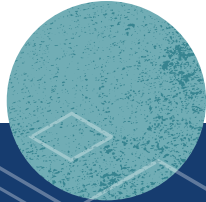
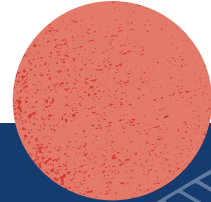
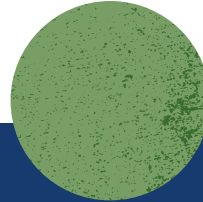


AFRICA 2043

From Evidence to Action

Date: October 2025



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Foreword

Africa 2043 is the flagship continental report of the African Futures & Innovation (AFI) programme at the Institute for Security Studies (ISS). Using the International Futures (IFs) modelling platform, the report provides a forward-looking analysis of Africa's development trajectory to 2043 (which is the end of the third ten-year implementation plan of the African Union's Agenda 2063). The report examines the continent's Current Path (business-as-usual) forecast, compares it with eight key sectoral scenarios and explores a Combined scenario that illustrates the power of coordinated reforms.

Africa stands at a decisive moment. The next two decades will determine whether the continent harnesses its demographic, economic and technological potential to become a dynamic force in the global economy, or risks falling further behind other regions. The modelling shows that progress on the Current Path is steady, but insufficient. At the same time, it highlights the transformative potential of bold, integrated policy choices that can lift hundreds of millions out of extreme poverty, enhance economic growth, improve the continent's chances for realising the demographic dividend and position Africa to thrive in a multipolar world.

This publication coincides with the African Futures Conference 2025, held under the theme "*Insight, Imagination, Action*." The theme reflects the core mission of AFI: to bring rigorous insight through evidence-based analysis, to inspire imagination and debate about alternative futures, and to point to the action that can help the continent realise its long-term ambitions. *Africa 2043* embodies this approach, offering a picture of the road ahead and a call to shape it.



Africa's Context

Africa is the world's second-largest continent, spanning approximately 30.4 million square kilometres and home to around 1.5 billion people. Demographically, it is the youngest continent, with a median age of just 19 years. This youthfulness represents both its greatest opportunity and its sharpest challenge.

The continent's geography is vast and varied, from the deserts of the Sahara and Kalahari to the tropical forests of the Congo Basin and the savannas that sustain its iconic wildlife. It is also politically diverse, comprising 54 sovereign states (55 if the Saharawi Arab Republic is included) with different systems of governance, economic capacities and development trajectories. Africa's rich cultural, linguistic and ethnic diversity underpins both its resilience and its complexity: over 2 000 languages are spoken, and national borders often overlay diverse communities.

These structural features shape the continent's prospects. Rapid population growth and urbanisation are creating large consumer markets and an expanding labour force. At the same time, historical legacies, poor governance and persistent inequalities constrain progress. Africa has made notable strides in poverty reduction, human development, and governance reform since the 1990s; yet, the development gap with peer regions remains significant, and in some instances, it is widening.

Agenda 2063, the African Union's long-term vision, provides a compass for addressing these challenges and opportunities. The next two decades, covered by the Second and Third Ten-Year Implementation Plans, will be a hinge period: they will determine how far Africa can turn its youthful population, urban transition and integration agenda into tangible gains in prosperity and resilience.

Africa's Current Path

Africa's Current Path represents the continent's baseline development trajectory (or business-as-usual scenario). It reflects steady progress but falls short of the seven aspirations in the African Union Agenda 2063. These are broad ambitions, backed by more specific targets defined in implementation plans. In the second ten-year implementation plan (2024-2033), Africa aims to double its GDP by 2033, accompanied by an annual average growth rate above 7%.

On its current development trajectory, the continent will experience notable improvements in population dynamics, economic size and poverty reduction. Yet, these gains will be uneven, leaving Africa trailing behind peer regions in income, human development and resilience.

- **The population** is projected to rise from 1.5 billion in 2024 to 2.3 billion by 2043, making it the fastest-growing region in the world. The share of working-age people will expand to 61% of the total population, opening the possibility of a demographic dividend. Whether this potential translates into growth depends on the continent's ability to generate jobs, expand education and invest in health.
- **Health** outcomes highlight a double burden of disease. Deaths from communicable causes decline only modestly (e.g. malaria deaths fall from 677 000 in 2023 to 527 000 in 2043) while non-communicable diseases (NCDs) rise steeply, with cardiovascular deaths nearly doubling (1.8 million to 3.4 million). This combination of unfinished infectious disease control and fast-rising NCDs places mounting pressure on already under-resourced health systems.

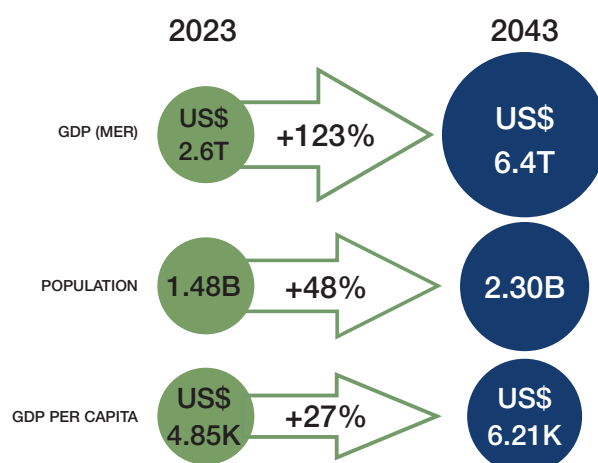
- **Urbanisation** will also reshape Africa's future. By 2043, just over half the population will live in towns and cities, up from 44% today. Expanding urban centres could become engines of growth and innovation, but without inclusive planning, they risk worsening spatial inequality, deepening the rural-urban divide and straining housing, infrastructure and services.
- **Economic growth** is projected to average 4.6% annually, raising GDP (MER) from US\$2.66 trillion in 2023 to US\$6.36 trillion in 2043. This pace is faster than that of South America but slower than that of South Asia. GDP per capita (PPP), however, will grow only modestly, from US\$4 850 to US\$6 210 over the same period, underscoring Africa's struggle to converge with other developing regions.
- **Extreme poverty reduction** will continue, but moderately. The share of Africans living in extreme poverty is expected to decline from 31% in 2023 to 19% in 2043. In absolute terms, nearly 440 million people will remain below the US\$2.15/day line, far higher than projected poverty levels in South Asia or South America.
- **Informality** will remain entrenched. By 2043, over 50% of workers will still be expected to be in informal employment, reflecting structural rigidities in labour markets and limited industrial transformation. Informality constrains productivity and fiscal revenues, perpetuating low wages and limited social protection.

Despite steady gains, Africa's economies continue to diversify only moderately, and the current trajectory reveals persistent structural weaknesses. Much of Africa's growth remains tied to raw commodity production and exports, as well as subsistence agriculture and low-productivity services, which limit job creation and fiscal revenues. Weak resilience leaves the continent highly exposed to climate shocks, food and energy volatility, and global economic downturns. In a shifting international order, Africa risks being a rule-taker rather than a rule-shaper if integration and governance reforms stall.

Overall, the Current Path presents a story of steady but slow progress. It highlights the urgency of transformational reforms if Africa is to achieve its 2063 aspirations.



On the Current Path, Africa advances, but not fast or broad enough to meet its long-term goals.





Eight Sectoral Scenarios

Beyond the Current Path, this report explores progress in eight complementary/sectoral scenarios to 2043. Each focuses on one key sector, from demographics and health to governance and trade, to illustrate how ambitious reforms in that area could shift outcomes.

For example, in the Agriculture scenario, the model assumes improvements in crop yields through better inputs and technology, greater investment in irrigation and more efficient market access for farmers. It also factors in stronger adaptation measures to climate variability. These assumptions simulate how enhanced agricultural productivity and resilience could alter Africa's development trajectory.

The visual below summarises the key positive shifts that emerge under each scenario, compared with the Current Path.

The scenarios show that targeted improvements can deliver important gains: longer life expectancy, reduced food import dependence, higher education attainment, enhanced industrialisation, greater trade integration, expanded infrastructure, more sustainable financial flows and more effective governance.

Yet, the benefits are uneven across the continent. Upper-middle-income countries, with relatively stronger institutions and infrastructure, are often able to accelerate progress fastest, while low- and lower-middle-income countries face greater constraints and achieve slower gains.

The scenarios, therefore, highlight the opportunities of sectoral reform, but also the risks of widening disparities between and within countries. At the same time, they underline the limits of single-sector reform: no single intervention is sufficient on its own to place Africa on a fundamentally different trajectory.



Each intervention matters, but reforms and outcomes are uneven.

SCENARIO

SCENARIO IMPACT BY 2043

 Demographics & Health	• Infant mortality declines by 6 deaths per 1000 live births • Africa reaches its demographic dividend 9 years earlier • Life expectancy is 2.1 years higher
 Agriculture	• Crop import dependence is 14.6 percentage points lower • Crop imports are US\$34.3 billion lower • Crop exports are US\$24.9 billion higher
 Education	• Mean years of education is 0.9 years higher • Primary and secondary learning scores are 6 points higher
 Manufacturing	• Manufacturing sector is US\$166.9 billion larger • Government revenue is US\$80 billion higher
 AfCFTA	• Exports will be US\$400 billion higher • Trade openness rises by 5.9 percentage points
 Infrastructure & Leapfrogging	• 165 million more people will have access to electricity • Fixed broadband subscribers increase by 65 million • Mobile broadband subscribers increase by 38 million
 Financial Flows	• Foreign direct investment increases by US\$118 billion • Remittance inflows rise by US\$37 billion • Government revenue grows by US\$67 billion
 Governance	• 36.7 million fewer people live in extreme poverty • Average incomes are US\$290 higher

The Combined Scenario

When reforms across all eight sectors are pursued together, the results are transformative. Coordinated action accelerates growth, deepens poverty reduction, reduces informality and strengthens resilience far more than isolated efforts. The Combined scenario shows what is possible by 2043 when Africa advances on multiple fronts simultaneously.



Economic transformation is the most striking outcome. Africa's GDP (MER) reaches US\$8.9 trillion, approximately US\$2.51 trillion higher than the Current Path forecast. This represents an average annual growth rate of 6.2% instead of 4.6%. GDP per capita (PPP) climbs to US\$8 040, almost US\$1 830 higher than the baseline forecast. These gains place Africa on a path of convergence with peer regions, narrowing the gap with South Asia and South America.



Extreme poverty reduction is equally stark. Extreme poverty declines to almost 11%, implying that the number of people living under extreme poverty will be approximately 199 million fewer compared to the Current Path.



Informal employment drops to about 40% of the labour force, compared to 53% in the Current Path, reflecting deeper formalisation and structural economic transformation.



Industrialisation and digitalisation are also accelerating. ICT's share of GDP rises to 6.3%, while manufacturing and materials expand to 16.7% and 7.6%, reflecting stronger industrial linkages, value addition and digital inclusion. Agriculture and services shrink slightly in proportional terms, but all sectors grow in absolute size, with services adding US\$1.38 trillion more than the Current Path, manufacturing US\$443 billion and ICT US\$231 billion. These broad-based gains show that sectoral expansion is not zero-sum: industrial and digital growth create multiplier effects across logistics, finance, energy and agriculture, reinforcing Africa's structural transformation.



Energy and sustainability also see notable advances. In the Combined scenario, for instance, electricity access improves to 88.5%, compared to around 73% under the Current Path. Rapid expansion of renewables, especially solar, helps meet a growing share of Africa's rising energy demand and reduces dependence on fossil fuels. Yet, the sheer scale of demand growth due to increased population size and industrialisation means energy consumption continues to outpace supply, and many rural communities remain left behind. Without continued large-scale investment in generation, transmission and sustainable access, energy bottlenecks could constrain growth and limit inclusivity.



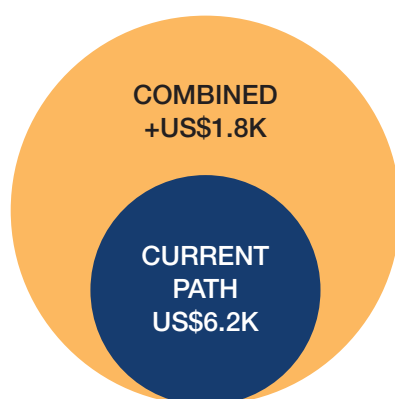
Sectoral integration drives these results. Expanded education and health investments boost life expectancy and skills; agricultural reforms cut import dependence and improve food security; industrialisation creates employment and raises productivity; AfCFTA unlocks regional trade, regional value chains and diversification; infrastructure expansion increases connectivity and access; financial flows provide resources for investment and infrastructure development; and improved governance ensures fiscal efficiency, welfare transfers and accountability. These changes reinforce one another, multiplying their impact.

Overall, the Combined scenario demonstrates the scale of Africa's potential. Coordinated, cross-sectoral reform could lift hundreds of millions more people out of poverty, accelerate structural transformation, and strengthen the continent's position in a shifting global order. It shows not only that Africa can achieve the ambitions of Agenda 2063, but that the pace of change can be substantially faster if bold choices are made.

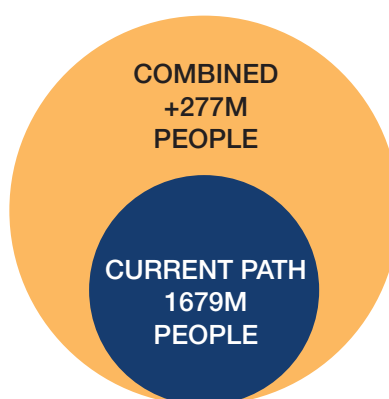


Coordinated, cross-sectoral reforms can accelerate growth, reduce poverty and transform Africa's global position.

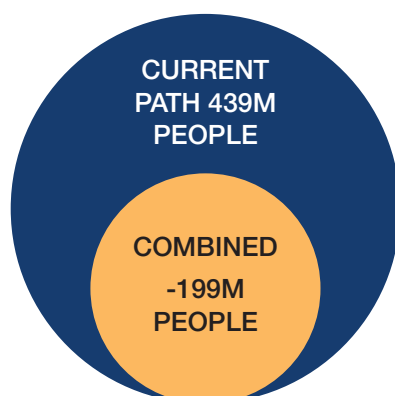
GDP PER CAPITA



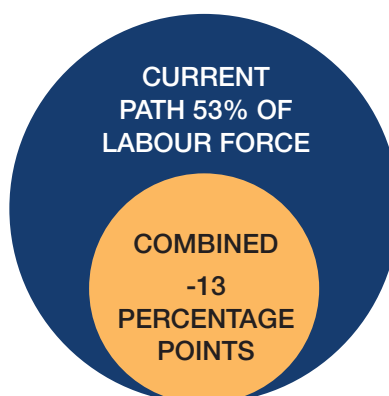
ELECTRICITY ACCESS



EXTREME POVERTY



INFORMAL ECONOMY



Which Reforms Matter Most

The Combined scenario shows that a comprehensive approach to Africa's transformation across all eight areas delivers rapid progress, but three drivers consistently explain the largest share of the shift: integration through AfCFTA, stronger governance and investments in human capital. These areas set the pace for development.



Full implementation of the AfCFTA: Regional integration reduces trade barriers, creates a larger and more dynamic continental market, enhances intra-African skills mobility and transfer, and drives industrialisation at scale through regional value chains. Without it, Africa's economies remain fragmented, limiting their ability to diversify and compete globally.



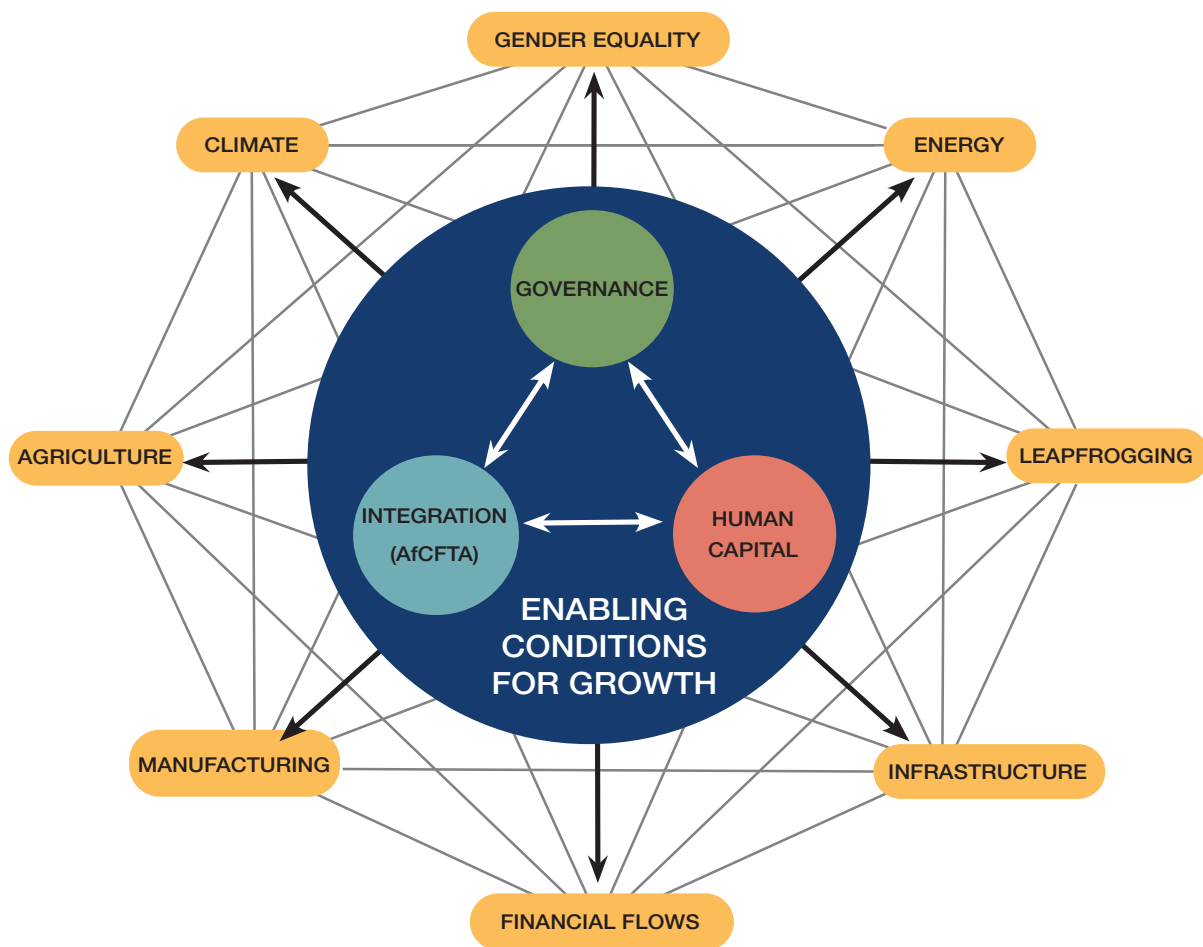
Governance: Effective institutions translate growth into inclusive development. Better fiscal management raises revenues, expands welfare transfers, attracts investors and ensures that resources are invested in long-term priorities rather than lost to inefficiency or short-term politics.



Human capital: A healthy and skilled population underpins productivity and innovation. Investments in education and health turn Africa's youthful population into an asset, enabling the continent to reap a demographic dividend rather than risk social exclusion and instability.

Other reforms — such as in agriculture, infrastructure, manufacturing and financial flows — remain vital. But their impact is greatest when paired with progress in integration, governance and human capital. Agricultural productivity creates more value when regional markets are open; infrastructure investment delivers higher returns when institutions reduce leakages; financial flows catalyse growth when absorbed by skilled workers and competitive firms.

Together, these three areas provide the scaffolding for Africa's long-term prosperity. They determine whether industrialisation is competitive, whether infrastructure is sustainable, and whether financial flows translate into investment and jobs. They are the enabling conditions that allow other reforms to succeed and the reason the Combined scenario achieves a transformative impact.



AfCFTA, governance reform and human capital investment are the most decisive pathways for accelerating Africa's long-term transformation.

Policy Insights

The Combined scenario shows that Africa can achieve faster and more inclusive growth if reforms across all sectors are integrated. The task now is to translate this potential into practical steps. The following policy insights highlight where governments should focus efforts to realise the continent's demographic, economic and governance dividends.



Prioritise people-centred investments

Education and health are the linchpins of Africa's demographic transition. Expanding access to quality schooling, vocational and digital skills, alongside universal health coverage and maternal/child survival, can turn the continent's youth into a dividend rather than a liability.



Deliver AfCFTA in practice

The AfCFTA is Africa's most powerful tool for promoting regional integration, raising incomes and diversifying economies, but only if implemented. Harmonising customs, investing in trade corridors, regional value chains and supporting SMEs will turn agreements into real gains for workers and firms.



Govern for accountability and resilience

Effective institutions ensure that growth fuels inclusion rather than inequality. Improving fiscal efficiency, inducing capital injections, curbing financial leakages and building trust allow revenues to be channelled into long-term priorities and strengthen resilience to shocks.



Advance industrialisation

Industrialisation creates jobs and drives structural change. Targeted support for agro-processing, light manufacturing and mineral beneficiation, combined with SMEs finance and infrastructure, can reduce reliance on commodities and raise productivity.



Build inclusive infrastructure

Transport infrastructure connects markets and underpins structural transformation. Prioritising climate-resilient transport, WASH and digital networks, including rural access, ensures that growth is broad-based and sustainable.



Accelerate the green energy transition

Green energy, especially solar, and off-grid solutions are essential for meeting the rising demand while keeping emissions low. Scaling regional power pools and mini-grids will expand access and underpin industrial growth, especially in underserved rural areas.



Mobilise and channel finance smartly

Africa needs more predictable resources. Scaling foreign direct investment, remittances and domestic mobilisation, while curbing illicit financial flows and debt sustainability, will unlock long-term investments in people and infrastructure.



Protect the vulnerable and reduce inequality

Social protection, child-focused programs and climate adaptation, especially in fragile states, can break poverty traps and prevent exclusion. These measures ensure that women, rural populations and marginalised groups share in the benefits of transformation. Inclusive development is both a moral imperative and a condition for stability.

These insights are not new agendas, but rather reflect evidence-based priorities to accelerate progress. The Combined scenario shows that when people, markets, institutions, infrastructure, industry, energy and finance advance in tandem, Africa can not only reduce poverty faster and create more jobs, but also shift the structure of its economies toward higher productivity and resilience. The result is a continent better positioned to influence global dynamics while delivering on the aspirations of Agenda 2063.



Africa's leaders have a window of opportunity to act now. Decisive action will determine whether the continent secures its demographic and economic dividend.

Looking Ahead To 2043

The Combined scenario shows that ambitious, coordinated reforms in the next two decades can accelerate economic growth, reduce poverty, and improve structural economic transformation. However, it also underlines that progress is not automatic: without decisive action, Africa risks falling short of its potential and deepening disparities, also in comparison with peer regions.

The global context makes this moment especially significant. A multipolar order is emerging, marked by shifting trade and investment dynamics, contested supply chains and heightened geopolitical competition. Africa's voice will be stronger if it acts collectively: by deepening regional integration, asserting its priorities in global governance forums and positioning itself as a key player in climate, digital and energy transitions.

Resilience will be just as important as growth. Climate change, demographic pressures, and technological disruption will test the continent's social, economic and political systems. Building adaptive capacity, from climate-smart agriculture and resilient infrastructure to inclusive health and education systems, will determine how well Africa withstands shocks and sustains long-term progress.



Challenges

The Combined scenario demonstrates what is possible, but achieving it will be difficult. Progress across Africa is uneven: some countries have the capacity to implement reforms, while others face persistent fragility, conflict and fiscal constraints. Regional cooperation, essential for the AfCFTA, infrastructure corridors and power pools, is often slowed by political fragmentation, competing national interests and weak institutions. Governance reform remains the most challenging area to deliver, given entrenched patronage systems and limited accountability in many states. Finally, external shocks, from climate change to global economic volatility, can derail even the best-prepared plans. These realities do not diminish the value of the Combined scenario, but they underline why implementation will be partial, contested and uneven. Acknowledging these constraints is not a reason for inaction: it is rather a reminder that even incremental progress can generate meaningful gains if pursued consistently.

A set of questions for dialogue and pragmatic action:

- How can Africa create jobs at the scale required while also advancing climate resilience and a just energy transition?
- Which governance reforms are most critical for specific countries, and how can citizens and institutions ensure their implementation?
- What steps are needed to further move AfCFTA from agreement to lived reality for businesses, workers and consumers across the continent?
- How can Africa mobilise finance more effectively while ensuring debt sustainability?
- In a multipolar world, how can Africa co-shape global rules on trade, climate and technology rather than adapting to them?
- What innovative approaches to social protection and climate adaptation could ensure that the most vulnerable are not left behind?



**The choices of the 2020s and 2030s will define
“The Africa We Want”.**



Conclusion

Africa 2043 shows two futures. On the Current Path, the continent achieves steady but insufficient gains: poverty declines, economies expand and life expectancy improves, yet Africa still lags behind peer regions. Informality remains entrenched, vulnerability to shocks persists and structural transformation advances only slowly.

The Combined scenario points to a more ambitious possibility. Coordinated reforms across trade, governance, human capital, industry, energy, infrastructure and finance could lift an additional 200 million people out of extreme poverty, accelerate the demographic transition and strengthen Africa's position in the global economy. These outcomes are not abstract: they are grounded in the modelling using the International Futures (IFs) model and align with Africa's own vision in Agenda 2063.

Three drivers stand out. Full implementation of AfCFTA would expand markets and unlock industrialisation through scale. Governance reform would translate growth into inclusion by improving fiscal efficiency and building trust. Investment in human capital would ensure that Africa's youth become a demographic dividend rather than a liability. Together, these areas provide the scaffolding for long-term prosperity and amplify gains in agriculture, infrastructure, manufacturing and financial flows.

The next two decades, encompassing the Second and Third Ten-Year Implementation Plans of Agenda 2063, will be decisive, particularly in a turbulent global context of climate change, technological disruption and geopolitical competition. In practice, cooperation is uneven, capacity varies widely and political constraints are real. However, the evidence shows that where progress does occur — whether at the continental, regional or national level — it can generate outsized gains.

The evidence is clear: Africa's future depends on timely action to align reforms, strengthen resilience and deliver inclusive transformation. The scale of change required is daunting, but even partial progress toward integration, governance and human capital reform would mark a decisive step toward 2043.



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About this Report

This report summarises a comprehensive scenario analysis to 2043. It was conducted using the International Futures (IFs) platform, hosted and developed by the Fredrick S Pardee Institute for International Futures, which is part of the Joseph Korbel School of Global and Public Affairs at the University of Denver, Colorado, USA. This report is part of the African Futures & Innovation programme at the Institute for Security Studies (ISS), Pretoria, South Africa.

Read the full Africa report here: <https://futures.issafrica.org/geographic/regions/africa/>

