

Medium-Term Business Plan 2024–2026



VISUAL SUMMARY



FOREWORD

The Sustainable Development Goals (SDG) Summit in New York on 18–19 September 2023 launched a new phase for accelerating progress towards achieving the SDGs by 2030. At midpoint of SDG implementation, the world is far off track for meeting the 2030 Agenda for Sustainable Development.

Africa is facing even stronger headwinds. Overlapping and recurring crises are perpetuating poverty and inequality, which were already high before the COVID-19 pandemic. The greater frequency and intensity of climate change–related disasters, political instability and insecurity are further deepening the enduring impacts of the pandemic and the war in Ukraine. Climate change also poses formidable threats to Africa’s prospects for achieving the SDGs and the African Union’s Agenda 2063: The Africa We Want. With elevated levels of debt vulnerability and rising debt distress, many African governments are being forced to choose between debt payments and investing in healthcare and education. And they are facing daunting challenges to finance and invest in initiatives that can transform the continent to achieve sustainable development.

Africa also has enormous opportunities, resources and assets that can be leveraged to bring countries back on track for achieving the 2030 Agenda and Agenda 2063 and to pull humanity back within planetary boundaries. Consider Africa’s wealth in critical/green minerals. The continent is well endowed with minerals that are critical to the production of batteries, solar panels and other green transition products. For example, the Democratic Republic of Congo (DRC) produces 70% of the world’s cobalt. Together, the DRC and Zambia supply 10% of global copper. Mozambique holds substantial reserves of graphite and Madagascar of nickel, two other important green minerals. These endowments create opportunities for resource-based industrialization and economic diversification and hold the potential for African countries to become global solution powerhouses for decarbonizing global production systems, reaching net-zero targets and promoting inclusive, sustainable development.

The African Continental Free Trade Area (AfCFTA) is also a game changer. It can increase the value of intra-Africa trade by an estimated 33.5% (\$196.4 billion) by 2045 and can place the African market of US\$ 3.4 trillion and 1.4 billion people on the global map. Full implementation of the AfCFTA could boost real income in Africa by 7% by 2035, or nearly US\$ 450 billion, lifting 30 million people out of extreme poverty.

Much can also be achieved by accelerating digital transformation. With new technologies and digital tools, digital transformation can narrow the gaps for meeting the 2030 Agenda and Agenda 2063 targets by accelerating structural transformation, fostering a just energy transition and driving efficient, effective and accountable governance.

These are just few examples. The possibilities and opportunities are far more numerous.

The Political Declaration at the SDG Summit 2023 called on all countries to take bold, accelerated and transformative actions towards a more inclusive, just, peaceful, resilient and sustainable world for people and the planet, for present and future generations. The United Nations Economic Commission for Africa (ECA) is responding to this call.

This Medium-Term Business Plan for 2024–2026 describes our strategic orientation and explains how we plan to respond to this call over the next three years. Our work aims to support the emergence of Africa as a global solutions powerhouse for energy transitions, climate action and investment for sustainable development and shared prosperity for all. ECA will deliver strategic policy options and initiatives to promote Africa’s transformation and rescue the SDGs by creating a school of thought and practice around four strategic focus areas: macroeconomic and social policy and development financing for sustainable transitions; sustainable industrialization and economic diversification through regional integration; infrastructure with a particular focus on technology, connectivity and energy; and climate resilience, green transition and food security. We will engage in these efforts in ways that strengthens Africa’s agency and leadership for transformation.

But we cannot do this on our own. Indeed, we cannot achieve the 2030 Agenda or Agenda 2063 without strong and effective multistakeholder partnerships. We are looking forward to renewing and strengthening collaboration with our partners and to marshalling our resources, knowledge and ideas in the most effective and efficient manner to maximize the impact of our work and foster transformational change on the continent.

Claver Gatete
Executive Secretary
Economic Commission for Africa



INTRODUCTION

ECA's mission is to deliver ideas and actions for an empowered, prosperous and transformed Africa, informed by the 2030 Agenda and Agenda 2063. ECA's dual role as a regional arm of the United Nations and a key component of the institutional landscape in Africa positions it to effectively address the continent's development challenges, support Africa's agency and advance achievement of the 2030 Agenda and Agenda 2063 targets. ECA provides a strategic link between global guidance and policy and country-level action and provides multistakeholder and intergovernmental platforms for substantive and multidisciplinary debates on the SDGs and their implementation. ECA also offers unique integrated platforms that provide visibility to cross-border and transboundary issues, mobilizing other region-based entities such as the African Union and its regional economic communities for accelerated action to achieve the 2030 Agenda and Agenda 2063 targets.

Noting that the coming post-pandemic decades will require transformative change across the continent to achieve the goals of the 2030 Agenda and Agenda 2063, ECA developed its Medium-Term Programme Framework (MTPF) for 2022–2025, which was adopted by the Conference of African Ministers of Finance, Planning and Economic Development in 2022. The framework describes how Africa can build forward better, drawing on the continent's resources, strengths and potential to drive sustainable development in the post-pandemic period. It promotes the concept of five transformations as below:

1. An Africa that invests in human potential.
2. An integrated Africa.
3. An innovative and connected Africa.
4. An Africa of sustainable, productive industries and economies.
5. An Africa of stable and effective institutions.

Two years after the adoption of the MTPF, Africa continues to face persistent, if not increasing, hurdles that have undermined/continue to undermine its efforts to achieve sustainable development. While the challenges are daunting, the possibilities and opportunities are far more enormous. ECA formulated its Medium-Term Business Plan (2024–2026) as an operational roadmap to strengthen its support to member States and African institutions and its contributions to the five transformations as outlined in the Medium-Term Programme Framework.



Strategic Context: Towards delivering results at greater scale together with partners.

The challenge of overcoming poverty and inequality in Africa is greatly compounded by ecosystem degradation, climate change and economic disruption. These increasingly interlinked crises threaten development gains and prospects for continued progress. The inter-related and inter-dependent actions required to realize Africa's transformations demand ECA's close attention to strategic and evidence-based policy actions and joint deliveries within and outside ECA. This includes working much more systematically within the UN system and working closely with partners at global continental, regional and national levels.

In the next 3 years, ECA aims to build and deliver a school of thought and practice on sustainability transitions around four strategic focus areas. In these focus areas, ECA will deploy its technical exercise, analytical capability, tools, policy research and recommendations backed by data, evidence and knowledge in an integrated, systematic, and coherent manner and strengthen partnerships to reach the last mile achieve the 2030 Agenda and SDGs as well as Agenda 2063.

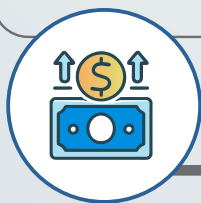


STRATEGIC FOCUS AREA 1: MACROECONOMIC AND SOCIAL POLICY AND DEVELOPMENT FINANCE FOR SUSTAINABLE TRANSITIONS

The ecosystem degradation, climate disasters, rapid and unplanned urbanization, and economic disruption are disproportionately harming poor and vulnerable groups, especially youth and women, and threatening livelihoods and economies. Adverse climate conditions and high inflation have pushed food prices higher, squeezing already greatly constrained budgets. Many African countries are facing multiple challenges of declining revenue, rising debt stress, and increasingly constrained fiscal space, thus elevating debt vulnerabilities.

ECA's support to its member States and other stakeholders will centre on the following actions:

ECA will support capacity of African countries on **Domestic Resource Mobilization** by mainstreaming **natural capital accounting** into national accounts, undertaking normative and analytical work on **effective and efficient taxation and financial flows**, integrating **remittances and potential diaspora investments** into national strategies).



ECA will support countries in the development of **domestic capital markets** (debt and equity) by strengthening the capacity of regulators and domestic institutional investors and the capacity of countries to access sovereign credit and manage financial risks.



ECA will **leverage use of digital technologies** to support countries in improving transparency and accountability of public finance as well as access to financial services, especially women and youth.



ECA will promote **effective use of public finance** by designing and monitoring **coherent planning frameworks**, enhancing **economic and corporate governance**, strengthening the case for **increased public spending on health, education and social protection** for long-term poverty reduction and for increasing the resilience of vulnerable populations to shocks.

ECA will **support Africa's engagement on Financing for Development** by promoting Africa's common position on **global financial architecture reform, international tax cooperation**, and supporting the Sustainable Debt Coalition Initiative.



STRONGER CAPACITY OF COUNTRIES FOR INCLUSIVE AND RESILIENT STRUCTURAL TRANSFORMATION AND SUSTAINABLE DEVELOPMENT THAT LEAVES NO ONE BEHIND

EFFECTIVE DOMESTIC RESOURCE MOBILIZATION IS ESSENTIAL TO OBTAIN THE FINANCING REQUIRED TO EFFECTIVELY DRIVE THE CONTINENT'S ECONOMIC GROWTH AND DEVELOPMENT IN AN INCLUSIVE AND SUSTAINABLE MANNER.



Strengthening Effective and efficient taxation and tax administration



Supporting Effective public expenditure and addressing debt-sustainability



Stemming Illicit Financial Flows, including addressing tax evasion



Supporting Development of domestic capital markets

STRATEGIC FOCUS AREA 2: SUSTAINABLE INDUSTRIALIZATION AND ECONOMIC DIVERSIFICATION THROUGH REGIONAL INTEGRATION

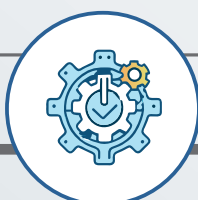
The profound interlocking crises in Africa have revealed the deep vulnerability of undiversified economies on the continent to global shocks. A large majority of African economies are commodity dependent. Africa's external exports continue to be heavily concentrated in raw materials. Intra-African exports, however, are much more balanced and concentrated in goods that have a higher position in critical value chains, while intra-Africa exports currently represent only a small share of Africa's overall trade. The AfCFTA is one of the most powerful instruments for boosting intra-Africa trade and encouraging sustainable industrial development through export diversification and promotion and development of regional value chains.

ECA aims to solidify its work in close collaboration with the AUC, the AfCFTA Secretariat and regional economic communities to support member States in the following areas:

ECA will **collaborate with its member States to domesticate the AfCFTA** by supporting regulatory overhaul at the national level, contributing to the formulation and implementation of National AfCFTA Strategies, and scaling up the coverage of the AfCFTA Country Business Index. This support includes policy advisory and analytical support on appropriate policies and strategies on economic diversification and sustainable industrialization.



ECA will **promote development of regional value chains and special economic zones** by undertaking feasibility studies, developing regional value chains projects, and facilitating investment.



ECA will **support de-risking investment through evidence-based analysis**, including product space, market access, growth diagnostics, skills gaps, GIS-enabled hotspot analytics.



**SPURRING
SUSTAINABLE
INDUSTRIALIZATION
AND ECONOMIC
DIVERSIFICATION**

ECA'S WORK ON THIS AREA IS GROUNDED IN CONCERTED AND PURPOSEFUL EFFORTS TO DE-RISK SUSTAINABLE INVESTMENT AT NATIONAL, TRANSBOUNDARY, REGIONAL AND PROJECT LEVEL.



DE-RISKING AT NATIONAL LEVEL
by facilitating the implementation of national AfCFTA strategies



DE-RISKING TRANSBOUNDARY TRANSPORT INVESTMENT
in infrastructure and services in the AfCFTA context



DE-RISKING ENERGY INVESTMENT
focused on energy-trade connections, value chains, local manufacturing of energy technologies



DE-RISKING RCVS AND SEZS
in priority sectors, inc. agri-business, electronic battery and vehicles



DE-RISKING AT SOVEREIGN, SUB-SOVEREIGN, INSTITUTIONAL, PROJECT LEVELS
through enhanced risk management

STRATEGIC FOCUS AREA 3: INFRASTRUCTURE, TECHNOLOGY, CONNECTIVITY AND ENERGY

Adequate infrastructure of appropriate quality is a prerequisite for boosting intra-Africa trade and promoting sustainable industrialization and economic diversification to achieve the SDGs. Yet, Africa remains the least electrified region. While the AfCFTA has rekindled hopes of significantly increasing intra-African trade, this is unlikely to be achieved if Africa's cross-border transport infrastructure and services remain sub-optimal.

Technology and digital tools can help advancing achievements of the goals of the 2030 Agenda and 2063 Agenda. But only 37% of people in Africa have access to the internet, and this makes it difficult to leapfrog obstacles to sustainable development. Urgent actions are needed to close the digital divide.

ECA provides analytical support to inform necessary policy and regulatory reforms and to de-risk private investment to promote investment in infrastructure development:

ECA will continue supporting member States making progress towards the **Single African Air Transport Market** and further leverage digital technology to improve the performance of **regional transport corridors and road safety**.



In support of the **SDG 7 Initiative**, ECA will scale up its support to member States in the formulation of a national regulatory reform strategy and recommendations to enhance private sector investment in Africa's electricity markets.



ECA will support countries in **adopting energy transition policies** that are just and technically and economically viable through evidence-based policy analysis and development of regulations and financing options for energy transition technologies.



ECA will work with its member States towards the development of a **single digital African market**.

ADEQUATE AND QUALITY TRANSPORT, DIGITAL, AND ENERGY INFRASTRUCTURE & CONNECTIVITY AND STRONGER INNOVATION ECO-SYSTEM TO BOOST INTRA-AFRICAN TRADE AND ACCELERATE SUSTAINABLE INDUSTRIALIZATION AND ECONOMIC DIVERSIFICATION

ADDRESSING DIGITAL, INNOVATION AND DATA DIVIDE AND PROMOTING UPTAKE OF DIGITAL TECHNOLOGIES FOR ADVANCING THE ACHIEVEMENT OF THE GOALS OF THE 2030 AGENDA AND AFRICA'S 2063 AGENDA.



Development of national Digital Transformation Strategy and strategies for national digital ID systems



Stronger digital skills and research and innovation capacity, especially of youth, women and girls



Development of digital platforms which enable harnessing of digital technologies to promote growth and facilitate intra-African trade



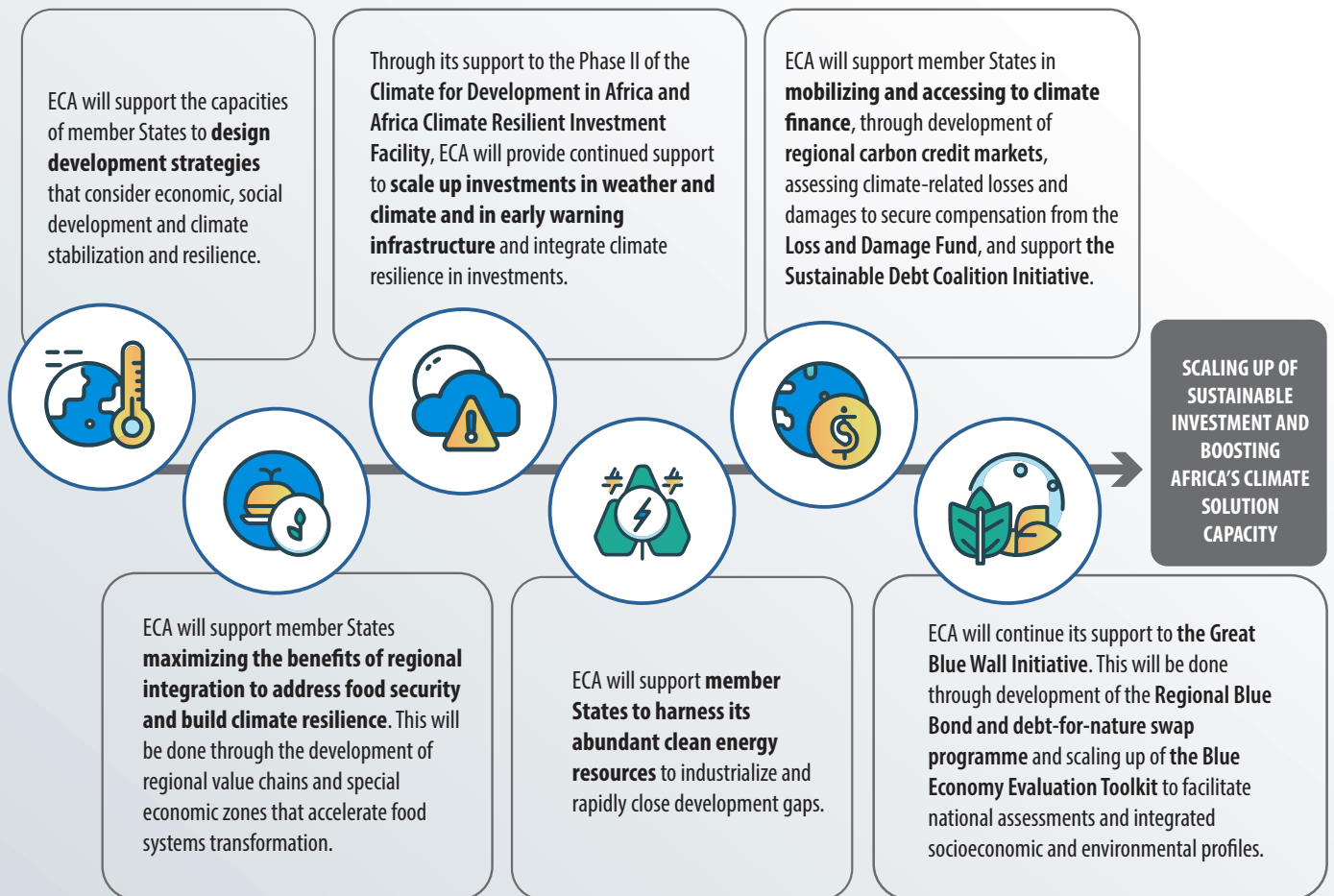
Cybersecurity and Data Governance

STRATEGIC FOCUS AREA 4: CLIMATE RESILIENCE, GREEN TRANSITION AND FOOD SECURITY

Africa is under severe threat from climate change. The adverse impact of climate change in sectors, such as agriculture, energy, water, transport and ecosystems, are estimated to already cost African countries on average 5% of GDP per year. Climate-induced catastrophic events have also created severe humanitarian crises in Africa. Africa devotes 2-9% of its budget to managing extreme weather events, placing a heavy burden on public finances, and depriving the continent of the resources needed to finance its development.

Africa's abundant natural assets and resources are vital opportunities for resource-based industrialization and economic diversification and to accelerate the continent's structural transformation and sustainable development.

ECA's work will centre on the following initiatives in the next three years:



THE CLIMATE FOR DEVELOPMENT IN AFRICA IS A JOINT PROGRAMME OF AUC-ECA-AFDB AIMED AT FOSTERING A COMMON AND COORDINATED RESPONSE TO CLIMATE CHANGE IN AFRICA.



Better adaptation and integration of climate resilience in key sectors



Strengthened climate governance and support to the African Group of Negotiators



Enhanced access to climate finance



Scaled up investment in the production, uptake and use of climate information services



Assessing loss and damage and the socioeconomic impacts of climate change

STRATEGIC ENABLERS

Many countries in Africa face data challenges, such as outdated data, lack of capacity to generate relevant data and insecure data storage systems.

Africa's transformation and achievement of the goals of the 2030 Agenda and 2063 Agenda are not possible without vibrant communities of policy makers, professionals and researchers.

Modernisation of national statistics system for more effective delivery of the statistical and geospatial data and information services

Production of integrated macroeconomic statistics and demographic data

Production of statistics to measure trade between countries and the underpinning economic production systems (i.e. regional value chains and its position in global value chains, trade in value added)

Use of satellite imagery and geospatial technology tools to generate natural capital accounts, and systematic production of climate change indicators

DATA AND STATISTICAL SYSTEMS FOR DATA-DRIVEN POLICY
ECA will support Africa's national statistical organizations and mapping agencies to generate timely, accurate, relevant and reliable data to inform policy and system changes, and make more effective use of data for policy planning.

STRATEGIC ENABLERS
Accelerating achievement of the scale of results needed across strategic focus areas.

CAPACITY DEVELOPMENT AND AGENTS OF CHANGE
ECA provides cutting-edge training for policy makers and practitioners and engages bright young Africans for skills and capacity development to build a pipeline of skilled professionals to take social, economic and sustainable development agenda forward. A specific focus will be made on strategic foresight and data analytics capacities in line with the need for a 'quintet of change' needed to realize Africa's transformation.

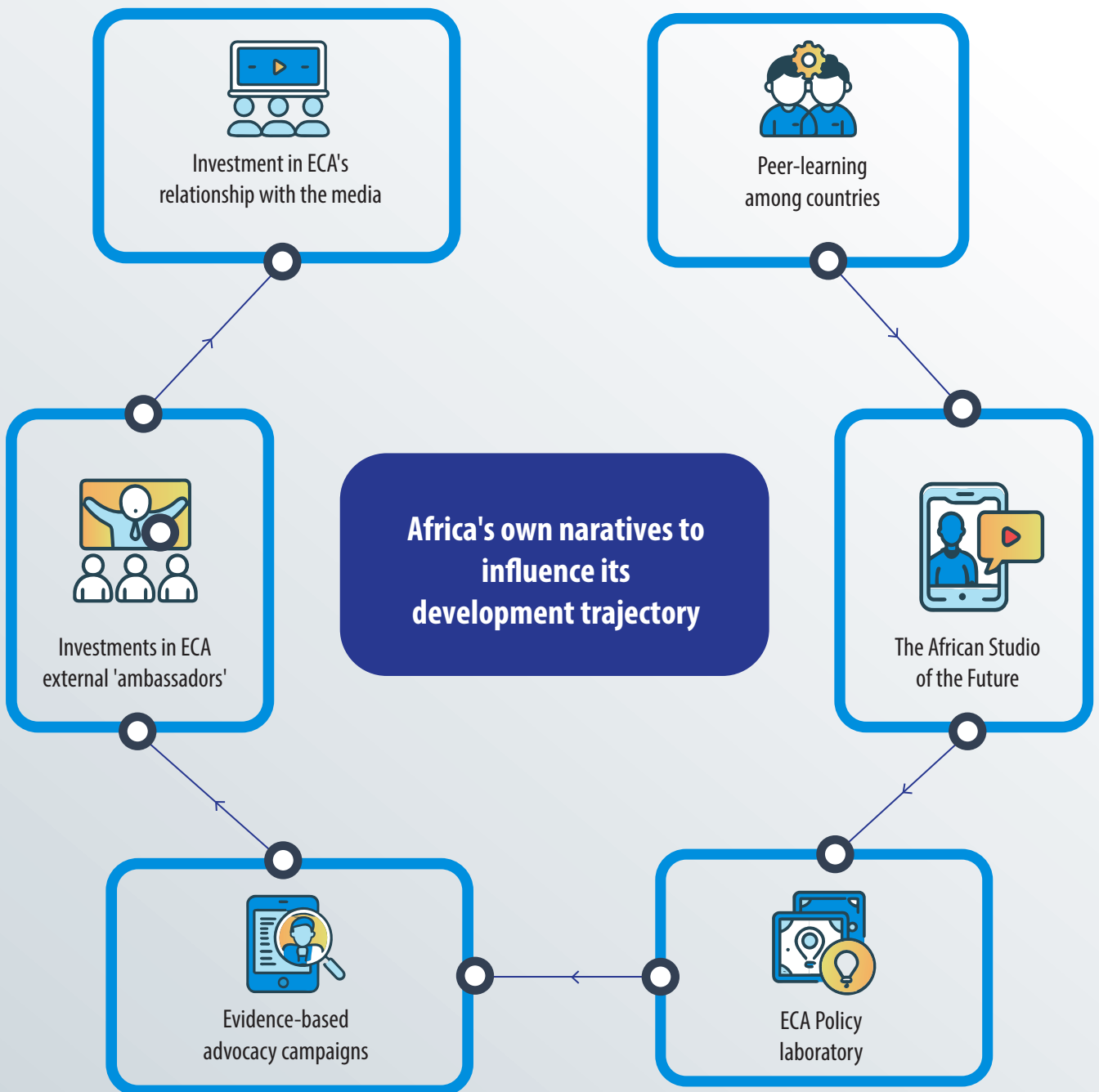
Young researchers
Through ECA's Fellowship Programme

Policy makers and practitioners
Through the African Institute for Economic development and Planning

APPLYING A CAMPAIGN APPROACH TO COMMUNICATION FOR STRONGER ADVOCACY

ECA will build on evidence, ideas and solutions generated across the strategic focus areas and leverage partners' diverse capabilities, networks, and resources to support Africa's own narratives and its stronger influence on global agendas.

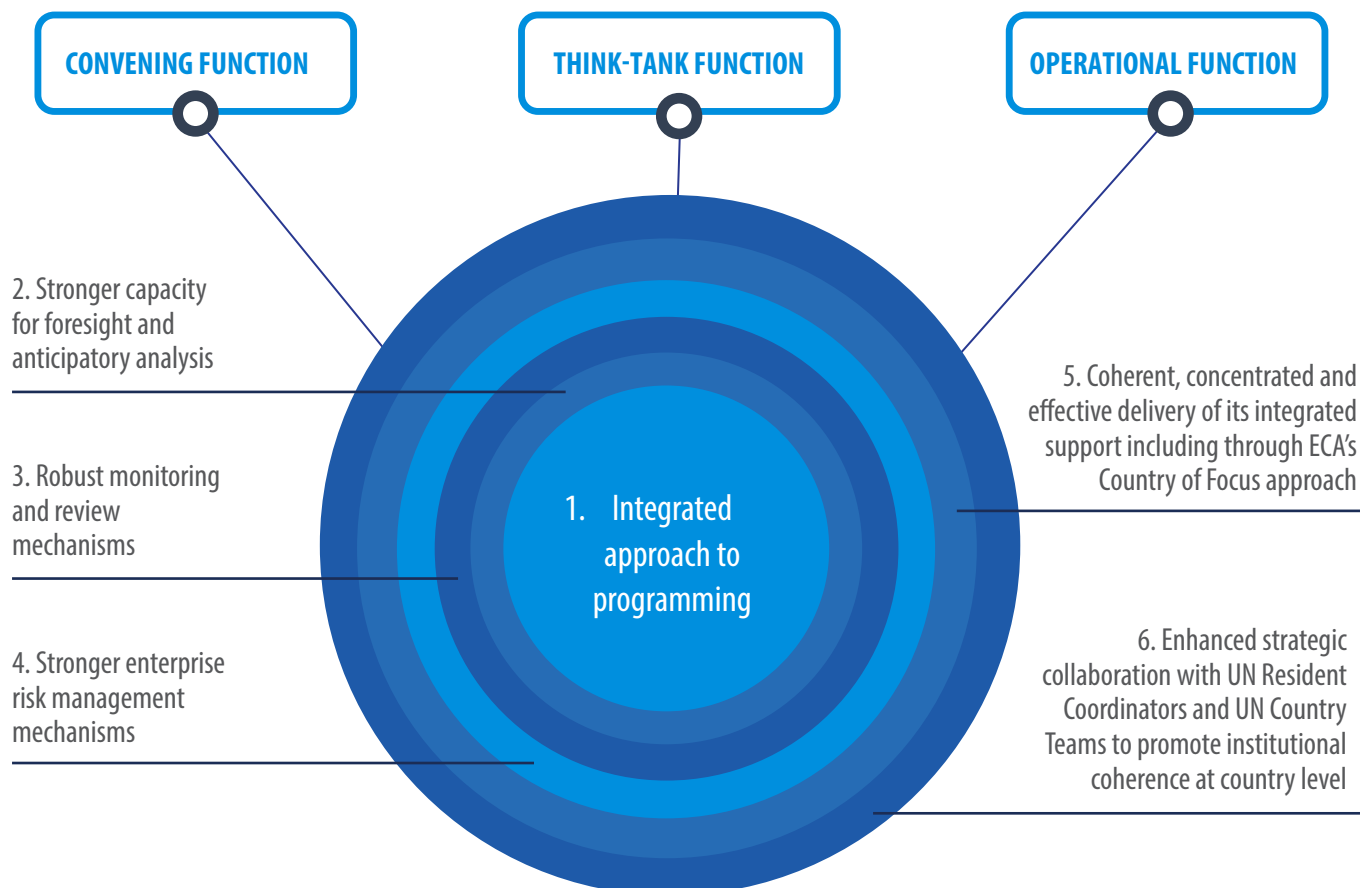
ECA corporate-wide advocacy efforts will include:



BECOMING A MORE AGILE AND ANTICIPATORY ORGANIZATION

Implementation of the Medium-Term Business Plan entails a new way of programming and management to deliver tangible results in support of the 2030 Agenda and Agenda 2063. It aims to strengthen intersections and synergies of sub-programmes across ECA and to create a transformational ecosystem to pursue more integrated policy support by articulating clearly ECA's contribution within the UN system and with partners.

Optimizing our core functions through improving our ways of working to deliver better the 2030 Agenda and Agenda 2063 and fostering Africa's sustainable transformation.



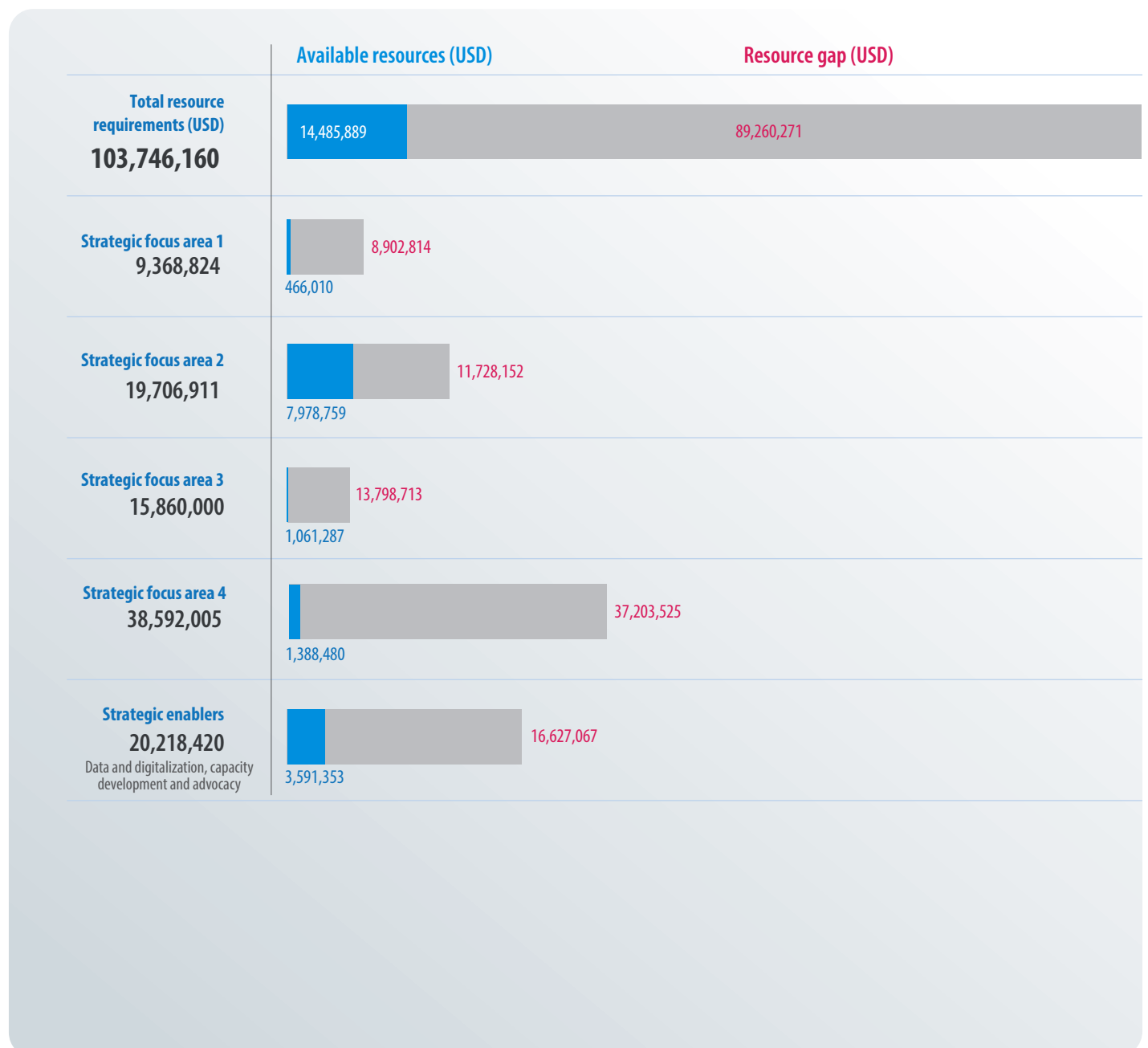
EXTRABUDGETARY RESOURCES

ECA aims to explore and strengthen strategic partnerships with a wide range of partners based on shared values. It seeks to combine their knowledge, expertise, resources and networks to jointly deliver concrete and transformative results.

Extrabudgetary funding requirements for the strategic focus areas and strategic enablers

ECA will require additional partnerships and extrabudgetary funding to scale up its support to meet rising demands from its member States. **The overall level of extrabudgetary funding required is US\$ 103.7 million for the period 2024–2026.** Taking account of ongoing projects funded by extrabudgetary resources, **the extrabudgetary resource gap stands at around US\$ 87.9 million.**

Extrabudgetary funding requirements for 2024-2026 (US\$)



FUNDING CONTRIBUTION CARRIED FORWARD FOR 2024–2026 ACTIVITIES

Several ECA partners are currently providing extrabudgetary support to ECA's programmes and projects. The balance remaining from these funding commitments will be carried forward to the new Medium-Term Business Plan.

Funding contributions to be carried forward to the 2024–2026 Medium-Term Business Plan (as of December 2023)

Strategic track	Partner/donor ^a	Project/strategic track areas supported	Amount (US\$) ^b
Strategic focus area 1. Macroeconomic and social policy for sustainable transitions			
	Bill & Melinda Gates Foundation	Strengthening UNECA's capacity in public finance	319,776
	Agence Française de Développement (AFD)	Technical assistance facility to support African governments on the debt relief/restructuring initiative within the context of COVID-19	146,234
			466,010
Strategic focus area 2. Sustainable industrialization and economic diversification through realization of the full potential of regional integration and the African Continental Free Trade Area, AfCFTA			
	Denmark	Operationalizing the AfCFTA	1,120,125
	Canada	Implementing the AfCFTA to boost intra-Africa trade	3,774,424
	Africa Export–Import Bank	Informal cross-border trade data collection	312,122
	Susan Thompson Buffet Foundation	Phase 3. AfCFTA: opportunities for pooled procurement of essential drugs and products and local pharmaceutical production for the continent	374,710
	African Union Commission (funded by Italy)	International migration in Africa—towards increasing the positive impact	2,397,678
			7,978,759
Strategic focus area 3. Infrastructure – Technology, Connectivity and Infrastructure			
	The African Climate Foundation	Implications of the energy transition on African economies	71,287
	Omidyar Network Fund	To support grantee's Digital Centre of Excellence	990,000
			1,071,287
Strategic focus area 4. Climate resilience and green transition			
	Sweden (Swedish International Development Cooperation, SIDA)	Delivering climate resilient development policies in Africa 2019–2023	979,508
	Germany (German Corporation for International Cooperation, GIZ)	Strengthening Advisory Capacities for Land Governance in Africa-2023-2024	268,972
	UN Habitat	Fostering COVID-19 recovery and SDG implementation through local action in African countries	28,667
	United Nations Development Programme–Multi-Purpose Trust Fund Office (UNDP–MPTFO)	Contributing to establish an enabling environment to promote sustainable green and blue economy in Mauritius and Seychelle	140,000
			1,388,480
Enablers: Data and digital transformation, capacity development and advocacy			
Data	European Union	Cooperation with ECA Support to monitoring of SDGs and statistics in Africa"	1,443,004
	Bloomberg Family Foundation	Data for Health Initiative	644,668
	African Development Bank (AfDB)	Capacity building for gender statistics and monitoring systems (CB-GenSMS)	1,051,681
Capacity	Mo-Ibrahim Foundation	ECA Fellow Programme	452,000
			4,581,353

a. [Based on Extrabudgetary Income and Expenditure Report].

b. [Based on Extrabudgetary Income and Expenditure Report as of 7 October 2023].

Source: ECA



