Background paper on Sustainable Development Goal 10: Reduced inequality within and among countries

I. Introduction

1. The present background paper was prepared by the Economic Commission for Africa (ECA) with support from the International Organization for Migration, the United Nations Development Programme and the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women).

2. Inequality is now a central feature of the global development discourse, with increased recognition of the importance of reducing inequality. Even if the precise nature and relative importance of the causes of inequality and stagnating incomes are still being debated, a geographically and ideologically diverse consensus has emerged that a new, or at least a significantly improved, model of economic growth is required to tackle various kinds of inequalities.

3. Meeting the challenge of inequality is instrumental for the successful implementation of the 2030 Agenda for Sustainable Development, which is aimed at providing a vision of a shared future with equality and opportunities for all. With its call for a “just, equitable, tolerant, open and socially inclusive world in which the needs of the most vulnerable are met,” the 2030 Agenda could well be an “agenda for equality”.

4. The following 10 targets of Sustainable Development Goal 10 (see the annex) capture multiple drivers of inequality to ensure that no group or individual is left behind:

   - Targets 10.1 – 10.4 address country inequality across social, economic and political dimensions to expand prosperity, inclusion, and social protection;
   - Targets 10.5 – 10.7 reduce inequality among countries, focusing on cross-border flows of finance and people and the distribution of voice in global institutions;
• Targets 10A – 10C focus on the means of implementation and put forward specific steps for attaining greater equality by directing resource flows towards those most in need.

II. Progress towards set targets

5. There have been important gains since 2000 in lifting people out of poverty and reducing inequalities. Notwithstanding, large disparities remain in income and wealth, and in people having access to food, health care, education, land, clean water, and other assets and resources essential for living a full and dignified life.

10.1: By 2030, progressively achieve and sustain income growth of the bottom 40 per cent of the population at a rate higher than the national average.

6. Target 10.1 is specifically aimed at improving incomes at the bottom of the income distribution with a focus on growth for the poorest 40 per cent of the population. While some progress is being made on a country-by-country basis, within-country inequality is still rising in some countries. The share of the bottom 40 per cent of the population in 8 of the 13 countries in Africa with comparable data increased much more slowly than that of the total population between 2008 and 2015 (see the shaded area in table 1). Globally, in 64 per cent of the countries from which data are available, the income of the poorest 40 per cent of the population grew more rapidly than the national average. In Africa, this figure is only 38 per cent.

7. The International Labour Organization estimates that less than 18 per cent of the population in Africa are effectively covered by at least one social protection benefit, while the remaining 82 per cent – approximately 800 million people – are left unprotected. If interventions are not made to change these trends, the next generation could face similar or higher levels of inequality.

Table 1
Growth in mean consumption per capita of the bottom 40 per cent, compared to the total population

<table>
<thead>
<tr>
<th>Country</th>
<th>Period</th>
<th>Annualized growth in mean consumption of income per capita</th>
<th>Mean consumption or income per capita</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Initial year Bottom 40 (percentage) Total population (percentage)</td>
<td>Initial year Bottom 40 (United States dollars a day, PPP) Most recent year Total population (United States dollars a day, PPP)</td>
</tr>
<tr>
<td>Burkina Faso</td>
<td>2009–2014</td>
<td>5.84 2.93</td>
<td>1.04 2.39 1.38 2.76</td>
</tr>
<tr>
<td>Côte d’Ivoire</td>
<td>2008–2015</td>
<td>0.74 -0.22</td>
<td>1.46 3.91 1.53 3.84</td>
</tr>
<tr>
<td>Egypt</td>
<td>2010–2012</td>
<td>2.58 0.78</td>
<td>2.84 5.17 2.99 5.25</td>
</tr>
<tr>
<td>Ethiopia</td>
<td>2010–2015</td>
<td>1.67 4.91</td>
<td>1.48 2.88 1.61 3.66</td>
</tr>
<tr>
<td>Mauritania</td>
<td>2008–2014</td>
<td>3.17 1.44</td>
<td>2.37 5.27 2.86 5.74</td>
</tr>
<tr>
<td>Mozambique</td>
<td>2008–2014</td>
<td>1.52 5.36</td>
<td>0.72 1.96 0.78 2.65</td>
</tr>
<tr>
<td>Namibia</td>
<td>2009–2015</td>
<td>5.73 6.64</td>
<td>1.75 7.79 2.41 11.27</td>
</tr>
<tr>
<td>Niger</td>
<td>2011–2014</td>
<td>-0.06 3.26</td>
<td>1.27 2.35 1.27 2.59</td>
</tr>
<tr>
<td>Rwanda</td>
<td>2010–2013</td>
<td>4.82 2.78</td>
<td>0.90 2.43 1.03 2.63</td>
</tr>
<tr>
<td>South Africa</td>
<td>2010–2014</td>
<td>-1.34 -1.25</td>
<td>2.12 11.80 1.99 11.11</td>
</tr>
<tr>
<td>Togo</td>
<td>2011–2015</td>
<td>2.76 0.82</td>
<td>0.89 2.63 0.99 2.71</td>
</tr>
<tr>
<td>Uganda</td>
<td>2012–2016</td>
<td>-2.15 -0.86</td>
<td>1.39 3.32 1.28 3.19</td>
</tr>
<tr>
<td>Zambia</td>
<td>2010–2015</td>
<td>-0.59 2.93</td>
<td>0.68 2.59 0.66 2.99</td>
</tr>
</tbody>
</table>


Note: PPP, purchasing power parity.
8. The wealth and income of parents is a strong predictor of children’s incomes as adults. In highly unequal societies, upward mobility is limited. Educational intergenerational mobility, both absolute and relative, varies significantly for the current generation. For example, approximately 12 per cent of adults born in the 1980s in some low-income or fragile economies in Africa have more education than their parents, compared with more than 80 per cent of the same generation in parts of East Asia.

9. Recent analysis conducted by the World Bank suggests that countries with higher intergenerational mobility in education are better placed to generate future growth and reduce poverty and inequality. In Africa and South Asia, the prospects of children are still tied to the socioeconomic status of their parents more closely than in any other developing area, which suggests that relative mobility in these two areas will continue to be low in the near future.

10. Increasing wealth and income at the bottom – as well as increasing access to non-income opportunities and achieving greater equality of outcomes – is one way of reducing inequality. This requires knowing who the poor and deprived are, where they live, and the nature of the barriers they face in accessing opportunities and making the most of them.

10.2: By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.

10.3: Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard.

11. Under targets 10.2 and 10.3, it is recognized that deprivation and disadvantage are often rooted in exclusion from labour markets, political participation and leadership, income, health care, personal security, or quality education.

12. Inequalities often stem from divisions along group lines that are socially constructed and sustained because they establish a basis for unequal access to valued outcomes and scarce resources. Discriminatory and incomprehensive or inadequate laws and practices perpetuate these inequalities and limit the potential for minorities and other excluded groups to realize their full potential.

13. Inequalities can also be spatial in nature. Some groups, including, among others, those in rural areas, such as family farmers, women, young people, people with disabilities and indigenous peoples, are clustered at the bottom of distributions. Rural people are disproportionately affected by poverty, with the poverty rate being three times higher than in urban areas, and rural people account for 79 per cent of the total global poor.

14. The most pronounced inequalities occur when rurality intersects with other forms of marginalization, resulting from variables, such as gender, ethnicity and age; as well as disproportionate exposure to food insecurity, violence and climate pressures. These groups are among those that are most likely to be left behind. In 2015, only 43 per cent of the rural population in sub-Saharan Africa had access to safe drinking water services, compared with 82 per cent of the urban population. Similarly, only 37 per cent of the rural population had access to electricity, compared with 88 per cent in North Africa.

15. Understanding that development is not sustainable if people are excluded from opportunities, services, and the chance for a better life, under Sustainable Development Goal 10, the international community is called upon to “reduce inequality within and among countries” by encompassing the universality of the 2030 Agenda in which goals and targets involve the entire world, developed and developing countries alike. Inequality in this respect is
not only about closing gaps, but it is also about doing so in a way that lifts the bottom segment of the population and guarantees the equal realization of the basic rights of individuals.

10.7: Facilitate orderly, safe, regular and responsible migration and mobility of people, including through the implementation of planned and well-managed migration policies.

16. The rules and regulations that shape migration patterns and protect migrants deserve special attention in assessments of inequality. Migration is one of the most effective paths for individuals to have access to higher wage jobs and overcome barriers to socioeconomic mobility. Furthermore, well-managed migration offers substantial positive outcomes for countries of destination as well as countries of origin.

17. Migrants make a positive contribution for inclusive growth and sustainable development. In a study by the McKinsey Global Institute in 2016, it was found that migrants accounted for more than 10 per cent of global gross domestic product (GDP). International migration is a multidimensional reality of major relevance for the development of countries of origin, transit and destination, which requires coherent and comprehensive responses. Migration is not a development “problem” to be solved; it is a mechanism that can contribute to the achievement of many of the Sustainable Development Goals.

18. The inclusion of migration in the Sustainable Development Goals also paves the way towards greater integration of migration and development, and through this, towards greater policy coherence given that migration affects and is affected by all governance areas such as health, education, housing and employment. Accordingly, the connections between migration and the Sustainable Development Goals extend beyond implementing migration policies alone and entail a “whole-of-government” approach, as outlined in the 2030 Agenda and in the recently adopted Global Compact for Safe, Orderly and Regular Migration.

19. Moving to a new country often triples the wages of migrants, enabling them to escape poverty and support relatives at home through remittances. Countries receiving migrants can also benefit by filling labour gaps in skills. There are, however, formidable barriers for people to migrate, which limit their ability to integrate into society and therefore, contribute to society. Insufficient action has been taken to ease the movement and protection of people across borders. The following areas warrant greater consideration: additional and more widespread national and global efforts to reduce recruitment and remittance costs; ensure ethical recruitment; recognize the skills that migrants bring; enhance the portability of social security coverage; and remove restrictions so that displaced people can have access to paid work.

20. Migration is also a concern for within-country inequalities: more than one billion people living in developing countries have moved internally. Africa is rapidly urbanizing – 41 per cent of its population (unweighted) lived in cities in 2015, compared with just 14 per cent in 1950. By 2035, the majority of the population in Africa will live in urban areas, and by 2050, it is forecast that almost 60 per cent of the population will be urbanized.

21. Rural-to-urban migration is likely to account for at least one third of total urban growth, with the rest coming from a natural increase among the population already living in urban areas. Rural out-migration can be a means of income diversification, as well as an adaptation mechanism to slow onset environmental stressors, such as severe water scarcity; however, it is not often an option for the poorest segment of the population, as this group faces the greatest constraints to mobility. Good migration governance is, accordingly, an
essential aspect to ensure the achievement of Sustainable Development Goal 11 on sustainable cities and communities, and achieve the New Urban Agenda.

10.B: Encourage official development assistance and financial flows, including foreign direct investment, to States where the need is greatest, in particular least developed countries, African countries, small island developing States and landlocked developing countries, in accordance with their national plans and programmes.

22. Sustainable Development Goal 10 also tackles inequalities linked to multilateral decision-making and complex global flows of finance, people, technology and other resources. Global connectivity has the potential to increase productivity immensely, create new jobs and better the human condition. However, asymmetries in the number of people that have access to global markets, in the ability to define rules, in the patterns of financial flows and in who has access to social protection, give some groups decisive advantages in reaping the rewards of global integration. Whether inequalities are diminished or expanded by globalization depends on how globalization is managed.

23. Financial flows and global patterns of taxation are instrumental in evaluating options to reduce inequality. The global financial landscape is highly integrated with assets and liabilities stretched across borders. In many cases, this integration has supported investment in infrastructure, economic activity and social welfare in lower-income countries and potentially contribute towards reducing inequalities; in addition, vast sums of international reserves have also been accumulated and could be released for productive purposes.

24. Similarly, the ratio of privately held capital versus publicly held capital has increased significantly with implications for public spending and investment in public goods that could help equalize the amount of people that have access to services and resources. Taxation on cross-border flows and the reduction of illicit financial outflows and tax avoidance and evasion must be considered in discussions on fiscal means of reducing inequality.

10.C: By 2030, reduce to less than 3 per cent the transaction costs of migrant remittances and eliminate remittance corridors with costs higher than 5 per cent.

25. Remittances are one of the developmental effects of migration and their effects are felt most distinctly at the individual or household level and the community or national levels. As African migration is generally on the rise, remittances are likely to increase, which will have a significant impact on poverty reduction. Remittances constitute between 8 and 25 per cent of GDP for some African countries, such as Cabo Verde, the Gambia, Guinea-Bissau, Lesotho and Senegal, where it represents the largest source of foreign currency.

26. Remittance inflows to Africa quadrupled between 1990 and 2010, reaching almost $40 billion in 2010, equivalent to (on average) 2.6 per cent of the continent’s GDP. In Lesotho, remittances contributed to approximately 17.5 per cent of GDP in 2016. Since 2006, remittances have been the largest source of foreign inflows in Africa, after foreign direct investment.

27. The global average cost of sending remittances has declined in recent years, although rates are still more than double the targets set in the Sustainable Development Goal. In a recent survey, however, the cost of sending remittances to countries in sub-Saharan Africa averaged approximately 10 per cent of a $200 transaction, compared with less than 8 per cent for most other developing regions. The cost of cross-border remittances within Africa, if permitted, tends to be even higher.
28. Fees in informal networks tend to be lower than in banks or money transfer operators, although not necessarily lower than postal orders (though post offices can be slower and less reliable than other transfer modalities). In addition, new modalities, such as mobile money, are driving down fees and waiting times.

29. Remittance flows are likely to be significantly underestimated. Only about 50 per cent of the countries in Africa regularly collect remittance data, and some major receivers of remittances report no data at all. Few African countries report monthly or quarterly data on remittances. There is an urgent need to improve the inadequate collection of data on remittances to inform the design of suitable policies.

III. Gaps and emerging issues, challenges and opportunities

30. The indicators of Sustainable Development Goal 10 are closely linked with those of Goal 1 and accordingly, they need to be considered together. More than 50 per cent of the world’s extreme poor are in Africa. By 2030, the share of the extreme poor living in Africa could be much higher, as the number of extreme poor in India is declining. The prevalence of extreme poverty is now becoming an African problem. Estimates indicate that even if every country in other regions in the world had zero extreme poverty by 2030, the average rate in Africa would have to decrease from the 2015 rate of 41 per cent to about 17 per cent for the global average to be 3 per cent. That would require an unprecedented annual growth rate for the region.

31. Despite relatively high growth in recent years, overall, consumption inequality in Africa appears to have remained broadly unchanged. Rapid growth in the region has boosted per capita income, and poverty rates have fallen, though slowly. Wide income and consumption disparity throughout the population remains, and has even increased in many countries, making it the second most unequal region in the world after Latin America and the Caribbean, although there is considerable variation among countries. Some African countries, such as Lesotho, the Niger and Sierra Leone, have reported declines in income inequality; however, over the period 1995–2011, inequality increased in 25 per cent of the countries in Africa for which comparable data are available.

32. There are also large disparities in the amount of people that have access to food, health care, education, land, clean water and other assets and resources that are essential for living a full and dignified life. Africa is estimated to lose 33 per cent of its Human Development Index score when adjustments are made for inequality.

33. In general, the past growth pattern in Africa was far from inclusive. Consumption inequality rose on par with GDP growth in almost 50 per cent of the countries in the past 20 years, while in some countries where it fell, the initial inequality was high. Accordingly, the “pattern of growth” (that is, its composition and quality) and the “rate/quantum of growth” matter. When growth occurs in sectors characterized by high asset concentration and high capital- and skilled-labour intensity – such as mining, finance-insurance-real estate and the public sector – overall inequality rises. In contrast, inequality falls or remains stable if growth takes place in labour-intensive sectors, such as manufacturing, construction and agriculture.

34. This may explain the slow rate of poverty reduction on the continent during the period 1995–2011, given that the responsiveness of poverty reduction to growth depends largely on the level of income inequality in
countries. Higher levels of inequality typically imply a weaker economic growth impact on poverty reduction. This is because as the distribution of income becomes more unequal, the share of additional income that reaches the poor declines, which, in turn, results in a lower poverty-reducing effect of growth. More fundamentally, a highly unequal income distribution often reflects a polarized economy in which economic growth has a narrow base with weak connections to the rest of the economy.

35. There is growing evidence that income inequality hampers growth. Lower net income inequality has been robustly associated with more rapid growth and longer growth spells for a large number of advanced and developing countries. Similarly, increases in the income share of the poorest 10 per cent have been associated with higher growth.

36. Stronger economic growth and renewed efforts to resolve violent conflicts are essential in order to accelerate the rate of poverty reduction in Africa and elsewhere, but business as usual will not be enough. More needs to be done to ensure that growth is inclusive, with a stronger focus on raising the productive capacity of the poor.

Horizontal and spatial inequalities

37. The discussion on inequality is focused on monetary inequality because most of the available evidence is on household income or consumption, but inequality is multidimensional. Inequalities among social groups, often referred to as “horizontal inequalities”, systematically disadvantage specific groups of people on the basis of gender, race or birthplace. These group-based inequalities, established on ascribed characteristics beyond an individual’s control and contrary to principles of human rights, exert a pernicious effect on societal outcomes, affecting the opportunities of different groups and the outcomes they are able to realize, often creating conditions for social unrest and even conflict. Inequalities are also spatial, manifested by rural–urban or regional disparities in the number of people that have access to social and economic services. When horizontal inequalities intersect with spatial inequalities, the potential for social unrest is heightened.

Gender inequality

38. Gender equality is at the heart of reducing economic, social and political inequalities. Differential access to opportunities is a major source of gender inequality. Despite considerable progress towards achieving gender parity in terms of having access to education, significant gender gaps remain. Education inequality affects the average quality of human capital and reduces growth. Female education contributes to improvements in the health of children, reductions in fertility rates, increases in labour force participation rates, and better quality of human capital of future generations. Restrictions on women’s rights to inheritance and property, as well as cultural impediments to carrying out economic activities are strongly associated with larger gender gaps in labour force participation. Overall, gender gaps in economic participation result in large GDP losses in all countries because of the less efficient allocation of resources resulting from a restricted talent pool.

39. Despite significant progress in fostering inclusion, many groups including indigenous peoples, women, persons with disabilities and young people, continue to be marginalized and mostly excluded from major decision-making processes. Women and girls along with other vulnerable groups in society must make their needs more visible, have better access to basic public services, and participate in political decision-making processes. Some countries, such as Uganda, are making concerted efforts in this regard, including through measures to increase the number of women in political office and ensuring that the needs of girls and women are mainstreamed into
policymaking processes. Rwanda has the highest proportion of female parliamentarians.

Challenge of monitoring progress

40. The reduction of inequality in opportunities and outcomes features throughout the 2030 Agenda. Approximately 60 Sustainable Development Goal targets, apart from those in Goal 10, are directly linked to reducing inequality, with a recurring theme of equal or universal access for all to resources, services and opportunities. The strong interlinkage of the different indicators presents an opportunity and a challenge for monitoring progress.

41. A key challenge in achieving Goal 10 is that it contains a number of important but disparate indicators, including, among them, income and consumption levels of the bottom 40 per cent, global financial architecture, voice for developing countries in international forums, migration, international trade agreements, global financial flows and remittances. Responsibility for monitoring these indicators varies among ministries and no single government agency is mandated to monitor progress in the meeting of the indicators, unlike for example, the ministry of health for Goal 3 and the ministry of education for Goal 4. Strong coordination is therefore required throughout ministries and government agencies for scaling up the implementation and monitoring of progress in achieving Goal 10.

IV. Mobilizing the means of implementation including the role and status of data

42. The production of social and economic statistics in Africa has improved over the past 20 years. More household surveys have been conducted; more countries have participated in decennial census rounds; and more countries are updating their GDP base years. Data on non-monetary aspects of poverty are also available, and there are more gender-disaggregated data on health, violence, and empowerment-related issues. These data help countries to examine trends in poverty and inequality over time, and contribute towards improving understanding of the complexities and interlinkages among the different variables.

43. Data, however, are not always available in forms that allow countries to have easy access to it in order to contribute fully to economic activities and employment generation. The new development agendas envisage an environment in which Governments, civil society organizations, development partners and, most importantly, citizens all participate in implementing services to improve people’s lives. This requires that all stakeholders have access to data drawn from different sources.

44. The open data principle is one of the most effective approaches for making data available to diverse communities of users. The benefits of open data have been documented and include fostering economic growth and job creation; building a transparent society that enhances accountability; cross-departmental data sharing; participation of all people in implementing services; and innovative services and concomitant opportunities for business and economic development.

45. National open data initiatives are adopting the “data ecosystem” approach, with official statistics constituting an important, if not indispensable, component. The open data movement is still evolving in Africa. Most of the related initiatives are being led by international organizations. The national statistical offices have not been actively involved in the process, and when they are, their involvement has been very selective. The consequence of their non-involvement is that despite the notable progress accomplished by African
countries in the production and dissemination of statistics over the past decade, data are still not readily available.

46. A major obstacle to furthering the understanding of the dimensions of international migration in Africa is the lack of adequate data. Data availability remains extremely patchy and the data are generally focused on migration to Europe from a limited number of better-researched African countries, such as Ghana, Morocco, Senegal and South Africa. This reflects the more general Eurocentric (destination-country) focus of migration research.

47. A key challenge in tracking progress in achieving Sustainable Development Goal 10 indicators is that indicators attached to five of the targets in Goal 10 fall under Tier III status, meaning that regular reporting against these indicators is not yet fully developed and tracking of progress at global, regional and national levels is limited. This includes indicators for monitoring discrimination and disaggregated income deprivations, which are important for informing policies that support inclusion.

V. Key policy recommendations to scale up implementation

48. Need for inclusive growth. For African countries to reach the 3 per cent goal of extreme poverty, growth rates must increase and consumption levels among the bottom 40 per cent of the population must also rise.

49. As mentioned earlier, in 8 of the 13 countries in Africa, the average consumption levels of the bottom 40 per cent of the population are growing at a slower rate than that of the rest of the population in their respective countries. This is a worrying trend given that these countries are the least likely to reach the 2030 target. Accordingly, greater emphasis should be on countries with higher poverty gap rates. Resolving possible policy gaps on mobility, ensuring a whole-of-government approach for the high-intensity sectors mentioned previously, ensuring the possibility of labour mobility, skills transferability, and providing assessments of supply and demand of labour and skills can also positively contribute towards efforts to decrease inequality and vulnerability.

50. Implementing the 2030 Agenda calls for a systematic analysis of exclusion in all its forms and specific interventions to remove social, economic and political barriers to opportunities, especially to basic rights. Provision of basic services and guarantees of minimum social protection can help in this regard, but it does not automatically ensure access or use. Accordingly, better understanding of barriers is needed to ensure equality of opportunities and outcomes. Broad normative and legal changes are needed to close gaps, including in fiscal policy, labour market policies (and wage-setting policies, among others), and anti-discrimination legislation.

51. Furthermore, the bottom 40 per cent living on less than $1.90 a day disproportionately reside in rural areas, making them vulnerable to disruptions caused by climate change. Uganda, for example, has suffered significant setbacks in poverty reduction and shared prosperity in a large part because of droughts and pests that have affected harvests starting in 2016. The poverty rate for Uganda rose from 35.9 per cent in 2012 to 41.6 per cent in 2016. Real consumption for the bottom 40 per cent of its population has declined by 2.2 per cent annually.

52. Growing inequalities are in part attributable to the lack of attention placed onto economic and social inequalities policy interventions. Inequalities do not self-correct, instead they perpetuate over generations. Efforts aimed at addressing extreme poverty, promoting socioeconomic development and safeguarding the interests of future generations have to squarely tackle
inequalities. Education, having access to basic infrastructure, health care and security are all critical for improving well-being.

53. **Better data.** A crucial concern is that data needed to assess shared prosperity are the least available in the countries where the greatest improvements need to be made. Only one in four countries in Africa have data that makes it possible to monitor target 10.1 of shared prosperity. As lack of reliable data is associated with slow growth in consumption for the poorest segment of the population, the situation could even be worse than what is presently observed.

54. While efforts continue to strengthen the capacity of African countries to collect more data and improve the quality of them, current data should be made available through open data services for them to have an immediate impact on the economy.

55. There is a need to ensure that the countries collect and disseminate data on migration on a regular and timely basis. Paucity of data and their often poor quality needs to be dealt with as a priority for African countries to monitor the implementation of the Global Compact for Migration and evaluate their positions and policies in the regional and global context of international migration for development.

### VI. Key messages

56. Midway into the implementation of the first 10-year implementation plan (2014–2023) of Agenda 2063 and four years into the 2030 Agenda, more effort is needed to promote inclusive and sustainable economic growth and ensure the expansion of full and productive employment opportunities, especially for women and young people, to reduce inequalities.

57. The following key messages emerge:

- Africa needs strong and sustained economic growth, but the level and quality of economic growth is essential for greater inclusion and significant improvement in the living standards of the bottom 40 per cent of the population at a rapid scale. This requires substantial investment in education, apprenticeships, training, health care, food and nutrition security, and social protection to improve human capabilities and is especially urgent in the case of young people and women, many of whom work in the informal sector doing low-skilled jobs;

- Growth that overlooks or worsens gender inequality cannot be inclusive or sustainable. Appropriate measures and stronger action must be taken to reflect issues relating to gender and women, including those relevant to girls and young women, in the national integrated plans, budgets and legislation to implement the 2030 Agenda and Agenda 2063;

- Migration governance should be considered as an integral part of all development efforts by applying a whole-of-government approach. The recent adoption of the Global Compact for Safe, Orderly and Regular Migration is a significant step to leverage the potential of migration for the achievement of the Sustainable Development Goals. To realize this potential, actions are urgently required to set in motion and strengthen arrangements at all levels to implement the Compact. Facilitating, instead of restricting, migration should be a priority, along with expanding the possibilities for people to realize their human development.
aspirations and potential through mobility. If effectively implemented, the Sustainable Development Goals can help to improve migration governance and cooperation at local, national, regional and global levels. International migrants have a right to return to their country of citizenship, and countries must ensure that their returning nationals are duly received;

- The role of the African diaspora in terms of investment, skills, innovation, philanthropy and social remittances is a major contribution to the development of a number of African countries. Governments and financial institutions should reduce transaction costs, improve their basic reporting and tracking of official remittance receipts and loosen foreign exchange controls to allow migrant workers to open foreign currency accounts;

- Monitoring the comprehensive attainment of Goal 10 in Africa is limited by data availability. Special efforts need to be made to strengthen regular reporting and tracking of progress of the Tier III indicators for informing inclusive policies;

- Greater coordination is required across government ministries and agencies for implementing the indicators of Goal 10.
Annex

Sustainable Development Goal 10 targets

1. By 2030, progressively achieve and sustain income growth of the bottom 40 per cent of the population at a rate higher than the national average.

2. By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.

3. Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard.

4. Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality.

5. Improve the regulation and monitoring of global financial markets and institutions and strengthen the implementation of such regulations.

6. Ensure enhanced representation and voice for developing countries in decision-making in global international economic and financial institutions in order to deliver more effective, credible, accountable and legitimate institutions.

7. Facilitate orderly, safe, regular and responsible migration and mobility of people, including through the implementation of planned and well-managed migration policies.

A. Implement the principle of special and differential treatment for developing countries, in particular least developed countries, in accordance with World Trade Organization agreements.

B. Encourage official development assistance and financial flows, including foreign direct investment, to States where the need is greatest, in particular least developed countries, African countries, small island developing States and landlocked developing countries, in accordance with their national plans and programmes.

C. By 2030, reduce to less than 3 per cent the transaction costs of migrant remittances and eliminate remittance corridors with costs higher than 5 per cent.