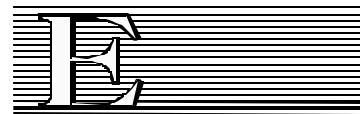




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ECONOMIC COMMISSION FOR AFRICA

**Fifth Meeting of the Africa Committee on
Sustainable Development (ACSD-5)/
Regional Implementation Meeting (RIM) for CSD-16**

**Addis Ababa, Ethiopia
22-25 October 2007**

**THEME: TRANSFORMING AFRICAN AGRICULTURE AND RURAL
ECONOMY FOR SUSTAINABLE DEVELOPMENT**

Overview of the Africa Review Report

Introduction

1. The World Summit on Sustainable Development (WSSD) reaffirmed sustainable development as a central element of the international agenda and paved the way for the practical and sustained steps needed to address many of the world's most pressing challenges. In this context, the Summit mandated the United Nations Regional Commissions (RCs) to pursue the effective implementation of its outcomes at the regional level and to facilitate and promote a balanced integration of the economic, social and environmental pillars of sustainable development. Subsequent General Assembly resolutions reiterated this mandate, which includes organizing Regional Implementation Meetings (RIMs) and providing inputs as specified by the Commission on Sustainable Development at its eleventh session (CSD-11). CSD-11 recommended that RCs, along with the CSD Secretariat, organize RIMs in collaboration with other regional and subregional organizations and bodies, as well as regional offices of funds, programmes, international finance and trade institutions and other organizations of the United Nations system.

2. In collaboration with several partners, the Economic Commission for Africa (ECA) organized the first RIM under the auspices of the Pan African Implementation and Partnership Conference on Water held in December 2003. Since then, RIMs have been organized as an integral part of the meetings of the Africa Committee on Sustainable Development, now renamed the Committee on Food Security and Sustainable Development. Regional review reports on the CSD thematic cluster of issues are key inputs to the RIMs. The sixteenth session of the CSD will undertake a review of progress made in the implementation of commitments, goals and targets agreed at WSSD, on "Africa", agriculture, rural development, land, drought and desertification.

Submission

3. The RIM is invited to review the paper and provide comments and additional inputs, with a view to finalizing the main report and generating well-informed recommendations on "Africa" that would contribute to the region's inputs to the United Nations Secretary-General's Report and to CSD-16 discussions. Annexed to this paper are two tables on WSSD commitments and related goals and objectives of the New Partnership for Africa's Development (NEPAD) and entities of the international community supporting various aspects of Africa's sustainable development agenda.

Means of implementation

4. The Johannesburg Plan of Implementation (JPOI) notes that the achievement of the internationally agreed development goals requires substantially increased effort, both by countries themselves and by the rest of the international community, based on the recognition that each country has primary responsibility for its own development. While recognizing that NEPAD is an African-owned development vision that requires the mobilization of resources from within, African leaders are mindful of the fact that the effective implementation of NEPAD requires massive investments to bridge existing gaps. The international community, in the Africa chapter of JPOI, pledges its support to the implementation of NEPAD, through utilization of the benefits of South-South cooperation, supported *inter alia* by the Tokyo International Conference on African Development (TICAD).

Domestic resources

5. Since the onset of decolonization in the 1960s, African countries have adopted several strategies to address their growth and development concerns. Nevertheless, economic growth in most African countries has been inconsistent over the past four decades. The Structural Adjustment Programmes adopted in the 1980s helped countries somewhat in achieving macroeconomic stability, but they also caused many social and environmental problems, which deepened poverty by the end of the 1990s. In order to reduce poverty, countries adopted Poverty Reduction Strategy Papers. Further, in their quest to achieve the Millennium Development Goals (MDGs), many African countries have now adopted MDG-based poverty reduction strategies as their national development planning frameworks. Following the economic downturn of the eighties and early nineties, recovery began in 1994. Countries have continued to achieve and sustain positive real growth rates since 2000, and other macroeconomic aggregates have also improved. However, this growth rate is not enough for most countries, where real growth rates have remained low relative to their development goals. With only four countries recording an average real GDP growth rate of 7 per cent or more during 1998-2006, few African countries are positioned to achieve the MDGs.

External resources

6. Capital inflows as well as domestic capital are very small compared to the developmental needs of African countries. Besides, despite the recent increase in Official Development Assistance (ODA), very few countries account for the larger share of the continent's receipt. The five largest recipients – Democratic Republic of Congo, Egypt, Ethiopia, Mozambique and Uganda – account for 32 per cent of annual aid flows, while the top 10 countries receive more than 50 per cent of the continent's total aid. The Paris Declaration on Aid Effectiveness and the ECA-OECD-DAC mutual review on development effectiveness are efforts aimed at improving the quality and effectiveness of aid.

7. Several actions have been undertaken by African countries to attract Foreign Direct Investment (FDI). These mainly include enacting attractive and liberal investment codes for incoming investments and the creation of an Investment Climate Facility in 2005. In many African countries, the bulk of FDI flows into the natural resource sector. However, FDI flows to the service sector, in general, and the electricity, wholesale and retail subsectors in particular, have been on the rise in recent years, challenging the dominance of the extractive industries. There is also some diversification of sources of FDI flows. Lately, Asian investments from China, India, Malaysia and South Korea have been increasing in Africa.

8. The G8 meeting in Gleneagles agreed to a proposal to cancel 100 per cent of the outstanding debts of eligible Heavily Indebted Poor Countries (HIPC). As of June 2006, existing HIPC initiatives had delivered debt relief to 15 African countries. Two important initiatives undertaken by the donor community to address the debt issue are the Multilateral and Bilateral Debt Relief Initiatives. The Multilateral Debt Relief Initiative is expected to reduce debt burden indicators for African countries and provide additional financial resources to promote growth and human

development. Under the Bilateral Debt Relief Initiative, individual donors have extended significant debt write-off to some African countries.

South-South cooperation

9. In addition to the official multilateral and bilateral donor support for Africa, South-South cooperation holds promise for the future development of Africa. Of particular importance are the China-Africa, Japan-Africa, India-Africa and Asia-Africa cooperation initiatives. The first ministerial conference of the China-Africa Cooperation Forum laid a good foundation for Sino-African economic and trade cooperation. Under the auspices of the Forum, achievements have been made in the implementation of NEPAD programmes. Flows of Chinese direct investment into Africa in 2003 reached \$US107 million, more than 100 times the annual level in 1991. The 2004 Asia-Africa Trade and Investment Conference held under TICAD emphasized poverty reduction through growth as an important goal of Asia-Africa cooperation and stressed that increased trade and investment between the two regions would make a significant contribution to the implementation of NEPAD. Subsequent summits have reiterated their support to NEPAD, including peace consolidation in Africa. India has created a \$200 million line of credit for cooperation on NEPAD projects and has separately allocated another \$500 million, out of which agreements amounting to \$282 million have been signed under the Techno-Economic Approach for Africa-India Movement.

Globalization and trade

10. African countries have become more engaged in World Trade Organization (WTO) negotiations. This engagement serves to highlight the concerns of Africa and its desire to ensure that multilateralism benefits all in an equitable way. The African Union (AU) Commission has led the political efforts and coordination of the negotiations. The AU Summit of 2006 in Banjul, the Gambia endorsed a common negotiating framework developed under the auspices of the AU. Significant technical support by many institutions has been provided to the political process spearheaded by the AU. Civil society organizations (CSOs) have also been active in advocating for African priorities in the trade negotiations. Several African countries and Regional Economic Communities (RECs) are involved in bilateral or trade negotiations in order to diversify their export markets and enhance their integration into the global economic system. Coordination between the different RECs will eventually lead to larger integration spaces that will create room for African producers and exporters to enhance their competitiveness in order to enter the global trading system. South Africa has been discussing with India and the South American Common Market, MERCOSUR, on a potential free trade agreement. With the recent explosion of trade flows between Africa, China and India, several countries also envisage talks with the two Asian nations.

Regional integration

11. Africa is making some progress in its attempts to integrate. However, the results are mixed. Improvements have been made in the areas of trade, communications, macroeconomic policies and transportation. Regional integration has brought marked improvements in the communication sector in some parts of the continent. This may be in part due to the global revolution in telecommunication technology and the growing commercialization and privatization of national

services. There are confirmed results to report in the area of energy. Knowledge sharing on best practices among RECs is a product of regional integration. On free mobility of people, the Economic Community of West African States (ECOWAS) and the East African Community (EAC) have made significant progress. On the production and use of public goods through collective efforts and resource pooling, not much can be said. However, ECOWAS and the Southern African Development Community (SADC) have had success in the area of peace and security. Progress needs to be made in programmes for combating crimes and HIV/AIDS, improving technology and harnessing physical resources.

Transport for sustainable development

12. The first and second Transport and Communications Decades for Africa (UNTACDA I & II) facilitated the development of programmes to establish an efficient integrated transport and communications system, as a basis for physical integration and trade. In March 2002, African countries adopted the successor arrangement of UNTACDA II with a view to developing integrated transport and communication systems to provide the continent with safe, reliable, efficient and affordable infrastructure and services. African countries and RECs have undertaken many policy reforms to attract the private sector and to establish road funds. A number of transport corridors have been identified for development in landlocked countries. In this connection, many such landlocked countries and their coastal neighbors have developed bilateral and multilateral agreements and programmes of action to facilitate the movement of goods and people. The Sub-Saharan Africa Transport Policy, the Regional Economic Communities Transport Coordination Committee and the NEPAD Infrastructure Programme Short-Term Action Plan are important initiatives. In July 2005, the AU Summit in Sirte, Libya adopted a matrix of transport targets and indicators for the realization of the MDGs.

13. To advance economic integration, RECs have established institutions to support regional financial cooperation. The NEPAD Infrastructure Project Preparation Facility was established in 2003 with seed funding from the Canadian Government and is now a multi-donor facility. Africa's road network is longer; the rail network is currently estimated at 89,380 km; and maritime transport accounts for over 90 per cent of Africa's international trade. Africa has around 80 major ports along its entire littoral and there have been substantial improvements in the productivity of some African ports. The air transport subsector achieved a major breakthrough with the adoption of the Yamoussoukro Decision in 1999.

Science, technology and innovation for sustainable development

14. The most significant development in Science, Technology and Innovation (STI) for Africa in the last four years is the establishment of the NEPAD Science and Technology Consolidated Plan of Action (CPA) and the establishment of the African Ministerial Council on Science and Technology (AMCOST) of the AU. Subregional cooperation in STI is strengthening, particularly in Southern Africa, with the development of protocols for cooperation. African governments also recognize the importance of research and development in building an inclusive information society on the continent. In this context, the effort by ECA in this area has enhanced research capacities on software development, including the use of local languages, and empowerment of entrepreneurs to establish knowledge-based companies. In the area of e-governance, ECA in May

2007 launched the Technology in Government Award, which aims to encourage the use of ICTs in the delivery of public services. Sixteen projects were rewarded with the first Award.

15. Some African countries are in the process of establishing policies and institutions on STI for sustainable development. Communities of practice are getting strengthened in some countries and also regionally, to generate data and give policy advice for science-based decision-making. Recent focus on science-based sustainable modernization of agriculture and rural transformation through the Comprehensive Africa Agriculture Development Programme (CAADP) and the Alliance for a Green Revolution in Africa, headed by former United Nations Secretary-General Kofi Annan, is very encouraging. Several countries are participating through plans for modernization of agriculture or agriculture-led industrialization strategies. As regards ICT, most African countries have developed national information and communication infrastructure policies and plans within the framework of the African Information Society Initiative. The Initiative establishes the necessary guidelines and institutional mechanisms to promote an environment that fosters competition and investment.

Challenges and constraints

Sustainable development governance in Africa

Institutional framework: the lack of full integration of the NEPAD Secretariat into the AU Commission, hence reducing the effectiveness of the United Nations system in providing coherent support to the AU Commission and NEPAD programmes; inadequate capacity, including institutional, human and financial resources; lack of people's ownership of NEPAD; and weak integration of **NEPAD priorities into national development plans**.

Peace and security: political, economic and social inequities leading to unstable political and economic conditions; wars, youth unemployment; HIV/AIDS crisis; illicit exploitation of natural resources; illegal flows of small arms; and inadequate capacities on the part of AU and RECs.

Human rights: the gap between commitments and actions; unfavorable conditions to sustain and improve progress and accomplishments; weak regional mechanisms for promoting and enforcing human rights; poor training and exposure to both domestic and international human rights norms and underresourced security forces; institutional gaps and lack of capacity; and the clouding of rights by uncertainty and turbulence.

Political governance and administration: fragile democratic and political process; weak institutionalization and funding of political parties; lack of independence from the executive; weak civil society participation; weak capacity of the legislature and judiciary; and the inexistence of law review commissions in many countries.

Economic and corporate governance and private-sector development: inadequate leadership and commitment to sound public financial management and accountability and the integrity of the monetary and financial system; inadequate control over the executive to make it more accountable; absence of the necessary capacity in many African countries to implement well-intentioned reform programmes and measures; lack of necessary policy and regulatory frameworks for private-sector-led growth and capacity to implement programmes; impediments

to attracting more FDI, including the high administrative and financial barriers to investment; inadequate protection of property rights, including patents, intellectual property rights and shareholders rights, and difficulties in enforcing business contracts through the courts.

Poverty eradication and socially sustainable development

Poverty eradication: problems associated with sustaining high levels of growth; growth not providing employment opportunities, particularly for the youth; rapid growth of slums accompanied by land evictions, increasing water scarcity and high prevalence of diseases; lack of resources and necessary skills for integration of poor people into the development process; and inequality in the distribution of wealth.

Gender equality for sustainable development: high levels of poverty among women due to unequal power relations between women and men; skewed distribution of remunerated and unremunerated work, unequal inheritance rights in some countries, lack of secure access to land, water, energy, credit, property and other productive resources, and inadequate support for women's entrepreneurship; high exposure to diseases, food insecurity, low economic productivity, low levels of education and the upsurge of sexual violence; cultural and traditional practices that inhibit progress in promoting women's and girls' human rights; large gender disparities in education; weak mechanisms to integrate gender equality and women's empowerment; and lack of full integration of gender equality and equity principles into democratization processes.

Education for sustainable development: poverty and related issues of direct and indirect costs; girls' low access to education; poor quality of education, including inadequate teacher training and qualifications; low share of national income spent on education; insufficient external aid; and the lack of data for a number of countries that are or have recently been affected by conflict prevents the inclusion of these countries in analyses, making the creation of education opportunities for children in those countries difficult.

Health for sustainable development: weak and underresourced health systems, making health interventions incommensurate with the scale of health problems; inadequate health knowledge by citizens and inequitable distribution of health services; and the lack of African centres of excellence, knowledge institutions and networks of stakeholders to ensure health delivery and management.

Sustainable human settlements: increasing demand for infrastructure and social amenities; unpredictable and unreliable human, financial and technological resources; limited and/or absence of lending institutions in the financing of low-income housing; poor governance and prevalence of conflicts, civil unrest and disease; inadequate access to land; weak regulatory and administrative frameworks; non-involvement and/or lack of capacity of local authorities; inadequate enabling environment and limited participation of private sector and civil society; and natural and man-made disasters.

Water supply and sanitation: inadequate integration or weak linkages between the water sector and poverty reduction strategies in some countries; weak institutional frameworks and lack of capacity; obsolete/absent water and sanitation statutes and limited enforcement of local laws and

regulations; conflicts that lead to poor maintenance and destruction, and thus deterioration of the sector's infrastructure; poor coordination among sector stakeholders, both internal and external support actors; inadequate involvement of local NGOs, civil society and the private sector; weak monitoring and evaluation systems; and depletion and pollution of water resources, as well as projected impacts of climate change.

Sustainable consumption and production (SCP)

Ten-year framework of programmes on SCP: inadequate capacity in sustainable production; lack of appropriate strategies or policy frameworks to promote sustainable consumption at the national level; widespread poverty; lack of awareness, weak legislation and policies, poor education, inadequate research and development capacities and consumer traditions; lack of stakeholder cooperation and poor relations with authorities; disregard for sustainability issues on the part of companies; and reluctance or weak government capacity to engage in partnership with industry to promote SCP.

Corporate social responsibility: poor enforcement of legislation, largely absent civil society scrutiny, relatively weak consumer activism for responsibly produced products; few incentives for businesses to adopt responsible or “pro-development” practices; the perception that corporate social responsibility codes of conduct are barriers to market access for some producers; and inherent inequalities that characterize many partnerships, particularly those between large corporations and local governments, organizations and communities, resulting in mistrust and a lack of ownership, responsibility and accountability.

Sustainable tourism development: political instability, wars and terrorist attacks; leakages and limited linkages to the local economy; low skill levels, limited entrepreneurial culture, little investment in infrastructure, facilities and quality provision; limited involvement of mass tourism in poverty reduction and sustainability initiatives; fragmented tourism industry; inadequate/lack of regulations, economic incentives, fiscal measures, resources and institutions to promote and disseminate good practices and, in general, the policy space for tourism to respond to sustainability issues; and inadequate financing mechanisms that ensure the sustainability and replicability of projects.

Sustainable industrial development: lack of capacity, a conducive business and policy environment, as well as appropriate industrial development strategies, inadequate harmonization of laws, regulations, codes and standards at national and subregional levels; inadequate local awareness of environmental issues, a predominantly unskilled labour force; dominance of small-scale and informal enterprises, low quality and standards of local products; inadequate/lack of integration of large-scale industries with other sectors of the local economies; limited research and development, innovation, diversification and technology diffusion; limited infrastructure; and lack of a critical mass of companies and institutions willing to cooperate, network and share industrial development knowledge and information.

Energy for sustainable development: inadequate policy, legal, regulatory and institutional framework and limited financial flow for the development and provision of sustainable energy, especially for the poor; low energy production due to largely untapped energy resource potential,

particularly renewable energy; uneven regional availability and distribution of energy resources; underdeveloped transportation, production, transmission and distribution infrastructure and associated costs, and high upfront energy investment and use costs; low private-sector participation and investment in the energy sector; high dependence on, and inefficient use of, biomass energy sources and the associated environmental, economic and social impacts; and inadequate skills and education of the rural population, holding back their participation in the implementation of energy programmes and projects.

Chemicals management: inadequate awareness of policy makers of the link between sound chemicals management, poverty reduction and sustainable development to engender political will and support, thus resulting in the lack of integration of chemicals management priorities into sustainable development strategies and efforts and poor synergies with priority sectors; limited resources and capacity to ensure appropriate government action in effective chemicals management, facilitation of necessary regulatory reforms, effective enforcement of legislation and monitoring the use of chemicals; lack of practical guidance and data on the economic impacts of chemicals management; inadequate access to cleaner production systems and technologies for chemicals and waste management; poor capacity to deal with poisoning and contamination; and poor management of obsolete chemicals, stockpiles and waste.

Hazardous wastes management: lack of adequate institutional, technical and technological capacities to effectively deal with hazardous wastes; lack of environmental regulations and standards for the proper design of hazardous waste treatment and disposal facilities; general lack of awareness of the effects of hazardous wastes and their residues; lack of adequate health-care facilities and personnel for adequate diagnosis and treatment of hazardous waste-related health problems; high levels of poverty impeding Africa's efforts in the area of environmentally sound management of hazardous waste; lack of adequate information on the volume, location and sources of hazardous waste; lack of knowledge and skill to identify affordable technologies; inability to measure and quantify the level of degradation that has occurred as a result of unsound management of hazardous waste; insufficient financial and human resources; and lack of political will.

Natural resource base of economic and social development

Sustainable mineral resources development: the creation challenge: creating a viable, integrated and diversified industry throughout the value chain, and sustaining mineral wealth long after the minerals have been depleted, without compromising environmental, social and cultural considerations, and ensuring a regulatory framework that encourages wealth creation; the investment challenge: investing windfall revenues to ensure lasting wealth; the distribution challenge: distributing benefits equitably, while balancing and managing conflicting local and national concerns and interests; the governance and macroeconomic challenge: ensuring sound systems of governance and a stable macroeconomic environment that curb rent-seeking and corruption and manage the adverse impacts of resource rents; and the capacity challenge.

Freshwater resources: weak national institutions with poor technical and financial capacity and, in some cases, fragmented or overlapping functions and actions; lack of adequate political and financial support at country level, thereby affecting the performance of a number of regional and basin-level institutions; low investments in water resources management, including pollution

control and catchments management; inadequate legislative reforms and enforcement; serious decline in the networks of hydrological observing stations and in the quality of data collected in Africa; and the looming and serious threat of climate change to sustainable water resources management.

Coastal and marine resources: inadequate or zero capacity of most coastal nations to utilize their coastal and marine assets, while simultaneously protecting them from degradation; loss of biodiversity and habitats through human-related pressures; human-induced atmospheric warming, which contributes to sea-level rise and climate change; overexploitation of fisheries at artisanal and industrial scales using unsustainable fishing methods; introduction of invasive alien species; poor data collection and inventories; and high incidence and increasing sophistication of illegal, unregulated and unreported fishing.

Climate change: inadequate technical and institutional competence, particularly absence of or non-operational designated national authorities in some countries; inadequate financial resources for country-level activities; low awareness; poor competitiveness of African Clean Development Mechanism (CDM) projects due to high transaction costs; complex and stringent approval processes for the CDM projects; and low levels of research and scientific capacity on vulnerability, impact, mitigation, adaptation assessment and evaluation; inadequate access to clean and efficient technology; and lack of observational climate data in Africa, which impedes understanding of current and future climate variability and change.

Sustainable forest management: high rates of poverty; insufficient financial resources and inadequate institutional capacities; weak information collection and dissemination capacities which, *inter alia*, prevent forest authorities from building a solid case to capture the attention of decision makers; inadequate land tenure policies and access rights to forest resources, which constrain investment in sustainable forest management; and civil conflict.

Biodiversity: limited technical and financial capacity; information and knowledge gaps; weak institutional frameworks; limited national capacities for sustainable land-use planning and law enforcement; difficulty in appealing to all sectors involved, so as to induce multi-stakeholder interventions; lack of mainstreaming of national biodiversity strategies and action plans into decision-making and resource allocation frameworks of governments; inadequate coordination among the actors; inadequate access to affordable appropriate technology; difficulties in ensuring that economic benefits arising from the use of genetic resources do accrue to African countries and local communities.

Natural disaster risk reduction (DRR): improve the identification, assessment and awareness of disaster risks; develop capacity and coordinate activities to enhance knowledge management for DRR; increase public awareness of DRR; improve governance of DRR institutions; integrate DRR into emergency response management; increase financial support for DRR initiatives; mainstream DRR into national planning; and increase political support to build more holistic assessments of disaster impact into development planning.

Means of implementation

Domestic resources: promote pro-poor growth if growth is to have a significant positive impact on poverty; institute broad policy measures to sustain growth; mainstream the agriculture sector into growth policies and operationalize CAADP; encourage higher savings and investment rates through prudent fiscal and monetary policies and good investment climate; create a vibrant private sector through short- and long-term capital (including microcredit) infrastructure and a stable macroeconomic and political environment; promote collaboration between governments, private-sector groups and international financial institutions; establish business rules and regulations that provide a level playing field for domestic and foreign businesses; encourage private-sector enterprises to adhere to corporate social responsibility (CSR) principles and to focus on diversification, particularly higher value-added products; and mainstream the three pillars of sustainable development into development strategies.

External resources: better integrate capital flow policies into national industrial policy by providing incentives for investments that promote both domestic and foreign investments and that are export-oriented and have strong positive impacts on employment creation; design strategies to increase the contribution of the diaspora to economic development through incentives and to allocate higher proportions of remittances to investment; advocate for higher volumes of aid in order to achieve and sustain higher levels of GDP growth rates and to accelerate poverty reduction; ensure that new aid is in the form of grants to prevent a new round of external payment crisis; increase domestic revenue mobilization through increased savings, higher tax revenues and reduced capital flight, as well as the use of international trade as a vehicle for resource mobilization; demonstrate commitment to economic and social reforms in order to build on the current increased momentum of ODA; ensure that development partners extend debt cancellation to HIPC-eligible African countries that have not met the performance criteria as well as to non-HIPC African countries; and strengthen the expenditure management system and manage post-relief borrowing to prevent the deterioration of their long-term debt sustainability.

South-South cooperation: use sustainable development approaches as the model for development cooperation with Asia to ensure that Africa fares well in the bargain; and ensure that relevant agreements are honoured, including the promise of balanced growth for China-Africa trade, the decision to more than double the number of African products allowed into China on a duty-free basis, and a Chinese pledge to voluntarily cap clothing exports to South Africa.

Globalization and trade: further coordinate and harmonize policies and positions for success in the global trading system; combine trade reforms with complementary adjustment support measures; and complement trade reforms with strong adjustment support for infrastructure and various institutions to enable African countries to participate fully in the global trading system.

Regional integration: promote collective efforts with dynamic political commitment to integration; expand opportunities for investment that increase African incomes and tap unexploited resources, reduce dependence on the outside world and create conditions for self-sustained, autonomous development; ensure that regional integration takes account of peace and security, environmental and health issues and Africa's global commitments; ensure that the process of strengthening regional integration includes guidelines for the convergence of

macroeconomic and trade policies of the entire region; strengthen and deepen Africa's financial markets and institutions in order to mobilize financial resources; and encourage RECs to establish development banks in their regions and to harmonize national policies and procedures governing these markets and institutions across member countries.

Transport for sustainable development: increase the financing of the infrastructure sector and adjust policies in order to build physical and human capacities, modernize management, attract more private-sector investment, improve transport facilitation, adopt appropriate corridor approaches, reduce transportation cost, improve safety and security, incorporate poverty reduction into infrastructure development policies, and introduce new technologies; support RECs to reposition Africa's transport systems and to actively support other regional efforts that foster transport integration in Africa; build on successes of the past decade and emulate best practices elsewhere in the world; promote good governance and improved peace and security.

Science, technology and innovation for sustainable development: promote awareness-raising, policy analysis and advocacy on issues of STI for sustainable development through regional and interregional collaboration and networking; harness the enhanced international interest in Africa, which is leading to prospects of rapid growth, investment and opportunity; build platforms for technological learning, technology transfer, capacity-building and knowledge generation and sharing of best practices linked to emerging sectors; forge closer collaboration with NEPAD, AU Commission and the African Development Bank (AfDB), and mobilize communities of practice and other stakeholders in STI for sustainable development. With regard to the information and communication technology (ICT) subsector, African countries should position themselves especially in the areas of outsourcing, taking advantage of low wages, multilingual environments, favorable time zones, large pool of ICT graduates, diaspora awareness and improved ICT infrastructure.

Harnessing interlinkages

16. WSSD broadened and strengthened the general understanding of sustainable development, particularly the important linkages between social and economic development and environmental protection. The Summit recognized these three components of sustainable development as interdependent and mutually reinforcing pillars, hence the emphasis placed on promoting their balanced integration. NEPAD and the Commission on Africa Report clearly articulate the interlinkages between Africa's many development challenges. The Africa Environment Outlook (2006) underscores the interdependency between environmental concerns and various facets of development and calls for an interlinkages approach. The various thematic reports of the United Nations Millennium Project demonstrate the interlinkages between the different MDGs and the need to adopt an integrated approach in pursuit of their attainment in an efficient and effective manner. Therefore, these global and regional responses, individually and collectively, provide opportunities for enhancing synergies and promoting interlinkages in addressing the region's development challenges.

17. NEPAD, JPOI and the Commission on Africa recognize peace, security and good governance as important prerequisites for achieving sustainable development in the region. Conflict is one of Africa's classic vicious circles. As a result of conflict, Africa seems to many outsiders an unattractive place in which to invest or keep their money, and what money is made

in Africa is encouraged to flow out. Similarly, many educated Africans have over the years left their homelands because they are frustrated at not being able to put their skills to good use. Since many causes of conflict, including inequality and exclusionary politics, have their roots in weak governance (including natural resources governance), measures to prevent conflict and its recurrence have a better chance of succeeding if they are accompanied by actions promoting effective, inclusive and legitimate governance. Furthermore, the United Nations Millennium Task Force notes that the MDGs not only reflect economic targets, global justice and human rights, but are also vital to international and national security and stability. Poor and hungry societies are much more likely than high-income societies to fall into conflict over scarce, vital and natural resources. Achieving the MDGs should therefore be placed centrally in international efforts to end violent conflict, instability and terrorism.

18. Long-term poverty reduction requires sustained economic growth, which in turn depends on technological advancement and capital accumulation. The MDGs play two roles in the growth process. First, they are ends in themselves, in that reduced hunger, gender equality, improved health and education and broader access to safe water and sanitation are direct goals of society. Second, they are “capital inputs” to economic growth and further development. A healthier worker is a more productive worker, as is a better-educated worker. Improved water and sanitation infrastructure raises output per capita through various channels, such as reduced illness. Therefore, many of the MDGs are a part of capital accumulation, defined broadly, but are also desirable in their own right.

The need for a holistic and integrated approach

19. The foregoing clearly demonstrates the need for a holistic and integrated approach in addressing Africa’s sustainable development challenges. The work of the United Nations Millennium Task Force shows that no “silver bullet” exists to reach any individual target, let alone the ensemble of MDGs. What are required are integrated strategies for complementary and mutually reinforcing interventions. Similarly, the Africa Environment Outlook (2006) advocates the adoption of an interlinkages approach to the challenges facing Africa. An interlinkages approach recognizes the complexities inherent in ecosystem dynamics and their interface with the equally complex social, economic and political dynamics inherent in human development and governance, particularly policies, laws and institutions. It stresses the importance of coordination of action across the relevant dimensions of sustainable development.

20. The above supports the call made at several international conferences and summits for the establishment of institutions and development of policies and strategies that promote holistic and integrated approaches. These include the United Nations Conference on Environment and Development, WSSD and the World Summit on Development. Africa has responded with varying degrees of success. Institutional reforms are progressively being undertaken and sustainable development strategies are being developed and implemented. These strategies include long-term development visions, national development plans, which are increasingly being formulated as MDG-based poverty reduction strategies. However, many challenges remain and efforts must be intensified if the objective of positioning countries, both individually and collectively, on a path to sustainable growth and development is to be achieved.