

# Commission for Africa

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## AFRICA FACTSHEET

- There are hopeful signs of economic growth, democratic change, fewer conflicts and African leaders taking responsibility through NEPAD.
- However, if Africa's performance does not improve most African countries will fail to reach the Millennium Development Goals (MDGs) by 2015.
- The UK is supporting change in Africa by backing national poverty reduction strategies, funding development, and working to change trade rules.
- The Prime Minister has committed to increase development assistance to Africa to £1bn by 2005/06.
- Africa is a priority for the UK presidency of the G8 and EU in 2005.

## The challenge

- Africa is the only continent to have grown poorer in the past 25 years. It is not reaping the benefits of globalisation.
- Poverty levels in sub-Saharan Africa are the highest in the world
- Half of all Africans are living in absolute poverty
- Africa's share of world trade has halved in a generation
- Africa is the world's worst hit region for HIV/AIDs with prevalence rates up to 40% in Botswana and Swaziland
- 23 million girls do not go to school
- Africa enters the 21<sup>st</sup> century with many of the poorest countries. On current trends 23 countries will not meet any of the MDGs.
- Life expectancy in Zambia is 32. Life expectancy in the UK is 78.

## Meeting the challenge

The challenge is daunting, but progress is achievable. Accelerating progress towards the Millennium Development Goals depends upon a change both within Africa and the international community.

Governance needs to be strengthened, conflict managed and corruption stemmed; regional and country economies need to be diversified and made more competitive; and terms of trade need to be improved.

There has been a recent major shift in African effort to address the continent's problems. The New Partnership for Africa's development (**NEPAD**) aims to tackle HIV/AIDS, reduce poverty and sustain long-term economic growth. It's committed to governance and promoting peace and security. Many countries are showing signs of **progress towards democracy** and governance. In 1973 three African Heads of State were elected. By 2000, the figure was 32 (including recent democratic transition in Ghana and Kenya).

Countries in the north are recognising that partnerships with countries based on a commitment by both sides brings real benefits in the long term. **High and predictable levels of resources** to countries that have a credible Poverty Reduction Strategy and the political will and capacity to deliver on the Millennium Development Goals can reduce poverty (this is the case in Ghana, Tanzania, Mozambique, Uganda and Rwanda).

Increased aid volume alone in Africa will not be enough. **Aid must also become more effective** Simplifying the way aid is delivered (budget support and donor harmonisation) minimises the burden on partner countries and helps build capacity in partner countries.

**Economic growth** of 7% is needed per year to halve poverty by 2015. The economy of the continent is improving despite Zimbabwe. In 2001, 23 countries in Africa had real economic growth rates above 5%.

There are only a handful of **conflicts in Africa** without an established peace agreement. The highest risk of new conflict is in a country that has recently emerged from conflict. There is a massive task in peace consolidation, recovery, security and poverty reduction – long term support.

Africa attracts less than 1 per cent of global foreign direct investment. **Progress on trade** policy will be essential if Africa is to become competitive. Africa stands to get a better deal through multilateral negotiations in the WTO where developing countries constitute two thirds of membership.

Twenty-seven countries that have qualified for **debt** relief (22 in Africa) under the Heavily Indebted Poor Countries (HIPC) Initiative. Nine have so far reached completion point. A further 10 are expected to reach completion point by the end of 2004. Ethiopia and Niger should reach completion point imminently.

The UK continues to provide significant levels of humanitarian assistance to Zimbabwe; we stand ready to provide further support if and when good government is restored.

In Tanzania, the number of children enrolled has doubled over the last decade to more than 3 million. In Uganda, the enrolment rate is now 86% compared with 62% in 1992

The World Bank has warned that some African countries face economic collapse because of AIDs. In Africa, in 2003, some 26.6 million people were living with **HIV**, 3.2 million people became infected, and AIDS killed 2.3 million. Twice the population of London has now died from the disease. Antiretroviral drugs have however become much cheaper – with prices dropping by more than 95%. The UK is the 2<sup>nd</sup> largest bilateral donor of **HIV/AIDs** assistance in the world. The UK is putting \$280 million dollars into the global fund on HIV, TB and malaria with more to come. Although HIV/AIDs is still increasing in many countries. Latest analysis suggests prevalence is falling in some (Ethiopia, Rwanda, Uganda) and has levelled off in others (DR Congo, Kenya, Malawi, Zambia).

### **Support to Africa**

Development assistance is critical and despite increases in recent years the funding is still well short of amounts needed to reach the MDGs. The UK has proposed a radical new **International Finance Facility** designed to raise the extra fifty billion dollars needed each year in order to achieve the Millennium Development Goals. Recent World Bank figures show that good performers in sub-Saharan Africa can effectively absorb 60% more aid.

**UK spending in Africa** has increased rapidly over the last 10 years to £711million in 2002/03. By 2005/06 the UK will have increased its annual bilateral assistance to sub-Saharan Africa to £1 billion. We are increasing assistance where we believe governments are strongly committed to reducing poverty.