Rates - One of the main causes of the rapid population growth within the subregion is the relatively high fertility rates. Although there has been some reduction in total fertility rates from the beginning of the 2000s in almost all West African countries, the number of births per woman remains high.

Life Expectancy **–** the subregion experienced improvements in life expectancy as it generally increased over the period 1995-2011 for all the countries. This however varied across countries. Cape Verde and Ghana had life expectancy above 60 years on average, while Sierra Leone had the least of an average of about 45 years. Low expectancy rate has been due to a number of factors, which include poor social and economic conditions and the grave impacts of malaria, HIV/AIDS and related diseases. Females had higher life expectancy rates.

Infant Mortality Rate - Infant mortality rates in the region appear to be generally improving, especially for countries with better social and economic conditions, free of conflict and drought conditions, and relatively free from the scourges of HIV, malaria and Tuberculosis (TB) though the rates are high for some countries. Over the period 1995-1999, there were 8 countries with relatively low infant mortality rates of less than 100 per 1000 live births. This increased to 12 over the period 2005-2009. However, in 2010 and 2011 only Sierra Leone had high infant mortality rates of over 100 per 1000 live births largely as a result of challenging social and economic conditions.

Literacy Rates, Primary and Secondary School Enrolment - Literacy rates recorded by countries in the subregion are high and improving. In 1990, West Africa had the highest proportion of countries with illiteracy rates of 60 per cent and above. Over the period 1995 to 2011 the situation has improved, reflecting the concerted effort on the part of West African countries to eliminate illiteracy. Net primary enrolment ratio has improved for all countries except Liberia over the period implying that generally children of primary school going age are getting more access to primary education. Secondary school enrolment ratio has also increased. The average for the subregion more than doubled from 20.1 per cent over the period 1995-1999 to 46.1 per cent in 2011. There is however a wide variability across countries regarding secondary enrolment. For instance while countries such as Cape

Verde, Ghana, Togo and Benin recorded gross secondary school enrolment of over 50 per cent in 2011, Niger had less than 15 per cent.

Water and Sanitation **-** With the exception of Nigeria all the countries have witnessed a marginal improvement in access to sanitation even though Cape Verde, the Gambia and Senegal are the only countries having more than 40 per cent of their population having access to improved sanitation facilities as at 2010. Also, access to improved water source has increased marginally over the decade and half up to 2010. The Gambia, Cape Verde and Ghana provided more than 80 percent of their population with water in 2010 representing the highest progress made in the subregion, while access to improved water situation in Niger is quite precarious with only 49 percent of the population has access to improved water, this being the lowest in the subregion.

(c) Environmental Sustainability Priorities

Many countries in the subregion are at the risk of climate change and are experiencing climatic variability and extreme weather conditions such as floods or droughts and frequent high maximum temperature. Even though the subregion is among the least contributors to greenhouse gas (GHG) emissions, it is among the most vulnerable globally in terms of the impact of climate change largely as a result of its limited adaptive capacity. Carbon dioxide (CO_2) is the most important GHG responsible for climate change. Almost all countries in West Africa on average have shown an upward trend in per capita CO_2 emission from 2000-2004 to 2005-2009 apart from Sierra Leone mainly as a result of human activities. Compared to other regions globally, the contribution of West Africa to global CO2 emissions is quite minimal due to low levels of industrialization.

The subregion has since the 1960s been experiencing serious land degradation. There has been damage in the soil structure, depletion of nutrients and increase in the susceptibility to erosion largely as a result of increasing application of chemicals and the use of inappropriate equipment and technologies, commercial farming practices and inefficient irrigation systems. Intensifying desertification has been the consequence of prolonged land degradation in West Africa’s dry lands.

Relatively large portions of West Africa especially, those lying along the equatorial zone used to be under forest cover. Unsustainable exploitation of forest resources has persistently threatened the survival of the terrestrial habitat in the subregion. Forest area as a percentage of total land area has been decreasing consistently for most countries except for The Gambia where increases have been recorded. Continuous reduction in forest area to land area makes it more challenging in achieving the MDG target of increasing the proportion of land area covered by forests.

The subregion continues to suffer biodiversity losses and was unable to achieve a reduction in loss rate by 2010 as expected by the JPOI. Significant threat is posed by population growth, urbanization, and poor waste management to ecosystems. The coast of West African supports a diversity of habitats and resources - rocky shores, sandy beaches, deltas, estuaries and coastal wetlands, coral reefs and lagoons. These aquatic environments which contribute significantly to the livelihoods of coastal communities and have other intrinsic values have been seriously degraded.

IV.4.4 East Africa Subregion

(a) Sustainable Economic Development Priorities

The Eastern Africa sub-region recorded a decline in average real growth rate of 4.7 per cent in 2009 compared to 7.0 percent in 2008. Rwanda recorded the highest real growth rate of 6.1 per cent, followed by Tanzania and Uganda at 6.0 and 5.2 per cent, respectively. In aggregated terms, total GDP for the region amounted to US$74,047 million in 2009, compared to US$72,998 million in 2008.The dominant sector in all the partner states in 2009 was agriculture, followed by wholesale and retail trade and manufacturing. The poor state of infrastructure, particularly roads, remains a major constraint to the performance of the other key sectors in all the five East African economies[36]. With regard to road transport, the launching of East Africa Road Network project, which is about 7426 km, has been a crucial step in addressing the infrastructure bottlenecks in the region. The objective of this infrastructure project is to develop cross border links with a view to facilitating trade.

(b) Sustainable Social Development Priorities

Infant and Child Mortality, Education: Infant mortality rate in the region ranges from 52 percent to 106 percent while child mortality rate ranges from 74 percent to 137 percent. Both mortality rates are generally on a declining trend while in the education subsector, most indicators - including enrolment, completion, transition and literacy rates showed improvements[37].

Poverty and Food Insecurity: Average poverty rate is at 47.5 percent. The rate varies across countries: Burundi 67 per cent (2008), Ethiopia 29.2 per cent (2010), Kenya 46.6 per cent (2006), Rwanda 56.9 per cent(2006), Uganda was 24.7 per cent (2010) while the United Republic of Tanzania 35.7 per cent (2001). The implication is that over 100 million people in the region live below the poverty line.

Food insecurity is one of the most pressing problems in the Eastern African subregion. There has been considerable decline in the level of food production in the subregion and the price of food has increased significantly in the last two years, making food effectively unavailable to many households. The majority of the small scale farmers produce mainly for subsistence.

(c) Environmental Sustainability Priorities

The region experiences intensive exploitation of natural resources severely degraded environment. This is being exacerbated by recurrent droughts and other natural and man-made disasters. Although some subsections of the subregion (the IGAD region) have a wealth of natural resources with the potential to drive economic growth and social development, the full environmental and natural resources potential is not being realized. The reasons include: a fast rate of growth of a largely rural and heavily natural resource dependent population; natural disasters; and institutional weaknesses. As such, environmental and natural resources degradation is still evident in the subregion, previous efforts notwithstanding[38].

In the addition to the above challenges, the new and emerging challenges to sustainable development in the subregion include climate change and the associated extreme weather conditions; rising water scarcity; energy crisis precipitated by the unprecedented volatility in energy prices; biodiversity loss; the degradation of ecosystems, including marine ecosystems; inefficient and wasteful patterns of consumption and production; and a succession of natural disasters.

[36] EAC Development Strategy, 2006
[37] East African Community Facts and Figures report, 2010
[38] IGAD, environmental and natural resources strategy, 2007

Table 1: East Africa: Sustainable Development Issues and their Implications

N˚	Sustainable Development Issue	Main Causes	Implications and Linkages with other Sustainable Development Issues
Economic Sustainable Development Issues			
1	High Poverty levels	High population growth rates estimated at 2.5 percent annually, environmental including land degradation, limited range and diversification of economic activities.	High diseases burden and poor health, low productivity including in agriculture, food insecurity and poor nutrition, inability to afford and access adequate social services.
2	High unemployment rates	Inadequate access by the majority of people to social services such as education and health estimated to be more than 40 percent and production asset including finance and productive assets such as land and other natural resources	Poor productivity of the population, Inadequate access to basic needs, vulnerability to crimes, rural urban influx
3	Inequitable economic growth and Inequality	Predominance of agriculture, Inadequate off farm activities, High population pressures, Unequal land distribution, high rates of unemployment discriminatory cultural practices against women	Depletion and degradation of natural resources, environmental challenges, and increased poverty levels
Social Sustainable Development Issues			
4	High Population growth	High fertility rates, poor accessibility to family planning services, and high poverty levels	Pressure on and degradation of natural and other resources, low productivity levels, production focus on subsistence
5	Poor health and prevalence of diseases such as HIV prevalence	Inadequate access to and poor health facilities and services, poor nutrition, environmental degradation including, low budget allocations, and cultural values	High child and maternal mortality; low productivity and poor economic performance
6	High illiteracy rates	High rates of secondary-school drop-outs, low ratio of girls to boys enrolment in higher institutions of learning	Persistent unemployment; lower wages and income; poverty, slow growth levels, women's inadequate access to resources such as land and inequitable growth
7	Food insecurity and persistent hunger	Population growth rates (2.5 percent), land exhaustion and loss of soil fertility, inadequate access to appropriate farm technologies, natural vagaries such as floods and droughts	Poverty circles, poor health and childcare, land degradation; food price volatility; conflicts.

Environmental Sustainable Development Issues			
7	Unsafe water and poor sanitation	Inadequate water supply, sanitation facilities, and limited infrastructure	Water-borne diseases and poor health
8	Air pollution	Unregulated emissions from industrial establishments, emissions from other sources, use of poor technologies	Climate change, non Communicable diseases
9	Negative impacts of climate change including droughts, floods and landslides	High carbon emissions from deforestation and land degradation, use of fossil fuels particularly in the transport and energy sectors	Disruptions in agricultural, increased incidence of diseases and poor health, increased hazards such as landslides and high incidence of natural disasters, food insecurity, loss of biodiversity, disease and poor health and natural disasters
10	Land degradation and desertification	Population Pressure, encroachment on Forests, desertification, effects of climate change	Disruption production, persistent drought, loss of soil fertility, ad food insecurity
11	Deforestation	Population pressure, agricultural encroachment poor agricultural	Reduction in rain fall; loss of biodiversity, land degradation and loss of soil
12	Unreliable energy sources	High reliance on biomass fuels, Limited investments in clean and modern energy sources,	Land degradation and deforestation limited production levels, climate change effects, limited industrial development
Governance Challenges on Sustainable Development			
13	Increased security concerns and peace building	Instabilities in the region, Cultural attachments,	Instability of the population, reduction in the performance of economic activities like agriculture, limited food production, Many refugee camps in the region

IV.4.5 Southern Africa Subregion

(a) Overview

The main economic activities of the subregion are services (51 per cent of GDP) followed by industry (32 per cent). Agriculture comes in third place at 17 per cent. The subregion has posted positive economic growth since 2000, the highest being over 6 per cent in 2006 and 2007. On the downside, the subregion is a net importer of goods and services and frequently incurs fiscal deficits (nearly 4 per cent of GDP in 2012). Its development seems to be associated with a high debt ratio, which is about 40 percent of GDP. Some countries rank very high on the Human Development Index (HDI), like Mauritius that is ranked 80. However, a number of others are ranked towards the bottom - as low as 185 for Mozambique. In terms of per capita income, countries in the subregion range between US$13,049 for Botswana and US$753 for Malawi.

The subregion has done better than much of the sub-Saharan African region in terms of human development over the last twenty years, rising from HDI value of 0.4 in 1990 to 0.52 in 2012. Despite this progress in human development, Southern Africa faces challenges that have raised concerns on the sustainability of its progress.

(b) Sustainable Economic Development Priorities

The subregion's economic production is dominated by raw materials largely in agriculture and mining. There is limited beneficiation of minerals, and subregional trade largely revolves around one country - South Africa. The top HDI ranked country in the subregion – Mauritius – has a diversified economy comprised of commercial agriculture, tourism and services. The key challenges on the economic front are unsustainable growth rate, limited value addition in mining and agriculture, high unemployment and limited diversification of outputs.

(c) Sustainable Social Development Priorities

With an average poverty rate[39] of 45 per cent, the subregion has more than half of its population below the poverty line and this has been the situation for over the last decade or longer. The average population growth for the subregion stands at 1.75 and for several individual countries, it is below 3 per cent. The countries with 3 per cent population growth, Malawi and Zambia, have had average economic growth of more than 3 percent over recent years. It is expected that many countries should be able to sustain economic growth rates higher than population growth in the medium term. There is high level of poverty and income inequality.

The subregion ranks very highly in adult literacy rate and gender equality and women empowerment. Three Southern Africa countries – Mauritius, Namibia and South Africa - rank below 100 in the world on the gender inequality index. Life expectancy has been used as a proxy for the health situation in Southern Africa, and in this case there are signs that health systems or delivery may not be much different from the rest of Africa. On education, adult literacy rates are reasonably impressive, with some of the region's low income countries such as Lesotho and Zimbabwe doing even better than the medium income countries. The challenge appears to be gross enrolment at secondary level and above. The main challenges are high incidence of disease probably related to or being worsened by HIV/AIDs; poor health service delivery; low enrolment in education beyond primary school; Gender Based Violence; unequal distribution of wealth between gender and a wide gender gap in participation and decision making at various levels.

(d) Environmental Sustainability Priorities

The subregion's growth and social development have been at the cost of its environment. It suffers 7.4 per cent forest loss per year. The main environmental sustainability issues are loss of forests, land degradation from mining, air pollution and climate change, among others.

(e) Governance and Institutional Effectiveness

Southern Africa ranks as the top performing subregion in Africa in governance. In both the 2010 and 2012 Ibrahim Index on African Governance (IIAG) and all its member countries have recorded improvements over the period. Southern Africa displays relatively balanced and equitable governance. Despite its achievements, the subregion nonetheless faces challenges, which include poor funding and weak capacity of institutions involved in public service delivery; ineffective rural development;

[39] Based on US$1.25 PPP, except for the first four middle income countries where US$ 2 PPP is used.

prevalence of fragmentation, overlap, duplication and competition among institutions in spite of the existence of good frameworks such as those put forward by NEPAD and the RECs.

Based on the foregoing, Table 2 presents the key priorities of the five subregions

Table 2: Summary of Emerging Priorities at Sub-Regional Levels

CENTRAL AFRICA	EAST AFRICA	NORTH AFRICA	SOUTHERN AFRICA	WEST AFRICA
19. Promote peace, security and socio-political stability 20. Promote good governance and accountability 21. Develop physical, economic and social infrastructure 22. Combat poverty and promote food security 23. Promote green growth and the creation of decent employment 24. Improve access to health for all 25. Ensure high school education and vocational training for all 26. Ensure protection of the environment and promotion of resilience to climate change 27. Promote social inclusion, gender equality and the empowerment of women	13. Transition toward a green economy 14. Sustainable food security accessibility and use 15. Sustainable land management and biodiversity protection 16. Promotion of science and technology for development 17. Disaster risk management 18. Institutional and governance reforms	9. Reduce marginalization and social exclusion of vulnerable population 10. Foster transition towards a green and inclusive economy 11. Ensure universal access to basic services 12. Build lasting peace on a transparent basis	13. Sustainable poverty eradication 14. Improved learning 15. Gender equality and empowerment 16. Improvement of health and nutritional status 17. Ensure environmental sustainability 18. Improved governance	21. Reduction of extreme poverty and hunger 22. Achieve gender equality, equitable and universal primary and secondary education 23. Improve child and maternal health 24. Universal access to healthcare delivery service 25. Increase and improve infrastructure and urban management 26. Improve inclusive economic growth 27. Achieve structural economic transformation 28. Ensure good governance, peace and security 29. Reduce environmental pollution (ensure sustainable use and management of natural resources) 30. Development regional and global public-private partnerships for development (external financing and partnerships)

IV.5 Situational Analysis II: Regional Level Sustainable Development Challenges and Priorities

(a) Sustainable Economic Development Priorities

Economic Growth

During the year 2011, eight countries (Sudan, Cote d'Ivoire, Tunisia, Madagascar, Niger, Comoros, Mali and Senegal) had negative annual GDP per capita growth rate. Ghana recorded the highest of 11.76per cent. The highest external debt stock (percentage of GNI) in 2011 was registered by Seychelles followed by Sao Tome and Principe. The total external debt stocks as a percentage of gross national income was at least 50per cent in 8 countries (Seychelles, Sao Tome and Principe, Mauritania, Guinea, Zimbabwe, Cape Verde, Cote d'Ivoire, and Tunisia). On fiscal balance as a percentage of GDP, only Seychelles had a positive fiscal balance over the period. The highest negative fiscal balance or deficit as a percentage of GDP was recorded by Egypt.

In sub-Saharan Africa, the share of manufacturing exports in total exports has been on the decline. The share fell from 61.7per cent in 2005 to 41per cent in 2009. This is also the case with value added as a percentage of GDP for agriculture. Between 2002 and 2011, it declined from 19.6per cent in 2002 to 10.8per cent in 2011. For manufacturing value added as a percentage of GDP, the share declined from 13.72per cent in 2002 to 11.95per cent in 2011). For services, the value added decreased in 2011 compared to 2002 in 18 countries and increased in 15 countries out of the 33 countries for both 2002 and 2010/11. The highest increase of 16.36 percent in the value added in services etc as a percentage of GDP was recorded in Namibia while the highest reduction of 10.98per cent was registered in DRC.

Unemployment remained a challenge during the period. Total unemployment rate was highest in South Africa (24.9per cent) and lowest in Benin (0.58per cent). Female unemployment rate was higher in all countries, with Egypt, Ethiopia and Gabon recording the highest disparities. The employment to population ratio in 2011 was above 80per cent in Rwanda, Madagascar, Zimbabwe, Burkina Faso and Equatorial Guinea implying that a large proportion of the population in each of these countries was employed during this period.

Sustainable Consumption and Production

Resource/material productivity: the level of resource/material productivity in the region defined as the ratio of real output to domestic material consumption was very low compared to the global average. In 2008, the average level of material productivity in Africa was about US$516 per ton of material, which is quite low relative to the global average of US$950 per ton of material. There were however disparities across subregions and countries.

Proportion of population using solid fuels: The percentage of population using solid fuels is the percentage of the population that relies on solid fuels as the primary source of domestic energy for cooking and heating. Solid fuels include biomass fuels, such as wood, charcoal, crops or other agricultural waste, dung, shrubs and straw, and coal. Over 90per cent of the population in 21 countries used solid fuels in 2010 while only 5per cent of the population in 7 countries (Algeria, Egypt, Libya, Mauritius, Morocco, Seychelles and Tunisia) used solid fuels. Moreover, over 90per cent of the population in 10 of the 15 countries in western Africa used solid fuels while only 5per cent of the population in 5 of the 7 countries in Eastern Africa used solid fuels in 2010.

Countries with established Cleaner Production Centres: Nine countries in the region have national cleaner production centres (NCPCs) out of the 24 so far established by UNIDO/UNEP. The African countries with NCPCs are Ethiopia, Kenya, Morocco, Mozambique, South Africa, Tanzania, Tunisia, Uganda and Zimbabwe

Energy use per unit of products (intensity of energy use industrial sector: In 2009, energy consumption by the industry sector was highest in Northern Africa and least in Eastern Africa.

CO2 Emissions: The trends in CO2 emissions (kg per PPP $ of GDP) based on 2002 to 2009 estimates showed that CO2 emissions has decreased globally (from 0.55 in 2002 to 0.44 in 2009). In Sub-Saharan-Africa, CO2 emissions decreased from 0.54 in 2002 to 0.40 in 2009. The region's CO2 emissions are lower than the global average. Country-wise, CO2 emissions in 2009 were highest in South Africa.

Renewable versus non renewable total primary energy (TPES) (consumed not produced): Renewable energies are essential contributors to the energy supply mix. They contribute to world energy supply security, reducing dependency on and provide opportunities for mitigating greenhouse gases. In the region, the share of renewable in total primary energy supply (TPES) ranged from about 22per cent in Central Africa to about 74per cent in East Africa. The shares for Eastern and Southern Africa are higher than the average for the region.

Proportion of population using solid fuels: The percentage of population using solid fuels is the percentage of the population that relies on solid fuels as the primary source of domestic energy for cooking and heating. Solid fuels include biomass fuels, such as wood, charcoal, crops or other agricultural waste, dung, shrubs and straw, and coal. In 2010, wide variations ranging from 5per cent to 95per cent was observed in the percentage of population using solid fuels between countries in the region. The percentage of population using solid fuels in 2010 was 95per cent in 13 countries while it was 5per cent in 7 countries. Over 50per cent of the population in 41 countries was using solid fuels in 2010

(b) Sustainable Social Development Priorities

Extreme Poverty - proportion of population living below $1.25 a day[40]: Based on data for the period 2006-2011, over 50per cent of the population in Eastern and Southern Africa as well as West

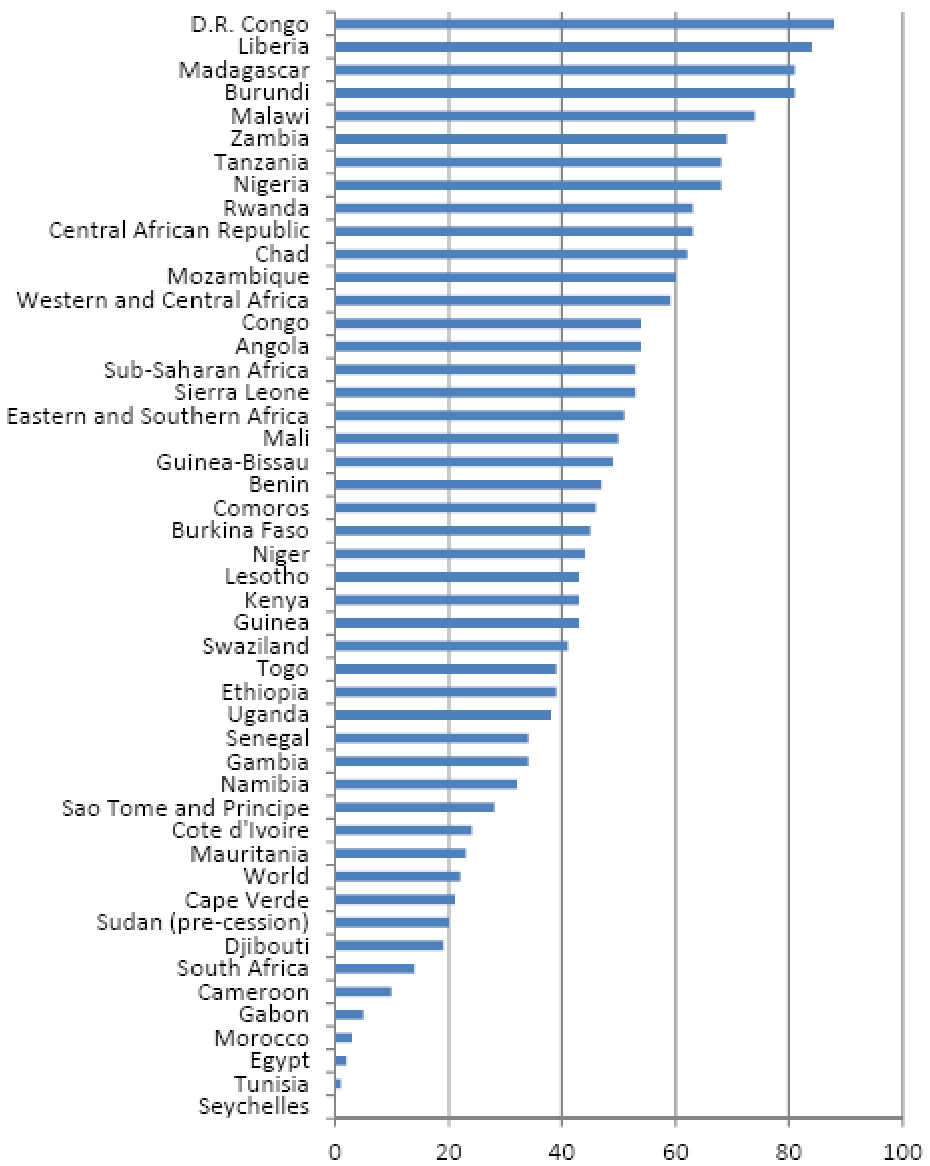
[40] This proportion of population living below $1.25 (2005 PPP) a day is defined as the proportion of the population living in households below the international *poverty line* where the average daily consumption (or income) per person is less than $1.25 a day measured at 2005 international prices adjusted for purchasing power parity (PPP) . This indicator replaced the $1 a day poverty since Fall 2008. The indicator is one of the most commonly used measures of poverty which is a purchasing power parity (PPP) adjusted dollar that has the same purchasing power in all countries. It is the percentage of the population living on less than $1.25 a day at 2005 international prices. The main purpose of this indicator is to allow for global comparisons of poverty. The indicator assesses overall performance from the point of view of the poor. An average daily consumption of $1.25 or less is considered as extreme poverty and indicates living on the edge of subsistence.

and Central Africa is living on less than $1.25 per day, which represents extreme poverty condition. Tunisia, Egypt, and Morocco from the Northern Africa and Gabon had significantly lower poverty rates during 2006-2011 with proportion of people living on less than $1.25 a day being less than or equal to 5 percent. The only country in the region with no one living on less than $1.25 a day was Seychelles. For DRC, Liberia, Madagascar and Burundi, the percentage is much higher – about 80per cent of the population. For Southern, East, Central and West Africa as a group, the proportion of the population in extreme poverty fell from 58 percent in 1999 to 48.5 per cent in 2010.

Level of Income Inequality: Based on the Gini index for the region (with 0 for perfect equality in income distribution, and 100 for perfect inequality) inequality ranged between 29.8per cent (Ethiopia) and 65.8per cent (Seychelles). Generally for the region, with the Gini index above 50per cent, this indicates that the distribution of income is skewed towards inequality.

Access to Sanitation Facilities: The proportion of the region’s population with access to improved sanitation facilities is increasing. It is however lower in sub-Saharan Africa compared to the global average. Access to improved sanitation facilities in Northern Africa is much better than that in sub-Saharan Africa. Between 2002 and 2011, most of the countries in the region had made progress in the percentage of population with access to improved sanitation facilities.

Fig. 3 Population Living Below US$1.25 per day, 2006-2011 (%)



Data source: UN data retrieval system from UNICEF

Access to Electricity: The proportion of the population in the region with access to electricity is less than the global average and still very much inadequate, especially in sub-Saharan Africa. While North Africa had nearly 100 percent electricity coverage in 2009, the proportion in sub-Saharan Africa was 31per cent. In 2009 for instance, while the proportion of the population with access to electricity was more than 95per cent in Libya, Egypt, Tunisia, Mauritius, Algeria and Morocco, it was less than 10per cent in Malawi and Uganda.

Access to Improved Drinking Water: Between 1990 and 2008, the proportion of Africa's population with access to improved drinking water sources increased by 16per cent (from 56per cent in 1990 to 65per cent in 2008). In 2010, six countries (Somalia, Ethiopia, Democratic Republic of Congo, Madagascar, Mozambique and Niger) had less than 50 percent coverage of improved drinking water. On the other hand, six countries (Egypt, Mauritius, Botswana, Comoros, Namibia and South Africa) had more than 90 per cent coverage of improved drinking water.

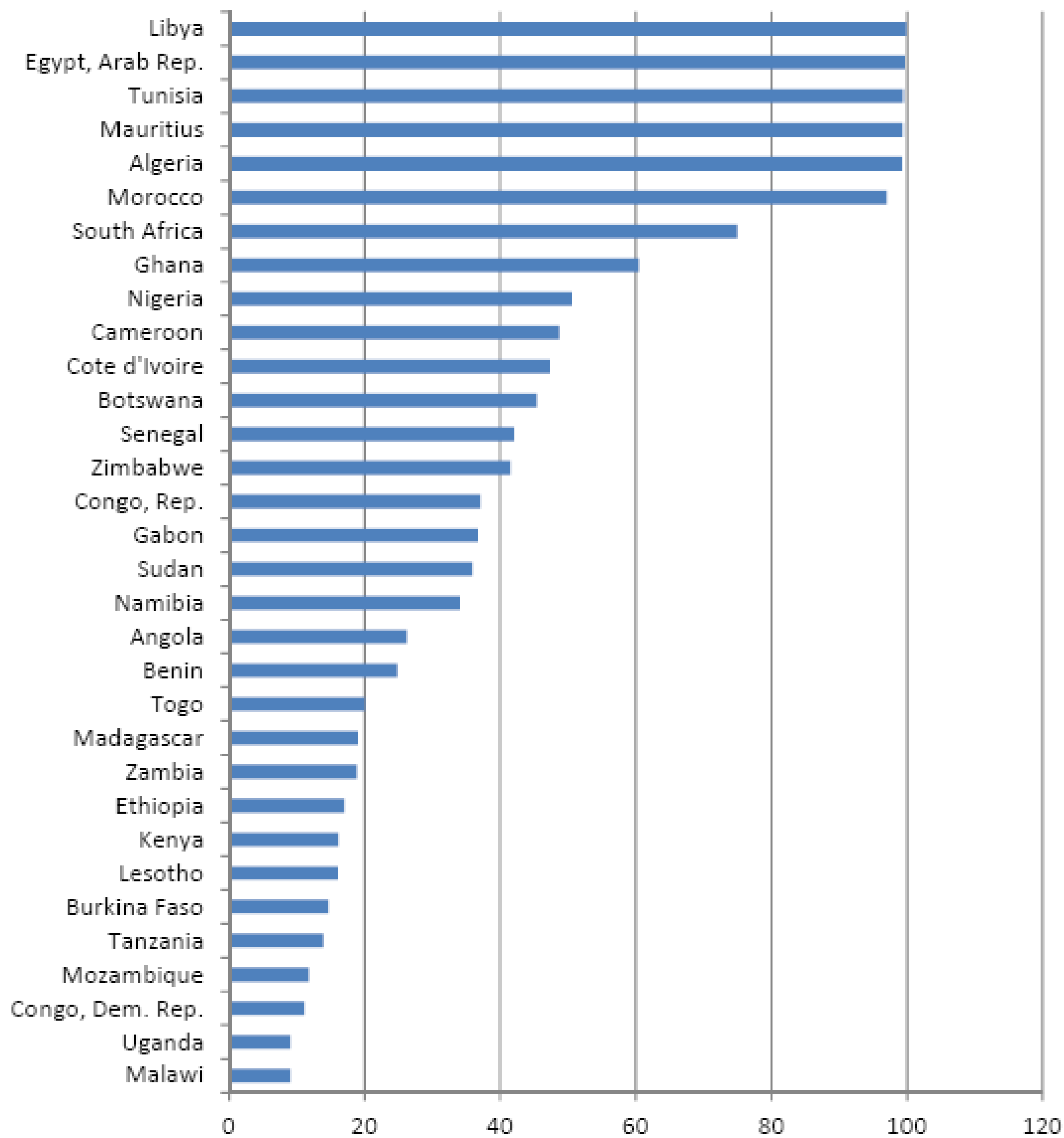
Population Living in Slums[41]: The proportion of the urban population living in slums in sub-Saharan Africa declined from 65 per cent in 2000 to 62 per cent in 2012. Across Northern Africa, the proportion of city dwellers living in slums fell to 13.3 percent in 2010 from 20 percent in 2000. While most of the countries in the region have shown improvements, the situation in 8 countries (Lesotho, Zimbabwe, Malawi, Central Africa Republic, Mozambique, Cote d'Ivoire, Somalia and Zambia) deteriorated. On average, more than 50per cent of most of the region's proportion lives in slums.

Population Growth Rate: The growth rate of population, relative to 1999 declined in 2011in 31 countries but increased in 21 countries. In 2011, the highest population growth rate of at least 3per cent was recorded in Zambia (4.16per cent), South Sudan (3.61per cent), Niger (3.53per cent), Liberia (3.31per cent), Uganda (3.19per cent), Malawi (3.17per cent), Eritrea (3.03per cent), Tanzania (3.03per cent) and Mali (3.01per cent). On the other hand, the lowest growth rates were reported by Seychelles (-0.61per cent), Mauritius (0.4per cent), Cape Verde (0.92per cent) and Morocco (1per cent).

Urbanization Rate: Urban population growth rate is slowing down across all subregions. It is estimated that 50per cent of the region's population will live in urban areas by 20135 as against 2020 for Asia. In 2011, the share of the African urban population was about 39.6per cent. Among the subregions, the share of urban population was highest in Southern Africa (58.9per cent) and lowest in Eastern Africa (23.7per cent).

[41] The proportion of urban population living in slums is the proportion of the urban population that lives in households lacking one or more of the following basic services: improved water, improved sanitation, durable housing, sufficient living area or security of tenure.

Fig. 4 Africa Region: Population with Access to Electricity (%), 2009



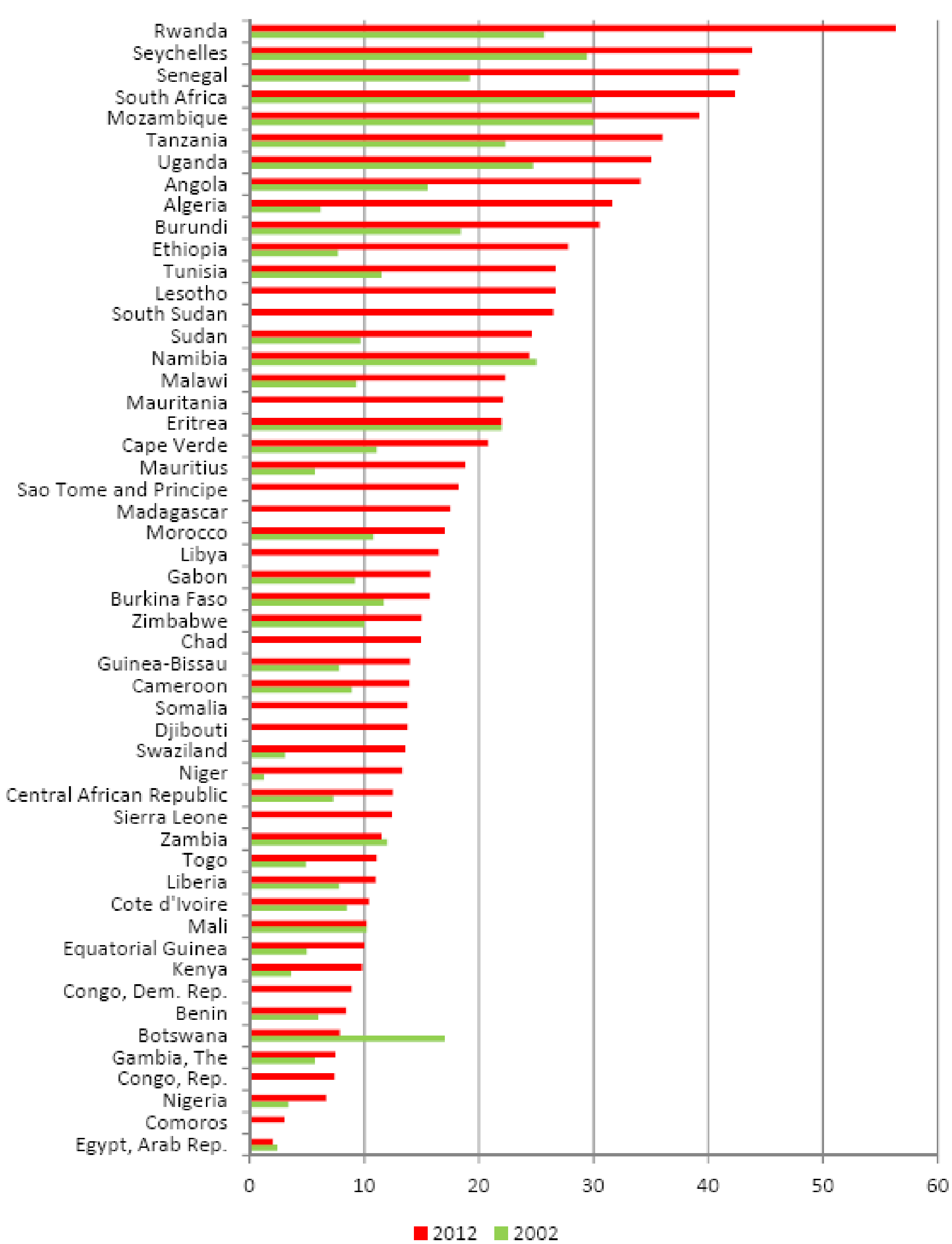
Data Source: WDI, World Bank

Gender and Women Empowerment: The proportion of seats held by women in parliament increased in 2012 compared to the situation in 2002 in all countries in the region, except Egypt, Botswana, Zambia, Namibia and Eritrea. Since 2003, Rwanda has had the highest number of parliamentary seats occupied by women. In 2012, the country remained the best performer on this indicator with 56.3per cent of seats held by women. This was followed by Seychelles, 43.8per cent; Senegal, 42.7per cent; and South Africa 42.3per cent. By 2012, ten countries in the region had reached the target of at least 30per cent women representation in national parliaments, namely, Rwanda, Seychelles, Senegal, South Africa, Mozambique, Tanzania, Uganda, Angola, Algeria and Burundi. Ethiopia, Tunisia, Lesotho and South Sudan with between 26.5 – 27.8per cent parliamentary seats are close to the target.

The extent to which women have access to paid employment in industry and services sectors – non-agricultural sector employment – is improving in sub-Saharan Africa, but nearly constant in North Africa in 2012. The proportion of women is slightly under 20per cent in North Africa, whereas in sub-Saharan Africa, it rose from 25per cent to 34per cent between 1990 and 2010. Women in South Africa, Ethiopia and Botswana held over 40per cent employment share in the non-agricultural sectors. The lowest for the region is Algeria with 15.4per cent.

Based on a Gender Parity Index, which measures the ratio of girls to boys in Gross Enrolment Ratio in primary and secondary education, there is an increase in the proportion of girls to boys in the region. While this indicator has a rising trend for all regions, the ratio of girls to boys in primary and secondary education in sub-Saharan Africa is less than the global average 15 countries with available data for both 2002 and 2011 showed reduced gender disparity in 2011. Between 2002 and 2011, Ethiopia was able to reduce gender disparity the most, by about 21 percentage points, followed by Burkina Faso.

Fig. 5 Parliamentary Seats Held by Women (%), 2002-2012



Data Source: WDI, World Bank

Access to Education

Share of Public Expenditure in Education: On average, Sub Saharan Africa countries devote about 16.2per cent of total public expenditures to education, with levels ranging from13.65per cent in Sierra Leone to 24.11per cent in Burundi.

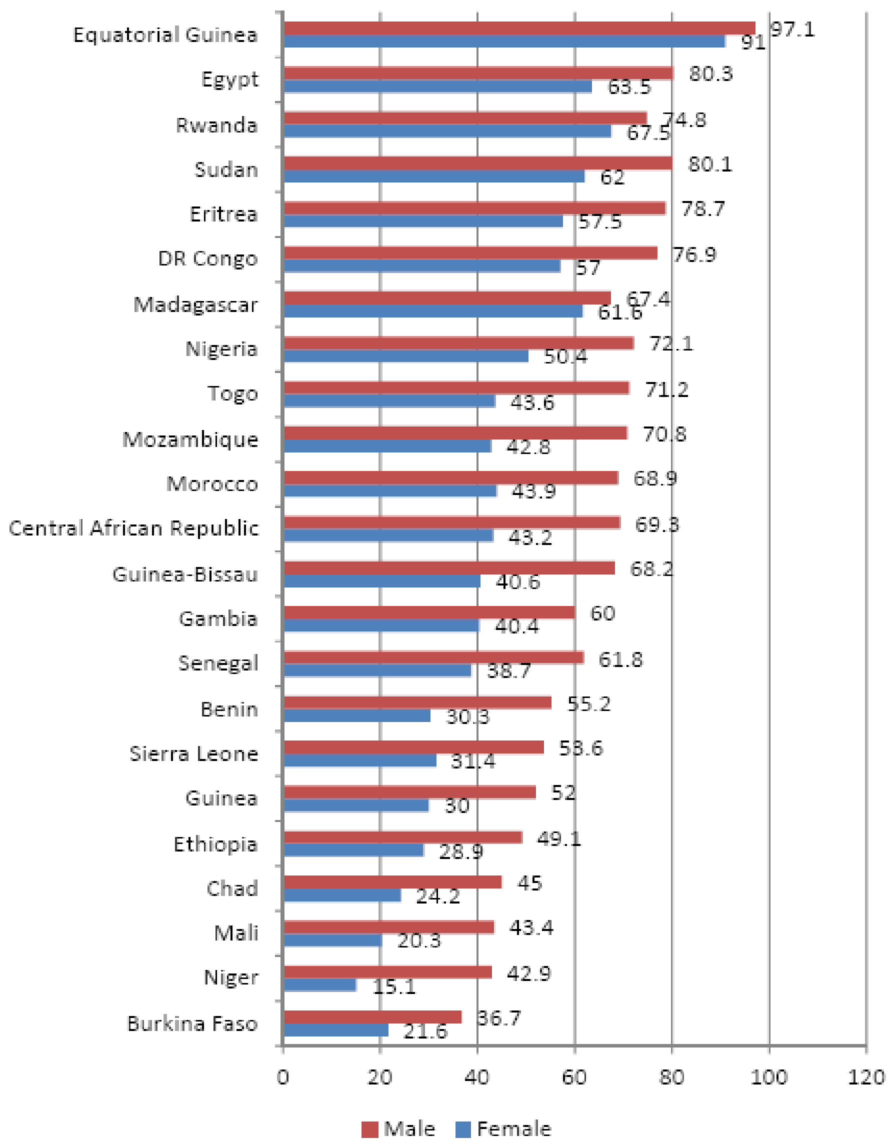
Proportion of pupils starting grade 1 who reach last grade primary: The proportion of pupils starting grade 1 who reach last grade of primary education, known as the Survival Rate to last Grade of primary, is the percent pupils enrolled in grade 1 of the primary level of education in a given school year who are expected to reach the last grade of primary school, regardless of repetition. The gross intake rate at last grade of primary school in North Africa is higher than that in sub-Saharan Africa. From a sample of 28 for which data was available for 2009, only 6 countries had 80per cent of pupils reaching the last grade of primary schooling. For 22 countries, the proportion reaching the final grade is lower. The most challenged country in the region is Chad with only 27.8per cent of pupils reaching the last grade of primary education.

Adult Literacy Rate: For sub-Saharan Africa, the adult literacy rate in 2010 was 63. This ranged from 29per cent in Niger and Burkina Faso to 94per cent in Equatorial Guinea. Female literacy rate is lower than that of male by wide margins in some countries. While male literacy rate ranged between 37per cent (for Burkina Faso) and 97per cent (for Equatorial Guinea), female literacy rate ranges from as low as 15per cent in Niger to 91per cent in Equatorial Guinea.

Gender Parity in Education: No country in the region has reached 100per cent gender parity in primary, secondary and tertiary education enrolment. Only two countries are close to achieving full parity – Rwanda and Madagascar with a GPI of 0.91. Gender disparity is most severe in Niger and Mali, which have indexes of 0.35 and 0.47, respectively. For both countries, the adult female literacy rate is less than half of the male literacy rate.

For the subregions, gender parity in primary education was close to achievement in 2010. North Africa had reached gender parity in secondary and tertiary education by 2010. For sub-Saharan Africa, the rates were 0.82 and 0.63, respectively, in 2010.

Fig.6 Adult Literacy Rate (%), 2010



Data Source: *UNESCO Institute for Statistics May 2012.*

Access to Healthcare

Life Expectancy Rate: In the region, there has been an improvement in life expectancy at birth, with the average for North African subregion being much higher than for other subregions. For the period 2002-2011, life expectancy was higher for female than for male in all countries except Botswana, Zimbabwe, Lesotho and Swaziland.

HIV/AIDS Prevalence Rate (Age 15-49 Years): The number of new HIV/AIDS infections per year per 100 persons aged between 15 and 49 years is on the decline across the region. New infection rate was lower in 2010 than it was in 2001. Between 2001 and 2010, the new infection rate fell from 5.6per cent to 4.8per cent in sub-Saharan Africa, but remained unchanged at 0.1per cent in North Africa. While the prevalence rate in Tunisia, Egypt and Comoros was 0.1per cent of the adult population, 10-15per cent of adults in Malawi, Mozambique, Zambia, Namibia and Zimbabwe were infected. The highest impact was in Lesotho, Botswana and Swaziland, which had prevalence rates of 23.3per cent, 23.4per cent and 26per cent, respectively.

Incidence of Tuberculosis (per 100,000 people): The incidence recorded a decline in Central, Eastern and Southern Africa over the period 2002-2011. North and West Africa have much lower rate compared to the other subregions. The incidence is highest in Southern Africa.

Maternal Mortality Rate: Over the period 1990-2010, the number of women who die per 100,000 live births fell by 66per cent in North Africa subregion and 41per cent in the rest of sub-Saharan Africa. SSA still has a very high maternal mortality rate – 850 deaths per 100,000 live births, while for North Africa it is 230 deaths. At country level, Nigeria with 40,000 deaths accounted for 14per cent of the global maternal deaths in 2010.

Under-Five Mortality Rate: Under-five mortality rate provides estimate of newborn babies that will die before reaching their fifth birthday. Measured as a rate per 1,000 live births, the indicator provides a good measure of the health of children. Under-five mortality rate is declining in all subregions. Between 2002 and 2011, the rate fell by 34per cent in Southern Africa; 27per cent in East Africa; 23per cent in West Africa; and 21per cent in North Africa. Between 1990 and 2011 North Africa reduced under-five mortality from 89 deaths per 1,000 live births to 41.

Child Immunization Rate: Measles immunization coverage among 12-23 month olds has increased from its 2000 level. All subregions had measles vaccine coverage of at least 75per cent. North Africa had a coverage of 96per cent.

Prevalence of Underweight Children under Age 5 Years: The proportion of children under-five years who are underweight decreased in 2010 compared to 1990. The number is however higher in sub-Saharan Africa than in North Africa subregion. The proportion of underweight children is higher for boys than girls. The percentage of moderately to severely underweight children ranged between 3.3per cent in Tunisia and 39.9per cent in Niger over the period 2002-2010.

Proportion of Population Undernourished: In 2011, Burundi, Comoros and Eritrea had more than 60per cent of their population undernourished, while Ethiopia and Zambia had undernourishment rates between 40 and 50per cent. On the other hand, Algeria, Egypt, Ghana, Libya, South Africa and Tunisia had only 5per cent of their population undernourished.

(c) Environmental Sustainability Priorities

Annual Deforestation Rate: In the region, the rate at which forest is converted to agricultural land showed a decrease in a number of countries, but continues in a high rate in others. It decreased slightly in Eastern and Southern Africa as well as in West and Central Africa, but remained unchanged in North Africa.

Terrestrial Protected Area: As a percentage of total land, the proportion of terrestrial protected area is on the decrease. Compared with 1990, the proportion of protected area decreased in 2009. In 28 countries in the region, the terrestrial protected areas were no more than 10per cent of total land area in 2010. Countries with terrestrial protected areas above 20per cent are Seychelles, Zambia, Botswana, Zimbabwe and Tanzania.

Threatened Species: In 2011, the number of threatened species of birds, mammals and fish was highest in East Africa followed by West Africa, while the number of threatened species of plants was highest in East Africa followed by Central Africa. The number of extinct animals was highest in Southern Africa followed by East Africa.

Proportion People in Degraded Land: The region has the highest proportion of degraded land among other regions. 25per cent of its land is wasteland, 12per cent lightly or moderately degraded and 4per cent strongly or extremely degraded. The main type of degradation is loss of topsoil followed by loss of soil nutrients. Burkina Faso, Burundi, Ethiopia, Madagascar, Lesotho, Morocco and Rwanda are particularly affected. Between 30 and 50per cent of the region’s population lives on degraded land.

Forest Area: The total forest area in West and Central Africa was 8per cent of the world’s forest cover, while East and Southern Africa accounted for 7per cent of the world’s total forest area. Central Africa subregion has the highest percentage of forest cover with 48.1per cent of the land covered by forest, followed by East Africa with about 30per cent. North Africa has the lowest percentage of forest cover. Over the period 2005-2010, a majority of the countries in the region (37) experienced forest loss. Among these were Comoros with the highest -9.71per cent, followed by Togo, -5.75per cent, Nigeria, -4per cent, Uganda, -2.72per cent and Ghana, -2.19per cent. Nine countries had positive net gain. Among these, Rwanda and Tunisia recorded the highest positive annual gains - +2.47per cent and 1.72per cent, respectively, for the period 2005-2010.

Marine and Freshwater Resources: Malawi, Tanzania and Cameroon had more than 100 threatened species of fish, while Uganda, Gabon, Guinea, Kenya, DRC, South Africa and Madagascar had between 60 and 90 threatened species in 2012. Lesotho, Chad, Mali, Botswana, Zimbabwe, Central African Republic, Swaziland, Niger, Burkina Faso, Comoros and Rwanda had less than 10 threatened fish species.

Climate Change: Greenhouse Gas Emission per capita: The primary GHGs in the atmosphere are water vapour, carbon dioxide, nitrous oxide, methane and ozone. Cote d’Ivoire has the highest per capita emission of GHGs in the region followed by Cameroon. Eritrea has the least per capita emission followed by Rwanda.

Natural Disasters: Between 1960 and 2012, all countries in the region have experienced on natural disaster or the other – drought, earthquake, epidemic, extreme temperature, flood, insect invasion, storm, wild fire, volcanic eruption, landslides, among others. Between 50 and 90 of such disasters have occurred in 20 countries, and between 10 and 50 in 25 countries. Countries with less than 10 include Equatorial Guinea, Libya, Sao Tome and Principe, Seychelles and Eritrea. This implies that a significant proportion of the region’s population faces the risk of extreme weather and natural disasters arising from climate change.

Fig.7 Life Expectancy at Birth (Years), 2011

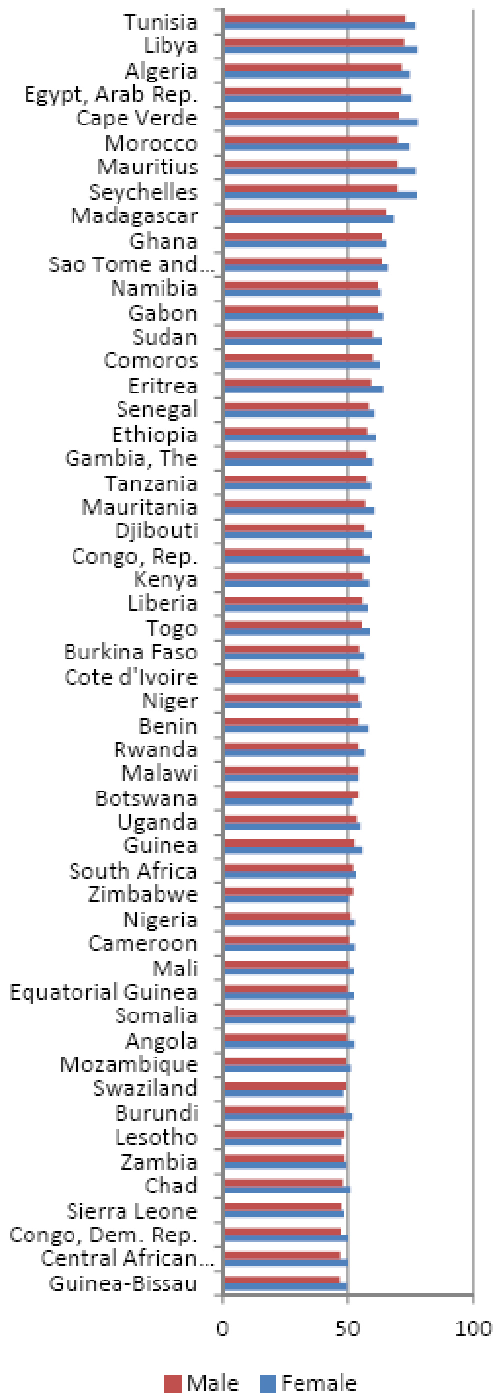
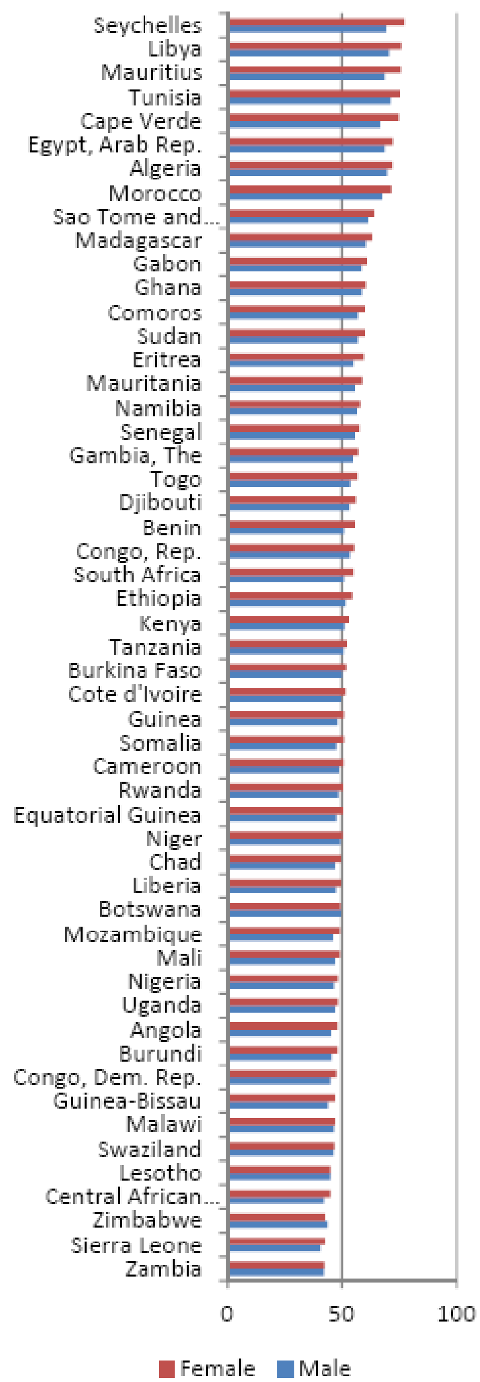
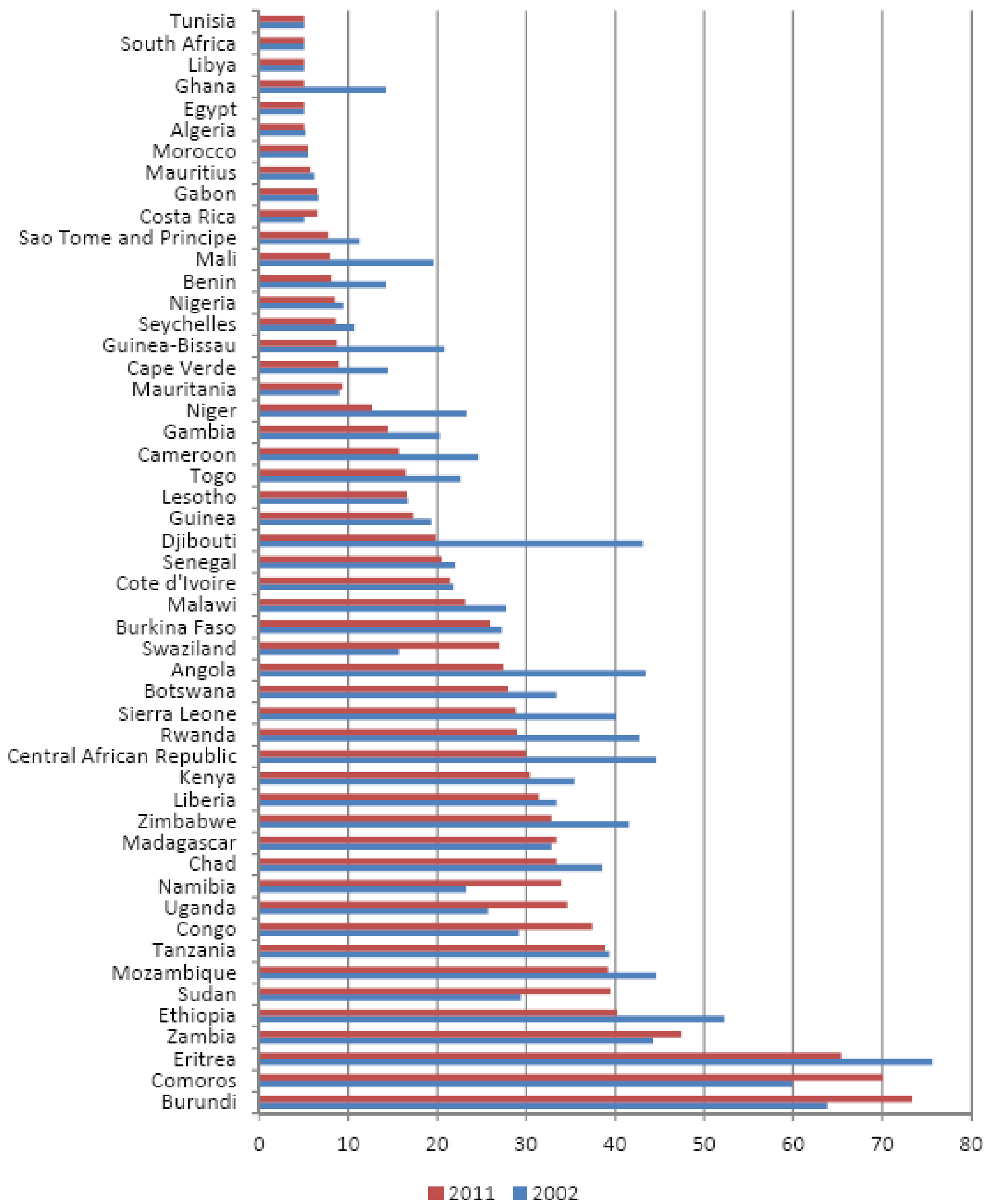


Fig. 8 Life Expectancy at Birth (Years), 2002



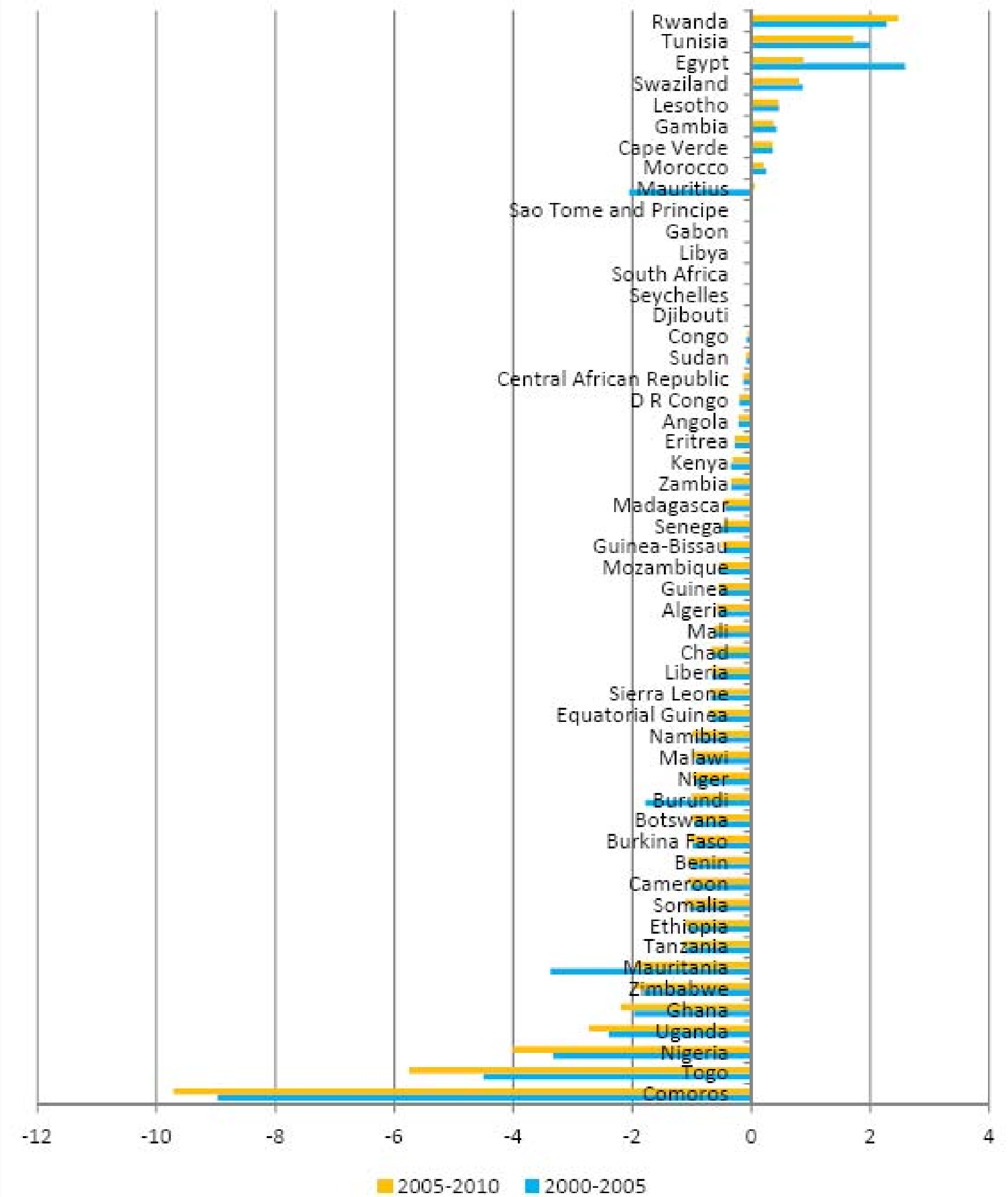
Data Source: WDI, World Bank

Fig.9 Proportion of Undernourished Population (%), 2002 - 2011



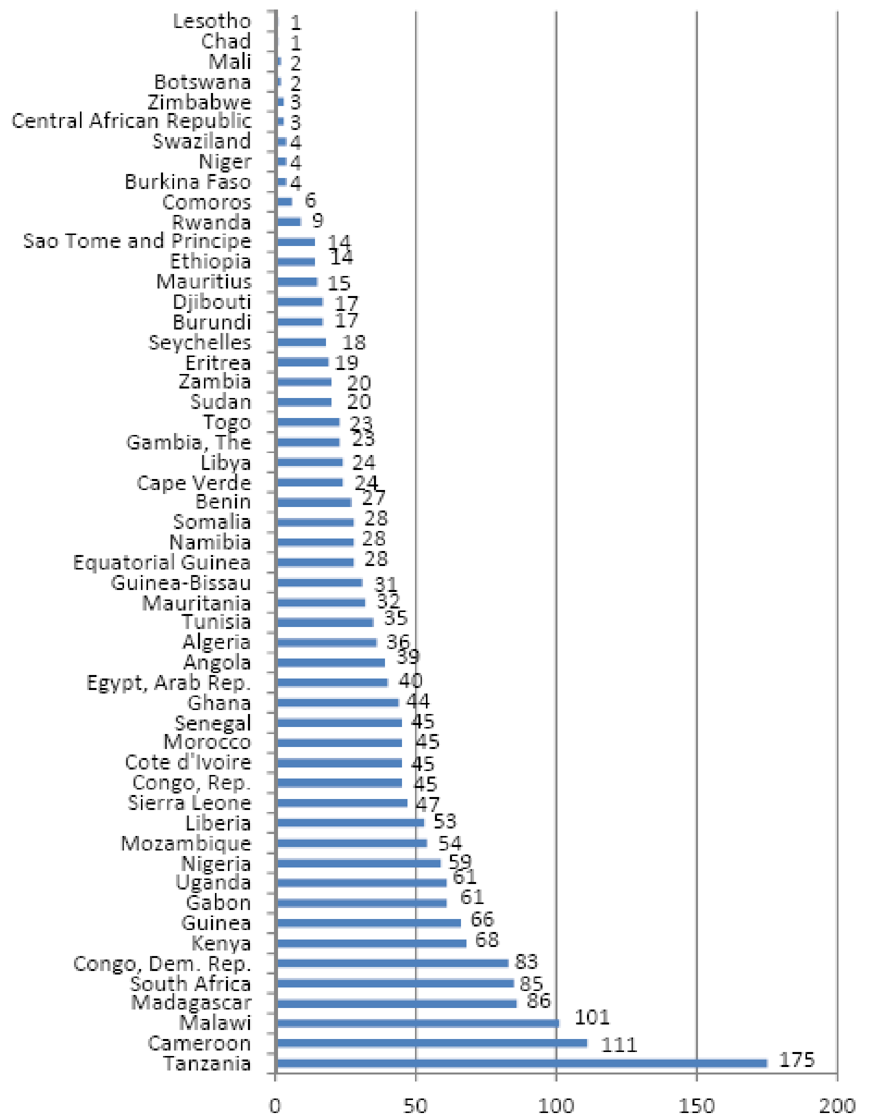
Data Source: UN MDG indicators

Fig.10 Annual Rate of Change of Forest Area (%), 2000-2005 & 2005-2010



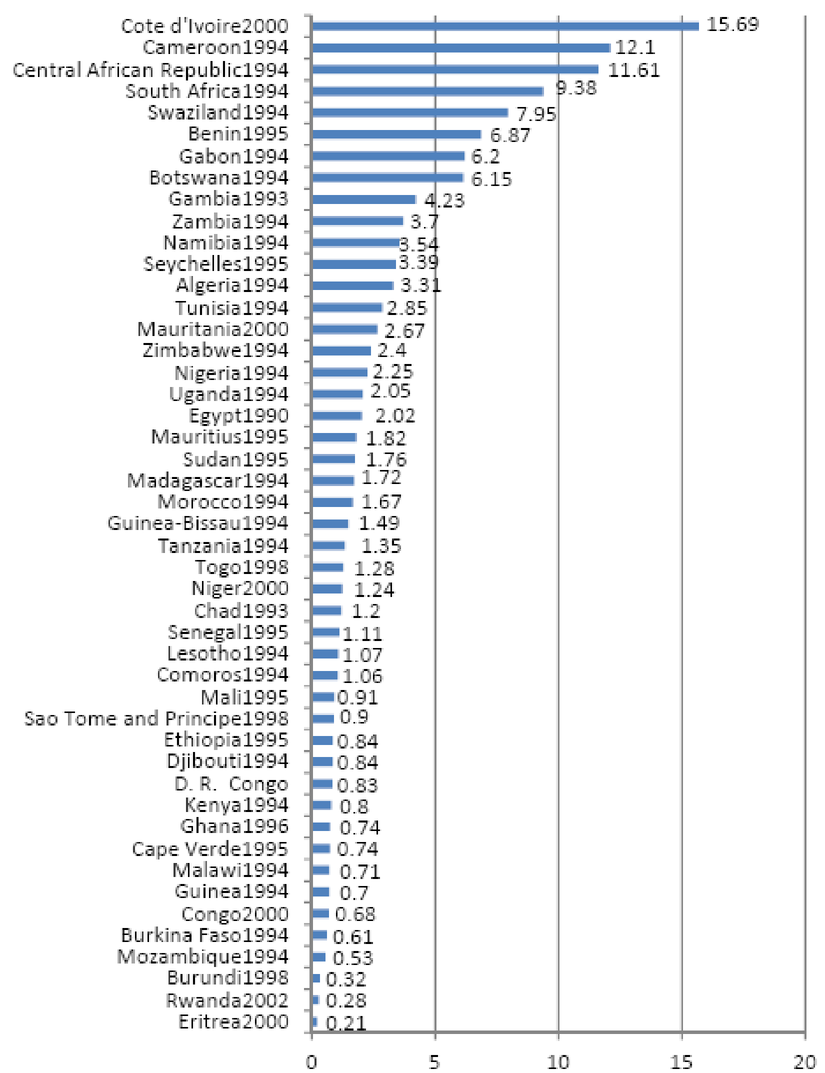
Data Source: Global Forest Resources Assessment 2010 (FRA 2010), FAO

Fig.11 Number of Threatened Fish Species, 2012



Data source; WDI, World Bank

Fig.12 Greenhouse Gas Emissions Per Capita (Tonnes of C02 Equivalent)



Source: UNDESA, World Population Prospects, 2009

(d) Governance and Institutional Effectiveness

In the region there is growing improvement in governance. Based on the Ibrahim Index of Governance Report for 2012,compared to their overall governance performance level in 2006, West Africa, Central Africa and Southern Africa slightly improved their overall governance level, while Northern Africa and East Africa registered slight declines, more markedly in North Africa. The report looked at four major factors: safety and rule of law; Participation & Human Rights; Opportunity and Human Development. The Southern Africa subregion ranked as the best performing subregion, while Central Africa was ranked least for the period 2006-2011. Other governance measures, which included level of corruption, political stability and absence of violence showed similar trends, but with North Africa subregion turning out the weakest performance on political stability and absence of violence in 2011 (World Bank, Worldwide Governance Indicators).

On institutional effectiveness, based on government capacity to formulate and implement sound policies and regulations as well as promote private sector development, progress was not satisfactory across all subregions, though relatively better in Southern Africa and worst in Central Africa. Countries with relatively better performance were Mauritius, Botswana, South Africa, Ghana, Namibia and Cape Verde.

As regards, government effectiveness, which is a measure of quality of public services, the quality of the civil service and the degree of its independence from political pressures, the quality of policy formulation and implementation, and the credibility of the government's commitment to such policies, performance was better in Southern Africa and worst in Central Africa over the 2002-2011 period. For Northern Africa the performance showed a declining trend and thus deterioration

(e) Linkages among Priorities

Poverty restricts access to nutritious food, health care, good education, clean water and improved sanitation facilities. Poor governance, which leads to social exclusion, conflicts and insecurity, diverts resources from growth and poverty-eradicating programmes. This, in turn, worsens deprivation and poverty. Corruption and ineffective public institutions raise cost of development programmes, thus reducing potential scale of interventions and the proportion of the population that can benefit. With agricultural output dependent largely on small-scale producers of which women make a significantly large proportion, empowering women through better access to land, credit, education, non-agricultural employment, equal pay and appointment to decision-making positions will contribute immensely in enhancing their productive capacity, improving childcare and nutritional status and reducing overall level of poverty. As women bear the brunt of poverty more than men, this has significant implications for societal wellbeing. Lack of social inclusion and security heightens tension and conflict in society. This creates an environment that is less conducive for investment and stable economic growth.

Sustained growth in the real sectors of an economy, coupled with equitable distribution of income, provides opportunities for a progressively larger proportion of a population to participate in the growth and development process, share in the fruits of economic growth and have a sense of inclusion in development. Growth is a prerequisite for the creation of employment opportunities to reduce the challenge of youth unemployment, poverty reduction and thus provide access to food, good health, quality education, and eradication of slums. Growth however is driven by fundamentals, which include availability of infrastructure, investments and capacity. A context of severe infrastructure deficit, as is the case in the region, exerts a significant constraint on growth. Hence the need to scale up infrastructure spending. Such spending will however not be possible without domestic financial resources, which depends on tax revenues that can only grow through sustained economic growth. Investments are also largely a function of a peaceful and stable political environment, among other factors, while capacity depends on the quality of education and institutions.

The quality of education, the nature of infrastructure, the capacity of economies to growth, sensible exploitation of natural resources and savings made for future investments determine intergenerational equity in the development process. Overexploitation of natural resources depletes capacity for future growth. Unsustainable consumption and production, high carbon intensity of production processes, poor waste management, which leads to pollution, deforestation, poor agricultural practices contribute to increases in greenhouse gas emissions, which raise the level of global warming and the risks of climate change. Environmental degradation, which results in loss of biodiversity and ecosystems, raises the cost of growth for future generations.

All these demonstrate the interlinkages among the priorities and thus the goals that are proposed.

The proposed goals relative to the priorities at the subregional level are presented in Table 3.

Table 3: An Overview of Sustainable Development Priorities at Sub-Regional and Regional Levels

CENTRAL AFRICA	EAST AFRICA	NORTH AFRICA	SOUTHERN AFRICA	WEST AFRICA	OVERALL AFRICAN REGION
28. Promote peace, security and socio-political stability 29. Promote good governance and accountability 30. Develop physical, economic and social infrastructure 31. Combat poverty and promote food security 32. Promote green growth and the creation of decent employment 33. Improve access to health for all 34. Ensure high school education and vocational training for all 35. Ensure protection of the environment and promotion of resilience to climate change	19. Transition toward a green economy 20. Sustainable food security accessibility and use 21. Sustainable land management and biodiversity protection 22. Promotion of science and technology for development 23. Disaster risk management 24. Institutional and governance reforms	13. Reduce marginalization and social exclusion of vulnerable population 14. Foster transition towards a green and inclusive economy 15. Ensure universal access to basic services 16. Build lasting peace on a transparent basis	19. Sustainable poverty eradication 20. Improved learning 21. Gender equality and empowerment 22. Improvement of health and nutritional status 23. Ensure environmental sustainability 24. Improved governance	31. Reduction of extreme poverty and hunger 32. Achieve gender equality, equitable and universal primary and secondary education 33. Improve child and maternal health 34. Universal access to healthcare delivery service 35. Increase and improve infrastructure and urban management 36. Improve inclusive economic growth 37. Achieve structural economic transformation 38. Ensure good governance, peace and security 39. Reduce environmental pollution (ensure sustainable use and management of natural resources)	13. Eradicate Poverty and Extreme Hunger, and Achieve Food and Nutrition Security 14. Vigorously Promote Good Governance, Peace and Security 15. Provide Adequate, Qualitative, Affordable and Accessible Health Care to All 16. Enhance Accessibility and Affordability of Quality Education to All 17. Improve Availability and Accessibility of Clean Water and Sanitation to All 18. Intensify Gender Equality, Women Empowerment and Youth Development 19. Heighten Social Inclusion and Security for All 20. Transform Conventional to Inclusive Green Growth

36. Promote social inclusion, gender equality and the empowerment of women				40. Development regional and global public-private partnerships for development (external financing and partnerships)	21. Scale up Investments in Infrastructure Development and Efficient Services 22. Advance Sustainable Exploitation, Use and Management of Natural Resources 23. Improve Quality and Sustainability of the Environment 24. Promote Global Partnerships and Institutional Effectiveness

From Table 3, it is evident that each and every priority identified at the subregional level is captured in the overall priorities and thus goals defined at the regional level. There is thus complete representation of all the priorities across the five subregions. What differs is the ranking of priorities, albeit not significantly. While no two rankings are the same between two subregions, and expectedly too, there is however a consensus as to what constitutes the region's overall priorities.

IV.6 Proposed Sustainable Development Goals, Targets and Indicators, 2015-2045

Based on the foregoing situational analyses, considering performance in the implementation of the MDGs and regional development frameworks put forward by the African Union under the NEPAD initiative as well as the Regional Development Strategies of the RECs, and guided by preliminary feedback on the 20 seminal SDGs, Targets and Indicators (Annex III), this report hereby proposes the following 12 Sustainable Development Goals, Targets and Indicators in the order of the rankings as set out in Table 4 to guide sustainable development in the African region over the period 2015-2045.

Fig.13. Summary of Sustainable Development Priorities

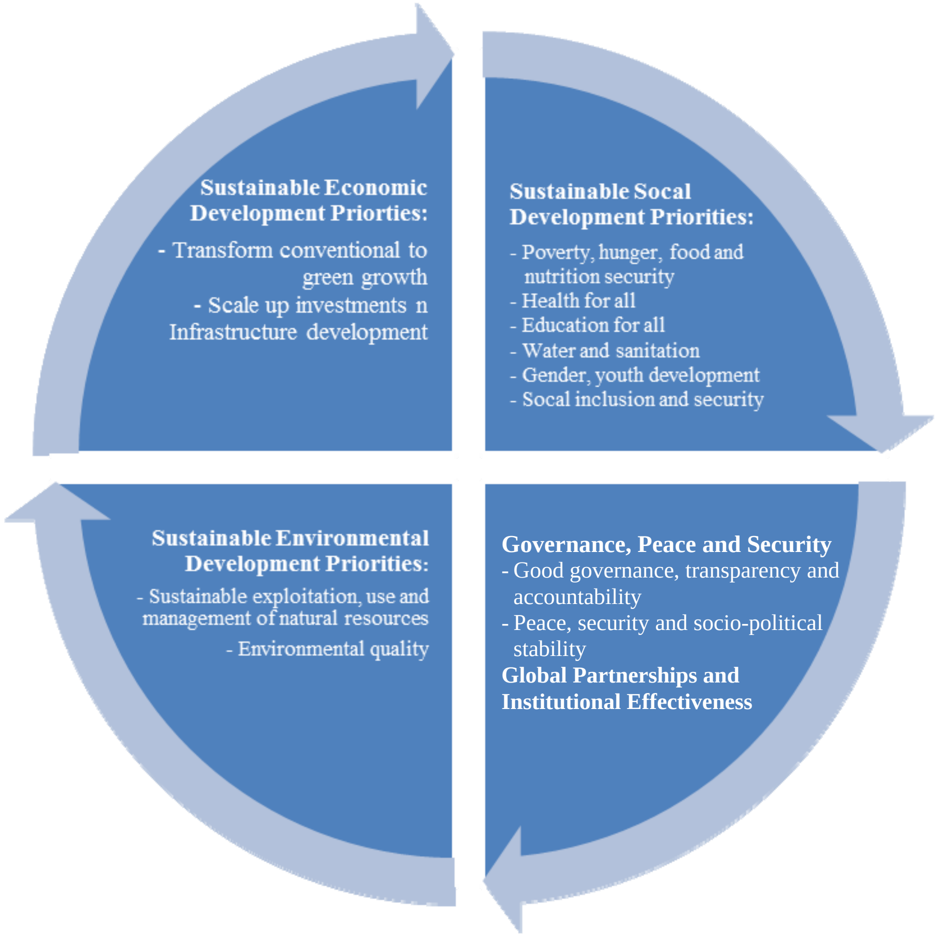


TABLE 4: AFRICAN REGION'S SUSTAINABLE DEVELOPMENT GOALS, TARGETS AND INDICATORS

No.	GOALS	TARGETS	INDICATORS
SUSTAINABLE ECONOMIC, SOCIAL AND ENVIRONMENTAL DEVELOPMENT			
Goal 1	Eradicate Poverty and Hunger and Achieve Food and Nutrition Security	1.1 Eliminate absolute poverty and reduce to 0 the number of people who live on less than 1.25 per day by 2030 1.2 End food aid dependency by 2030 1.3 Significantly improve nutrition status by 2030 1.4 Achieve a minimum of 10-12% investment of public resources in agriculture, food and nutrition security by 2020	8. % of population living on less than $1.25 a day 9. % of population chronically hungry 10. % of population depending on food aid 11. % of underweight children 12. Degree of inequality in incomes and opportunities 13. Share of public resources in agriculture 14. Growth in investments in agriculture relative to National Agriculture and Food Security Investment Plans
Goal 2	Vigorously Promote Good Governance, Peace and Security	(a) **Good governance, transparency and accountability** 2a.1 Reinforce participatory democratic processes and elections as means for change in government. 2a.2 Maintain zero tolerance to undemocratic change in government 2a.3 Hold leaders to the highest standards of transparency and accountability in public and private sectors 2a.4 Achieve accession to the APRM process by all African countries by 2020. 2a.5 Reform governance of major global financial and development institutions – World Bank, IMF, IFC and UN Security Council – for balanced representation across regions	5. Number of undemocratic changes of government 6. Degree of participation of stakeholders in political governance 7. Quality of elections 8. Level of corruption

		(b) Vigorously promote peace, security and socio-political stability 2b.1 Reduce armed conflict to 0 by 2020 and achieve violent conflict-free society by 2045 2b.2 Enhance contribution to Africa Special Fund for Peace and Security by African Governments and Development Partners	3. Number of armed conflicts per annum 4. Availability of resources for peace and security operations
Goal 3	Provide Adequate, Qualitative, Affordable and Accessible Health Care to All	3.1 Raise life expectancy at birth to a minimum of 60 years by 2020, 70 years by 2035 and 80 years by 2045 3.2 Ensure universal access to quality basic health services and essential medicines by 2025 3.3 Reduce to 0 infant, under-five and maternal mortality rates by 2025 3.4 Raise the share of health care resources by the public sector to a minimum of 15% of national budget	14. Average life expectancy 15. % of population with access to primary health care 16. % of births attended to by skilled health personnel 17. % of 1 year old immunized against measles 18. Infant and under-five mortality rates 19. Maternal mortality rate (deaths per 1,000 live births) 20. HIV/IDS prevalence and death rates 21. % of population with advanced HIV/AIDS infection with access to antiretroviral drugs 22. Tuberculosis prevalence rate, infection per 100,000 population 23. Tuberculosis death rate, % per 100,000 population 24. Incidence of malaria per 100,000 population and deaths due to malaria 25. Nutrition, lifestyle and obesity 26. Share of public expenditure in health relative to target set by the AU Assembly

Goal 4	Enhance Accessibility and Affordability of Quality Education to All	4.1 Achieve full gender parity and 100% net enrolment and completion rates in primary education by 2020. 4.2 Achieve a minimum of 80% enrolment and completion rates at secondary and tertiary levels by 2025 for both females and males. 4.3 Achieve 100% literacy rate in age bracket 15-24 years by gender from 2015 4.4 Raise adult literacy to a minimum of 60-70% by 2030 4.5 Achieve a minimum internationally comparable standard of education at national level by 2030 4.6 Raise share of public expenditure in education to a minimum of 20% of national budget by 2020.	13. % of pupils starting grade 1who reach the last grade of primary education 14. Primary school enrolment and completion rate 15. Secondary school enrolment and completion rate 16. Tertiary education enrolment and completion rate 17. Mean years of schooling vis-à-vis expected years of schooling 18. Ratio of girls to boys in primary, secondary and tertiary education 19. Youth literacy rate 20. Adult literacy rate 21. Proportion of pupils obtaining at least 5 O/L passes at A-C grade 22. Proportion of undergraduates obtaining second class upper and above 23. National and international ratings of quality of education 24. Share of public expenditure in education relative to target set by the AU Assembly
Goal 5	Improve Availability and Accessibility of Clean Water and Sanitation to All	5.1 Ensure every household has access to clean drinking water by 2020 5.2 Provide sanitation facilities to 70% of the population by 2020; 80% in 2030; and full coverage by 2040 5.3 Raise share of public expenditure in water and sanitation to 2% of GDP by 2020	4. % of population with access to clean drinking water 5. % of population with access to improved sanitation facilities 6. Share of public expenditure in water and sanitation relative to target set by the minimum of 0.5% of GDP set by the AU Assembly
Goal 6	Intensify Gender Equality, Women Empowerment and Youth Development	(a) Intensify Gender Equality and Women Empowerment	5. % of women in non-agricultural wage employment in key public institutions

		6a.1 Achieve 50/50 gender parity in employment in all major public and private sector organizations by 2025 6a.2 Close gender pay gap – average female wage relative to male – by 2020 in major public and private organizations 6a.3 Enshrine right to land ownership and inheritance by women and the poor in national constitutions by 2020 6a.4 Reform laws and practices to grant equal land ownership right to women by 2020 6a.5 Create a Women's Agricultural Development Fund for better access to credit by 2025	and private sector organizations 6. Proportion of seats held by women in national parliaments 7. Proportion of women in ministerial positions and as heal of major institutions 8. Degree of access to land and credit
		(b) Raise Youth Employment and Development 6b.1 Reduce youth unemployment by at least 5% every year 6b.2 Half the number of illiterate youths by 2020 6b.3 Resource youth development agencies and programmes 6b.4 Put in place youth skills development programmes to build necessary skills 6b.5 Create youth development funds and programmes 6b.6 Provide for youth representation in decision making processes and structures 6b.7 Reform education and vocational training to develop appropriate skills that meet labour market needs	8. Unemployment rate 9. Unemployment rate for 15-24 age bracket 10. % of illiterate youth 11. % of unskilled youth 12. Labour market reforms to absorb youth unemployment 13. Youth re-training programme 14. Relevance of skills to labour market needs
Goal 7	Ensure Social Inclusion and Security for All	(a) Strengthen social security 7a.1 Increase share of social security and welfare resources in support of the poor and vulnerable group 7a.2 Reduce number of violent crimes per 100,000 population by 2020 7a.3 Halve gender-based violence by 2020 7a.4 Cut by half the number of rape cases per 100,000 population by 2020 7a.5 Transform 60% of slum areas by 2020, 70% by 2030 and 80% by 2040	10. % of child-headed households receiving welfare support 11. % of vulnerable group with access to housing 12. % of population with secure access to energy and other infrastructural services 13. Violent crimes rate 14. Gender-based crimes rate 15. Number of rape cases 16. % of population living in slums

		7a.6 Improve the quality of social capital and social cohesion	17. Rate of transformation of slums 18. Share of social security and welfare resources in government expenditure
		(b) Enhance social inclusion and equity 2b.1 Ensure equity in access to mining rights and natural resources by local and disadvantaged communities. 2b.2 Mainstream social protection in national development strategies and provide safety nets for vulnerable groups without incomes.	4. Share of revenue from mining and other natural resources to local and disadvantaged communities. 5. Extent of participation of local communities in the negotiation of mining contracts. 6. Share of public resources for social protection of vulnerable groups
		(c) Preserve and nurture culture 2c.1 Preserve cultural identity, societal values and use of indigenous languages 2c.2 Promote local knowledge in all aspects of development	4. Extent of use of indigenous languages in schools 5. Extent of integration of local knowledge in health care, education and youth socialization 6. Extent of integration of cultural practices in sustainable development
Goal 8	Transform Conventional to Inclusive Green Growth	(a) Inclusive Green Growth and Wealth Creation 8a.1 Promote inclusive green growth in key sectors by 2025 8a.2 Promote inclusivity and ensure intergenerational equity in growth	7. % share of green investments in Gross National Product (GDP) 8. % of green employment opportunities generated 9. % of industries using renewable energy and green growth technologies 10. % share of public and private investment in green growth drivers – research and development, innovations, etc. 11. Degree of local participation in growth investments Medium to long-term trade balance 12. Debt/GDP ratios (domestic and external debts)
		(b) Promote Sustainable industrial development	14. % growth in per capita GDP (raise

		8b.1 Achieve middle-income and emerging economy growth status by 2030 and develop online payment for goods and services by 2025. 8b.2 Beneficiate 60-80% of all raw materials by 2035 within the continent and develop innovation systems around all key products produced from raw materials in which local communities are endowed.	growth to 7-10% per annum) 15. % of manufactures in trade (raise trade in manufactures to a minimum of 30% by 2035) 16. Extent of development of financial and payment system 17. Share of transactions and payment for goods and services processed online 18. Degree of efficiency in the use of natural resources in production 19. Degree of energy and carbon efficiency in production of goods and services 20. Degree of efficiency in consumption of infrastructure services, natural resources (crops, fish, timber, grass for livestock feed) 21. Share of manufacturing in GDP (raise to a minimum of 20-25% by 2020) 22. Share of manufactured exports in total exports (raise to a minimum of 60-70% by 2030) 23. Extent of application of guidelines to promote sustainable consumption 24. Conduciveness of policy environment for industry to invest in sustainable production technologies 25. Timeline for public and private organizations to transit to green procurement 26. Existence of National Cleaner Production Centre and enabling environmental laws to promote their effectiveness in each country
Goal 9	Scale up Investments in Infrastructure	9.1 Meet 60-70% of infrastructure needs from domestic	7. Share of public expenditure in

	Development and efficient services	resources by 2040 9.2 Provide fuel efficient public transportation system by 2030 9.3 Transform power infrastructure to raise access and affordability of electricity to 70-80% of the population by 2030 9.4 Secure access for at least 50% of rural population to clean and renewable energy by 2025. 9.5 Achieve a minimum of 50% energy and carbon efficiency in production by 2030 9.6 Achieve 50% efficiency in consumption of infrastructural services, natural resources and environmental resources by 2030 9.7 Ensure renewable energy accounts for 50% of energy supply by 2035.	infrastructure development 8. Share of public-private partnerships in infrastructure development 9. Rate of implementation of transportation, energy, ICT and Transboundary Water Basins projects under the Programme for Infrastructure Development in Africa (PIDA). 10. % of energy generated from renewable sources 11. Quality and efficiency of freight and passenger transportation 12. % of population with access to electricity
Goal 10	Advance Sustainable Exploitation, Use and Management of Natural Resources	(a) Sustainable Natural Resource Management 10a.1 Vigorously pursue laws and regulations to minimize intensity of exploitation/harvesting of natural resources – minerals, crops, fish stocks, timber resources and all endangered species. 10a.2 Rehabilitate by 2035 all land degraded through extraction of mineral resources 10a.3 Review and where applicable renegotiate existing mining contracts, mineral policies and legislations 10a.4 Ensure effective participation of local communities in the management of natural resources.	9. % of degraded arable land rehabilitated 10. Status of major fish stocks 11. Status of timber resources 12. Status of mineral resources 13. Agricultural soil quality 14. Ecosystems destroyed by mining and rehabilitated 15. Endangered species protected and restored 16. Strategies and policies for participation of local communities in management of natural resources
		(b) Sustainable Land and Water Management 10b.1 Halt land degradation, desertification, drought and deforestation and reclaim lost land 10b.2 Promote sustainable water resource management	10. % of land area covered by forest 11. % of protected terrestrial and marine areas 12. % of grasslands replanted 13. Size of reforested area

		10b.3 Improve soil quality and fertility 10b.5 Reduce use of non-organic fertilizers and agricultural pesticides	14. Forest area under sustainable management 15. Size of land recovered from desertification 16. Level of use of pesticides and non-organic fertilizer 17. Water availability per capita 18. Extent of integration of sustainable land and water management in development strategies
Goal 11	Improve Environmental Quality	(a) Lift Air, Ocean and River Quality 11a.1 Reduce CO2 and greenhouse gas emission per capita by 2-5% annually 11a.2 Improve ocean and river quality 11a.3 Effectively manage waste	5. CO2 omission per capita 6. Urban air pollution 7. Ambient levels of air pollutants 8. Fresh water quality in rivers
		(b) Boost Resilience to Climate Change and Disaster Risk Reduction and Management 11b.1 Undertake measures to reduce effect of climate change on natural resources and ecosystems 11b.2 Enhance disaster risk reduction and management capacity and climate adaptation initiatives 11b.3 Mobilize US$18billion by 2030 annually through the CDM to meet climate change adaptation needs and support rural development	6. % of population at risk of flooding 7. Crop losses due to extreme variability in weather 8. Changes in water level 9. Status of marine resources 10. Effectiveness of disaster risk management strategies
		(c) Rehabilitate Biodiversity and Health of Ecosystems 11c.1 Restore ecological value or integrity of depleted forests and natural parks 11c.2 Promote biodiversity conservation 11c.3 Raise ecosystem quantity 11c.4 Enhance ecosystem quality 11c.5 Integrate biodiversity and ecosystems conservation in	7. % of natural ecosystem area left 8. % of species left 9. Status of species and habitats 10. Proportion of species threatened with extinction 11. Proportion of species regenerated or restored 12. Level of awareness of biodiversity and

		educational curriculum at all levels	ecosystem conservation
Goal 12	Promote Global Partnerships and Institutional Effectiveness	12.1 Improve public service effectiveness and efficiency by 50% by 2020 12.2 Cut IFFs by 50% by 2020; halt flows by 2030 12.3 Repatriate ill-gotten wealth in foreign banks by 2025 12.4 Reduce cost of international transfers by 50% by 2016 12.5 Limit cost of Diaspora remittances to a maximum of 1% by 2016 12.6 Promote transfer of technologies to African countries by 2025 12.7 Raise trade and market access to African products 12.8 Reinvigorate global partnership to shift collective action to development effectiveness	10. Quality of public services 11. Size of IFFs 12. Amount of ill-gotten wealth repatriated 13. Cost of international transfers 14. Cost of Diaspora remittance 15. New technologies transferred 16. State of market access for African exports 17. Effectiveness of global partnership 18. Representativeness, accountability and transparency of major international multilateral development and financial institutions

It remains contentious to rank one goal over the other, given differences in subregional priorities and non-comparability of the issues in sustainable development, there is however a consensus that the region must place *Eradication of Poverty, Extreme Hunger and Achievement of Food and Nutrition Security* as its top priority. Next is the dire need for *Good Governance, Peace and Security*. Thus, what is evident in the region's priorities is that sustainable social development constitutes the set of the most significant goals, followed by sustainable economic growth and then environmental sustainability. However, unlike the MDGs, the SDGs are strongly interlinked and do not have to be implemented sequentially to achieve the desired sustainable development results. Hence in the pursuit of SDG 1 – Eradication of Poverty, Extreme Hunger and Achievement of Food and Nutrition Security – interventions will be driven by green and inclusive economic growth that targets 7-10% GDP growth rate, availability of food that is produced from climate-smart agriculture, efficient and less energy-intensive manufacturing as well as access to environmentally friendly (renewable) energy, housing and transportation system, among others. The implication is that the inputs and processes by which each goal is achieved will therefore be the guide to ensuring that sustainable development requirements are met. It is this dimension that marks the difference with, or the shift from, the conventional approach under the MDGs, which did not systematically provide for these interlinkages.

The proposed SDGs are seminal. It is the expectation of this report that they will provide the necessary basis for consultation during the Africa Regional Consultative Meeting on the Sustainable Development Goals of 31 October to 5 November 2013. The goals to be adopted at the meeting could be subject to modifications on the basis of new information and developments after the meeting. The targets and indicators are also expected to undergo a continuous refinement process to complement the most suitable set of goals that will guide the region's development in the post-2015 period. The sustainable development indicator set for the Fifth Issue of the Sustainable Development Report on Africa (SDRA-V) could be useful in the refinement process. The indicator set, which embodies the economic, social, environmental and governance dimensions of sustainable development was developed through an iterative consultative process involving all relevant stakeholders which began in March 2011.

V

STRATEGY AND MEANS OF IMPLEMENTATION OF PROPOSED SUSTAINABLE DEVELOPMENT GOALS, TARGETS AND INDICATORS

V.1 An Overview

The means for the implementation of the sustainable development goals and targets put forward in this report consist of financial and technical resources required to achieve sustainable development results. These means of implementation consist of domestic and external financial resources, education and capacity development, regional integration, trade and market access, development and transfer of environmentally-sound technologies, good governance and effective institutions, reform of international financial and development institutions and South-South Cooperation, among others. These have been extensively reviewed by recent reports in the region. Two of such reports are the Africa Review Report on Progress towards Sustainable Development (UNECA 2012) and NEPAD Agency-UNECA Study on Domestic Resource Mobilization (2013). The proposals in this section draw heavily on these reports[42]. While developed countries will have to reaffirm their commitment to reach the United Nations target of 0.7per cent of GNP for ODA, the Africa region must take responsibility for its development and to this end considerably step up the mobilization of domestic financial resources to achieve the SDGs proposed in this report. The MDGs were oriented strongly towards development aid, the SDGs on the other hand should be driven largely by domestic financial resources[43]. The evidence is strong that the African region has the financial resource potential to meet its development needs. What is required are appropriate instruments for its mobilization, effective partnership from the international community to enable the region to reap the full benefits of its natural resources, fair trade and real market access as well as good governance and effective institutions.

V.2 Finance for Sustainable Development – The Commitments

The region's governments have emphasized, on several occasions, their commitment to mobilize additional domestic resources as well as improve governance and make the investment climate

[42] Africa Review Report on Progress toward Sustainable Development, UNECA 2012; Mobilizing Domestic Resources for the Implementation of NEPAD Programmes – Africa Looks Within, NEPAD Agency-UNECA 2013

[43] It must be mentioned that external development assistance has played a tremendous role in pushing the frontiers of the region's sustainable development efforts. In 2008, aid volumes reached their highest ever absolute levels: US$121.5 billion, though this was still some way away from the pledges made at the Gleneagles G8 and United Nations (UN) Millennium +5 summits, which targeted an increase in aid to US$130 billion by 2010 at constant 2004 prices. Annual aid to Africa is estimated to increase by US$12 billion in 2004 prices. Although a number of individual donors met their individual commitments to sub-Saharan Africa in 2010, this was well below the US$25 billion target announced at the Gleneagles Summit for Africa. It must however be appreciated that in spite of the global financial crisis, Africa received the highest proportion of official development assistance to developing regions in 2009. This is a demonstration of sustained commitment by the region's development partners to assist Africa in achieving the MDGs and sustainable development.

more propitious in order to attract increased domestic and foreign investment. They recognize the importance of domestic savings and improvements in public revenue collection and the significance of private capital flows as sources for development financing. Developed countries, on the other hand, have committed to reaching the United Nations target of 0.7per cent of GNP for ODA[44], 0.15 to 0.20per cent of their gross national income (GNI) to Least Developed Countries (LDCs)[45] and to encourage the private sector, including transnational corporations, private foundations and civil society institutions, to provide financial and technical assistance to developing countries[46].

Development partners also have specific commitments with respect to debt relief and innovative financing mechanisms. The commitments on aid to developing countries were estimated in 2005 to amount to US$25 billion a year in 2004 prices and exchange rates by 2010 (Earth Institute, 2011). Further commitments were made in 2009 to increase the resources provided by the international financial institutions (IFIs), in response to the global crisis. There has been no donor-wide commitment in development assistance to Africa beyond 2010, though some donors have continued to make individual commitments.

Developed countries also agreed on the need to reduce unsustainable debt burden through debt relief, debt cancellation and other innovative mechanisms geared to address the debt burden of developing countries, in particular the poorest and most heavily indebted ones[47]. Specifically, the G8 countries proposed to augment debt relief to countries that reach the completion point under the Heavily Indebted Poor Countries (HIPC) Initiative, leading to 100% cancellation of debt owed by them to the International Development Association (IDA), the African Development Fund (AfDF) and the International Monetary Fund (IMF)[48].

At the United Nations Framework Convention on Climate Change (UNFCCC) Conference of Parties (COP) in Copenhagen in December 2009, developed countries committed to providing new and additional resources approaching US$30 billion over 2010–2012 to address the climate change financing needs of developing countries, and mobilizing jointly US$100 billion a year by 2020 from public and private sources, including alternative sources of finance[49]. To that end, it was agreed to establish the Green Climate Fund as an operating entity of the financial mechanism of the Convention to support projects, programmes, policies and other activities in developing countries related to mitigation including Reducing Emissions from Deforestation and Forest Degradation (REDD-plus), adaptation, capacity-building, technology development and transfer.

V.3 Domestic Financial Resources

A recent report by NEPAD Agency and UNECA (2013) has demonstrated convincingly that the Africa region's resource potential is enormous and strongly confirms that the region has the means to finance its own development. Evidence to this effect consists of the following, among others:

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[44] 1970 General Assembly Resolution, commitment reaffirmed at the March 2002 International Conference on Financing for Development in Monterrey, Mexico and at the World Summit on Sustainable Development held in Johannesburg in 2003.

[45] The Brussels Programme of Action (POA) for the Least Developed Countries (LDCs) for the Decade 2001-2010, 20 May 2001 available at http://www.un.org/special-rep/ohrlls/ldc/Contributions/Report%20of%20the%20LDC%20III_E.pdf

[46] WSSD, Johannesburg Plan of Implementation , X. Means of implementation , §86.d, 2002

[47] WSSD, Johannesburg Plan of Implementation , X. Means of implementation , §89, 2002

[48] The proposal is set out in the G8 Finance Ministers' Communiqué entitled "Conclusions on Development", issued on June 11, 2005.

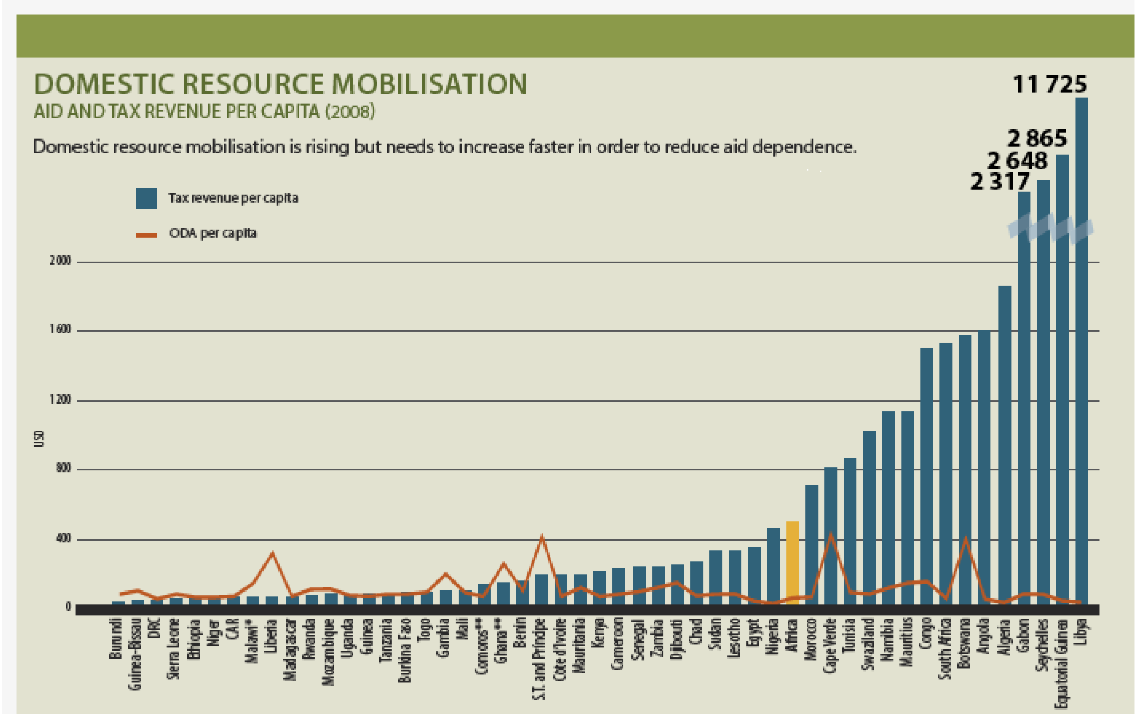
[49] UNFCCC 2009, Copenhagen Accord Decision 2/CP.15

- African countries raise more than US$520billion annually from domestic taxes as against US$59billion that the region receives in private flows and US$50billion on Official Development Assistance (ODA). This is an indication that there is a huge potential in tax revenue, if tax administration could be improved.
- The size of Africa's pension funds' assets is growing at an impressive pace. For instance: South Africa saw assets grow from US$166billion in 2007 to US$277billion in 2011; Nigeria from US$3billion in 2008 to US$14 billion in 2010; and Namibia's pension funds' assets are put at N$16.3billion (US$1.840billion). Kenya's pension funds account for wealth estimated at Kes397 billion (US$4.564billion).
- Africa earns more than US$168billion annually from minerals and mineral fuels and has more than US$400billion in international reserves held by its Central and Reserve Banks. Africa's Diaspora remittances climbed to US$40billion in 2012 and represented a significant portion of total global remittances of US$351billion during the year. The World Bank estimated that in the next decade the amount remitted by Africa's Diaspora could grow to US$200billion. Africa has the potential to raise between US$5billion and US$10billion annually in the international capital market through securitization of remittances from its Diaspora communities.
- Stock Market Capitalisation in Africa rose from US$300billion in 1996 to US$1.2trillion in 2007. Some 39 African countries issue Treasury Bills and 27 offer Treasury Bonds. With more than 700 bonds worth US$206billion issued by African countries as at December 2011, the emergence of respectable bonds markets is within reach. Banking revenues are estimated at about US$60billion and there is high liquidity in the banking sector. No less than ten African countries today have established Sovereign Wealth Funds.
- Illicit financial flows from the region reached US$854billion over the period between 1970 and 2008. If curtailed, such flows are financial resources that will be available for the implementation of national and regional development programmes and projects towards the SDGs and targets put forward in this report.
- The Private Equity Market in Africa is worth about US$30billion. In 2011, private equity firms raised 1.5billion for transactions in the region.
- Banking revenues are estimated at US$60billion across the region.

All these, among others, are pointers to resources that could support development programmes and projects, if appropriate instruments are deployed. Given the resource potential of these sources of development finance and the encouraging performance of some of them thus far in contexts where they have been applied, this report is highly optimistic that within the next two decades, the African region could robustly respond to most of its sustainable development goals and targets, which today stand between the continent and the advancement of its economies to middle income level – a significant SDG proposed in this report.

Box 3: Addressing Challenges in Tax Administration

A number of African countries depend heavily on aid, but this is not the dominant source of finance for the region's development programmes. Indeed it is an erroneous perception that the region's development is aid-driven. On the contrary, the largest source of finance is from domestic resources – savings and taxes. Tax revenues are rising, but more still needs to be done. Efforts need to be geared towards broadening and deepening the tax base and not increasing tax rates.



Source: Africa Progress Report, 2012

In this connection, a number of challenges need attention. The extent of the informal, or shadow, economy hampers efforts at broadening the tax base. Informal-economy activities range from small-scale informal traders, such as hawkers and unregistered small businesses, to registered businesses that avoid declaring profits and criminal syndicates that profit from activities such as drug trafficking and the smuggling of counterfeit goods. A second challenge for tax administration is the huge loss of revenue from assets that are held offshore, typically by wealthy individuals who make use of tax havens in the rich industrialized countries against which very little has been done by OECD countries. Data on revenues lost to developing countries from evasion, avoidance and the use of tax havens vary widely. For the African region, illicit financial flows considerably exceed the level of aid received annually. Like cost of remittances, tax evasion by multinationals is a major challenge that is undermining Africa's tax administration system. Rich countries in the OECD need to step up efforts at disclosure standards and international partnerships should be more responsive to the challenge of illicit financial flows from the African region. Secrecy and practices of tax havens in rich countries should be decisively addressed for the region to achieve its sustainable development goals and targets.

Tax administration must address this significant revenue leakage, which occurs as the result of illegitimate shifting of profits to jurisdictions where lower rates apply through transfer-pricing manipulation and by resorting to a host of sophisticated and advanced tax planning and avoidance measures especially by multinational companies. Third, there is need for African countries to revisit the nature and duration of incentives granted to investors and related issues, which tend to weaken the tax administration system, create considerable cost and complications, and create loopholes for corruption to thrive. Equal treatment of taxpayers is central to boosting the credibility of revenue administration, simplifying tax systems, broadening the tax base and encouraging voluntary compliance by local and multinational taxpayers.

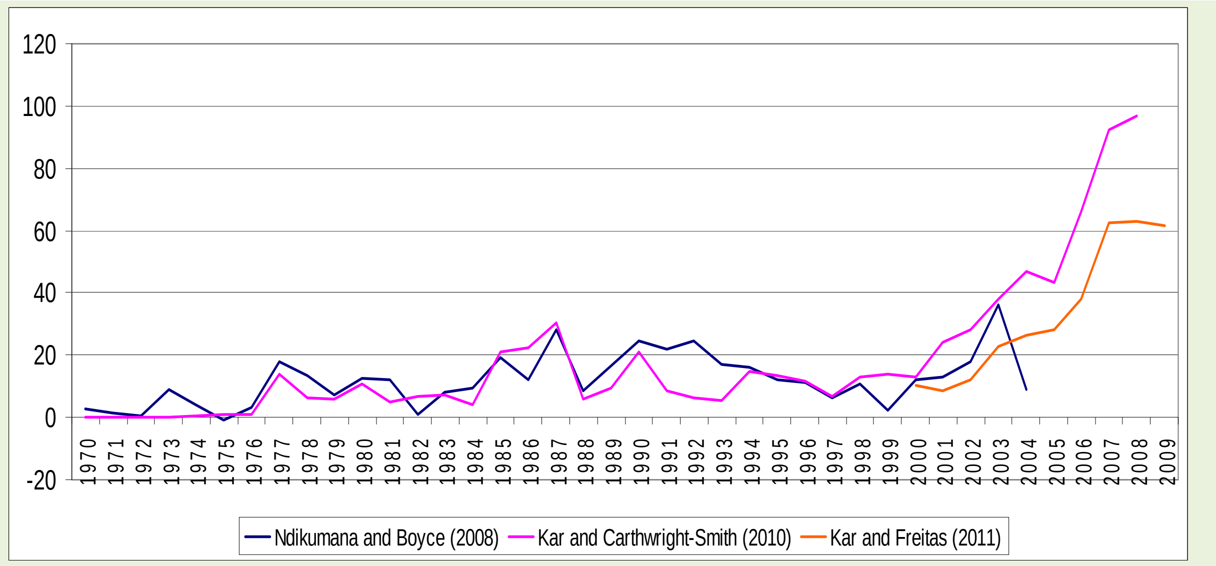
Fourth, improving governance framework for the revenue authority is an overarching prerequisite for effective and efficient tax administration. To this end, the adoption of the semi-autonomous revenue authority model for revenue administration is an institutional framework that is yielding significant benefits. It is rapidly becoming the norm. It allows for separate operational and human resources management policies and procedures from the regular government ministries and departments and effective oversight by competently constituted governing boards with public and private sector representation.

Need to Strengthen Response to Illicit Financial Flows from the African Region

The challenge of illicit financial flows points to the need for a stronger and more effective international partnership and multilateral cooperation framework for decisive action. In this direction, there have been some encouraging responses recently, which need to be enhanced. The G20 has agreed to sign the Multilateral Convention on Mutual Administrative Assistance in Tax Matters, which allows for exchange of tax information between countries, and to help developing countries counter abusive transfer pricing. It has also called for multinational companies to be fully compliant and transparent in their dealings with developing countries, and welcomed the call for the imposition of legally binding transparency requirements on mining and oil companies, similar to what exists in the United States under the Dodd-Frank Act. The G20 is also encouraging all countries to join the Global Forum on Transparency and Exchange of Information in Tax Purposes. Although this is a voluntary mechanism, information is critical to greater transparency. In addition, the Financial Action Task Force – an international agency that combats money laundering – agreed in February 2011 that those who facilitate money laundering linked to tax crime could be charged.

African governments should therefore take necessary steps through various international platforms and engagements, including the African Partnership Forum, to vigorously pursue the implementation and monitoring of these initiatives. An African regional mechanism should be put in place to lead engagement on tax jurisdictions in the region and Africa's major trading partners on issues such as tax havens, transfer pricing and enhanced transparency particularly in the extractive industries sector. The mechanism should provide a regional front for a big push on major financial centres to take more decisive steps to address recovery of Africa's stolen assets.

Figure 14: Illicit Financial Flows from Africa, 1970-2009, US$ billion



Source: UNECA (2012), "Illicit Financial Flows from Africa: Scale and Development Challenges"

Curtailing Illicit Financial Flows (IFFs) will significantly boost the region's domestic financial resource capacity and thus its ability to achieve the proposed SDGs. IFFs have significant detrimental effect on the region's development efforts. They are a drain to much needed foreign exchange reserves, deprive countries of investment opportunities, narrow taxable bases, distort wealth distribution and discourage domestic competition, among other constraints. Ultimately, they restrict capacity for creation of job opportunities for the youth and inclusive growth due to low investment and low industrial expansion.

Several policy options have been suggested to stem IFFs from Africa. First, there is need to raise awareness among African policymakers and other stakeholders on the magnitude and development impact of these activities in the region. In this respect, the establishment of the High Level Panel on Illicit Financial Flows from Africa, chaired by President Thabo Mbeki, is a key initiative by the African Union Ministers of Finance and Economic Planning. Several other regional initiatives, like the African Regional Anti-Corruption Programme (2011-2016) and the African Tax Administrative Forum (ATAF) can also be useful means for creating awareness and sharing best practices for tackling IFFs.

Second, there is a need to develop and improve institutional frameworks that encourage greater levels of transparency and accountability in both the private and public sectors. At the regional level, this framework could be encouraged through the establishment of an African Convention on Transparency or backed by an existing international transparency convention. At a global level, this will also entail requiring all multinational corporations, whether listed on the securities or stock exchange or not, to file reports to designated national authority on their operations, especially staffing, sales, financing, tax obligations, among others, on a country-by-country basis.

Lastly, and related to the second issue, there is need for African policymakers to engage their international counterparts to cooperate and strengthen the global regulatory and institutional frameworks to combat IFFs. In this respect, several initiatives already exist, like the United Nations Resolution 55/188 on the illegal transfer of assets and the Stolen Asset Recovery Initiative, but which require political will and cooperation from western counterparts for their effective implementation.

<u>Box 4: Africa's Financial Resource Potential and Challenges</u>

<u>Source</u>: NEPAD Agency-UNCA, DRM Report 2013

V.4 Potential Instruments for Mobilizing Domestic Financial Resources

Guided by the financial resource potentials listed above and following a careful review of various development finance options, this report re-states the following instruments for the mobilization of additional domestic financial resources in the region for the implementation of the SDGs and targets proposed:

(a) Creation of an African Infrastructure Development Fund

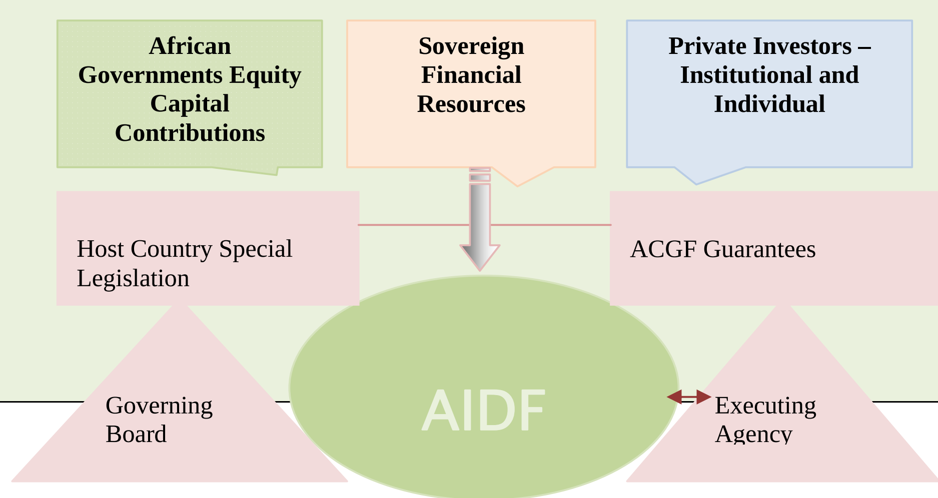
The African Infrastructure Development Fund (AIDF) will be a regional Fund established to finance infrastructure projects in the region. It will be implemented by means of an institutional framework, which provides for common (pooled) technical and operational support in the development and implementation of infrastructure projects. AIDF will lend to African countries and RECs for infrastructure projects. Start-up projected annual lending could be put at $500million and reaching $1 billion by 2016. A mechanism will be in place to determine the share of national and regional projects to be financed, with at least 40per cent of fund resources devoted to regional projects especially within the framework of the NEPAD Programme for Infrastructure Development in Africa (PIDA). It is envisaged that the average size of the infrastructure project to be financed would range between $50million and $100million or more. These will be financed by Fund resources, which will leverage co-financing from the African Development Bank, other regional banks, private equity funds, pension funds, sovereign wealth funds, as well as private sector investors and international partners.

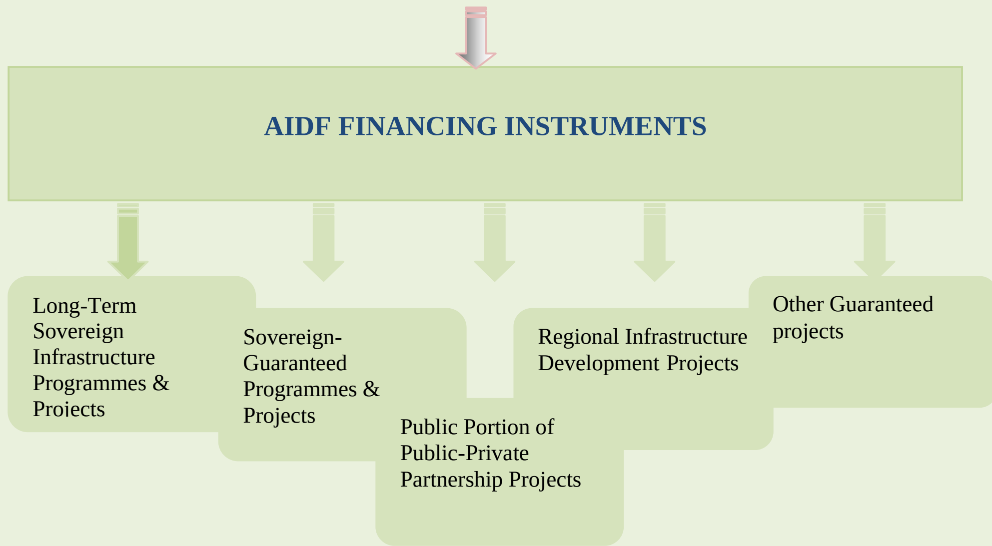
AIDF capital could consist of components including equity from country government shareholders and regional development banks as well as debt instruments including bonds to be purchased by various investors, from pension and private equity funds; Central banks using a portion of their international reserves; Sovereign Wealth Funds and Commercial banks. The equity contributions could be made in agreed tranches over a period of time, possibly three years, while it is envisaged that the Fund becomes operational only after the first tranche of the paid-in capital has been fully contributed.

The Fund will focus on providing financing for long-term sovereign infrastructure projects and sovereign-guaranteed infrastructure projects, as well as public portions of PPP projects. Operation may start with the equity component of the capital.

After 3 years of operation and track record is established, AIDF debt instrument (AIDF infrastructure bonds) could be issued. The targeted investors are the Central/Reserve Banks using foreign exchange reserves, pension funds and private equity funds, among others. As debt issue requires credit rating on the debt instrument, AIDF will seek appropriate guidance from credit rating advisory institutions. In addition, AIDF will seek support of the IMF for recognition of its debt instruments held by central banks as eligible international reserves. Accordingly, the endorsement and support of all sub-regional and regional institutions for the AfDB Africa50 Fund initiative is a good start for the drive by African countries to scale up the mobilization and utilization of domestic financial resources for regional development projects towards the SDGs and targets.

Box 5: The African Infrastructure Development Fund





AIDF/A50F will issue Infrastructure Bonds that will be guaranteed by the African Credit Guarantee Facility. The AIDF governance and administrative structure will be determined along with the pricing of AIDF Lending and Return to Equity and Bond Holders in a separate operational plan. The African Union will decide on the host country and provide necessary political support and guarantees. A special legislation will be enacted by the host country to accord the Fund required privileges.

Source: NEPAD Agency-ECA, DRM Report, 2013

(b) Development of Africa's Credit Guarantee Facility (ACGF)

Trust is paramount in financial intermediation and the commitment of savings to long-term investment. Without confidence in institutions issuing bonds and an appreciation that interest and principal will be paid to bond holders on maturity uptake of debt instruments like Diaspora bonds will remain low. Perception of risk of default is critical to successful bond issue. Hence the need for Credit Guarantee Facility for bond-financed national and regional development programmes and projects. The Africa's Credit Guarantee Facility (ACGF) will provide guarantees on bonds issued by special purpose vehicles to raise finance for the implementation of programmes and projects to meet sustainable development priorities. The aim is to underwrite PPPs and less than investment grade private companies that would otherwise have difficulty in raising long-term finance from both local and international capital markets.

ACGF will bolster the confidence of investors in Diaspora bonds, private equity funds with African origin, investment of pension funds and the use of international reserves of central banks. It will encourage international institutional investors in bonds issued by African institutions, improve credit rating for bond issuers and lower interest payable. ACGF's bond guarantee operations will enable African companies to access bond markets, expand and diversify their sources of debt capital.

ACGF will be intergovernmental but will be set up as an autonomous limited liability facility. It will have equity capital contributions by all African countries and possibly international institutional investors. The guarantees issued by ACGF will be irrevocable and unconditional commitment by the Facility to pay bondholders upon default by the issuers on the maturity of the bonds. This commitment will be backed by ACGF's equity capital. Bond issuers using the Facility will pay a guarantee fee, upon signing of a guarantee contract. Based on this contract, a bondholder becomes a beneficiary of the guarantee in the event of a default by the bond issuer to make coupon and principal payments when they fall due.

The Facility will operate on the basis of eligibility criteria for bond issuers. These will be entities from African countries with acceptable credit and operational profiles based on assessment to be carried out by ACGF. The projects must be on the PIDA priority list and satisfy sustainable development requirements.

Bond issuance that will be considered for ACGF guarantee will be limited to a maximum value of $150million for a single issue and a tenor of up to 10 years.

(c) Promotion of Africa-Owned Private Equity Funds

The African region's private equity market is valued at between $25billion and $30billion and is dominated by external fund managers and firms. Only a few of them are African-owned. Given the rapidly growing importance and role of the market, it is desirable for African investors to begin to show visible presence. As Africa's capital markets are at present characterized by thinly listed equities, it is evident that a significant share of the development finance to close Africa's infrastructure financing gap will come from private equity funds. With private equity fund being a new form of investment in the region, it requires new forms of regulation, and the enabling environment needs to be developed. To promote Africa-owned private equity fund in the market, the region will need to draw on the financial potential of its own resources including pension funds. The region's exposure of pension funds has so far been extremely limited and current policies are largely responsible.

(d) Deepening of Africa's Bonds Markets

(i) Promotion of Infrastructure Bonds

Infrastructure bonds are financing instruments issued to raise long-term finance for infrastructure development. The issuance of long-term debt instruments by African countries, specifically infrastructure bonds, to raise finance for infrastructure development is growing in the region and a number of countries have had varying degrees of success: Ethiopia, Kenya, Nigeria and South Africa are among countries that have successfully issued bonds. Because of the short-term maturity of loans offered by the banking sector, these are not suitable for financing long-term investments in infrastructure development. Hence deepening viable and vibrant bond markets is critical for financing sustainable development commitments. To make Africa's bonds markets work to raise development finance for the SDGs attention needs to be paid to superior returns on bond coupons held by investors; low borrowing cost; tax-exempt status for returns from investment on infrastructure bonds (returns on investment in infrastructure bonds on Kenya are tax-exempt); vigorous marketing of issues; and development of credit guarantee facility like ACGF to protect bond holders against default in interest and principal payment on maturity.

(ii) Promotion of Diaspora Bonds

Diaspora bonds are debt instruments issued by a homeland government to raise development finance from its Diaspora communities as alternative to borrowing from the international capital market, multilateral financial institutions or securing bilateral loans from governments. The practice of issuing Diaspora Bond goes back to the early 1930s by Japan and China, and continuing into the present day with the State of Israel Bond standing out as a most outstanding case, which mobilized close to US$25billion over three decades. The Resurgent India Bond issued after the sanction the country faced following its test of a nuclear bomb raised close to US$11billion from the Indian Diaspora. Hence, the significance of countries' Diaspora communities.

In view of the importance of Africa's Diaspora communities in the growth and development of the region, the African Union in 2007 pronounced Africa's Diaspora as the 6th Region of the region. Determining the size of Africa's Diaspora is challenging. Following the World Bank, if the Diaspora is regarded simply as "foreign-born population", then conservatively, the size of Africa's Diaspora was 30.6million in 2010. If unrecorded migrants are added, the figure rises sharply.

Africa's Diaspora remitted home more than US$40billion in 2010. If unrecorded flows are added, annual remittances outstrip the US$40billion mark annually since 2010. This makes remittances a respectable source of finance for meeting sustainable development commitments in recipient African countries. It has been estimated that Africa's Diaspora earns about US$53billion annually. If each of the 30.6million members of the Diaspora were to invest US$1,000 in his/her country annually, the continent could raise about US$3billion annually for the financing of development programmes and projects towards the SDGs and targets. Mobilization of this fund is possible through the issuance of Diaspora bonds – debt instruments marketed to members of the Diaspora. The bonds could be sold in smaller denominations of between US$50 and US$1,000 to small investors and much larger denominations to wealthier migrants and institutional investors. Estimates suggest that Africa could raise between US$5billion and US$10billion annually.

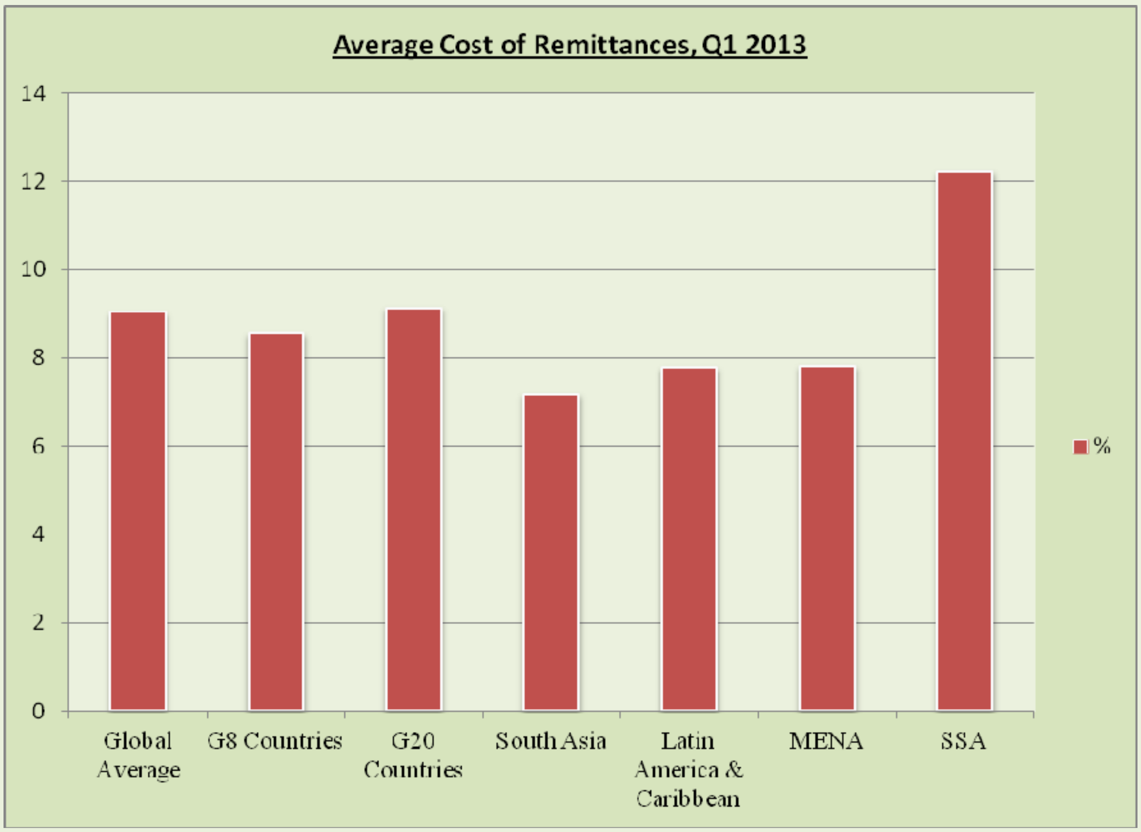
In Africa, Ethiopia has made two issues. Kenya, Nigeria, Rwanda and Zimbabwe are in the process or have done so. Countries with large Diaspora communities are encouraged to try Diaspora bonds as an instrument for raising development finance. Success factors that need consideration include:

- Development of a system of guarantee by regional and multilateral development banks to enhance creditworthiness of the bonds, given the high perception of political risks that can lead to default and assure investors of full payment when the bonds mature. This is where the role of the proposed ACGF becomes vital.
- African Embassies and Consulates overseas should play a more robust role in the marketing of the bonds.
- Careful macroeconomic management strategy to ensure exchange rate stability, as large foreign exchange inflows at issue and outflows at maturity could potentially lead to exchange management challenges.
- Incentives are needed to promote uptake of the bonds. Withholding tax on interest earned should be avoided and countries the migrants reside in should be persuaded to provide exemption of interest incomes from taxation or at least a tax break.

<u>Box 6: Africa Region – Cost of Diaspora Remittances and Losses in Financial Resources</u>

During the first quarter of 2013, the World Bank estimated the following as the cost of remitting US$200 or its equivalent:

- Global Average Cost: 9.02%
- Average Cost from G8 Countries: 8.53%
- Average Cost from G20 countries: 9.12%
- Average Cost to G20 countries: 10.08%
- Average Cost to South Asia: 7.16%
- Average Cost to Latin America and the Caribbean: 7.77%
- Average cost to Middle East and North Africa (MENA): 7.81%
- Average cost to sub-Saharan Africa (SSA): 12.21%



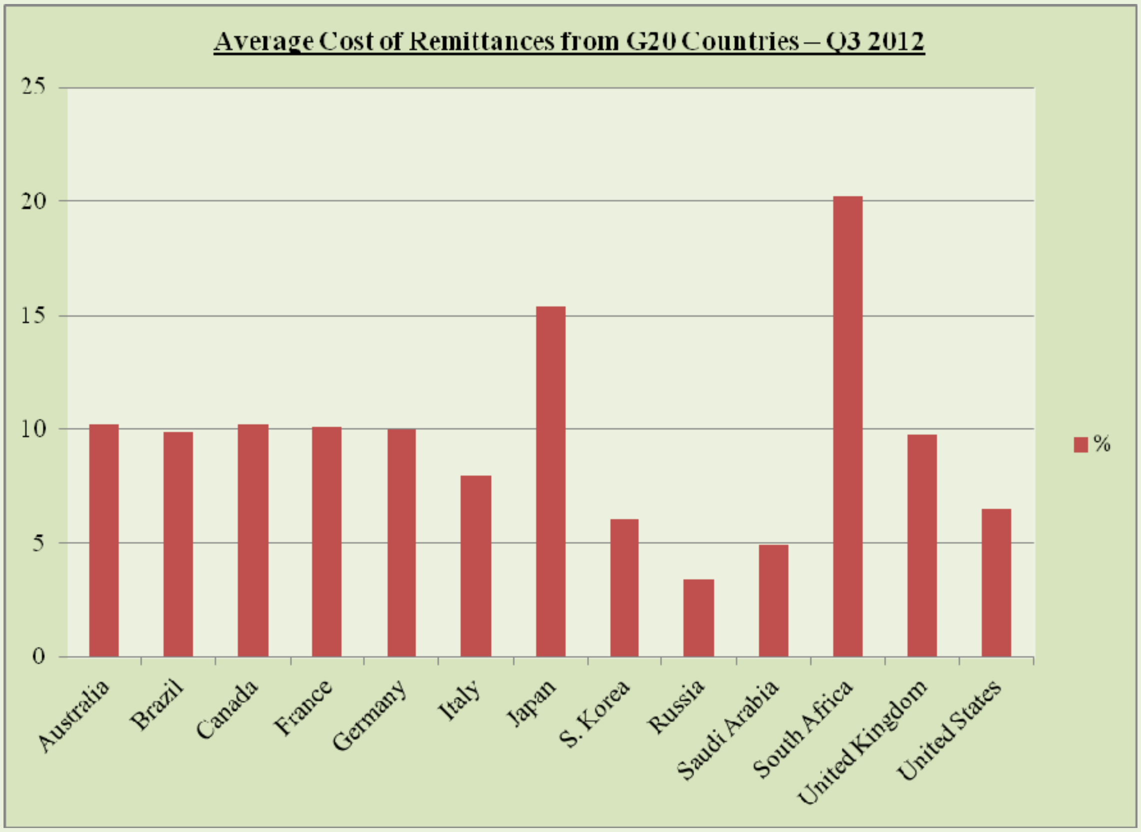
This means sub-Saharan Africa is the most expensive place to send money to in the world, while South Asia, Latin America and the Caribbean as well as the Middle East are the cheapest. The implication is that sub-Saharan Africa is losing a great deal of financial resources in Diaspora remittances to the international money transfer networks. Available statistics also show that African countries are also the most expensive corridors in Diaspora remittance costs.

African Countries as Most Costly Corridors In Diaspora Remittances

Most Costly Corridors	Average Cost of Remitting US$200	**Least Costly Corridors**	Average Cost of Remitting US$200
South Africa - Malawi	48.17	United Arab Emirates -	4.02

		Pakistan	
Tanzania - Rwanda	42.57	Saudi Arabia - Pakistan	5.17
Tanzania - Uganda	42.34	Saudi Arabia - Bangladesh	5.42
South Africa – Botswana	42.14	Saudi Arabia - Yemen	5.96
South Africa - Zambia	42.07	United Arab Emirates – Sri Lanka	6.36

Average cost includes transaction fees and exchange rate margin
Sources: Global Remittances Working Group, World Bank 2013; Think Africa Press, Bringing Down the Cost of Remittances, 11 October 2012



Source: Remittance Prices World Wide, the World Bank, Issue No. 5, March 2013

Within the G20 group, South Africa is the costliest country to send money from. It has an average of 20.72%. The cheapest is Russia (3.93%)

- Thus, on the whole, the African region is losing significant financial resources from Diaspora remittances through traditional money transfer networks as a result of high cost of remittances.
- Remittance fees are at least three times those in Asia and the minimum charges are excessively high.
- Some of the causes can be traced back to the anti-competitive practices imposed by early international transfer networks on their agents across the region.
- In response to the high transaction cost due to the anti-competitive practice, African governments have made some progress in redressing some of the obnoxious exclusivity clauses in long term contracts signed by African agents on their commitment to early international transfer networks. African governments will however need to ensure that all such exclusivity clauses that are still in operation with financial institutions and service providers

on the continent are repelled and their status closely monitored by financial sector regulators.

- The 2009 pledge by the World Bank with the support of G8 Heads of State to reduce the average global cost of remittances from 10% to 5% by 2014 is yet to result in any appreciable reduction in the African context. Achievement of this pledge in Africa will enable the continent to save more than US$2.884billion annually in Diaspora remittance costs towards implementation of the SDGs.

(d) Securitization of Africa's Diaspora Remittances

If properly managed, remittances from Africa's Diaspora could provide a valuable source of development finance for sustainable development priorities. It is in this context that this report concurs with the recommendation of the NEPAD Agency-UNECA study, which calls for the region to explore securitization of these remittances as a means for raising long-term finance in addition to the benefits that they bring to recipients in the region. Securitization is essentially the sale of assets to a special purpose vehicle or "SPV" that then incurs debt secured by the assets. For purposes of securitization, a key feature of remittances is that they are a type of future cash flow – a stream of cash generated by the ongoing business of a bank. In a future flow securitization, a bank seeking to raise funds sells the first right to receive a particular future income stream to an SPV that is incorporated and located offshore.

The SPV then issues debt instruments (remittance-backed bonds) that are collateralized by the future income stream. The SPV passes the proceeds of the issuance through to the originating bank as consideration for the first right to receive the cash flow. The bank seeking to raise capital is the "originator" or the "originating bank." The SPV is the "issuer" of the debt instruments. The parties that purchase the debt instruments from the SPV are the "investors." Securitization of worker remittances, like any securitization, is a method of raising capital that can be applied in a range of ways and could be beneficial to sustainable development. Remittance-backed bonds have been performing very well. International rating agencies note that these bonds outperform their rating class and will continue to perform well even during global credit crises.

(e) Establishing Strategic Development Sovereign Wealth Funds

A Sovereign Wealth Fund (SWF) is a state-owned fund that is established from balance of payments surpluses, official foreign currency operations, the proceeds of privatisation, governmental transfer payments, fiscal surpluses, and/or receipts resulting from resource exports like crude oil. Each fund has its own reason for creation and its objectives. SWFs tend to prefer returns over liquidity and thus have a higher risk tolerance than traditional international reserves. Proceeds from investments made by sovereign wealth funds can be used to fund development projects or in some cases used as savings for future generations. They can therefore provide means for implementing sustainable development commitments and savings for intergenerational equity. In the region, at least 13 countries have established sovereign wealth funds[50]. There is likely to be an increase in this number as African countries now want to see the surpluses from natural resources harnessed and converted into sovereign wealth for immediate developmental uses or even for future generations.

Sovereign Wealth Funds in Africa have originated mainly from in mineral resources. These need not be the only source. Funds can also originate from other government revenue surpluses. For example, the Nigerian Sovereign Investment Authority (NSIA) is a result of the replacement of the Excess Crude Account (ECA). The NSIA will receive monthly funding of a significant portion of

[50] Algeria, Angola, Libya, Gabon, Nigeria, Equatorial Guinea, Sudan, Sao Tome & Principe, Ghana etc

oil and gas revenue above the budgeted revenue and approved by the Nigerian National Assembly.[51] The 3 funds operating within the NSIA, which are aligned to sustainable development goals are: a) Stabilization Fund; b) Nigerian Infrastructure Fund and c) Future Generation Fund.

Algeria established its Sovereign Wealth Fund as far back as 2000. By far, Algeria's most significant exports, financially, are petroleum and natural gas. Hydrocarbons provide Algeria with almost two-thirds of government income and over a third of GDP. The stabilization fund was set up in 2000 to insulate the Algerian economy from price volatility in gas and oil commodity prices. Algeria's SWF officially known as Fond de Regulation des Recettes or the Fund for the Regulation of Receipts (FRR) currently holds about US$ 54.8 billion dollars. Sudan, Equatorial Guinea and São Tomé and Príncipe that have discovered oil reserves, now have SWFs.

The United Arab Emirates (UAE), one of the leading countries with SWFs has over $875 billion in its fund. That nation relies on oil exports for its wealth and holds a portion of its reserves in a SWF, which invests in other types of assets that can act as a shield against oil-related risks[52]. There is a variety of purposes that inform the creation of SWF. For instance, a Fund like Mubadala Development Company[53] is active in promoting national development goals such as education and industry diversification.

To mobilize resources for the implementation of the SDGs, countries in the African region will benefit from SWF vehicles, which include the following:

- *Sovereign Wealth Enterprises (SWE*) are investment vehicles that are owned and controlled by sovereign wealth funds. These vehicles allow greater flexibility for SWFs. A sovereign wealth fund could have a strict investment mandate in place but the SWE has its own rules. For example, a state owned enterprise can be the same as a SWE if is put directly under the control of a SWF.

- *Strategic Development Sovereign Wealth Fund (SDSWF)* is a sovereign wealth fund that can be utilised to promote specific sustainable national development goals. It is commonly accepted that most sovereign funds have a commercial objective which is to earn a positive risk-adjusted return on their pool of assets. However a SDSWF can be used solely to promote national development goals. Proceeds from state-owned enterprises can be paid into the SDSWF. The Government of Kenya is considering establishing a SDSWF from the profits of its State-owned Enterprises.

(e) Establishment of Regional Stock Exchanges

To raise domestic financial resources for the SDGs, the Africa region can draw on its sub-regional stock exchanges. Capital markets offer countries mechanisms for raising long-term capital for development. The markets represent the long end of the maturity spectrum of financial instruments. The impact and economic benefits of fully functional capital markets will change the region's financial landscape and make available additional investment funds and resources from internal sources. Major benefits include low cost of borrowing, liquidity, reduced cost of financial transactions, risk transfer and improved corporate governance. Across the region, 20 national and one regional stock exchanges are active. With the exception of the South African Market, African stock markets are characterised by relatively small capitalisation and liquidity levels. If fully functional, stock markets provide cheap sources of long term finance; opportunity for improved

[51] SWF Institute
[52] SWF Institute
[53] SWF Institute

management of financial risk and diversification; Improved Capital Allocation: Savings mobilization; and improved corporate governance. For African stock markets to meet the expectations of raising adequate resources for national and regional programmes, governments and the private sector will need to address the challenges relating to lack of width and depth; issues of weaknesses in governance structures; and capital flight.

To this end, an environment, which facilitates free movement of funds, is of vital importance. In addition, there is a need to raise the level of domestic incentives and encourage the development of attractive financial products. Recent experiences associated with the global financial crisis make it imperative for the promotion of capital market development at national, sub-regional and regional levels to be safeguarded from the consequences of unwholesome practices and speculative tendencies on the part of operators in these markets. Accordingly, strong, effective and autonomous regulatory institutions as well as policies to discourage such practices and tendencies should be put in place. In general, the primary purpose of these regulatory institutions and policies should be to ensure that the capital markets provide long-term capital in the form of bonds and equity. The experience of South Africa in this regard is very much instructive for countries in the region.

(f) Public-Private Partnerships

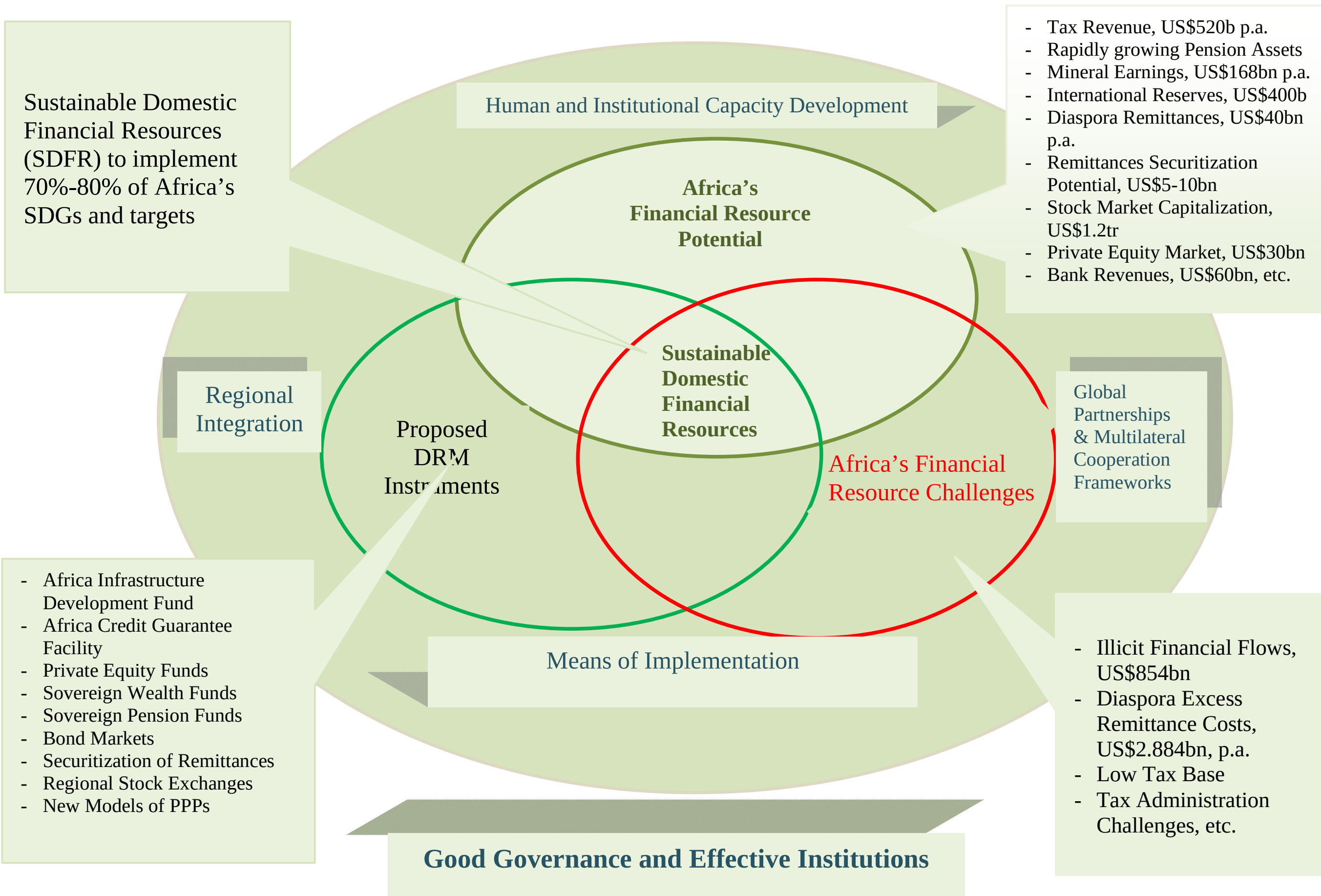
To implement sustainable development commitments, the African region must draw increasingly on public-private partnerships both as a means of implementation and instrument for mobilizing resources. Technically, a Public-Private Partnership (PPP) is a contractual arrangement between a public agency and a private sector entity to share the skills and assets of each sector to finance, construct, renovate, manage, operate or maintain infrastructure facilities or services for the use of the general public. In addition to the sharing of resources, each party shares in the potential risks and rewards in the delivery of the facility or service. The structures of PPPs vary widely depending on the public sector's objectives and needs, and other factors such as the legal and institutional environment, accepted industry norms, and the financial realities of the proposed transaction.

Every PPP represents the pooling of partners, objectives, needs, resources and technologies to achieve given results well beyond the reach of any one single organization. PPPs have the potential to bridge the fiscal gap through an infusion of private capital and can improve timeliness of delivery of goods and services, increase innovation in the provision of these services, share risks, and provide better value for money. PPPs have been successfully implemented in a number of African countries. New models now need to be strongly encouraged in the region. Some of the principal features that the new financing models offer include the following:

a. Replacing private sector equity, wholly or in part, by some form of concessional equity or subordinated debt, thus allowing for a cheaper cost for the end user.
b. Creating a reliable refinancing process through which, as soon as possible after project completion, senior debt providers have the opportunity to reduce or remove their exposure to the project.
c. Enabling domestic or Diaspora investors to invest into long term, low risk and stable domestic infrastructure assets through properly structured project bonds.
d. Restructuring of project bonds through a "Re-Financing Vehicle" set up, for instance, by Sovereign Wealth Funds supported by the development finance institutions.

Fig.15: Mobilizing Domestic Financial Resources –

Some Key Elements of the Proposal for the African Region



Source: NEPAD Agency-UNECA, DRM Report, 2013

V.5 External Resources

In 2010, FDI flows declined from US$72bn in 2008 to US$58.6bn in 2009. The decline was equivalent to 0.34per cent of GDP as a whole. However, inflows to Africa's extractive industries increased, with a strong performance of countries such as Algeria, Chad, Equatorial Guinea, Nigeria and Sudan (UNECA, 2011). External capital inflows contributed significantly to domestic investment and government spending in many countries.

Amongst the key initiatives in development finance, is the recognition by the Monterrey Consensus of "the value of exploring innovative sources of finance"[54]. Over the past two decades, there has been a far-ranging effort to pilot and implement a variety of new mechanisms. Some of the innovative financing mechanisms that were put in place to support sustainable development in developing countries include: UNITAID, the International Finance Facility for Immunization (IFFIm) for the GAVI Alliance (Global Alliance for Vaccines and Immunization), Advance Market Commitments, the Voluntary Solidarity Contribution for UNITAID, RED and the Global Fund, Debt2Health, the Carbon Market, and Socially Responsible Investments[55].

In June 2005, the G8 proposed that three multilateral institutions— IMF, IDA of the World Bank, and the AfDF — cancel 100per cent of the debt claims of developing countries that have reached, or will eventually reach, the completion point—the stage at which a country becomes eligible for full and irrevocable debt relief—under the joint IMF-World Bank enhanced Initiative for Heavily Indebted Poor Countries (E-HIPC).

ODA to Africa is estimated to have risen to US$46 billion in 2010, but the 2005 commitments have not been met. This is a record level, but the increase from 2004 is significantly below the level implied by commitments in 2005. While the picture varies between individual donors, some of the main reasons include a shortfall against the global commitments made in 2005, and the fact that the region has received only around a third of the increase since then instead of the half assumed at the time (ECA and OECD 2011).

On climate finance, not enough progress has been made. The Green Fund, which was first included in the Copenhagen Accord, was established at COP-16 in Cancun. COP-17 in Durban committed to making the Fund fully operational in 2012. Furthermore, flows of fast-start finance, to which developed countries committed at COP-15 in Copenhagen, are yet to pick up, and persistent lack of transparency in country allocations and selection of activities remains. African countries have been calling for the establishment of an African Green Fund to be managed by AfDB from which priority mitigation and adaptation projects on the continent could be financed. Such a regional fund would facilitate access to resources and speed up disbursement of fund proceeds to meet goals put forward n this report.

In general, countries in the region will need to adopt more proactive approaches in the mobilization of development finance, if the region is to make a big leap in the implementation of sustainable development commitments.

Further on external sources of development finance, the African region will need to ensure that FDI flows are channelled to sectors and activities that can support the pursuit of sustainable national development strategies. Balanced flows should be encouraged but with greater concentration on sectors where FDI can provide value addition, promote job creation, enhance transfer of technology and know-how, and protect the environment. Developed countries should support the efforts of African governments to mobilize domestic revenue by significantly intensifying efforts to tackle issues such as tax havens, transfer pricing and illicit capital flows. They should also enhance support in reducing the transaction costs of remittances as earlier mentioned.

[54] Monterrey consensus on finance for development, Paragraph 44, 2002, available at http://www.un.org/esa/ffd/monterrey/MonterreyConsensus.pdf

[55] Douste-Blazy. P, Innovative financing for development the i– 8 group Leading Innovative Financing for equity [L.I.F.E.] http://www.un.org/esa/ffd/documents/InnovativeFinForDev.pdf

Development partners need to deliver their commitments in full and in a predictable manner to enable partner countries to plan effectively. They should honour existing commitments to increase global ODA over 2010–2015 and have plans for the post-2015 period. There is also a need to significantly accelerate efforts to improve aid effectiveness in order to reach the targets agreed in the Accra Agenda for Action and commitments made at the Busan 4th HLF in December 2011. Although it is the region which contributes least to the problem of climate change, Africa will be profoundly affected by the consequences. Therefore, Africa has a major stake in the international climate change negotiations. It is pertinent that developed countries deliver on the commitments made at Copenhagen and Cancun on climate finance and ensure that access to such finance is cost efficient.

V.6 Development Effectiveness

There is a need to step up development effectiveness. In the region, countries are increasingly discussing their national development strategies with their parliaments and electorates; development partners are increasingly aligning their aid to national strategies and are working towards streamlining their efforts towards harmonization of practices. There is progress to untie aid, improve the quality of developing countries' public financial management systems, strengthen the quality of technical assistance, and promote mutual accountability. The has since the Fourth High Level Forum on Aid Effectiveness been participating actively in the monitoring of the implementation of the outcomes from the Busan Forum in the context of the emerging Global Partnership for Development Effectiveness Cooperation.

The region's governments have continue to show strong commitment and political leadership towards development effectiveness, improved consultation, coordination and a common voice to Africa's development. In spite of the promising developments, the integration of official development assistance into countries' budget is still poor. Furthermore, there has been limited progress in improving the quality of countries' national development plans – and even in countries that have made progress, linking strategies with budget resources remains a challenge. Development partners need to step up their efforts in coordinating missions and studies. The region and its development partners need to strengthen and effectively implement frameworks to monitor and account for results.

V.7 Technology Development and Transfer

The development and transfer of environmentally-friendly technology is a vital means of implementation of the proposed SDGs and this has to take place in a systematic manner**.** In the region, the most significant development in Science, Technology and Innovation (STI) in the last decade is the establishment of the NEPAD Science and Technology Consolidated Plan of Action (CPA) and the African Ministerial Council on Science and Technology (AMCOST) of the AU that oversees the implementation of the CPA. The CPA identifies key priority areas for Africa to work on, and the strategies and policy processes for their implementation. The UN supports NEPAD science and technology through its UN science and technology cluster consisting of over 10 agencies working through the Regional Coordination Mechanism (RCM) coordinated by UNECA, in close collaboration with the AUC and AfDB. Recent focus on science-based sustainable modernization of agriculture and rural transformation through CAADP and AGRA has been very encouraging. Several countries are participating through plans for modernizing agriculture or agriculture-led industrialization strategies. As regards information and communications technology, a number of countries have developed national information and communication infrastructure policies and plans within the framework of the African Information Society Initiative, which establishes the necessary guidelines and institutional mechanisms to promote an environment that is favourable to competition and investment. As far as the transfer of environmentally-friendly technologies is concerned, few technology transfer frameworks were established over the past two decades that benefit the region, amongst these is the clean development mechanism (CDM) - the main market instrument of the Kyoto Protocol that is designed to transfer technology from developed to developing countries.

Science, Technology and Innovations, have an important role to play in the attainment of the region's sustainable development goals. Yet, these are activities that have received the most inadequate support in the region. Africa's continued low investment in science and technology is also manifested in the declining quality of science and engineering education at all levels of the educational system. Institutions of higher learning, particularly universities and technical colleges, are in dire need of renewal after many years of neglect and weak connection to national priorities. However, recent developments at the international and regional levels are proving some new sources of optimism and action.

V.8 Capacity Development

Capacity is one of the most significant means for the implementation of the SDGs put forward in this report. It provides the ability for setting priorities, developing programmes, designing appropriate implementation frameworks, monitoring and evaluating performance of each of the goals, the targets and the indicators. Countries in the region must develop their skills and institutions, build their infrastructure, upgrade their educational systems, enhance health care delivery facilities and personnel and provide public services. To this end, the region's capacity development programme must now be driven by its sustainable development goals and targets. It must respond to the need for effective governance, appropriate behavioural changes, strong and responsive institutions, effective policies, the existence of a conducive environment for citizens' participation in governance and policy processes and enhancement of the space to innovate and generate new knowledge, technologies and systems of innovations. The capacity development process requires coordination and should focus on all three pillars of sustainable development and at all levels – community, local, national, sub-regional and regional levels, including key institutions and stakeholders. SDG and target-specific capacity building strategies need to be strengthened, well targeted and coordinated.

Over the years, the region has made progress through country and sub-regional level efforts as well as with the support of development partners, to respond to its capacity constraints and challenges. African governments have signed up to the Education for All (EFA) programme of action. The Second Decade of Education for Africa (2006-2015) has built on gaps identified in the first education plans, moving beyond primary school enrolment (ECA and OECD 2011). The World Bank, UNECA among numerous UN organizations, the AfDB and major multilateral and bilateral organizations have made major contributions to the response. The African Economic Research Consortium was created in 1988, the African Capacity Building Foundation (ACBF) was established in 1991, the Partnership for Capacity Building in Africa (PACT) was launched in 1999, the IMF launched the Africa Regional Technical Assistance Centres (AFRITACs) in 2002 and the AU-NEPAD in 2010 rolled out the regional framework for capacity development – the Capacity Development Strategic Framework (CDSF), among numerous other initiatives.

A recent survey of 34 African countries by ACBF showed that 70per cent had mainstreamed capacity building in their national development plans, visions or strategies, and 54per cent had specific national programmes for capacity development (ACBF 2011). African countries have improved the policy environment for capacity development through the establishment of national development strategies, effective dialogue mechanisms, and growing partnerships. Primary education remains a high national priority with increasing emphasis being placed on secondary and vocational training. Capacity development is now a cross-cutting element in all aid delivery modalities.

Despite significant progress in capacity development, school enrolment rates and completion rates remain low, especially at post-primary levels with an average of less than 70per cent. The quality of education remains a challenge. The number of qualified teachers remains well below the requirement. Notwithstanding the fact that many African countries have developed strategic policy documents to guide capacity development, the rate of progress is inadequate to meet education and capacity building commitments. Technical assistance for education and other areas of capacity development remain fragmented; it is often not properly aligned with government strategies, or responding to government priorities. Ensuring the retention of trained staff is still a critical problem for many African countries. Thus, there is an urgent need to ensure that human and institutional capacity development is accorded the necessary priority, both as a cross-cutting issue in all development cooperation, but also through targeted interventions aligned with nationally identified sustainable development needs and priorities as captured in the SDGs proposed in this report.

V.9 Trade and Market Access

International trade, particularly market access for exportables, is an important factor in economic growth and development. The link between trade and development is highlighted in A21, and further reinforced in the JPOI and the Doha Ministerial Declaration. At the international level, the Doha talks have included discussions on implementation, capacity building, environment, Aid for Trade and special and differential treatment. In 2010, there was some progress on specific issues, for instance, the “banana deal”, the cotton trade, the negotiations on non-tariff barriers, and notable engagement of the African Group. However, domestic support and export subsidies (including for cotton) remain high in major OECD economies.

Cooperation agreements and regional trade are critical for sustainable development in Africa. At the regional level, tariffs have, on average fallen. Progress is being made in establishing regional free trade areas (FTAs) and customs unions as reflected in the effort to integrate COMESA, EAC and SADC countries into an FTA. Joint infrastructure projects such as the seven Presidential Infrastructure Champion Initiative (PICI)[56] have been initiated as part of this. During the global crisis, intra-regional trade proved more resilient than international trade, showing a lower dependency on international commodity markets. Despite this positive sign, the level of trade integration within the African region is still much lower than in other regions. Several countries in the region and RECs are involved in bilateral trade negotiations in order to diversify their export markets and enhance their integration into the global economic and trading systems. Nonetheless, the region remains marginalized in the global market.

[56] NEPAD Planning and Coordinating Agency Business Plan, 2012.

V.10 Regional Integration

Regional integration is an important means for achieving sustainable development. This awareness is strong in the region and has been a driving force behind the numerous regional cooperation initiatives. Commitment to regional cooperation and integration is exemplified by the creation in 1963 of the Organization of the African Union (OAU), not long after many African countries had attained political independence. The transformation of the OAU into the AU set in motion actions to deepen progress towards regional integration. Numerous regional institutions have been set up and strengthened. Among these are the AUC, the NEPAD Planning and Coordinating Agency and the Pan African Parliament all of which are facilitating the building of broader consensus on the regional integration agenda. The setting up of other key regional institutions, which include the African Investment Bank, the African Monetary Fund and the African Central Bank, will need to be accelerated.

The Minimum Integration Programme (MIP) has been developed to streamline and fast track the integration process. The MIP aims to strengthen convergence of RECs. Already, RECs are being rationalized. Collectively, the region has entered into a number of external partnerships guided by a regional approach to external cooperation. These partnerships include the multilateral partnerships in the framework of the WTO and the African, Caribbean and Pacific Group of States (ACP)–EU Economic partnership agreements.

There has been substantial progress in regional integration (AUC, 2011), especially through the various RECs, which are the building blocs for the region's integration process. In spite of the progress made, there remain a number challenges and constraints in the acceleration of integration in the region. Among these are a multiplicity of RECs and overlapping memberships, fear of losing sovereignty, volatile political environment, which makes conflict palpable in some countries in the region; lack of a self-financing mechanism; and lack of a compensation mechanism. Others are weak institutional capacity for implementation of the integration agenda at national level, weak intra-regional trade and inadequate physical integration. The role of regional integration in promoting economic diversification, expanding markets, pooling and strengthening efficient allocation of resources, and addressing trans-boundary as well as globalization issues and challenges confronting the region, makes it a crucial vehicle in the successful implementation of the SDGs proposed in this report. Deepening and accelerating Africa's regional integration should therefore remain a top priority of African countries and the region's development partners. Regional integration should be mainstreamed at national level. In this connection, there is need to strengthen political will and support African countries to undertake and enforce national reforms including setting up the necessary institutional frameworks in support of the regional integration agenda.

V.11 South-South Cooperation

As a means in the implementation of sustainable development goals and targets, South-South Cooperation (SSC) has an important role in promoting trade, access to finance and investment, as well as exchange of knowledge, skills and technical expertise. SSC is a commitment to solidarity among peoples and countries of the South that contributes to their national well-being, national and collective self-reliance and the attainment of internationally agreed development goals, including the MDGs and the proposed SDGs.

In order to foster SSC, the region has entered into a number of arrangements to strengthen and coordinate SSC efforts between Africa and other countries of the south, such as China, the Republic of South Korea, India and Brazil. The Forum on China–Africa Cooperation (FOCAC) was launched in 2000. In the 2009, China also announced measures to establish a China–Africa Partnership to address climate change; enhance cooperation with Africa in science and technology; help Africa build up financing capacity; further open up the Chinese market to African products; deepen cooperation in medical and health care; enhance cooperation in human resources development and education; and expand people-to-people and cultural exchanges. The Republic of Korea has established the Republic of Korea's Initiative for Africa's Development (KIAD). KIAD is supported by the Republic of Korea–Africa Forum. The India–Africa Forum, which is held every three years, has been established. Other cooperation arrangements that have been established are: India-Brazil-South Africa (IBSA) partnership and the Turkey-Africa Cooperation Summit. There are also interregional initiatives such as the Africa and South America (ASA) Partnership and the New Asian-African Strategic Partnership (NAASP). Also within the region, SSC has increased. For example, with the rapid move of South African firms into the rest of Africa, there has been higher investment of South Africa in the rest of Africa since the beginning of democracy in South Africa in 1994.

Overall, Africa's growing SSC has resulted in a significant increase in the importance of developing countries in the region's merchandise trade. In addition, official flows from developing countries to the region have also increased. While appreciable progress has been made in the strengthening of SSC, the partnership is beset with some challenges that need to be addressed. These include multiple and fragmented cooperation arrangements, inadequacy of Africa's SSC strategy, and poor environmental profile of some SSC initiatives.

With SSC becoming an important source of FDI and ODA, the region must address the associated challenges to harness and benefit fully from SCC initiatives. It must develop an effective strategy to guide its engagement in SSC partnerships. The strategy should be responsive to the sustainable development priorities of the region and therefore be well aligned with the SDGs put forward in this report. African countries and their partners in the South need to pay attention to issues surrounding debt sustainability by the recipient countries. The environmental profile of SSC initiatives needs strengthening in line with the relevant SDGs. The boosting of the capacity of recipient countries as well as the sustainability of initiatives and results from SSC should be given important attention in SSC partnership development. While SSC has grown as an important vehicle in assisting countries in the region to implement their sustainable development commitments, it is not a substitute for, but rather a complement to, North-South cooperation. It is therefore important for the region's traditional donors to continue to scale up efforts in support of Africa-South and triangular cooperation.

V.12 Governance, Policy and Institutional Reforms

Central to the achievement of the SDGs and targets is good governance and effective policies and institutions at national level. Governments in the region will need to continue to pursue relentlessly programmes to raise the propitiousness of the enabling environment through governance reforms, refinement of the policy, legal and regulatory frameworks, functionality and effectiveness of public institutions as well as efficient public service delivery. These have significant effects on the participation of the private sector in investment financing and infrastructure development and the attraction of FDI. Resourcing the APRM and strengthening NEPAD Agency for effective implementation and monitoring of the resulting National Plans of Action will continue to yield good governance dividends. Good governance and effective institutions are overarching requirements for sustainable growth and development. They provide the desired level of investors' confidence for the proposed financing instruments to thrive.

Platforms for regular consultation and collaboration between policymakers and other stakeholders are needed to regularly review and improve the state of governance, policies and institutions. Where these already exist, they should be further strengthened. Among such platforms, is the recent proposal by NEPAD Agency (2013) regarding the possible establishment of a High-Level AU Business Council, which could continually guide the development of innovative financial products and services to raise domestic savings and the mobilization of resources through appropriate instruments. It is envisaged that the Council would also provide guides in the review of rates and financial policies to ensure that these are not left entirely to market forces, but appropriately guided without causing financial repression.

As part of governance measures, the region needs to do more to track, report, stop and repatriate illicit financial flows. Repatriated funds will significantly augment available domestic resources for development programmes and projects.

V.13 Reform of Governance of Multilateral Institutions

Reforms should continue to be pursued in the governance structures and processes of key multilateral development and finance institutions such as the World Bank, IMF, IFC and the UN Security Council to give greater voice to the region.

VI

MONITORING AND EVALUATING IMPLEMENTATION OF SUSTAINABLE DEVELOPMENT GOALS, TARGETS AND INDICATORS

The monitoring and evaluation of implementation of the SDGs, targets and indicators put forward in this report should be undertaken at all levels – local, national, subregional, regional and global. Data will need to be systematically collected and analyzed to report regularly on performance. A common reporting framework for the indicators will be required to allow for comparability of performance across countries, subregions and regions. The AUC, ECA, NEPAD Agency, AfDB and UNEP could lead regional level monitoring and evaluation, while the RECs will take responsibility for collating performance at the sub-regional level. The AU remains the apex institution in the monitoring of the implementation of the goals in the region. The APRM will need to incorporate the goals and indicators in its assessment framework. Technical thematic groups for each of the SDGs or related thematic areas should be set up at regional, subregional and country levels. At the global level, existing structures similar to the MDG Africa Working Group, which brings together regional and international institutions to monitor progress, should be maintained. This equally applies to structures within the UN system.

Central to monitoring and evaluation is capacity. Countries will need to invest in strengthening institutional capacity for systematic collection and collation of data on all indicators and to ensure these are updated at specified time interval.

Table 5: Monitoring Responsibilities among Institutions, Teams and Technical Thematic Groups

GOALS	PRIORITY AREAS FOR TECHNICAL MONITORING GROUPS	REGIONAL COORDINATING ORGANIZATIONS & TEAMS	PARTNER-LEVEL COORDINATING ORGANIZATIONS	SUPPORTING PARTNER ORGANIZATIONS
Goal 1	Agriculture, Food and Nutrition Security	AUC, NPCA, AGRA, RECs, FARA	AU, NPCA, FARA, FAO, IFPRI	AfDB, IFAD, UNDP, ECA, WFP, World Bank, UNCTAD, etc
Goal 9	Infrastructure Development	AfDB, FEMA, African Energy Commission, NPCA	AfDB, World Bank, EC	ICAO, IsDB, ITU, OHRLSS, ECA, UN-Habitat, UNDP, UNICEF, IAEA, BRICS, etc.
Goal 3	Health	African Ministers of Health, RECs	UNICEF, WHO	UNAIDS, UNDP, UNFPA, World Bank, GFATM, CARMMA, etc.
Goal 4	Education	African Ministers of Education, RECs	UNESCO, UNICEF, World Bank	AU, AfDB, EC, EFA FTI, IsDB, UNDP
Goal 5	Water and Sanitation	AMCOW, RECs	AfDB, World Bank, EC	African Water Facility, Global Water Partnership
Goal 6	Youth Employment and Development	AU, African Ministers of Youth, RECs	ILO	
Goals 7	Social Security	African Ministers of Social Welfare, RECs	UNDP	
Goal 6	Gender Equality and Women Empowerment	African Ministers of Gender, AUC, RECs, ECA	UNDP, AfDB	UNEP Global Civil Society Forum and Global Women's Assembly on Environment
Goal 8	Inclusive Green Economic Growth	CAMEF, RECs, ECA	ECA, World Bank, IMF	UNIDO, UNCTAD, UNCSD
Goal 8	Sustainable Production and Consumption	CAMI, AMCEN, CAMEF, ECA, CAMT	UNEP, UNDESA, ARSCP	
Goal 2	Culture	African Ministers of Sports &	UNEP, UNESCO	

		Culture, RECs		
Goal 10	Sustainable Exploitation and Management of Natural Resources	AMCEN, RECs, AUC-ECA-AfDB Joint Secretariat, NPCA, African Mining Network	IUCN, UNEP, UNCSD	UNWTO
Goal 10	Sustainable Land and Water Management	AMCEN, RECs, AUC-ECA-AfDB Joint Secretariat, NPCA, LandNet	IUCN, UNEP, UNCSD	Global Land Management Network
Goal 11	Air, Ocean and River Quality	AMCEN, RECs	IUCN, UNEP, UNCSD	
Goal 11	Climate Change and Disaster Risk Management	AMCEN, RECs, Africa DRM Team	IUCN, UNEP, UNCSD	
Goal 11	Biodiversity and Ecosystems	AMCEN, RECs	UN-Habitat, UNEP	
Goals 2	Governance and Institutions	AU, AU Peace Council, APRM, RECs	OECD/DAC, APF	
Goal 12	Global Partnerships & Institutional Effectiveness	AU, CAMT	OECD/DAC, World Bank, IMF, WTO	BRICS
Goal 2	Capacity Development	NPCA, ECA, AfDB, RECs, ACBF	UNDP, AfDB, ECA, NPCA, ACBF	
Goal 2	Financial and Technical Resources	AU, RECs, AfDB, ECA, NPCA	AU, IMF, OECD/DAC, ECA, NPCA, AfDB	EC, UNDESA, UNDP, World Bank, etc
Goal 2	Statistics	ECA, AfDB, AUC	ECA, World Bank, IMF, FAO, WTO	AfDB, OECD/DAC, UNDESA, UNDP, etc

VII

CONCLUSIONS AND RECOMMENDATIONS

VII. Conclusions and Recommendations

This report has sought to examine priorities of the African region, review development performance with respect to economic growth, social development and environmental sustainability and present a proposal on sustainable development goals, targets and indicators for implementation over a period of three decades, 2015-2045. To this end, it assessed findings from the five sub-regions on sustainable development priorities, reviewed relevant documentation and proposed a set of 12 goals that sustainable development efforts will need to achieve in the region. To achieve these goals and targets, the report puts forward means of implementation, arrangements for monitoring and evaluation of the implementation of the goals and indicators and appropriate recommendations for the implementation of the proposals.

What follows are the main conclusions and recommendations of the report.

VII.1 Conclusions

Africa is on the path to sustained long-term growth. It is today the fastest growing region globally with six of its economies among the top ten fastest growing economies in the world. This growth needs to be sustained to provide a strong basis for transition to sustainable development and for the economies to be pulled into the medium income bracket.

A review of the region's progress in sustainable development shows that significant results have been achieved and sustained progress is promising. On a balance, this report concurs fully with the Africa Review Report on Progress on Sustainable Development (UNECA 2012) that African countries have the potential to successfully advance within the next three decades (2015-2045) from conventional to sustainable development, given the encouraging economic growth performances. This will nonetheless require significant policy shifts as well as financial and technical resources to cushion the effect and avoid deterioration of poverty levels. Specific programmes and policy adjustments will need to be supported over a fairly long period of time.

On social development, the region has made progress in the pursuit of sustainable social development. Its social development framework consists of components, which include the AU Social Policy, protocols by RECs and countries' specific national priorities. Despite progress, considerable challenges still exist which need to be addressed. This is particularly the case with poverty, inequality and extreme hunger, which remain a fundamental challenge for the post-2015 development framework, access to infrastructural services, youth unemployment and development and social security, among others.

As regards environmental sustainability, only little progress has been made in spite of the numerous agreements and protocols for the protection and management of the environment. This is a strong indication that the region is not yet on the path of balanced development. Economic growth and social development have been and are still at the expense of an overstretched carrying capacity of the environment.

National, regional and global institutions as well as development partners must work together to assist African countries achieve the SDGs and targets proposed in this report. Changes in production processes and consumption behaviour are fundamental to sustainable development. These must support a reduction in the use of scare environmental resources, promote technological innovations which support growing levels of efficiency, raise awareness, improve knowledge, and step up regional and international cooperation and partnerships. Interventions will have to call upon a robust mix of policy instruments, including market-based approaches, regulations and standards, measures to incentivize R&D, and information-based instruments to facilitate consumer choices. Correct pricing of pollution or the exploitation of a scarce resource through taxes, natural resource charges or tradable permit systems should be a key element of the policy mix, if clear market signals are to be provided. Yet, market-based instruments alone will not be enough to bring about a shift to sustainable consumption and production patterns. Regulations will be needed in cases where market failures result in weak responses to price signals or when a complete ban on certain activities is necessary. Other approaches, such as voluntary instruments and information-based measures including energy efficiency ratings and well-designed eco-labelling can play an important supporting role in raising consumer and producer awareness on the environmental impact of specific activities as well as on the availability of clean alternatives.

VII.2 Recommendations

To contribute to the global SDGs, targets and indicators and provide a basis for post-2015 development framework in the African region and Agenda2063, this report recommends the following:

(a) Proposed Sustainable Development Goals, Targets and Indicators

Guided by priorities identified through surveys and consultations at the national, sub-regional and regional levels, this report recommends the following 12 seminal goals for the African region:

- Goal 1: Eradicate Poverty and Extreme Hunger, and Achieve Food and Nutrition Security
- Goal 2: Vigorously Promote Good Governance, Peace and Security
- Goal 3: Provide Adequate, Qualitative, Affordable and Accessible Health Care to All
- Goal 4: Enhance Accessibility and Affordability of Quality Education to All
- Goal 5: Improve Availability and Accessibility of Clean Water and Sanitation to All
- Goal 6: Intensify Gender Equality, Women Empowerment and Youth Development
- Goal 7: Heighten Social Inclusion and Security for All
- Goal 8: Transform Conventional to Inclusive Green Growth and Promote Sustainable Consumption and Production
- Goal 9: Scale up Investments in Infrastructure Development and Efficient Services
- Goal 10: Advance Sustainable Exploitation, Use and Management of Natural Resources

- Goal 11: Improve Quality and Sustainability of the Environment
- Goal 12: Promote Global Partnerships and Institutional Effectiveness

(b) Leadership, Participation and Implementation Framework

- The process of implementing the SDGs, targets and indicators should be led at the highest level of political leadership at local, country, sub-regional and regional levels. Effective participation of all stakeholders - public, private sector, civil society, youth organizations, and women organizations – should be vigorously cultivated, encouraged and sustained. Participation should be integrated into the framework for social responsibility of the private sector.
- Countries should have well-defined national frameworks for the implementation of the goals and targets. This should guide policy, planning and institutional development and reforms. All indicators should have benchmarks starting from 2015.
- The APRM process should be reviewed to include measures for assessing the extent of sustainable development-compliance of policies and programmes in its National Plans of Action.
- Sustainable development is a paradigm shift in development frameworks. Its principles, dimensions, requirements and goals, among others, should become a part of the region's educational curricula at all levels so that future generations appreciate the need from an early start. Awareness should be shared and strongly promoted across all strata of the population and especially among the youths on whom future responsibility falls.
- The development of human and institutional capacity for the implementation of the goals and targets is of paramount importance. The adoption of the SDGs will require capacity building strategies and programmes to be fully oriented to sustainable development. Present approaches and priorities will have to change at local, national, sub-regional and regional levels. The AU-NEPAD Capacity Development Strategic Framework will need to be revisited to align it to the SDGs. So also are programmes by other institutions and development partners.
- Effective strategies to mobilize domestic and external financial resources will be required. Proposals put forward under the means of implementation to mobilizing domestic resources will need to be implemented.
- The SDGs have implications for the AU Agenda2063 for the African region, as the set targets will contribute to the achievement of the continent's development strategy, which has a much longer time horizon of 50 years. The SDGs like the MDGs are not a development strategy. Agenda2063 is a development strategy. The SDGs should therefore constitute some of the key goals and targets within the Agenda2063 development framework.

(c) Means of Implementation of Proposed Goals, Targets and Indicators

- To achieve the proposed SDGs and targets, the following means of implementation will be required:
  - Domestic and external financial resources, with a great deal of emphasis on the mobilization of domestic financial resources. The instruments for mobilizing additional domestic financial resources should include the following put forward by the 2013 NEPAD Agency-UNECA report on DRM:
    - Creation of an African Infrastructure Development Fund
    - Development of an African Credit Guarantee Facility
    - Promotion of Africa-owned private equity funds
    - Deepening of Africa's bond markets – to promote infrastructure and Diaspora bonds
    - Securitization of Diaspora remittances

        - Establishment of Sovereign Wealth Funds
        - Establishment of Regional Stock Exchanges
        - Promotion of new models of PPPs in the African regional context
    - External financial resources should draw on ODA, FDI, and Climate finance, among others.
    - Promotion of development effectiveness
    - Technology development and transfer
    - Capacity development
    - Improved trade and market access for African products
    - Regional integration
    - South-South Cooperation
    - Good governance and effective institutions
    - Reform of major multilateral development and finance institutions to give more voice to the region in their governance

- A number of African countries depend heavily on aid. This is however not the dominant source of finance for the region's development programmes. Indeed, it is an erroneous perception that the region's development is aid-driven. On the contrary, the largest source of finance is from domestic resources – savings and taxes. Tax revenues are rising, but more still needs to be done. Efforts need to be geared towards broadening and deepening the tax base and not increasing tax rates.

- Although the region raises more than US$520billion annually from domestic revenue sources as against US$59billion in private flows and US$50billion on ODA, its development budget is inadequate to meet the needs of sustainable development. . The development budget meets only a small portion of the financing requirements of development programmes. To this end, external financial resources will be required for the implementation of the SDGs and targets. Commitments to this end should therefore be followed through by the region's development partners.

- The region has the resource base to support the development and implementation of viable domestic financial instruments to mobilize a significant portion of its sustainable development needs. The potential to raise substantially more domestic financial resources to implement sustainable development programmes is huge. The AU should constitute a task force to fully implement the recommendations of the NEPAD Agency-UNECA 2013 proposal on domestic resource mobilization, including the AfDB Africa50Fund.

- The AU and UNGA should engage the rich countries in the OECD to step up efforts at disclosure standards and international partnerships should be more responsive to the challenge of illicit financial flows from the African region. Secrecy and practices of tax havens in rich countries should be decisively addressed for the region to achieve its sustainable development goals and targets. This should be a key commitment for enhanced global partnerships.

- Reforms in tax administration should be pursued to address the significant revenue leakage, which occurs as the result of illegitimate shifting of profits to jurisdictions where lower rates apply through transfer-pricing manipulation and resort to a host of sophisticated and advanced tax planning and avoidance measures especially by multinational companies. African countries should revisit the nature and duration of incentives granted to investors and related issues, which tend to weaken the tax administration system, create considerable cost and complications, and open loopholes for corruption to thrive. Equal treatment of taxpayers is central to boosting the credibility of revenue administration, simplifying tax systems, broadening the tax base and encouraging voluntary compliance by local and multinational taxpayers.

- Countries in the region which are underperforming in tax revenue collection and administration should invest more resources in building the capacity of their revenue agencies. Independent revenue agencies that are well-resourced, technically competent and with appropriate mandate remain a preferred option. They are working in some countries. The South African Revenue Service is a remarkable example with strong international reputation.

- The region should develop its capacity to draw effectively on development financing through Climate Change adaptation and mitigation mechanisms as an additional financial means for the implementation of the SDGs.

- Carbon finance mechanisms should be explored in greater depth to support implementation of the SDGs and targets and tackle climate change. Such finance could be generated from a number of sources, including taxation on greenhouse gas emissions, CO2 emission taxes on passenger cars, among others. Specifically, however, African countries should take greater advantage of external resources available in the Green Climate Fund (GCF), estimated at US$100 billion annually, and the existing Clean Development Mechanism (CDM). A specialist team could be constituted by the AU to make appropriate recommendations with respect to mechanisms that will work for the region.

- African Governments and other stakeholders should establish mechanisms and facilities that assist Africa‘s rural communities to effectively participate in international carbon markets through Agriculture, Forestry and Other Land Uses projects. This will scale up the region’s benefits from the Clean Development Mechanism (CDM).

(d) Governance, Institutional Effectiveness and Global Partnerships

- The strengthening of good governance in the region is yielding positive dividends. However, fault lines still exist in a few countries and these easily lead to unrest and political instability. The AU and the RECs should continue to implement protocols and measures to ensure the emergence of capable, transparent and accountable leaders and effective institutions in the region.

- There is a need to strengthen institutional frameworks that encourage greater levels of transparency and accountability in both the private and public sectors. At the regional level, an African Convention on Transparency should be established.

- As part of governance measures, the region needs to do more to track, report, stop and repatriate illicit financial flows. To this end, the AU and African governments should follow up vigorously all initiatives and measures through various international platforms and engagements, including the African Partnership Forum. These include the G20 Multilateral Convention on Mutual Administrative Assistance in Tax Matters, Legally Binding Transparency Requirements on Mining and Oil Companies similar to the US Dodd-Frank Act, all-countries membership of the Global Forum on Transparency and Exchange of Information for Tax Purposes and the international Financial Action Task Force.

- The international community should do more to support the region’s efforts to stem IFFs from African countries by stepping up effectiveness of global regulatory and institutional frameworks to combat IFFs. To this end, appropriate task forces at the level of the UN should be set up to facilitate the vigorous implementation of initiatives such as the United Nations Resolution 55/188 on the illegal transfer of assets and the Stolen Asset Recovery Initiative. These and other initiatives are not being effectively implemented because of lack of political will and inadequate cooperation from the developed countries.

- An African regional mechanism should be put in place to lead engagement on tax jurisdictions in the region and Africa's major trading partners on issues such as tax havens, transfer pricing and enhanced transparency particularly in the extractive industries sector. The mechanism should provide a regional front for a big push on major financial centres to take more decisive steps to address recovery of Africa's stolen assets.

- The 2009 pledge by the World Bank with the support of G8 Heads of State to reduce the average global cost of remittances from 10% to 5% by 2014 is yet to result in any appreciable reduction in the African context. Achievement of this pledge in Africa will enable the region to save more than US$2.884billion annually in Diaspora remittance costs towards implementation of the SDGs

- Initiatives to curb and eliminate IFFs from the region should be strongly encouraged. In particular, the recommendations of the High Level Panel on Illicit Financial Flows from Africa, chaired by President Thabo Mbeki should be implemented. This equally goes for the activities of the African Regional Anti-Corruption Programme (2011-2016) and the African Tax Administrative Forum (ATAF).

- Global partnership should help put in place appropriate mechanisms for mutual learning and technology transfer to the region. This is consistent with the Bali Strategic Plan for Technology Support and Capacity-Building.

- In line with the Copenhagen Accord and the Cancun Agreements on Sustainable Development financing, the international community should implement the Copenhagen Accord and the Cancun Agreements as soon as possible and establish the Green Climate Fund

- Efforts are required on the part of the countries in the region to enhance political stability, promote peace and security, strengthen public administration, raise confidence in the legal and regulatory frameworks, gain more ground in the war against corruption and invest more in capacity development.

(e) Political Commitment and Participation

- Effective political leadership is at the heart of the drive for sustainable development. The region needs renewed commitment by African leaders to sustainable development. The emergence of a new generation of leaders should be encouraged through credible electoral processes, which respond to the need for change, reforms and new perspectives in the pursuit of sustainable development.

- Countries in the region need to step up awareness of the issues in sustainable development and provide appropriate incentives to encourage participation by all national stakeholders. Leaders in all sectors of economy and society must take the lead in promoting sustainable development-compliant practices and ensure commitment by all stakeholders.

(f) Monitoring and Evaluation of Programmes and Performance

- Countries will need support in the development of the framework and tools for monitoring and evaluating performance in the implementation of the SDGs and targets. Regular reporting by countries to the appropriate regional body and the development of frameworks and tools enhanced to ensure a proper and regular review of the institutional requirements for effective implementation of sustainable development goals and targets.

- UNECA should collaborate with other regional institutions in the development and application of appropriate monitoring and evaluation frameworks for the goals, targets and indicators, the development of databases to facilitate performance tracking and the provision of technical support to countries on sustainable development strategy, policy and programmes.

- With assistance from African countries, regional and subregional organizations, as well as development partners, UNECA should establish a mechanism for systematically and regularly collating, processing and storing data and information on each of the goals and targets in the region. The aim is to provide ready access to data and information required by policymakers and development managers in monitoring progress in the implementation of the goals and targets as well as means of implementation.

- UNECA, AUC and AfDB should regularly convene consultative meetings and lead processes to monitor and evaluate progress in the implementation of the SDGs, targets and indicators by the region.

- UNECA, AUC and AfDB should create/ strengthen platforms for all-stakeholders' dialogue on sustainable development at all levels - regional, sub-regional and national - in order to share information, knowledge and lessons on progress in the implementation of the SDGs and targets, and to determine what works and what does not and why.

- UNECA, AUC and AfDB should ensure that annual progress reports on the implementation of the goals and targets are compiled using a participatory approach, with each country in the region reporting on its performance.

Based on the foregoing, this report expresses the view that the SDGs, targets and indicators put forward for the African region are in line with the region's sustainable development priorities as reflected in the persisting challenges facing the sub-regions and countries and are achievable within the proposed time frame. The time has come for the region, like the rest of the world, to transit from conventional to sustainable development. The SDGs and targets will guide this transition and the region is more than ever better placed to achieve sustainable development results. With adequate resources, strong and sustained political commitment, well-laid out strategies, enhanced awareness and effective participation of national, sub-regional and regional stakeholders and the international community, the set goals and targets will be achieved.

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IX. ANNEXES

ANNEX 1: AN OVERVIEW OF KEY OUTCOMES OF MAJOR GLOBAL SUSTAINABLE DEVELOPMENT

SUMMITS, CONFERENCES AND INITIATIVES

BRUNDTLAND COMMISSION: In 1983, the UN General Assembly established an independent commission to formulate a long-term agenda for action. The World Commission on Environment and Development—more commonly known as the Brundtland Commission, named after its Chairperson, Mrs. Gro Harlem Brundtland—subsequently issued its report in 1987 titled, *Our Common Future*. The report stressed the need for development strategies in all countries that recognize the limits of the ecosystem's ability to regenerate itself and absorb waste products. The Commission emphasized the link between economic development and environmental issues, and identified poverty eradication as a necessary and fundamental requirement for environmentally-sustainable development.

UN CONFERENCE ON ENVIRONMENT AND DEVELOPMENT: UNCED, also known as the Earth Summit, was held from 3-14 June 1992, in Rio de Janeiro, Brazil, and involved over 100 Heads of State and Government, representatives from 178 countries, and some 17,000 participants. The principal outputs of UNCED were the Rio Declaration on Environment and Development, Agenda 21 (a 40-chapter programme of action) and the Statement of Forest Principles. The UN Framework Convention on Climate Change and the Convention on Biological Diversity were also opened for signature during the Earth Summit. Agenda 21 called for, inter alia, the creation of a Commission on Sustainable Development (CSD) as a functional commission of the UN Economic and Social Council (ECOSOC) to ensure effective follow-up of UNCED, enhance international cooperation, and examine progress in implementing Agenda 21 at the local, national, regional and international levels. Reform of the Global Environmental Facility was also an outcome of the conference.

UNGASS-19: The 19th Special Session of the UNGA for the Overall Review and Appraisal of Agenda 21 (23-27 June 1997, New York) adopted the Programme for the Further Implementation of Agenda 21. It assessed progress since UNCED and examined implementation.

WORLD SUMMIT ON SUSTAINABLE DEVELOPMENT: WSSD met from 26 August-4 September 2002, in Johannesburg, South Africa. The goal of WSSD, according to UNGA Resolution 55/199, was to hold a ten-year review of UNCED at the summit level to reinvigorate global commitment to sustainable development. WSSD brought together more than 21,000 participants from 191 countries. Delegates negotiated and adopted the Johannesburg Plan of Implementation (JPOI) and the Johannesburg Declaration on Sustainable Development. The JPOI is designed as a framework for action to implement commitments originally agreed at UNCED. The Johannesburg Declaration outlines the path taken from UNCED to WSSD, highlights challenges, expresses commitment to sustainable development, underscores the importance of multilateralism, and emphasizes the need for implementation. Its main outcomes consisted of a Political Declaration; the Johannesburg Plan of Implementation (JPOI); and Type II partnerships initiatives. The Political Declaration reaffirmed global commitment to the objectives of sustainable development. The Plan of Implementation contained targets and timetables to engender actions on a wide range of issues, most of which converged with and reinforced the MDGs. The partnership commitments on Water and Sanitation, Energy, Health and Environment, Agriculture, and Biodiversity and the Ecosystem Management (WEHAB) initiative numbered over 200 at the time of the Summit, including major initiatives by development partners. In order to better focus efforts to address the development needs of Africa, the international community identified the New Partnership for Africa's Development (NEPAD) for special attention and support.

THE UNITED NATIONS CONFERENCE ON SUSTAINABLE DEVELOPMENT: UNCSD also known as Rio+20 was the third international conference on sustainable development aimed at reconciling the economic, social and environmental goals of the global community. Hosted by Brazil in Rio de Janeiro from 13 to 22 June 2012, Rio+20 was a 20-year follow-up to UNCED, the 1992 Earth Summit held in the same city, and the 10th anniversary of the 2002 WSSD. The summit was attended by more than 45,000 participants from 192 UN member states, including 57 Heads of State and 31 Heads of Government, private sector companies, NGOs and other groups. Rio+20 adopted the Outcome Document titled "The Future We Want". The 53-page document contains 283 paragraphs. It is organized into six sections: Our common vision; Renewing political commitment; Green economy in the context of sustainable development and poverty eradication; Institutional framework for sustainable development; Framework for action and follow-up; and Means of implementation. *The Future We Want* covered everything that could possibly contribute to sustainable development. The main outcomes were:

- Making global sustainable development goals a priority on the international agenda
- Shifting of focus of the "green economy" agenda to the national and domestic level, where concrete goals and actions can be more readily formulated and allowed developing countries "critical national policy space" to formulate their own paths
- Generated tangible financial commitments for sustainable development goals.

- Endorsed the decision to establish Sustainable Development Goals (SDGs) in 2013. The SDGs themes encompass all three aspects of sustainable development - economic, social and environmental- and will seek to strengthen momentum in international development beyond the poverty-eradicating mission of the MDGs, which will lapse in 2015.
- Rio+20 also saw other major accomplishments. Governments, private companies, and multilateral agencies committed themselves to voluntary pledges worth US$513 billion toward a series of development projects. Eight international development banks agreed to invest US$175 billion in sustainable public transport systems over the next decade. Private sector companies pledged to contribute US$50 billion to a plan to provide energy to the entire global population by 2030.
- Rio+20's Outcome Document heightened attention on the world's most pressing development issues, which range from food security to mining.
- It upheld a number of principles, including "common but differentiated responsibilities" among countries.
- It catalyzed a global call to make sustainable development priorities central to global thinking and action.
- It built up significant momentum for the green economy, which aims to promote growth through low-carbon, resource-saving investments. In the context of Africa, the green economy will need to be approached in tandem with most immediate priorities, including malnourishment; the burden of tropical, communicable, and neglected diseases; and access to clean water, sanitation, and electricity.
- Rio+20 enhanced efforts at strengthening governance for sustainable development by launching a "high-level" political forum that will replace the Commission on Sustainable Development.
- Rio+20 also took a step toward strengthening governance for the environmental pillar by inviting the UN General Assembly to strengthen the UN Environment Programme to become the leading global environmental authority.
- Nations agreed to explore alternatives to GDP as a measure of wealth that take environmental and social factors into account in an effort to assess and pay for ‘environmental services’ provided by nature, such as carbon sequestration and habitat protection.
- Rio+20 recognized the need for "fundamental changes in the way societies consume and produce as indispensable for achieving global sustainable development.
- All nations reaffirmed commitment to phase out fossil fuel subsidies.

In addition to the outcome document, there were over 400 voluntary commitments to sustainable development made by Member States. At the African Ministerial Conference on the Environment, 40 African countries agreed to implement "The Future We Want."

Annex II: AFRICAN REGION'S EMERGING SUSTAINABLE DEVELOPMENT GOALS, TARGETS AND INDICATORS

No.	GOALS	TARGETS	INDICATORS
SUSTAINABLE ECONOMIC GROWTH AND SOCIAL DEVELOPMENT			
Goal	Eradicate Poverty and Hunger and Achieve Food and Nutrition Security	4.1 Eliminate absolute poverty and reduce to 0 the number of people who live on less than 1.25 per day by 2030 4.2 End food aid dependency by 2030 4.3 Significantly improve nutrition status by 2030 4.4 Achieve a minimum of 10-12% investment of public resources in agriculture, food and nutrition security by 2020	1. % of population living on less than $1.25 a day 2. % of population chronically hungry 3. % of population depending on food aid 4. % of underweight children 5. Poverty and inequality level 6. Degree of inequality in incomes and opportunities 7. Share of public resources in agriculture 8. Growth in investments in agriculture relative to National Agriculture and Food Security Investment Plans
Goal	Scale up Investments in Infrastructure Development and efficient services	3.1 Meet 60-70% of infrastructure needs from domestic resources by 2040 3.2 Provide fuel efficient public transportation system by 2030 3.3 Transform power infrastructure to raise access and affordability of electricity to 70-80% of the population by 2030 3.4 Secure access for at least 50% of rural population to clean and renewable energy by 2025.	1. Share of public expenditure in infrastructure development 2. Share of public-private partnerships in infrastructure development 3. Rate of implementation of transportation, energy, ICT and Transboundary Water Basins projects under the Programme for Infrastructure Development in Africa (PIDA). 4. % of energy generated from renewable sources 5. Quality and efficiency of freight and

			passenger transportation 6. % of population with access to electricity
Goal	Provide Adequate, Qualitative, Affordable and Accessible Health Care to All	5.1 Raise life expectancy at birth to a minimum of 60 years by 2020, 70 years by 2035 and 80 years by 2045 5.2 Ensure universal access to quality basic health services and essential medicines by 2025 5.3 Reduce to 0 infant, under-five and maternal mortality rates by 2025 5.4 Raise the share of health care resources by the public sector to a minimum of 15% of national budget	1. Average life expectancy 2. % of population with access to primary health care 3. % of births attended to by skilled health personnel 4. % of 1 year old immunized against measles 5. Infant and under-five mortality rates 6. Maternal mortality rate (deaths per 1,000 live births) 7. HIV/IDS prevalence and death rates 8. % of population with advanced HIV/AIDS infection with access to antiretroviral drugs 9. Tuberculosis prevalence rate, infection per 100,000 population 10. Tuberculosis death rate, % per 100,000 population 11. Incidence of malaria per 100,000 population and deaths due to malaria 12. Nutrition, lifestyle and obesity 13. Share of public expenditure in health relative to target set by the AU Assembly
Goal	Enhance Accessibility and Affordability of Quality Education to All	6.1 Achieve full gender parity and 100% net enrolment and completion rates in primary education by 2020. 6.2 Achieve a minimum of 80% enrolment and completion rates at secondary and tertiary levels by 2025 for both females and males. 6.3 Achieve 100% literacy rate in age bracket 15-24 years by gender from 2015 6.4 Raise adult literacy to a minimum of 60-70% by 2030 6.5 Achieve a minimum internationally comparable standard of	1. % of pupils starting grade 1who reach the last grade of primary education 2. Primary school enrolment and completion rate 3. Secondary school enrolment and completion rate 4. Tertiary education enrolment and

		education at national level by 2030 6.6 Raise share of public expenditure in education to a minimum of 20% of national budget by 2020.	completion rate 5. Mean years of schooling vis-à-vis expected years of schooling 6. Ratio of girls to boys in primary, secondary and tertiary education 7. Youth literacy rate 8. Adult literacy rate 9. Proportion of pupils obtaining at least 5 O/L passes at A-C grade 10. Proportion of undergraduates obtaining second class upper and above 11. National and international ratings of quality of education 12. Share of public expenditure in education relative to target set by the AU Assembly
Goal	Improve Availability and Accessibility of Clean Water and Sanitation to All	7.1 Ensure every household has access to clean drinking water by 2020 7.2 Provide sanitation facilities to 70% of the population by 2020; 80% in 2030; and full coverage by 2040 7.3 Raise share of public expenditure in water and sanitation to 2% of GDP by 2020	1. % of population with access to clean drinking water 2. % of population with access to improved sanitation facilities 3. Share of public expenditure in water and sanitation relative to target set by the minimum of 0.5% of GDP set by the AU Assembly
Goal	Raise Youth Employment and Development	9.1 Reduce youth unemployment by at least 5% every year 9.2 Half the number of illiterate youths by 2020 9.3 Resource youth development agencies and programmes 9.4 Put in place youth skills development programmes to build necessary skills 9.5 Create youth development funds and programmes 9.6 Provide for youth representation in decision making processes and structures 9.7 Reform education and vocational training to develop appropriate skills that meet labour market needs	1. Unemployment rate 2. Unemployment rate for 15-24 age bracket 3. % of illiterate youth 4. % of unskilled youth 5. Labour market reforms to absorb youth unemployment 6. Your re-training programme 7. Relevance of skills to labour market

			needs
Goal	Heighten Social Security for All	10.1 Increase share of social security and welfare resources in support of the poor and vulnerable group 10.2 Reduce number of violent crimes per 100,000 population by 2020 10.3 Halve gender-based violence by 2020 10.4 Cut by half the number of rape cases per 100,000 population by 2020 10.5 Transform 60% of slum areas by 2020, 70% by 2030 and 80% by 2040 10.6 Improve the quality of social capital and social cohesion	1. % of child-headed households receiving welfare support 2. % of vulnerable group with access to housing 3. % of population with secure access to energy and other infrastructural services 4. Violent crimes rate 5. Gender-based crimes rate 6. Number of rape cases 7. % of population living in slums 8. Rate of transformation of slums 9. Share of social security and welfare resources in government expenditure
Goal	Intensify Gender Equality and Women Empowerment	8.1 Achieve 50/50 gender parity in employment in all major public and private sector organizations by 2025 8.2 Close gender pay gap – average female wage relative to male – by 2020 in major public and private organizations 8.3 Enshrine right to land ownership and inheritance by women and the poor in national constitutions by 2020 8.4 Reform laws and practices to grant equal land ownership right to women by 2020 8.5 Create a Women's Agricultural Development Fund for better access to credit by 2025	1. % of women in non-agricultural wage employment in key public institutions and private sector organizations 2. Proportion of seats held by women in national parliaments 3. Proportion of women in ministerial positions and as heal of major institutions 4. Degree of access to land and credit
Goal	Transform Conventional to Inclusive Green Growth	1.1 Meet key requirements for green growth by 2025 1.2 Promote inclusivity and ensure intergenerational equity in growth	1. % share of green investments in Gross National Product (GDP) 2. % of green employment opportunities generated 3. % of industries using renewable energy and green growth technologies 4. % share of public and private investment in green growth drivers – research and development, innovations, etc.

			5. Degree of local participation in growth investments Medium to long-term trade balance 6. Debt/GDP ratios (domestic and external debts)
Goal	Promote Sustainable Production, Consumption and Growth	2.1 Achieve middle-income and emerging economy growth status by 2030 and develop online payment for goods and services by 2025. 2.2 Beneficiate 60-80% of all raw materials by 2035 within the continent and develop innovation systems around all key products produced from raw materials in which local communities are endowed. 2.3 Achieve a minimum of 50% energy and carbon efficiency in production by 2030 2.4 Achieve 50% efficiency in consumption of infrastructural services, natural resources and environmental resources by 2030 2.5 Ensure renewable energy accounts for 50% of energy supply by 2035.	1. % growth in per capita GDP (raise growth to 7-10% per annum) 2. % of manufactures in trade (raise trade in manufactures to a minimum of 30% by 2035) 3. Extent of development of financial and payment system 4. Share of transactions and payment for goods and services processed online 5. Degree of efficiency in the use of natural resources in production 6. Degree of energy and carbon efficiency in production of goods and services 7. Degree of efficiency in consumption of infrastructure services, natural resources (crops, fish, timber, grass for livestock feed) 8. Share of manufacturing in GDP (raise to a minimum of 20-25% by 2020) 9. Share of manufactured exports in total exports (raise to a minimum of 60-70% by 2030) 10. Extent of application of guidelines to promote sustainable consumption 11. Conduciveness of policy environment for industry to invest in sustainable production technologies 12. Timeline for public and private organizations to transit to green

			procurement 13. Existence of National Cleaner Production Centre and enabling environmental laws to promote their effectiveness in each country
Goal	Preserve and Nurture Culture	11.1 Preserve cultural identity, societal values and use of indigenous languages 11.2 Promote local knowledge in all aspects of development	1. Extent of use of indigenous languages in schools 2. Extent of integration of local knowledge in health care, education and youth socialization 3. Extent of integration of cultural practices in sustainable development
ENVIRONMENTAL SUSTAINABILITY			
Goal	Advance Sustainable Exploitation, Use and Management of Natural Resources	12.1 Vigorously pursue laws and regulations to minimize intensity of exploitation/harvesting of natural resources – minerals, crops, fish stocks, timber resources and all endangered species. 12.2 Rehabilitate by 2035 all land degraded through extraction of mineral resources 12.3 Review and where applicable renegotiate existing mining contracts, mineral policies and legislations 12.4 Ensure effective participation of local communities in the management of natural resources.	1. % of degraded arable land rehabilitated 2. Status of major fish stocks 3. Status of timber resources 4. Status of mineral resources 5. Agricultural soil quality 6. Ecosystems destroyed by mining and rehabilitated 7. Endangered species protected and restored 8. Strategies and policies for participation of local communities in management of natural resources
Goal	Foster Sustainable Land and Water Management	13.1 Halt land degradation, desertification, drought and deforestation and reclaim lost land 13.2 Promote sustainable water resource management 13.3 Improve soil quality and fertility 13.4 Effectively management of waste 13.5 Reduce use of non-organic fertilisers and agricultural pesticides	1. % of land area covered by forest 2. % of protected terrestrial and marine areas 3. % of grasslands replanted 4. Size of reforested area 5. Forest area under sustainable management

			6. Size of land recovered from desertification 7. Level of use of pesticides and non-organic fertilizer 8. Water availability per capita 9. Extent of integration of sustainable land and water management in development strategies
Goal	Lift Air, Ocean and River Quality	14.1 Reduce CO2 and greenhouse gas emission per capita by 2-5% annually 14.2 Improve ocean and river quality	1. CO2 omission per capita 2. Urban air pollution 3. Ambient levels of air pollutants 4. Fresh water quality in rivers
Goal	Boost Resilience to Climate Change and Disaster Risk Management	15.1 Undertake measures to reduce effect of climate change on agriculture, fisheries, forestry, biodiversity, habitats, water and ecosystem resources and services 15.2 Enhance disaster risk management capacity and climate adaptation initiatives 15.3 Mobilize US$18billion by 2030 annually through the CDM to meet climate change adaptation needs and support rural development	1. % of population at risk of flooding 2. Crop losses due to extreme variability in weather 3. Changes in water level 4. Status of marine resources 5. Effectiveness of disaster risk management strategies
Goal	Rehabilitate Biodiversity and Health of Ecosystems	16.1 Restore ecological value or integrity of depleted forests and natural parks 16.2 Promote biodiversity conservation 16.3 Raise ecosystem quantity 16.4 Enhance ecosystem quality 16.5 Integrate biodiversity and ecosystems conservation in educational curriculum at all levels	1. % of natural ecosystem area left 2. % of species left 3. Status of species and habitats 4. Proportion of species threatened with extinction 5. Proportion of species regenerated or restored 6. Level of awareness of biodiversity and ecosystem conservation
GOVERNANCE, INSTITUTIONS AND GLOBAL PARTNERSHIPS			
Goal	Reinforce good governance, transparency and accountability	17.1 Reinforce participatory democratic processes and elections as means for change in government.	1. Number of undemocratic changes of

		17.2 Maintain zero tolerance to undemocratic change in government 17.3 Hold leaders to the highest standards of transparency and accountability in public and private sectors 17.4 Achieve accession to the APRM process by all African countries by 2020. 17.5 Reform governance of major global financial and development institutions – World Bank, IMF, IFC and UN Security Council – for balanced representation across regions	government 2. Degree of participation of stakeholders in political governance 3. Quality of elections 4. Level of corruption 5. Representativeness, accountability and transparency of major international multilateral development and financial institutions
Goal	Vigorously promote peace, security and socio-political stability	18.1 Reduce armed conflict to 0 by 2020 and achieve violent conflict-free society by 2045 18.2 Enhance contribution to Africa Special Fund for Peace and Security by African Governments and Development Partners	1. Number of armed conflicts per annum 2. Availability of resources for peace and security operations
Goal	Enhance social inclusion and equity	19.1 Ensure equity in access to mining rights and natural resources by local and disadvantaged communities. 19.2 Mainstream social protection in national development strategies and provide safety nets for vulnerable groups without incomes.	1. Share of revenue from mining and other natural resources to local and disadvantaged communities. 2. Extent of participation of local communities in the negotiation of mining contracts. 3. Share of public resources for social protection of vulnerable groups
Goal	Promote global partnerships and institutional effectiveness	20.1 Improve public service effectiveness and efficiency by 50% by 2020 20.2 Cut IFFs by 50% by 2020; halt flows by 2030 20.3 Repatriate ill-gotten wealth in foreign banks by 2025 20.4 Reduce cost of international transfers by 50% by 2016 20.5 Limit cost of Diaspora remittances to a maximum of 1% by 2016 20.6 Promote transfer of advanced energy technologies to African countries by 2025 20.7 Raise trade and market access to African products 20.8 Reinvigorate global partnership to shift collective action to development effectiveness	1. Quality of public services 2. Size of IFFs 3. Amount of ill-gotten wealth repatriated 4. Cost of international transfers 5. Cost of Diaspora remittance 6. New technologies transferred 7. State of market access for African exports 8. Effectiveness of global partnership

ANNEX III: POVERTY IN THE MIDST OF NATURAL RESOURCE WEALTH

Africa is rich in natural resources, but remains a poor region. It is the only region that will fail to achieve most of the Millennium Development Goals, especially eradication of extreme poverty and hunger by 2015. Sub-Saharan Africa's mid-2010 population stood at about 865 million inhabitants with a gross domestic product of US$946 billion, which translates to per capita income of US$1,094. The 2010 UNDP Human Development Report indicates that of 48 African countries surveyed and ranked, 35 are in the Low Human Development category to which the poorest countries in the world belong. Poverty levels are therefore still very high with millions threatened by hunger, a situation which is worsening as a result of rising food and fuel prices as well as the effect of climate change on agricultural production. Less than 35% of the population has access to portable water and adequate sanitation facility; the literacy rate is on the average 45%; infant mortality rate is about 7.6%. Africa contributes about 47% to global maternal mortality with sub-Saharan Africa having higher rates. More than 70% of the population is in the rural areas without access to electricity and pipe borne water. Basic socio-economic infrastructure such as water, electricity, good roads, communication, health-care delivery services, sanitation and waste management facilities are among numerous needs that are barely met. The quality of schools and educational standards has not risen significantly from the levels to which they fell before the dawn of the millennium in a majority of the countries. Research centres for innovative ideas in various aspects of development efforts have also degenerated with the result that the continent hardly contributes new knowledge to global and regional development efforts. Yet, the continent is home to some of the world's richest deposits of natural resources. The exploitation of these resources over the years due to inappropriate development strategies, mismanagement and corruption has not succeeded in creating an industry that provides an impetus for sustainable real growth in African economies.

If Africa has effective control over its natural resources through good governance (transparency and accountability in the management of revenues from mineral resources) and local capacity, built around national systems of innovation to consciously define and guide the nature of growth of the industry, the continent will grow itself out of poverty and development aid. The impetus for sustainable growth in Africa is a spark in innovation, which must have to come from within, if transformation is to occur. Externally aided growth will not take Africa very far, as it lacks roots in the local economy and is highly susceptible to changes in the sources.

To begin to build the momentum for internally-rooted growth, African countries must develop capacity for growth-oriented management of natural resources. Besides South Africa, which has companies that play a significant role in the exploration, mining and processing of some of the country's natural resources, most other African countries do not local capacity. The highly capital, technology and technical skills intensive industry is entirely in the hands of multinational corporations. While this is expected at an initial stage in such industry, given local capacity weakness, it should not be the norm and defined state of the industry. It should be an aspect of a developmental trajectory, which must allow for a country to pass through from total dependence on external capacity to country-led or visible presence in exploration, mining and processing. It is the development of appropriate capacity that will cause the industry to generate secondary and tertiary-level employment opportunities, promote the development of a national system of innovation, encourage the emergence of an educational system that adequately feeds the industry, and enhance capacity of the responsible ministries to negotiate mining contracts, provide conducive and enabling policy and regulatory environment, and empower communities to play a role in the management of resources associated with mining activities in their localities. Most mining communities in Africa suffer severe environmental degradation, which adversely affect crop and fish farming activities and worsened by the effects of climate change. Yet, they are not adequately compensated for minerals extracted, do not benefit from employment opportunities from the mining activities and have no socio-economic infrastructure.

Source: CiD, The African Mineral Resources Investment Fund (AMRIF), 2012

ANNEX IV: AFRICA: POPULATION LIVING BELOW THE POVERTY LINE (%)

No.	Country

Population below Poverty Line (%)

1	Chad	80
2	Liberia	80
3	Congo, Democratic Republic of the	71
4	Sierra Leone	70.2
5	Mozambique	70
6	Nigeria	70
7	Swaziland	69
8	Zimbabwe	68
9	Zambia	64
10	Niger	63
11	Rwanda	60
12	Comoros	60
13	Namibia	55.8
14	Senegal	54
15	Sao Tome and Principe	54
16	Malawi	53
17	Madagascar	50
18	Kenya	50
19	South Africa	50
20	Eritrea	50
21	Lesotho	49
22	Cameroon	48
23	Guinea	47
24	Burkina Faso	46.4
25	Djibouti	42
26	Cote d'Ivoire	42
27	Angola	40.5
28	Sudan	40
29	Mauritania	40
30	Ethiopia	38.7
31	Benin	37.4
32	Mali	36.1
33	Tanzania	36
34	Uganda	35
35	Togo	32
36	Botswana	30.3
37	Cape Verde	30
38	Ghana	28.5

39	Algeria	23
40	Egypt	20
41	Morocco	15
42	Mauritius	8

Definition: National estimates of the percentage of the population falling below the poverty line are based on surveys of sub-groups, with the results weighted by the number of people in each group. Definitions of poverty vary considerably among nations. For example, rich nations generally employ more generous standards of poverty than poor nations.
Source: CIA World Fact book - Unless otherwise noted, information in this page is accurate as of January 1, 2011
See also: Population below poverty line map

ANNEX V: NATURAL RESOURCES IN AFRICA

No	Country	Mineral Resources
1	Algeria	Petroleum, Natural Gas, Iron Ore, Phosphates, Uranium, Lead, Zinc
2	Angola	Petroleum, Diamonds, Iron Ore, Phosphates, Copper, Feldspar, Gold, Bauxite, Uranium
3	Benin	Small Offshore Oil Deposits, Limestone, Marble, Timber
4	Botswana	Diamonds, Copper, Nickel, Salt, Soda Ash, Potash, Coal, Iron Ore, Silver
5	Burkina Faso	Manganese, Limestone, Marble, Small Deposits of Gold, Phosphates, Pumice, Salt
6	Burundi	Nickel, Uranium, Rare Earth Oxides, Peat, Cobalt, Copper, Platinum, Vanadium, Arable Land, Hydropower, Niobium, Tantalum, Gold, Tin, Tungsten, Kaolin, Limestone
7	Cameroon	Petroleum, Bauxite, Iron Ore, Timber, Hydropower
8	Cape Verde	Salt, Balsalt Rock, Limestone, Kaolin, Fish, Clay, Gypsum
9	Central African Republic	Diamonds, Uranium, Timber, Gold, Oil, Hydropower
10	Chad	Petroleum, Uranium, Natron, Kaolin, Fish (Lake Chad), Gold, Limestone, Sand and Gravel, Salt
11	Democratic Republic of Congo	Cobalt, Copper, Niobium, Tantalum, Petroleum, Industrial and Gem Diamonds, Gold, Silver, Zinc, Manganese, Tin, Uranium, Coal, Hydropower, Timber, Arable Land, Water

12	Republic of Congo	Petroleum, Timber, Potash, Lead, Zinc, Uranium, Copper, Phosphates, Gold, Magnesium, Natural Gas, Hydropower
13	Cote d'Ivoire	Petroleum, Natural Gas, Diamonds, Manganese, Iron Ore, Cobalt, Bauxite, Copper, Gold, Nickel, Tantalum, Silica Sand, Clay, Cocoa, Beans, Coffee, Palm Oil, Hydropower
14	Djibouti	Geothermal, Gold, Clay, Granite, Limestone, Marble, Salt, Diatomite, Gypsum, Pumice, Petroleum
15	Egypt	Petroleum, Natural Gas, Iron Ore, Phosphates, Manganese, Limestone, Gypsum, Talc, Asbestos, Lead, Zinc
16	Equatorial Guinea	Petroleum, Natural Gas, Timber, Gold, Bauxite, Diamonds, Tantalum, Sand and Gravel, Clay
17	Eritrea	Potash, Gold, Zinc, Copper, Salt, Possibly Natural Gas and Oil, Fish
18	Ethiopia	Small Reserves of Gold, Platinum, Copper, Potash, Natural Gas, Hydropower
19	Gabon	Petroleum, Natural Gas, Diamonds, Niobium, Manganese, Uranium, Gold, Timber, Iron Ore, Hydropower
20	The Gambia	Fish, Titanium (Rutile and Ilmenite), Tin, Zircon, Siliva Sand, Clay, Petroleum
21	Ghana	Gold, Timber, Industrial Diamonds, Bauxite, Manganese, Fish, Rubber, Hydropower, Petroleum, Silver, Salt, Limestone
22	Guinea	Bauxite, Iron Ore, Diamonds, Gold, Uranium, Hydropower, Fish, Salt
23	Guinea - Bissau	Fish, Timber, Phosphates, Bauxite, Clay, Granite, Limestone, Petroleum
24	Kenya	Limestone, Soda Ash, Salt, Gemstones, Fluorspar, Zinc, Diatomite, Gypsum, Wildlife, Hydropower
25	Lesotho	Water, Agricultural and Grazing Land, Diamonds, Sand, Clay, Building Stone
26	Liberia	Iron Ore, Timber, Diamonds, Gold, Hydropower
27	Libya	Petroleum, Natural Gas, Gypsum
28	Madagascar	Graphite, Chromite, Coal, Bauxite, Salt, Quartz, Tar Sands, Semiprecious Stones, Mica, Fish, Hydropower
29	Malawi	Limestone, Arable Land, Hydropower, Uranium, Coal, Bauxite
30	Mali	Gold, Phosphates, Kaolin, Salt, Limestone, Uranium, Gypsum, Granite, Hydropower, Bauxite, Iron Ore, Manganese, Tin, Copper
31	Mauritania	Iron Ore, Gypsum, Copper, Phosphate, Diamonds, Gold, Oil, Fish
32	Mauritius	Arable Land, Fish

33	Morocco	Phosphates, Iron Ore, Manganese, Lead, Zinc, Fish, Salt
34	Mozambique	Coal, Titanium, Natural Gas, Hydropower, Tantalum, Graphite
35	Namibia	Diamonds, Copper, Uranium, Gold, Silver, Lead, Tin, Lithium, Cadmium, Tungsten, Zinc, Salt, Hydropower, Fish, Coal, Oil, Iron Ore
36	Niger	Uranium, Coal, Iron Ore, Tin, Phosphates, Gold, Molybdenum, Gypsum, Salt, Petroleum
37	Nigeria	Natural Gas, Petroleum, Tin, Iron Ore, Coal, Limestone, Niobium, Lead, Zinc, Arable Land
38	Rwanda	Gold, Cassiterite (Tin Ore), Wolframite (Tungsten Ore), Methane, Hydropower, Arable Land
39	Sao Tome & Principe	Petroleum, Fish, Hydropower
40	Senegal	Fish, Phosphate, Iron Ore
41	Seychelles	Fish, Copra, Cinnamon Trees
42	Sierra Leon	Diamonds, Titanium Ore, Bauxite, Iron Ore, Gold, Chromite
43	Somalia	Uranium, Iron Ore, Tin, Gypsum, Bauxite, Copper, Salt, Natural Gas, Oil
44	South Africa	Gold, Chromium, Antimony, Coal, Iron Ore, Manganese, Nickel, Phosphates, Tin, Uranium, Gem Diamonds, Platinum, Copper, Vanadium, Salt, Natural Gas
45	Sudan	Petroleum, Iron Ore, Copper, Chromium Ore, Zinc, Tungsten, Mica, Silver, Gold, Hydropower
46	Swaziland	Asbestos, Coal, Clay, Cassiterite, Hydropower, forests, Gold, Diamonds, Quarry Stone, Talc
47	Tanzania	Tanzanite, Gemstones, Hydropower, Tin, Phosphates, Iron Ore, Coal, Diamonds, Gold, Natural Gas, Nickel
48	Togo	Phosphates, Limestone, Marble, Arable Land
49	Tunisia	Petroleum, Phosphates, Iron Ore, Lead, Zinc, Salt
50	Uganda	Copper, Cobalt, Hydropower, Limestone, Salt, Arable Land, Gold
51	Zambia	Copper, Cobalt, Zinc, Lead, Coal, Emeralds, Gold, Silver, Uranium, Hydropower
52	Zimbabwe	Coal, Chromium Ore, Asbestos, Gold, Nickel, Copper, Iron Ore, Vanadium, Lithium, Tin, Platinum

Main source: The World Fact Book; CiD, The African Mineral Resources Investment Fund, 2012.

ANNEX VI: MAJOR MINING COMPANIES IN AFRICA

No	Mining Companies	Country Base	Countries where operational in Africa
1	African Gold PLC	Ireland	Zimbabwe
2	AfriOre Limited	South Africa	Southern Africa
3	Aluminum Company of Canada (Alcan)	Canada	Guinea; Ghana
4	American Mineral Fields	United States	Central Africa
5	Anglo American Corporation	United Kingdom/United States	Many parts of Africa
6	Anglo Gold	South Africa	South Africa
7	Anglovaal Mining Limited	South Africa	Southern Africa
8	Anvil Mining NL	Australia	Ghana, Democratic Republic of Congo
9	Ashanti Gold	Ghana	Many parts of Africa
10	Avgold	South Africa	South Africa
11	Banro Resources	United States	Congo (which?)
12	Barrick Gold	Canada	Tanzania
13	BHP Billiton	Australia	Southern Africa
14	Breakwater Resources	Canada	Tunisia
15	DeBeers	South Africa	Throughout Africa
16	Delta Gold Limited	Australia	Zimbabwe (gold and platinum)
17	Diamonds Fields International	Canada	Southern Africa, including Namibia and South Africa
18	Diamond Works	Canada	Southern Africa
19	Equinox Resources NL	Australia	Zambia
20	Firestone Diamonds	Canada	Botswana and South Africa
21	First Quantum Ventures	Canada	Zambia and Zimbabwe
22	Gold Fields Limited	South Africa	Southern Africa
23	Falconbridge (global miner of nickel)	Canada	Madagascar, Cote d’Ivoire
24	Harmony Gold	South Africa	South Africa
25	ISCOR	South Africa	Southern Africa
26	JCI Limited	South Africa	South Africa
27	Kenmare Resources	Ireland	Mozambique, Guinea
28	Kenor ASA	Norway	Guinea
29	Kinross Gold	Canada	Zimbabwe (gold)
30	Lonmin PLC	United Kingdom	South Africa (platinum), Zimbabwe (gold)

31	Maiden Gold NL	Australia	Tanzania (Lake Victoria Goldfields)
32	Majestic Resources NL	Australia	South Africa
33	Mano River Resources	United Kingdom	Guinea, Liberia and Sierra Leone
34	Mincor Resources NL	Australia	Guinea, Tanzania and Uganda
35	Nevsun Resources	Canada	Mali, Ghana
36	Normandy Mining Limited	Australia	Several African countries
37	Paladin Resources NL	Australia	Malawi
38	Randgold & Exploration Co. Limited	South Africa	Several African countries
39	Ranger Minerals Limited	Australia	Ghana, Tanzania
40	Red Back Mining NL	Australia	Ghana
41	Reefton Mining NL	Australia	Namibia
42	Resolute Limited	Australia	Ghana, Tanzania
43	Rex Diamonds	Canada	Mauritania
44	Rio Tinto	United Kingdom	Southern Africa, Guinea
45	Samancor (owned by Billiton and Anglo American)	South Africa	South Africa
46	Semafo Inc.	Canada	West Africa
47	Spinifex Gold NL	Australia	Tanzania
48	Tenke Mining Corporation	Canada	Democratic Republic of Congo
49	Trans Hex	South Africa	Southern Africa
50	Zimbabwe Platinum (Zimplats)	Australia	Zimbabwe
51	Wesizwe Platinum	China	South Africa

CiD, African Mineral Resources Investment Fund (AMRIF), 2012

Annex VII: CAADP: Financing Gaps in National Agriculture and Food Security Investment Plans

Country	Total budget (US$)	Government investment (US$)	Development partners' investment (US$)	Private sector investment	Funding gap (US$)
Ethiopia (2010-2020)	16.6 billion	9.3 billion (60%)[57]	6.2 billion (40%)	No data in Investment Plan	
Ghana (2011-2015)	805 million	198 million (25%)	-	USD 69 million (PPPs) (9%)	533 million[58] (66%)
Guinea	Not indicated		652 million		
Kenya (2010-2015)	2.9 billion	1.9 billion (65%)	900 million (31%)	USD 30 million (1%)	70 million (2.5%)
Liberia (2011-2015)	947.7 million	175 million already funded (plus USD 30 million to help plug funding gap) (22%)	742 million[59] (78%)	No data in Investment Plan	
Malawi (2010 - 2014)	1.75 billion	763 million (44%)	1.14 billion (total available) (55%)	No data in Investment Plan	
Nigeria (2011-2014)	Not specified[60]	Not specified	Not specified	Not specified	1.6 billion
Rwanda (2009-2012)	848 million	256.12 million (30%)	245.61 million (29%)	USD 18.3 million (2%)	325 million (38%)
Sierra Leone (2009-2015)	402.6 million	-	-	-	256 million (64%)
Tanzania (2010-2015)	10 billion	4.5 billion (45%)	191 million (2%)[61]	USD 627 million (6%)	5.1 billion (50%)[62]
The Gambia (2011-2015)	USD 297 million	USD 21 million (7%)	USD 163 million (55%)	USD 45 million (15%)	No gap[63]

[1]The 60% and 40% figures quoted come from the Ethiopia's Investment Plan
[2] USD 533 million (GHC 1,015 million) identified in Ghana's Medium Term Agricultural Sector Investment Plan (METASIP) as the 'funding gap' – not specifically allocated to development partners
[3]Liberia's Investment Plan (LASIP, 2010) notes: "Up to the present, the development of Liberia's agriculture sector has been funded primarily by donors. These include international/regional organizations such as the European Union, AfDB, and ECOWAS; agencies of the UN system including the World Bank; and bilateral donors such as China, Denmark, England, Germany, Japan, Sweden, and the USA." (p.41)
[4] The CAADP Technical Review Panel (2010) for Nigeria notes that "The rudimentary budget provided for the CAADP-required costing information is organized appropriately, but the information is incomplete. There is no detailed information on existing government versus donor commitments for the programs comprising the CAADP investment plan; and detailed information on the financing gaps for the programs comprising the CAADP investment plan" (pp.29-30).
[5] Development Partner commitments only included for 2010/11 – 2012/13 – it is likely that the actual figure will be higher.
[6] The financing gap varies by year from 17% (2010/11) to 32% (2012/13)
[7] The rest of the estimated costs come from other actors: microfinance institutions, commercial banks, non-bank financial institutions and beneficiaries

Uganda (2010-2015)	USD 775 million	Not specified	Not specified	Not specified	Not specified

Source: Fraser, E. and A. Thirkell (2013). "Mapping Investment Flows into African Agriculture: the role of CAADP,"

Annex VIII: Key Commitments by African Governments

Sector/ Programme	Event and Year of Commitment	Countries Signing up to Commitment	Goal to be Achieved	Planned Resource Commitment
Agriculture	AU Summit in Maputo, 2003	AU Member States	Food security achieved in 2015; Agricultural sector growth of 6% a year	Allocate at least 10% of national budget to agriculture within 5 years (2008)
Education	Second conference of African Ministers of Education, April 2005	AU Member States	Free compulsory primary education for all	Allocate 20% of national budget to education
Health	AU Summit in Abuja, 2006	AU Member States	Universal access to HIV/AIDS prevention and care by 2015; reduction of HIV/AIDS prevalence by 25% and access to treatment for 80% of those who need it	Allocate 15% of national budget to health
Water and Sanitation	eThekwini Declaration adopted by Ministers at the African San Summit in 2008, calling upon African Heads of State and Government to allocate a minimum of 0.5% of Gross Domestic Product (GDP) to water and sanitation.	AU Member States		Allocate 0.5% of GDP to water and sanitation

Source: Benoit Faivre-Dupaigre, African Governments' Public Expenditure Commitments, NEPAD Agency, 2012

ANNEX IX: SOME EXISTING COMPOSITE INDICATORS OF SUSTAINABLE DEVELOPMENT AND APPLICABILITY TO THE AFRICAN REGIONAL CONTEXT

TITLE OF INDEX	SOURCE	COMPONENT OF SUSTAINABLE DEVELOPMENT MEASURED	INDICATORS	REGIONAL COVERAGE	FREQUENCY/ PERIODICITY	STRENGTHS	WEAKNESSES
Human Development Index	UNDP	• Economic • Social A composite index of life expectancy, education and incomes indices	The HDI combines three indices: • A decent standard of living index – Gross National Income per capita • A long and healthy life – life expectancy at birth • Education index – mean years of school and expected years of schooling	Global	Annually since 1990; 2013 Report was released on 14 March 2013	• Globally referenced and applied. • Has been the most extensive framework for measuring progress in development globally • Strong policy relevance and application • Continuous updating of the human development categories. New calculation method adopted from 2011 • Has been adjusted for inequality to generate the Inequality-Adjusted Human Development Index (IHDI)	• Weak on environ-mental sustainability indicators – no ecological consideration • Challenges of data errors in incomes, education and health statistics • Technical flaws in the income inequality index
Better Life Index	OECD	• Economic • Social	• Material living condition – income, wealth, housing	OECD region (34 countries.	Frequency is at present	• Captures all three	• Data mostly come from

		• Environmental	• Quality of life: health, work-life balance, education, social engagement and relations • Environmental quality, security, subjective well-being • Sustainability: natural, economic, human and social capital	The BRICS to join in future)	unknown. Published for the period 2009. Plan to update index regularly with aim of trend assessment	components of sustainable development. • The components of well-being are relevant for Africa region.	official sources • Very complex index • Calculated only for developed countries • Index does not account for inequalities among people in a country, which is a fundamental factor in the African regional context
Living Planet Index	WWF in cooperation with Zoological Society of London and Global Footprint Network	• Environmental – state of the world's biodiversity; health of ecosystem	• Based on trends in about 5000 populations of nearly 1500 terrestrial, marine and freshwater vertebrate species in temperate and tropical regions.	Global	1998/2009 Produced biannually	• Provides headline index for overall biodiversity status • Able to raise public awareness of the pressures on the biosphere	• Partially based on estimations • Only global level • Low representation of population data (data is often taken from literature and not results of a designed program of sampling)
Natural Capital Index	PBL Neth. Environment Assessment Agency/	• Environmental – human impact on biodiversity	• Ecosystem quantity - % of natural ecosystem area left • Ecosystem quality - % of species abundance left	Global and regional, based on grid cells	Produced 2002	• Significant policy relevance (CBD, etc)	• More of an indicator framework. Not a fix

	RIVM			Selected countries		• Simple indicator of state and change in biodiversity	index • Affected by quality and availability of data
Ecological Footprint	WWF in cooperation with Zoological Society of London and Global Footprint Network	• Environmental – human impact on biosphere	• Natural resource use – crops, fish for food, timber; grass for livestock feed, CO2 emissions		1996/2010 Produced yearly	• High policy relevance • Applicability in various levels (from individual to global)	• Statistical and methodological underpinning not accepted by scientific community • Difficult to refresh. Cannot account for dynamic feedback loops.
Environ-mental Perform-ance index	Yale Centre for Environ-mental Law & Policy; CIESIN	• Environmental – effectiveness of national environmental protection efforts	A total of 25 indicators on: • Environmental health (stress to human health), environmental burden of diseases, air pollution, water and sanitation access. • Ecosystem vitality: climate change, agriculture, fisheries, forestry, biodiversity, habitat, water and ecosystem air pollution	Most countries – a total of 163	2006/2012 Produced annually	• Medium-to-high policy relevance • Country ranking based on distance-to-target approach	• Estimates of some data variables are used. • Proxies used for policy targets. • Arbitrary weights assigned to some indicators and policy categories
Environ-mental	South Pacific	• Environmental – environmental	A total of 50 indicators aggregated to sub-indices and a	40 countries (small	1999/2004	• Provides for ranking of	• Narrow geographical

vulner-ability index	Islands Applied Geo Science Commission (SOPAC), UNEP and others.	vulnerability to future shocks	single index covering aspects of hazards, resistance and damage (weather and climate, geology, geography, ecosystem resources and services, human population)	islands developing states – SIDS). Extendable to all countries	Produced irregularly	countries • Has policy relevance	coverage – limited to SIDS countries • Combination of risk factors of very dissimilar nature
FEEM Sustain-ability index	Fondazione Eni Enrico Mattei (FEEM)	• Economic • Social • Environmental	• Economic drivers (R&D, investments) • GDP per capita • Economic exposure (trade balance, public debit) • Population density • Well-being (education, health) • Social vulnerability – food expenditure, energy security and access, private health • Energy intensity and share of renewable • Air quality (GHG/capita, CO2 intensity • Natural endowments (plant and animal diversity, water dependency)	40 developed countries, including macro-regions and global	2009/2011 Produced biannually	• Ability to forecast indicators over time (model-based policy simulations) • Policy relevance	• FEEM is built on a specific general equilibrium model • Index includes a lot of arbitrariness and strong assumptions
Genuine or Adjusted Net Savings	World Bank	• Economic – sustainability of investment policies	Gross national savings are adjusted by: • Deduction of capital consumption of produced assets to obtain net national savings • Addition of current	Global – all countries number some 213	1995/2008 Produced irregularly	• Relatively simple indicator • Use of standard national accounts	• Devoid of attention to social and environmenta l factors. • Assumption of no

			expenditures on education (value of investments in human capital) • Deduction of depletion of a variety of natural resources • Deduction of pollution damages				ecological limits
Happy Planet Index	New Economic Foundation (NEF)	• Economic • Environmental The focus is on degree to which long and happy lives are achieved per unit of environmental impact	• Life satisfaction • Life expectancy • Ecological footprint	179 countries	2006/2009 Produced yearly	• Measures environ-mental efficiency of well-being – combines environ-mental pressure with well-being factors • Policy relevance	• Statistical adjustments made to allow easier interpretation • There is still problem with the “Happy Life Years” concept
Well-being Index	International Union for Conservation of Nature (IUCN)	• Economic • Social • Environmental Level of human and ecosystem well-being (quality of life and the environment)	• 39 indicators for Human Well Being covering – health, population, wealth, education, communication, freedom, peace, crime, equity. • 36 indicators for ecosystem covering: land health, protected areas, water quality, global atmosphere, air quality, species diversity, energy use, resource pressures	180 countries	2001 Produced as a one-off attempt	• Introduced the concept of *egg of sustainability* • First index using the distance-to-target approach • Lucid method of presenting the index – Barometer of Sustainability	• Effort was not follow through • Not updated
Domestic Material	Eurostat	• Economic – natural resource	• Domestic materials consumption enriched by	Pilot calculations	2006/2011	• Provides an indicator of	Data requirement is extremely

Consumption		use, including exports and imports of materials and products	Raw Material Equivalents • Data for 66 product groups (including services such as banking, education, health, communication • Data for 52 raw material categories, including energy supplies	for selected EU countries	Index is still at pilot stages	the total mass of raw materials consumed by countries, including imports of materials and products • Policy relevance	demanding

Source: Author; UNEP Global Environmental Alert Services, March 2012.

ANNEX X: INDICATORS IN THE MEASUREMENT OF SUSTAINABLE DEVELOPMENT

No	DIMENSIONS OF SUSTAINABLE DEVELOPMENT	CONCEPT OF SUSTAINABLE DEVELOPMENT & IMPLICATIONS FOR GOALS	SOME MEASUREABLE INDICATORS	
1	**ECONOMIC**	**Quality of living conditions today – meeting today's needs:** Being healthy, feeling safe and having enough income to live represent aspects of needs that, when met,	• Poverty level • Per capita GDP • Share of investment in GDP • Inflation rate • Unemployment rate • Level of (fixed and mobile) telephone penetration per	Quality of life and intergenerational equity

		contribute to the well-being of the population. Enabling all individuals to live in dignity and enjoy a good quality of life is a central goal of sustainable development.	100 • Level of internet penetration per 100 • Computer literacy • Trade balance • Current account balance as % of GDP • Imports and exports volumes as % of GDP • Official Development Assistance as % of national budget • Diaspora remittances as % of GDP • Foreign Director Investments as % of GDP • Illicit financial flows as % of GDP • Energy use • % of electricity generated from renewable sources • Carbon efficiency of production • Efficiency in the use of existing natural resources • Human capital - knowledge and skills • R&D and Innovations • Level of public debt (intergenerational burden) • Quality of physical infrastructure	
2	**SOCIAL**	**Fairness of distribution and in access to all forms of resources:** The concept of sustainable development is based on a demand for fairness. In this context, all individuals should have fair access to important resources such as education, income, health and clean air. Inequality and poverty must be tackled at the national, regional and international levels.	• Unemployment rate • Gender pay gap - average female wage relative to male • Life expectancy at birth • Under-five mortality rate • Maternal mortality rate • % of population with access to clean water and sanitation facilities • Population growth rate • Fertility rate • Dependency ratio • % of population with access to primary healthcare • Adult literacy rate • Adult school attainment rate – secondary and tertiary levels • Access to affordable housing	Quality of life and social cohesion

			• Violent crime rate per 100,000 population • Rape cases per 100,000 population • Accessibility to key services (time it takes to access services and facilities) • % of child-headed households • Preservation of culture, societal values and use of indigenous languages • Security of lives and property • Social capital and social cohesion • Nutrition, lifestyle and obesity • Mobility – quality and efficiency of freight and passenger transportation • Rate of transformation of slums • Inequalities in access to opportunities	
	ENVIRONMENTAL	Conservation: **Preservation of resources:** what are we leaving behind for future generations? Sustainable development also means meeting the needs of the present without compromising the ability of future generations to meet their own needs. The quality of life of future generations depends, in large part, on the state of environmental, economic and social resources we leave them**.**	• Natural capital • Intensity of natural resource use • Air quality • Greenhouse gas emissions per capita • Ocean and river quality • Soil quality • % of arable land • Use of agricultural pesticides • Status of fish stocks • % of preserved areas to total areas • Wildlife and biodiversity conservation – status of species and habitats; species diversity • Ecological integrity of forests and natural parks • Waste generation and management	Environmental well-being and intergenerational equity
		Efficiency in the use of existing natural resources: How efficiently are we using our natural resources? From a sustainable development perspective, it is necessary that we seek to satisfy our needs within the limits of what the environment can withstand. Promoting economic and social development		Efficiency in production and consumption

		without damaging the environment means adopting more rational and efficient modes of production and consumption.	