

Africa Development Challenges

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Africa Continent: a Paradox

- **Large natural resources endowment**
 - 27% of World arable lands with only 2% used
 - Important oil and gas reserves
 - Huge Minerals reserves
 - Young population 60% of the population less than 25

Africa Continent: a Paradox

- Poorest place on earth
 - 70% of the population earning less than \$2 a day
- Weakest Industry on earth
- Large infrastructure Gap
 - 1 African in 4 has access to electricity
 - 30% of the region has paved roads

Issues

- Political instability
- Peace and Security
- Human Capacity

Historic changes in industrial policy

- 1970
 - Import-Substitution strategy
 - Rise of State owned enterprises
- 1980 – 1995
 - Failure of the state owned companies
 - Privatization policy
 - Private sector becomes engine of growth
 - Little involvement of the state
 - Structural adjustment programs/PRSP (Washington consensus).. Health, Primary Education
- 2000 ... Some questioning
 - Role of the state
 - Role of the private sector
 - Development Policy framework

New opportunities

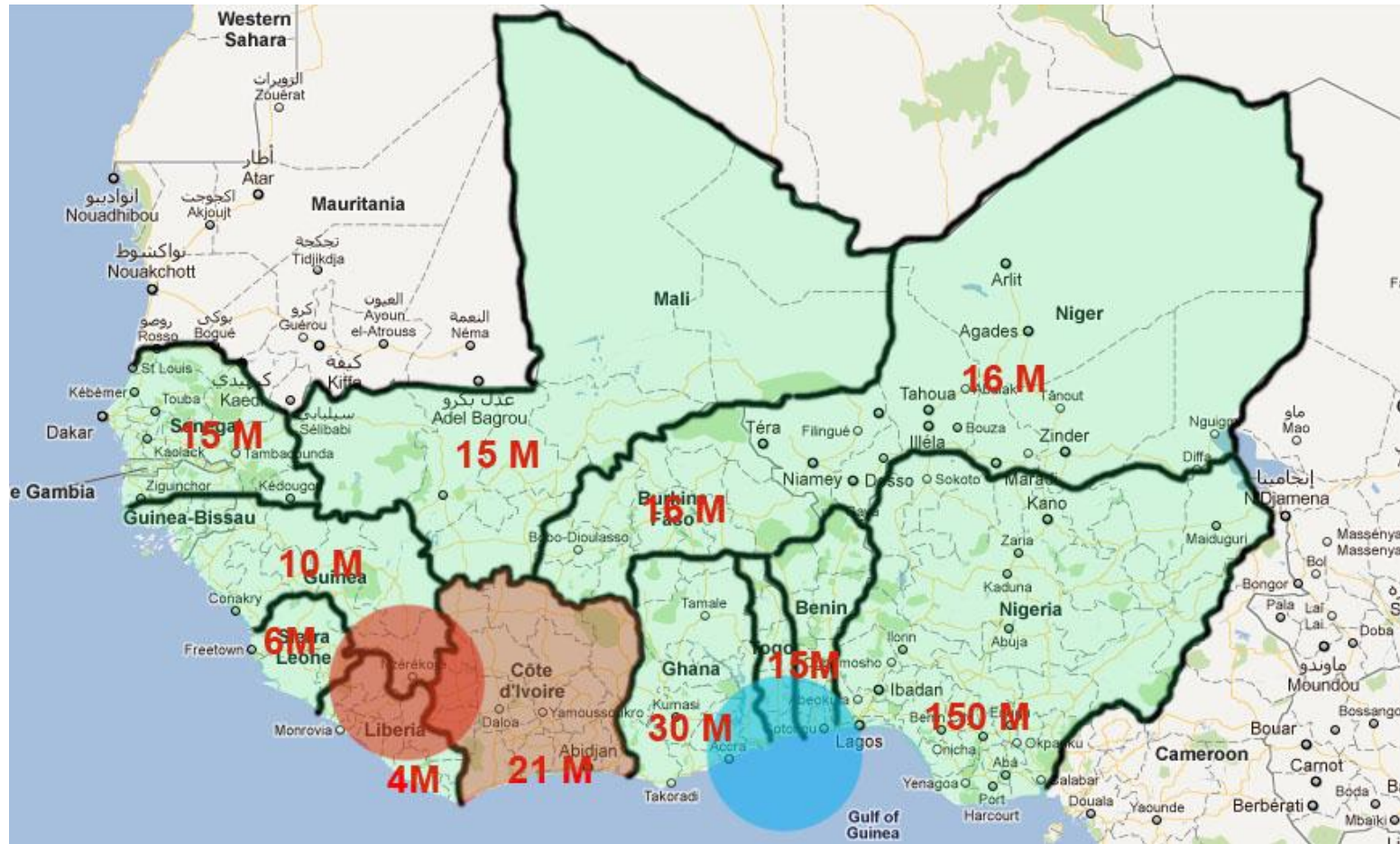
- Political stability (Democracy)
- Improved security
- Political will (leadership)
- Investors interest for Africa

New Opportunities

- China relocating some of its manufacturing in Africa
- Diaspora human capital
- Accessibility of the continent
- Emerging middle class

New opportunities

- Regional Market



Cote d'Ivoire Example

- Cashew nuts
 - Second world producer
 - 5% processed locally
- Rubber
 - 1st African producer
 - No local transformation
- Cocoa
 - 1st world producer
 - 20% processed locally(1st transformation)
- Pineapple
 - Major African producer
 - No local processing

Major constraints and challenges

- Infrastructure
 - Energy
 - Transport Infrastructure
- Financial resources
- Qualified Human capital
- Enabling institutional Environment
 - Infrastructure
 - Finance
 - Justice
 - Land property
 - Corruption

Major constraints and challenges

- Institutional framework
 - **Policy framework**
 - Quality of documents: external inputs
 - Participative approach
 - Sound data collection and analysis
 - **Policy Implementation**
 - Public-Private-Academic Dialogue
 - Think Tanks at the higher public level
 - Public human resources matching private sector level
 - **Sustainability**
 - Impervious to politics
 - Keep your eyes on the finish line

Best Practices

- Singapore
- Mauritius
- Northern Africa
 - Morocco
 - Tunisia

Conclusion

- **Human Capital : the key factor**
 - Value people as an asset
 - Set policy to attract and retain qualified people
 - Knowledge transfer
- Human Capital for private sector
- **Human Capital for the public sector**
 - **Decision making**
 - **execution**



Thank you for your attention