

Preface

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The Africa Competitiveness Report 2015 comes out at an auspicious moment for the continent. Africa's solid average growth rate of more than 5 percent over the past 15 years bears witness to the region's impressive economic potential. A growing labor force and a large and emerging consumer market hold the promise of significant further growth opportunities. Yet myriad challenges need to be addressed in order to reap these potential gains. Africa's growth path could be more equitable and broad based. Economies need to shift toward higher value added activities that will provide quality employment opportunities for their growing populations and lay the foundations for sustained growth. Africa has all the ingredients to make this happen, and decisions and actions taken today will determine whether Africa will succeed in achieving higher levels of prosperity.

Published on a biennial basis, *The Africa Competitiveness Report* highlights areas that require policy action and investment to ensure Africa's sustained growth. The *Report*, which is the result of a long-standing collaboration, leverages the knowledge and expertise of the African Development Bank, the Organisation for Economic Co-operation and Development (OECD), the World Bank Group, and the World Economic Forum to present a joint vision to inform policies that can help Africa transform its economies.

Through a comprehensive analysis of Africa's most pressing competitiveness challenges, the *Report* discusses the barriers and difficulties that have been preventing Africa's economies from reaching their full potential. It examines the role and potential of the agriculture sector, which provides employment for a large share of the working population; it also considers the service sector, looking at how to reap the full benefits of this increasingly prominent sector as well as its implications for structural transformation. The *Report* also explores the potential for regional and global value chains to help Africa's economies develop and expand new activities and build dynamic and competitive agricultural and service sectors. In doing so, it further informs an ongoing debate on the role of the manufacturing sector in Africa's development. Finally, this work provides competitiveness profiles for 40 African countries, along with a comprehensive summary of the drivers of productivity and competitiveness in the continent.

We hope that this year's *Report* will stimulate discussion among government, business, and development partners and community leaders about what we can all do, individually and collectively, to support Africa's journey toward sustained growth and shared prosperity. Investments in physical and human capital will be key factors that need to be robustly supported by a sound institutional framework and an enabling business environment. Businesses can advocate for reforms that enhance competitiveness and can engage in a dialogue with policymakers about the type of reforms required for firms to prosper. Governments can ensure sustained investments in infrastructure, health, and education; provide the legal and regulatory framework for a sound business environment; and, most importantly, ensure that policies and their implementation are consistent across time and national boundaries.

Africa's recent achievements suggest a brighter future is already in the making. We hope that by providing this analysis, we can contribute to seizing this opportunity for Africa's current and future generations.