

PRESENTATION AT THE LABOUR AND ENVIRONMENT ASSEMBLY
RIO DE JANEIRO, BRAZIL, JUNE 2012
Intervention during a panel discussion
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Protocols:

In my brief intervention I will make an attempt to present to you some of the key challenges that have posed obstacles along the path towards sustainable development. I will also attempt to present to you some of our ideas on how these challenges can be overcome.

Dear comrades,

Let me at the beginning of my intervention assert that *Africa faces several challenges in its endeavour to implement her development and integration agenda*. Africa continues to face a number of development challenges despite its vast resources and it remains the poorest continent in the world. For example, 34 countries out of the 49 (or approximately 70%) poorest countries in the world are from Africa; almost half of the population lives in extreme poverty and hunger; HIV/AIDS prevalence is highest in Africa compared to the rest of the world; many countries have been grappling with the vicious cycle of poverty, social-political conflict, underemployment and unemployment; and high levels of corruption by public officials are having negative consequences on growth and development. Further, Africa suffers from poor infrastructure, limited Foreign Direct Investment (FDI), and huge external debt problems, among others.

Dear comrades,

Allow me now to turn my focus on some of the challenges that have delayed and sometimes derailed efforts aiming at achieving sustainable development in Africa.

Challenges Facing the African Continent

The challenges facing Africa can broadly be classified into four categories, namely: peace and security, governance, economic and social issues.

1. Peace and Security

One of the most critical challenges to Africa's development and integration efforts in the past two decades has been the prevalence of political instability and conflict. The destructive and recurrent nature of these conflicts has had far-reaching consequences on individual African States and the continent as a whole. The high intensity of conflict in many cases and the protracted nature of conflicts in others have resulted in massive loss of human life, displacement of people, high numbers of refugees, child soldiers, high incidence of vulnerability and social exclusion (including loss of jobs), destruction of socio-economic infrastructure, and erosion of institutional capacities.

DRC, Somalia, Sudan, Chad, Sierra Leone, Liberia, Guinea, Zimbabwe, Mauritania, Guinea Bissau, Mali, to name some of them.

The conflict situation in Africa has exacerbated poverty across the continent, encouraged unsustainable utilization of natural resources, made it difficult to accelerate sustainable economic growth and development and destroyed physical infrastructure and human capital. Further, conflicts have diminished the capacity of the states and the continent to focus on integration and development, and adversely affected the prospects for achieving the Millennium Development Goals (MDGs).

2. Governance

The importance of good governance for sustainable development in Africa cannot be overemphasized. Conflicts and political instability, which have had disastrous consequences on poverty eradication, resource utilization and human development, have been due largely to such factors as inequitable

distribution of national and natural resources; human rights violation, absence of rule of law, lack of democracy and an inclusive and fair representation in government. Bad governance, reflected in corruption, lack of transparency, accountability and responsive institutions, has often resulted in the misapplication and inefficient use of scarce resources that could have been utilized for the promotion of growth and development.

Unfortunately, as things stand today, governance is not one of the pillars of Sustainable Development and attempts by Africa CSOs (including ITUC Africa and affiliates) to include it as the 4th and new pillar in Rio+20 have not received the support from other stakeholders including the African Union, Northern NGOs and Trade Unions. I would like to appeal to our representatives in the Rio+20 negotiations to support our demand for inclusion of Good Governance as a primary pillar of Sustainable Development. Without good governance it will be extremely difficult for the other pillars i.e. Social, Economic and Ecological pillars to deliver sustainable development particularly in our region.

3. Social

A myriad of social challenges have slowed down Africa's sustainable development agenda; these include low levels of social protection, high rates of infectious diseases (particularly HIV and AIDS, Malaria and TB) and high levels of poverty. These challenges have reduced the ability of individuals, institutions and states in upholding sustainable lifestyles or implementing sustainable policies and programs. At the household level, families are forced to utilise environmental resources at unsustainable manner for survival while at the regional and national level states abilities to finance sustainable development policies and programs have been weakened.

4. Economic

Africa faces a number of economic challenges. These challenges relate to trade, including declining terms of trade facing African exports; low levels of foreign direct investment (FDI); huge external and domestic debt levels; and the rising oil price.

Trade

Trade has the potential to act as a catalyst for sustainable economic development. However, this potential in Africa has been hit by the declining terms of trade. The Doha "development round" of trade negotiations promised to be a unique opportunity to make trade more effective for sustainable economic growth and poverty reduction. But to date, little has been achieved in this regard. The Doha Work Programme is yet to be fully completed and the negotiations have since been suspended.

In addition, Africa remains marginalized in the world market and continues to maintain a small share of world exports. Rich countries and the capitalist model of development are to blame. This is partly explained by the fact that although rich countries have pledged to reduce tariffs on imports from developing countries and reduce subsidies for their farmers, not much has happened. In some cases, the subsidies have been increased, instead of being reduced.

Furthermore, intra-Africa trade figures continue to be unsatisfactory, compared to the other regions of the world despite substantial progress made by some countries and regional economic communities in reducing and eliminating tariff and non-tariff barriers.

Debt

The situation of debt in Africa has been a concern to many African leaders. Many African countries are spending their scarce resources in servicing debt, instead of allocating them to growth and social sectors. In order to address the problem of debt facing African countries, several debt relief initiatives have been initiated, including the enhanced Highly Indebted Poor Countries (HIPC) initiative and the Gleneagles Summit (July 2005) decision to cancel debt for 18 HIPCs, including 14 from Africa. However, these initiatives have fallen short of meeting the demands of African countries. Also, in a number of African

countries, there is a rising problem of domestic debt. This sad reality has affected states abilities to achieve MDGs and consequently ensure sustainable development.

Foreign Direct Investment (FDI)

The role of FDI in economic development is critical; however, the volume, conditionalities and modalities under which FDI has been delivered to Africa has not allowed real economic growth let alone Sustainable Development to take place. In comparison with other parts of the world, the volume of FDI coming to Africa has been lower than in other parts of the globe. It is estimated that the share of FDI in Africa is below 5% of the total global FDI. Most of this FDI has targeted extractive sectors, with little benefit to governments and the people. Working conditions in such investments are way below ILO Core Labour Standards. This means Africa is receiving 'too little and too bitter' a dose of FDI.

Increasing oil prices

Another challenge facing the continent is the recent rise in the price of petroleum products. While the price of crude oil was under US\$25 per barrel in mid 2003, it sharply increased to over \$60 barrels in 2005. As of mid- April 2006, the price had reached \$72 per barrel, rising to over \$90 by the end of December, 2011. In this regard, the rising world oil prices remain one of the determining factors of global economic performance in Africa and other parts of the world. Currently, many African economies are facing economic hardships following the recent and escalating increases in oil prices and they are struggling to make adjustments to the ever increasing oil prices.

5. Environmental challenges

Africa faces various environmental challenges including desertification, deforestation, waste including electronic waste and deliberate dumping of toxic waste by foreign companies, climate change related problems e.g. food security, health problems, job losses, etc. All these have affected in a negative way the ability of families and states to maintain sustainable livelihoods and economic growths.

ITUC AFRICA RESPONSES

At it's 2nd congress held in Johannesburg, South Africa, in November, 2011, ITUC Africa passed a number of resolutions and subsequently adopted a Strategic Plan aimed at helping to address these challenges in Africa. These include:

1. Strengthening work to consolidate human and trade union rights in Africa as well as campaigning for the establishment of a Pan African Electoral Commission and Electoral Fund to achieve more democracy and better governance; strengthening of AU institutions - link to creation of the developmental state.
2. Intensifying the struggle for changing globalization, paying particular attention to the design of a new development paradigm for Africa that focuses on regional integration, development of agro industry, mining beneficiation and industrialization, greater intra African trade and South-South Cooperation, formalization of the informl economy in the direction of the social economy, vigorously joining the efforts towards reform of the global trade, economic and financial architecture to become people centered.
3. Campaigning for the establishment of social protection floors for all.
4. Building the capacity of affiliates in the area of climate change, occupational safety, health and environment; as well adopting and mainstreaming human and trade union rights principles in all sustainable development programs, including the Just Transition principle, social dialogue, precautionary principle, polluter pays principle, and the principle of common but differentiated responsibilities, in mitigating climate change.
5. Strengthening trade union organizing through promoting trade union unity, union density, gender equality, youth participation and internal democracy for workers empowerment.

Thank you.