IMPLICATION OF COVID-19 ON THE AFRICA UNION AGENDA 2063: RETHINKING THE FIRST 10-YEAR IMPLEMENTATION PLAN

Prof. Joseph Chisasa

Department of Finance, Risk Management & Banking

University of South Africa

Presented at the Iraqi-African Centre for Strategic Studies 14 July, 2020



Structure of presentation

- Background
- Objectives of the lecture
- AU Agenda 2063 Highlights
- Africa's challenges Highlights
- The first 10-year plan
- Status of Covid-19 in Africa
- Effect of Covid-19 on the 10-year plan
- Recommendations



Background

- Africa is home to approximately 1.3b people (17% of global population)
- 43/86 countries defined as low-income and food-deficient are in Africa. The number of undernourished people has escalated dramatically.
- From OAU to AU at 50 years (2013)
- The focus shifted from decolonization to development
- Multiple challenges including Covid-19



Objectives of the lecture

- To reconcile the activities of the AU member states with the first
 10-year implementation plan.
- To determine the effect of Covid-19 on the implementation of the AU Agenda 2063 first 10-year plan.
- Make recommendations for the amendment of the plan.



AU Agenda 2063 – Africa's 7 aspirations

- A prosperous Africa based on inclusive growth and sustainable development.
- An integrated continent, politically united, based on the ideals of Pan Africanism and the vision of Africa's Renaissance.
- An Africa of good governance, democracy, respect for human rights, justice and the rule of law.
- A peaceful and secure Africa.



AU Agenda 2063 – Africa's 7 aspirations

- Africa with a strong cultural identity, common heritage, values and ethics.
- An Africa whose development is people-driven, relying on the potential offered by African people, especially its women and youth, and caring for children.
- An Africa as a strong, united, resilient and influential global player and partner.



Africa's Challenges

- The basic right of people to the food they need.
- In 1996, Heads of State undertook to halve undernourishment by 2015.
- To date chronic hunger is widespread and pronounced.
- Hunger is compounded by many significant political, social, and environmental constraints.



Africa's Challenges

- Turmoil in Africa: cases such as Zimbabwe (2017),
 Sudan and Libya (both 2019)
- Devastating cyclones in Mozambique, Malawi and Zimbabwe left people with no food.
- Disease control, e.g., ebola, TB and malaria
- Weak institutions
- Lack of human resource training



Africa's Challenges

- Lack of access to finance.
- Fragmented financial markets between formal and informal markets
- Formal financial institutions serve the urban and peri-urban market. Informal institutions are dominant in rural areas.
- Lack of title to land due to institutional failures.



First 10-Year Plan: Aspiration #1

Priority Area 1	2023 Target	Strategy for Goal 1	
Incomes, jobs and decent work	Increase per capita income by at least 30%	Promote cooperatives as sources of financing for the poor.	
	Reduce 2013 unemployment rate by at least 25%	Develop policies that will enhance free movement of people and workers	
	Reduce youth and women unemployment rate by 2% p.a.	Initiate policies that would lead to a better and more responsible labour migration flows.	
	Reduce underemployment rate by 50%		
	Reduce 2013 vulnerable unemployment rate by at least 25%		

First 10-Year Plan: Aspiration #1

Priority Area 2	2023 Target	Strategy for Priority Area 2	
Poverty, inequality and hunger	Reduce 2013 levels of poverty by at least 30%	Promote policies that will ensure access to affordable and quality food for all.	
	Reduce poverty amongst women by at least 50%	Food and nutritional programmes for the vulnerable groups	
	Improve the 2013 Gini coefficient by at least 20%	-	
	Reduce 2013 levels of proportion of the population who suffer from hunger by at least 80%		

Fast Track Projects (6/10)

- Integrated high speed train network
- Africa Virtual E-University
- Continental Free Trade Area
- African Passport and free movement of people
- Grand Inga Dam project
- Silencing the guns





Status of Covid-19 in Africa: Top 5

Country	Cases	%	Deaths	Active Cases	Recovered
South Africa	250 687	56.92	3 860	128 595	118 232
Nigeria	31 323	7.11	709	17 819	12 795
Ghana	23 463	5.33	129	4 712	18 622
Algeria	18 242	4.14	996	4 122	13 124
Cameroon	14 916	3.39	359	3 032	11 525



Status of Covid-19 in Africa: Bottom 5

Country	Cases	%	Deaths	Active cases	Recovered
Burundi	250	.07	1	131	118
Eritrea	232	.05	0	125	107
Lesotho	184	.04	1	163	20
Seychelles	100	0	2	89	11
Gambia	64	11	3	27	34



Some scary Covid-19 facts about Africa

- 594 955 cases in Africa as at 13 July (88% ≤60 years)
- 13 246 deaths
- 295 242 recoveries
- Algeria, Egypt, Ghana, Nigeria and South Africa account for 71% of Africa's cases.
- South Africa accounts for 43% of the continent's total cases.
- Cases have more than doubled in 22 countries over the past month to 8 July.



Implications of Covid-19 on Africa

- Escalating threat of Covid-19 overwhelming fragile health systems
- Equipping and protecting health workers is one of the central pillars.
- Key equipment, including:
- oxygen concentrates
- GeneXpert diagnostic testing machines
- Protective personal equipment
- Training of health workers



Covid-19 and Africa's economy

- Covid-19 declared a national disaster by most countries
- Resulted in national lockdowns, serve for essential services
- Growth forecast for SSA: -2.1 to -5.1% in 2020, up from 2.4% (2019)
- SSA economies anticipate losses of between \$37b and \$79b in output losses in 2020.
- Agricultural production expected to contract by 2.6% to 7%.
- Severe food insecurity



AU Covid-19 Response Fund

- Aims to:
- Strengthen the continental response to Covid-19
- Mitigate socio-economic and humanitarian impact on African populations



Support from WHO

- WHO provides technical guidance
- Crucial medical equipment
- Trained more than 25 000 health workers
- More than 420 shipments of key equipment





Country Response: Case of South Africa

- Declared Covid-19 a national disaster
- Declared a lockdown on 26 March at alert level 5
- R500b (+/-\$300m) stimulus package for social relief and economic support
- R500m (+/-\$30m) solidarity fund to support SMMEs
- IDC and DTI R3b (+/-\$175m) for supporting distressed businesses and for essential supplies.
- Currently in alert level 3 with stringent conditions.



Is the 10-year plan achievable by 2023?

- Not entirely achievable
- Applaud the Continental Free Trade Area (CFTA)
- African passport and free movement of people
- Inga Dam project
- Silencing the guns
- High speed train
- Virtual African University
- Reduction of unemployment and hunger



Recommendations

- Agenda 2063 is a colossal project
- The Ten-year plans are too long, consider shorter-term plans not exceeding 5 years to align with Presidential terms.
- Member states must be realistic and not over commit nor over promise.
- The most urgent and practically possible priority areas must be tackled first (hunger, employment, education, health, peace and security).
- Aggressive awareness campaign of the AU Agenda 2063



Recommendations

- Regional Economic Commissioners to account frequently to regional political bodies.
- Invest in research for policy direction
- Strengthen partnerships, including with Universities to leverage on the wealth of expertise residing in these institutions of higher learning.
- Expedite regional integration, free movement of labour and the African passport.



Thank you

