

2011

African Economic Outlook

AFRICA, AND ITS
EMERGING PARTNERS

Praia, 5th December



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Africa and its Emerging Partners



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4 received notions this report calls into question

Emerging partners are perceived

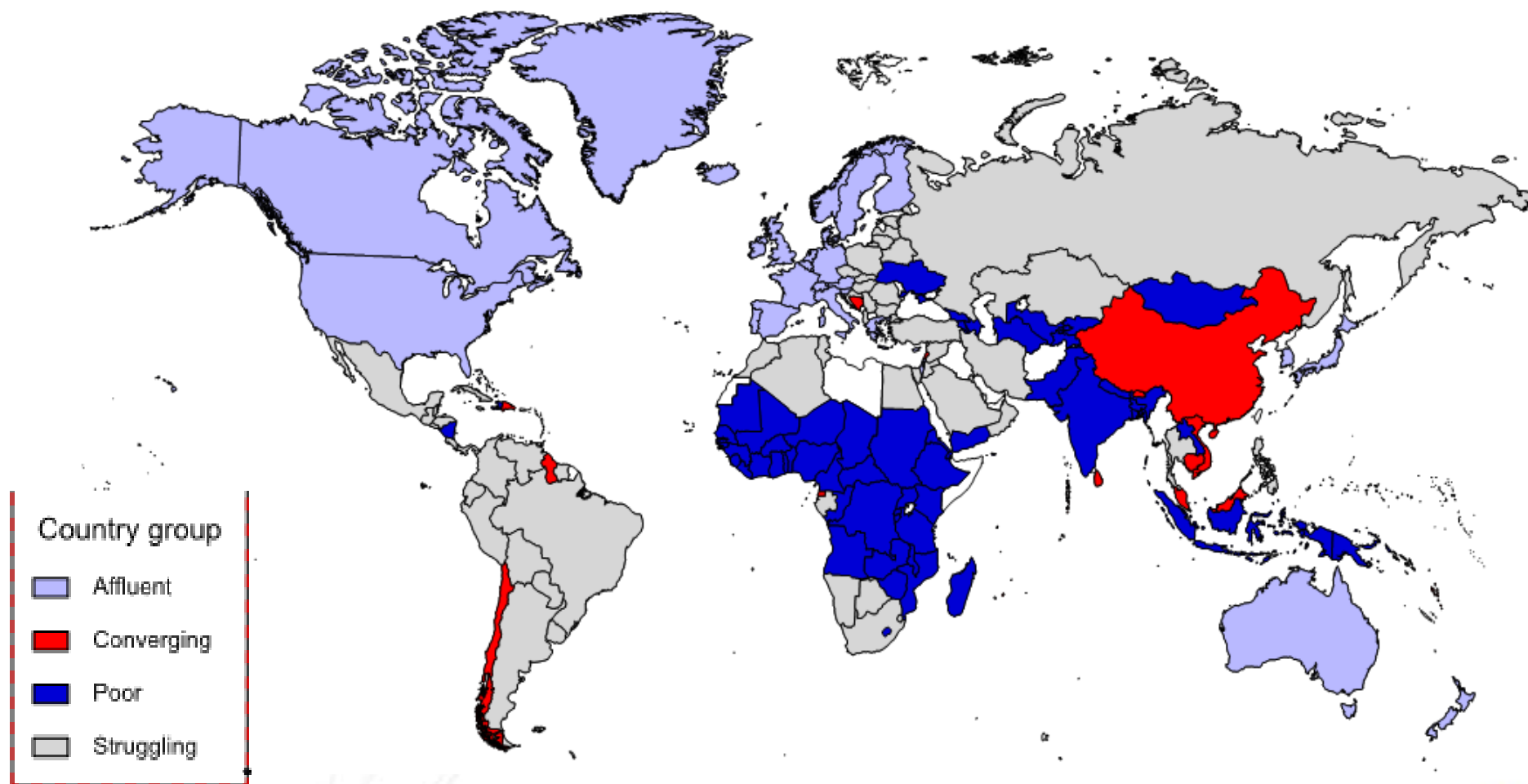
1. to be bringing down governance standards;
2. to be helping the re-indebtment;
3. to be contributing to the de-industrialization;
4. and to specialization into resource extraction of African countries



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Africa's shifting role in globalization: the 90s



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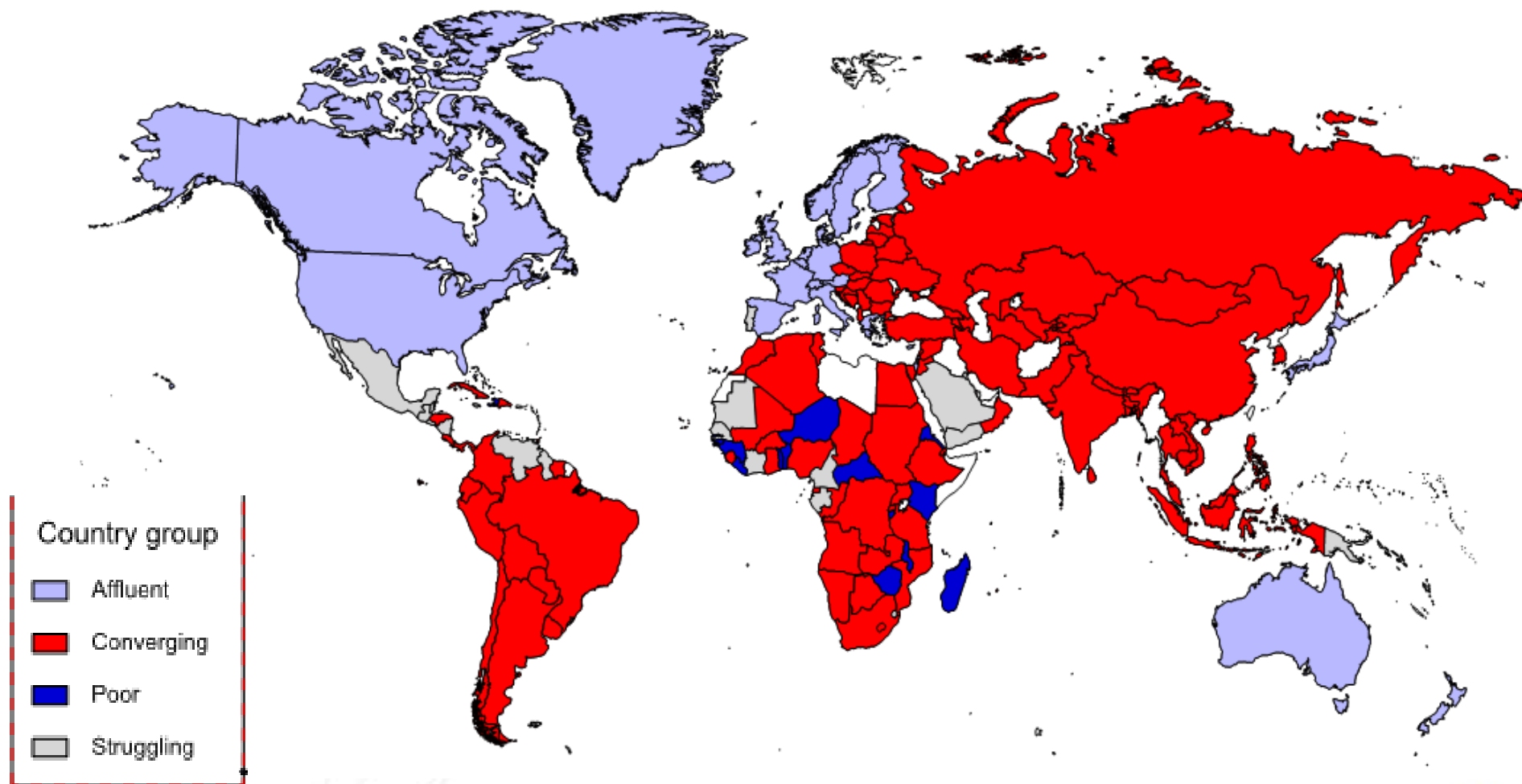
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Africa's shifting role in globalization: the 2000s



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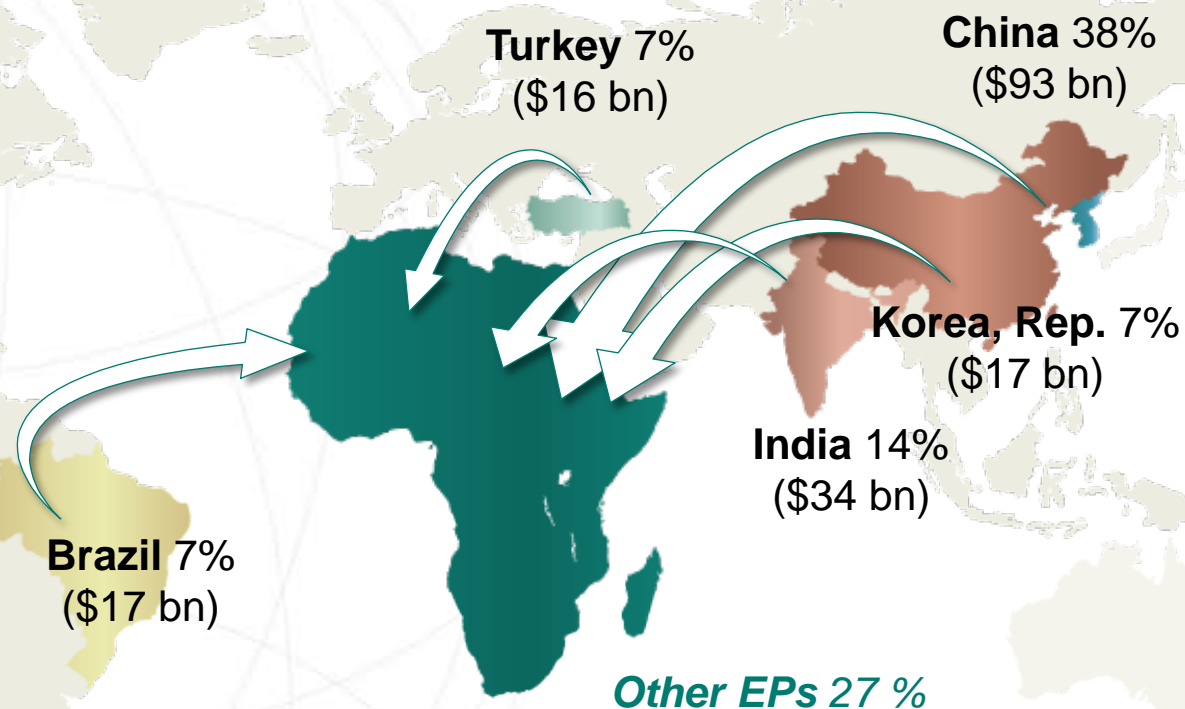
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Who are Africa's "Emerging Partners"?



Africa Trade Volume, 2009 % of total (US\$ billion)

- Countries outside OECD DAC in 2000 whose economic relations with Africa have risen fast over the decade
- China (incl. HK), India, Korea, Brazil and Turkey are leading the pack



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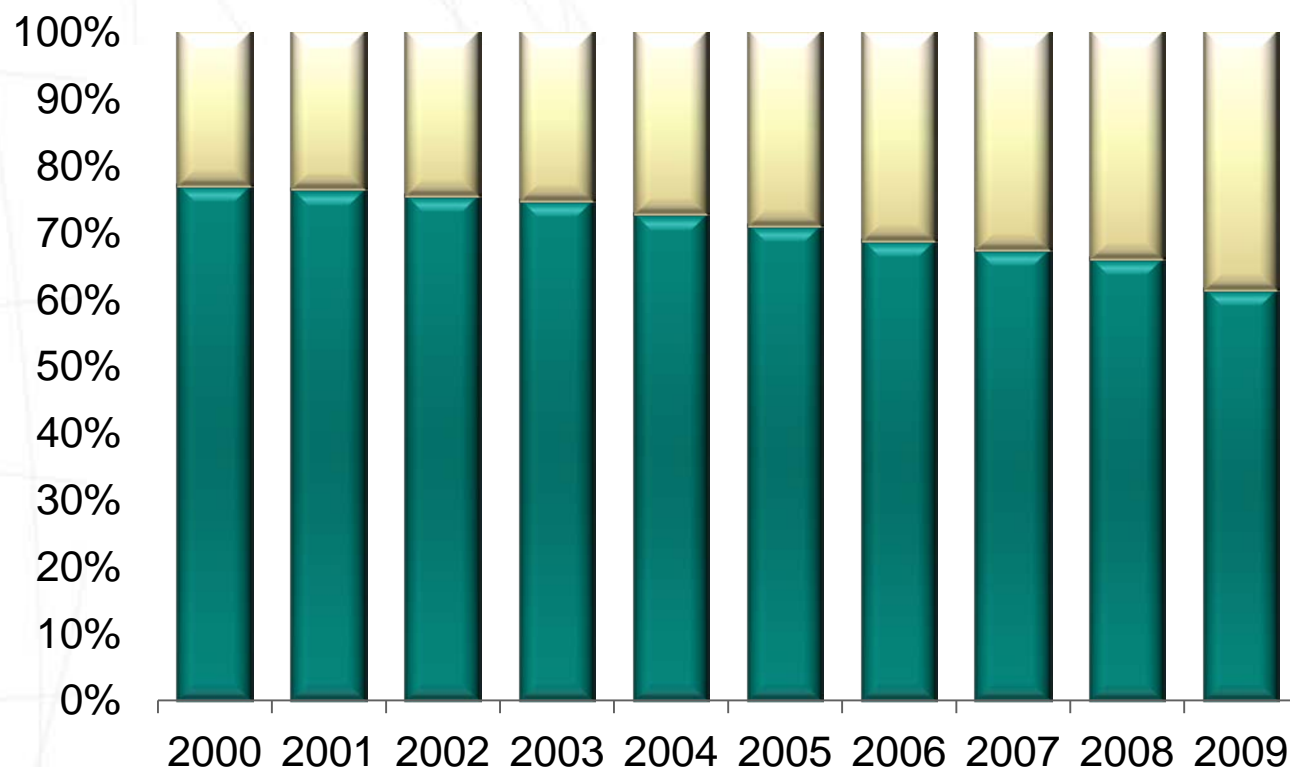


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The rise of Emerging Partners

Share of Traditional (TPs) and Emerging Partners (EPs)
in Africa's total trade



- Africa's total **trade doubled** between 2000 and 2009
- Share of trade with non-traditional partners **increased from 23% in 2000 to 39% in 2009**
- **China's share tripled**

■ TPs ■ EPs



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OECD



UN
DP



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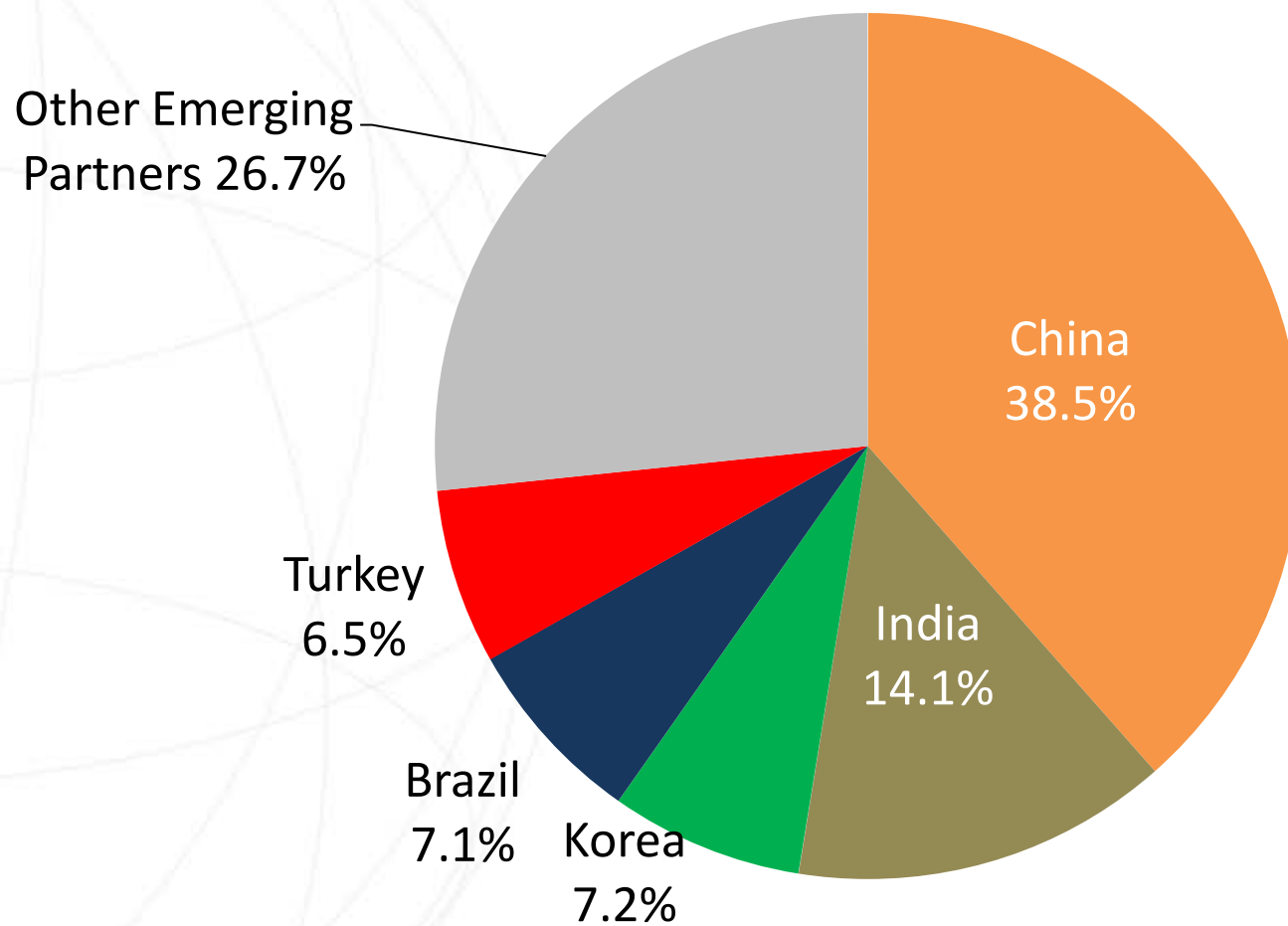


EU



... and it's much more than all about China

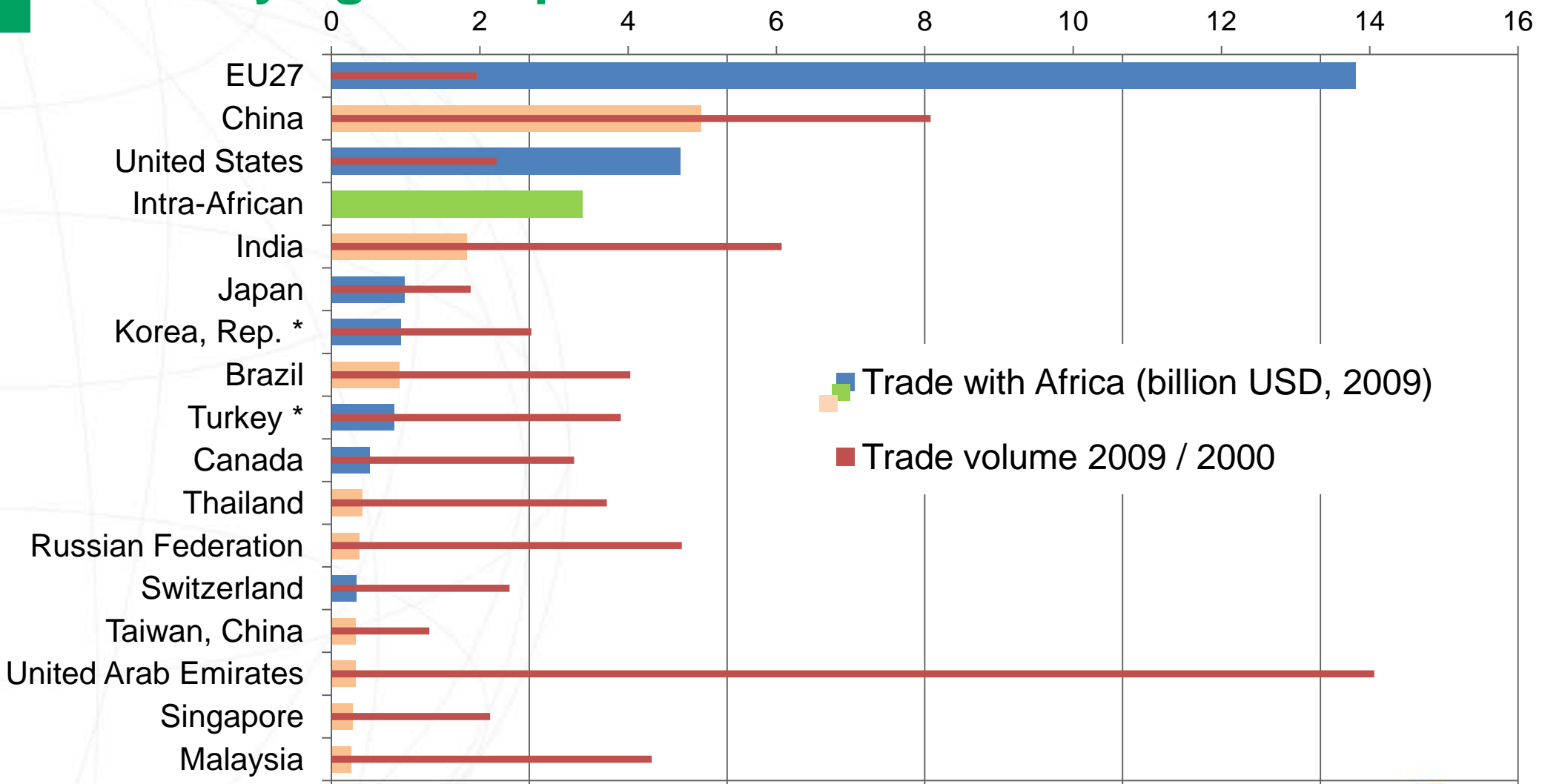
Africa's total trade with emerging partners (2009)



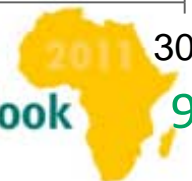
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Diversifying trade partners

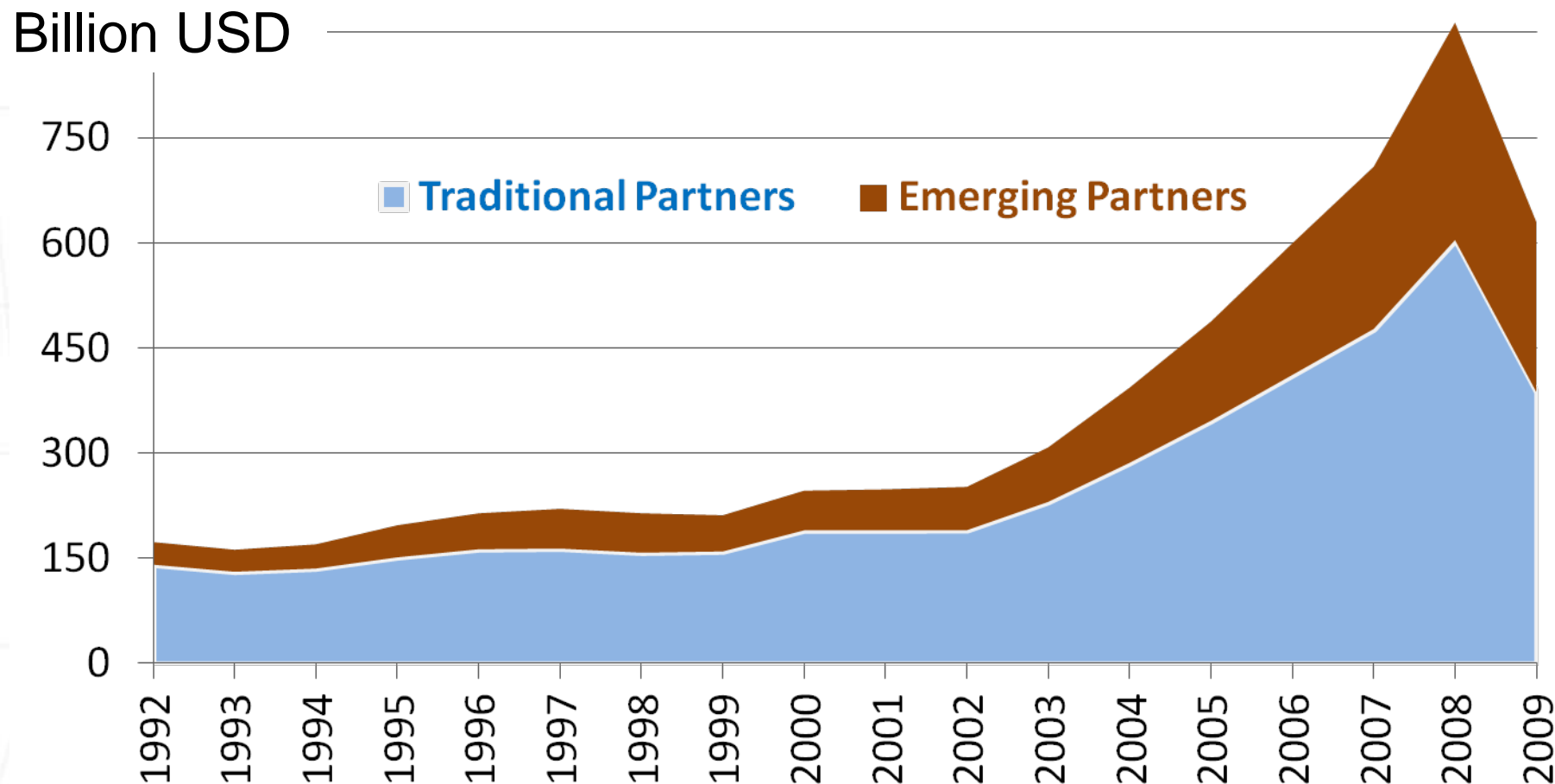


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Traditional Partners remain key...

Africa's Total Trade Volume

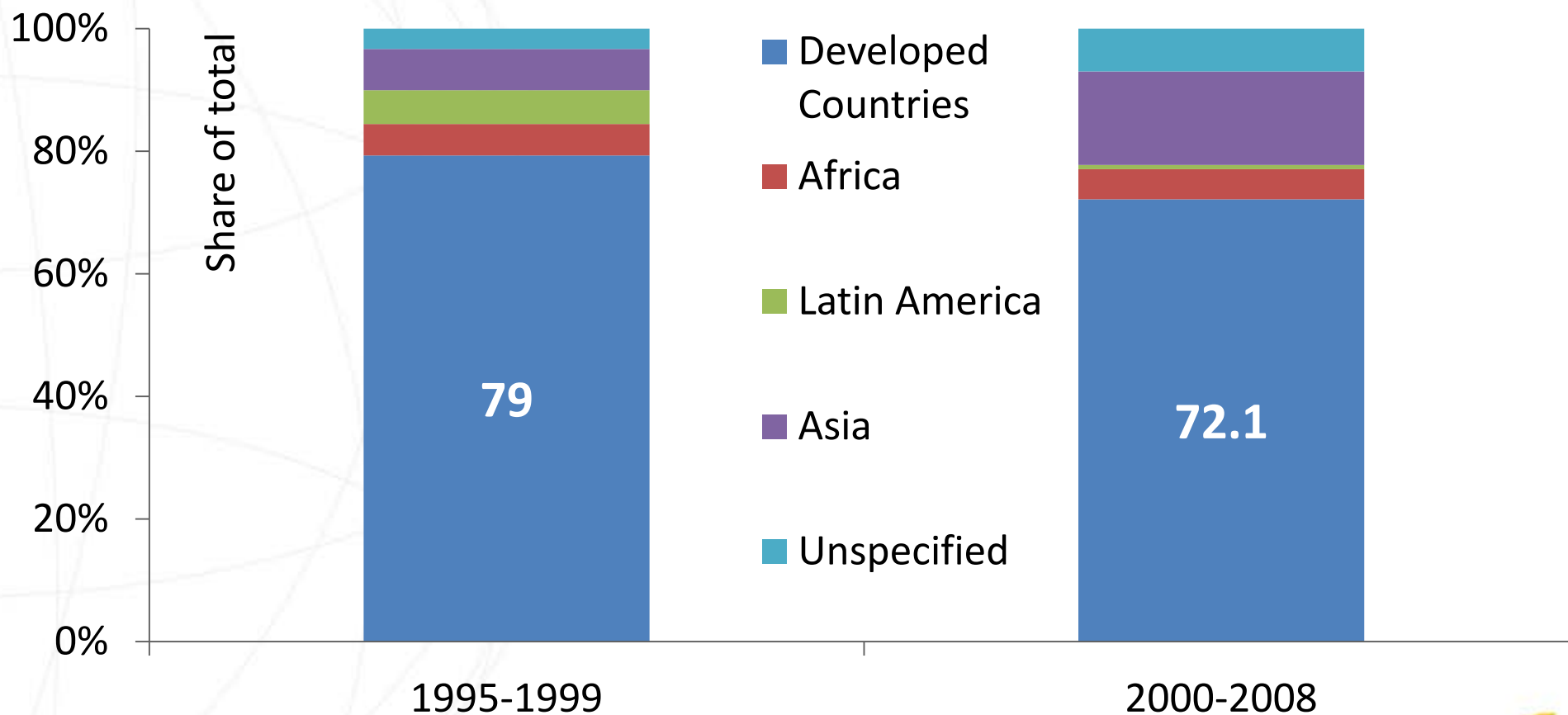


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Traditional Partners remain key... (continued)

African FDI inflows 1995-2008

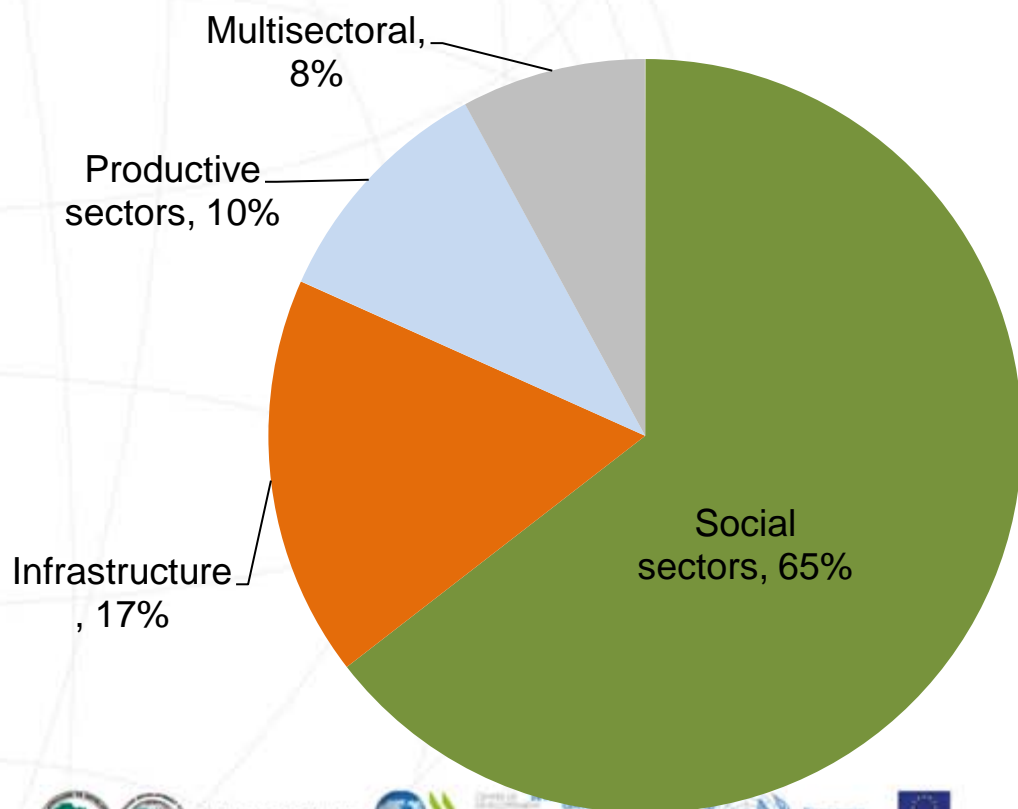


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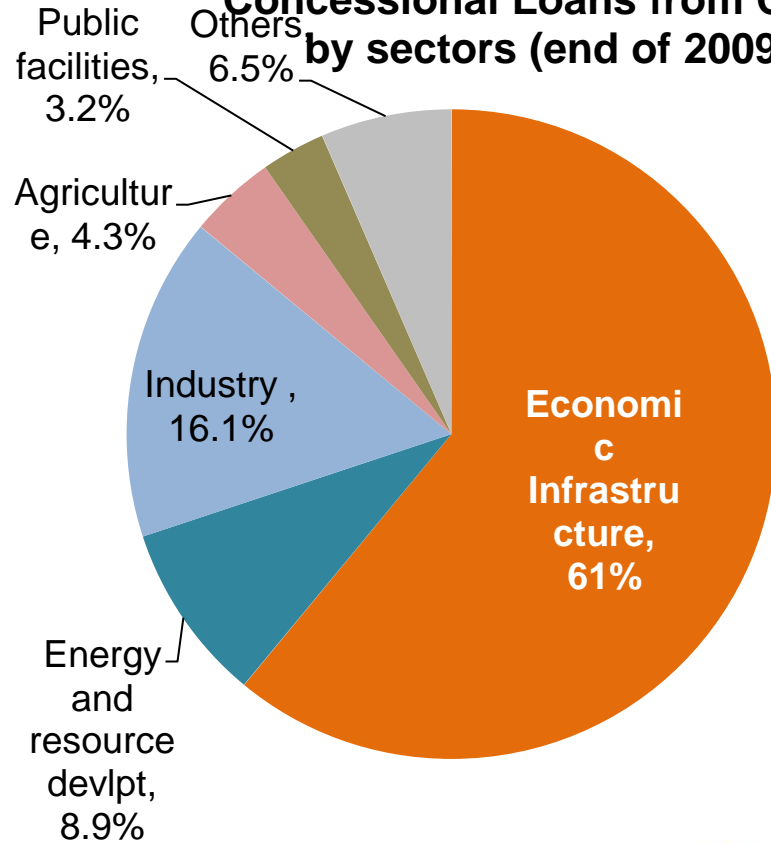


Scope for synergies

DAC Official Development Assistance to Africa, by sectors (05-09)

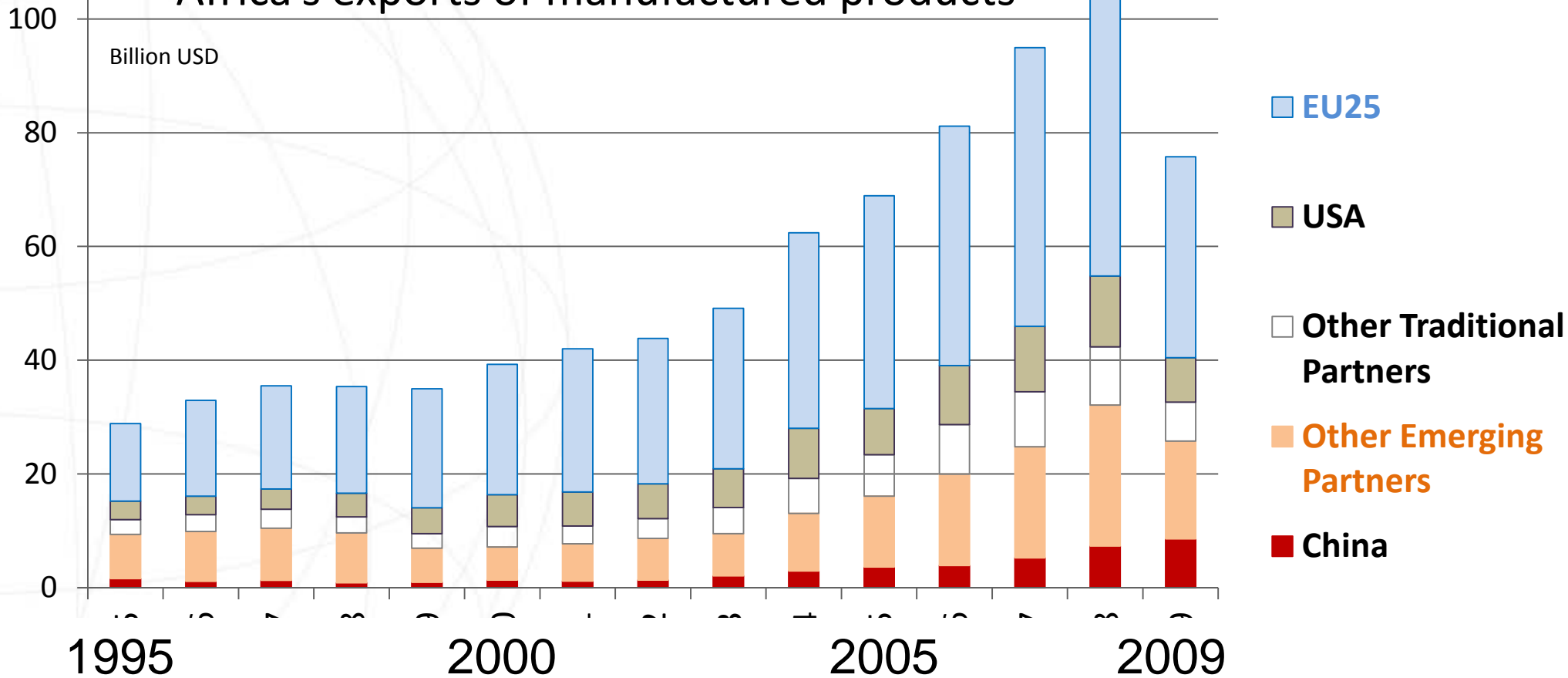


Concessional Loans from China by sectors (end of 2009)



Industrialization: more opportunities than threats?

Africa's exports of manufactured products

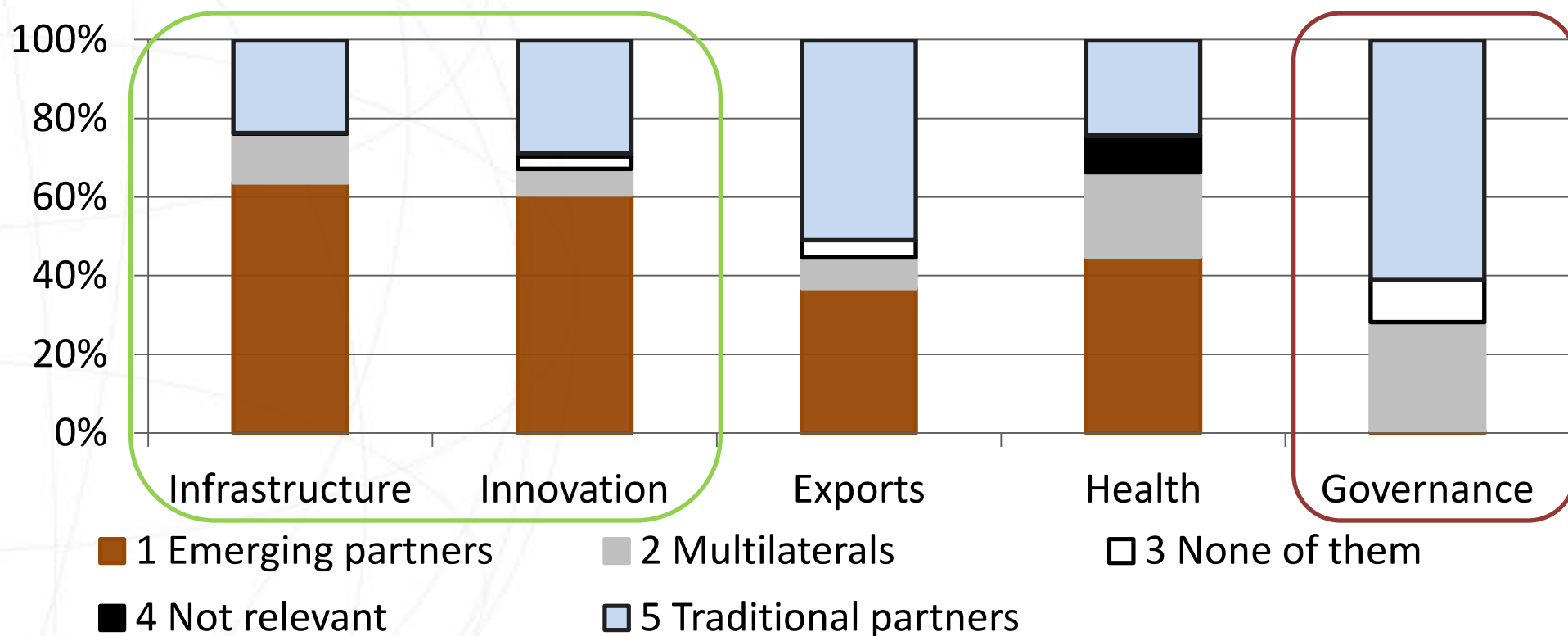


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Managing a widening policy space

Who among the following partners are typically most effective at meeting the development objectives of the country?



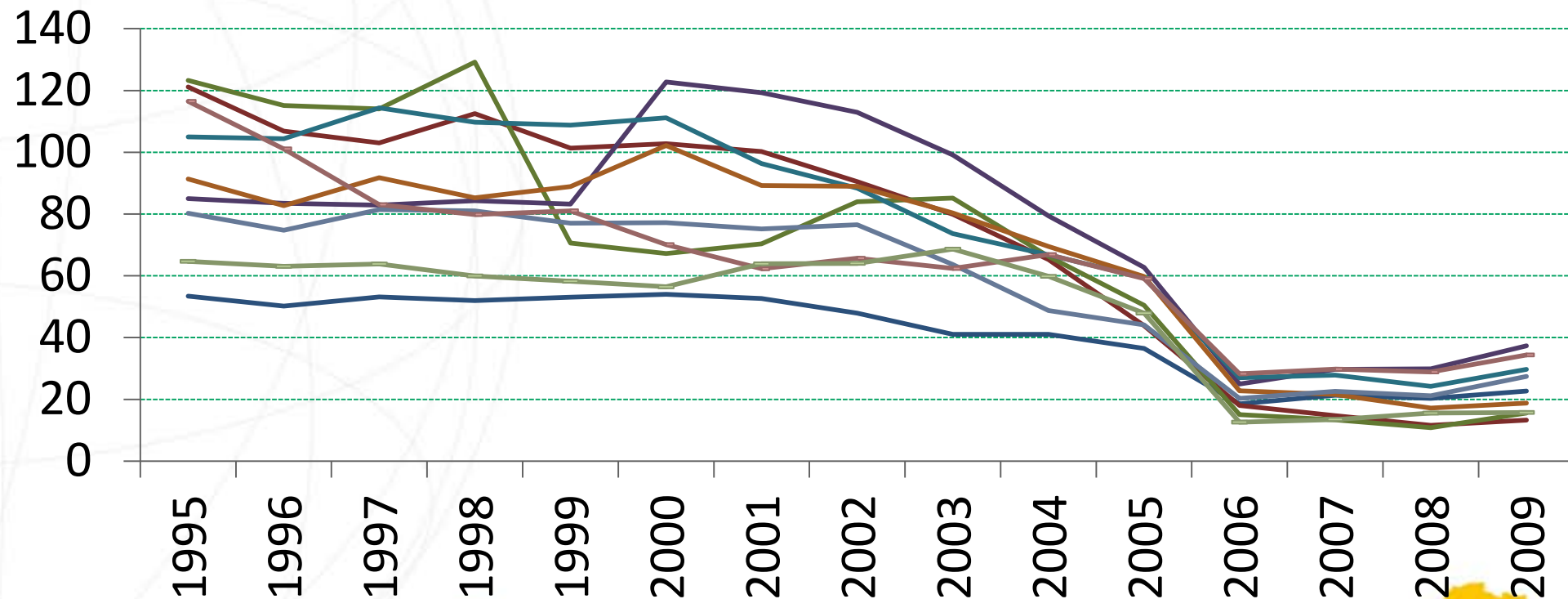
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Re-indebthment: the case for transparency

Debt as a % of GDP

— Burkina Faso — Cameroon — Ethiopia — Ghana — Mali
— Niger — Senegal — Tanzania — Uganda



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Main findings

- ▶ Emerging Partners have become a major driver of Africa's growth – although Traditional Partners are still very significant and will remain so in the years to come
- ▶ The patterns of engagement of Emerging and Traditional Partners tend to be complementary, to the benefit of African countries
- ▶ There are outstanding risks especially for the weakest African states, but so far, more fear than harm



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Policy implications

- ▶ Enshrine engagement strategies into national development plans
- ▶ Search for a virtuous circle of regional integration and coordination
- ▶ Raise the scale of investment to attract emerging investors, including Sovereign Wealth Funds
- ▶ More transparency to put an end to unconstructive myths



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The screenshot shows the website's header with navigation links for English, Français, and Português, and sections for About us, Partners & affiliates, and Contact us. A search bar is present. The main navigation bar includes Home, Outlook (highlighted), In Depth, Countries, Data & Statistics, News & Events, and Resources. The main content area features a breadcrumb trail (Home > Outlook), a title 'Outlook', and social media sharing options. A text block discusses the 2010 African Economic Outlook, noting the continent's recession and the challenges of the Millennium Development Goals. A sidebar on the right lists key topics: Macroeconomic Situation and Prospects, External Financial Flows to Africa, Trade Policies and Regional Integration in Africa, Progress towards the Millennium Development Goals, and Political and Economic Governance. Below this is a section titled 'CHALLENGES AFRICA FACES AFTER THE GLOBAL CRISIS' with a corresponding image.


Home > Outlook

Outlook

+ Share 4

The 2010 African Economic Outlook finds the continent reeling from the effects of the world's deepest and most widespread recession in half a century. Many countries are at risk of falling far off track to achieving the Millennium Development Goal of halving extreme poverty and hunger by 2015. Just how hard was the region hit? What are the prospects for recovery? Insights and answers in this edition including an in-depth study of Taxation and Aid in Africa.

Global conditions are expected to improve in 2010

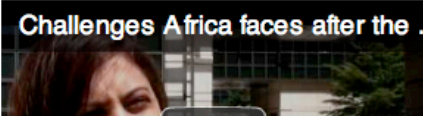


Since the trough of the recession in the first half of 2009, **the global recovery has made significant progress**. Global output is on the rise and business sentiment is improving world wide. But towards the end of 2009 global industrial production and world trade levels were still much lower than before the crisis.

An exception is the development in emerging countries where – boosted by China – **industrial production** already exceeds pre-crisis levels.

- > **Macroeconomic Situation and Prospects**
- > **External Financial Flows to Africa**
- > **Trade Policies and Regional Integration in Africa**
- > **Progress towards the Millennium Development Goals**
- > **Political and Economic Governance**

CHALLENGES AFRICA FACES AFTER THE GLOBAL CRISIS



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