

African Economic Congress 2021
Accelerate Africa: Building Back Better
Congress Opening Address by HE John Dramani Mahama, former President of Ghana

Hello and good morning from Accra, my brothers and sisters.
Thank you for the opportunity to be part of this programme.

Nigeria is my second home, and how I wish we were able to sit together, network and share ideas in close proximity to each other. But this is where COVID has left us. I must say that despite the challenges, it has also pushed us to be more innovative and also ensuring that we make better use of technology to manage our time.

I firmly believe this mutually beneficial friendship will benefit from opportunities created by the African Economic Congress platform: to share ideas, experiences, and solutions. I also strongly believe that progressive social interactions, such as this, are crucial to building consensus, developing and framing policies, and driving innovation, especially in the face of the monumental challenges posed by COVID-19.

So soon, COVID is in its 2nd year! This is why we must thank Nancy and her team for the initiative to put together the African Economic Congress (AEC).

I missed my first opportunity to join the deliberations because of other commitments. I am glad for yet another invitation, this year, on the theme **“Accelerate Africa: Building Back Better”**.

The theme for this year’s programme offers an opportunity to reflect on our collective response so that we can build resilience during future pandemics. Additionally, it provides options to reset our economic progress by leveraging the inclusiveness exhibited during the crisis.

I am happy to announce that an Independent Global Health Panel that I am honoured to be part of, is advocating the establishment of a Global Public Health Convention that will ensure adequate Pandemic Preparedness and Response.

Admittedly, COVID-19 is one of many challenges that has aggravated Africa’s vulnerabilities and exacerbated existing development challenges. COVID is impacting and impeding the previously steady progress towards achieving the Sustainable Development Goals (SDGs), whose target date is only eight years away.

Ladies and gentlemen, there is no doubt that these are very challenging and unprecedented times for Africa and the rest of the world. However, despite all the challenges and heartbreaks this pandemic has visited on us, there is one thing we can all agree on: and that is, when the pandemic is finally over, one sanitary practice that will remain with us for sure will be the washing of our hands more often or the use of hand sanitisers.

As of mid-October, this year, the number of confirmed or reported COVID-19 cases by African countries was eight million, five hundred and nine thousand (8,509,000), representing about 3.53% of total global infections.

This figure (of about 8.5 million) is deceptive. We know our testing capacity is far from optimum. The fact, as reported by the WHO, that 6 out of 7 infections go undetected in Africa is a very worrying one.

The World Health Organisation (WHO) as of the 10th of October 2021 estimated that the cumulative number of infections on the African continent will be in the region of 59 million. By the same date, coronavirus cases globally were over 241 million, and had led to over 4.9 million deaths. The overall deaths due to coronavirus in Africa surpasses 216,000. Approximately 219 million people recovered from the disease.

While the statistics remain favourable towards Africa, particularly regarding the deaths, we cannot discount the impact the pandemic has had on our continent. We mourn the lost souls and acknowledge the burden and sorrow of families and loved ones left behind.

Unfortunately, our mother continent is lagging in terms of vaccinations. This calls for a radical shift in strategy- a concerted effort by governments to secure and vaccinate their populations, while educating them to strictly observe all preventive protocols. The reality however is that the pandemic may be with us for a while.

My brothers and sisters, I have spent some time on the coronavirus pandemic because the negative impact on the socio-economic fortunes of our African people has been massive. So insidious has it been that it has literally relegated many of the challenges facing our people – challenges such as unemployment, bad governance, corruption, inadequate health facilities, poor roads, insecurity and many others.

Furthermore, revenues have been heavily affected as the demand for Africa's commodities, such as oil, coffee, cocoa, and tourism, has sharply declined. The African Development Bank states that Africa's GDP contracted to 2.1% in 2020; in what has been the worst recession suffered in half a century.

The AfDB is forecasting a positive outlook; projecting that Africa's Real GDP will be around 3.4%. However, this outlook is not set in stone; it is subject to unknown internal and external factors and conditions.

The informal sector, which constitutes about 86% of the labour force and lacks social protection against economic shocks, faces devastating consequences. This is especially true for women workers who make up the majority of the sector.

According to Bloomberg, as a result of the pandemic, an estimated 30 million people were pushed into extreme poverty in 2020. The report ominously suggested that, in spite of the expected growth, another 39 million people could still be pushed into the extreme poverty bracket.

Indeed, the world has become more fragile as we all face common existential risks. Life as we have known it has changed in unimaginable ways. Ladies and Gentlemen, this suggests radical but practical solutions if we are to overcome these challenges.

There is hope! One of Africa's greatest tasks is to build effective partnerships and reinforce leadership to navigate through the pandemic, save lives, and put our economies back on more resilient recovery pathways. The speed and quality of the economic recovery process from the pandemic will depend on our shared sense of collective responsibility.

Despite the devastating effects of the pandemic, Africa can accelerate and build back better, as the theme for this programme suggests. The development of vaccines by several countries on different continents should inspire Africa to look both outward and inward for solutions. Here are a few ways we can do that.

First, we must address the big divide in healthcare capacities. According to the Centre for Disease Dynamics, Economics and Policy, before the pandemic, Africa reportedly had an average of only 135 beds per 10,000 people and 35 physicians per 10,000 people.

More economically developed countries by contrast, have ten times the number of physicians and nurses and spend sixty times per capita on health. Africa can and must rise to the challenge.

In addition, Africa must improve affordable access to medical supplies, by building quality and cost-effective healthcare infrastructure, and manufacturing capacity for pharmaceuticals, medicines and vaccine production.

This is why, as President of Ghana, I developed a programme and supported Ghanaian pharmaceutical industries with stimulus packages to improve their efficiencies and enhance productivity.

Second, the digital divide has worsened, and the pandemic laid this fact bare. Countries with poor energy and power access, low electricity coverage and limited broadband – internet access – could not stay open to transition some key businesses to the virtual-new-normal.

Building Back Africa's economy requires closing the digital divide and expanding access to technology. As economies recover, the world will become more digitalised and we have to be prepared for this.

Businesses, people, financial institutions and governments have to rapidly adjust to this 'new normal'. A robust digital infrastructure is necessary for a resilient build back. Digital education of the population is important for the youth, including the older 'born before computer generation'.

It will enable them to adapt to the internet age and protect them from internet and mobile money fraudsters. By all legitimate and cost-effective means, let us digitalise!

We must also use regulation and government's positive-policy and purchasing power to drive progressive deployment and use of ICTs. We must be thinking ahead. We must be directing technology companies to focus on neglected areas that will impact the lives of our people such as agribusiness and healthcare. The innovation must not become a bubble that will burst in future.

I like Fintech companies and during my time in Government, we laid a strong foundation and promoted their growth. I further think Fintechs must show more differentiation and diversify the seeming over concentration on creating payment platforms that are high yielding today.

I am excited by the development and growth of telemarketing and online internet shopping. It offers opportunities for young people to use motorbikes, scooters, bicycles, tricycles and vans to do deliveries to various households and workplaces.

By simply accessing an app, one can get anything from consumables to heavy equipment on platforms such as Jumia and Ali Baba, Kikuu, Bolt, Uber, and others. We must also ensure cyber resilience.

Third is the divide in the labour market. This has been further heightened by the pandemic. Those with skills are able to keep their jobs, while low-skilled workers, especially those employed in the informal sector including SMEs lost jobs. Many of these low-skilled personnel happen to be people who were already low-income earners. Imagine what many have had to endure as they struggle to survive.

In my country, Ghana, for instance, I recall proposing that the Social Security and National Insurance Trust (SSNIT) agree to an arrangement with such persons, particularly those in the private sector such that they pay them a small part of their contributions to enable them to survive during such periods of hardship.

The COVID-19 lockdown periods demonstrated clearly that the success of a nation depends on businesses in addition to its SMEs, which employs millions and is a key driver of development. The quest for Foreign Direct Investment (FDI) is great, no doubt, but the mantra for development also demands that we improve our own SMEs.

SMEs have limited capacity to access funds so let Governments offer SMEs funds and tax waivers to stimulate them to expand and employ more of our youth and People with Disabilities.

Governments must also invest strategically in manufacturing to limit the heavy burden of imports on African economies. This will create more jobs.

I am confident that Africa can rise up to challenges arising from the pandemic. As Africa builds back, priority should be placed on the quality of growth, not just the quantum of growth.

No growth is worth harping if it does not improve or reflect in the livelihoods of our people. Growth must be more equitable and focused on sectors that are better able to create jobs. For me, growth is not inclusive if it is not shared equitably.

This is the reason we need to deepen democracy in Africa and empower citizens and Civil Society Organisations (CSOs) to advocate inclusive and shared growth. This is what our national discourse, and the intra-African discourse, must be about. We also need honesty and transparency from governments.

Ladies and Gentlemen, as I conclude, let me emphasise that:

- *Africa must build back by focusing on the private sector, especially the small and medium-sized enterprises who are the lifelines of the economy and largest employers of labour. This does not and must never mean government has no business in creating jobs. Government also has that responsibility;*
- *Africa must build back by focusing sharply on food and nutritional security. We must do all we can to make agriculture and agro-processing attractive to the youth;*
- *Africa must build back by ensuring women are at the decision-making table. We must not just pay lip-service to this. We must ensure that women are strongly supported, as the majority of them have lost incomes, due to their greater dependence on informal markets and sectors such as trade and tourism; and*
- *Africa must build back by paying greater attention to climate change and global warming. Treating the earth better for sustainable development will in itself prevent pandemics and improve the supply chain crisis that the world is experiencing now;*

To quote the Nigerian scholar and poet Osundare, “the earth is ours to plough, not to plunder”. We owe it a duty to get the buy-in of the community so that development is based on consensus.

In addition to these, we must fully implement the African Continental Free Trade Area (AfCFTA) to create competitive industrial manufacturing capacity and wider trade and investment opportunities and fast-track Africa’s industrialisation. This will position our African economies to withstand future global shocks better.

We cannot wait until the next pandemic before we act. For the survival of our countries and our dear people, we must ensure that as the times change, our people are readied to face the unknown.

This is the time for the artificial boundaries that separate us to be erased. We cannot allow politics, religion, ethnicity, colonial heritage, language and culture to continue to separate us.

We must hold hands together and rebuild together.

I am confident that we will get through this crisis together. We are only as strong as the partnerships we build together. The moment calls for leadership that can navigate uncertainties and complexities and restore hope and confidence – selfless-audacious leadership is what we need.

COVID-19 can be defeated in Africa, and we can build back safer, better, healthier, and more resilient.

Thank you all very much for your time and attention.

Please enjoy the 2021 African Economic Congress.