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Agreed conclusions*

Economic development in Africa: Structural transformation and sustainable development in Africa

(Agenda item 6)

The Trade and Development Board,

1. *Takes note* of the UNCTAD secretariat's *Report on Economic Development in Africa 2012* subtitled *Structural Transformation and Sustainable Development in Africa*;

2. *Notes* that the Report's main message is that Africa should consider the option of relative decoupling, as reflected in the Report, in order to achieve sustainable structural transformation through the diversification of its economies that creates new jobs and decent work, and reduces poverty;

3. *Recognizes* that Africa has been strongly affected by climate change, despite its minimal contribution to it, and that Africa continues to face serious challenges from climate change and environmental degradation;

4. *Recognizes* the importance of structural economic transformation and economic diversification in Africa for the creation of new jobs and decent work, and the achievement of inclusive growth and poverty reduction, and *encourages* further efforts in this field;

5. *Acknowledges* Africa's commitment to sustainable development based on three interdependent and mutually reinforcing pillars: economic development, social equity and environmental sustainability, and its contribution to the United Nations Conference on Sustainable Development held in Rio de Janeiro, Brazil, in June 2012, as well as other initiatives taken by the African countries at all levels, particularly as mentioned in the Report;

* This document was distributed in the meeting room as a non-paper.

6. *Expresses* concern that despite the high rates of economic growth sustained over a period of more than 10 years and progress in reducing the number of people living in extreme poverty, poverty remains widespread in Africa, and the pace of poverty reduction in Africa has not been as fast as in other developing regions;

7. *Takes note* that sustainable structural transformation could be achieved by taking into account a more efficient use of natural resources and a lower negative impact on the environment, and *highlights* that financial flows, including investment, and predictable and sustainable technical assistance within an enabling economic environment at all levels in accordance with the Doha Mandate, will strengthen the achievement of structural transformation;

8. *Acknowledges* that investment, innovation and technological development could be the main drivers of the decoupling process;

9. *Recognizes* that the difficulty of rising to the challenge of shifting to sustainable development, including through sustainable structural transformation, could be addressed through a country-driven approach that focuses its interventions on the following key priorities: the generation of adequate energy to power the economy, the enhancement of industrialization strategies, the improvement and modernization of the agricultural sector and agro-industries, including agribusinesses, and support to smallholder farmers;

10. *Recognizes* Africa's immediate, short and medium-term environmental challenges as a central development issue and the region's need for sustainable structural transformation;

11. *Invites* Africa's development partners to consider, as a priority, to assist Africa in its quest for sustainable economic structural transformation through, inter alia, enhanced innovation and technology for increased value addition; the delivery of needed resources, including financial services to support small and medium-sized enterprises and microenterprises; the diversification of the economy; the attraction of foreign direct investment conducive to sustainable development; investment in infrastructures, and institutional and productive capacity-building;

12. *Calls for* the fulfilment of previous commitments and *pledges* to help Africa's efforts in achieving sustainable development;

13. *Requests* UNCTAD, within its mandate and available resources, to continue its policy analysis and research on economic development issues of relevance to Africa and to reinforce efforts to disseminate its research findings and to continue its cooperation with the African Union and all relevant economic institutions.
