

SA takes second place on African Transformation Index

South Africa has come second after Mauritius on the African Transformation Index released on Monday (3 March 2014), indicating its economic transformation is better than most other African countries.



Dr Yaw Ansu says African countries have to diversify. Image: [AMLF](#)

The index is compiled by Accra-based economic policy institute the African Centre for Economic Transformation (ACET).

ACET in collaboration with the Mapungubwe Institute for Strategic Reflection (Mistra) also released the 2014 African Transformation Report.

The index only includes 21 sub-Saharan African countries, with its compilers saying more African countries would be added in future.

ACET chief economist Dr Yaw Ansu said economic transformation in countries would require them to diversify their production and exports, become more competitive on international markets and increase the productivity of all resource inputs, especially labour.

He said African governments should put transformation at the top of their agendas and create environments conducive for the private sector to operate.

Mistra executive director Joel Netshitenzhe said long-term planning was important in transforming economies. South Africa's long-term strategy is the National Development Plan (NDP), which has received widespread support.

The report said that African countries needed to "vigorously" promote economic transformation to ensure that growth was

sustainable and continued to improve livelihoods.

The report identified labour-intensive manufacturing sectors, agroprocessing, tourism, and oil, gas and minerals as the main sectors that could help with the transformation of African economies.

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