

# Africa at Crossroads, Where Should Be Canada?

## Consultation with the Liberal Party of Canada

ASG Presentation

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« If you want to be relevant, now is the time to be in Africa »

Dominic Barton

Global Directing Manager

McInsey & Cie

Ottawa, February 6, 2014



Africa  
Study  
Group

Groupe de  
réflexion sur  
l'Afrique

- \* Raise awareness among Canadians and Canadian policy decision makers on the importance of the African continent, its opportunities and challenges, and influence policies.
- \* Offers a space for discussion among members, close to 130.
- \* Affiliated to CIC-NCB
- \* Website: [www.africastudygroup.ca](http://www.africastudygroup.ca)
- \* Twitter: @AfricStudyGroup

# Africa today is booming



**\$2.0 trillion** Collective real GDP

**618 million** Combined working age population, 15-64

**\$1.0 trillion** Collective household consumption (more than Russia and India)

**>720 million** Number of Africans with mobile phones

**64** Number of African cities with more than 1 million people each

**53** Number of African companies with revenues of at least \$3 billion

# The Good News

- \* Africa likely to continue to grow by 5% in 2015 and following years in spite of oil-price fall. *The Economist*, Jan 11, 2015
- \* In 2013-14, SSA made more regulatory improvements than any other region. *Doing Business 2014*
- \* Diversification: services now represent 60% of Nigeria GDP
- \* Life expectancy, primary education, gender balance, maternal health, children under 5 mortality rates: all improving.
- \* More democratic governments now than in 1990 (22/3)
- \* Citizen awareness and engagement also improving.

# Despite the opportunities, some countries in Africa face challenges

## Income inequality



*Esp. South Africa, Botswana, Namibia*

## Inadequate infrastructure (especially access to power / electricity)



*Esp. Somalia, Niger, Ethiopia*

## Political instability and terrorism



*Esp. Somalia, Congo (D.R.), Sudan, South Sudan*

## Red tape and corruption



*Esp. Somalia, Sudan, South Sudan, Libya*

## Not So Good News

- \* **Increasing inequality:** nearly half live with less than 1,25USD/day, twice as many people than 30 years ago.
- \* Insufficient mobilization of African capital.
- \* Natural resources do not bring much revenue at home.
- \* Lack of infrastructure to support development
- \* **Poor governance** ➔ marginalisation, terrorism, corruption
- \* Climate Change will affect Africa more significantly.
- \* High population growth: a curse or a benediction?

# An integrated, prosperous, peaceful Africa, driven by its own citizens & representing a dynamic force in the global arena, by 2063

1. Prosperous – inclusive growth, sustainable development
2. Integrated – united
3. Good governance, democracy, rule-of-law, human rights
4. Peaceful & secure: all guns to be silent by 2020
5. Strong cultural identity, ethics & values
6. People driven, unleashing the potential of women & youth
7. Strong, united & influential global player

# Africa is important to Canada

- \* Increasingly important world player, and in the past, Canada benefitted significantly from a good relation with Africa
- \* Home to significant Canadian investments, mainly extractive industry
- \* Increasing commercial interests
- \* It is in our best interests that Africa succeeds.
- \* And Canada has a lot to bring to Africa

# What Should Canada Do Differently?

1. Engage in a full review of Canadian foreign policy, in consultation with Canadians (citizens, private sector and CSOs) to develop a coherent foreign policy with an Africa specific strategy, drawing on all foreign policy tools. Ensure that diplomacy, trade, immigration and security policies are congruent with the overall objective of achieving prosperity and security for all.
2. Recognize the geopolitical importance of Africa and initiate a paradigm shift from top-down relationships to equal partnerships based on mutual respect and benefits. Ban the imposed priority sectors that shift every couple of years.
3. No one size fits all: pull together a differentiated approach on the basis of country needs and level of fragility, development. Develop a specific approach for fragile states.

## What Should Canada Do Differently

4. Invest in governance and security: state building, management of natural resources, fiscal management, trans-border management, police & army training, and support regional integration through capacity development and infrastructure projects.
5. Introduce mandatory compliance to international CSR standards.
6. Apply the 2008 ODAA Act.
7. Redefine effectiveness for the long-run, instead of short term delivery of public goods in lieu of African governments.
8. Evaluate the focus countries policy – do we have more influence? Impact? Reduced delivery costs? Selection criteria?

## What Should Canada Do Differently

9. Work with the African diaspora to leverage their influence and impact.
10. Work with multilateral organizations, African organizations and like-minded countries to improve partnerships, and exercise more influence.
11. Give Canadian public servants the capacity to implement development programs, once approved by the political level.
12. Reinvest in diplomacy: presence & influence is important.
13. Reimagine financing for development: African countries, remittances, increased ODA, why not a global tax?

## Key concluding messages

- \* Africa is at crossroads today, it enjoys strong economic growth, which facilitates transformation towards a more inclusive society, sustainable economic growth, and better democratic governments.
- \* To succeed, bold actions are required first by African countries themselves.
- \* Canada should regain its influence and reinvent its relationship with Africa using multi-stakeholder partnerships, involving not just the government, but also the private sector, CSOs, and international organizations.
- \* Canada should engage in a full review of its foreign policy, and invest in improving governance in key fields where we have expertise.
- \* Move from aid effectiveness (which has not quite been achieved) to development effectiveness with a policy coherent strategy.