



18th Asia Pacific Conference

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Sub-Saharan Africa's Economic Development and its Relations with Asia

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Outline

I. Sub-Saharan Africa's Economic Development

I.1. Economic progress

I.2. Social progress

II. Challenges:

II.1. Near-term: COVID-19

II.2. Medium-term: Sustainable Development Goals

III. SSA's Partnership with Asia

III. 1. Trade

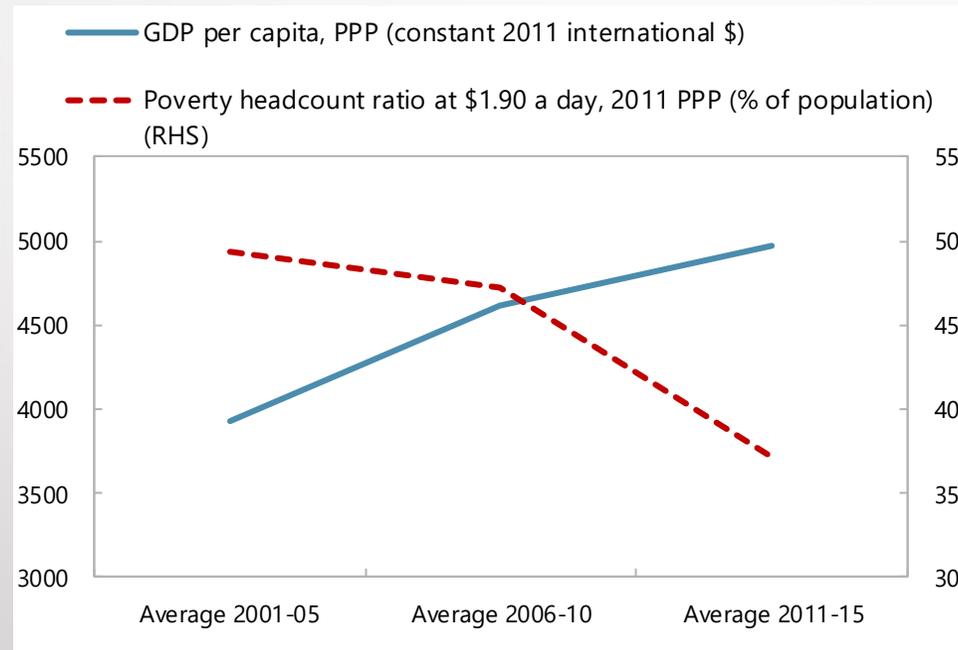
III. 2. Finance

I. Sub-Saharan Africa's Economic Development

I. 1. Significant economic improvement in the last two decades:

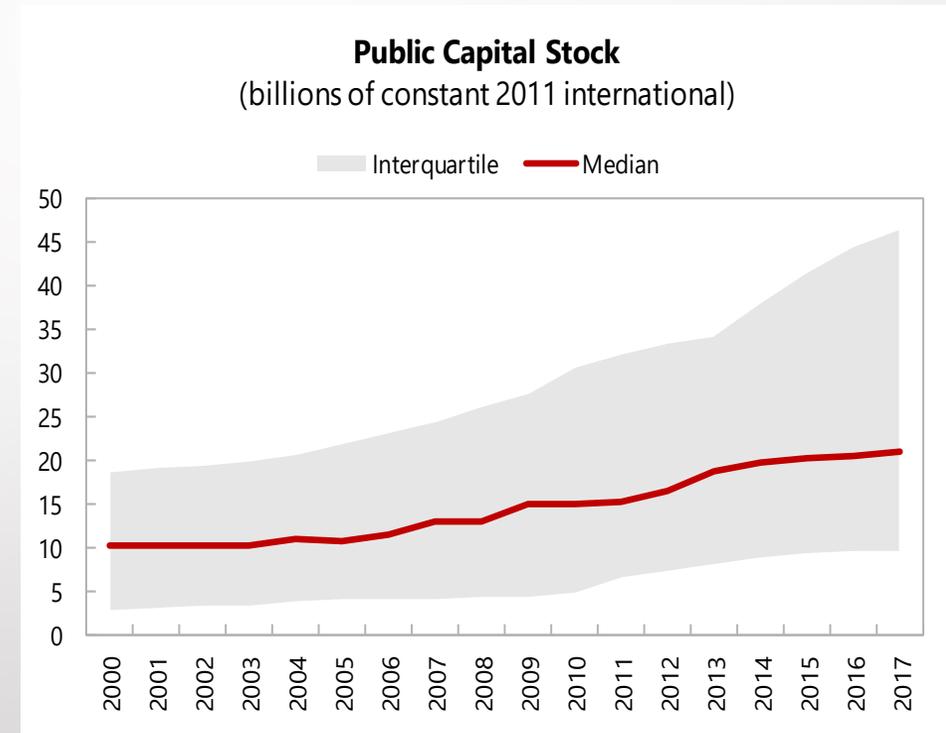
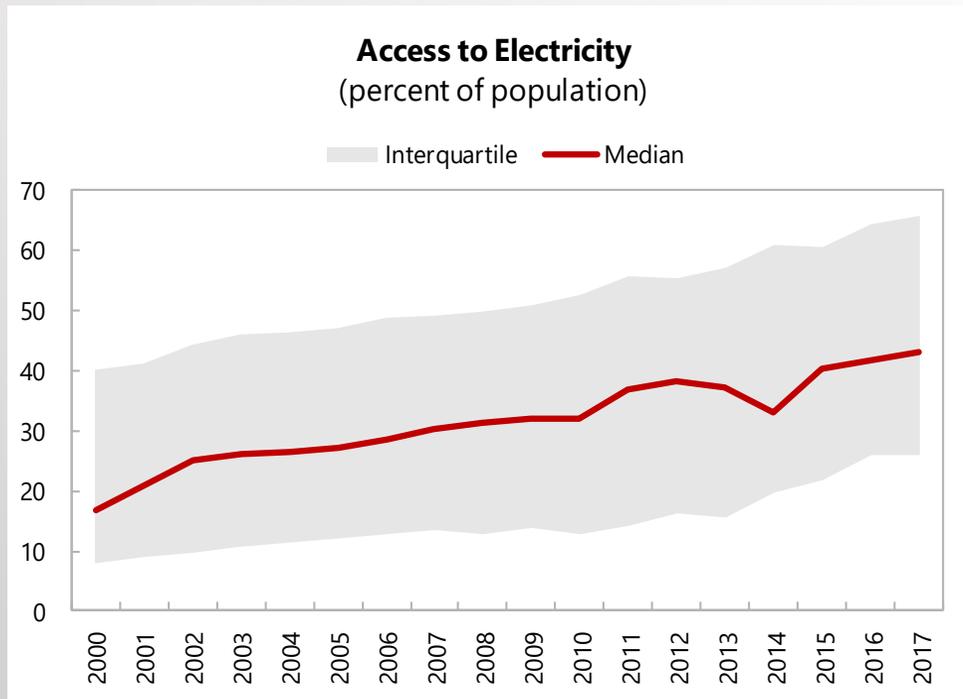
Increase in income per capita and decline in poverty rate

SSA: Income and Poverty



Improvement of the overall public infrastructure

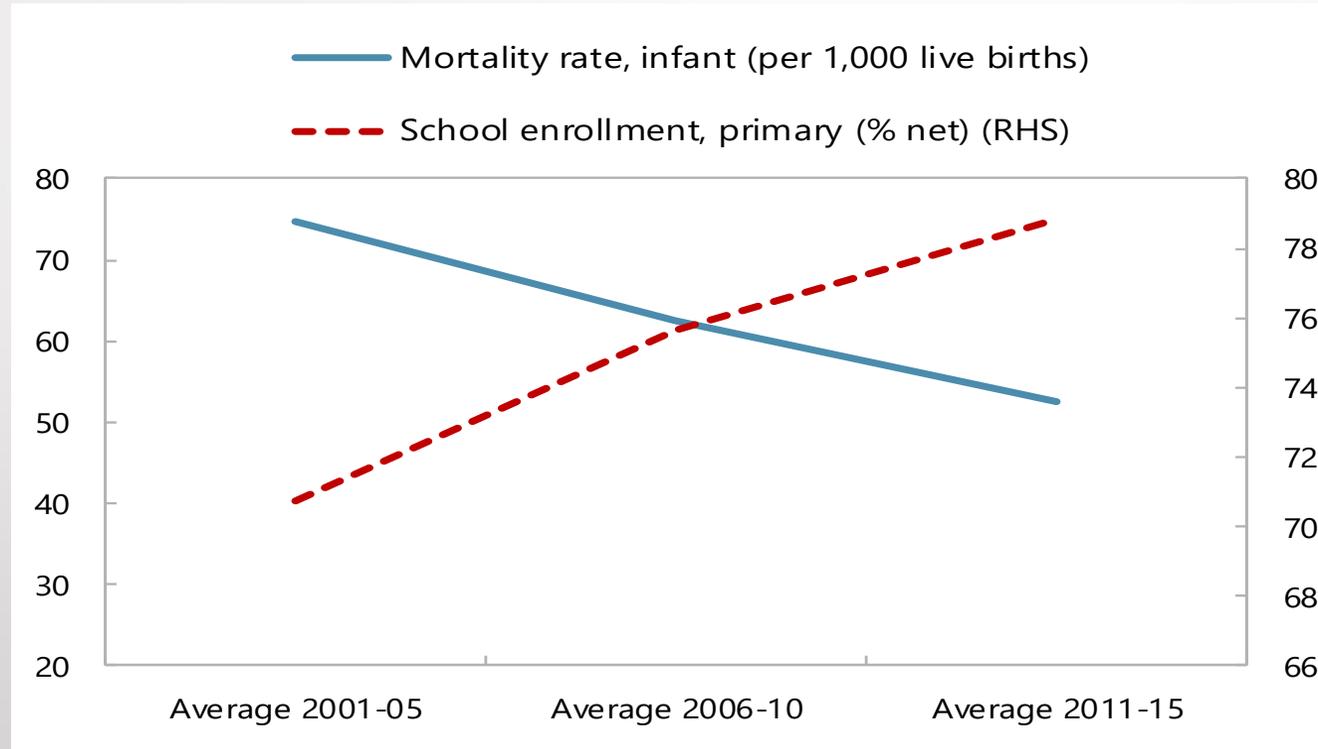
SSA: Infrastructure Indicators



I.2. Significant social progress:

Improvement in schooling and decline in mortality

SSA: Social Indicators



II. Sub-Saharan Africa's Challenges

II.1. Near-term challenges: COVID-19

Confirmed cases (as of end-October):

WHO African region: 1.2 million

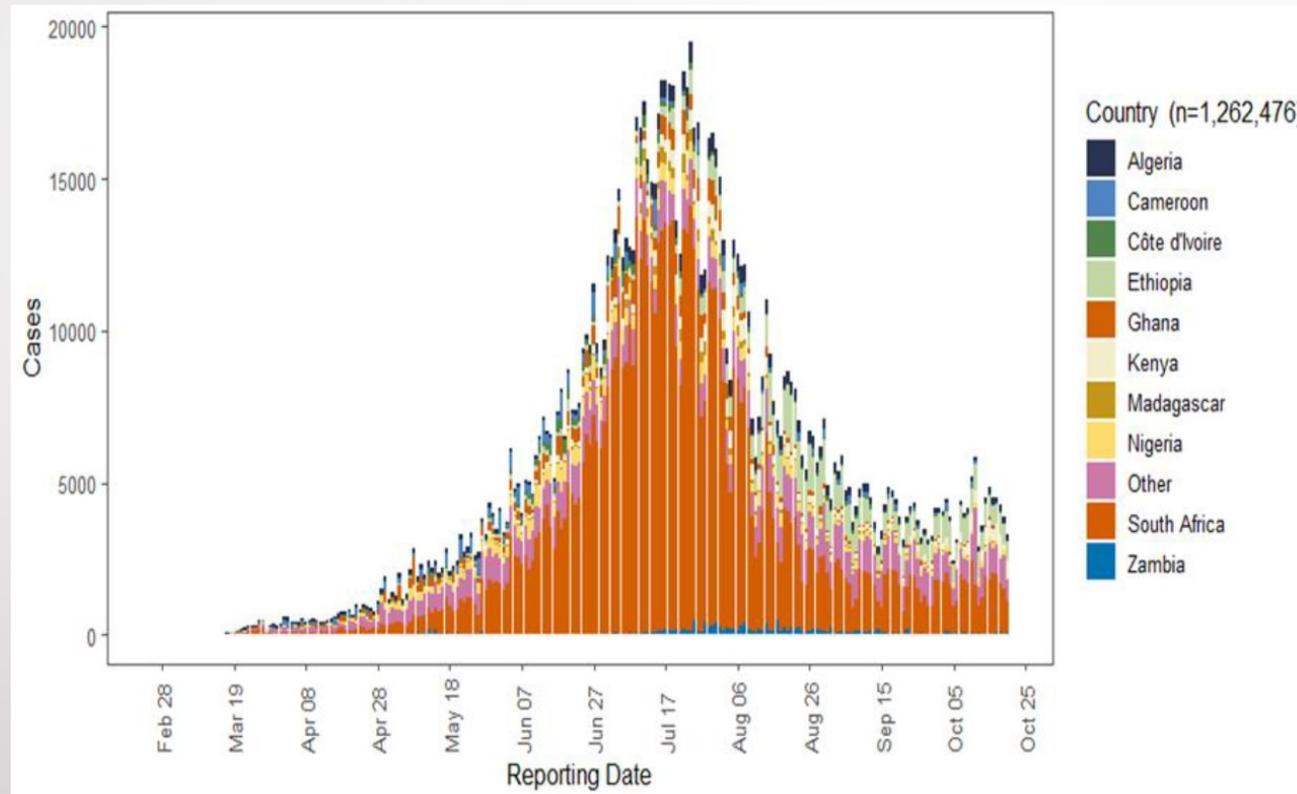
WHO World: 45 million

Number of deaths:

WHO African region: 28,000

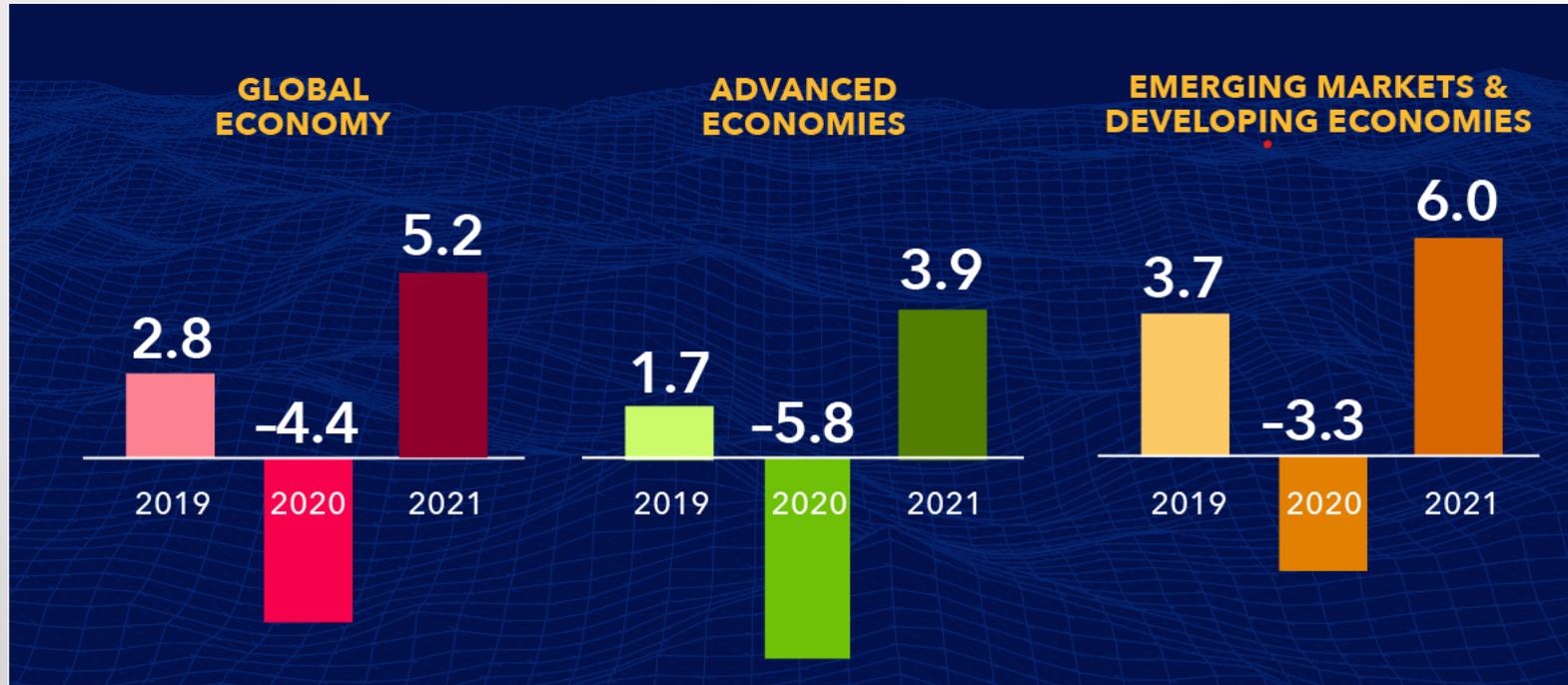
WHO World: 1.2 million

Epicurve of confirmed cases (WHO Africa Region, October 20)



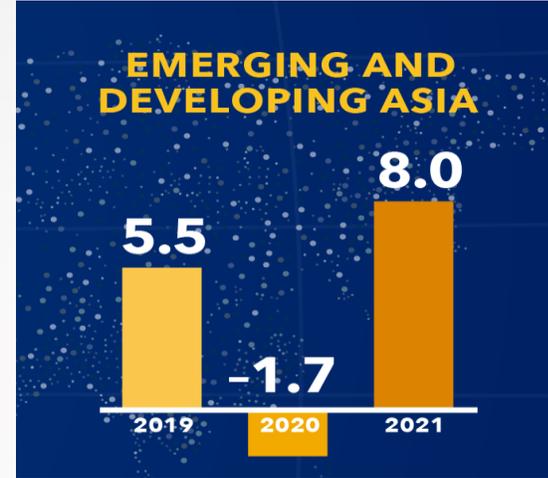
COVID-19 Economic Implications

Growth Projections



Source: IMF, World Economic Outlook, June 2020.

Growth Projections



COVID-19 Economic Implications in SSA:

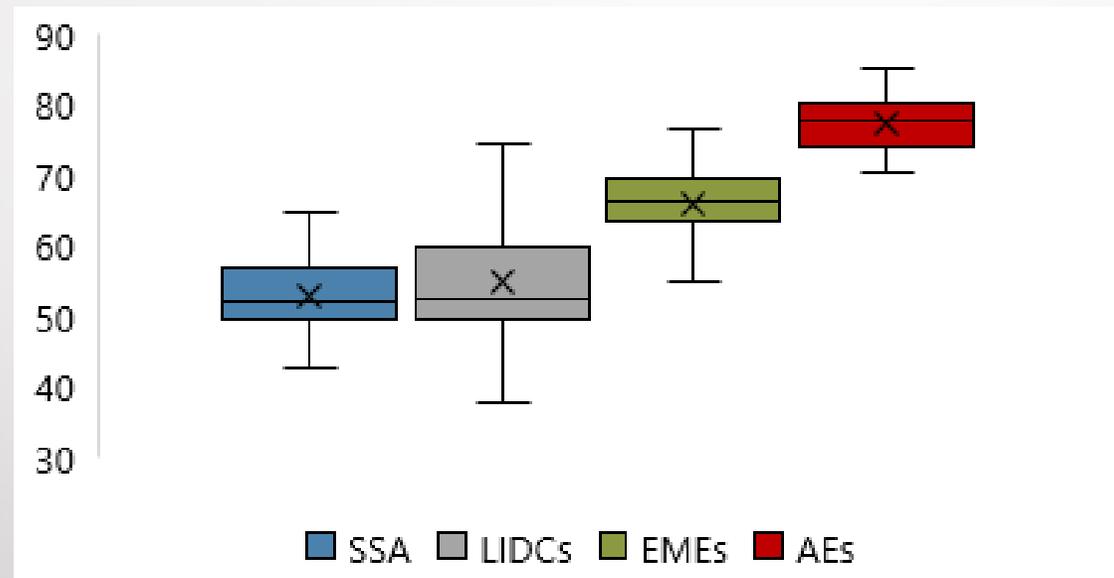
- Economic contraction from confinement
- Weak exports demand and disrupted imports supply chains
- Falling commodity prices and interrupted tourism
- Government revenue loss and soaring spending (higher government deficit by 3 pp GDP and public debt by 5 pp GDP)
- Higher cost of financing (tighter financial conditions and larger spreads on international borrowing)
- Reversal of socio-economic progress: higher poverty rates (40 million people)

II.2. Medium-term challenges: Sustainable Development Goals

SSA is only about half-way to reaching the SDGs

SDG Composite Index, 2018

(score 0-100, 100=best)

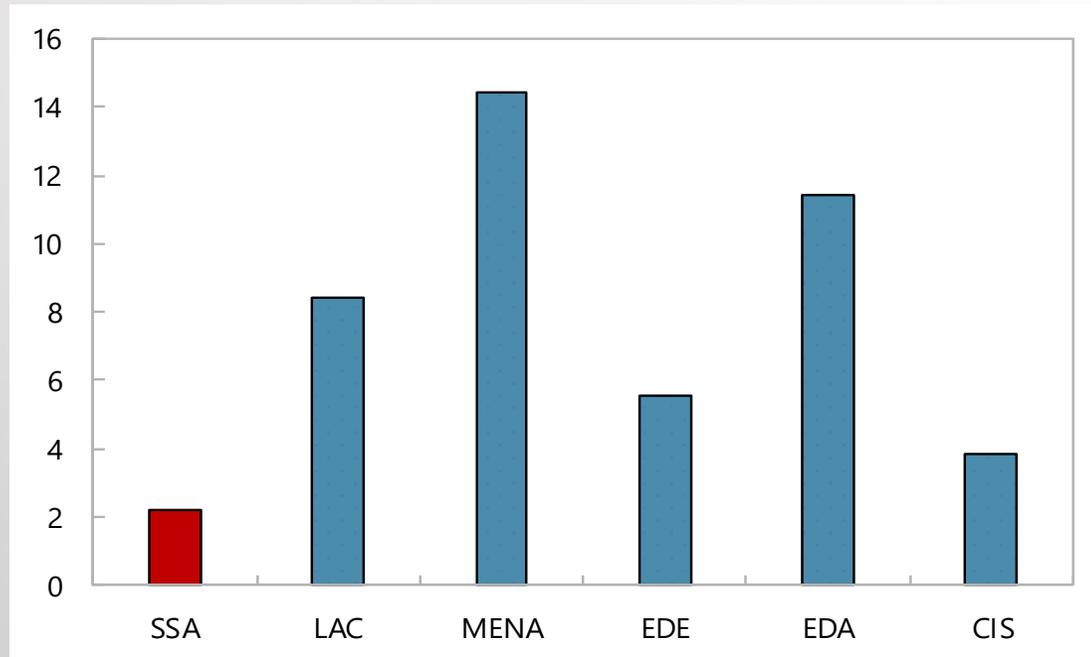


Note: Line inside the box indicates the median value, and the marker indicates the average value.

Sources: 2018 SDG Index and Dashboards.

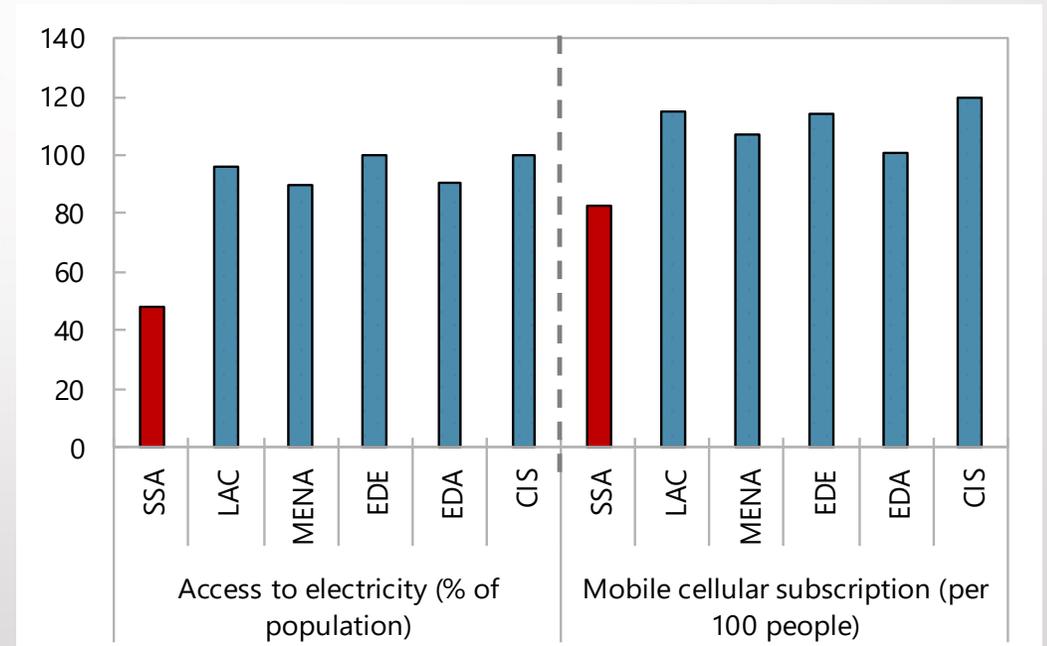
Despite significant progress, public infrastructure remains insufficient.

Public Capital Stock per Capita, 2017
(thousand constant 2011 international dollars)



Source: IMF Database

Infrastructure Gap, 2017



Source: World Development Indicators

III. SSA's Partnership with Asia

III.1. Trade

Trade relationships between Sub Saharan Africa and Asia expanded significantly.

Exports from Sub-Saharan Africa to Asia

(f.o.b. USD)

	2000	2015
Adv. Eco Asia-Pacific	2,659	13,716
Eastern Asia	9,496	47,650
Southern Asia	5,265	31,298
South-Eastern Asia	1,960	13,186

Source: International Trade Statistics.

Exports from Asia to Sub-Saharan Africa also soared.

Exports from Asia to Sub-Saharan Africa

(f.o.b. USD)

	2000	2015
Adv. Eco Asia-Pacific	4,909	9,149
Eastern Asia	8,359	97,133
Southern Asia	2,171	23,733
South-Eastern Asia	4,130	22,205

Source: International Trade Statistics.

Asia is amongst the top trading partners of Sub-Saharan Africa.

Sub-Saharan Africa's Trade Flows, 2019

	Regions	Shares (percent)
Exports destinations	Europe	29
	Eastern Asia	21
	Southern Asia	10
Imports origins	Europe	29
	Eastern Asia	23
	Western Asia and North Africa	11

Source: International Trade Statistics.

III. 2. Finance:

Asia is a top source of FDI to Africa.

Foreign Direct Investment to Africa, 2014-18.

Regions of origin	Jobs created (in thousands)	Number of projects	Capital (US\$ bn)
Asia-Pacific	241	699	107
Western Europe	226	1446	135
Middle East	73	317	49
North America	69	504	38

Source: FDI Intelligence, EY analysis.



Thank you