



General Assembly

Distr.: General
18 July 2019

Original: English

Seventy-fourth session

Item 66 (a) of the preliminary list*

New Partnership for Africa's Development: progress in implementation and international support

New Partnership for Africa's Development: seventeenth consolidated progress report on implementation and international support

Report of the Secretary-General

Summary

The present report, submitted pursuant to General Assembly resolution [72/310](#), coincides with the transformation of the Planning and Coordinating Agency of the New Partnership for Africa's Development into the African Union Development Agency and with the fourth year of the implementation of the 2030 Agenda for Sustainable Development. Following the adoption of Agenda 2063: The Africa We Want, the transformative development vision of the African Union, and its first 10-year implementation plan (2014–2023), African countries, with the support of the African Union and the African Union Development Agency, continued to mainstream the priorities of the global and continental agendas in their national development frameworks. African countries continue to make progress in the implementation of the 2030 Agenda and the first 10-year implementation plan of Agenda 2063.

A significant milestone during the review period was the launch of the African Continental Free Trade Area in July 2019. It represented a major step towards the realization of the African Union vision of “an integrated, prosperous, peaceful and people-centred Africa” achieved by boosting intra-African trade and further integrating the continent into global value chains. With this momentum, good progress has been achieved in initiatives such as the Programme for Infrastructure Development in Africa and the Comprehensive Africa Agriculture Development Programme, and also in the fields of science, technology and innovation. The African Union Development Agency continued to provide technical and financial assistance to African countries, mainly in the areas of health, agriculture and food security, information and communication technology, gender mainstreaming and empowerment of women. Continued positive global growth resulting from improved commodity prices and increased investment contributed to the favourable economic performance in Africa, with average gross domestic product growth rising slightly from 2.6 per cent

* [A/74/150](#).



in 2017 to 2.7 per cent in 2018, according to the latest United Nations data. This augurs well for the continued implementation of the 2030 Agenda and Agenda 2063. Rising debt levels and increasing trade tensions could slow growth momentum if not properly addressed, potentially derailing progress on the development aspirations of Africa.

I. Introduction

1. In its resolution [72/310](#), entitled “New Partnership for Africa’s Development: Progress in implementation and international support”, the General Assembly requested the Secretary-General to submit a comprehensive report on the implementation of the resolution to the Assembly at its seventy-third session. The present report is submitted pursuant to that resolution.

2. The report highlights policy measures taken by African countries and organizations in the implementation of the New Partnership for Africa’s Development (NEPAD), as well as the complementary measures implemented by the international community, including support provided by the organizations, funds and programmes of the United Nations system during the past year. Activities undertaken by the private sector and civil society organizations in support of the African Union Development Agency are also highlighted. The report benefited from information provided by Member States, the African Union Development Agency, the African Union Commission, the African Peer Review Mechanism secretariat, the regional economic communities, the African Development Bank (AfDB), the Organization for Economic Co-operation and Development (OECD), members of the interdepartmental task force on African Affairs and other subregional and regional African stakeholders.

II. Action taken by African countries and organizations

3. Since its adoption 18 years ago, NEPAD has served as an African-owned and -led blueprint for the continent’s socioeconomic transformation. It has played an important role in focusing public policy at both the national and international levels on key priority areas necessary for inclusive and sustainable development and in catalysing action to this end. Despite advances in economic and social development over recent years, persistent and emerging challenges remain that, if not addressed, will undermine progress towards the implementation of the Sustainable Development Goals and Agenda 2063. The African Union Development Agency has been instrumental in coordinating the implementation of subregional and continental programmes and projects across the key NEPAD priority sectors.

4. Following the adoption of Agenda 2063, which includes all of the priorities of NEPAD, the African Union further adopted the first 10-year implementation plan (2014–2023) for Agenda 2063, which comprises the following programmes and projects: the Grand Inga Dam project; an integrated high-speed train network; an African virtual and e-university; the formulation of a commodities strategy; the establishment of the African Continental Free Trade Area by 2017; a pan-African passport and the free movement of people; the establishment of a single African air transport market; the establishment of an African financial institution; the “Silencing the Guns by 2020” initiative; a pan-African e-network; and an Africa outer space strategy.

5. Within the context of reforming the African Union, it was decided at the 2017 summit of the Union to transform the NEPAD Planning and Coordinating Agency into the African Union Development Agency, with a mandate to coordinate implementation of priority regional and continental projects in order to promote regional integration towards the accelerated realization of Agenda 2063, in addition to strengthening the capacities of African Union member States and regional bodies. At the Union summit in July 2019, the statute, rules of procedure and structure of the Agency were adopted. With a clearly defined mandate and legal identity, the Agency is expected to act as a catalyst for African integration and to position the Union to

better serve African citizens through the implementation of high-impact projects as well as other initiatives of the Union.

6. As the technical arm of the Union, the Agency, in coordination with other structures of the Union and regional economic communities, is focusing on the implementation of Union programmes through supporting African countries in planning, implementing, monitoring and evaluating their implementation. The Agency is working to strengthen capacities at the national, regional and continental levels in order to coordinate the implementation of these agendas.

A. Infrastructure

7. Infrastructure is a critical enabler for the continent's sustainable development and inclusive economic growth. High-quality infrastructure also facilitates further industrialization and regional integration in Africa, which form the basis for the creation of the African Continental Free Trade Area.

8. According to the latest information from 2018 on projects under the Programme for Infrastructure Development in Africa, there were 316 projects, of which 57 (18 per cent) were operational, 80 (25 per cent) were under construction and the remainder were in tendering stages.

9. The "5% Agenda" is an initiative to increase the share of African-owned assets under management allocated to African infrastructure from a low 1.5 per cent to an impactful 5 per cent. Having launched the initiative, the Continental Business Network of the African Union Development Agency brought together international investors, pension funds, chief executive officers of stock exchanges, multilateral development banks and Group of Seven representatives in a follow-up and review meeting at the New York Stock Exchange in September 2018. The outcome was the initiation of a draft road map to increase the share of African infrastructure allocated to African institutional investors to the declared 5 per cent mark.

10. Projects of the Presidential Infrastructure Champion Initiative of the African Union Development Agency also continued to progress in 2018. The Trans-Sahara Highway is under construction, with two road packages jointly covering 225 km. The Nigeria-Algeria gas pipeline has reached the stage of financial closing, with construction expected to start in 2019. In the Lamu Port Southern Sudan-Ethiopia Transport Corridor project, connecting Kenya, Ethiopia and South Sudan, there was accelerated progress on the construction of oil pipelines between the countries and berths at the Port of Lamu. A technical coordination committee comprising Ethiopia and Kenya has been set up to develop a joint funding strategy and implementation plans for the relevant sections of the project. The first batch of oil is anticipated to flow in 2021 or 2022. The International Logistics Hub project, led by Namibia, has organized missions to Angola, Botswana, the Democratic Republic of the Congo, Malawi, Zambia and Zimbabwe, and is working towards the structuring phase of the project with technical assistance from the African Union Development Agency.

11. With respect to the project to establish a navigational line from Lake Victoria to the Mediterranean Sea, the initial feasibility study and interim report have received approval. Egypt has begun seeking funding for the next phase of the feasibility study. Following the completion of the information and communications technology (ICT) broadband and optic fibre project for all East African Community countries, the "One Network Area" initiative is being implemented between Gabon and Rwanda. So far, Kenya, Rwanda, South Sudan and Uganda have implemented the area and seven Economic Community of West African States (ECOWAS) countries have similar initiatives in place.

12. With respect to the African integrated high-speed rail network, a flagship project of the first 10-year implementation plan, technical and financial bids were received from eight shortlisted consultancy firms, and a selection was made with a view to commencing the project. The first experts group meeting was held in April 2019 to review the early outcomes of the work, including an inception report and prioritization framework, and to agree on the project preparation framework analysis for ministerial endorsement during the second meeting of the specialized technical committee of the African Union on transport, transcontinental and interregional infrastructure, energy and tourism.

13. The Inga III hydropower project envisions the generation of 11,050 MW of clean energy through the construction of an additional plant at the existing Inga site along with 5,000 km of transmission lines that will enable the provision of energy to Eastern, Central and Southern African countries. The project also entails the possibility of future cross-border cooperation with Nigeria and Angola. While the project is still at the structuring stage, offer outlines have been submitted to the Government of the Democratic Republic of the Congo.

B. Agriculture and food security

14. Agriculture and food security are key pillars of Agenda 2063 and the 2030 Agenda. During the reporting period, the African Union Development Agency continued to prioritize those pillars by supporting African countries in implementing commitments set out in the Comprehensive Africa Agriculture Development Programme and the Malabo Declaration on Accelerated Agricultural Growth and Transformation for Shared Prosperity and Improved Livelihoods to allocate at least 10 per cent of the national budget to agriculture and achieve a 6 per cent annual growth rate in agricultural productivity. According to available data from the African Union Development Agency, 44 African countries have signed the Programme compact and 39 countries have formulated national agriculture and food security investment plans. African and local ownership and responsibility, transparency and accountability are core principles underpinning the Programme.

15. As part of the implementation of the Programme, 30 agricultural technical colleges in Benin, Burkina Faso, Ghana and Kenya have adapted their training offer to competency-based training along the selected value chains, as stated in their respective national agriculture investment plans. A total of 477 trainers have been instructed in the delivery of such training in Benin, Burkina Faso, Ghana, Kenya, Malawi and Togo.

16. The African Union Development Agency supported the implementation of the Agricultural Technical Vocational Education and Training for Women project, which strives to increase women's access to formal and non-formal training in the agrifood sector. The project is being implemented in Benin, Burkina Faso, Ghana, Kenya, Malawi and Togo, and is aimed at women in formal vocational training, female smallholder farmers without access to formal or non-formal training, and female small and micro-entrepreneurs.

17. The African Union Development Agency co-organized the fourteenth partnership platform meeting of the Comprehensive Africa Agriculture Development Programme, held in Gabon in April 2018 on the theme "Accelerating the implementation of national agricultural plans to achieve the Malabo goals and targets". A highlight of the meeting was the launch and distribution of the biennial review report of the African Union on the implementation of the Malabo Declaration and of the national agriculture investment plan toolkit, which would serve to support countries in mobilizing investments in agriculture. All stakeholders were urged to

support African countries in formulating and enhancing their national agriculture investment plans, which would form the basis for the next continental review report.

18. The climate, agriculture and gender nexus approach is under implementation in Cameroon, Ethiopia, Malawi, the Niger and Rwanda. It is focused on augmenting deployment of climate-smart practices and technologies among women and young smallholder farmers and enhancing their adaptive capacity and mechanisms for coping with climate externalities. The Agency provided both technical and financial support to those countries during the reporting period. Capacities in ministries of gender for managing gender, climate change and agriculture support initiatives were also strengthened in the five countries. Capacity-building focuses included developing gender mainstreaming tools, developing information management systems and reviewing sectoral policies for gender mainstreaming.

C. Health

19. During the reporting period, the African Union Development Agency continued to assist in advancing the policy decisions adopted by African countries that were aimed at improving the health and well-being of Africans. The Agency supported 12 African countries¹ that adopted the African Union model law on the regulation of medical products endorsed by the African Union in 2016 by strengthening medical health regulation in Africa. It worked closely with the East African Community, the Southern African Development Community and ECOWAS to create an enabling environment for the agreed regulation outcomes to be achieved by reviewing and adopting the project plans of the participating countries.

20. In 2018, the African ministers of health, under the auspices of the Agency-supported Specialized Technical Committee on Health, Population and Drug Control, adopted a treaty establishing the African Medicines Agency, which will work towards ensuring the coordination and strengthening of continental initiatives to harmonize the regulation of medical products. It will also provide guidance and technical support to improve access to high-quality, safe and efficacious medical products and health technologies on the continent.

21. The assistance of the African Union Development Agency has also led to the development and approval of several standard operating procedures of the East African Community to ensure effective coordination on the structure for joint regulatory activities and harmonized fee guidelines. The Agency also supported ECOWAS in developing harmonized guidelines on the registration of medicines and on joint registration procedures. With Agency assistance, significant progress has been achieved through the domestication of the African Union model law. A total of 13 countries² have used that law to review and align their legislation.

22. The Agency continued to provide support aimed at strengthening health institutions to address occupational health safety and tuberculosis. In this connection, it organized several training workshops for health inspectors, medical doctors, health workers and mine health experts, as well as drafting a regional training manual to guide health inspectors in conducting a sustainable training programme at the regional level. The Agency further commenced two operations research studies covering Lesotho, Malawi, Mozambique and Zambia. The first study covered mine health regulations and occupational health and safety, while the second covered opportunities

¹ Burkina Faso, Burundi, Côte d'Ivoire, Eswatini, Gambia, Lesotho, Mozambique, Namibia, Rwanda, Seychelles, United Republic of Tanzania and Zimbabwe.

² Burkina Faso, Burundi, Côte d'Ivoire, Egypt, Eswatini, Gambia, Lesotho, Mozambique, Namibia, Rwanda, Seychelles, United Republic of Tanzania and Zimbabwe.

for private sector participation in the control of tuberculosis. In addition, regional guidelines on mine health and safety legislation were developed, and clinical protocols for mine inception and occupational health were drafted. Guidelines were also drafted on mine health and safety inspection, on a minimum standard package for occupational health services and on occupational health and safety equipment.

D. Education and training

23. Education is recognized as a public good, a fundamental human right and the basis for the fulfilment of human rights. Both the 2030 Agenda and Agenda 2063 recognize the importance of education in sustainable development. Education is both an important stand-alone goal and a key means of achieving the Sustainable Development Goals. Almost four years after the adoption of the Goals and three years after the adoption of the Continental Education Strategy for Africa 2016–2025, African countries are at various stages of progress in mainstreaming both the Goals and the strategy in their national policies, plans and actions.

24. Cognizant of the need for a skilled workforce to grow its economy sustainably, Liberia requested the Association for the Development of Education in Africa to conduct a value chain analysis of the palm oil sector with reference to the workforce skill requirements. The analysis led to the production of a technical report, policy note and project document with the objective of supporting the implementation of a pilot competency-based curriculum for training skilled farm-level workers, in particular unemployed young people, for the palm oil industry in Liberia.

25. Recognizing the growing importance of technical vocational education and training for socioeconomic development in Malawi, the Government undertook to establish community technical colleges in all 28 districts. Technical assistance from the United Nations Educational, Scientific and Cultural Organization (UNESCO) and funding from the European Union and donors such as the World Bank have supported the formation of community skills development centres across the country. The rise in the number of learning institutions has significantly increased the number of students enrolling and graduating.

26. In Zambia, a three-year pilot programme of the Institute of Risk Management aimed at responding to identified challenges began in August 2018 with the creation of the Harambee Youth Employment Accelerator, a not-for-profit social enterprise, and the National Business Initiative established with Government and other ecosystem partners. The initiative is a demonstration of the types of public-private partnerships needed to address skills development, employability and self-employment pathways at scale and for inclusiveness.

E. Environment and tourism

27. Given the continent's vulnerability to climate change, environmental sustainability is an important priority for Africa. In this regard, the African Union Development Agency continued to provide support to countries in implementing policies aimed at strengthening their resilience to climate change.

28. In view of the need to scale up access to cleaner energy in Africa in the hopes of mitigating the effects of climate change, the Agency has provided technical and financial support to a number of renewable energy pilot projects at the national level, including assistance for wind, solar and mini-grid projects.

29. The Agency provided technical and financial assistance to Cameroon, Ethiopia, Malawi, the Niger and Rwanda in 2018 for implementing the Gender, Climate Change

and Agriculture Support Programme, in which emphasis is placed on increasing the deployment of climate-smart technologies among women and young smallholder farmers and enhancing their adaptive capacity and mechanisms for coping with climate externalities.

30. In addition, the Agency developed a climate finance toolkit and handbook to support African countries in accessing international climate finance from the Green Climate Fund as part of its technical support in implementing and monitoring the outcomes of the Paris Agreement on climate change.

31. The Agency also supported national Governments in mobilizing climate finance for investments in the agriculture sector. A total of 12 African countries received technical support to develop project proposals on agricultural adaptation and climate change in preparation for applying for financial support from the Green Climate Fund.

32. Twenty-six African countries have demonstrated commitment to implementing the African Forest Landscape Restoration Initiative, which is based at the Agency and has 86 million hectares of degraded land committed for restoration.

33. Spearheaded by the Agency, the Africa Environment Partnership Platform was launched in September 2018 to promote sustainable environmental management through enhanced partnership, coordination and harmonization of activities as well as the pooling of resources at various levels.

34. As part of the technical support of the platform to strengthen member State capacities in fishery management, Cameroon, Gabon, Guinea and Nigeria were supported through a pilot project of the Eco Mark Africa label standard for fisheries and aquaculture to assist in implementing policies, certification procedures, standards and regulations that are aligned with regional fisheries, agricultural, trade and food security policy frameworks.

35. The Agency supported Côte d'Ivoire and Senegal in increasing trading capacities among women's private sector associations, including those of fish processors and traders and aquaculture producers, with a view to enabling them to make better use of growing trade opportunities through competitive small and medium-sized enterprises.

36. Programmatic intervention in the tourism sector is implemented through the Agency's tourism action plan, a framework to foster sustainable tourism on the continent. An update to the plan is aimed at linking the implementation of relevant regional frameworks and programmes, optimizing the visibility of the sector and enhancing the growth of tourism.

F. Information and communications technology

37. In line with the Agenda 2063 priority of achieving transformed, inclusive and sustained economies and the need for improved ICT penetration and contribution to economic growth, African countries are continuing to strive for the increased use of ICT to foster economic and social transformation.

38. Internet access on the continent currently stands at around 20 per cent, continues to expand and is projected to reach 35 per cent by 2035. However, while ICT is transforming Africa, penetration remains low compared with the rest of the world. Progress is dependent on further investment in physical broadband infrastructure, which will drive economic growth and connection.

39. The African Union Development Agency continues to support programmes aimed at accelerating and diversifying economic transformation and facilitating an

integrated e-economy in Africa, with a focus on using new technologies and enhancing the employment prospects of young people.

40. Following four successful editions, the fifth Transform Africa Summit was held in Rwanda in May 2019 on the theme “Boosting Africa’s digital economy”. The summit is the flagship event of the Smart Africa alliance for discussing digital transformation on the continent, the emergence of a common African agenda on ICT and innovations to accelerate the digital-driven economy in Africa.

G. Science, technology and innovation

41. Science, technology and innovation in Africa are an important enabler for achieving Agenda 2063 and the 2030 Agenda. The work of the African Union Development Agency in this area is focused on building the capacity of African countries in those fields.

42. During the reporting period, the Agency continued to implement the Science, Technology and Innovation Strategy for Africa 2024 and the African Science, Technology and Innovation Indicators initiative. A key milestone for the year was the preparation of the third edition of the *Africa Innovation Outlook* report by the Agency, which provides analysis on key science, technology and innovation performance indicators and the Strategy. The report highlighted the performance of research and development, innovations and consolidated information from eight countries.³ In addition, 45 countries reported using data for innovation and application in their national policies and programmes. The Agency also funded and generated research and innovation in 15 countries, particularly in national science systems, and has benefited 100,000 civil servants.

43. Furthermore, the Agency has contributed to the integration of indicators for science, technology and innovation, education and health into the African Union policy and decision-making processes. Data on indicators for education and science, technology and innovation are now being populated into the web-based continental data platform. The Agency also produced and disseminated to member States two knowledge products on: innovation policy comprehensiveness; and informal sector innovations and national innovation systems. The interventions form critical steps in the implementation of the Science, Technology and Innovation Strategy for Africa.

44. The Agency conducted granular data training both on research and development and on innovation. National statistics offices and science granting councils from 15 countries⁴ benefited from the training. A total of 19 African countries have adopted a system for measuring and tracking the utilization of science, technology and innovation indicators. The Agency supported 12 countries in developing the capacity needed to map their national innovation systems and 35 countries in collecting, analysing, reporting and/or visualizing national research and development and innovation data.

45. The African Union established a high-level panel on emerging technologies to provide African countries with corresponding advice and recommendations. The Agency and the African Union Commission form the panel secretariat.

46. The high-level panel developed and published three reports on emerging technologies, entitled “Gene drive for malaria control and elimination in Africa”, “Drones on the horizon: transforming Africa’s agriculture”, and “Micro-grids: Empowering communities and enabling transformation in Africa”. The reports will

³ Botswana, Egypt, Eswatini, Ethiopia, Mozambique, Namibia, South Africa and Uganda.

⁴ Botswana, Burkina Faso, Côte d’Ivoire, Ghana, Ethiopia, Kenya, Malawi, Mozambique, Namibia, Rwanda, Senegal, Uganda, United Republic of Tanzania, Zambia and Zimbabwe.

serve as a valuable resource for unpacking emerging technologies and building a culture of science, technology and innovation in Africa.

H. Gender mainstreaming, empowerment of women and civil society participation

47. Achieving gender equality and women's empowerment is integral to each of the Sustainable Development Goals and to the aspirations of Agenda 2063. Aspiration 6 of Agenda 2063 and Goal 5 both envisage the effective participation of women in public and private life through full and fair economic, social, cultural and political participation. The African Union Development Agency continued its efforts to promote the mainstreaming of gender equality and women's empowerment at the national, regional and subregional levels.

48. With the support of Spain, the Agency has continued to promote gender equality and increase the capacities and autonomy of African women. The work of the NEPAD/ Spanish Fund for African Women's Empowerment is aligned with the priorities of the African Union gender policy, the African Women's Decade and other regional policies and frameworks to ensure sustainability and the achievement of the Agenda 2063 priorities.

49. The Agency earmarked €2 million from Spain for establishing business incubators for women in the regional economic communities. A total of six incubators were established in six African countries.⁵ The implementation of the incubators was accelerated through: the procurement of equipment and tools for the innovation hubs for entrepreneurship; social impact projects; income-generation opportunities for women and young people; and direct financial support. The business incubators were focused on 18 value chains, including cassava, cereals and fish, which were selected for incubation from projects being implemented in each country. In the Common Market for Eastern and Southern Africa (COMESA), subgrant agreements were signed between COMESA and the Federation of National Associations of Women in Business in Eastern and Southern Africa. To increase the access of women entrepreneurs to affordable credit, the operationalization of a credit guarantee scheme is currently being developed in COMESA.

50. In March 2019, the Office of the Special Adviser on Africa, in collaboration with the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women), the United Nations Global Compact, the African Union, the Permanent Mission of the Arab Republic of Egypt to the United Nations and the Government of Finland, organized a side event in New York on the margins of the sixty-third session of the Commission on the Status of Women. The side event was held on the theme "Making social protection, public services and infrastructure inclusive and meaningful for women and girls in Africa" and culminated in a set of recommendations that will be utilized in advocacy to support the implementation of global commitments and outcomes of the key United Nations conferences, including the 2019 high-level political forum on sustainable development.

I. African Peer Review Mechanism

51. Good governance is recognized in both Agenda 2063 and the 2030 Agenda as an important enabler of growth and sustainable development. The African Peer Review Mechanism is a mutually agreed self-monitoring instrument to which member States voluntarily accede. The Mechanism is often described as the unique and

⁵ Burkina Faso, Burundi, Eswatini, Kenya, Sierra Leone and Sudan.

innovative approach of Africa aimed at improving governance at the local, national, regional and continental levels. At the African Union summit in June 2014, it was decided to fully integrate the Mechanism into the African Union structures and, at the twenty-eighth summit, held in January 2017, to revitalize the mandated monitoring and evaluation mechanism for Agenda 2063 and the 2030 Agenda in key governance areas. Governance issues in Africa with a specific focus on the persisting challenges posed by forced displacements are also covered in greater detail in the report on the causes of conflict and the promotion of durable peace and sustainable development in Africa (A/74/301-S/2019/645), which should be read in conjunction with the present report. Highlighted in that report is the need to adopt a comprehensive, integrated, coordinated and inclusive approach that, among other things, promotes multisectoral and multi-stakeholder collaboration and partnerships in identifying and implementing sustainable solutions and addressing the root causes of conflict-induced forced displacements, taking into consideration the interlinkages between security, political, socioeconomic, human rights, humanitarian, environmental and development issues.

52. As of July 2019, with Botswana being the most recent, 38 countries had joined the Mechanism, which continued to provide support for the implementation of commitments with regard to governance in all its dimensions. Considerable efforts continued to be made in promoting civil society engagement in the implementation of the Mechanism. In March 2019, the secretariat of the Mechanism launched, with the support of the African Governance Architecture, the first report of its kind entitled *Africa Governance Report: Promoting African Union Shared Values*. The Mechanism notes in the report that the state of governance in Africa has generally improved, notably in socioeconomic development sectors, while minimal progress was registered in relation to democracy and political governance. There has also been satisfactory performance in the areas of economic governance, management and corporate governance. African transformative leadership has made significant progress towards consolidating the practice of democracy and formulating national visions. Although the number of large-scale inter-State wars has declined, instances of intra-State conflicts, violence, unrest and terrorism appear to have increased over the past two decades. There have been a number of efforts by the African Union, regional economic communities and countries to prevent and mediate conflict and establish stability.

53. As of July 2019, the Mechanism has completed governance reviews of 21 countries, including the first review of the Sudan and the second review of Uganda. A Mechanism project was launched to deepen its reviews, including through country self-assessments and external review processes based on the final review report and the national programme of action. Mechanism engagement with academic institutions was also initiated to reinforce African governance and the knowledge base for the Mechanism and to enrich continental research capabilities.

III. Response of the international community: building on the momentum of the international community support for Africa's development

54. As evident from the first part of the present report, African countries continued to take measures at the national, subregional and continental levels to promote sustainable development in the context of peace and stability. While such measures are necessary, they are not sufficient. Sustained progress is contingent on a supportive international environment.

55. Global economic activity has notably slowed in the second half of 2018, reflecting a confluence of factors that affect both developed and developing economies. Global growth decreased slightly from 3.1 per cent in 2017 to 3 per cent

in 2018. Furthermore, the current slowdown is predicted to extend into 2019, when global growth is projected to slow further to 2.7 per cent.⁶ Factors such as weak external demand, especially from Asia, a general decline in commodity prices, trade restrictions and a decline in overall business confidence⁷ have affected global growth.

56. African growth increased slightly from 2.6 per cent in 2017 to 2.7 per cent in 2018. Nonetheless, this was a marked improvement from the 1.6 per cent growth in 2016. Increased net exports, improved fiscal governance, easing inflationary pressures and higher investments in infrastructure contributed to the improvement in economic performance. The economic outlook appears favourable, with GDP growth projected to rise to 3.2 per cent in 2019 and further to 3.7 per cent in 2020.⁸

57. However, a number of uncertainties pose significant risks for the economic outlook. These include commodity price volatility as well as adverse climate conditions, which could significantly disrupt agricultural production – the mainstay of many African economies. A decline in aggregate demand resulting from the imposition of tariffs may hurt the outlook for Africa.⁹

58. At the Group of 20 Summit in the fourth quarter of 2018, the G20 reaffirmed its commitment to the G20 Africa Partnership and Agenda 2063. Countries participating in the G20 Compact with Africa,¹⁰ a core element of the partnership, implemented measures to improve their business environment and macroeconomic stability. The G20 countries and partnering organizations¹¹ contributed more than \$20 billion¹² in secured investment for Compact countries, which increased to 12 participants from 10 in 2017.

59. At the G20 Summit in June 2019, the Group reaffirmed its commitment to supporting the industrialization of Africa and other relevant initiatives that help to achieve Agenda 2063, addressing illicit financial flows and assisting African countries during the current Ebola outbreak through both financial and technical means.

60. At the second Belt and Road Forum for International Cooperation, held in China in April 2019, China reaffirmed its support for financing and constructing major infrastructure projects in Africa including, inter alia: the Lamu Port-South Sudan-Ethiopia transport corridor, is a key priority project of the Programme for Infrastructure Development in Africa; the Port Sudan-Ethiopia railway; and the Suez Canal Economic Zone.¹³

61. At the summit of Brazil, the Russian Federation, India, China and South Africa held in South Africa in July 2018, the group committed to close cooperation with African countries in creating inclusive growth and strengthening multilateralism in the context of the fourth industrial revolution and to providing support for sustainable infrastructure development in Africa, including addressing the infrastructure financing deficit.

⁶ *World Economic Situation and Prospects* (United Nations publication, Sales No. E.19.II.C).

⁷ International Monetary Fund, *World Economic Outlook*, April 2019.

⁸ *World Economic Situation*, see footnote 6.

⁹ African Development Bank, *African Economic Outlook 2019: Macroeconomic Performance and Prospects – Jobs, Growth, and Firm Dynamism*.

¹⁰ Benin, Burkina Faso, Côte d'Ivoire, Egypt, Ethiopia, Ghana, Guinea, Morocco, Rwanda, Senegal, Tunisia and Togo.

¹¹ Rob Floyd, Kapil Kapoor and Laura Sennett, Group of 20 Compact with Africa, Policy Brief under the Think 20 Japan Task Force 5: Cooperation with Africa, March 2019.

¹² Group of 20 Compact with Africa, "Compact monitoring report", April 2019.

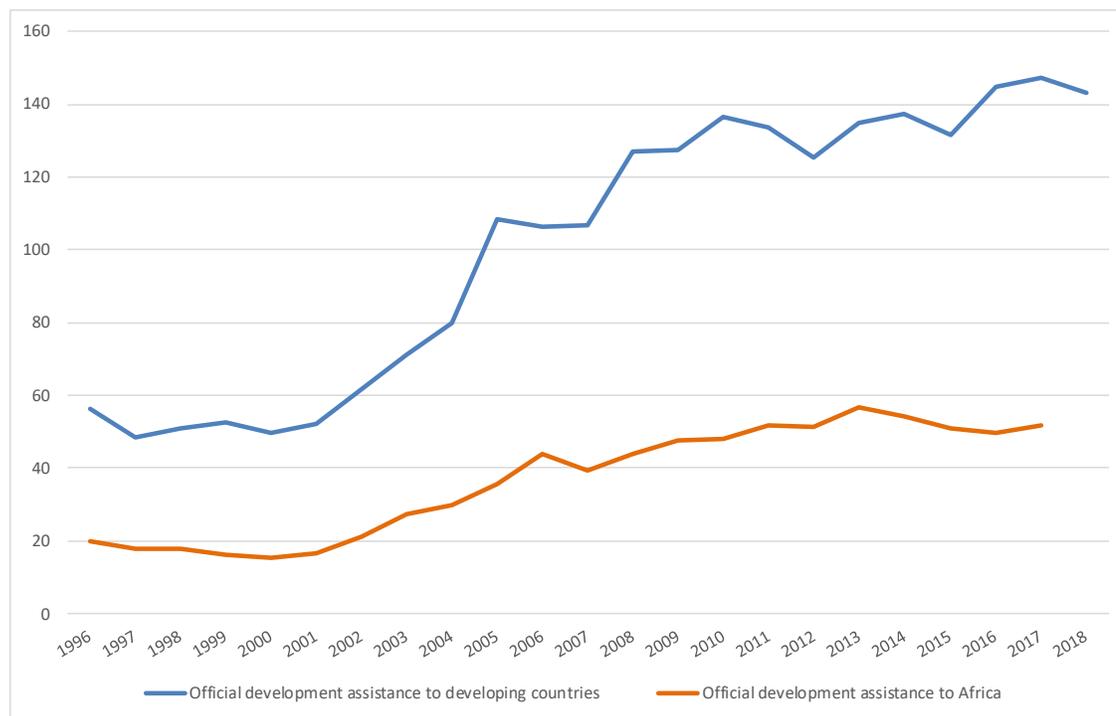
¹³ See joint communiqué of the leaders' round table of the second Belt and Road Forum for International Cooperation, "Belt and Road Cooperation: shaping a brighter shared future", 27 April 2019.

A. Official development assistance

62. According to the latest available data from OECD,¹⁴ total official development assistance (ODA) reached \$149.3 billion in 2018, representing a decrease of 2.7 per cent in real terms compared with \$147.2 billion registered in 2017 (see figure).

Total official development assistance from all donors

(Billions of United States dollars)



Source: Online database of the OECD Development Assistance Committee.

63. This decline is mainly the result of the decrease in the donor refugee costs of many member countries of the OECD Development Assistance Committee, which fell by 28 per cent in 2018 to reach \$10.6 billion or 7.1 per cent of total net ODA, down from 9.6 per cent in 2017. In 2018, total net ODA as a percentage of the gross national income (GNI) of the member countries of the Committee averaged 0.31 per cent. This is considerably lower than the 0.7 target set by the United Nations and reaffirmed in the Addis Ababa Action Agenda of the Third International Conference on Financing for Development.

64. The most recent OECD data show that net ODA disbursement for Africa increased from \$49.9 billion in 2016 to \$51.8 billion in 2017, representing an increase of 3.9 per cent.¹⁵ However, according to preliminary estimates, net bilateral ODA for Africa for 2018 reached \$29.7 billion, a fall of 4 per cent in real terms from 2017.

65. In relation to sectoral distribution of ODA flows to Africa, social sectors remain the largest ODA category at 42 per cent of total ODA flows in 2017, followed by economic and productive sectors at 32 per cent.

¹⁴ See www.oecd.org/development/development-aid-drops-in-2018-especially-to-neediest-countries.htm.

¹⁵ Organization for Economic Cooperation and Development (OECD), Development Aid at Glance, statistics by region, Africa, 2019.

66. Bilateral ODA flows to the least developed countries decreased by 2.7 per cent in real terms in 2018 to \$27.6 billion, reversing the downward trend seen in 2017. This increase mainly reflected growth in aid for humanitarian assistance to three countries to meet humanitarian needs created by conflicts.

67. Regarding aid effectiveness, progress continued to be achieved through further aligning development cooperation with national sustainable development strategies and promoting the transparency of development cooperation. There have been advances in untying aid, with the share of untied aid continuing to increase from 75.5 per cent in 2015 to 79.8 per cent in 2016.¹⁶

B. Debt relief

68. Debt reduction correlates to economic growth and sustainable development, as it frees up resources for social spending, including on health, education, infrastructure and other productive sectors, and has a direct impact on poverty reduction.

69. As of July 2019, debt reduction packages under the Heavily Indebted Poor Countries Initiative have been approved for 36 countries, 30 of which are African countries that have received \$76 billion in full debt service relief since the Initiative was established (see table). For 2019, no additional countries have reached the post-completion point to be eligible for full debt relief. Eritrea, Somalia and the Sudan are still at the pre-decision point, where countries face common challenges including preserving peace and stability, improving on good governance and delivering basic services. Addressing these challenges would require continued efforts from pre-decision point countries coupled with strengthened policies and institutions, as well as support from the international community.

Current and potential beneficiaries of the Heavily Indebted Poor Countries Initiative and the Multilateral Debt Relief Initiative, as of July 2019

<i>Status</i>	<i>Countries</i>
Post-completion point	Benin, Burkina Faso, Burundi, Cameroon, Central African Republic, Chad, Comoros, Congo, Côte d'Ivoire, Democratic Republic of the Congo, Ethiopia, Gambia, Ghana, Guinea, Guinea-Bissau, Liberia, Madagascar, Malawi, Mali, Mauritania, Mozambique, Niger, Rwanda, Sao Tome and Principe, Senegal, Sierra Leone, Togo, Uganda, United Republic of Tanzania and Zambia
Pre-decision point	Eritrea, Somalia and Sudan

Source: International Monetary Fund.

70. Regarding debt sustainability, African debt has been rising since 2013, with the median debt ratio as a percentage of GDP increasing from 31 per cent in 2012 to 53 per cent in 2017.¹⁷ One third of sub-Saharan countries are either in debt distress or at high risk of such distress, including most countries that benefited from multilateral debt relief. Median debt as percent of GDP in the region has increased by a significant 5 per cent points annually between 2014 and 2016.

¹⁶ OECD, 2018 report on the Development Assistance Committee untying recommendation, 2018.

¹⁷ Brahim Sangafowa Coulibaly, Dhruv Gandhi, Lemma Senbet, "Looming debt crisis in Africa: myth or reality?", Brookings Institution, April 2019.

71. The fact that a number of African countries are experiencing elevated debt levels nearly 15 years after a major debt relief programme indicates that sufficient progress has not been made in addressing structural issues affecting sustainable development financing in Africa. Indications of a potential crisis include low domestic savings rates at around 15 per cent of GDP on average since 2000 despite measures to address tax revenue collection, combat illicit flows, prevent profit shifting by multilateral corporations and strengthen natural resource governance.

C. Foreign direct investment and other private flows

72. Foreign direct investment (FDI) plays an important role in economic growth and sustainable development by augmenting low domestic savings and facilitating technology transfer. African countries consider FDI an important element in their overall economic development strategies.

73. According to the United Nations Conference on Trade and Development (UNCTAD),¹⁸ global FDI fell substantially by 13 per cent in 2018 to an estimated \$1.3 trillion, down from \$1.5 trillion in 2017 and \$1.87 trillion in 2016. This third consecutive drop brings FDI flows back to the low point reached after the global financial crisis in 2009. The decline in global FDI, was mainly due to large repatriations of accumulated foreign earnings by multinational enterprises of the United States of America following corporate tax reforms introduced at the end of 2017.

74. FDI flows to Africa increased by 11 per cent in 2018 to an estimated \$46 billion, compared to \$41 billion in 2017. Unsurprisingly, FDI flows continued to be concentrated in a small number of countries with relatively well diversified economies, notably Egypt, Ethiopia and South Africa.

75. FDI flows to North Africa increased by 7 per cent from \$13.4 billion in 2017 to \$14 billion in 2018, with Egypt being the largest recipient of FDI on the continent and accounting for over half of total FDI to the subregion. FDI to Morocco increased by 36 per cent to \$3.6 billion and was largely concentrated in the financial, infrastructure, renewable energy and automotive sectors.

76. FDI flows to Southern Africa recovered from -\$925 million in 2017 to \$4.2 billion in 2018 as a result of increased FDI inflows to South Africa, more than doubling to \$5.3 billion in 2018 compared with \$1.3 billion in 2017. The increase was driven by large investments in mining, petroleum refining, food processing, information and communications technologies, and renewable energy, and comes despite continued negative FDI in Angola.

77. In 2018, FDI to West Africa decreased by 15 per cent to \$9.8 billion, the lowest level since 2006. The decline was more pronounced in Nigeria, the largest recipient of FDI in West Africa to date, with FDI declining by 43 per cent to \$2 billion. Conversely, Ghana became the largest FDI recipient in the region, even though its FDI decreased by 8 per cent to \$3 billion and most of its investments are associated with gas and mineral exploration.

78. FDI to Central Africa and East Africa remained largely stagnant in 2018 at \$8.8 billion and \$9 billion, respectively. The Congo attracted \$4.3 billion in FDI followed by the Democratic Republic of Congo which received \$1.5 billion during the same period. Most investments are concentrated in the oil and mineral exploration sectors. Despite an 18 per cent fall in investment to \$3.3 billion, Ethiopia maintained its position as the largest recipient of FDI in East Africa in 2018. Kenya saw its FDI

¹⁸ *World Investment Report 2019: Special Economic Zones* (United Nations publication, Sales No. E.19.II.D.12).

flows increase by 27 per cent to \$1.6 billion in the areas of manufacturing, chemicals, hospitality, and oil and gas exploration.

D. Trade

79. Trade is one of the important means of implementing the Sustainable Development Goals, and the degree to which African countries are integrated into world trade will influence their progress towards achieving the Goals and Agenda 2063. According to the World Trade Organization, global trade volume growth slowed in 2018 to 2.9 per cent, down from 4.6 per cent the previous year, mainly as a result of factors including new tariffs, weaker global economic growth and volatility in financial markets. While world merchandise exports totalled \$19.5 trillion, up 10 per cent from the previous year and driven partly by higher oil prices, weak import demand in Europe and Asia was a significant factor in the reduction of global trade volume growth in 2018. Exports from Africa totalled \$476.6 billion in 2018, representing a 14 per cent increase over the previous year and an estimated 2.5 per cent of total world exports in 2018.¹⁹

80. The reporting period saw significant progress in the implementation of Agenda 2063 and its first 10-year implementation plan, with the entry into force of the Agreement Establishing the African Continental Free Trade Area on 30 May 2019, 30 days after the deposit of the twenty-second instrument of ratification required under Article 23 of the Agreement. As of July 2019, 54 African countries have signed the Agreement, of which 25 have ratified it and deposited their instruments of ratification.

81. Global aid-for-trade commitments increased by 13 per cent in 2016 to US\$57.7 billion in 2017. Commitments to Africa amounted to US\$21.7 billion in 2017, an increase of 20 per cent from 2016, and disbursement of aid-for-trade amounted to \$15 billion in 2017.²⁰ Commitments in the road transport sector represented the largest share at \$3.5 billion, followed by electric power transmission and distribution at \$2.2 billion and agricultural development at \$1.5 billion.

82. In February 2019, the European Union, the African Union and the International Trade Centre established the African Union Trade Observatory, which aims to provide African countries and the private sector with data and statistics that are essential for the sound monitoring of continental trade and evidence-based policy-making. This will enable stakeholders to identify promising market opportunities and facilitate the effective monitoring of the implementation and impact of the African Continental Free Trade Area.²¹

83. In December 2018, the United States launched the Prosper Africa initiative, which is aimed at growing the African middle class, promoting youth employment opportunities and improving the business climate while using the existing African Growth and Opportunity Act to continue to promote deeper trade ties with African countries.²²

¹⁹ See www.worldstopexports.com/top-african-export-countries.

²⁰ Aid activities database of the OECD Development Assistance Committee.

²¹ Africa-Europe Alliance, "EU supports the new AU Trade Observatory" (press release), 9 February 2019.

²² See www.whitehouse.gov/briefings-statements/president-donald-j-trumps-africa-strategy-advances-prosperity-security-stability.

E. South-South cooperation

84. South-South and triangular cooperation continued to play a significant role in the development of Africa, complementing relations with its traditional development partners.

85. During the reporting period, States Members of the United Nations strengthened South-South and triangular cooperation with the adoption of the outcome of the second United Nations High-Level Conference on South-South Cooperation, held in Argentina in March 2019. Conference participants emphasized the importance of such cooperation in the context of the current changes in international politics and economic relations while reaffirming that North-South cooperation remained the main modality for development cooperation. Member States acknowledged the critical role of South-South cooperation in achieving the 2030 Agenda, the Addis Ababa Action Agenda, the Paris Agreement, the New Urban Agenda, the Sendai Framework for Disasters Risk Reduction 2015–2030 and Agenda 2063. Member States also underscored the need for development partners, including the United Nations development system, to promote South-South and triangular cooperation policies, activities and assistance and ensure a more holistic and coherent approach to sustainable development. The Conference participants also encouraged the United Nations to continue engaging think tanks, communities of practice, networks and expert groups more effectively in efforts to better understand the role and impact of South-South and triangular cooperation in order to successfully implement the 2030 Agenda and Agenda 2063.

86. At the 2018 Beijing summit of the Forum on China-Africa Cooperation, a declaration and an action plan for the period 2018–2021 were adopted. China also launched eight initiatives to strengthen China-Africa cooperation over the next three years, including an extension of \$60 billion in financing to Africa in the form of government assistance, and also investment and financing by financial institutions and companies. The amount extended comprises \$15 billion in grants, interest-free and concessional loans, \$20 billion in lines of credit, a \$10 billion special fund for financing development and a \$5 billion special fund for financing imports from Africa. Chinese companies were encouraged to invest at least \$10 billion in Africa in the next three years.

87. In October 2018, Turkey and the African Union organized the second Turkey-Africa economic and business forum to enhance trade and economic relations, strengthen partnerships between business circles from both sides and create investment opportunities. Through the forum, Turkish and African private sector entrepreneurs were facilitated in creating investment opportunities and joint ventures on both sides.

IV. Support provided by the United Nations system

A. General

88. The United Nations system has continued to provide substantial support to the African Union and its entities, including the African Union Commission, the African Union Development Agency and the regional economic communities, to implement the African Union priorities at the regional and subregional levels and contribute to achieving Agenda 2063 and the 2030 Agenda.

89. The support took forms such as undertaking capacity- and institution-building, providing policy advisory services, raising awareness of accountability for commitments made towards African development, supporting resource mobilization

efforts through global advocacy and funding programmes and projects. These issues are also covered in greater detail in the report on United Nations support for the New Partnership for Africa's Development (E/AC.51/2019/10), which should be read in conjunction with the present report.

90. In addition, the United Nations system supported the African Union by undertaking global advocacy and policy dialogue on solutions for African challenges, especially in the context of the African Union 2018 theme of the year, "Winning the fight against corruption: a sustainable path to Africa's transformation", and the 2019 theme of "Refugees, returnees and internally displaced persons: towards durable solutions to forced displacement in Africa". In this connection, the Office of the Special Adviser on Africa organized the first African dialogue series in October 2018 at Headquarters in York under the theme "Office of the Special Adviser on Africa at 15: a stronger United Nations-African Union partnership for peace, security and development in Africa". The second series was held in May 2019 to address and bring global awareness, advocacy and support to the issues of forced displacement in Africa and to showcase the best practices of African solidarity in addressing these issues and examine shared responsibility and the role of the United Nations and humanitarian and development partners.

91. Collaboration and coordination between the United Nations system and the African Union were conducted within the framework of the United Nations-African Union partnership on Africa's integration and development agenda for 2017–2027, and also the United Nations-African Union Framework for Enhanced Partnership in Peace and Security and the African Union-United Nations Framework for the Implementation of Agenda 2063 and the 2030 Agenda, signed in April 2017 and in January 2018, respectively. Moreover, the interdepartmental task force on African affairs is being revitalized to enable it to play a role in enhancing the system-wide coherence, consultation and coordination of United Nations activities in support of Africa that straddle the nexus between peace, security and development.

B. Strengthening of the Regional Coordination Mechanism of United Nations agencies and organizations working in Africa in support of the African Union and its Development Agency

92. In May 2018, participants at the nineteenth session of the Regional Coordination Mechanism for Africa recommended that the Mechanism should align its work with the Joint United Nations-African Union Framework for Enhanced Partnership in Peace and Security and the African Union-United Nations Framework for the Implementation of Agenda 2063 and the 2030 Agenda.

93. In this respect, the twentieth session of the Mechanism, held in Morocco in March 2019, identified areas of alignment between the frameworks and the mechanism clusters and stressed the need to adopt holistic and integrated approaches to ensure that all relevant clusters and the subregional coordination mechanisms were meaningfully involved in the implementation of the two Frameworks and the African Union priorities. This would also foster coordination and collaboration between clusters.

94. In line with the reconfigured cluster system of the Mechanism, the consolidated Mechanism workplan was adopted and is now aligned with the seven strategic priorities of the African Union: regional integration; the African Continental Free Trade Area; the Single African Air Transport Market initiative; the free movement of people, goods and services; the "Silencing the Guns by 2020" initiative; climate change; and gender, women and young people.

V. Conclusions and policy recommendations

95. Since its adoption at the African Union summit in Lusaka in 2001, NEPAD has served as an important framework for African development, serving to focus national and international efforts on key priority sectors vital for sustainable development in Africa. With the adoption of Agenda 2063 and its first 10-year implementation plan, NEPAD priorities have been fully incorporated into the continent's transformative development blueprint.

96. Following the decision of the African Union, the Planning and Coordinating Agency of NEPAD has been transformed into the African Union Development Agency to coordinate the implementation of Agenda 2063 and its first 10-year implementation plan. With the support of the Development Agency as the technical arm, African countries continued with the implementation of Agenda 2063 and the NEPAD priorities, which include agriculture and food security; infrastructure development; health and education; gender mainstreaming, empowerment of women and civil society participation; ICT; environment and tourism; science, technology and innovation; and the African Peer Review Mechanism.

97. A key milestone during the reporting period was the entry into force of the African Continental Free Trade Area in May 2019. Africa is now the world's largest free trade area, with 1.2 billion consumers and a combined GDP of \$3.4 trillion. This should boost intra-African trade and investment and further integrate the continent into global value chains.

98. Rendered favourable by ODA, FDI and trade, the external environment also contributed to the progress of African countries in implementing both Agendas. However, a number of challenges remain that, if not addressed, may undermine that progress.

99. Following the adoption of Agenda 2063, the NEPAD Planning and Coordinating Agency was transformed into the African Union Development Agency, with the specific mandate to provide technical support for the implementation of Agenda 2063. In this regard, the United Nations should undertake a comprehensive review of United Nations support to NEPAD since the adoption by the General Assembly of resolution 57/2 entitled "United Nations Declaration on the New Partnership for Africa's Development". The review should assess the impact of the support and lessons learned as well as include recommendations on modalities for future engagement.

100. With regard to agriculture, the lack of financing continues to be a major challenge hampering the development of agriculture and food security in Africa, so concerted effort will be required from African countries to mobilize increased domestic public resources for agriculture, including by leveraging private finance from both domestic and external sources. African countries should also strengthen agricultural data collection and management systems to better track progress towards the goals and targets of the Maputo Declaration and the Malabo Declaration on Accelerated Agricultural Growth and Transformation for Shared Prosperity and Improved Livelihoods.

101. Given the increasing vulnerability of African countries to climate change and its devastating impact on agriculture, as witnessed in Malawi, Mozambique and Zimbabwe following Cyclone Idai in March 2019, African countries, in partnership with the international community, should increase investment in resilience-building to strengthen their capacity to withstand climate- and weather-related shocks.

102. With regard to infrastructure, there is a need to scale up the implementation of infrastructure projects despite the many innovative features of the Programme for Infrastructure Development in Africa. Strengthening the capacity of African countries to implement infrastructure projects and mobilizing increased financing for infrastructure projects will be key to scaling up progress in the implementation of Programme projects, which must be accelerated with the entry into force of the African Continental Free Trade Area.

103. African countries, supported by the international community, must take the necessary measures to improve access to quality education, employment, financing and health services and promote the full participation of women in the economy, politics and other spheres of life in order to unlock the untapped business potential in Africa and harness the youth demographic.

104. On regional integration, the expedited ratification of the African Continental Free Trade Area demonstrates the commitment of African countries to continental economic integration. However, African countries need to address the remaining pending issues, including schedules of tariff concessions, schedules of service commitments and rules of origin. Unleashing the potential of the Free Trade Area will hinge on the successful negotiation of these supporting instruments and the second phase of free trade negotiations on intellectual property rights, competition and investment.

105. The Free Trade Area also opens up massive opportunities for the private sector in African markets. If those opportunities are fully harnessed, businesses could help many African countries accelerate growth and achieve sustainable development. African countries therefore need to enhance the promotion of entrepreneurship and skills development and enable a favourable business and investment environment for the private sector.

106. African countries should mobilize partnerships with traditional, new and emerging partners through platforms such as the Forum on China-Africa Cooperation, the Tokyo International Conference on African Development and South-South cooperation to advocate for the acceleration of the implementation of both Agendas.

107. At a time when African countries are taking decisive measures to lay a solid foundation for sustainable development, there is a need to address trade relations through negotiation and refrain from protectionism in order to ensure that trade continues to be a catalyst for inclusive growth and sustainable development.

108. While rising debt levels are a global trend, they present particular challenges for African countries, as they divert resources from sectors with greater potential for accelerating the achievement of the Sustainable Development Goals. With tightening global financial conditions, this may increase the vulnerability of African countries to rising borrowing costs, further choking off growth and sustainable development. Concerted efforts by African countries and the international community will be required to address the potential debt problem through improved debt transparency, expenditure management, increased domestic resource mobilization and strengthened debt management capacity of African countries.