

# 2011

## African Economic Outlook

### AFRICA, AND ITS EMERGING PARTNERS

Madrid, 16 June 2011



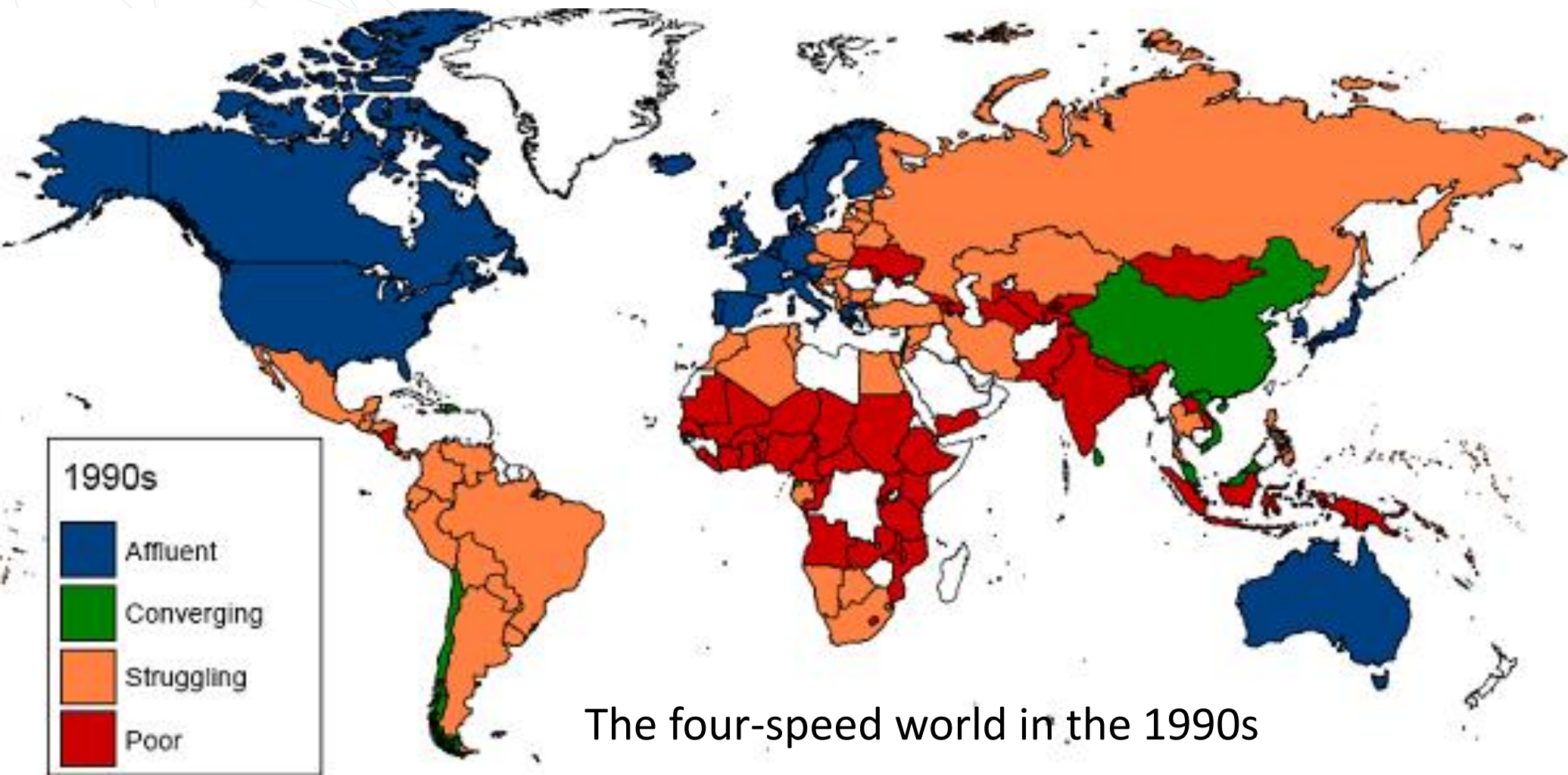
**AFRICAN DEVELOPMENT  
BANK GROUP**



Economic  
Commission  
for Africa



# Intro: Africa's shifting role in globalization



The four-speed world in the 1990s



AFRICAN DEVELOPMENT BANK GROUP

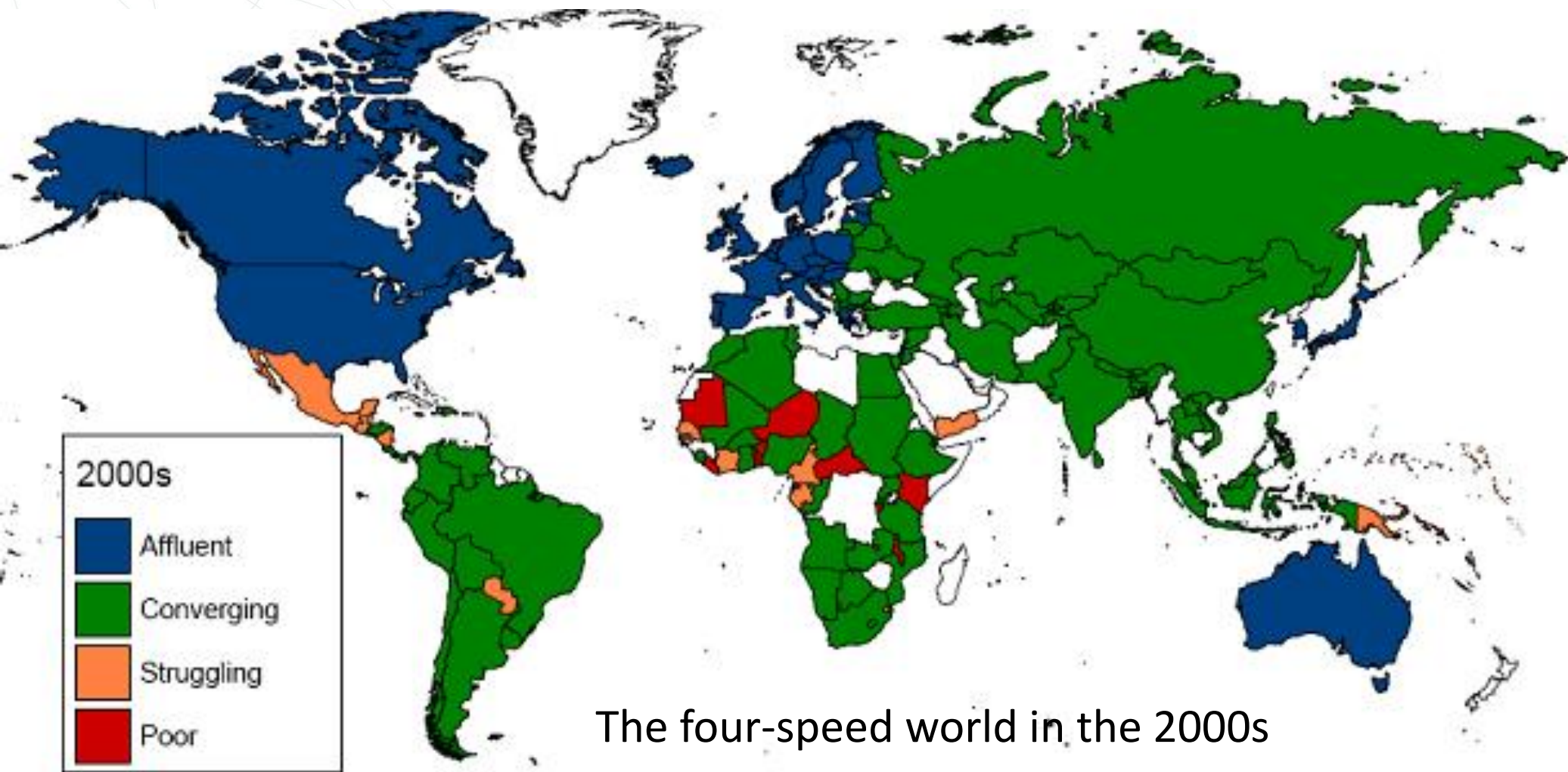


Economic Commission for Africa





# Intro: Africa's shifting role in globalization



The four-speed world in the 2000s



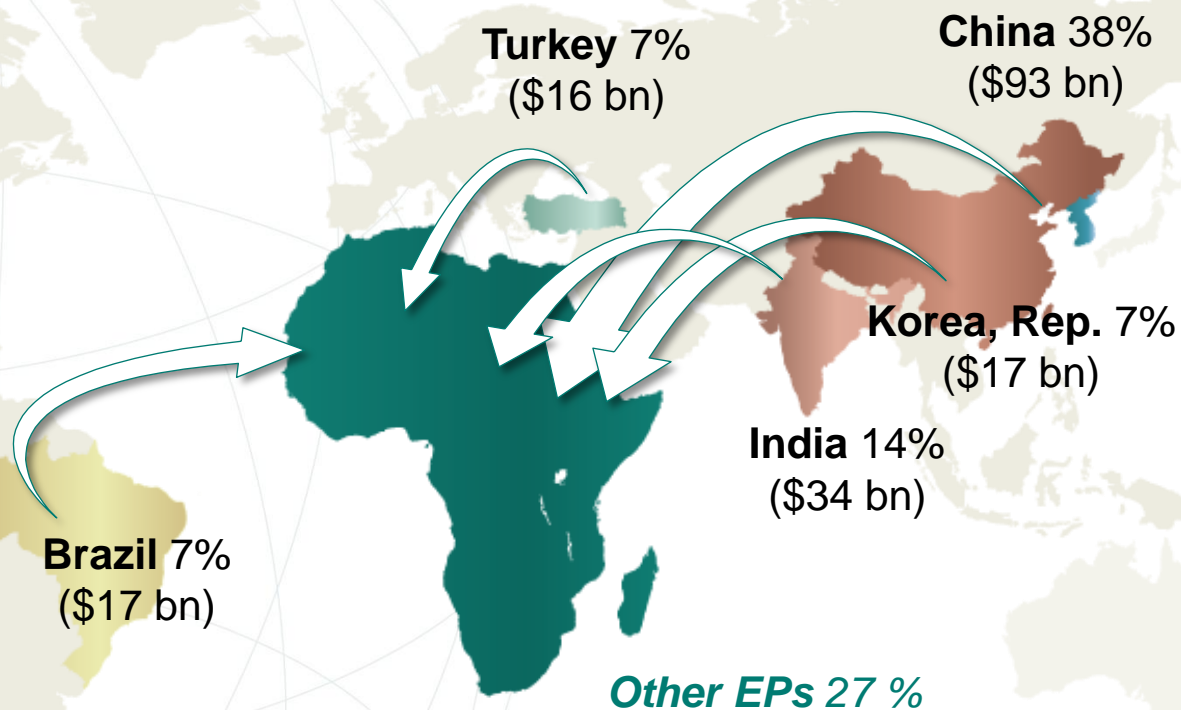
AFRICAN DEVELOPMENT  
BANK GROUP



Economic  
Commission  
for Africa



# Who are Africa's "Emerging Partners"?



- 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

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

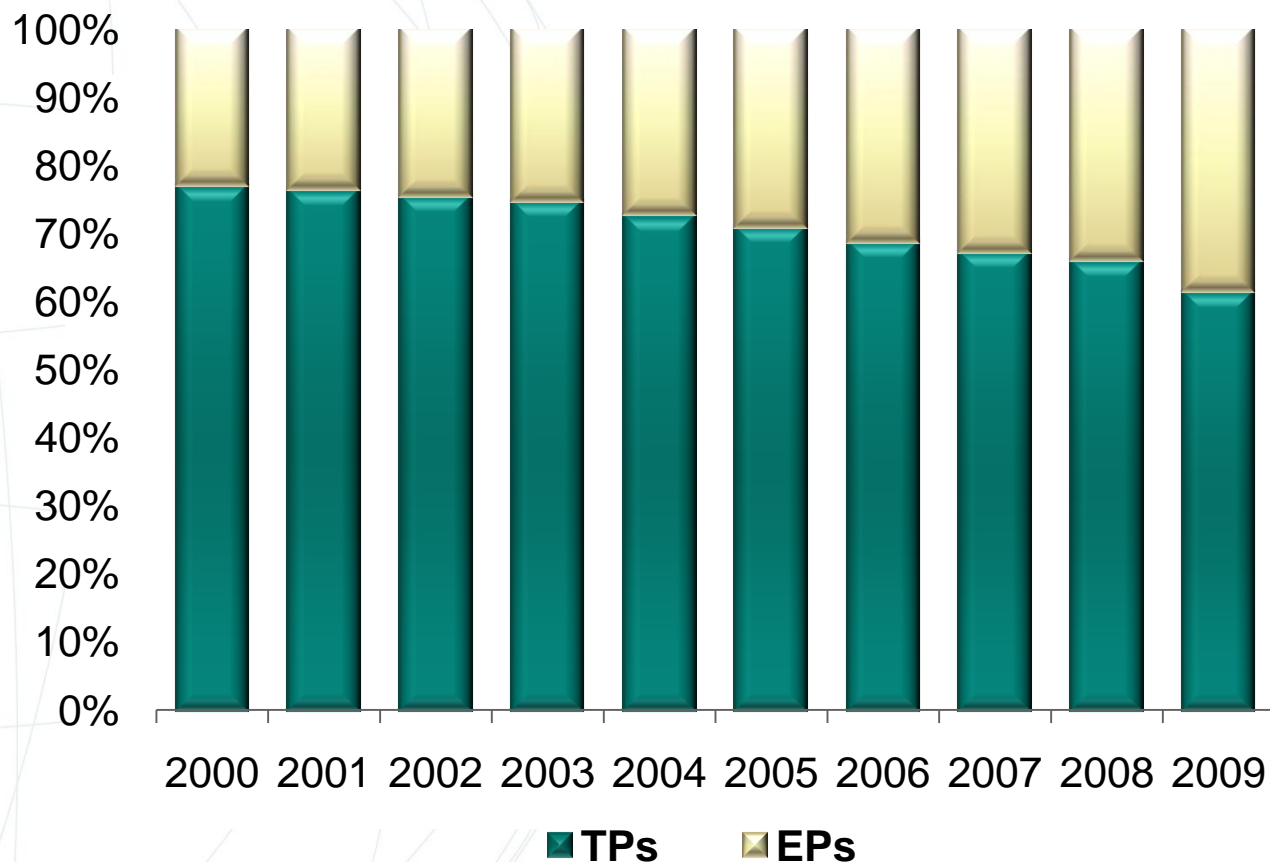


AFRICAN DEVELOPMENT BANK GROUP



# The rise of Emerging Partners

Share of TP's and EP's 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**



AFRICAN DEVELOPMENT BANK GROUP

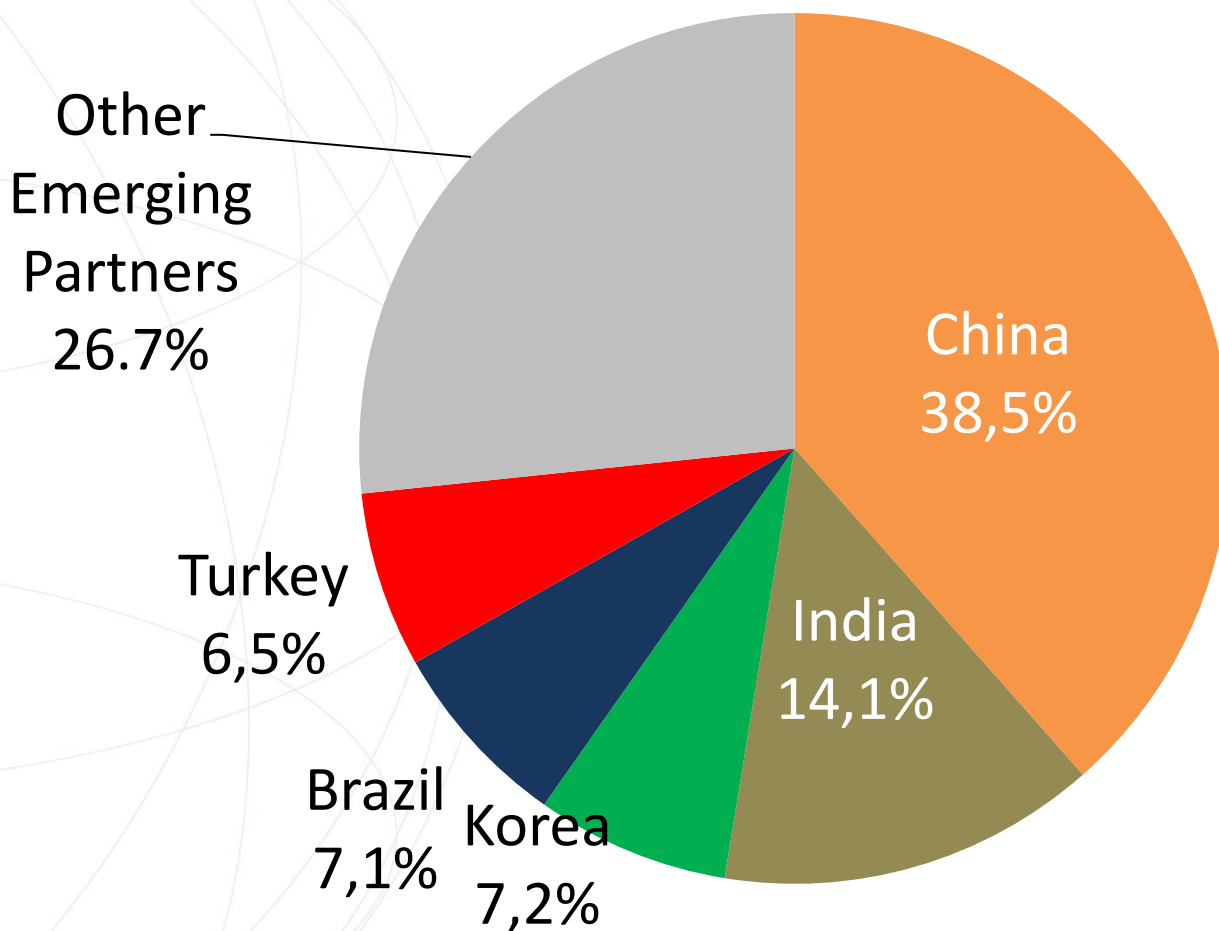


Economic Commission for Africa



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

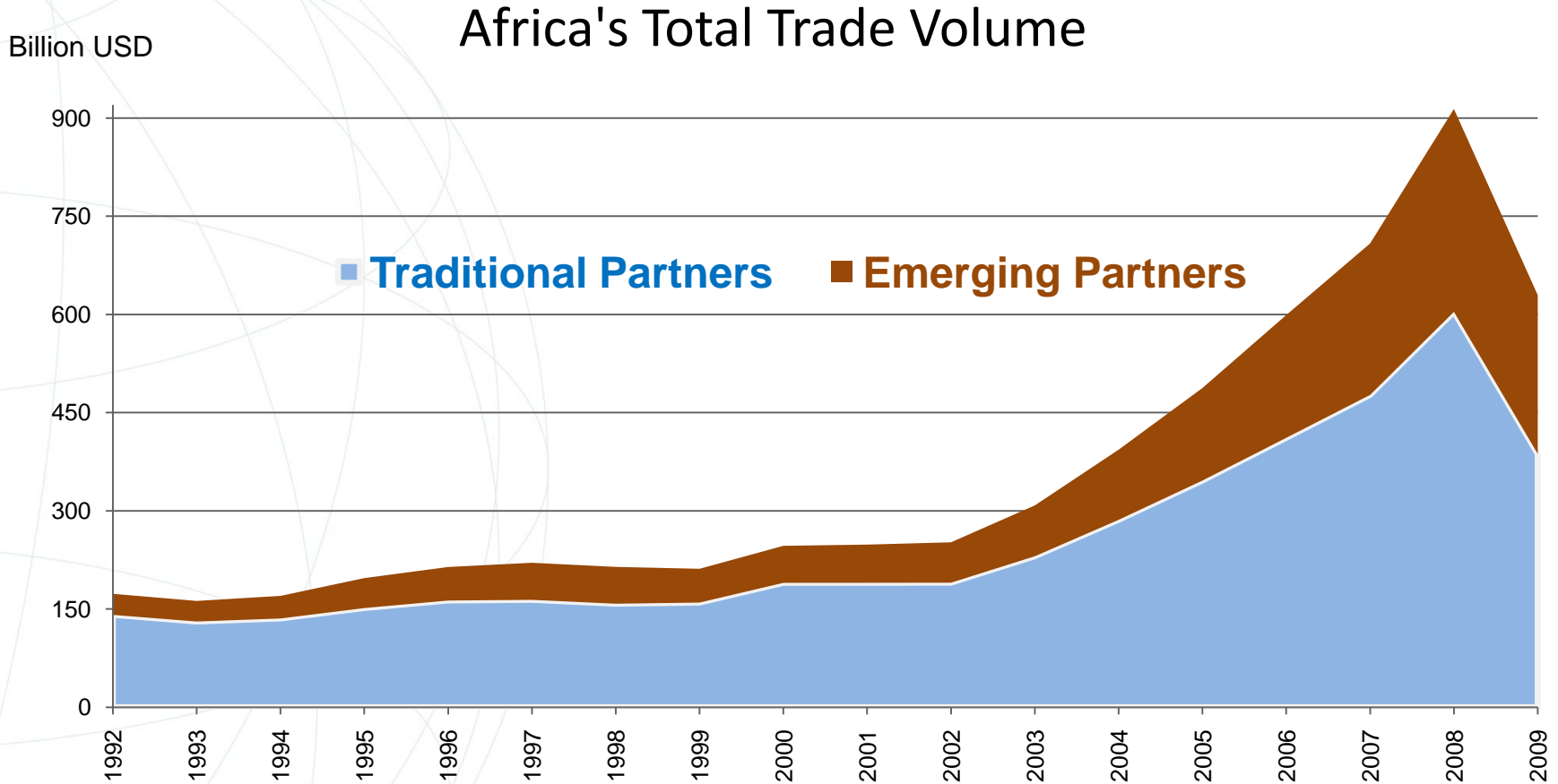
Africa's total trade with emerging partners (2009)



AFRICAN DEVELOPMENT  
BANK GROUP



# Yet, Traditional Partners remain key...



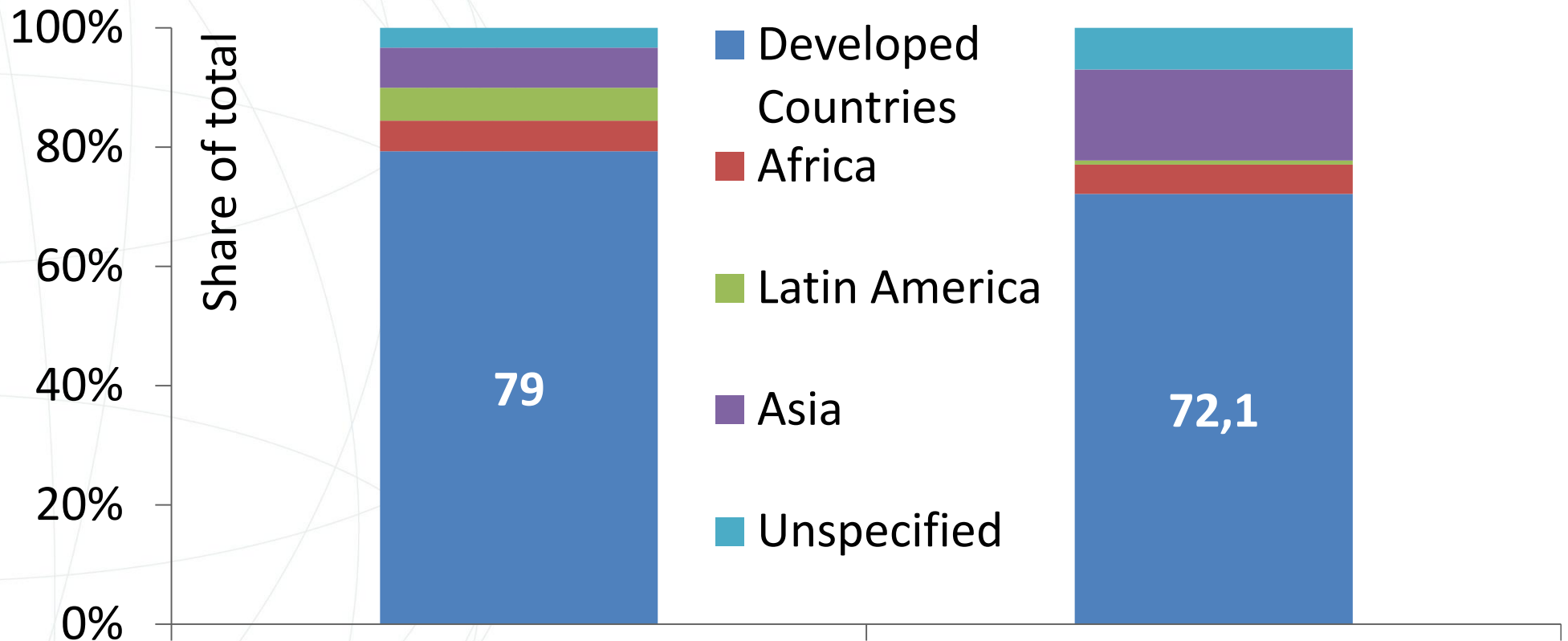
AFRICAN DEVELOPMENT BANK GROUP





# Yet Traditional Partners remain key... (continued)

African FDI inflows 1995-2008



1995-1999

2000-2008



AFRICAN DEVELOPMENT BANK GROUP



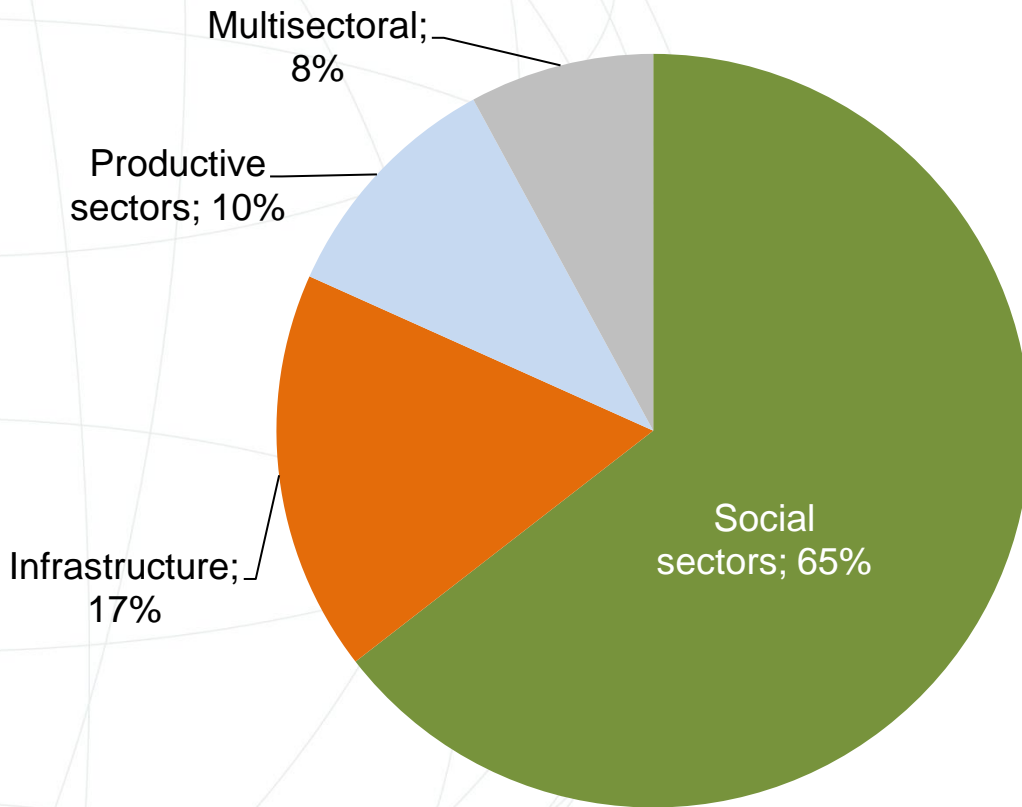
Economic Commission for Africa



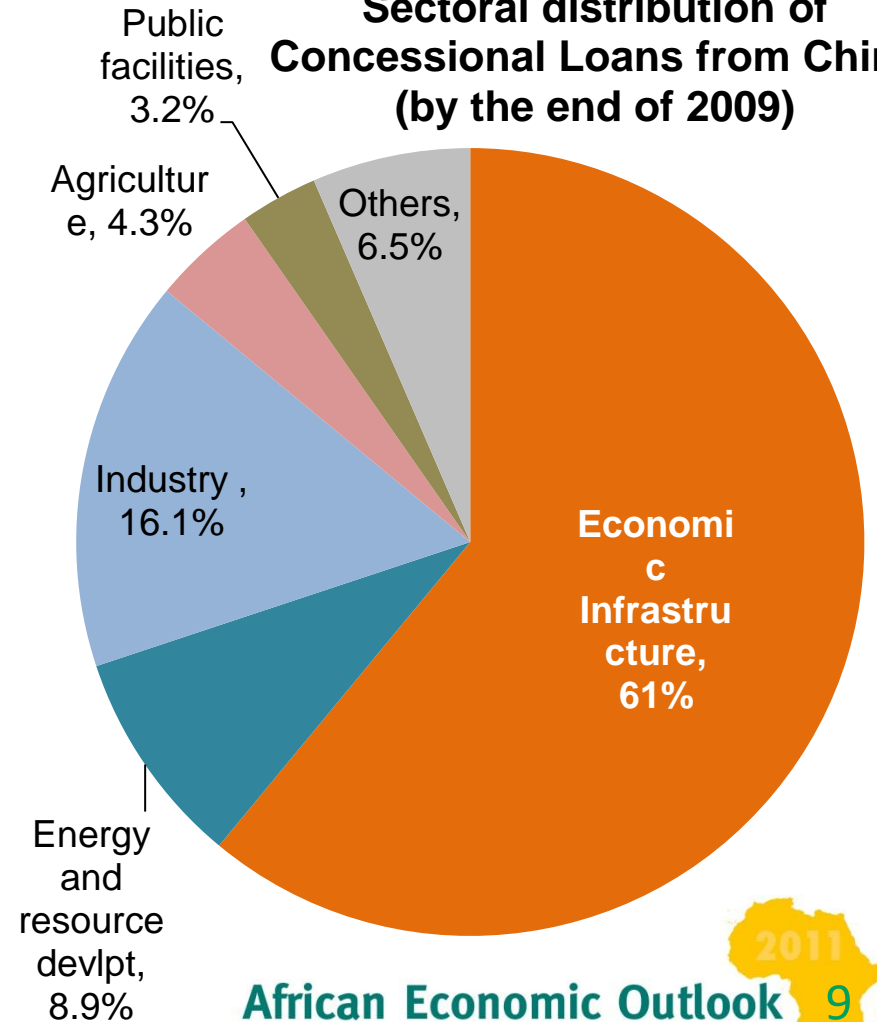


# Scope for synergies

**Official Development Assistance to Africa  
Sectoral distribution by DAC donors (05-09)**



**Sectoral distribution of  
Concessional Loans from China  
(by the end of 2009)**

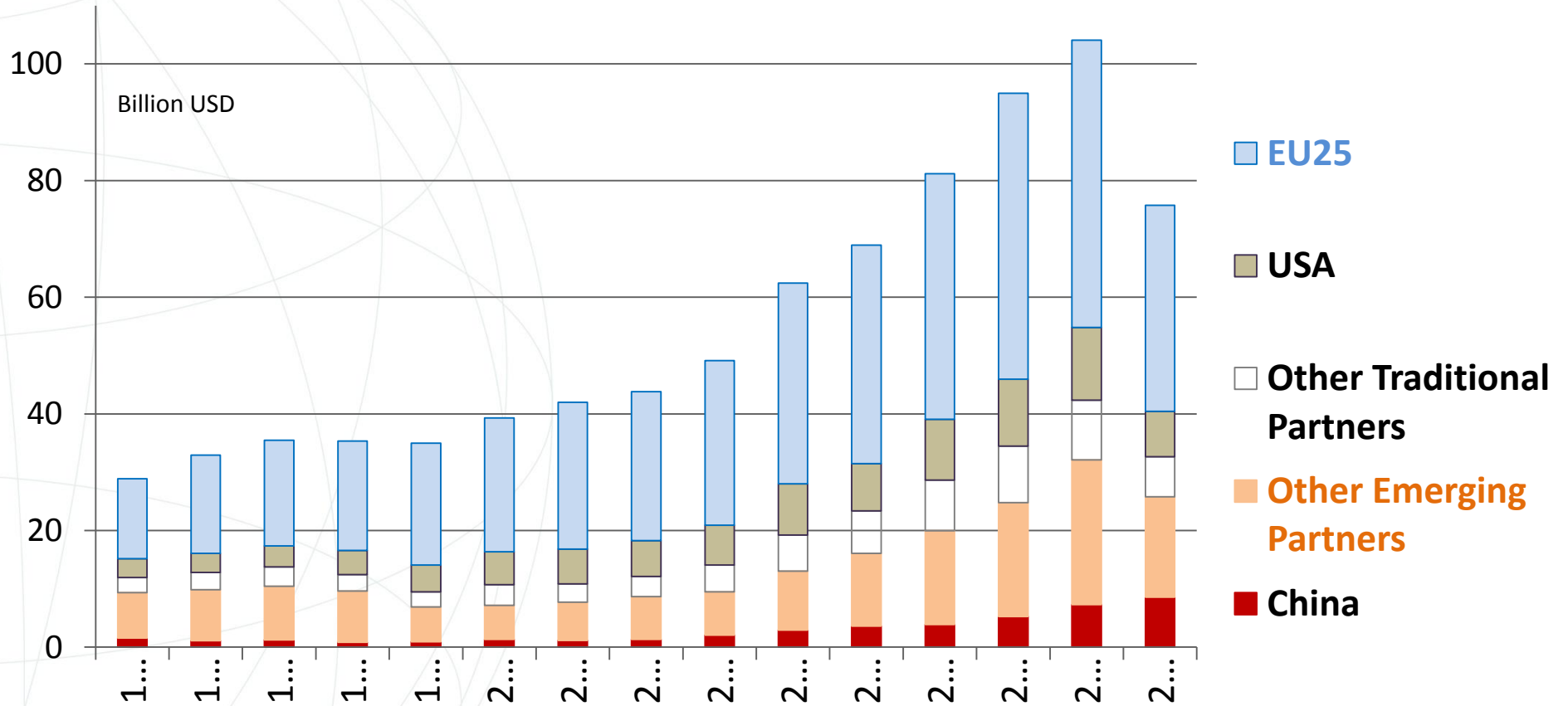


AFRICAN DEVELOPMENT BANK GROUP



# Industrialization: more opportunities than threats

## Africa's exports of manufactured products

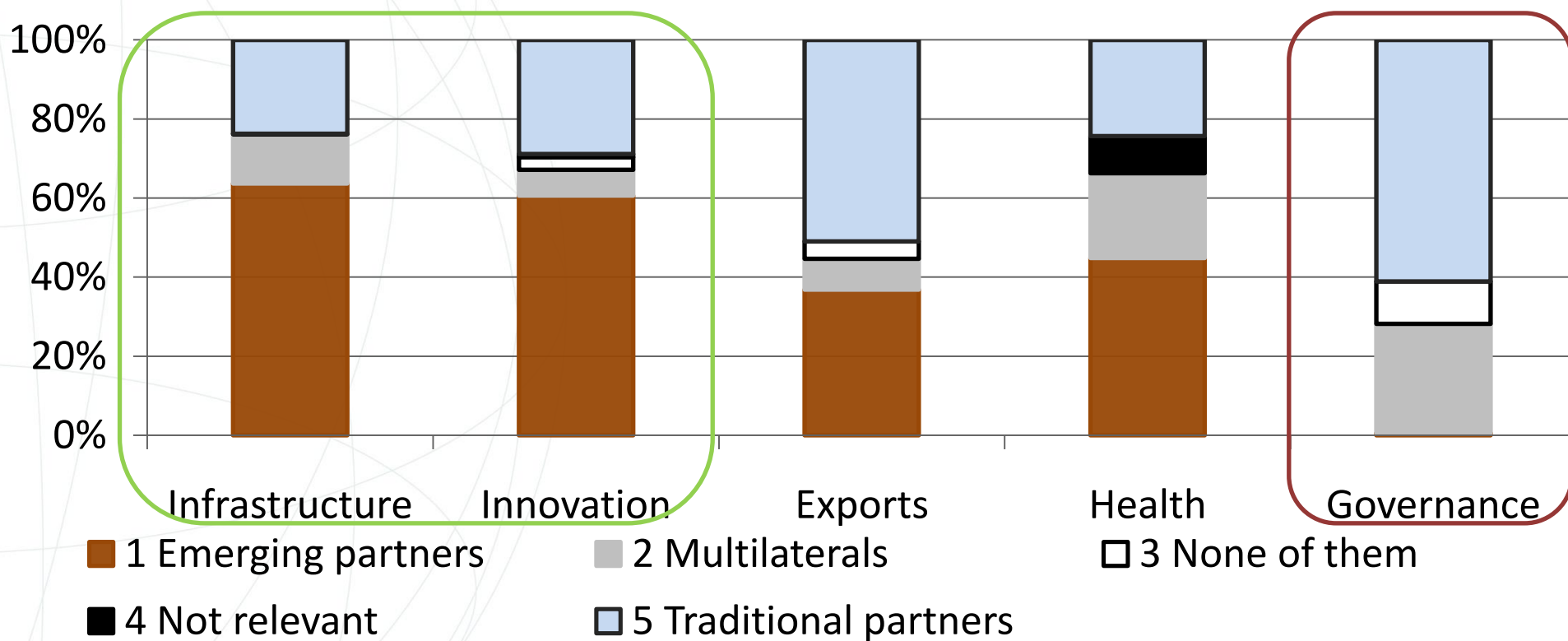


AFRICAN DEVELOPMENT BANK GROUP



# Managing a widening policy space

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



AFRICAN DEVELOPMENT BANK GROUP



# ■ Intro: 4 myths 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



AFRICAN DEVELOPMENT  
BANK GROUP



Economic  
Commission  
for Africa





# Summary of main findings

1. 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
2. The patterns of engagement of Emerging and Traditional Partners tend to be complementary, to the benefit of African countries
3. There are outstanding risks especially for the weakest African states but so far, more fear than harm



AFRICAN DEVELOPMENT  
BANK GROUP



Economic  
Commission  
for Africa



# 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, incl. Sovereign Wealth Funds
- ▶ More transparency to put an end to unconstructive myths



AFRICAN DEVELOPMENT  
BANK GROUP



Economic  
Commission  
for Africa



# Free online access

## [www.africaneconomicoutlook.org](http://www.africaneconomicoutlook.org)

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 menu 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 sub-section titled 'Global conditions are expected to improve in 2010' includes an image of an offshore oil rig and text stating that global recovery has made significant progress, though industrial production remains lower than pre-crisis levels. 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 box titled 'CHALLENGES AFRICA FACES AFTER THE GLOBAL CRISIS' and a partial image of a woman's face.

English | Français | Português | About us | Partners & affiliates | Contact us

African Economic Outlook

Home | Outlook | In Depth | Countries | Data & Statistics | News & Events | Resources


Home » Outlook

### Outlook

Share Like 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

Challenges Africa faces after the



AFRICAN DEVELOPMENT BANK GROUP



Economic Commission for Africa



African Economic Outlook 15

