

North Africa, on the other hand, has made the greatest progress by improving the lives of 8.7 million, or 34.9 percent, slum dwellers (UN-Habitat, 2010).

At the country level, the trend shows that of the 27 African countries with available data for both 1990 and 2007, Egypt, Senegal, Guinea, Mali, and Rwanda made the most progress in reducing their urban slum populations by more than 25 percentage points during this time span. However, in CAR, Comoros, Côte d'Ivoire, Malawi, Mozambique, Zambia, and Zimbabwe the proportion of the urban population living in slums increased over the period 1990–2007. A number of countries (CAR, Chad, Ethiopia, Madagascar, Mozambique, and Niger) still exhibit high (over 75 percent) proportions of urban population living in slum areas, while countries such as Morocco and Egypt, which have made substantial progress on this indicator, now have less than 20 percent (*Figure 52*). This narrowing of the urban divide in Morocco and Egypt accounts for two-thirds of North Africa's progress.

Africa's high rate of urbanization is one of the most challenging aspects hampering improvement to the lives of slum dwellers. In this respect, African countries need to adopt a two-pronged approach: (i) to devise policies and strategies to transform slum areas and improve the lives of people living there and (ii) to take measures to prevent the formation of new informal settlements. In regard to the second approach, municipalities need to adopt long-term policies that address the root causes of slums, such as rural-to-urban migration. There is need for strong political will, increased financial resources, as well as strategic urban planning that integrates public–private partnerships, so that the needs of the poor will be met (UN-Habitat, 2010).

## GOAL 8: DEVELOP A GLOBAL PARTNERSHIP FOR DEVELOPMENT<sup>65</sup>

International cooperation and global partnerships are critical for achieving the MDGs. Official Development Assistance (ODA) to Africa remains far below the 0.7 percent commitment made by development partners at the Gleneagles Group of Eight (G-8) Summit in 2005. Goal 8 is predicated on continuing close partnerships between development partners and developing countries. Notwithstanding, new South–South cooperation with emerging nations presents an opportunity for growth and development and should be harnessed for the achievement of MDGs in Africa.

The importance of Information and Communication Technology (ICT) for reaching the MDGs cannot be overemphasized. Africa lags behind all other regions in the use of ICT. The high cost associated with broadband connectivity in Africa has implications for the absorption of ICTs by African countries and this should be addressed in order to improve access. Overall, progress toward Goal 8 remains sluggish and more effort is needed to reap the full benefits of global partnerships.

### **Target 8A: Develop further an open, rule-based, predictable, non-discriminatory trading and financial system**

Global recovery has been high on the agenda of various international forums since the onset of the 2007/08 global financial and economic crisis. These discussions continued through 2010 and were aimed at ensuring a sustainable recovery. Notable among these were the G-20 Summits,

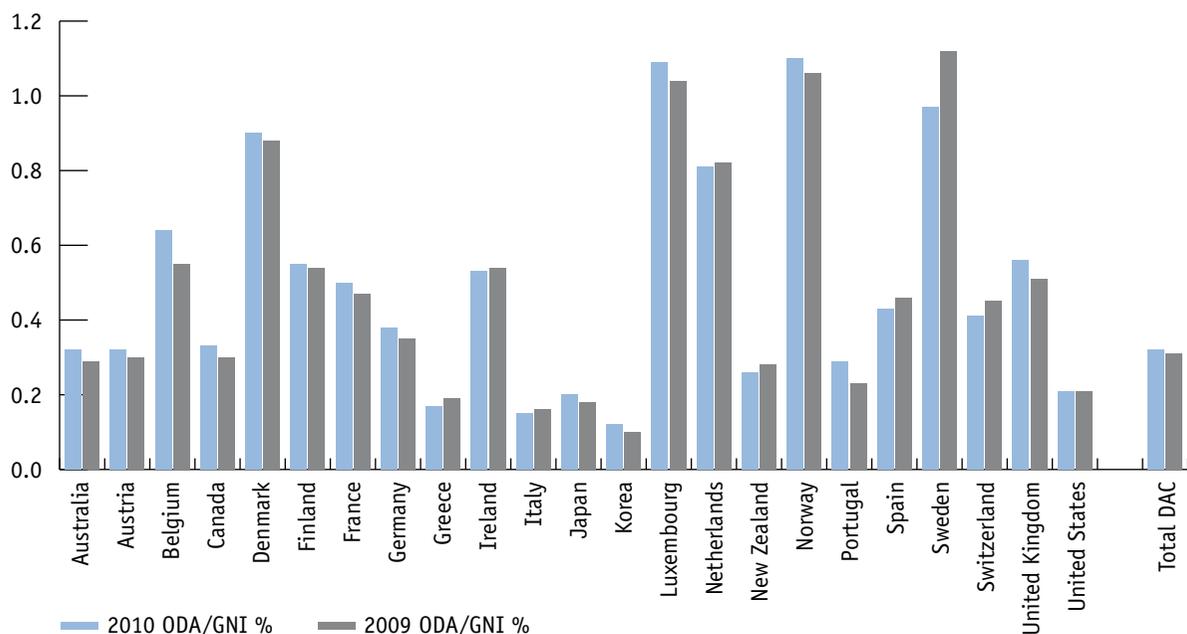
<sup>65</sup> Data for some of the indicators for Goal 8 have not been updated since the 2010 MDG Report and focus on this Goal will be on those indicators where data have been updated and are available for most countries.

including the November 2010 Summit, which resulted in the Seoul Action Plan. This strongly reaffirmed the need for robust, sustainable, and balanced growth, and the members reaffirmed their commitment to avoid trade protectionism. Nonetheless, there have been signs of growing protectionist pressures resulting from disorderly currency rate movements. This could have a negative impact on the global economy, which will further threaten Africa's economic growth. Furthermore, there was a focus on removing significant bottlenecks to attain sustainable and resilient growth. The *Global Monitoring Report* (World Bank and IMF, 2011) highlights some important measures to help integrate the poorest developing countries into the global trading system: (i) extending duty and quota-free access to the exports of these countries; (ii) providing financial and technical assistance to improve trade facilitation; and (iii) simplifying the rules of origin in preferential trade agreements.

With respect to the World Trade Organization (WTO) Doha Development Round, the G-20 envisioned 2011 as a window of opportunity. Negotiations toward a successful conclusion of the Round have intensified among members of the WTO across all areas. The potential outcome will depend largely on the conduct of these negotiations. If the enthusiasm so far observed in the engagement of the various stakeholders is anything to go by, the Doha Development Round should be brought to a positive, ambitious, comprehensive, and balanced conclusion as envisaged by the G-20 Leaders. There is a sense of wider and greater engagement and focus in the Negotiating Groups. However, lack of progress in key areas of the negotiations could pose a risk towards a successful closure to the talks.

The growth and consolidation of South–South linkages (particularly between Africa and its emerging partners China, India, and Brazil) over the past few years has important implications for Africa's development. South–South trade increased substantially from US\$ 0.5 trillion in 1990 to US\$ 2.9 trillion in 2008, representing 19 percent of global trade (OECD, 2010). African countries have failed, however, to take full advantage of this shift to improve their trade balance. An imbalance was reported in 2008, with Africa importing more from Asian countries than it exported to them. The continent needs to seize the potential for investment, trade, and technology transfers that South–South cooperation is offering. Efforts toward regional integration, aimed at reducing trade barriers and costs associated with border regulations, have to be intensified to ensure that Africa fully benefits from South–South trade. Moreover, as UNCTAD's *Economic Development Report 2010* emphasizes, Africa should manage its evolving relationships in a manner that supports and enhances technological progress, capital accumulation, and structural transformation in the region.

Negotiations on Economic Partnership Agreements (EPAs) between African countries and the European Union (EU) are continuing, but with little progress being made. In Central Africa, discussions center on issues of market access, rules of origin, and accompanying measures, among others. Only one country in Central Africa, namely Cameroon, decided to enter into a goods-only interim EPA with the EU in 2009. The East African Community (EAC) is the only region to have all its Member States sign up to the interim EPA. Negotiations are also continuing between the EU and the West African countries, Eastern and Southern Africa (ESA), and Southern African Development Community (SADC).

**Figure 53: Net ODA as a percentage of GNI, 2009 and 2010**

Source: OECD (2011).

### Target 8B: Address the special needs of the least developed countries

#### **Indicator 8.1: Net ODA, total and to the least developed countries, as a percentage of OECD/DAC donors' gross national income**

Net OECD/DAC Official Development Assistance (ODA) to Africa rose to US\$ 29.3 billion in 2010 – an increase of 3.6 percent over the previous year and a record high since 1992. Even though the amount has increased, the proportion of net OECD/DAC ODA to OECD/DAC gross national income (GNI) remains stubbornly at the same level as in 2005, namely 0.32 percent.<sup>66</sup> Luxembourg and Norway continued to allocate more than 1

percent of their GNI to ODA in 2010 (1.09 percent and 1.10 percent respectively), which is a marginal increase over the previous year. Sweden, Denmark, and the Netherlands also continued to surpass the UN target of 0.7 percent of GNI.

If debt relief grants are excluded, bilateral ODA to Africa in 2010 fell by only -0.1 percent from 2009. On the other hand, total ODA from DAC rose from US\$ 119.7 billion in 2009 to US\$ 128.7 billion in 2010, with the United States continuing to allocate more ODA than any other DAC member.

<sup>66</sup> Based on OECD's preliminary data for 2010.

**Table 11: Total bilateral aid to all sectors from DAC countries, 2005–2010  
(US\$ million)**

	2005	2006	2007	2008	2009	2010
<i>DAC Countries Total</i>	107,838	104,814	104,206	121,954	119,781	128,728
Australia	1,680	2,123	2,669	2,954	2,762	3,849
Austria	1,573	1,498	1,808	1,714	1,142	1,199
Belgium	1,963	1,977	1,951	2,386	2,610	3,000
Canada	3,756	3,683	4,080	4,795	4,000	5,132
Denmark	2,109	2,236	2,562	2,803	2,810	2,867
Finland	902	834	981	1,166	1,290	1,335
France	10,026	10,601	9,884	10,908	12,600	12,916
Germany	10,082	10,435	12,291	13,981	12,079	12,723
Greece	384	424	501	703	607	500
Ireland	719	1,022	1,192	1,328	1,006	895
Italy	5,091	3,641	3,971	4,861	3,297	3,111
Japan	13,126	11,136	7,697	9,601	9,457	11,045
Korea	752	455	696	802	816	1,168
Luxembourg	256	291	376	415	415	399
Netherlands	5,115	5,452	6,224	6,993	6,426	6,351
New Zealand	274	259	320	348	309	353
Norway	2,794	2,945	3,735	4,006	4,086	4,582
Portugal	377	396	471	620	513	648
Spain	3,018	3,814	5,140	6,867	6,584	5,917
Sweden	3,362	3,955	4,339	4,732	4,548	4,527
Switzerland	1,772	1,646	1,685	2,038	2,310	2,295
United Kingdom	10,772	12,459	9,849	11,500	11,283	13,763
United States	27,935	23,532	21,787	26,437	28,831	30,154

Source: OECD (2011).

Note: Preliminary data for 2010.

The overall DAC average ODA as a proportion of GNI was 0.32 percent in 2010, below the 2005 Gleneagles G-8 Summit forecast of 0.36 percent. However, the EU Member States that are also members of the DAC allocated 0.46 percent of their GNI to ODA in 2010, an improvement from 0.44 percent in 2009. The principal reasons for the rise in ODA in most EU countries in the DAC were increased bilateral grants and lending, and debt forgiveness. The United States surpassed its goal of doubling aid to Africa (excluding North Africa) between 2004 and 2010 before the target date.

Generally, the 2005 Gleneagles Summit commitments to Africa have not been met and this has been attributed to the poor economic performance of some of the donors. Aid to African countries is expected to rise by only 1 percent per year between 2011 and 2013, in real terms. It is, however, heartening to note that developing countries are also benefiting from new donors that are non-DAC

members, and from private sector donations from advanced economies.

**Indicator 8.2: Proportion of total bilateral, sector-allocable ODA of OECD/DAC donors to basic social services (basic education, primary healthcare, nutrition, safe water and sanitation)**

The social sector's share of ODA to Africa from DAC countries as a percentage of total bilateral commitments grew marginally from 42.6 percent in 2008 to 44.8 percent in 2009. Of this allocation to the social sector, population and reproductive health received the largest share at 11.5 percent of total commitments. Greece and Ireland allocated more ODA to the social sector than to other sectors (70 percent and 61 percent, respectively), with a larger allocation to education by both countries.

**Table 12: ODA to Africa by sector, 2005–2009 (as a % of total bilateral commitments)**

Sector	2005	2006	2007	2008	2009
Social	27.4	28.7	43.7	42.6	44.8
Economic	7.7	4.4	10.0	16.1	11.6
Production	3.9	5.1	6.4	6.5	7.8
Multi-sector	5.3	3.2	5.1	5.1	4.8
General Program Aid	5.2	8.0	9.2	8.4	10.2
Debt	36.5	40.8	12.7	7.5	7.4
Humanitarian	11.7	8.7	11.2	12.0	11.9
Other	2.2	1.2	1.7	1.9	1.6

Source: OECD (2011).

Most other sectors saw a fall in ODA allocated to them over the period 2008–2009, except for production (which increased from 6.5 percent to 7.8 percent) and general program aid (which increased from 8.4 percent to 10.2 percent) (*Table 12*). Within the production sector, agriculture, fishing and forestry received the largest share of total bilateral commitments. This may signal a shift in focus, both in Africa and the donor community, toward agriculture as an engine of growth and food security, especially in view of the recent global hikes in the price of food. However, as discussed in Goal 1, it is important for the donor community to address long-term agricultural development rather than focusing solely on short-term food assistance programs. Taking a longer perspective is the key to Africa’s sustainable development and capacity to feed itself, thereby reducing hunger and poverty.

**Target 8D: Deal comprehensively with the debt problems of developing countries through national and international measures in order to make debt sustainable in the long term**

***Indicator 8.10: Total number of countries that have reached their HIPC decision points and those that have reached their HIPC completion points (cumulative)***

Since the publication of the 2010 report, four countries (DRC, Guinea-Bissau, Liberia, and Togo) have reached their HIPC completion points, making them eligible for final debt relief, if they wish to access it. In addition to these countries, Comoros reached the interim stage (between decision and completion point) and so became eligible for debt relief. As of mid-December 2010, 26 African countries were at post-HIPC completion point, four at an interim stage, between decision and completion point (Chad, Comoros, Côte d’Ivoire, and Guinea), while another three were at pre-decision point (Eritrea, Somalia, and The Sudan) (*Table 13*).

### **Box 7: Mozambique and debt sustainability**

Every country in the world has debts, both domestic and foreign. However, it is vital to keep debt accumulation under control. In this respect, Least Developed Countries (LDCs) are particularly vulnerable in terms of foreign currency earnings, considering their non-diversified exports base. Mozambique has performed well in this regard.

Mozambique has utilized its reputation as a peaceful and politically stable country in order to benefit from significant debt relief from various multilateral and bilateral arrangements. In parallel, it has intensified its foreign currency earnings by significant growth in exports, from an average of 12.7 percent of GDP during the 1990s to 28.8 percent of GDP in the first decade of the current millennium. As a consequence, its performance for Indicator 8.12 (debt service as a percent of exports of goods and services) has fallen from around 20 percent (1997) to about 2.5 percent (2009). However, Mozambique needs to be aware of the sustained rises in total external debt stock, from US\$ 3.3 billion in 2007 to US\$ 3.9 billion in 2009, representing about 20 percent of GDP.

Source: *Mozambique MDGs Progress Report 2010*.

**Table 13: Classification of African countries by HIPC status (as of December 17, 2010)**

<b>Post-Completion Point Countries (26)</b>		
Benin	Ghana	Rwanda
Burkina Faso	Guinea-Bissau	São Tomé and Príncipe
Burundi	Liberia	Senegal
Cameroon	Madagascar	Sierra Leone
CAR	Malawi	Tanzania
Congo Republic	Mali	Togo
DRC	Mauritania	Uganda
Ethiopia	Mozambique	Zambia
The Gambia	Niger	
<b>Interim Countries (Between Decision and Completion Point) (4)</b>		
Chad	Côte d'Ivoire	
Comoros	Guinea	
<b>Pre-Decision Point Countries (3)</b>		
Eritrea	Somalia	The Sudan

Source: IMF (2010) <http://www.imf.org/external/np/exr/facts/hipc.htm>.

Significant progress has been recorded in dealing with the high debt burden of African countries through the HIPC Initiative, among others. However, care should be exercised because some post-completion point countries continue to shoulder high debt risks. The DRC, for instance, has a public guarantee on concessional borrowing for financing large-scale infrastructure projects.

The 30 countries that have reached their decision or completion point have benefited from about US\$ 36 billion in net present value terms from creditors, as of October 2010. Evidence suggests that in post-decision point countries, poverty-reducing expenditure has increased since the inception of the HIPC Initiative. Nonetheless, debt continues to

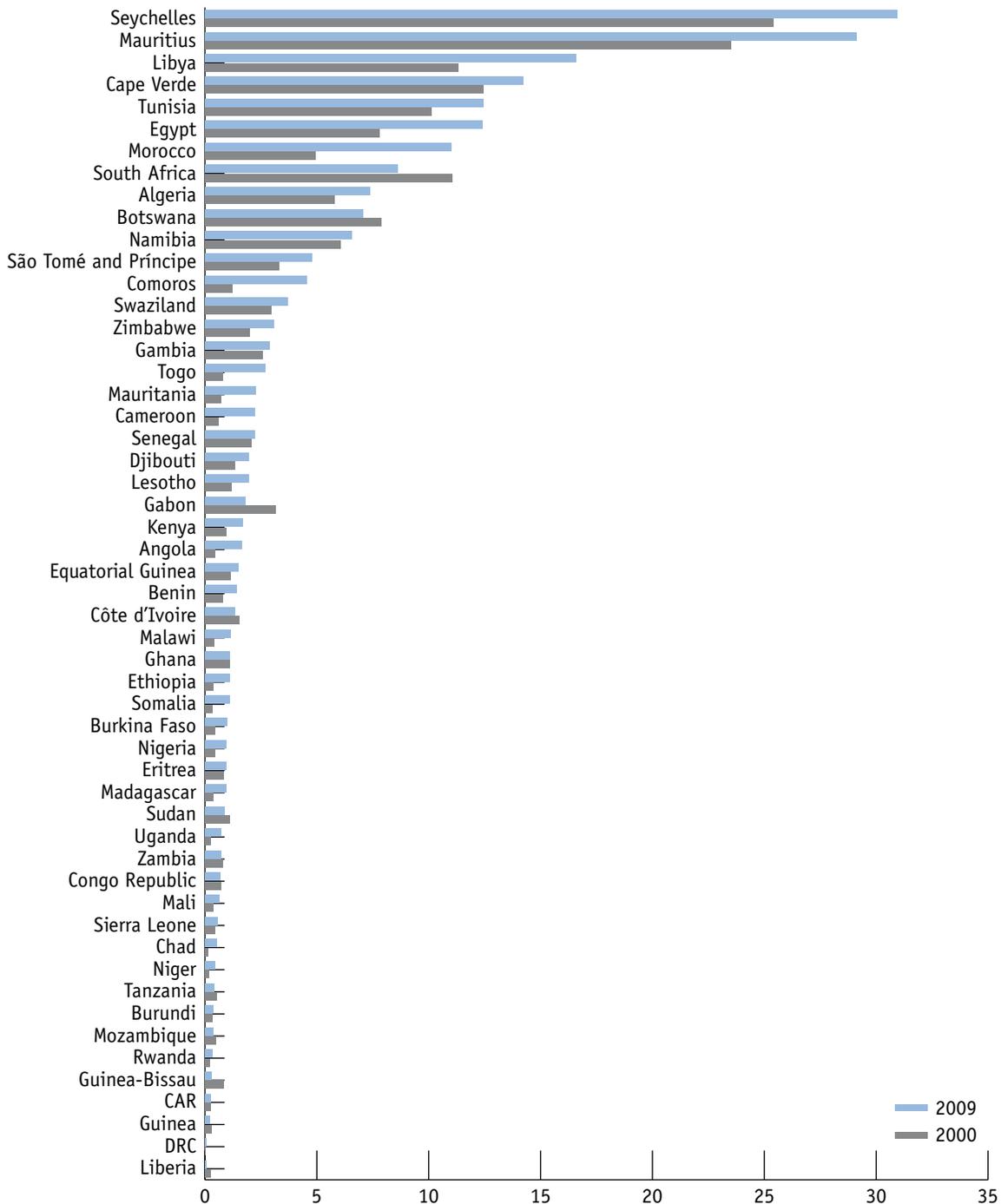
be a constraint on the efforts of African countries to achieve the MDGs because of the insufficiency of the debt relief granted. This has limited fiscal policy space and the ability of countries to scale up MDG-critical interventions.

**Target 8F: In cooperation with the private sector, make available the benefits of new technologies, especially information and communications**

**Indicator 8.14: Telephone lines per 100 population**

There was little change in the number of fixed telephone lines per 100 population in Africa between 2000 and 2009. There were an estimated

Figure 54: Telephone lines per 100 population, 2000 and 2009



Source: Compiled from ITU data (updated in 2010).

1.6 telephone lines per 100 inhabitants in 2010, compared to 1.5 in 2008 and 2009. Most countries for which data are available registered either a marginal increase or no increase. This slight change can also be observed over the longer trend, as there was only modest growth in fixed telephone lines between 1990 and 2009. This slow growth is largely due to high fixed costs of fixed line telephony and the relative attractiveness of mobile telephony, which continues to expand at a very high rate on the continent.

Morocco, Egypt, Tunisia, Cape Verde, Libya, Mauritius, and Seychelles were the best performers for this indicator, with more than 10 fixed telephone lines per 100 populations in 2009. Twenty-one African countries had less than one fixed telephone line per 100 population in 2009, while in 12 countries the number of fixed telephone lines declined between 2000 and 2009 (*Figure 54*).

**Indicator 8.15: Cellular subscribers per 100 population**

In Africa overall, the number of mobile cellular subscribers increased by a wide margin between 2000 and 2009. Mobile cellular penetration rates are expected to reach 41 percent by the end of 2010, compared to 32.1 percent in 2008 and 37.6 percent in 2009. Although this represents excellent progress, it still falls far below the global mobile penetration rate of 76 percent.

The continental average is, however, not representative of all countries. In Libya and Seychelles, most of the population had more than one mobile phone in 2009. Algeria, Botswana, Gabon, South Africa, and Tunisia recorded over 90 cellular subscribers per 100 population in 2009 (*Figure 55*). It is interesting to note that three of these

countries registered a decline in the number of fixed line telephones between 2000 and 2009, implying that the emergence of mobile telephony has been at the expense of fixed line telephony. On the other hand, Eritrea, Ethiopia, and Somalia had less than 10 mobile subscriptions per 100 inhabitants in 2009.

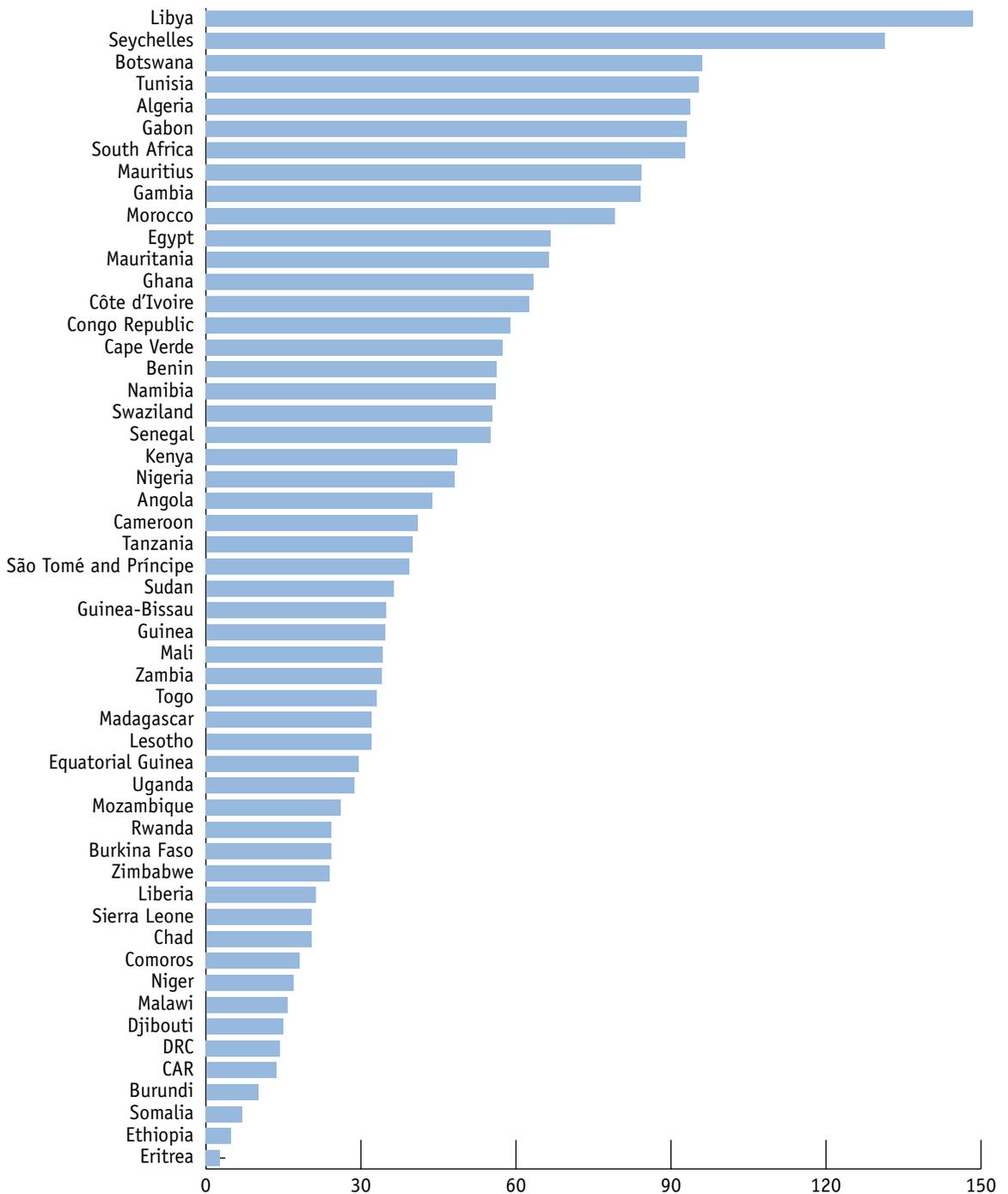
The use of cell phones has positive micro and macroeconomic effects on development. In developing countries, their use translates in reduced transaction costs, creating employment opportunities, and assisting in overall economic growth. This underscores the linkage between greater access to technology and acceleration toward better living standards (*Box 8*).

**Indicator 8.16: Internet users per 100 population**

In Africa the use of internet has been increasing slowly since 2000. Internet user penetration was expected to reach 9.6 percent by the end of 2010, up from 8.8 percent in 2009 and 5.9 percent in 2008. This though is well below the world average of 30 percent and the developing country average of 21 percent.

According to available data, in 2009 Morocco recorded the highest number of internet users, followed by Tunisia, Cape Verde, Nigeria, and Egypt. The African countries with the lowest internet penetration in 2009 were Sierra Leone, CAR, Liberia, Ethiopia, Niger, and Guinea (with less than one internet user per 100 inhabitants). There were no data for DRC, Eritrea, Seychelles, and The Sudan in 2009. Overall, however, between 2000 and 2009 the number of internet users improved in all of the countries with available data (*Table 14*).

Figure 55: Cellular subscribers per 100 population, 2009



Source: Compiled from ITU data (updated in 2010).

Africa has a fixed broadband penetration rate of less than 1 percent, which illustrates the challenges associated with access to high-speed, high-capacity internet. It is worth noting, however, that some countries in Africa have adopted a national broadband strategy, making broadband access a legal right for some. Mobile broadband subscriptions were estimated at 3.6 percent for Africa, compared to 5.4 percent for developing countries and 13.6 percent for the world. Clearly,

a lot more needs to be done to improve access to high-speed internet, including making it affordable.

### Box 8: Socioeconomic gains through mobile telephony in Kenya and Tanzania

**Kenya:** Africa, with Kenya at the forefront, has the fastest growing cell phone market in the world. Over the past five years, the continent's cell phone take-up has increased at an annual rate of 65 percent – twice the global average. According to the government's 2005 Economic Survey, Kenya's small business sector, which employs the majority of workers, created approximately 437,900 new jobs last year. The boom of cell phones in Kenya has been credited for much of this growth. Indeed, it has been shown that adding an additional 10 cell phones per 100 people increases a developing country's GDP growth by an average 0.6 percent. A large part of this boost comes from the innovative use of mobile phone technology by local entrepreneurs.

Access to market information through cell phones also provides rural communities with invaluable information about centers of business. For example, many African fishermen check the local fish market prices on their phones to determine where to bring the day's catch. The Kenya Agricultural Commodity Exchange (KACE) now provides crop growers with up-to-date commodity information via text message (sms). This allows farmers to access daily fruit and vegetable prices from a dozen markets, and many have quadrupled their earnings because they have access to information about potential buyers and prices before making the often arduous journey into urban centers to sell their produce.

**Tanzania:** The community payphone, another innovation unique to the developing world, has helped bring cell phone usage to the poorest areas of Africa. These payphones are owned and operated by entrepreneurs who buy airtime from the network and subsequently sell it to local people who don't own phones themselves. A recent survey reported that 97 percent of Tanzanians now have access to a cell phone, thanks to the community payphone model, despite the lack of electrical infrastructure for much of the country. The payphones are easy to operate in isolated areas far from the nearest traditional telephone landline. They can be used even where there is no electricity, as they can be powered by either solar or car batteries. Africa's adaptation of cell phone technology shows the value of inexpensive, mobile communication for populations representative of the 1.4 billion cell phone users living in the developing world today.

Source: EPROM (2009).

**Table 14: Internet users per 100 population, 2000 and 2009**

Country	2000	2009	Country	2000	2009
Sierra Leone	0.12	0.26	Namibia	1.64	5.87
CAR	0.05	0.51	Botswana	2.90	6.15
Liberia	0.02	0.51	Zambia	0.19	6.31
Ethiopia	0.02	0.54	Congo Republic	0.03	6.66
Niger	0.04	0.76	Gabon	1.22	6.70
Guinea	0.10	0.94	Swaziland	0.93	7.60
Burkina Faso	0.08	1.13	The Gambia	0.92	7.63
Somalia	0.20	1.16	South Africa	5.35	8.82
Chad	0.04	1.50	Uganda	0.16	9.78
Tanzania	0.12	1.55	Kenya	0.32	10.04
Madagascar	0.20	1.63	Zimbabwe	0.40	11.36
Burundi	0.08	1.90	Algeria	0.49	13.47
Mali	0.14	1.92	Senegal	0.40	14.50
Equatorial Guinea	0.13	2.13	São Tomé & Príncipe	4.64	16.41
Benin	0.23	2.24	Mauritius	7.28	22.51
Mauritania	0.19	2.28	Egypt	0.64	24.26
Guinea-Bissau	0.23	2.30	Nigeria	0.06	28.43
Mozambique	0.11	2.68	Cape Verde	1.82	29.67
Djibouti	0.19	3.00	Tunisia	2.75	34.07
Angola	0.11	3.28	Morocco	0.69	41.30
Comoros	0.27	3.59			
Lesotho	0.21	3.72			
Cameroon	0.25	3.84			
Rwanda	0.06	4.50			
Côte d'Ivoire	0.23	4.59			
Malawi	0.13	4.69			
Togo	1.91	5.38			
Ghana	0.15	5.44			
Libya	0.19	5.51			

Source: Computations based on ITU data (updated in 2010).