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Social Dimensions of the New Partnership for Africa's Development

Report of the Secretary-General

Summary

The present report has been prepared in accordance with Economic and Social Council resolution 2012/8. The report notes the real progress which continues to be made on the social dimensions of the New Partnership for Africa's Development (NEPAD). Africa's economy continues to grow, contributing to reductions in poverty and job creation. Significant gains are also being made in improving access to and outcomes related to education and health. Investments aimed at improving agricultural productivity are also on the upswing in some countries. However, the region continues to face significant levels of unemployment, overwhelming poverty and rising inequality. Gaps in the progress towards the achievement of the Millennium Development Goals also remain significant. The report also examines ways of improving the effectiveness of the work of United Nations bodies, while preserving the social dimensions of NEPAD.



I. Introduction

1. Over the past decade, Africa's shared vision of development encapsulated in the New Partnership for Africa's Development (NEPAD) has continued to guide continental efforts to reduce poverty, create decent jobs, and expand equal opportunity and economic mobility for all through investments in education, health, agriculture and infrastructure. Concrete efforts have been made to push forward democratic reforms and encourage transparency and accountability and to enhance macroeconomic management. Africa has made solid gains in most of these areas. In addition, Africa has been the second fastest-growing regional economy in the world. Given Africa's growth momentum, dynamism and untapped resources, there is a growing optimism that the region could become a source of global economic growth.

2. The social and political situation of the continent is steadily improving despite renewed conflict in some countries. There is protracted political uncertainty in North Africa and political instability in the Sahel region, but the number of democratically elected Governments has gone up. Despite cross-country variations and intracountry disparities, progress is being made to reduce the vast pockets of poverty that have dominated the African landscape for so long. Rates of primary school enrolment and completion are improving. Under-5 child mortality also continues to fall and steady progress is being made towards increasing women's representation in parliament. Immunization coverage is improving and there have been reductions in HIV prevalence and incidence rates and malaria-related deaths.¹

3. These gains have been buoyed by an economy that continues to grow strongly, as well as enhanced domestic resource mobilization efforts, stronger partnerships and better policy coherence at the continental level and within countries. The United Nations Department of Economic and Social Affairs notes that economic growth in Africa will remain solid in 2012 and 2013. The region is expected to see its gross domestic product (GDP) grow by 5 per cent in 2012 and 4.8 per cent in 2013. In sub-Saharan Africa, growth is projected to be 5 per cent in 2013, compared with 3.9 in 2012.²

4. Despite these positive developments, major challenges remain. While Africa weathered the global financial and economic crisis and its economy is still on the rise, income growth per capita is still below rates considered necessary to achieve substantial poverty reduction. The past three years have also seen economic activity in North Africa contract as a result of uncertainties from the social, economic and political crises that followed the Arab Spring.

5. The continent's long-term social and economic outcomes are also affected by the debt crisis in the eurozone; the impact has been felt more deeply in North Africa, which had managed to nurture stronger trade linkages with Europe. The impacts of this crisis on other places are only becoming visible as the crisis deepens and becomes protracted.³ Lingering global economic uncertainty stemming from the

¹ African Union Commission and others, "Assessing progress in Africa toward the Millennium Development Goals: MDG report 2012".

² United Nations, *World Economic Situation and Prospects 2013* (forthcoming).

³ Isabella Massa and others, *Shockwatch Bulletin: Monitoring the Impact of the Euro Zone Crisis, China/India Slow-down, and Energy Price Shocks on Lower-Income Countries*, Working Paper 358 (London, Overseas Development Institute, 2012).

crisis in the eurozone and spilling over to some large emerging economies is expected to weigh on African commodity exports and is leading to more cautious foreign direct investment inflows, especially in the infrastructure and resource sectors. As exemplified by the weak performance of South Africa's economy, the debt crisis in the eurozone has been a drag on the ability of South Africa's economy to generate jobs. The crisis has hit South Africa's key drivers of growth, which include trade, manufacturing and foreign direct investment. As a result, the economy is shedding jobs and worsening inequality.⁴ In Kenya, the crisis has hit tourism and exports of key products such as tea and horticultural products. Some estimates also show that the debt crisis in the eurozone will cost the world's poorest countries \$237.6 billion in cumulative output loss.⁵ This includes Africa's most at-risk countries, such as Mozambique, Kenya, Niger, Cameroon and Cape Verde. Reductions in exports are also likely to negatively impact revenues for countries such as Côte d'Ivoire, which relies on exports to the European Union for over 17 per cent of its GDP. Similarly, Mozambique's and Nigeria's reliance on exports to the European Union account for about 14 per cent and 10 per cent of GDP, respectively. Ethiopia, Senegal and the United Republic of Tanzania are also highly vulnerable to the current global shocks as they are exposed to the slowdown in China's and India's growth, which is also linked to weak demand in the eurozone. The key transmission mechanisms in all these cases are reductions in trade, aid, investment and remittances.

6. Africa's strong growth performance has also not been inclusive and has been delinked from jobs that help the poor, women, youth and other marginalized social groups. Consequently, levels of unemployment, particularly among the youth, remain unacceptably high. Inequality within and among countries and social groups is also rising. Today, Africa is the second most unequal region in the world after Latin America and the Caribbean; in 2010, 6 of the 10 most unequal countries in the world were in Africa. Other challenges include possible low levels of global stocks of some basic grains, which could trigger another food crisis, hurting the region's poor.

II. The New Partnership for Africa's Development as a key driver of job growth

7. In order to lift millions of people out of poverty and raise living standards across Africa, one of the central objectives of NEPAD is to stimulate growth and accelerate the pace of job creation on the continent. To unlock job growth potential, the African Union Extraordinary Summit on Employment and Poverty Alleviation in Africa, held in 2004, adopted a declaration placing employment at the centre of development strategies. African leaders committed themselves to promoting "an effective and speedy implementation of actions and programmes agreed upon in the framework of NEPAD and to maximize their impact on the continental efforts geared towards poverty reduction and productive employment creation, particularly in the fields of infrastructure, agriculture and rural development, environmental

⁴ The World Bank Group, Africa Region Poverty Reduction and Economic Management, *South Africa Economic Update: Focus on Inequality of Opportunity*, Issue 3, July 2012.

⁵ Isabella Massa, Jodie Keane and Jane Kennan, *The Euro Zone Crisis and Developing Countries*, Working Paper 345 (London, Overseas Development Institute, 2012).

conservation, cultural industries, transportation, fisheries, forestry, information and communication technology (ICT) industry, trade and tourism which have a high potential for enhancement of productive capacities, job creation and poverty alleviation”.

8. Efforts to create jobs are strongly dependent on the adoption of pro-poor and inclusive economic growth policies, improving the business environment and maintaining peace and security. The ability of African economies to expand employment opportunities also depends on channelling Government and private-sector resources to those sectors that have strong job growth potential. Strong investor interest in Africa has to go beyond resource prospecting and exploitation and target labour-intensive sectors such as infrastructure development, construction, communication and agriculture. Opportunities for job growth also abound in the expansion of education and health-care services where the unmet need is still massive across the continent. To ensure that the benefits of growth are more widespread, NEPAD also seeks to broaden the contribution of other sectors to GDP growth beyond natural resource extraction. Estimates also suggest that investments in areas that are covered by NEPAD programmes, such as agriculture and hospitality, as well as manufacturing and retail have the potential to generate between 54 million and 72 million more jobs by 2020.⁶

9. Even though NEPAD has strong potential and opportunities to accelerate employment growth, creating full and productive employment opportunities remains a daunting challenge on the continent. Africa’s strong growth performance has not been inclusive and therefore has not translated into high and sustained rates of job creation. Growth over the past decade was primarily driven by increased foreign direct investment flows into an extractive sector that is capital intensive. Consequently, not only has growth been largely jobless, the pace of progress in reducing poverty has also been lacklustre at best. Estimates by the International Labour Organization (ILO) for 2011 indicate that the unemployment rate in sub-Saharan Africa stood at 8.2 per cent and at 10.9 per cent for North Africa. There has been an explosion in the number of economically active people in North Africa: with growth in the labour force the third largest in the world, the number of jobs required to absorb new entrants to the North African labour market has doubled in the past 20 years. In 2011, there were 72.4 million economically active people in the region, compared with 43.5 million in the early 1990s.⁷ Levels of unemployment remain high among women in particular. In sub-Saharan Africa, while the female unemployment rate was 8.8 per cent in 2011, it stood at 19 per cent among all women in North Africa and at a staggering 41 per cent among young women.

10. Demands for jobs continue to rise as an estimated 10-12 million young Africans enter the labour market each year.⁸ In sub-Saharan Africa, the youth unemployment rate stood at 12 per cent in 2012 and is expected to dip slightly to 11.8 per cent by 2017. The situation is dire in North Africa, which has the world’s highest youth unemployment rates, which stood at 27.5 per cent in 2012 and is

⁶ McKinsey Global Institute, “Africa at work: job creation and inclusive growth”, August 2012.

⁷ ILO, *Global Employment Trends 2012: Preventing a Deeper Jobs Crisis* (Geneva, ILO, 2012).

⁸ African Development Bank and others, *African Economic Outlook 2012: Promoting Youth Employment* (Paris, Organization for Economic Cooperation and Development (OECD) Publishing, 2012).

projected to remain above 25 per cent up to 2017.⁹ Many young people who are fortunate enough to have a job are either underemployed or trapped in low-quality jobs that pay less than a decent wage. Such high levels of youth unemployment and underemployment represent a waste of the continent's greatest resource.

11. To absorb new entrants to the labour market and reduce the huge unemployment backlog, national jobs strategies should tap into the opportunities offered by NEPAD programmes. New sources of job growth should be created by promoting pro-employment economic policies and getting shovel-ready public works programmes that are aligned to NEPAD priorities off the ground. African countries also need to speed up start times of various NEPAD projects. National priority has to be given to investments that enhance youth employment creation. Policies and investments that broaden the reach of opportunity and enhance youth employability will ensure that the continent is better positioned to turn its huge youth demographic bulge into a dividend. Africa's demographic dividend is being driven by a young and rapidly growing workforce and a decline in the number of children and older persons supported by each worker.

12. For such policies to be effective, they should be supported by high rates of equitable and inclusive growth. In particular, future jobs should come from addressing the continent's infrastructure bottlenecks, expanding access to information and communications technologies, enhancing agricultural productivity and creating the necessary agribusinesses to support a growing agricultural sector. The pace of business formation in other sectors also needs to be encouraged by reducing the costs of starting a new business and the approval process. The transfer of technology from Africa's development partners will also help increase employment creation. Additional opportunities for job growth also exist in scaling up the provision of high-quality public services, such as schools and health-care centres, through public-private partnerships. These are all priority areas outlined in the New Partnership for Africa's Development. Focusing on labour-intensive projects, such as those contained in the Programme for Infrastructure Development in Africa of the African Development Bank, will help boost economic growth and, potentially, create thousands of good jobs. Africa's youth must be able to harness the opportunities provided by the growing penetration of information and communications technologies to create jobs for themselves. Opportunities abound in ensuring that information technologies penetrate every aspect of African economies and in providing public goods and services, such as greater access to education and health services, including e-health.

III. Progress in poverty and hunger reduction

13. Poverty remains the most pressing issue facing Africa today. Close to 47.5 per cent of sub-Saharan Africa's population lived on less than \$1.25 a day in 2008, as compared with 51.5 per cent in 1981 and the peak of 59.4 per cent in 1993. However, in absolute terms, the number of people living on less than \$1.25 a day almost doubled between 1981 and 2008, from 204.9 million to 386 million. However, after reaching a peak of 394.9 million in 2005, the absolute number of

⁹ ILO, "Global employment outlook: bleak labour market prospects for youth", September 2012.

people living on less than \$1.25 had fallen by 9 million by 2008.¹⁰ For the entire continent, the rate of poverty increased from 43.5 per cent in 1981 to 49.3 per cent in 1993, but declined to 39.9 per cent in 2008. However, despite the overall decline in poverty at the continental level, large numbers of people remain trapped in poverty in some countries. In 2008, the poverty rate stood at 86 per cent in the Democratic Republic of the Congo, 83 per cent in Liberia, 81 per cent in Burundi and 66.5 per cent in Nigeria.

14. Because of slow progress, a growing share of the world's poor now live in sub-Saharan Africa. In 1981, the subregion was home to 10.6 per cent of the world's poor. By 2008, sub-Saharan Africa's share had ballooned to 29.9 per cent. That Africa's share of the poor has increased over the years does not imply that the situation has gotten worse; rather, it is a reflection of the impact on incomes of the phenomenal pace of structural transformation of economies in East Asia and the Pacific. Because of strong job growth in all sectors, as well as improvements in rural incomes, the number of people living on less than \$1.25 a day plummeted in that region while in Africa, strong rates of growth over the past decade have not had a similar impact on poverty. Growth has not been inclusive enough, gains in agricultural productivity have been modest, the pace of structural transformation has been slow and the provision of social protection has been inadequate. As a result, Africa has not been able to match the performance of East Asia and the Pacific or of Latin America in reducing levels of poverty. However, despite lagging behind, Africa's middle class continues to grow. An estimated 90 million African households had annual incomes of at least \$5,000 in 2011, allowing them to spend at least half of their income on products other than food and basic necessities.¹¹ The continued growth of the middle class will further spur aggregate demand, and hence growth, on the continent.

15. The reduction in poverty has, on average, been faster in those countries with higher rates of economic growth and some form of social protection scheme, and where the role of the State in setting national development priorities and policies has been much stronger. Double-digit rates of economic growth have allowed non-oil-exporting countries to significantly reduce levels of poverty. In Ethiopia, for example, poverty levels fell from 62.1 per cent in 1990 to about 16 per cent in 2008. In contrast, the impact of high rates of economic growth on poverty has been rather weak in oil-producing countries such as Angola and Nigeria. In those countries, the proportion of people living on less than \$1.25 a day actually increased between 1981 and 2008. In Angola, the poverty rate jumped from 43 per cent in 1981 to 55.9 per cent in 2008 and in Nigeria, it jumped from 47.8 per cent to 66.5 per cent. These divergent trends illustrate that growth alone is not sufficient. This is particularly the case for growth that is primarily driven by extractive industries that are not labour intensive and the profits from which tend to be poorly taxed, with only a small share remaining in the country. As noted at the Eighth African Development Forum, held in October 2012 in Addis Ababa, the exploitation of Africa's resources often has little or no financial benefit for the continent's poor and its economies (see ECA/ADF/8/2). To make an impact on poverty, African countries need to ensure that the resource rents from sectors with high-profit margins, such as

¹⁰ Shaohua Chen and Martin Ravallion, "An update to the World Bank's estimates of consumption poverty in the developing world", briefing note, Development Research Group, World Bank, March 2012.

¹¹ McKinsey Global Institute, p. 4.

the oil and mining sectors, are efficiently used to drive inclusive socioeconomic development.

16. With close to half of their population living on less than \$1.25 a day, many countries have had to spend significant amounts of their resources, including development aid, managing poverty and addressing its symptoms. From the very beginning, a more prudent strategy should have been to address the etiology of the malaise. For instance, for several decades many African countries have focused on expanding access to primary education and primary health care. While investments in these areas constitute essential building blocks, a better balance should have been struck between investing in these areas and focusing on those strategic investments that could have unleashed the structural transformation of African economies. These include much bigger investments in agriculture and infrastructure development, in science and technology and in post-secondary-school education. Further actions that strengthen economic and corporate governance and tackle the continent's modern energy deficits and the ongoing effects of climate change will help drive growth, create jobs and reduce poverty.

17. Hunger also remains a marked challenge to Africa's development. An estimated 239 million people, or 27.5 per cent of the world's chronically undernourished, lived in Africa between 2010 and 2012. Between 1990 and 1992, the number of hungry people on the continent jumped from 175 million to 239 million. This increase was largely confined to sub-Saharan Africa where the number of undernourished went up from 170 million to 234 million. In northern Africa, the number declined from 5 million to 4 million. However, in terms of prevalence, the percentage of undernourished people declined from 27.3 per cent to 22.9 per cent for the entire continent, and from 32.8 per cent to 26.8 per cent in sub-Saharan Africa.¹²

18. The increase in the number of hungry people in Africa contrasts sharply with global trends. Revised estimates by the Food and Agriculture Organization of the United Nations (FAO) of the number of people who are hungry, dating back to 1990, indicate that the number of such people in the world has actually been declining steadily over the past two decades, from 1 billion in the period from 1990 to 1992 to 868 million in the period from 2010 to 2012. However, overall progress has slowed since the 2007-2008 food crises and the global economic downturn.

IV. Progress in education

19. In their ongoing efforts to raise levels of education, develop a skilled workforce and improve living standards among their citizens, African countries continue to expand the implementation of the Education for All in Africa initiative, a programme that complements and further enhances the implementation of the Second Decade of Education for Africa (2006-2015), launched by the African Union, and the Millennium Development Goals. Between 1999 and 2009, there was an 18 per cent increase in net enrolment rates in sub-Saharan Africa. Some of the largest gains occurred in some of the continent's least prosperous countries,

¹² FAO, World Food Programme (WFP) and International Fund for Agricultural Development (IFAD), 2012. *The State of Food Security in the World 2012: Economic Growth is Necessary but Not Sufficient to Accelerate Reduction of Hunger and Malnutrition* (Rome, FAO, 2012).

including Burundi, Sao Tome and Principe, Togo and the United Republic of Tanzania. Furthermore, since 2000, Burkina Faso, Ethiopia, Mozambique, Rwanda and Uganda have been among the top 10 most successful countries in terms of education. The average number of years of education has increased for both men and women. In sub-Saharan Africa, the average years of schooling for the total population aged 15 years and over increased from a low of 2.8 years in 1980 to 3.9 years in 1990 and to 5.2 years in 2010. In North Africa and the Middle East, mean years of schooling have more than doubled since 1980, from 3.1 to 7.3 years. (In comparison, the world average was 5.3 years in 1980 and 7.9 years in 2010.)

20. These gains reflect intensified efforts by Governments and their development partners to scale up public and private funding in education. For instance, countries that have received support from the Education For All — Fast Track Initiative achieved enrolment increases of 64 per cent during the period from 2000 to 2007, double the rate of non-Fast Track Initiative countries. Investments in education are broadening educational opportunities for girls and boys, especially among the poor and vulnerable groups. However, a large and persistent gap in schooling attainment between males and females remains in most countries. While sub-Saharan Africa has seen some of the greatest gains in closing the education gender gap, the subregion's results remain well behind those achieved across the developing world. The ratio of years of schooling of females to males in sub-Saharan Africa, expressed as a percentage of female educational attainment to that of males, increased from .672 in 1990 to .8 in 2010. In Latin America and the Caribbean, the figures were .972 in 1990 and .914 in 2010. In Europe and Central Asia, the gender ratio increased from .914 to .983 per cent, and in East Asia and the Pacific, it was .883 in 1990 and .885 in 2010.¹³ Along with the persistence of the gender gap, the number of out-of-school children in sub-Saharan Africa remains unacceptably high. The *Education For All Global Monitoring Report 2012* indicates that an additional 1.6 million children dropped out of school between 2008 and 2010.¹⁴

21. In some countries, the goal of achieving universal primary education is hampered by late entry into primary school. In Liberia and Ghana, an estimated 87 per cent and 53 per cent respectively of pupils entering first grade were two years older than the official age. A major reason behind such late enrolment is poverty. In 2008, in Madagascar, an estimated 62 per cent of pupils from the poorest quintile of households enrolled in school at least two years later than the official school entrance age. In contrast, among school-age children from the richest fifth of households, 32 per cent of pupils were late school entrants.

22. To further consolidate current gains, as well as address persistent challenges, African countries should continue to invest in education. The goal of national educational policies should go beyond improving school enrolment, attendance and graduation rates. Equal emphasis should be placed on ensuring that educational systems do a better job in preparing young people for their futures as economically active and civically engaged citizens. This requires reducing spatial and vertical inequalities in education. In almost all countries, both rural and urban public schools

¹³ Robert J. Barro and Jong-Wha Lee, "A new data set of educational attainment in the world, 1950-2010", April 2012. National Bureau of Economic Research (United States of America), Working Paper No. 15902, April 2012.

¹⁴ United Nations Educational, Scientific and Cultural Organization (UNESCO), *Youth and Skills: Putting Education to Work* (Paris, UNESCO, 2012).

face disadvantages in many dimensions that are critical to student success, such as teacher-pupil ratios, student-book ratios, and access to information and communications technologies. UNESCO estimates for 2010 show that at the primary school level, the teacher-pupil ratio was as high as 1:84 in the Central African Republic and 1:79 in Malawi and as low as 1:13 in Seychelles and 1:17 in the United Republic of Tanzania. In Africa's three most populous countries, the ratios were 1:36 in Nigeria, 1:54 in Ethiopia and 1:26 in Egypt. And in Africa's largest economy, South Africa, while the teacher-pupil ratio was about 1:31 at the national level, there were huge variations across schools. The teacher-pupil ratio in independent schools was 1:16, almost double that number in public schools (1:30), and as high as 1:60 in many townships and rural areas.

23. School systems need to better prepare students for a job market that has become increasingly global in nature. Today's students need the right set of skills and opportunities to find decent work, earn a living, contribute to their communities and societies and fulfil their potential. More importantly, the quality of teaching and the manner in which schools are administered and funded should be addressed. For students to excel, schools should ensure that students have books, desks and proper classrooms. Class sizes have to be manageable and the school curriculum should be diverse in order to generate interest in learning. Efforts are required to curtail the growth in the number of untrained teachers. In 2007, Ghana launched a training programme targeting such teachers and by 2010, the programme had trained about 25,000 teachers, a majority of whom are serving in rural and marginalized areas.¹⁵

24. To motivate students to excel in their studies, African economies should offer better job prospects by aggressively tackling the huge employment deficit faced by young people. African countries also have an opportunity to further push for the educational imperatives outlined in NEPAD and the Millennium Development Goals by adopting the Education First Initiative that was launched by the Secretary-General in September 2012. The goals of this initiative are to put every child into school, improve the quality of learning and foster global citizenship. The attainment of these goals will improve the likelihood that African societies will become more prosperous, healthy, equitable and socially more cohesive.

V. Progress in health

25. On the health front, while the African region is not on track to halve 1990 levels of mortality by 2015, notable progress has been made in a number of health-related areas. In particular, gains have been made in reducing under-5 mortality rates, improving containment of the spread of HIV/AIDS and increasing child immunization. The annual rate of decline in under-5 mortality in the World Health Organization (WHO) Africa region increased from 1.8 per cent between 1990 and 2010 to 2.8 per cent between 2005 and 2010.¹⁶ While this pace of progress is not sufficient for the region to meet the Millennium Development Goals target of a two-thirds reduction in 1990 under-5 mortality levels by 2015, the progress made is substantial. The number of deaths declined from 172 per 1,000 live births in 1990 to 119 per 1,000 live births in 2010. Some estimates suggest that just over half the decline in child mortality is due to increased female education. In absolute terms,

¹⁵ UNESCO, *Youth and Skills*.

¹⁶ WHO, *World Health Statistics 2012* (Geneva, 2012).

the expansion of women's education accounted for a reduction of approximately 1.9 million child deaths since 1970 and about 903,000 child deaths since 1990.¹⁷

26. While the burden of HIV/AIDS, tuberculosis and malaria remains highest in Africa, significant progress has been made in reducing the number of new HIV/AIDS infections: 22 countries posted a reduction of more than 25 per cent. More than 5 million people in sub-Saharan African are estimated to be receiving antiretroviral therapy. This figure was just 50,000 in 2002.¹⁸ A number of African countries have also made progress in implementing collaborative tuberculosis-HIV activities that have been shown to have saved an estimated 1.3 million lives worldwide between 2005 and 2011. The percentage of tuberculosis patients in Africa who were tested for HIV went up from 66 per cent in 2004 to 69 per cent in 2011. These tests are particularly important given that an estimated 80 per cent of tuberculosis cases among people living with HIV occur in Africa.¹⁹

27. Despite these positive developments, large health inequalities persist among and within countries, resulting in unacceptably high levels of maternal and child mortality in several countries. For instance, the proportion of children under 5 who are underweight for their age remains above 25 per cent in Africa's least developed countries.

28. To help improve health outcomes in Africa, NEPAD is assisting countries to overcome human resource shortages in health by promoting health education and increasing the number of highly trained personnel. NEPAD is assisting African countries to strengthen their health systems and to reduce the burden and human costs of malaria, tuberculosis and HIV/AIDS on their economies. These efforts contribute to the achievement of the Millennium Development Goals on child and maternal health as well as the whole of Goal 6. They also promote the Africa Health Strategy: 2007-2015, affordable and essential medicines, and provide African countries with strategic guidance and capacity-building opportunities.

29. NEPAD has also established the African Medicines Regulatory Harmonization initiative and has operationalized the African Union Pharmaceutical Manufacturing Plan for Africa as part of its aim of assisting African countries to provide their citizens with safe, quality and efficacious medicines. The Medicines Regulatory Harmonization Project for the East African Community, within the framework of the African Medicines Regulatory Harmonization initiative, was also successfully launched. The Research for Health Africa initiative is being piloted in Mozambique, Senegal and the United Republic of Tanzania. The initiative supports countries in building policy frameworks for effective governance of research for health. Using a \$1.5 million grant, NEPAD also instituted a nurses and midwives education programme in Gabon, Chad and the Congo to upgrade the educational qualification of nurses and midwives to undergraduate and post-graduate levels.

30. However, to speed up progress on the health front, Government budgets need to be reprioritized to give health a relatively high priority. In 2010, few African

¹⁷ Emmanuela Gakidou and others, "Increased educational attainment and its effect on child mortality in 175 countries between 1970 and 2009: a systematic analysis", *The Lancet*, vol. 376, Issue 9745 (18 September 2010), pp. 959-974.

¹⁸ UNAIDS (United Nations Programme on HIV and AIDS), *AIDS Dependency Crisis: Sourcing African Solutions*, Issues Brief (Geneva, 2012).

¹⁹ WHO, *Global Tuberculosis Report 2012* (Geneva, 2012).

countries had reached the target of spending 15 per cent of their Government's budget on health, as agreed in the Abuja Declaration on HIV/AIDS, Tuberculosis and Other Related Infectious Diseases, adopted by the African Union in 2001. About 20 countries that signed the Abuja Declaration allocate less to health now than they did in 2001; however, the United Republic of Tanzania and Liberia have allotted 18.4 per cent and 16.6 per cent of their respective budgets to health.²⁰

VI. Progress in transforming African agriculture

31. As the ongoing food crisis and insecurity in the Sahel and Horn of Africa amply demonstrate, efforts to eradicate extreme poverty and hunger in Africa continue to face significant headwinds. According to FAO, the food security situation in the Sahel is still of concern, with close to 19 million people in need of continued assistance. This is largely due to the lingering effects of poor harvests in 2011. Similarly, a prolonged dry spell in southern Africa resulted in a drop in overall cereal production in 2012. In East Africa, however, the dire food insecurity situation of 2011 has begun to improve following improved food and livestock production. In North Africa, wheat production declined sharply in some countries following unfavourable weather conditions.²¹

32. New concerns have also emerged at the global level following the unprecedented drought in the United States, Eastern Europe and the Russian Federation. This has resulted in lower maize and wheat yields and has set off food price spikes at international markets. Given that sub-Saharan Africa imports about 85 per cent and 45 per cent of its wheat and rice, respectively, the impacts of high food prices are likely to be felt in food-importing countries. For instance, wheat and imported rice prices in Mauritania rose by 12 and 40 per cent respectively in mid-2012 following high global prices.²² The World Bank also notes that recent food price spikes prevented millions of people around the world from escaping poverty, particularly those groups that spend a disproportionate share of their income on food. The full transmission effects of the international food price shocks along the food price chain are projected to be significant and to last about a year in food-importing countries such as Egypt and Djibouti.²³

33. For Africa to build a food-secure future, long- and medium-term solutions such as those espoused by the Comprehensive Africa Agriculture Development Programme and the Alliance for a Green Revolution in Africa need to be implemented with a sense of urgency. These initiatives build on the 2003 Maputo Declaration on Agriculture and Food Security in Africa, which required countries to commit to the allocation of at least 10 per cent of national budgetary resources to agriculture and rural development policy implementation in order to reach the agreed goal of average annual growth in agriculture of 6 per cent. To date, eight countries have reached and surpassed the 10 per cent budgetary allocation target,

²⁰ WHO, *The World Health Report 2010: Health Systems Financing: The Path to Universal Coverage* (Geneva, 2010).

²¹ See www.fao.org/news/story/en/item/161602/icode/.

²² World Bank, *Africa's Pulse*, vol. 6 (October 2012).

²³ World Bank and International Monetary Fund (IMF), *Global Monitoring Report 2012: Food Prices, Nutrition, and the Millennium Development Goals* (Washington, D.C., World Bank, 2012).

while another nine countries are in the 5-10 per cent range. Ten countries also registered annual growth rates in agriculture of at least 6 per cent in the second half of 2011.

34. These initiatives recognize that the transformation of agriculture continues to be imperative for Africa in terms of economic growth, wealth creation and retention, reducing poverty and ensuring food and nutrition security for all. The increased focus on agriculture has seen growth in agricultural GDP in sub-Saharan Africa increase from an annual average of 3 per cent in the 1990s to 5.3 per cent in 2008. However, this growth was based mainly on the expansion of the area under cultivation rather than increases in productivity. If maintained, such high rates of growth will have a significant impact on poverty. Growth in this sector contributes to job creation. According to the United Nations Conference on Trade and Development (UNCTAD),²⁴ the share of the population working in agriculture is about 75 per cent in East Africa, 57 per cent in Middle Africa, 45 per cent in Western Africa, 28 per cent in North Africa and 10 per cent in Southern Africa. In comparison, the percentage working in agriculture in the world is 24 per cent. It is estimated that growth generated by agriculture is at least twice as fast in reducing poverty as growth in any other sector.

35. A strong agricultural sector, particularly smallholder agriculture, is therefore critical to enhancing food security and improving livelihoods across the region. Smallholder farmers, many of whom are women, play a central role in producing most of the food consumed locally in many African countries. Smallholder farms, with an average size of 1.6 hectares, represent 80 per cent of all farms in the region and contribute up to 90 per cent of the production in some countries. The bulk of investment in agriculture is undertaken by farmers and smallholders themselves, their cooperatives and other rural enterprises, with the rest being provided by a number of private actors as well as Governments.

36. To improve the productivity of smallholder agriculture, these farmers need the full support of Governments, the private sector, non-governmental organizations (NGOs) and international development partners. They need public and private support and access to technologies that can transform agriculture. Key among these technologies is access to the most productive crop varieties, fertilizers and pesticides, more efficient ways to harness water for irrigation purposes and reductions in post-harvest losses. Concerted efforts are also required to identify and develop adaptation and mitigation practices and technologies that can better protect vulnerable rural populations from climate change.

37. These investments, in particular new and appropriate technologies, will lead to higher yields per hectare and per worker. A combination of increased investment in research and development that leads to technical breakthroughs within Africa and effective technological transfers from the continent's development partners should drive these improvements. It is precisely in these areas that the Research Program on Climate Change, Agriculture and Food Security of the Consultative Group on International Agricultural Research is helping farmers in West and East Africa. This initiative, launched in 2011, is pushing for the inclusion of agriculture in climate change policies, since agriculture is responsible for 12-14 per cent of greenhouse gas emissions.

²⁴ "The state of commodity dependence 2012" (UNCTAD/SUC/2011/8), April 2012.

38. Other international mechanisms in support of the Comprehensive Africa Agriculture Development Programme include the Global Agriculture and Food Security Program and the New Alliance for Food Security and Nutrition. The former is a multilateral mechanism that was launched in 2010 after the 2009 summit of the Group of 20 (G20). To date, it has awarded \$430.5 million to Burundi, Ethiopia, the Gambia, Liberia, Malawi, Niger, Rwanda, Senegal, Sierra Leone, Togo and the United Republic of Tanzania for the purpose of improving the income and food security of poor and vulnerable groups. These funds have transformed the lives of 18,000 poor people in Togo, 6,750 farmers and their families in Rwanda, and have improved extension services and access to markets for farmers through 360 farmer field schools and 193 agricultural business centres in Sierra Leone.²⁵

39. Similarly, with the support of the New Alliance for Food Security and Nutrition, a new commitment by Group of Eight (G8) nations, African countries and private sector partners are aiming to lift 50 million people out of poverty over the next 10 years through inclusive and sustained agricultural growth. The initiative leverages previous commitments such as the 2009 G8 L'Aquila Food Security Initiative and the work of Grow Africa, a public-private partnership platform that is led jointly by the African Union, NEPAD and the World Economic Forum.

40. In response to calls to support the implementation of the Comprehensive Africa Agriculture Development Programme and other similar initiatives, the flow of financial resources through the New Alliance from large multinational companies and small local businesses to Africa's agricultural economy has been on the rise. To date, 21 African and 27 multinational private sector firms have pledged to invest more than \$3 billion across Africa's agriculture value chain. This covers areas such as infrastructure development, irrigation, crop protection, trading and financing. These firms include small local businesses like Omega Farms in Ethiopia and large multinational companies like Yara International, which is building a fertilizer production facility and regional fertilizer distribution hubs; Radobank, which has launched a \$135 million lending facility in West Africa that caters to small and medium-size companies linked to the agriculture value chain; and Vodafone, which intends to launch a programme that reduces the cost of doing business with 500,000 smallholder farmers in Kenya, Mozambique and the United Republic of Tanzania and improves agricultural productivity, incomes and resilience among these farmers.²⁶

41. The United Nations system is also serving as a strategic partner to the African Union Commission and the NEPAD Planning and Coordinating Agency for the full implementation of the Comprehensive Africa Agriculture Development Programme. IFAD has financed projects that move farmers towards greater market integration in several countries. These projects have had a positive impact on the level and stability of incomes of participating farmers. FAO, through the "CAADP Implementation Challenge, 2012-2013",²⁷ is strengthening the capacity of countries and regional economic communities to link the Programme's compacts and national agricultural investment plans to policy and budget processes and innovative

²⁵ Global Agriculture and Food Security Program, Annual Report 2012 (Washington, D.C., 2012).

²⁶ See <http://transition.usaid.gov/g8/PrivateSectorFactSheet.pdf>.

²⁷ FAO Regional Conference for Africa, twenty-seventh session, Brazzaville, Congo, 23-27 April 2012, document ARC/12/2.

financing mechanisms such as the Economic Community of West African States (ECOWAS) Regional Fund for Agriculture and Food.

42. Improving the performance of agriculture across Africa also requires an approach that is based on support for broad-based economic growth, including in agriculture, and safety nets for the most vulnerable. Such an approach should consist of greater integration between short-term measures to address the humanitarian needs of vulnerable populations and longer-term policy measures and investment strategies that address the underlying structural factors that contribute to elevated short-term vulnerabilities and to the poor performance of Africa's agricultural sector over the long term.

VII. Social dimensions of the New Partnership for Africa's Development and the post-2015 development agenda

43. The performance of the continent on socioeconomic indicators to date provides a sobering context for reflection on the current and future development priorities of NEPAD. As a result, the African Union Commission, the Economic Commission for Africa and the African Development Bank have been leading efforts to discuss how gains already made in NEPAD social priority areas can be further consolidated and at the same time find ways to spur further achievements in these areas, including of the Millennium Development Goals. The emerging consensus from regional consultations on Africa's priorities for the post-2015 development agenda is that given the relatively slow progress made by African countries towards the Millennium Development Goals, the pervasive capacity deficits in the region and the disabling initial conditions prevailing in a number of countries, the post-2015 development agenda should comprise a prudent mix of development enablers and outcomes.

44. Three broad development outcomes have so far been identified as priorities for the post-2015 development agenda, namely, structural economic transformation and inclusive growth, innovation and technology transfer, and human development. Achieving these outcomes will require enablers such as peace and security, rule of law, infrastructure, good governance, strengthened institutional capacity, a robust mechanism for financing, including domestic resource mobilization, growth-oriented macroeconomic policies and a supportive global governance architecture.

VIII. Overview of current processes related to the New Partnership for Africa's Development

45. In its resolution 2012/8, the Economic and Social Council requested the Secretary-General to include in his report to the Commission for Social Development an overview of current processes related to the New Partnership for Africa's Development, including recommendations on how to improve the effectiveness of the work of United Nations bodies, while preserving the social dimensions of the New Partnership.

46. In responding to this request, it is important to provide a brief outline of the history of the support to Africa provided by the United Nations system, which spans several decades. Africa has been a focus of technical cooperation and development

activities by the United Nations system for a long time. In 1986, the United Nations launched the United Nations Programme of Action for African Economic Recovery and Development, 1986-1990.²⁸ This programme was replaced by the United Nations New Agenda for the Development of Africa in the 1990s.²⁹ With the adoption of the New Partnership for Africa's Development in 2001 by the African Union, NEPAD became the principal strategic framework within which the United Nations system engages Africa.

47. These programmes, focusing on the special needs of Africa, have resulted in numerous processes within the United Nations system that address the continent's social, economic and political developments as well as how to enhance system-wide coherence and effectiveness. Over the years, the support of the United Nations system to Africa has been reviewed a number of times in an attempt to ensure system-wide coherence and effectiveness. These reviews include the "Evaluation of United Nations support for least developed countries, landlocked developing countries, small island developing States and Africa" (E/AC.51/2009/2) and "Towards more coherent United Nations system support to Africa" (JIU/REP/2009/5). In addition, the General Assembly and the Economic and Social Council have also adopted a number of resolutions on NEPAD and support by the United Nations system to the African Union. These include General Assembly resolution 57/2 on the United Nations Declaration on the New Partnership for Africa's Development and resolution 57/7 on the final review and appraisal of the United Nations New Agenda for the Development of Africa in the 1990s and support for the New Partnership for Africa's Development. In resolution 61/229, the Assembly requested the United Nations system to provide assistance to the African Union and the NEPAD secretariat and to African countries in developing projects and programmes within the scope of the priorities of NEPAD. It also requested the Secretary-General to promote greater coherence in the work of the United Nations system in support of NEPAD, on the basis of the nine thematic clusters of the Regional Coordination Mechanism for Africa, which broadly fit the NEPAD priorities.

48. Several commitments relating to meeting the special needs of Africa have also been made and reaffirmed at various United Nations conferences and summits. These include commitments made or reaffirmed in the outcome document of the United Nations Conference on Sustainable Development,³⁰ the Istanbul Declaration and Programme of Action adopted at the Fourth United Nations Conference on the Least Developed Countries (see A/CONF.219/7), the United Nations Millennium Declaration,³¹ the Political Declaration on Africa's development needs of 2008,³² the Monterrey Consensus of the International Conference on Financing for Development (see A/CONF.198/11), the Plan of Implementation of the World Summit on Sustainable Development (see A/CONF.199/20 and Corr.1), the 2005 World Summit Outcome³³ and the Copenhagen Declaration on Social Development of the 1995 World Summit on Social Development (see A/CONF.166/9), among

²⁸ General Assembly resolution S-13/2, annex.

²⁹ General Assembly resolution 48/214.

³⁰ General Assembly resolution 66/288, annex.

³¹ General Assembly resolution 55/2.

³² General Assembly resolution 63/1.

³³ General Assembly resolution 60/1.

others. Combined, these documents provide guidance and a framework for support by the United Nations system to Africa.

49. It is within this context that the Commission for Social Development has a mandate to discuss and consider the social dimensions of NEPAD. In particular, commitment 7 of the Copenhagen Declaration on Social Development states: “We commit ourselves to accelerating the economic, social and human resource development of Africa and the least developed countries.”

IX. Conclusions and recommendations

50. Addressing the social dimensions of the New Partnership for Africa’s Development is smart economics and smart politics. NEPAD enhances prospects for poverty eradication, employment creation and social cohesion. Scaling up investments in agriculture, infrastructure development, education, health and gender equality and strengthening public and private institutions of economic and political governance are also essential for maintaining peace and security and fostering structural transformation. Smart investments in these areas should result in more good jobs for Africa’s men, women and youth, less poverty and hunger, and significant reductions in various inequalities among and within countries.

51. The Commission may therefore wish to consider the following recommendations:

- **African countries should continue to prioritize structural transformation, modernize smallholder agriculture, add value to primary commodities, improve public and private institutions of economic and political governance, and invest in major public infrastructure projects and in education and health. Sustained efforts in these areas promote inclusive growth, generate full and productive employment and decent work for all and reduce poverty.**
- **Greater efforts are required to redesign macroeconomic policies to strengthen their impact on employment creation, poverty eradication and promotion of structural change.**
- **Building the productive capacity of agriculture should continue to be a top priority of African countries given its direct linkage to food and nutrition security, employment creation, rural development and the empowerment of women. While welcoming foreign direct investment in agriculture, African countries should continue to improve the transparency of land acquisitions and the governance of tenure of land, fisheries and forests, and protect the legitimate claims of local farmers to access land, water and other resources.**
- **African countries and their development partners should continue to improve access for all girls and boys, especially the poorest and most vulnerable and marginalized, to attend school and receive a quality education. Improving quality education should go beyond primary school and focus equally on secondary and tertiary education. These efforts should be backed by increasing the proportion of national resources spent on education.**

- African countries should create appropriate policy environments to take advantage of the continent's demographic transition, while adopting a human rights approach to development planning and implementation. In this regard, countries should provide appropriate skills training for the youth, high-quality health and reproductive health services, as well as flexible labour markets to absorb a growing population.
- Rising or high inequality should be addressed within appropriate economic planning and public finance frameworks. Priority should be given to broadening access to education and training, basic services, health care and economic opportunities, including ownership and control over land and other forms of property.
- Efforts must be made to strengthen social protection systems. States should consider establishing nationally defined social protection floors to improve the resilience of all social groups, including poor and marginalized groups. Furthermore, sufficient resources should be allocated to the implementation of social protection policies in order to enhance their impact.
- Sufficient official development assistance should be ensured for African countries, especially those with limited capacities to raise sufficient domestic resources and facing large development needs for achieving the social dimensions of NEPAD and internationally agreed development goals, including the Millennium Development Goals.

52. In order to improve the effectiveness of the work of the United Nations in support of the New Partnership for Africa's Development, the Commission may also wish to consider the following recommendations:

- The relevant United Nations bodies should continue to address the special needs of Africa by conducting intergovernmental consensus-building and to contribute to the implementation of the Copenhagen Declaration on Social Development and Programme of Action of the World Summit on Social Development through their technical assistance to Africa.
- Intergovernmental efforts to improve the coherence and effectiveness of the United Nations system should preserve the examination of the social dimensions of the New Partnership for Africa's Development, in addition to previously agreed commitments related to Africa's development needs that were made at major United Nations summits and conferences. In this context, the United Nations system should support the Economic Commission for Africa and partners in ensuring that the post-2015 development agenda credibly reflects Africa's social development priorities.
- At the regional level, efforts to promote greater system-wide coherence should continue to be on the basis of the agreed clusters of the Regional Coordination Mechanism for Africa.
- Appropriate measures should be taken to strengthen the secretariat of the Regional Coordination Mechanism for Africa and its clusters and develop an institutional linkage for the discussion to be raised at the Chief

Executives Board, to enable the Board to coordinate all parts of the United Nations system in support of the African Union and NEPAD.

- **The United Nations system should continue to provide greater direct support to the NEPAD Planning and Coordinating Agency in order to enhance its institutional capacity.**
 - **The NEPAD Planning and Coordinating Agency should continue to work actively with the United Nations system to promote South-South cooperation; enhance dialogue and awareness on development effectiveness; and share information and exchange knowledge and mutual learning in a more coherent and coordinated manner, as well as to influence policy design and practice in Africa.**
 - **The Regional Coordination Mechanism for Africa should place greater emphasis on monitoring, evaluation and dissemination of the effectiveness of its activities in support of the African Union and NEPAD. To showcase its work to the broader United Nations system, the advocacy and communication cluster of the Mechanism should also play a more proactive role in disseminating those programmes and projects that lie within the scope of NEPAD which the United Nations system is implementing. This requires scaling up resources for communication and information dissemination on activities of the Regional Coordination Mechanism for Africa within the Mechanism secretariat.**
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