The Sustainable Development Goals Center for Africa (SDGC/A) is an autonomous not-for-profit international organization that supports citizens, governments, civil society, businesses and academic institutions to accelerate progress towards the achievement of the Sustainable Development Goals (SDGs) in Africa.

Following the historic adoption of a new sustainable development agenda by the United Nations General Assembly in September 2015, African leaders decided to take quick and firm action by establishing the Center as a home-grown African institution – championing the implementation of the SDGs in line with the principles of African Union’s 2063 Agenda. By agreeing to establish an African-owned center with proven technical expertise, African leaders wanted to ensure that they act together in pursuit of a shared African development vision.

Opened in July 2016 at its headquarters in Kigali, Rwanda, the Center aims to build upon Africa’s existing success with the Millennium Development Goals by bringing together people, ideas and innovations to collectively achieve a more sustainable future.

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This summary provides key messages derived from the extensive analysis of available data and literature on inclusiveness and SDGs in Africa (reference to the report). The summarized messages are categorized according to different thematic areas giving an evidence based status, pointing to what needs to be improved and recommendations on pathways to achieve more inclusiveness.
POVERTY, INEQUALITY, HUMAN DEVELOPMENT AND SOCIAL PROTECTION

1. Poverty has long been considered a conduit for economic and social stagnation and by extension exclusion. The number of poor Africans continues to grow. In 1990, there were 283 million poor Africans, this number increased to 433 million in 2018, estimated to be in extreme poverty of US$1.90 (2011 purchasing power parity [PPP] U.S. dollars) accounting for 83% of the global poor.

2. Pace of poverty reduction is slow. Headcount poverty remained at over 40% in 2018 from 55% in 1990. Africa exhibited the slowest poverty reduction rate, and compares unfavorably to the world rate at 10% in 2018, down from 36% in 1990.

3. COVID-19 likely to reverse hard-attained progress. Pre-COVID-19 estimates indicated that 390 million people in Africa were expected to be still in poverty (using US $ 1.9 in 2011 PPP) in 2030. With COVID-19 impact, it is estimated that 452 million people in Africa will be in absolute poverty, accounting for over 80% of poor to be found in Africa in 2030.

4. Multi-dimensional poverty remains concentrated in Africa. Multi-dimensional Poverty is everywhere with the global headcount rate at 23.1% but it is more concentrated in SSA with a headcount of 57.5%.

5. Demographic transition matters for poverty reduction. 50% of Africa’s poor are below the age of 15 years- suggesting risks of exclusion at earlier years translating into productivity losses and risks of chronic or transient poverty. It also estimated that SSA children will account for 43% of global $1.90 poverty in 2030 and 90% of global poor children. Recent evidence supports the fertility declines are associated with poverty reduction as witnessed in cases of Botswana and Ethiopia.

6. One in three employed are working poor. Of the employed population, the working poor accounted for 33% in SSA compared to the second highest Southern Asia (18%). The ratios are much higher amongst youth. On the other end, the ratio of Parliamentarians’ pay to the nation’s GDP per capita is over 60, in some countries for example Nigeria and Kenya. Even in countries where it is much lower, it is still high compared to countries in Europe in particular that are predominantly at less than 5.

7. Human development inequalities are indeed wide and vast. Thirty-three of thirty-six nations in the low human development category are in Africa (particularly Sub Saharan Africa). The loss in human development due to inequality given shows Sub Saharan to exhibit the highest loss of 31% compared to other regions.

8. Income inequality is pronounced in Africa. Seven in the top 10 unequal societies are found in Africa and Africa is the second most unequal society after Latin America. The top 10% income shares across Africa, still account for more than half of the share total national income and are expected to continue accounting for over 50% of the total income in 2030.

9. Social protection in Africa is limited. Africa trails the other regions, with only 18% receiving at least one cash social protection benefit compared to Europe and Central Asia (84%), the Americas (68%) and Asia pacific region (37%).

PATHWAYS

1. Investing in mitigating the spread and containment of the virus is essential. Health first. This entails a global collaborative effort, embedding peer learning and sharing of experiences.

II. Human capital investment cannot be deferred and timely action now is a buffer for the much needed future boost in productivity. In the wisdom of Nobel Prize winner in Physics and Chemistry (1903 and 1911) Marie Curie, you cannot hope to build a better world without improving the individuals.

III. Prudent and inclusive fiscal policy is a critical tool for addressing exclusion of the different segments of the population. Addressing implementation gaps as well as adherence to fiscal rules is necessary.
1. Low agricultural productivity contributes to poverty. Evidence shows that 1 percentage point increase in agricultural productivity can lead to 0.5 percentage point decrease in poverty. Sub-Saharan Africa has the lowest agricultural productivity at US $9,967 measured by agriculture value added per worker compared to $13,000 for Europe and Central Asia in 2020. Further, agricultural productivity of smallholder producers is systematically lower on average than for larger producers, and incomes of smallholder producers are less than half those of larger producers in most countries.

2. Low input low output system. Smallholder agriculture dominates the rural economy in most African countries. However, it has been largely excluded from global value chains and mostly rely on informal markets and in farm gate activities due to lack of financial resources, skills, capacities and high quality, safety standards and delivery schedules. As a result, global value chains have had little impact on poverty and food security in Africa.

3. One in every five people suffer from hunger. Approximately 250 million people in Africa suffered from hunger prior to the COVID-19 outbreak. With the pandemic, the situation will be exacerbated and estimated 2030 number of undernourished people could exceed 25.7 percent (433.2 million people) of African population and 29.4 percent (411.8 million people) of the population in Sub-Saharan Africa (See Figure 1).
4. A large gender gap of 1.5 percentage points in food insecurity prevails in Africa with Latin America and Asia following at 0.7 and 0.6 percentage points respectively and is likely to worsen due to COVID-19 disruptions in food supply chain activities translating into more reduction in household consumption and income for women than men.

5. Greater inequalities in land ownership persist. On average, only 15 percent of landholders in Africa are women and these inequalities are in part due to lack of adequate administrative systems that have also relegated a growing population of smallholder farmers, especially women, into marginal areas, leading to lower productivity and income levels.

6. Lack of financial services including agricultural credit. Agriculture sector is the least bankable sector and least loaned by financial institutions but even with credit to the sector, inequalities persist. Women are less likely to access credit or borrowed capital for productive purposes despite women making up 70 percent of farmers. In addition, in Sub Saharan Africa only 6% of the rural households have access to formal credit, smallholder farmers in comparison to large-scale farmers face negative bias in access to credit while they dominate the agriculture sector in Africa.

PATHWAYS

I. Institutional reforms and capacity development for agricultural research and farmers’ advisory services and empowerment of farmers’ organizations.

II. Transform smallholder farming into market oriented businesses and their integration into national, regional and global value chains.

III. Strengthen global collaborative cross-border efforts in agriculture trade to ensure agricultural and food supply chains function normally during and after the COVID-19 pandemic to reduce the deterioration of food insecurity situation in Africa.

INCLUSIVE HEALTH

1. Africa’s progress on health SDGs remains very low and continue to lag behind other regions. The inequalities in accessing essential care services are still prevalent and reflects in the health outcomes inequalities. The poorest people, uneducated or less educated, the rural populations continue to pay a heavy price to access essential healthcare due to unavailability of health services at close proximity and required direct payment at the point of care among others.

2. Catastrophic expenditure remains widely prevalent in Africa. Of about 930 million people globally that incurred catastrophic health spending (out-of-pocket health spending exceeding 10% of the household budget) in 2019, 110 million people were found in Africa (more than double the number in the year 2000).

3. Pronounced inequalities in reproductive, maternal, newborn and child health (RMNCH) remain in Africa. The RMNCH coverage index shows that women in urban areas are more covered by RMNCH intervention than women in rural areas and disparities are very pronounced in over 20 African countries. In addition, the difference in RMNCH coverage index between uneducated women and women with secondary school level or higher is higher in most African countries. Poorest women are less covered than the richest women with a percentage point difference of more than 20 in 24 African countries.

4. Four in ten births in Sub Saharan Africa are not attended by skilled health personnel. Inequality in births attended by skilled health personnel translate into worse maternal and child health outcomes for the excluded with high risk of mother and child mortality and morbidity. Only 59 per cent of the births in SSA were attended by skilled health personnel between 2012-2017 compared to 81 per cent globally. The rural women are less covered than urban women with a percentage point difference of more than 20 in 29 countries and more than 40 in 14 countries.

5. Stunting is highest amongst the rural and uneducated. The number of stunted children <5 years in the Africa Region is high, at about 59 million in 2016. In most African countries, stunting is a rural phenomenon. The education-related difference in children stunting prevalence between uneducated mothers and the educated mothers is particularly high in nine countries with a percentage point difference of more than 20.

6. Universal health coverage rate is still low and unequal in Africa, with poorest the most excluded are the poorest (See Figure 2). On one end, 77% of the rural population in Africa do not have access to health care due to health worker shortages compared to 50% of African urban population for the same reason. Formal health insurance coverage in Africa is low, estimated at only 17% and also disproportionately varied across between the richest and poorest quintiles. The richest 20% enjoy more than three times that of the lowest 20% and twice the middle 20% (3rd quartile). The exclusions from health coverage are more in rural areas, with 17 percent of the rural population included relative to 40 per cent in urban population. Lack of health insurance coverage has a significant effect by increasing the incidence of welfare loss from health shocks.
AFRICA 2030: SDGs WITHIN SOCIAL BOUNDARIES

LEAVE NO ONE BEHIND  OUTLOOK

1. Equality in education accelerates the achievement of SDGs. Education is crucial to poverty reduction, economic growth and gender equality. Sub-Saharan Africa remains predominated with high levels of exclusion with respect to the number of out of school children. The rate of out of school children, youths and adolescents is double as compared to the rate in Northern Africa. Almost 60% of youth between the ages of about 15 and 17 were not in school prior to the COVID-19 pandemic. Across sub-Saharan Africa, 9 million girls between the ages of about 6 and 11 will never go to school at all, compared to 6 million boys.

2. The pandemic has intensified not only the weak education systems in Africa but also intensified existing different forms of inequalities. The majority of learners at risk of not going back to school is in South and West Asia (5.9 million) and sub-Saharan Africa (5.3 million). Across sub-Saharan African countries, a higher percentage of girls at all levels of education relative to previously enrolled is likely to be affected (1.99%), compared to boys (1.90%) and pre-primary education enrollment will be the most hit with an expected drop of 7.9%.

3. More than a quarter of African countries have nearly achieved universal primary education – that is, the net enrolment rate or net attendance rate in these countries is more than 95 per cent. The net attendance is less than 80% in most West African countries (Figure 3). Countries in conflict have low enrolment rate and none of these countries had achieved gender parity in primary education enrolment. The completion rate at the primary level varies across African countries, different locations as well as by wealth gaps that are widening for more than a half of the countries.

PATHWAYS

I. Health insurance for all and other social protection for specific groups such as women for maternity protection, and the older population for their long-term care must be expanded to overcome inequalities in the African health sector and improve SDGs-related health outcomes by 2030. UHC is key and paramount to improve the African health systems and enable them to achieve SDG 3.

II. Public Health spending must be increased, and services should be equally distributed among the populations and sub-national regions. To do so, African governments must invest more, among others, in quality human resources for health, effective health infrastructures and equipment, constant supply of medicine and health products, and technology and innovation.

III. Countries should start working more on social determinants of health and health in all policies must become a priority for African countries.

IV. COVID-19 is an additional challenge for the health system and at the same time unique opportunity to strengthen the system to enable it to face different challenges in the primary, secondary and tertiary health care, in addition to preventing and responding to future emergencies and health threats.

INCLUSIVE EDUCATION

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FIGURE 3 PRIMARY NET ENROLLMENT AND ATTENDANCE

Source: SDGC/A analysis based on UIS database
4. A combination of economic and social factors plays a major role in preventing girls from gaining access to education at the same rate as boys. Children from high-income families tend to perform better than those from low-income families. Financial endowment determines both the number of out of school children and school dropout rates.

5. There are wide disparities between the rich and the poor in education. For 100 children in each category, 79 in the richest quintile complete primary school against 34 children in the poorest quintile. In Sub-Saharan Africa, the richest are twice more likely to complete primary school compared to the poorest. The richest are four times more likely to complete lower secondary (66%) compared to the poorest (13%).

PATHWAYS

I. Develop or enhance policies that respond to the needs and backgrounds of all learners for effective equitable education. These should be integrated policies across sectors and services that promote inclusion and meet individual learners’ needs. Such policies should encourage inter-sectoral co-operation ensuring that at national and community levels, policy makers from the educational, health and social sectors work jointly to formulate policies and plans for an inter-disciplinary approach in all phases of lifelong learning.

II. Design and adapt appropriate and well contextualized learning approaches which take into consideration of social and economic inequalities in an African context.

III. Mobilize more financing for inclusive education. To provide quality education for all, requires mobilization of sustainable earmarked domestic resources for education of the most vulnerable learners. Partnership for inclusive education is mandatory as envisioned under SDG17, this includes engaging bilateral and multilateral donors to create more sustainable interventions and programmes for inclusive education.

1. Water is a vital factor in production, and electricity access is an essential enabler of economic growth. They have a direct impact on the growth rate of the GDP of countries, and the reduction of poverty and income inequality. It is against this fact that Africa has adopted the UN-SDGs and the AU-Agenda 2063. There is a synergy between the UN SDG 2030 and AU Agenda 2063 regarding the water, sanitation and energy.

2. Sub-Saharan Africa was the lowest in terms of the proportion of the population with access to basic drinking water, basic sanitation and electricity, and clean fuels & technology compared to the rest of the world. There exists disparity among the sub-regions of Africa. Northern Africa performs better than the rest of the sub-regions in terms of access to all the basic services, water, sanitation and electricity. Among the sub-regions, Central Africa was the least in terms of access to water and electricity while Eastern Africa was the least in terms of access to sanitation.

3. A wide gap was observed between the rural and urban populations of Sub-Saharan Africa with access to the least basic drinking water and sanitation services and electricity. The rural population in Sub-Saharan Africa was disadvantaged compared to the urban population. Also, compared to urban Africa, rural Africa has remained to be underprivileged in terms of access to electricity, and clean fuels and technology. At the current pace of progress, meeting the 2030 universal access of the services (water, sanitation and energy) is not guaranteed in the case of Sub-Saharan Africa, a situation exacerbated by COVID-19.
There is a need to introduce strategies for removing such barriers and examine principles of good governance in which poor and disadvantaged groups are involved and empowered as agents of their development and participate in decision-making. This strategy calls for decisive government intervention, including subsidizing infrastructure development and strengthening domestic resource mobilization as the external financial resources are becoming unpredictable.

National governments and partners need to consider strengthening the institutional, technical, and financial capacities of the utilities and service providers and put in place robust oversight mechanisms to ensure that the vulnerable and excluded groups of the society have adequate and affordable access to the basic services—water, sanitation and electricity.

The ongoing COVID-19 pandemic has further aggravated the challenges and expected widening the disparity by affecting the flow of resources to develop infrastructure projects and reach the poor. As the pandemic started, the water & sanitation utilities had challenges of availing water to congested settlements without conventional water supply networks, and it was hard for the citizens to practice the hygiene protocol recommended to control the spread of the virus. On the other hand, the handwashing campaign promoted worldwide during the pandemic significantly contributed to the countries’ WASH programmes. Therefore, governments and utilities need to garner the lessons drawn from the challenges and opportunities that the pandemic has created and adjust service deliveries to meet future incidences of similar nature.

The financial requirement of Sub-Saharan Africa to achieve the SDG targets, which was estimated to be two percent of the Gross Regional Product as per the World Bank study (Hutton & Varughese, 2016), is by far higher than the other regions of the world. Moreover, people’s willingness and ability to pay for water and sanitation services can be a big challenge to achieving the SDGs for water and sanitation. The pandemic (COVID-19) has resulted in the dwindling of the internal revenue generating capacity of countries and the declining flow of external financial resources that highly impacted Africa’s infrastructure development.

Lack of access to water, sanitation and energy results in poverty that can be expressed in terms of low productivity, low quality of education, poor quality of health services, low quality of living standards, weakening of gender equality and exclusion of the marginalized people, particularly those living in rural and low-income urban areas. Poverty in terms of water, sanitation and modern energy results in poverty in all forms.
1. Only 25 percent of Africa’s road network is paved compared to the world’s average of more than 50 percent. Africa also lags behind other regions in terms of quality of roads, well below Asia, Europe and North and South America. Only 49 percent of the paved roads are in good condition and 85 percent of rural feeder roads remain in poor condition depriving many people from access to basic services.

2. Average internet penetration rate remains lower for Africa (26%) compared to the world’s average (57%) and other developed income groups counterparts. Of recent, the proportion of individuals using the internet has increased from 9.9 percent in 2010 to 28.6 percent in 2019 while ICT subscriptions per 100 inhabitants has been increasing since 2010 from 45.9 percent to 81.3 percent in 2019.

3. Africa lags behind other developing regions and the world’s average in terms of mobile-cellular and mobile-broadband subscriptions per 100 inhabitants as at 2019 — estimated at 33 percent for active mobile-broadband and 82 percent for mobile-cellular compared to 65 percent and 99 percent for developing regions and 75 percent and 105 percent respectively for the world’s average. About 75.6 percent of the population from the Africa region is covered by 3G mobile broadband as at 2019, up from 51.3 percent in 2015.

4. Only 10 out of 45 countries (22%) in Africa have affordable internet with an average cost of 1 GB of mobile data estimated at 4.3 percent of average monthly income compared to 2.5 percent in the Americas and 1.4 percent in Asia. The cost of broadband remains high in Sub-Saharan Africa above the threshold of 2 percent— defined as 1GB for no more than 2 percent average monthly income.

5. Digital rural-urban and gender gaps in Africa continue to be pronounced in the region, the gaps are widening going forward and faster than other developed regions. Only 28 per cent of households in urban areas in 2019 had access to the Internet at home, but that was still 4.5 times as high as the percentage in rural areas, which stood at 6.3 per cent. Additionally, about 46 percent of the women in 2019 were less likely to use mobile internet than men, this demonstrates that a large number of women remain unconnected in the African continent.

6. Global COVID-19 has reinforced uneven access internet services but also access to digital technologies that would enable people to work remotely and continue with other aspects of their lives. However, it is even more pronounced on the African continent. Africa continue to lag behind in terms of international bandwidth usage with over 10Tb/s compared to Asia and the Pacific with over 300 Tb/s, Europe (over 150 Tb/s) and the Americas (over 140 Tb/s).

**INCLUSIVE INFRASTRUCTURE**

1. Enhanced public investment in inclusive and sustainable infrastructure is fundamental in making transport networks, rural electrification and information and communications technologies more feasible, accessible and affordable, and addresses constraints faced in stimulating economic activities in key infrastructure sectors. It is observed that increased access to essential infrastructure services reduces inequality, fosters inclusion and supports poverty reduction efforts (Fig. 5).

**PATHWAYS**

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**FIGURE 5 AFRICA INFRASTRUCTURE DEVELOPMENT INDEX AND POVERTY INCIDENCE, 2018**

Sources: SDGCA computations based on African Development Bank, 2018 and World Development Indicators, 2018

II. Coordinated efforts from various stakeholders to foster social and economic equalities through innovative solutions are needed to overcome the barriers to affordability and internet uptake and achieve a sustainable and inclusive prosperity in the digital era. However other complementary actions remain key, such as skills training, innovation policy, public private partnerships and institutional accountability to realize full benefits from digital technology.

III. Digital divide policies in the face of COVID-19 pandemic must address the social and digital inequalities simultaneously. However, full integration of ICT applications into social and user environments is critical to provide better access to services, opportunities for jobs and income generation for vulnerable communities.
1. The role of financial inclusion in addressing poverty, reducing inequality and the achievement of SDGs is well documented. Africa stands the lowest (42.6% at the end of 2017) in terms of proportion of adults with a bank account compared to the global average (69%) and the rest of the other regions in the world. At continent level, Central Africa lags other regions (See Fig 6).

FIGURE 6A ACCOUNT (%AGE 15+) BY REGION

2. The most unbanked segment of the population in Africa in terms of account ownership include youth (37%), women (37%), adults in rural areas (39%) and the low income segment of the population. Among adults in the richest 60% of adults within SSA, 50% have an account. On the other hand, among the poorest 40% of households in SSA, 32% had an account at the end of 2017, which is the lowest, compared to other regions.

3. Within Africa there exists a large variation of account ownership, which ranges from 57% in Southern Africa to 28% in the Central Africa sub-region. There also exists huge variation in adult account ownership by individual countries ranging from 90% in Mauritius to 9% in South Sudan. From 39 African countries considered for this analysis, 28 of them reported below 50% adult account penetration.

4. One of the impressive progresses that have been registered in SSA is the use of financial technology -making significant strides and shifts from cash to digital payments. At the end of 2019, SSA accounted for more than 45% (469 million) of the total population globally that subscribed to mobile money, which was expected to reach half a billion by 2020. Respectively, SSA accounted for 66% (US$ 456.3 billion) in terms of the total value of mobile money transaction, which reached US$ 690.1 billion at global level in 2019.

5. There is still a significant digital divide in SSA in that nearly 800 million people in the region are not connected to the mobile internet. The vast majority of smallholder farmers still depend on cash based transitions contributing to inefficiencies in the agricultural value chains and doing business.
6. COVID-19 pandemic is badly hurting the SMEs sector in Africa, which constitutes the majority of the business and an important driver of growth. This has spillover effects into financial markets as SMEs are facing continued challenges in managing their cash flows and financial commitments. On the positive note, COVID-19 crisis has created opportunities to make a more urgent transition from cash and into bank accounts and digital payments with potential benefits to enhance financial inclusion.

PATHWAYS

I. During the SDG period, which covers up to 2030, it is expected that there will be massive and fundamental changes in the financial service industry through digitalization of the banking system. How to bring the vulnerable section of the population which constitutes a huge segment of the population up to speed remains to be a big assignment. The cost of serving these segments is high, requires more investments and looking for alternative solutions as commercial approaches may not be sufficient.

II. The situation around COVID-19 crisis has created new opportunities for digital finance which helps to accelerate and enhance financial inclusion. Moving forward in order to leverage digital technology in SSA there is a lot to be done which among others include: attracting additional investment into the sector, adoption of regulatory framework that supports innovation and helps to promote financial inclusion to vulnerable segments of the population.

III. Promote financial literacy and education focusing on vulnerable and marginalized populations with gender perspective: Develop and implement appropriate financial literacy and financial education strategy with clear plan of action, which helps to enhance knowledge and understanding of the financial services and stimulate demand.

IV. As digital financial services can create new risks to financial inclusion, there should be proper regulation, which is critically important and can be enhanced through proper partnership arrangements between policy makers and Fintech firms.

V. Tougher times lie ahead for financial service providers as they should play a delicate balancing act of continuing to support the economy during the crisis while they themselves remain financially robust. Financial service providers and supervisors must remain vigilant in light of the evolving nature of Covid-19, regularly assessing vulnerabilities, financial and supervisory implications to ensure the financial system remains financially and operationally resilient. Central banks, social investors and other key stakeholders in development finance should consider rescue packages including provision of liquidity support and recapitalization of microfinance institutions to continue provision of their financial services to lower income segments of the population during COVID-19 crisis and beyond.
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SUMMARY REPORT