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AFRICAN UNION DEVELOPMENT AGENCY



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AfCFTA – Africa Controls its Destiny



By Ms. Nardos Bekele-Thomas

As the global economy faces unprecedented challenges amid trade wars, disruptions in worldwide transport and logistics systems, shocks triggered by the COVID-19 pandemic, geo-political tensions on the continent, the ongoing Russia-Ukraine conflict and its impact on the price of oil and food security as well as the growing effects of climate change - the African Continental Free Trade Area (AfCFTA) is an essential beacon of hope, offering immense opportunities for businesses across the continent.

Against this backdrop, the recent AfCFTA Business Forum held in Cape Town, South Africa, attracted more than 1000 key stakeholders, policymakers, and business leaders eager to explore the potential of this ambitious initiative. This monumental gathering comes when confidence in the multilateral trading regime is waning, with growing concerns about the loss of sovereignty, unequal distribution of benefits and burdens, decision-making inefficiency, and politicization of global governance.

The current debate on the effectiveness of multilateralism, especially in the context of global economic shifts and geopolitical changes, has highlighted the need to look inwards and seek out homegrown solutions to national and continental challenges. This context,

along with the school of thought which argues that multilateralism has failed to address the specific needs and challenges of African countries and that the best approach would be to focus on regional integration and cooperation - support the case for the implementation of the Pan-Africanist idea of one single African market. A continental market of 1.3 billion people, with a combined gross domestic product of \$3.4 trillion, making it the world's largest free trade area since the establishment of the World Trade Organisation (African Development Bank).

Intra-African trade presents immense opportunities and challenges that warrant a critical analysis of its importance in the current economic climate. The importance of the AfCFTA, in light of the foregoing, can be illustrated through several statistics:

1. According to the United Nations Economic Commission for Africa, Intra-African trade currently accounts for only 15% of the continent's total trade, compared to 58% in Asia and 67% in Europe.
2. Estimates from the United Nations Conference on Trade and Development have shown that the AfCFTA has the potential to boost intra-African trade by 52.3% by 2025.

3. The AfCFTA has the potential to lift 30 million Africans out of extreme poverty and increase Africa's income by up to \$450 billion by 2035 (International Monetary Fund).

These statistics demonstrate the potential benefits of the AfCFTA in promoting economic growth, reducing poverty, and increasing regional integration and cooperation. The AfCFTA is designed to reduce trade barriers, harmonize regulations and standards, and improve cross-border investment. The AfCFTA thus represents a promising approach to address the specific needs of African countries and support their economic development in the face of global economic shifts and geopolitical changes.

Given this context, the discussions at the AfCFTA Business Forum highlighted the importance of unlocking the opportunities and investments presented by the shared goal of a single continental market.

Infrastructure

One of the key outcomes of the forum was the need to improve infrastructure across the continent. With regards to infrastructure, according to the African Development Bank, Africa's infrastructure needs an investment of \$130-170 billion per year, but the

current funding gap is around \$68-108 billion. Furthermore, only 34% of the African population has access to electricity, and 40% live more than 5km from the nearest all-season road. These challenges and the high logistics cost account for up to 40% of the cost of trading goods between African countries.

The critical question, therefore, in the “Year of AfCFTA: Acceleration of the African Continental Free Trade Area Implementation” and as AfCFTA celebrates its 2nd anniversary of commerce remains: How do we improve investments in critical infrastructure that facilitates the flow of information people, and goods?

AUDA-NEPAD and the Government of Senegal hosted the 2nd Dakar Financing Summit for Infrastructure (DFS-2) to drive the discussion on bridging the infrastructure gap. The critical learnings presented by the Summit emphasized building partnerships with the sector to bridge the infrastructure gap in Africa and the use of technology to modernize infrastructure. To this end, US\$65 billion Investment interest was received for PIDA PAP 2 projects in the transport, energy, water, and ICT sectors. This includes developing transportation networks, building energy infrastructure, and improving internet connectivity.

Manufacturing Sector

Another critical discussion centered around leveraging opportunities for the manufacturing sector in Africa. Currently, the manufacturing sector represents about 10% of Africa’s GDP, compared to 20% in East Asia and the Pacific and 15% in Latin America and the Caribbean. The United Nations Industrial Development Organization (UNIDO) also estimates that Africa’s manufacturing output could increase from \$500 billion today to \$1.7 trillion by 2030, creating up to 14 million jobs. The forum recognized the vast opportunities for African manufacturers, including the continent’s large and growing consumer base, abundant natural resources, and the potential for innovation and technological advancements.

Promoting critical industrial launch pads to overcome the incumbent raw material-oriented production-related challenges is crucial. To this end, AUDA-NEPAD is working with stakeholders to develop multi-sectorial industries, including agro-processing, manufacturing (particularly pharmaceutical products), pathways to green transition, and minerals development. Additionally, Africa’s Development Agency is working towards advancing alternative pathways, so-called industries without smokestacks, such as Blue Economy industries, and tradable services, such as tourism and ICT, which have gained increasing momentum in Africa.

Productivity and Competitiveness

The forum called for increased investments in Africa to produce goods that meet international standards and are competitive in global markets. The platform acknowledged that eliminating trade barriers under the AfCFTA will enable participating countries to develop their comparative advantages, increase productivity, and improve the quality of their goods and services.

While tackling the hurdles and barriers affecting cross-border crossings of goods is paramount, it is equally important that producers are encouraged to improve the cost and quality of their offers through innovation and technological upgrading to build dynamic comparative advantages to perform better than the competition. This will assist in rewriting the narrative that only a small proportion of African firms (around 20%) can consistently produce high-quality products at scale.

Innovation and Technology

Digital trade in Africa is rapidly gaining traction, which was at the heart of the discussions at the Forum. The continent is experiencing an increase in the adoption of digital technologies across various industries, with growing interest in e-commerce platforms, fintech solutions, mobile money, and other digital tools that are transforming how business is done on the continent.

This will unlock the potential of digital trade in Africa and enable businesses, especially small and medium-sized enterprises, to expand their reach and tap into new markets.

In this regard, AUDA-NEPAD is engaged in various stakeholder initiatives that promote private sector engagement and investment, innovation, technology development, collaboration, partnerships, and capacity building for AfCFTA. Additionally, AUDA-NEPAD is leveraging the potential of African MSMEs through initiatives such as Home-Grown Solutions Accelerator, African Kaizen Initiative, and 100K MSMEs. African MSMEs account for 80% of total production, two-thirds of investment, and three-quarters of credit, employing 90% of Africa’s working-age population.

Overall, the Forum recognised the pertinence of cooperation and collaboration as a pivotal enabler for the success of the AfCFTA Business Forum and subsequent interventions on the Agreement, the African Union and its Organs, Regional Economic Communities (RECs), governments, and the private sector will need to work together to exploit each other’s responsibilities, mandates, and capabilities. To this effect, it is pertinent to raise awareness of all relevant stakeholders and capacitate them to ensure they are all on the same page regarding the nature, scope, and channels of impact. The AUDA-NEPAD led AfCFTA impact assessment study will play a key role in singling out critical areas of sensitization and capacity building to be considered by all relevant stakeholders.

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DID YOU KNOW?



AFRICAN CONTINENTAL FREE TRADE AREA QUICK FACTS

 **54**
**AU MEMBER STATES
HAVE SIGNED THE AfCFTA
AGREEMENT AS OF APRIL 2023**

 **46**
**THE AfCFTA HAS 46 STATE PARTIES
AS OF MAY 2023**

 **30**
MILLION
**PEOPLE WILL POTENTIALLY BE
LIFTED OUT OF EXTREME POVERTY**

 **450**
BILLION DOLLARS
**INCOME BOOST IN AFRICA BY 2035:
A 7% GAIN**

The **AfCFTA** is evident in all thematic objectives of **AUDA-NEPAD**, which include **industrialisation, economic integration, human capital and institution advancement, and environmental sustainability.**

Did you know that one of the key outcomes of the 2nd Dakar Financing Summit for Africa's Infrastructure Development is that AUDA-NEPAD, AfDB, regional development banks, AFREXIMBANK, UNECA, RECs and the African Continental Free Trade Area Secretariat were urged to strengthen mutual cooperation in order to promote support infrastructures for intra-African trade?

Through the African Medicines Regulatory Harmonisation Initiative, the AUDA-NEPAD works to streamline access to medical supplies across the continent. This helps promote local production of medical supplies, reduce costs, and enhance access to affordable medical equipment, medicines, and supplies for member states signed to the AfCFTA agreement. This ensures that African countries have access to vital medical supplies during pandemics and other health emergencies.

The 17th Extraordinary Session of the Assembly of the African Union on Industrialisation and Economic Diversification convened in Niger in 2022 endorsed that AUDA-NEPAD and the African Union Commission in collaboration with RECs are mandated to support the completion of all outstanding phases of the ongoing AfCFTA negotiations focusing on investment, intellectual property, competition and e-commerce protocols and ensure that such negotiations support the integration and transformative agenda for Africa.

The AUDA-NEPAD also facilitates the private sector's participation in the AfCFTA, working to foster a business-friendly environment that supports cross-border trade and investment.

The AUDA-NEPAD's Program for Infrastructural Development in Africa (PIDA) is crucial for the success of the African Continental Free Trade Area (AfCFTA), as it aims to facilitate the development of infrastructure that will enhance cross-border trade and investment between African countries.

On implementing the vision of AfCFTA of a single continental market, the Continental Power Systems Masterplan spearheaded by AUDA-NEPAD, AUC and African Power pools will identify key generation and transmission mission infrastructure that will enable the creation of regional electricity markets which will be integrated into a single continental electricity market.

The AUDA-NEPAD also facilitates the private sector's participation in the AfCFTA, working to foster a business-friendly environment that supports cross-border trade and investment.

The implementation of the Continental Power Systems Masterplan spearheaded by AUDA-NEPAD, AUC and African Power pools will through the electricity continental market, increase continental trade in electricity resulting in uninterrupted electricity supply essential for industrialisation- a cornerstone for increasing intra-Africa trade.

AUDA-NEPAD Home Grown Solutions Accelerator for Pandemic Resilience announces its 2023 Pan-African cohort

The HGS Accelerator for Pandemic Resilience is an initiative that aims to accelerate the growth of African healthcare companies to strengthen the continent's pandemic resilience, in line with the African Union's Agenda 2063 aspirations.

This is achieved through offering hands-on, tailored support to early and growth stage healthcare businesses. AUDA-NEPAD founded the initiative in 2020 in partnership with the Japan International Cooperation Agency (JICA) and with the support of Boston Consulting Group (BCG), a global management consulting firm, as well as Villgro Africa, an experienced Pan-African Accelerator.

In the last two years, the Home-Grown Solutions (HGS) alumni have served almost 1 million patients and employed 1,400 people across Africa. For example, in the inaugural cohort, Africa Healthcare Network (AHN) - a specialized renal care service provider - employed an additional 100 people and opened 9 more clinics enabling them to serve over 1000 patients at AHN centers and assess over 3000 patients for Chronic Kidney Disease (CKD). Furthermore, Mobile Scan Solutions (MScan), a producer of handheld ultrasound devices for low resource settings and a HGS alumni company, demonstrated their great potential by scanning over 1000 pregnant women in Uganda which helped to reduce child mortality.

More recently, On March 31st, in a Steering Committee session of the Home-Grown Solutions (HGS) Accelerator chaired by Ms. Nardos Bekele-Thomas, CEO of the African



Union Development Agency-NEPAD (AUDA-NEPAD), 10 African healthcare ventures were selected out of 150 businesses who applied to form the third cohort of the initiative.

Building on the successes of its previous two cohorts, this year's cohort of 10 promising African ventures accounts for 6 countries and covers a wide range of pressing issues in healthcare, with end beneficiaries in over 15 countries. Support kicked-off earlier in April and will continue over the next 6 months. See below for overview and descriptions of these HGS.

Details of the 10 companies comprising the HGS 2023 Pan-African cohort



Consomed is a Tunisian medical device manufacturer that sells their production both locally but also exports parts of it to Western Africa, Europe, and the Middle East. They manufacture surgical masks, surgical clip caps, surgical show covers, and surgical tapes. They aim to expand their production plants across Western Africa.



Zuri Health is a Kenyan telemedicine company that provides health services through a web application, and USSD in 8 countries with the help of major telco players across Africa. They also offer lab, diagnostic services and doctor-at-home visits.



DrugStoc is a Nigerian-based tech company offering e-commerce, financing solutions and inventory management services to pharmacies. They provide a platform where pharmacies can order pharma products and a financial solution to buy goods on credit and pay later.



AfyA Care is a Nigerian investment platform that provides E2E healthcare services through building hospitals, providing diagnostics, providing insurance cover, and a health-tech platform that manages the customer health plans and claim process for insurance providers.



SOIK is a DRC-based digital maternal health provider, they provide a digital toolkit that consists of a smartphone and ultrasound device for the patient and the healthcare provider. This helps in tracking maternal health data and reporting functions to solve for any abnormality.



Zinacare is a South African-based online retailer of self-test kits which people can purchase and privately use at the convenience of their home while following instructional guides through their nurses. The results to the tests are provided online within 24-48 hours.



Klarah is a home care nursing provider with a telemedicine play from Cameroon. They are linking patients to the nearest nurse (like an 'uber for nurses'). Patients or families of patients (including the diaspora) are able to book nurses via a subscription option (1-2 regular visits per month).



Oxygen Hub is a pan-African oxygen producer leveraging a franchising model.

They are active across Ethiopia, Kenya, and Nigeria with 12 oxygen plants and are interested in scaling their production.

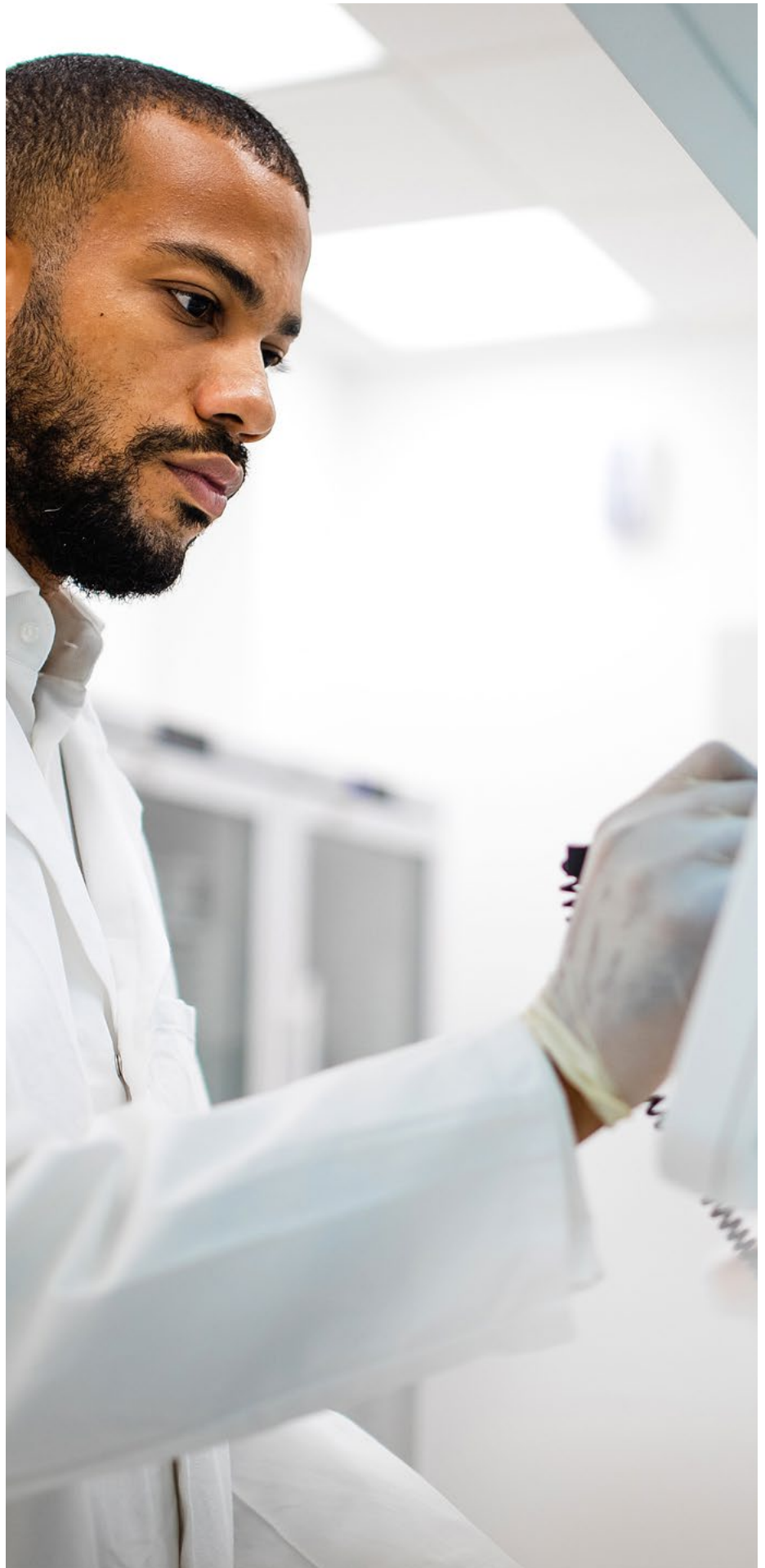


Tech Care For All is a Nigerian digital learning platform for healthcare workers. On their online platform, healthcare professionals can learn about relevant topics within the industry. They also use data and analytics to measure and track the impact of their platform.



Docthus is a real-time digital learning platform for healthcare workers from

Algeria. They enable clinicians to share their skills in virtual facilitation. They provide both live streaming of surgical procedures and virtual medical trainings.



The AUDA-NEPAD launches market sounding for Uvira-Bukavu Road Project

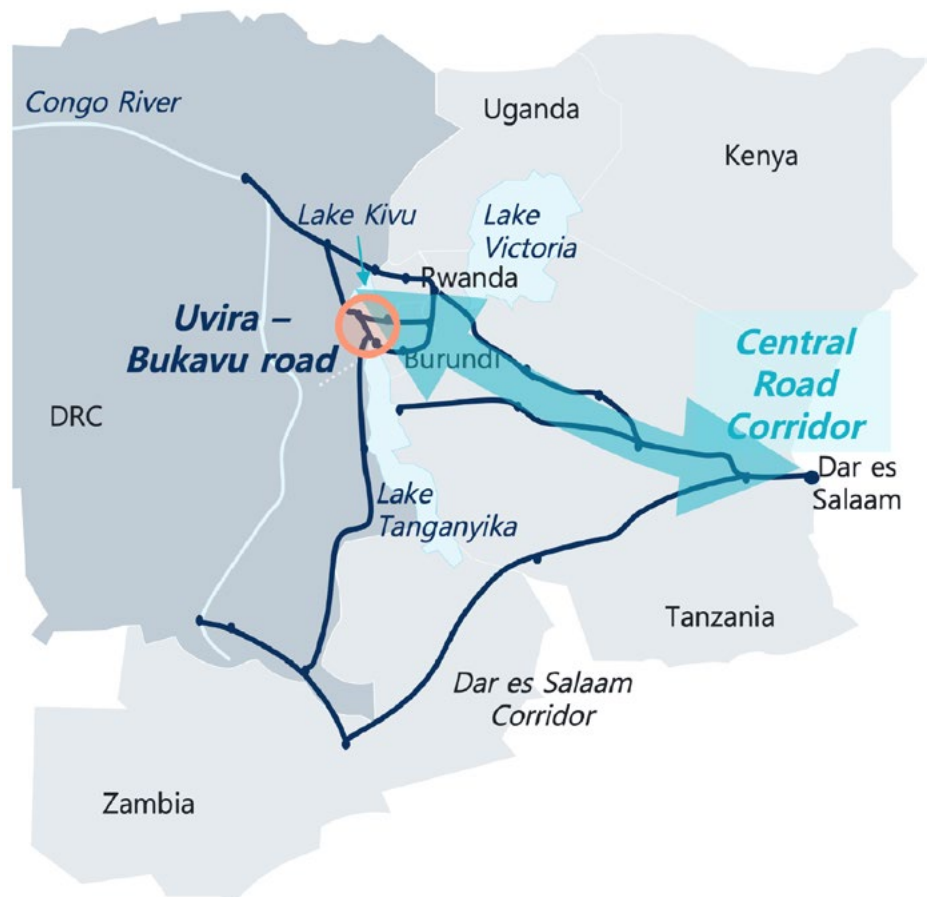
AUDA-NEPAD launched a market sounding exercise for the Uvira-Bukavu Road project in the Democratic Republic of Congo (DRC). The road links Lake Tanganyika and Lake Kivu, connecting the DRC to Burundi and Tanzania along the Central Corridor. The Uvira-Bukavu Road project is part of the Programme for Infrastructure Development in Africa (PIDA), which aims to boost infrastructure development across the continent.

In attendance at the launch were representatives of private sector, public sector, Development Finance Institutions and the project owners.

The Uvira-Bukavu Road is a critical infrastructure project, as it provides an outlet for the flow of exports and imports to the lake ports of Kalundu and Bujumbura. Moreover, freight tonnage on the Uvira-Bukavu Road is expected to increase to 1-2.5 million tons per year in 2040. The rehabilitation of this road will facilitate trade and transportation between Tanzania, DRC, Burundi, and Rwanda, reduce transport costs and time, and improve road safety. It will also develop climate-resilient infrastructure, improve traffic flow, and reduce poverty by easing population's access to basic services.

The project is expected to generate a 5% extra development traffic and induced and diverted traffic by 5-10% apart from the annual growth rate. The total capital expenditure for the project is estimated to be 498.15 Million USD, with 197.98 Million USD for Lot 1 and 300.17 Million USD for Lot 2. The project has shown economic viability, with an rate of return of between 15.1 and 19.4%.

The DRC government has strong political support for the project and the previous successful implementation of similar road projects involving private sector investment in the country also opens up the opportunity for private investment in the project. The project is therefore attractive to both traditional



development finance institutions and green funds. One positive aspect of the project is the enabling regulatory frameworks for public-private partnerships (PPPs) developed by the DRC.

The project aims to develop climate-resilient infrastructure, including climate change mitigation and adaptation measures. Thus, the project has the potential to become a groundbreaking example of resilient road development in the region.

In conclusion, the AUDA-NEPAD's launch of the market sounding for the Uvira-Bukavu Road project is a significant step towards developing critical infrastructure in the DRC. Rehabilitation of the road will generate numerous trade opportunities in Burundi, Tanzania, and the DRC.

The launch provided the AUDA-NEPAD and projects owners the opportunity

to gauge market interest and gather feedback from potential investors, lenders, and other stakeholders before formally launching the project. The Market sounding exercise has also helped ensure that the project is structured to meet the market's needs and preferences, increasing the likelihood of successful financing and completion. Additionally, it has provided an opportunity for stakeholders to express any concerns or issues they may have, allowing AUDA-NEPAD and project owners to address them proactively.

Celebrating AFRICA MONTH

Africa Month is an annual celebration held in May to commemorate the foundation of the African Union (AU). It is a time to reflect on the continent's diverse cultures, traditions, and achievements. Africa Day, celebrated on May 25th, is the culmination of Africa Month that commemorates the founding of the Organisation of African Unity (OAU), now known as the AU. Africa Day is a momentous occasion on the continent and is celebrated through various cultural and political events. It is an opportunity to acknowledge Africa's past struggles and commemorate the liberation of the continent from the grip of colonialism. It also serves as a reminder of the need for continued unity and collaboration among African nations to promote development and prosperity for all.

Agenda 2063 Media Corner

The views expressed by the members of the Agenda 2063 Media Network is solely that of the author and does not necessarily reflect the views and opinions of the AUDA-NEPAD.

African countries can build a brighter future

By Angel Navuri, Member of the Agenda 2063 Media Network

Africa Day is an annual celebration of the founding of the Organization of African Unity (OAU) on May 25th, 1963. It is a day to reflect on the continent's progress and challenges, and to renew commitment to the African Union's (AU) goals of unity, peace, and development. One key question that arises is whether Africa is in the right direction in terms of development. This article will explore this question, examining the progress that has been made in various sectors, as well as the challenges that remain.

Africa has made significant strides in various sectors over the past few decades. In terms of economic growth, the continent has experienced an average annual growth rate of 4.6% since 2000. This growth has been fueled by a number of factors, including increased investment in infrastructure, improvements in governance, and the emergence of a middle class. Countries such as Ethiopia, Rwanda, and Ghana have been leading the way in this regard. Similarly, Africa has made significant progress in terms of health and



education. According to the United Nations, the number of children out of school in sub-Saharan Africa fell from 57 million in 2000 to 21 million in 2018. The continent has also made progress in reducing maternal and child mortality rates, as well as in the fight against HIV/AIDS.

Despite these positive developments, however, Africa still faces significant challenges in terms of development. Poverty remains widespread, with over 400 million people living below the poverty line. Inequality is also a major issue, with the gap between rich and poor widening in many countries. Additionally, the continent continues to face significant infrastructure deficits, particularly in terms of electricity and transportation.

Another significant challenge that Africa faces is climate change. The

continent is already experiencing the impacts of climate change, including droughts, floods, and food shortages. These impacts are likely to worsen in the coming years, putting further strain on the continent's development.

In order to address these challenges, African countries need to continue to prioritize development and invest in key sectors such as infrastructure, health, and education. They also need to tackle issues such as corruption and governance, which can undermine progress in these areas. In addition, African countries need to work together to address common challenges such as climate change, and to build a stronger and more unified continent.

In conclusion, Africa has made significant progress in various sectors over the past few decades, but there is still much work to be done. The continent faces significant challenges in terms of poverty, inequality, infrastructure deficits, and climate change. However, by continuing to prioritize development and working together to address these challenges, African countries can build a brighter future for themselves and for future generations. As we celebrate Africa Day, let us renew our commitment to the AU's goals of unity, peace, and development, and work towards a more prosperous and sustainable Africa.

A mixed bag as AU turns 60

By Ndamu Sandu, Member of the Agenda 2063 Media Network

In his inaugural speech at the first summit of the Organisation of African Unity (OAU) in 1963, Emperor of Ethiopia, His Imperial Majesty Haile Selassie I, said Africa was at midcourse, in transition from the Africa of yesterday to the Africa of tomorrow.

"Even as we stand here, we move from the past into the future. The task, on which we have embarked, the making of Africa, will not wait. We must act to shape and mould the future and leave our imprint on events as they slip past into history," he said.

Sixty years after that historic meeting in Addis Ababa, the Africa of yesterday is to a large extent gone, ushering in the Africa of tomorrow.

Decolonisation

One of the main goals of the OAU was to deliver independence on the continent and listen to the cries for support and assistance to brothers in Rhodesia, Mozambique, Angola and South Africa.

Political independence was delivered. The former colonial powers control the means of production and are reluctant to let loose of the reins.

Where some have been radical like Zimbabwe with the fast-track land reform programme, the backlash has been swift with sanctions imposed. Two decades later, Zimbabwe is battling to compensate former farm owners for improvements on the land.

Sanctions have hamstrung Zimbabwe's growth trajectory. To its credit, the AU has been unanimous that sanctions should be removed, as they are illegal and unjustified.



African solutions to African problems

At the inaugural meeting in Addis Ababa, Ghana's President Kwame Nkrumah called for united Africa, united not only "in our concept of what unity connotes, but united in our common desire to move forward together in dealing with all the problems that can best be solved only on a continent basis".

The African Union has been quick, responding with suspension of countries in the event of coups like what has happened in Mali, Guinea and Burkina Faso.

However, the African solutions to continental problems has found critics especially among the opposition political parties who believe it has been politicized by those leaders that do not want the democratic order to prevail. The African Union should intervene early to stop the conflict than come on board when the conflict has started like what happened in Sudan.

The AU should play a key role in resolving the crisis by using regional groupings. Non-African countries seem to have made a breakthrough by ensuring there is a pause to the conflict to facilitate the evacuation of its nationals.

Regional integration

His Imperial Majesty Haile Selassie I said at the inaugural OAU summit

on the communication challenges between two neighbouring states. This he said has seen trade at a discouragingly low level.

"These anachronisms are the remnants of a heritage of which we must rid ourselves; the legacy of the century when Africans were isolated one from the other. These are vital areas in which must be concentrated," His Imperial Majesty said.

The AU is pushing for intra-African trade. The drive towards intra-African trade gained currency after the world was dealt a blow by the Covid-19 pandemic and the Russia-Ukraine war.

Africa's single market, the African Continental Free Trade Area was born in 2018. To date, 47 out of the 55 African countries have ratified it. Only Eritrea has not signed the agreement.

The single market platform resonates with the founding fathers of the OAU who in 1963 passed a resolution on the establishment of continental free trade agreement.

An AfCFTA Secretariat has been established which has been working protocols such as the rules of origin and the dispute settlement, among others.

Afreximbank and the AfCFTA Secretariat established a pan African payment and settlement platform. The Pan African Payment and Settlement System will use local currency in cross border transactions and is billed to save the continent US\$5bn annually in transactional costs.

The AU should ensure that all countries on the continent ratify the AfCFTA and are signatories to PAPSS so that intra-African trade is accelerated.



Sculpture "Non-Violence" by the artist Carl Fredrik Reuterswärd. UN Photo/Pernaca Sudhakaran

Silencing the guns

The last Nigeria military ruler General Abdulsalami Abubakar told his troops in 1999 to "forever resist the seduction and temptation of political power".

While the address was aimed at Nigerian soldiers after years of coups, it resonated with the thinking that soldiers should be confined to the barracks. More than two decades later, the continent is still battling with the unconstitutional removal of governments.

From Egypt, Zimbabwe to Mali, Guinea, Burkina Faso and Sudan, unconstitutional removal of governments have taken place in the last decades.

The root causes of these violent conflicts range from social and economic issues.

There is a need to escalate the Silencing the Guns in Africa agenda to create a continent in which peace exists. This behoves the AU to escalate the initiative working with its partners such as the UN.

The growth of the youthful population presents headaches for governments to accommodate the constituency.

At a continental level, programmes for the youth and women have been set up. Taking care of the youth means that the continent capitalises on the demographic dividend.

However, this becomes a demographic bond if it is not attended to. The death of thousands of youths in the Mediterranean as they seek greener pastures in Europe illustrates that more needs to be done to cater for the needs of the youth.

Local is lekker

The need to mobilise resources for the continent has seen the creation of African banks to drive that agenda.

The African Development Bank came on board in 1964 and is owned by African and non-African countries. It has played a catalytic role in growing African economies.

The African Export-Import Bank (Afreximbank) was set up in 1993 to

provide trade finance and drive trade. It has played a key role in accelerating intra-African trade.

The bank has also been pivotal in the creation of strong African financial institutions to replace foreign banks that would be exiting the continent. Its support has seen the birth of Vista Bank with operations in Guinea, The Gambia and Sierra Leone.

The AU has to ensure that these continental banks are adequately capitalised to meet the needs of African countries. This means that member countries have to play their part every time there is a capital raise by these continental banks.

The prospect on the horizon can be brighter - Analysis of Africa towards the achievement of the Agenda 2063 dream

By Baboloki Semele, Member of the Agenda 2063 Media Network



They call it Africa, and I call it home. I have travelled the length and breadth of Africa from 2008, as a journalist and young African activist, in pursuit of advancing the Africa we want. Whenever I am given a platform to speak, I always tell people I am from a village called Botswana in Africa. Well before my discovered introduction, it always irked me to have one person not accustomed to Africa, asking me to convey greeting to a certain Mary in Kumasi, or Sarah in Entebbe or Tewodrowos in Bahir Da.

This was because I have never been to Bahir Dhar, Kumasi or didn't even know Sarah in Entebbe, let alone most people in Botswana. I don't know if it was ignorance from people who had no clue that Africa was home to different 55 countries or it was my tribalistic/racial attitude towards other Africans (then) that would make me hate the idea of being associated with other Africans.

Long story short, I needed this constant regards messages to pass through to these people staying miles away from Botswana for me to appreciate that I am Africa in a much more similar way to an African in East, North, Central, West or Southern part (S). It took outsiders to open me to the reality that Africa is not united, but should operate from unison, for it is only in unity that we can realize the Africa we want of Agenda 2063. I started to shift my thinking and perception towards

other Africans, and so opened my mind to collaborate with African citizens to push the Africa we want. From 2008 when I first embraced Pan Africanism, to date, I am proud to say there is light towards the end of the tunnel. There is however room for improvement. Africa is a home to hope, the prospects on the horizon are bright, from Africa's growing and vibrant youth population, to initiatives like African Continental Free Trade Area, Program for Infrastructure Development in Africa and Comprehensive Africa (CAADP).

On 25 May we annually celebrate and commemorate Africa day, but today as we join in song and dance, we must be reminded of the challenge of unending violence across our beautiful continent. The African Union has designated 2023 as the year of accelerating African Continental Free Trade Area (AfCFTA), and this is an opportune year to strengthen our trade policies and macroeconomic policies, especially in ensuring that youth are at the centre of implementation and delivery. It is evident, most African countries have failed to achieve economic transformation, simply because of segmented and divided trading.

Overall, African economies have not developed strong manufacturing industries, instead becoming dependent on the extractive or low-productivity services and agriculture sectors. According to the African Center for Economic Transformation's (ACET) framework of economic transformation—defined as “Growth

with DEPTH”—they have neglected to improve their economies, based on the following indicators: diversification, export competitiveness, productivity increases, technological upgrading, and human well-being. This has left them vulnerable to sudden economic shocks and commodity price downturns. This lack of resilience is a fundamental weakness that has harmed the historical development trajectory of many African countries; it is threatening the continent's economic future and the well-being of its people.

African countries are ill-prepared to face the current multitude of global political, financial, climate, and economic crises. At the same time, poverty reduction and progress towards the Sustainable Development Goals (SDGs) have been slow, and without radical change, it is very likely that the SDG target to eradicate poverty by 2030 will be missed.

JD Houston said “If you want something in your life you have never had, you will have to do something you have never done.”

I share the same sentiments, and concur that business-as-usual will not only leave the African continent poorer and less resilient, it also poses significant risks to global efforts to build a safer and more sustainable future. Africa is on the track, but we need to do more. To secure a safer and more sustainable future for Africa, Africa must take global presence seriously. Aside from greater African

inclusion and representation, this will require support for major reforms to the global financial architecture, a just energy transition for Africa, and the development and implementation of transformation agendas for resilience and sustainability. As African countries seek to address these urgent imminent and long-term economic and social challenges, it is crucial not to lose sight of the underlying structural factors that have left the countries so vulnerable to these shocks. Building resilience will require African countries to look beyond crises and develop and implement agendas for economic transformation.

The Way Forward

I appreciate the founding fathers of OAU, which was later transformed to African union. And in building on their vision for a united Africa, Governments, private firms, workers, the media, civil society, and development partners all have mutually reinforcing roles in building a safer and more sustainable future. Africa should fight for more international representation (for example at the UNSC) to ensure that the African agenda and African interests are always represented. This could be done by increasing the representation of the continent and giving special privileges to allow the representatives of the continent to participate in in UNSC technical meetings and not just the plenaries. Fact! The average age of the African leadership is 64 years old and the average age of the population is about 20. These 44 years generational gap challenges the very core precepts of governance, sustainable development and the potential for harnessing Africa's demographic dividend through Intergenerational Co-Leadership.

There is therefore an urgency to open up youth spaces at all levels, in fact youth inclusion must be institutionalized and fast-tracked. Africa urgently needs to open up governance spaces and allow young



people to contribute meaningfully at national, regional and continental levels. The only logical way to manage the generational transition is to intentionally groom suitable successors to ensure a smooth transition in a clearly defined, structured and transparent manner. The need for youth inclusion should no longer be a topic, and the topic should be how to institutionalize and fast-track inclusion while making sure that youth are not only seen at the table but that they are also heard. I believe African youth must be at the forefront of Africa's integration, especially in areas of free trade area and infrastructure development.

I envision young people as catalysts of Africa's sustainable development, something most of African leaders have neglected and we keep asking ourselves why Africa is growing slowly compared to other continents of the world, this is because a significant portion (60%) of the continent's population is neglected. Youth must be empowered with knowledge and skills to harness their potentials and take centre stage for Africa's development. Political, economic and social discourse in Africa must be redesigned by bridging the gap between public policy leaders and young thought leaders. I believe in establishing and promoting a system that encourages and enables citizens to collaborate with governments to achieve mutually defined goals.

I wish I could say we have arrived, but we are not yet there for I am looking forward to An Africa with a support base for African young leaders to

develop innovative solutions through simulation, fact-finding research, policy reviews and prototyping to drive growth in all sectors. This should be done through direct engagement with peers, collaborators and public decision makers to implement these solutions. I strongly believe that it is the responsibility of the youth to prepare themselves adequately to lead the future, and I believe that all those who have been enlightened have a responsibility to help drive our societies forward. Youth must leverage on initiatives such as Energize Africa as espoused by AUDA-NEPAD and work closely with African Union Youth Envoy to advance the course of young people, consequently that of Africa as a whole.

Regional institutions and Members States must formulate a movement of youth-led accountability to work closely with the AU to monitor progress on the ratification and implementation of the African Youth Charter. A young man and woman per country, from each of the AU member states should be tasked to the role and incetified. This will be crucial in order to solidify youth-led advocacy, agency and collaboration with governments, national youth councils and other structures in advancing the youth agenda as well as link the AU better to the grassroots in Africa-a key feature still missing in several AU well-intended interventions on the continent. It is clear that a barrier to youth inclusivity is the digital divide and youth access to online spaces. Closing digital divide should be a key priority moving forward. Against this background, I am proud to say Africa is on the right path to attain goals of Agenda 2063, for if not, then I would not have been given an opportunity to contribute this thought without fear or favour. We live now in a better Africa where freedom of opinion is guaranteed as opposed to pre independence era. My name is Baboloki Semele, I come as one, but I stand and speak as thousand young Africans. Happy Africa Month.

2023 will mark a turning point in collaborative efforts to bridge the energy infrastructure gaps across Africa

An Energy Stakeholders' meeting convened in Kigali in the last week of March 2023 to co-create solutions to tackle energy poverty in Africa and address the expected surge in electricity demand. Major recommendations were made to realize the implementation of three African Union initiatives: the African Single Electricity Market (AfSEM), the Continental Power Systems Masterplan (CMP) and the African Energy Efficiency Strategy (AfeES).

Access to affordable clean energy remains one of Africa's biggest challenges. The electricity demand across the continent is expected to triple by 2040 due to various factors notably industrialization, urbanization, higher household incomes, and climate change. The abundant renewable energy resources in Africa have the capability to fulfill this demand, but it is necessary to first establish the physical interconnection of the continent's energy infrastructure.

The AfSEM, CMP and AfeES programmes are crucial in linking the continent's regional energy infrastructure.

Extensive consultations to accelerate Africa's energy transition.

Connecting Africa's five regional power pools will not only pave the way for one of the largest electricity markets in the world but will also help curb the electricity deficit and allow a well-balanced sharing of resources. The past three years have seen significant progress for the CMP in its mission to establish a long-term continent-wide planning process for power generation and transmission involving all five African power pools.

Attendees of the CMP stakeholders' meeting had the chance to review and validate two important CMP deliverables that were developed through key support from the EU Global Technical Assistance Facility for Sustainable Energy (EU GTAF) in collaboration with the African Union Development Agency (AUDA-NEPAD) and all regional Power Pools:

- The first report, titled "Integrated Continental Demand Forecasts - Scenario Analysis", provides further insight into the African electricity demand by 2040, based on the initial findings of the reference case continental electricity demand forecasts presented earlier in 2022. Preliminary findings indicate that the Continent needs to triple its investment effort (close to \$1 trillion) in new power generation capacity if it is to attain the goal of universal energy access and transformative socio-economic development by 2040.
- The second report, named "2020 - 2040 Baseline and Reference Case Planning Scenario Results", summarizes the outcomes and key results from the optimization runs of the SPLAT-Africa model. The latter aims to determine the optimal generation and transmission projects, as well as their respective capacities, to meet the reference

case energy demand projected up to 2040 from a techno-economic perspective. It highlights the shift towards renewable energy generation and transmission connectivity throughout Africa.

A clear vision to unlock the potential of the African Single Electricity Market

Additionally, stakeholders participated in consultations regarding the new phase of the AfSEM, which requires comprehensive strategic planning to come to fruition. Officially launched in June 2021, the AfSEM has five strategic documents outlining regulatory readiness, technical and operational readiness, market readiness, market liberalization, utility restructuring, institutional strengthening, and governance.

Following thorough consultations with stakeholders at both continental and regional levels, the strategic objectives, strategies, and action plan were the fruit of a collaboration between the AUC Department of Infrastructure and Energy (AUC-DIE) and the EU GTAF. The strategic objectives of AfSEM were also carefully evaluated by various organizations like AUDA-NEPAD, the African Energy Commission Regional Regulators, the African Forum for Utility Regulators (AFUR), and the Association of Power Utilities of Africa (APUA) to ensure energy security in Africa amidst global energy challenges.

Taking stock of Energy Efficiency (EE) policies to accelerate EE action in Africa

The objectives of the AfSEM cannot be met without solid energy efficiency strategies. This is why, starting from January 2023, a comprehensive inventory project has been initiated to collect energy efficiency data across Africa and establish clear objectives for the continent. The EU GTAF is leading the effort to lay the groundwork for a robust AfeES and action plan.

A report on EE institutional arrangements and initiatives in Africa is now available, resulting from a bottom-up approach, and developed in collaboration with the Centers for Regional Renewable Energy and Energy Efficiency. The report identifies regional and national EE action plans and guidelines and draws upon EE targets from international frameworks.

The joint AfSEM, CMP and AfeES stakeholders meeting was organised by the AUC, AUDA-NEPAD and Africa Energy Commission (AFREC) in collaboration with the Ministry of Infrastructure of the Republic of Rwanda and the EU GTAF. The gathering represented a major milestone in the work carried out in the scope of the partnership between the AU and the EU for the harmonization of the African electricity market.

New Appointments at the AUDA-NEPAD



Mr. Melaku Yigzaw Teferi, a national of Ethiopia has been appointed as Programme Officer, Energy Planning and Modelling CAPP, within the Economic Integration Division, with effect from 01 March 2023. Mr. Teferi holds a Master of Science in Electrical Engineering (Power Engineering) (2017) and a Bachelor of Science in Electrical Engineering (2007)

from Mekelle University in Tigray, Ethiopia.



Mr. Gift Chindebvu, a national of Malawi has been appointed as Programme Officer, Energy Planning and Modelling SAPP, within the Economic Integration Division, with effect from 01 March 2023. Mr. Chindebvu holds a Master of Science in Management (2022) from the University Of Illinois Urbana Champaign in the USA and a Bachelor of

Science in Electrical Engineering (2007) from the University of Malawi, The Polytechnic.

Mr Samwel Opana, a National of Kenya has been appointed as Programme Officer, Energy Planning and Modelling EAPP within the Economic Integration Division, with effect from 01 April 2023. Mr. Opana holds a Master of Science in Nuclear Power Plant Engineering, (2019) from KEPCO International Nuclear Graduate School, Republic of South Korea, and a Bachelors of Science in Electrical and Electronic Engineering (2012) from Jomo Kenyatta University of Agriculture Technology.



Mr. McNeil Mhango, a National of Malawi has been appointed as Senior Programme Officer, Information Management Specialist within the Economic Integration Division, with effect from 01 April 2023. Mr. Mhango hold a Master of Science in ICT Leadership & the Knowledge Society (2019) from the University of Mauritius , and a Bachelor of Science in Information Sciences (2009) from the Mzuzu University in Malawi.



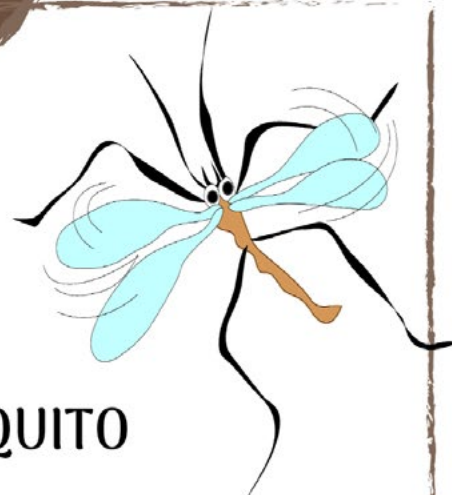
Mrs. Motsei Patience Tiego, a national of Botswana has been appointed as an Administrative and Finance Assistant within the Centre of Excellence Management with effect from 01 April 2023. Mrs. Tiego holds a Bachelor of Accounting (2001) from the University of Botswana.



Mr. Christopher Okonji, a National of Kenya has been appointed as Programme Officer, AUDA NEPAD Fund within the Office of Science, Technology and Innovation, with effect from 01 April 2023. Mr. Okonji holds a Master of Economics -Cooperation and Human Development (2019) and a Bachelor of Economics and Finance (2015) from Kenyatta University.

African Proverb

**IF YOU THINK YOU ARE TOO SMALL
TO MAKE A DIFFERENCE, TRY
SLEEPING IN A ROOM WITH A MOSQUITO**



HABARI

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