



## Governance- Made in Africa



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**European Policy Centre  
Konrad Adenauer Stiftung  
Hanns Seidel Stiftung  
Commonwealth Policy Studies Unit  
Conference**

**Brussels, 12 July 2005**

***Governance – Made in Africa***

**Summary Report**

*by James Mackie, ECDPM, Maastricht*

**Introduction**

This wide-ranging conference, held in the aftermath of the G8 Summit which headlined the need for international support for Africa, was addressed by a broad range of African political leaders and leading experts on development issues.

As well as discussion on the international support to Africa, conference sessions addressed a range of specific issues: health and education, conflict resolution and the role of business. One session focused specifically on the New Partnership for Africa's Development (NEPAD) experience and the role of the EU in support of Africa.

The key twin messages to emerge from the conference, presaged in its title, were the vital importance of African leadership in the international effort to support the continent and the need to focus on good governance as the foundation on which to build effective development. African ownership was thus at the centre of the debate and all speakers recognised the major steps forward already achieved over the past few years with NEPAD and the African Union (AU). Participants also acknowledged that with the build up to the G8, Live Aid, the Blair Commission Report, the UN preparations for the Millennium Development Goals stocktaking and the Africa Union Sirte Summit, the international community and Africa had a unique, once-in-a-life-time opportunity. Africa was back on the international agenda and it was vital to build on this momentum.

**Governance**

Throughout the day, both speakers and participants stressed the

importance of governance, and governance by Africans for Africans, as the key foundation stone on which to rebuild the continent.

They also agreed that the new African institutions - NEPAD, the APRM (African Peer Review Mechanism) and the AU - represented a very significant new departure which offered a unique opportunity to make progress on advancing good governance in Africa, and that the international community had to support them.

Peer group pressure was identified as one of the most promising drivers of change in governance practice. This was the concept at the root of the APRM and was also the secret of much of the Commonwealth's success. The latter's 'clubby atmosphere' enabled it to say things to its members which they would never accept from a bilateral donor or even a multilateral institution.

The APRM was described as the means to operationalise NEPAD's vision. Its message to African states was that if they supported NEPAD, they should demonstrate this through the peer review. (An essential element of the APRM concept is that joining the scheme is voluntary).

**Myles Wickstead**, of the Blair Commission for Africa, whose Report 'Our Common Interest' also saw governance as the key issue, quoted the South African minister Trevor Manuel as saying: "If I was a donor, I would not give a cent to a country that had not signed up to the APRM; moreover if I was an investor I would not invest in any country that had not signed up."

So far, 23 out of 54 African nations have joined the APRM, but this was a serious step which should not be undertaken lightly. Thus, some governments which appreciated the importance of the APRM and supported its objectives were preparing themselves carefully before joining. In one country - Ghana - the mechanism had already brought about visible changes: almost every government institution which featured in the recent draft APRM report was now out explaining itself to the public, and the press had started a lively debate on governance in the country.

On Zimbabwe, it was noted that African leaders still had some way to go before they felt they could criticise a fellow leader like Robert Mugabe, especially with so much colonial baggage linked to the issue. African civil society was, however, becoming progressively more vocal in its criticism and it was only a question of time before leaders would feel the political pressure to take a tougher stance. In the meantime, many Africans felt the most useful action they could take was to support the forces of change in Zimbabwe.

Several European participants commented on the vital importance of the APRM and suggested that in the new international arena, only those governments capable of opening up to dialogue would survive. Good governance had different meanings at different moments in history and people needed to understand the way the concept was understood in the post-Cold War era.

NEPAD itself could be understood as an initiative to change the nature and manner of leadership in Africa. This was its key promise to many middle-class people in Africa who were increasingly frustrated with the stagnation, lack of progress and lack of services in Africa. NEPAD was the vehicle they could use to affect change. The initiative had survived a period of ‘NEPAD-bashing’, and it was now increasingly recognised that there was no alternative and that supporting it was vital. It was also recognised that the historic opportunity for Africa which 2005 represented, and the fact that everyone acknowledged that the leadership for solving Africa’s problems had to come from Africa itself, placed a heavy burden on the shoulders of all Africans. Many Africans were questioning what this really meant for them and how best to rise to the challenge.

### **International support**

There was widespread agreement that international support should focus on initiatives emerging from Africa itself. African ownership was fundamental and while aid was important, it was first necessary to tackle internal problems and the political will was needed to do this.

There were an increasing number of countries in Africa where people were taking their future in their own hands and this needed to be supported. Some participants argued that attaching conditions to aid had to be accepted as the norm and there had to be a minimum consensus on aims, objectives and policies.

Indeed, one speaker argued that increases in Official Development Aid (ODA) had to be selective and focused on countries that had already accepted the APRM, with amounts linked specifically to the cost of achieving the Millennium Development Goals (MDG). Others urged caution and suggested that it was important not to desert failing states completely precisely because it was often in those countries that the poor needed aid most. Moreover, if support to recalcitrant governments was stopped, the international community would lose any leverage it might have had with them. On the other hand, they agreed that good performance should indeed be rewarded and encouraged with increased allocations of aid.

If donors did attach human rights or good governance conditions to aid, they also needed to look at their own behaviour and ensure that it matched up to these high standards. Donor states should also confront corruption and act in a transparent manner. Helping African states to repatriate funds placed in European banks by despotic leaders could be extremely valuable. Finally, it was pointed out that some increasingly important donors, such as the Chinese, were not imposing human rights conditions and the practice therefore had its limits.

### **Europe's role**

Turning to Europe, **Stefano Manservigi**, Director-General of DG Development, European Commission, emphasised that the EU had a record of nearly 50 years of supporting Africa and this had always rested on principles of dialogue and respect. The EU was now actively developing its relationship with the AU, a key institution with which it believed it could develop a dynamic and productive partnership.

Mr Manservigi identified three key strands in the Africa policy which the Commission is currently developing, with support for good governance at the top of the agenda; creating the conditions for growth second (including developing infrastructure to interconnect Africa); and supporting social cohesion third (e.g. investing in health and education, including HIV/AIDS, education for girls and higher education).

The Commission was also increasingly turning to new aid modalities, in particular sectoral support programmes and direct budget support. This was partly a way to respect African ownership and align Commission cooperation with government priorities, and partly out of a recognition that this was the best way to handle increased volumes of aid. Obviously, such approaches depended on good governance, which was why the Commission put this at the top of its agenda.

In subsequent contributions from the panels and the floor, it was suggested that UN agencies, and particularly those with their own programmes on the ground, would be another useful vehicle to channel the increasing volumes of aid announced at the G8. Donors must, at all costs, harmonise their approaches and drastically reduce the number of aid missions to Africa and the multiplication of aid programmes. The EU had a special responsibility in this regard, as much of the promised increase would come from the Union. It also had a better vehicle for internal coordination than most donors. The Commonwealth (albeit a small agency) could also have a useful impact if its aid was well targeted and used as a facilitating and enabling tool. Its greatest impact stemmed more from the fact that it could act as a peer group for the exchange of ideas. From another angle, a business representative stressed that while aid was important, trade was far

more important. Tackling poverty implied dealing with the Common Agriculture Policy (CAP) and US and Japanese subsidies. Aid was a facilitator, but that was all.

### **Health & education**

**Dr Lieve Fransen**, head of the Social Development Unit in the Commission's Directorate-General for Development, stressed that it was important to see the role of government in health and education as one of governance and not as a question of providing services. Thus the state needed to perform the related tasks of stewardship, budgeting and monitoring.

Stewardship involved such factors as the provision of an adequate institutional framework, setting standards, ensuring the provision of trained personnel, regulatory work in research or on drugs, and the adoption of an integrated approach to public health which also took in such issues as education for girls, nutrition, food security etc. The actual provision of services could be done by a variety of actors if the framework was adequate.

On budgeting, it was clear that this should reflect public priorities and donors should seek as much as possible to provide sectoral budget support. Governments should provide the lead and donors should respond. External support was increasingly based on performance, underlining the need for adequate monitoring. If financing was related to performance, there was an incentive to falsify statistics and it was therefore vital that the state set clear standards for monitoring.

One further concern was the increasing lack of legitimacy of global governance: the G8 was often questioned as a forum for decision making and not just by Africa, but also by non-G8 members of the EU. Equally the question of UN reform, and particularly of the Security Council, was becoming urgent.

**Frans van den Boom**, Director of the International Aids Vaccine Initiative (IAVI), spoke about the urgent need to develop vaccines. HIV/AIDS was the greatest challenge facing the world today and, while dealing with this global crisis was partly a question of changing behavioural patterns and treating people with new drugs, this was not enough to control the pandemic effectively.

Funding the research required to develop these vaccines was therefore vital. IAVI was specifically seeking to develop R&D capacity on the ground in Africa to maximise spin-offs and ensure sustainability. The obstacles to be surmounted were huge: there is still a 90/10 gap in R&D,

with 90% of resources for this research spent in 10% of the world's richest countries.

Africa could not defeat the HIV/AIDS pandemic on its own. This was a global responsibility. Moreover, it could not be left to the private sector: a public/private partnership a combination of both bottom-up and top-down approaches were needed.

In discussion, several participants noted the importance of an integrated approach to health and education questions. In addition to HIV/AIDS, it was also important to tackle other diseases such as malaria. Providing drinking water was also vital, as was nutrition. On education, participants emphasised the need to improve Africa's research capacity and improve the links between different levels of education, such as universities and training centres.

### **Conflict prevention**

A lively discussion took place on the situation in the Western Sudan region of Darfur and the Southern Sudan Peace Agreement signed in Machakos, Kenya, earlier this year.

The Ambassador of Sudan, **Dr Ali Yousif Ahmed**, stressed both the important achievements of the AU in reducing conflict in Darfur and the historic significance of the recent Southern Sudan Peace Agreement. The latter was a very good example of the application of the principle of African ownership. It had brought to an effective close a war that had started with independence in 1955 and was clearly a product of colonialism. The peace talks had been made possible through the involvement of the AU, the Inter-Governmental Authority on Development (IGAD) and the UN. African ownership of the process had been fundamental and senior African leaders were directly involved. At the same time, the EU had played a vital support role. In Darfur, there had been a very useful partnership between the AU and the EU, and everyone recognised that where the AU forces had been deployed, peace had been restored.

**Nick Grono**, Vice-President of the Crisis Group, differed in his analysis. He agreed with the Ambassador on the historic significance of the Machakos Peace Agreement, but was not confident that the Government would fulfil its commitments. On Darfur, he said the world needed to face up to the fact that the problem was much larger than anything the AU could handle. International intervention was essential, and urgently needed, as people were still dying and abuses were being committed on a daily basis. Details were provided of the EU's support to the AU for Darfur. It was the biggest international contributor, with some €120



million being provided from the Africa Peace Facility to AMIS I & II (African Mission in Sudan).

The AU was doing an impressive job, but was overstretched, particularly at its headquarters, where it was having to build up capacity fast while at the same time delivering a major operation. The EU also had military personnel embedded in the AU force, which was a new and testing – but also rewarding - experience for both sides. However, the vital importance of the EU supporting the AU initiative, and not seeking to undertake a separate operation, was underlined at several points.

### **Role of business**

**Paul Skinner**, Chairman of Rio Tinto, explained the basis for his optimism about Africa, describing what business could do to support African development and emphasising the importance of corporate responsibility. In particular, he stressed that there was a considerable talent base in Africa and this needed to be matched by the availability of opportunity. Things were also changing in Africa: GDP in sub-Saharan Africa was at an eight-year high and many governments were showing an increasing willingness to work together.

What did Africa need? Some of the most important factors were:

- Peace and security. This was essentially a task for government, but if it was achieved, companies could take their business to Africa.
- Education was crucial and had a direct impact on the work force.
- Tackling HIV/AIDS was also vital, as the disease was a real and very direct drag on economic development. Business could help by supporting the communities in which they operated.
- The abolition of tariff barriers was also essential, as this alone could release some \$12.5 billion in investment for Africa.
- Africa desperately needed a positive climate for investment and all these factors could contribute. There were a number of contributions business could make to promoting development in Africa:
- Outsourcing and relating to the local community could have major multiplier effects. Small and medium-sized enterprises would be the locomotive of development in Africa as they had been in Asia. International companies must try to outsource as much as possible of their non-core business processes.
- Achieving a high percentage of local employment was also critical.
- Transparency in business practice was vital to support efforts to maximise good governance. Adopting a ‘publish what you pay’ initiative could have a major impact in terms of reducing corruption and increasing confidence in business.

- The consistent application of international standards in governance, safety, financial management, etc was also important.

In conclusion, Mr Skinner stressed the importance of three factors: building better governance, improving capacity and encouraging transparency.



## CONFERENCE

# Governance - Made in Africa

Tuesday 12 July 2005

Résidence Palace (Polak room)  
155 Rue de la Loi, 1040 Brussels

### PROGRAMME

- 08h30 Registration
- 09h00 Welcome by **John Palmer**, EPC Political Director and Dr. **Rainer Gepperth**, Director of the Institute for International Contact and Cooperation, Hanns-Seidel-Stiftung
- 09h10 Keynote (1) **Stefano Manservigi**, Director-General, DG Development, European Commission: *What is the EU doing for Africa?*
- 09h30 Q&A
- 10h00 First panel: **The International Community and Africa**

*This session would look at the performance of the various international actors in dealing with Africa. Speakers will also cover the question of absorption capacity, picking "good performers" and what to do with "bad performer" plus the role of China.*

Chair: **Klaus Lötzer**, Head of West Africa Program, Konrad-Adenauer-Stiftung (Benin)

**Winston Cox**, Commonwealth Deputy Secretary General

**Sir Richard Jolly**, Member of UN Advisory Panel on NEPAD, UN and Africa

**Pete Ondeng**, Executive Director, African Social Equity Trust (NEPAD-ASET), Nairobi

11h15 *Coffee*

11h30 Second panel: **Health and Education**

*This session would examine the issue of governance in Africa from the perspective of health and education. What role for the international community? The state? Regional and local authorities?*

Chair: **Richard Bourne**, Head, Commonwealth Policy Studies Unit, Institute of Commonwealth Studies

**Jijoho Padonou**, Professor, University of Cotonou, former Education Minister of Benin

**Frans van den Boom**, Executive Director, International Aids Vaccine Initiative

**Elmar Frank**, Representative of Hanns-Seidel-Stiftung, West Africa

**Lieve Franssen**, Head of Unit, DG Development, European Commission

13h00 *Buffet lunch*

14h00 Debate: *What Africa needs and must do itself* **Myles Wickstead**, Secretary General, Commission for Africa and Dr. **Francis Appiah**, Executive Secretary, National African Peer Review Mechanism-Governing Council

14h30 Q&A

14h45 Third Panel: **Conflict Resolution in Africa**

*This session would assess the role and performance of the Africa Union (AU), especially with regard to Darfur, and the support given to the AU by the EU.*

Chair: **Fraser Cameron**, EPC Director of Studies

**Koen Vervaeke**, Head of Task Force, Africa, Council of the EU

**Ambassador Dr Ali Yousif Ahmed**, of Sudan

**Nick Grono**, Vice President, Crisis Group

16h00 *Break*

16h15 Keynote (3) **Paul Skinner**, Chairman, Rio Tinto: *The Role of Business*

16h35 Q&A

17h00 Closing Panel: **NEPAD - Lessons Learned**

European Policy Centre

*This session would consider the performance of NEPAD based on the results of the Africa peer review mechanism. How can the international community best support NEPAD?*

Chair: Dr. **Helmut Danner**, Representative of Hanns-Seidel-Stiftung, Kenya

**Ambassador Peter Katjavivi** of Namibia

**Michael Gahler**, Member of the European Parliament

**Mike Garrett**, Nestlé SA

Dr. **Francis Appiah**, Executive Secretary, National African Peer Review Mechanism-Governing Council

18h00 Closing remarks by **Anke Christine Lerch**, Africa Department, Konrad-Adenauer-Stiftung

18h15 Reception – in Restaurant

## **Africa at the crossroads**

*by Fraser Cameron and Julien Bouzon*

### **Introduction**

The problems of Africa are well known – the lack of good governance, the endemic conflicts, the appalling poverty, the lack of educational opportunities and the catastrophic health situation. In sub-Saharan Africa, nurses and teachers are dying from AIDS faster than they can be trained. Twenty-five million people have died there so far from the disease and another 25 million are HIV infected. Against this background, it is encouraging that there is a new sense of an African community developing, as witnessed by the birth of the African Union and a determination to remedy some of the worst problems, as evidenced by the creation of the New Partnership for Africa's Development (NEPAD).

But where does the EU fit into the picture? The EU has strategic partnerships with a number of countries (Russia, China, Japan, Canada and India), but no single policy towards Africa. It has had a long-standing relationship with many African countries through the European Development Fund (EDF), but it has no real Africa policy (although one is expected in the autumn). This is a poor reflection on the EU, which supposedly stands for a values-based foreign policy. The EU has important interests in Africa and cannot stand by idly as the continent sinks into despair.

Essentially, the EU divides the continent into three different areas. The first includes the North African littoral, where states have Euro-Med Partnership Agreements with the EU and are part of the EU's new neighbourhood policy (ENP). The second and largest group are the sub-Saharan African members which are signatories to the Cotonou agreement. The third arrangement is with South Africa. But there is no overall coherent concept for Africa. If the EU is to place increasing emphasis on an EU-African Union (AU) relationship, this will inevitably mean some re-assessment of these relationships.

In addition to the EU, some individual Member States are important players when it comes to Africa. The French, British, Portuguese and Belgians all have special links to individual countries as a result of their colonial pasts. They and others have development assistance programmes that (usually) complement EU development assistance. But some of these countries also provide support for political and economic elites in African countries in order to promote their own interests. In recent times, there have been disputes on how to deal with Zimbabwe, Rwanda and Congo; to name but a few countries. At the same time, there is a lively NGO

movement campaigning on behalf of Africa, the ‘Make Poverty History’ coalition being a prominent example.

2005 is a critical year for Africa, and the international community is belatedly paying more attention to the continent. The UK made Africa a top priority for the G8 and for its Presidency of the EU. September will see the Millennium Summit at the United Nations and in December there is a crucial meeting in Hong Kong to finalise the Doha Development Round.

The EPC has also decided to give greater attention to Africa this year, and the 12 July conference focusing on the EU and Africa is one of the major events that are planned to raise the profile of Africa within the EU. This Background Paper contains some internal policy analysis by the EPC on the big picture; examines the key issue of debt relief; includes a report of the meeting organised by the EPC and the KBF in May with Ousmanie Sy on ‘Governance in Africa’; and contains summaries of key documents concerning the EU and Africa. These include the Commission on Africa’s executive summary and the Communiqué of the EU-AU Troika meeting (11 April 2005).

## **I) European policy on Africa**

### **a. The EU’s policies**

Africa is Europe’s neighbour and cannot be ignored. There is a strong moral, historical and cultural element to the need for a European response to Africa’s needs. The present-day borders of Africa and the weak infrastructure between countries are in part colonial legacies. A more stable and secure Africa would help destroy safe havens for terrorists and help reduce refugee flows to Europe. A more resurgent Africa would also be an important economic and political partner for Europe. The continent has abundant natural resources and is potentially a huge market for European goods and services. Half of Africa’s exports go to Europe, but more needs to be done to improve the terms of trade for African countries.

The EU (the EC and Member States) is Africa’s largest aid donor. The EU policy on Africa is enshrined in the ACP framework, as defined by the Cotonou Agreement, concluded for a 20-year period in March 2000. As such, Africa is mainly the competence of the European Commission’s Directorate-General for Development, bar the issue of conflict prevention and management, which falls into the competence of the Directorate-General for External Relations. The Cotonou Agreement is based on three pillars: political dialogue, commercial relations and development cooperation. It rests on a partnership involving joint management and mutual obligations, including respect for democracy and human rights. For

the initial period up until 2007, the Cotonou Agreement provides for €11.3 billion in EU grant aid, supplemented by approximately €3.7 billion in the form of loans, equity and grants from the European Investment Bank, of which approximately €2 billion is provided through the new Investment Facility.

The next issue topping the Cotonou agenda is the negotiation of six regional Economic Partnership Agreements (EPAs), four of which are located in Africa. This new initiative is described by the Commission as an attempt to “improve trade within Africa by building efficient African markets, as it is to increase trade with the EC and other trading partners”. Critics of these negotiations are keen to point out that the EPAs may create a drain on regional integration. It is feared that these arrangements would result in the establishment of a privileged relationship between the EU and the successful African economies, thereby isolating them from the less successful ones. This risk of centrifugal tendencies must be addressed by the EPA negotiators, especially as such an outcome would also undermine the EU’s efforts on the political integration front in Africa.

The EU’s policy on Africa rests on a three-level approach, including support for the African countries (the sub-regional organisations) and, finally, the only continental organisation, the African Union. Despite this multilevel approach, it seems that the EU is increasingly relying on its regional counterpart, the African Union. The Africa-Europe Dialogue in Addis-Ababa in December 2004 offered a welcome platform for the EU to reiterate its enthusiastic support for the emergence of truly pan-African institutions, such as the Pan-African Parliament, or the African Union’s Commission. This should lead to tangible commitments, in the form of twinning programmes, as proposed in the Commission Communication entitled “*Speeding up progress towards the MDGs*”. During the last Africa-Europe Dialogue, the EU also proved a vigorous advocate of the NEPAD policy framework. A joint financial mechanism, to be managed in cooperation with the AU, is already in preparation to facilitate the implementation of the reforms triggered by the Africa Peer Review Mechanism. In the area of conflict prevention and management, the EU plays a critical role via the Peace Facility for Africa, earmarking €250 million until the end of 2005 for this new peacekeeping instrument managed by the African Union itself.

The EU has found it difficult to deal with Africa as a whole. Some trace this problem back to the colonial histories of member states. Others blame Jacques Delors for dividing up the developing world in 1984 to satisfy the ambitions of his Commissioners, Claude Cheysson and Lorenzo Natali. Certainly, there is a wide disparity in the attention paid by Member States to Africa and the amounts of GDP devoted to development assistance. There is currently concern at the impact the debate on the future EU



budget might have on the future funding of the European Development Facility (EDF). The Common Agricultural Policy (CAP) has also come under sustained criticism from the African countries, but there are powerful interests in Europe working to ensure that the CAP system is not reformed too quickly or too drastically. These interests must be confronted to ensure that African countries can export more agricultural products to the EU.

### **b. The Member States' policies**

The policy agenda of the EU Member States in Africa is still largely dependent on their past as colonial powers (or not). France's priority area in Africa is mainly in Western Africa, including the conflict-affected Ivory Coast, whereas the UK focuses both on English-speaking Western Africa and South-Eastern Africa, concerned that tensions may further escalate in Zimbabwe. Belgium has close ties to the Democratic Republic of Congo and Portugal is still very much involved in the development of Angola and Mozambique. The legacy of the European presence in Africa, especially the strong economic, cultural and human ties between both continents – as well as the moral imperative of compensating for the damages of colonialism – propel the European countries to allocate massive amounts of aid to Africa.

The two largest European donors to Africa, namely France and the UK, account together for 17% of the world's aid, which compares positively to the 14% granted by the US, the world's largest single donor. The geopolitical stakes in Africa and the existence for each former colonial power of 'areas of predilection' can lead to overlaps and insufficient coordination in development policies, and cause differentiated responses to crisis situations. A country like Mozambique is the subject of development policies conducted by no less than 43 national development agencies. The situation of the North European countries is surprising: despite their lack of a colonial past, these countries – including Sweden, Denmark, and the Netherlands – are making the most financial efforts in development assistance in relative terms. Unlike other Member States, these three countries have already fulfilled the Millennium Development Goal (set for 2015) of 0.7% of Gross National Income devoted to development aid.

## **II) The International Community and Africa**

### **a. The United Nations' policy on Africa**

The United Nations is instrumental in maintaining the momentum in the pursuit of the MDGs. These Goals, which range from halving extreme poverty to offering all children primary education and fighting the spread

of infectious diseases such as HIV/AIDS, all by 2015, have become widely accepted benchmarks of development. In September 2005, world leaders will gather at a summit in New York to review the progress made since the Millennium Declaration, adopted by all Member States in 2000. However, the UN's action on development is not limited solely to an assessment of the MDGs in the developing countries. UNICEF, United Nations Development Policy (UNDP), the Food and Agricultural Organisation (FAO), to name just a few, are also acting on the ground to lay the foundations of long-term development in Africa, while trying to cope with the immediate needs in terms of water and food supply, health care, education.

The UN is also attempting to improve the MDG framework, to the benefit of the recipient countries. The Secretary-General's report, released earlier this year, put forward interesting proposals to achieve this, such as the creation of an International Finance Facility in order to accelerate the delivery of official development assistance, or increased focus and immediate action to support a series of 'quick wins' i.e. relatively inexpensive and high-impact initiatives. Like the EU, the UN is an enthusiastic supporter of the African Union's initiatives on development, hailing it as a sign of increased ownership by African countries and a more balanced partnership between Africa and the rest of the world. Resolution 57/2002, adopted by the General Assembly on 30 September 2002, signaled the organisation's firm support for NEPAD.

#### **b. The United States' policy on Africa**

As the world's single largest state donor to Africa, the US granted over \$3 billion to the continent in 2002. This accounts for 14% of the world's aid to Africa, but only a quarter of US development aid to the world. In comparison, a country like Italy allocates 81% of its overall development aid to the African continent. However, Africa seems to be gaining in importance on the American external policy agenda. A first explanation for this is the acknowledgment by policy-makers in the US, as in Europe and China, of the growing role of Africa as a steady source of oil and other extractive minerals. Policy-makers are also aware that syndromes such as bad governance, political instability and endemic corruption handicap these regions, endowed with natural resources. Angola, Gabon, Equatorial Guinea and Libya are major sources of oil exports with very limited, or non-existent, population-based democracies. The Bush administration seems willing to face up to the challenge of stabilising these regions through the enforcement of basic principles of democracy and good governance. This is best exemplified by the creation in March 2002 of the Millennium Challenge Account, aimed at channeling increased US development assistance to countries singled out for trying to "root out corruption, respect human rights and adhere to the rule of law", as

President Bush said. Of course, it remains to be seen whether the American administration has the necessary leverage in these countries to impose such reforms and whether it will hold to its course in spite of the local turbulence this strategy might cause.

Another explanation for the greater attention devoted by the US administration to Africa is the recognition of the crucial role of Africa as a bulwark against terrorism. Al Qaeda's most extreme terrorist attacks prior to 9/11 were the August 1998 bombings of US embassies in Dar es Salaam and Nairobi. Jeffrey Kohler, the director of plans and policy at the US European Command, which has responsibility for Africa, summarised the correlation between terrorism and Africa in these terms: "What we don't want to see in Africa is another Afghanistan, a cancer growing in the middle of nowhere". Of course, the linkage between the lack of development and democracy in Africa on one side and global terrorism on the other can be criticised. As some Africa experts point out, the so-called African "failed states" which supposedly play host to terrorist networks are in reality far from being a safe haven for these groups. However convincing the relationship between poverty and terrorism may be, the result is evident: Africa - a continent hit by bad governance, lack of respect for the rule of law and underdevelopment - has gained prominence among the US preoccupations, following the reorientation of American external policy towards the fight against global terrorism.

Like the EU or the UN, the US is a strong supporter of NEPAD, building on its privileged contacts with South Africa's President Mbeki or Nigeria's President Obasanjo to integrate concerns about good governance and democratisation into the scope of this programme. As regards HIV/AIDS, the Bush administration supported the establishment of the Global Fund against AIDS, TB and malaria, and went even further by establishing the President's emergency HIV/AIDS Initiative to stop AIDS in 15 countries, 12 of them in Africa. The problem is that the US rarely lives up to its initial commitments when it comes to delivering the financial means on the ground. Moreover, the strong thrust of counterterrorism in this increased American generosity means that the focus of US aid does not always correspond to the priorities of the African leaders. As Jeffrey Sachs notes in an article published by *The Economist*, America's security outlays in Africa have skyrocketed in recent years by 100 million US dollars, in the new East Africa Counterterrorism Initiative, and could soon dwarf economic development assistance in the East African region.

Finally, on the trade side, US efforts are, like Europe's, insufficient and uncoordinated. The US administration points proudly to a reported increase of 55% in imports from Africa between 2002 and 2003 under the US Congress-mandated African Growth and Opportunity Act, but fails to

say how many more imports would have been allowed in without the public subsidies granted to its farmers. Like Europe with its EPAs, the US seems willing to discriminate between successful and less successful economies in Africa, pushing, for instance, for a Free Trade Agreement with the Member States of the Southern African Customs Union, regardless of the distortions this type of agreements might induce in intra-African trade and development.

### **c. The Commonwealth's policy on Africa**

Today's Commonwealth includes 16 African members out of a total membership of 53 countries. This voluntary association of independent states, a legacy of the British colonial empire, draws its main strength from its moral authority. Committed to racial equality and national sovereignty, it was the focus of the campaign against apartheid in the 1980s. In 1995, it suspended Nigeria's membership after the military regime there passed the death sentence on the writer Ken Saro-Wiwa and other activists. Today, the two main areas of concern for the Commonwealth in Africa are Sierra Leone and Zimbabwe. In January 2003, Sierra Leone celebrated its first year of peace in more than a decade. The situation remains peaceful but fragile. UNAMSIL, the UN peacekeeping mission, began its gradual withdrawal in November 2002, but around 17,500 UN troops are still there.

The Commonwealth suspended Zimbabwe in March 2002, after elections which observers said were marred by violence and intimidation. In December 2003, this suspension was extended indefinitely. The Zimbabwean government responded by announcing that the country was leaving the Commonwealth for good. Today, the Commonwealth and the UK seem to have lost any type of influence on the political situation in this country. The only potential obstacle to Robert Mugabe's unlimited appetite for power lies now in the opposition Movement for Democratic Change (MDC). Despite its ability to steer popular protest, this party suffered a large - and many observers believe, fraudulent - defeat in the parliamentary elections earlier this year, when Mr Mugabe's party secured more than two-thirds of the votes. The seizure of almost all white-owned commercial agricultural land, with the stated aim of benefiting black farmers, led to sharp falls in production. The country has endured serious food shortages since then, which Mr Mugabe's regime continues to blame on a long-running drought.

Membership of the Commonwealth brings some practical benefits through the Commonwealth Fund for Technical Cooperation (CFTC). This is the main way in which the Commonwealth promotes economic and social development and the alleviation of poverty.

### **III) Investing into Africa's human potential: health and education**

#### **a. Facing the urgency of AIDS in Africa**

According to a recent UNAIDS/World Health Organization (WHO) survey, sub-Saharan Africa is the region of the world most affected by aids. It contains 10% of the world's population, but 64% of all those living with HIV in the world. The immediate needs created by the spread of AIDS are enormous for countries with fragile healthcare systems. In sub-Saharan Africa, the annual direct medical costs of AIDS (excluding antiretroviral therapy) amount approximately to 30 US dollars per person per year, at a time when overall public health spending is less than 10 US dollars for most African countries.

However, the effects of AIDS are not limited to the health sector, as this pandemic affects all pillars of Africa's development strategy. HIV/AIDS impacts dramatically on labour, setting back economic activity. The vast majority of people infected by HIV/AIDS in Africa are between the ages of 15 and 49 – in the best period of their working lives. As a result, it is no wonder that HIV/AIDS has had a marked impact on the growth prospects for sub-Saharan Africa. Some studies have forecast that, by 2015, the growth rate of Botswana and Swaziland will be reduced by between 1% and 2.5% because of this pandemic. HIV/AIDS also complicates the entry of the African economies into the global investment flows: by making labour more expensive and reducing profits, it limits the ability of African countries to attract industries looking for low-cost labour and makes investing in African businesses much less desirable.

The Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM) is an independent public-private partnership that was first proposed by the UN Secretary-General, Kofi Annan, in 2001, and officially came into being in 2002. As such, it represents the main global instrument and the largest source of funding to combat the spread of HIV/AIDS worldwide. Since its creation, the Global Fund has approved proposals worth 3 billion US dollars over two years. Thus far, it has disbursed funding amounting to 672 million US dollars and signed grants for 1.8 billion US dollars. This programme's scope for action is potentially unlimited: conceived as a partnership between governments, civil society, the private sector and affected communities, the Global Fund's grants are not subject to any preconditions and there are no political eligibility criteria. The Global Fund's main problem is that its ability to take action hinges on its receiving donations. Global Fund money spent on treatment needs to stay at least at the same level as the previous year, in order to continue the

treatment initially funded. Contributions from the private sector were expected to account for 10% of the donations, with countries to provide the rest of the funding. So far, countries have been rather slow to donate in accordance with their commitments and private funding has made up only 2% of the total pledges. As a result, the fifth round of applications for project grants, due to start in December 2004, has been put on hold because of funding shortfalls.

It has been argued by some commentators that the US is pursuing its own agenda, on the basis of the President's Emergency Plan for AIDS (PEPFAR), which has diverted US efforts away from the Global Fund framework and reduced the coherence of the global fight against the AIDS pandemic. In addition to its diversion and obstruction effects, this programme has been criticised for encapsulating certain beliefs of the US religious right, which could explain why, for instance, out of the 20% of donations spent on prevention, 33% is spent on programmes promoting sexual abstinence until marriage and no funding is earmarked for the promotion of the use of condoms.

Another criticism of PEPFAR is that the funds allocated for AIDS treatment have thus far all been spent on branded drugs produced by US companies. Generic manufacturing companies make copies of these branded drugs available at a much lower price but, even if the WHO has assessed these generic drugs to be safe, the US refuses to spend PEPFAR money on them. These divergences between the Global Fund and PEPFAR reflect three core issues which can still pit the major players against one another in the fight against AIDS, thereby making the containment of the disease more difficult:

- Is the national level still appropriate for external action against AIDS, or should all initiatives be coordinated under the umbrella of the Global Fund?
- Can a programme be effective without any provision on the use of condoms?
- Should something be done, and if yes what, to bypass the TRIPS (Trade-Related Intellectual Property Rights) regulations concerning the drugs patented after 1995? In other words, should copies of drugs patented after the introduction of TRIPS be made possible, and under what conditions?

#### **b. Investing for the future: education in Africa**

The issue of AIDS/HIV and education are closely entangled in Africa. A decline in school enrolment is one of the most visible effects of the epidemic. In the Central African Republic and Swaziland, school enrolment is reported to have fallen by 20-36% as a result of AIDS and

orphanhood, with girls being most affected. But AIDS does not discriminate between pupils and teaching staff. The illness or death of teachers is especially devastating in rural areas where schools rely on just one or two teachers. Moreover, skilled teachers are not easily replaceable. Swaziland has estimated that, because of the impact of AIDS on the teaching staff, it will have to train 7,000 teachers over the next 17 years simply to maintain school services at their 1997 levels. Conversely, the deterioration of the school system is making AIDS/HIV prevention more difficult: good education ranks among the most effective and cost-effective means of preventing HIV.

Education is crucial for combating the AIDS pandemic, but it is also instrumental in laying the foundations for long-term development in Africa. Better education means higher productivity in all three sectors (agriculture, industry, services) and higher growth prospects. It also offers an indispensable platform for promoting basic rules on hygiene, AIDS prevention and gender equality in future generations. Finally, the promising results yielded by a UNICEF education programme in Liberia demonstrate that conflict resolution and reconciliation techniques can enter the schoolyard, in order to defuse ethnic and political tensions in the years to come. The major global programme supporting education in Africa is the “Education for All-Fast Track Initiative” (EFA-FTI). Launched in 2002, this programme rests on a partnership of developing countries and donors created to help low-income countries achieve the Millennium Development Goal of ‘Universal Completion of Primary Education’ by 2015.

As the Commission for Africa argued, “more needs to be done” on the education front. In other words, more resources need to be devoted to this prerequisite for long-term development in Africa. This is necessary not only to get the 40 million children who are missing out on schooling in sub-Saharan Africa into education, but also to finance the shift from the conventional concept of “primary” to that of “basic” education. “Basic education” is defined in the AU/NEPAD’s education strategy as a nine-year cycle of primary and lower secondary. This cycle should be ideally complemented by upper secondary, vocational and higher education. This division into two cycles allows the donors to rationalise their efforts, while better delineating the basic education needs of the African countries. The Commission for Africa estimated that the shortfall in funding to achieve sufficient education provision in sub-Saharan Africa amounts to 7-8 billion US dollars. This increased funding should go first to meeting basic needs, such as the requirement for sufficient teachers and equitable provision. In the absence of such international commitment to improve education in Africa, development is set to remain a hollow word and AIDS prevention will remain largely ineffective in the youngest component of the African societies.

## **IV) Conflict Resolution in Africa**

### **a. Peacekeeping missions in Africa**

The United Nations is currently managing eight peacekeeping missions in Africa: in Sudan, Burundi, Ivory Coast, Liberia, Democratic Republic of the Congo, Ethiopia/Eritrea, Sierra Leone and Western Sahara. The credibility of these peacekeeping contingents has been tarnished by revelations of the sexual exploitation of minors in the operation areas, prompting the UN Secretary-General to enact a “zero tolerance” policy on this issue. However, a more fundamental question remains about the effectiveness of these deployments in regions characterised by severe natural constraints and unstable political alliances, where mobile and well-armed hostile groups are still able to inflict major casualties on any forces. The death toll in the Democratic Republic of Congo, where 54 UN soldiers and staff people have been killed amidst continuous violence inflicted predominantly on civilians, illustrates in the most tragic way the difficulties of international peacekeeping in Africa.

Would African peacekeeping forces get embroiled in the same type of ambushes and demonstrations of hostility? It is doubtful that local warlords, be it in Sudan or Congo, would change their view and give these troops the benefit of the doubt, in the early phase of their deployment, simply because of their African origin. However, these peacekeepers might be more accustomed to guerrilla-like settings, worsened by harsh natural conditions, than European or North American peacekeepers. What is more, their possibly greater legitimacy in the eyes of the local societies might help them gather intelligence which might have remained out of reach had the peacekeepers been from a non-African country. These advantages of African peacekeeping are hypothetical, but such a possibility needs to be further explored.

At the Maputo Summit in 2003, the African Union (AU) Heads of State proposed to set up a Peace Support Operation Facility using funds allocated to their countries under the existing co-operation agreements with the EU. This proposal sparked uneasiness among Africa experts, amid fears that the sudden focus on conflict prevention/solving would steer funds away from development policies. This fear still exists today, but it tends to be played down in favour of an understanding of the mutually reinforcing nature of conflict prevention and development policies. On the basis of the perceived complementarities between both policies, the EU decided to transfer €250 million in 2004 from the 9<sup>th</sup> European Development Fund – the financial instrument of the Cotonou Agreement – to the so-called “African Peace Facility”. This



facility was established, also in 2004, to finance peace-support operations ranging from traditional peacekeeping forces with an observer mandate to peace-enforcement operations.

### **b. The Situation in Darfur**

In early May 2005, the UN Security Council applauded the AU for the peacemaking leadership role it had taken in the troubled Darfur region of western Sudan, especially its decision to expand its small peacekeeping mission there to more than 7,000 troops, and pledged to facilitate aid to the continental organisation. The peace deal signed in Kenya on 9 January 2005 cleared the way for the drafting of a new constitution and gave southern states the opportunity to vote on secession in six years. The Sudan's People Liberation Movement also will take 30% of the seats in a transitional national government. The 21-year war pitted the Arab Muslim-dominated government in Khartoum against rebels fighting for greater autonomy and a larger share of the country's wealth in the largely African animist and Christian south. Two million people are thought to have been killed in the war.

The deployment of AU peacekeeping forces in Southern Sudan has been complemented by a small UN presence since March 2005. Launched by the Security Council's Resolution 1590, the United Nations Mission to Sudan (UNMIS) is intent on supporting the implementation of the Comprehensive Peace Agreement signed in January and on performing certain functions relating to humanitarian assistance and the protection of human rights. What is more, on 24 May, NATO's North Atlantic Council agreed on initial military options for possible Alliance support, including strategic airlift, training, and an improvement in the ability of the African Union's mission in Darfur to use intelligence. Conflict resolution in Sudan will be key for the credibility of the African Union as a peacemaking/peacekeeping organisation. However, many observers view the policy of the UN and the international community on Sudan as a critical test for assessing the progress made in terms of mobilisation against threats of ethnic cleansing in Africa, recalling the passiveness of all stakeholders during the 1994 genocide in Rwanda.

## **V) New Partnership for Africa's Development (NEPAD)**

The 2001 Lusaka summit of African leaders which endorsed the proposals for a New Partnership for Africa's Development (NEPAD) was an important step forward in Africans taking responsibility for good governance. Under the aegis of NEPAD, many African leaders have agreed to meet key preconditions for recovery: good governance, conflict resolution, the rule of law, macroeconomic stability and the curbing of

corruption. Perhaps the two most important and innovative elements of the NEPAD are the priority given to security as an essential pre-requisite for development and the creation of a “peer review mechanism”. The African Peer Review Mechanism (APRM) is a mutually agreed instrument for self-monitoring by participating Member States. The creation of such a mechanism was greeted by most of Africa’s partners as a step in the right direction, with development policies bundled with principles of good governance. However, some critics pointed out the risk of an APRM spreading itself too thin on too many issues, instead of focusing on democracy and political governance. Furthermore, as part of the APRM process, it was suggested that NEPAD should set aside significant resources to allow the civil society in the reviewed country to carry out its own assessment and to critique the APRM assessment.

It is fair to say that NEPAD has been very successful in becoming a continental wide organisation to promote “the African Renaissance” long advocated by President Mbeki of South Africa. It has become one of the two main interlocutors with the industrialised world (the other being the Africa Union). But there are mixed views on whether NEPAD has delivered what it promised at its inception. Good governance has been a credo promulgated by the donor community and now accepted by NEPAD as a key issue for development. But despite considerable injections of development assistance, there are few signs of good governance in Africa. Less than ten out of 46 African countries can be described as democratic. There seems to be little agreement on the reasons why most Africa countries have failed to develop good governance. Of course there have been some positive examples, but it seems impossible to translate these across boundaries. State frontiers may be part of the problem. While raising the issue of changing borders is generally taboo, there is evidence that some existing territorial units are simply not viable as nation states. Perhaps the most promising path forward would be to concentrate aid on local projects rather than go through the state structures that are often viewed with suspicion by Africans.

## **Conclusion**

Rising to the challenge of sustainable development in Africa will require a double timeframe: one of urgency, guiding the fight against AIDS and the spill-overs of this pandemic in the African societies; and a long-term one, allowing for consistent policy-making and planning in the areas of education, healthcare, infrastructure and governance. Only action under both timeframes will allow for a process of economic growth delivering tangible results in terms of standards of living and life expectancy. This might look like a daunting task, but there is now a window of opportunity. The principles of good governance seem to be inspiring more and more

governments in Africa - the most striking example being Obasanjo's Nigeria - and regional integration is becoming a key political dynamic in the continent, as illustrated by the consolidation of the AU's institutions and its growing international recognition. Good governance and regional integration are mutually reinforcing in Africa: the political innovations that the AU has brought to life, such as its peer review mechanisms, are largely devoted to the requirements of good governance. There is still room for improvement, but the institutional framework to sustain good governance in Africa is undoubtedly emerging today.

The EU and its 25 Member States seem to have understood this and appear to be relying increasingly on the AU as a partner for development and political cooperation in Africa. This is a remarkable improvement, but it does not discharge the Member States from their moral obligation to do more on external aid to Africa. Divergent views on debt write-offs or differing geopolitical interests in Africa do not offer an excuse for insufficient funding. The Millennium Development Goal of 0.7% of ODA by 2015 must apply to all Member States without distinction and debt write-offs must be excluded from the measurement of the overall amount of national ODA. In other words, it is time for the EU 25 to deliver financially and to support effectively the virtuous triangle arising in Africa, made up of regional integration, development and good governance.

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## **Annex I**

### **The Blair Commission on Africa (Executive Summary)**

*African poverty and stagnation is the greatest tragedy of our time. Poverty on such a scale demands a forceful response. And Africa – at country, regional, and continental levels – is creating much stronger foundations for tackling its problems. Recent years have seen improvements in economic growth and in governance. But Africa needs more of both if it is to make serious inroads into poverty. To do that requires a partnership between Africa and the developed world, which takes full account of Africa’s diversity and particular circumstances.*

*For its part, Africa must accelerate reform. And the developed world must increase and improve its aid, and stop doing those things which hinder Africa’s progress. The developed world has a moral duty – as well as a powerful motive of self-interest – to assist Africa.*

*We believe that now is the time when greater external support can have a major impact and this is a vital moment for the world to get behind Africa’s efforts.*

*The actions proposed by the Commission constitute a coherent package for Africa. The problems they address are interlocking. They are vicious circles, which reinforce one another. They must be tackled together. To do that Africa requires a comprehensive ‘big push’ on many fronts at once. Partners must work together to implement this package with commitment, perseverance and speed, each focusing on how they can make the most effective contribution.*

#### **Getting Systems Right:**

##### **Governance and Capacity-Building**

Africa’s history over the last 50 years has been blighted by two areas of weakness: capacity – the ability to design and deliver policies; and accountability – how well a state answers to its people. Improvements in both are first and foremost the responsibility of African countries and their people. But action by rich nations is essential too. Building capacity takes time and commitment. Weak capacity is a matter of poor systems and incentives, poor information, technical inability, untrained staff and lack of money. We recommend that donors make a major investment to improve Africa’s capacity, starting with its system of higher education, particularly in science and technology. They must help to build systems and staff in

national and local governments, but also in pan-African and regional organisations, particularly the African Union and its NEPAD programme. Donors must change their behaviour and support the national priorities of African governments rather than allowing their own procedures and special enthusiasms to undermine the building of a country's own capacity.

Improving accountability is the job of African leaders. They can do that by broadening the participation of ordinary people in government processes, in part by strengthening institutions such as parliaments, local authorities, trades unions, the justice system and the media. Donors can help with this. They can also help build accountable budgetary processes so that the people of Africa can see how money is raised and where it is going. That kind of transparency can help combat corruption, which African governments must root out. Developed nations can help in this too. Money and state assets stolen from the people of Africa by corrupt leaders must be repatriated. Foreign banks must be obliged by law to inform on suspicious accounts. Those who give bribes should be dealt with too; and foreign companies involved in oil, minerals and other extractive industries must make their payments much more open to public scrutiny. Firms which pay bribes should be refused export credits. Without progress in governance, all other reforms will have limited impact.

### **The Need for Peace and Security**

The most extreme breakdown of governance is war. Africa has experienced more violent conflict than any other continent in the last four decades. In recent years, things have improved in many countries, but in other places violent conflict is still the biggest single obstacle to development. Investing in development is investing in peace. The most effective way to tackle conflict – to save both lives and money – is to build the capacity of African states and societies to prevent and manage conflict. That means using aid better to tackle the causes of conflict. It means improving the management of government incomes from natural resources and international agreements on how to control the 'conflict resources' which fuel or fund hostilities. It means controlling the trade in small arms. African regional organisations and the UN can help prevent and resolve conflict when tensions cannot be managed at the national level, through, for example, effective early warning, mediation and peacekeeping. Donors can support this by providing flexible funding to the African Union and the continent's regional organisations; and supporting the creation of a UN Peacebuilding Commission. The co-ordination and financing of post-conflict peace-building and development must be improved to prevent states emerging from violent conflict from sliding back into it.

### **Leaving No-One Out: Investing in People**

Poverty is more than just a lack of material things. Poor people are excluded from decision-making and from the basic services the state ought to provide. Schools and clinics must be available to the poorest people in Africa. This is an urgent matter of basic human rights and social justice. But it is also sound economics: a healthy and skilled workforce is a more productive one, fulfilling its potential with dignity. Investing for economic growth means rebuilding African health and education systems, many of which are now on the point of collapse. This requires major funding, but it is not only a question of resources. It is also about delivery and results. These are powerfully strengthened when local communities are involved in decisions that affect them.

Properly funding the international community's commitment to 'Education for All' will provide all girls and boys in sub-Saharan Africa with access to basic education to equip them with the skills needed by today's Africa. Secondary, higher and vocational education, adult learning, and teacher training should also be supported within a balanced overall education system. Donors need to pay what is needed to deliver their promises – including the cost of abolishing primary school fees.

The elimination of preventable diseases in Africa depends above all on rebuilding systems to deliver public health services in order to tackle diseases such as TB and malaria effectively. This will involve major investment in staff and training, the development of new medicines, better sexual and reproductive health services and the abolition of fees paid by patients, which should be paid for by donors until countries can afford it. Funding for water supply and sanitation should be immediately increased, reversing years of decline.

Top priority must be given to scaling up the services needed to deal with the catastrophe of HIV and AIDS, which is killing more people in Africa than anywhere else in the world. But this must be done through existing systems, rather than parallel new ones. Governments should also be supported to protect orphans and vulnerable children and other groups who would otherwise be left out of the growth story. Around half of the extra aid we are recommending should be spent on health, education and HIV and AIDS.

### **Going for Growth and Poverty Reduction**

Africa is poor, ultimately, because its economy has not grown. The public and private sectors need to work together to create a climate which unleashes the entrepreneurship of the peoples of Africa, generates employment, and encourages individuals and firms, domestic and foreign, to invest. Changes in governance are needed to make the investment

climate stronger. The developed world must support the African Union's NEPAD programme to build public/private partnerships in order to create a stronger climate for growth, investment and jobs.

Growth will also require a massive investment in infrastructure to break down the internal barriers that hold Africa back. Donors should fund a doubling of spending on infrastructure – from rural roads and small-scale irrigation to regional highways, railways, larger power projects and Information & Communications Technology (ICT). That investment must include both rural development and slum upgrading, without which the poor people in Africa will not be able to participate in growth. And policies for growth must actively include – and take care not to exclude – the poorest groups. There should be particular emphasis on agriculture and on helping small enterprises, with a particular focus on women and young people. For growth to be sustainable, safeguarding the environment and addressing the risks of climate change should be integral to donor and government programmes. This programme for growth takes over a third of the total additional resources we propose.

### **More Trade and Fairer Trade**

Africa faces two major constraints on trade. It does not produce enough goods, of the right quality or price, to enable it to break into world markets. And it faces indefensible trade barriers, which, directly or indirectly, tax its goods as they enter developed countries' markets.

To improve its capacity to trade, Africa needs to make changes internally. It must improve its transport infrastructure to make goods cheaper to move. It must reduce and simplify the tariff systems between one African country and another. It must reform excessive bureaucracy, cumbersome customs procedures and corruption by public servants, wherever these exist. It must make it easier to set up businesses. It must improve economic integration within the continent's regional economic communities.

Donors can help fund these changes. But the rich nations must also dismantle the barriers they have erected against African goods, particularly in agriculture. These barriers hurt citizens in both rich and poor countries. Rich countries must abolish trade-distorting subsidies to their agriculture and agribusiness which give them an unfair advantage over poor African farmers. They must lower tariffs and other non-tariff barriers to African products, including stopping the bureaucratic application of rules of origin which excludes African goods from preferences to which they are entitled. And they must demonstrate this ambition by completing the current Doha Round of world trade talks in a way which does not demand reciprocal concessions from poor African nations. Careful attention must be given to

ensure that the poorest people are helped to take advantage of the new opportunities and to cope with the impacts of a more open system of world trade. Africa must be provided with the funds that can help it adjust to the new opportunities of a changed world-trading regime.

### **Where Will the Money Come From: Resources**

To support the changes that have begun in Africa, we call for an additional 25 billion US dollars per year in aid, to be implemented by 2010. Donor countries should commit immediately to provide their fair share of this. Subject to a review of progress at the end of the decade, there would be a second stage, with a further 25 billion US dollars a year to be implemented by 2015. Ensuring the money is well spent will depend on two factors. First, good governance in Africa must continue to advance. But, second, donors must significantly improve the quality of aid and how it is delivered: that means more grants, more predictable and untied aid, and donor processes that are less burdensome for the already stretched administrations of African countries. Assistance must also be better harmonised with the aid of other donors and better in line with the priorities, procedures and systems of African governments. Above all, it must be given in ways that make governments answerable primarily to their own people.

These changes are needed not just from individual donor nations, but also from multilateral institutions – both African and global. The African Development Bank needs to be strengthened and the role of the Economic Commission for Africa enhanced. The IMF and World Bank need to give higher priority to Africa's development. They also need to become more accountable both to their shareholders and to their clients, and to give Africa a stronger voice in their decision-making.

Rich nations should commit to a timetable for giving 0.7% of their annual income in aid. To provide the critical mass of aid, which is needed now, it should be front-loaded through the immediate implementation of the International Finance Facility. Practical proposals should be developed for innovative financing methods such as international levies on aviation, which can help secure funding for the medium and longer term.

For poor countries in sub-Saharan Africa which need it, the objective must be 100% debt cancellation as soon as possible. This must be part of a financing package for these countries – including those excluded from current debt schemes – to achieve the Millennium Development Goals to halve world poverty by 2015, as promised by the international community at meetings in Monterrey and Kananaskis.



## **Conclusion**

Bold comprehensive action on a scale needed to meet the challenges can only be achieved through a new kind of partnership. In the past, contractual and conditional approaches were tried, and failed. What we are suggesting is a new kind of development, based on mutual respect and solidarity, and rooted in a sound analysis of what actually works. This can speed up progress, building on recent positive developments in Africa, towards a just world of which Africa is an integral part.

## **Annex II**

### **European Union-African Union Ministerial Meeting Final Communiqué**

**Luxemburg, 11 April 2005**

#### **Introduction**

In the framework of the EU-Africa dialogue, the Fourth Ministerial Meeting of the African and European Troikas met in Luxemburg, on 11 April 2005. The meeting was preceded by a meeting of Senior Officials, held from 8-9 April 2005. The Meeting of Ministers was co-chaired by the Minister of Foreign Affairs of Nigeria, H.E. Oluyemi Adeniji, current Chairperson of the AU Executive Council, and by H.E. Jean Asselborn, Minister of Foreign Affairs and Immigration of Luxemburg, current President of the Council of the European Union (EU). The AU Troika was also composed of H.E. Alcinda de Abreu, Minister of Foreign Affairs and Cooperation of Mozambique and the African Union Commissioners Dr. Maxwell M. Mkwezalamba, Commissioner for Economic Affairs, Mr. Said Djinnit, Commissioner for Peace and Security and Mrs. Elisabeth Tankeu, Commissioner for Trade and Industry.

The EU Troika was also composed of the Secretary General/High Representative for Common Foreign and Security Policy of the Council of the European Union, Mr. Javier Solana, the Minister for Africa of the United Kingdom, Mr. Chris Mullin, and the member of the European Commission responsible for Development Aid and Humanitarian Affairs, Mr. Louis Michel. During the deliberations, Ministers considered the following issues and made recommendations thereon.

#### **I) Peace and Security**

##### **a. Recent developments in conflict situations in Africa: Enhancement of EU-AU partnership in the settlement of conflicts**

Ministers exchanged views on matters relating to peace and security in Africa, including on specific conflict situations, terrorism and the progress made with regards to capacity building in the field of conflict prevention and crisis management, emphasising the objective of consolidating and further developing their partnership in this area.

Regarding Sudan, Ministers welcomed the signing of the comprehensive peace agreement between the Government of Sudan (GoS) and the Sudan

People's Liberation Movement/ Army (SPLM/A), which should pave the way for the promotion of peace, post-conflict reconstruction and development of all parts of Sudan. This is for restoring peace, security and stability in the whole of Sudan. The two sides encouraged the parties to work for the full and swift implementation of the agreement, expressing the hope that the principles set out in the comprehensive peace agreement, in particular those relating to power sharing and distribution of wealth with a view to the integration of marginalized regions, would serve as a basis for restoring peace, security and stability in the whole of Sudan, including Darfur. The two sides reiterated their readiness to provide support for the implementation of the comprehensive peace agreement and for the United Nations Mission in Sudan (UNMIS) and the EU its readiness to provide material and diplomatic support. They expressed the hope that the Oslo donors' conference on 11-12 April would result in substantial contributions to the development of Sudan.

Ministers expressed their grave concern at the continuing conflict in Darfur and its consequences for the civilian population. The two sides condemned the violations by all parties of the cease-fire, particularly the assaults on the civilian population, humanitarian workers and on the personnel of the AU. They strongly urged the parties to refrain from the use of force and to seek peaceful channels for resolving their differences, as well as to fulfil the demands expressed in United Nations (UN) Security Council Resolutions 1556, 1564, 1574, 1590 and 1591. The two sides, looking forward to the resumption of the Abuja talks and welcoming the efforts made by the AU in preparation of the next round of negotiations, called on the parties to live up to their commitment to seek a peaceful and negotiated solution to the conflict in Darfur and to swiftly proceed with the negotiations. In this regard, the EU and the AU agreed on the necessity to coordinate and harmonise their efforts in supporting the negotiation process. The EU expressed its appreciation for the leadership role of the AU in addressing the Darfur conflict and in particular congratulated the AU in its success and achievements in establishing AMIS and improving the security situation in Darfur. For its part, the AU expressed appreciation for the support and co-operation provided by the EU for AMIS, under the Peace Facility and in terms of expert support. The EU commended the AU for conducting the recent assessment mission, which, in an open and transparent manner, had provided an objective analysis of the current status of AMIS. In this regard, both sides stressed the importance of bringing AMIS up to full operational capability through addressing the organisational and logistical problems identified by the assessment mission. The EU offered its assistance in this regard, on the basis of a list of priority initiatives to be drawn up by the AU. Both parties emphasised the importance of the civilian component of AMIS and of a swift completion of the remaining phases of the deployment of the mission's

police component. The EU reiterated its continuing support to AMIS and its readiness to strengthen it.

Ministers reiterated their support for the process of transition in Somalia, emphasising the importance of inclusiveness and consensus-building in achieving peace and stability in Somalia. They urged all factions and militia leaders in Somalia to cease hostilities and to conclude a comprehensive and verifiable cease-fire agreement leading to full disarmament. The EU commended the AU and IGAD for their efforts to promote security and stabilisation in Somalia and confirmed its willingness to examine requests for assistance in this regard. In addition, the EU stressed the need to sustain consensus within and among the transitional institutions in pursuit of the peace and reconciliation process in Somalia. It also underlined the need for careful planning of any peace support mission. Ministers also recognized the importance, of moving the transitional institutions to Somalia, in the restoration of peace and stability in this country.

On DRC, the two parties welcomed the progress realized in the peace and transition process. They called on the Congolese leaders to relentlessly pursue their engagement, in preparing for the impending elections. The EU welcomed the African Union's efforts aiming at the operationalisation of the joint verification mechanisms agreed on by Rwanda and the DRC and aiming at the restoration of confidence between the two countries. The EU also welcomed the efforts of the AU to contribute to the disarmament of the Ex-Far/Interahamwe and other armed groups present in Eastern Congo. In this regard, the two parties encouraged the FDLR (Forces Démocratiques de Libération du Rwanda) to live up to the commitments made in Rome, Italy, on 30 March 2005, in which the movement undertook to refrain from armed action, condemned the 1994 Rwandan genocide and announced its decision to join the DDRRR process. Moreover, the AU expressed its appreciation for the EU's efforts in support of the transition in the DRC. The two parties agreed to maintain their ongoing efforts and to reinforce their partnership in order to support the entire regional process.

On Côte d'Ivoire, Ministers expressed appreciation and support for the mediation efforts of the AU under the leadership of President Thabo Mbeki and expressed their satisfaction with the Pretoria Agreement. They urged the Ivorian Parties to respect their commitments and to implement all provisions included in the Pretoria Agreement. Both sides reiterated their support to the Neutral Forces and welcomed the decision of the Ivorian parties to request the United Nations to be involved in the organisation of general elections. They recalled that a solution to the crisis has to be found in free, democratic and inclusive elections. The two parties

reiterated their engagement to support the efforts underway to implement the Linas – Marcoussis, Accra III and Pretoria agreements.

The two sides expressed their satisfaction with the important role played by the AU and ECOWAS in ensuring the return to constitutional legality in Togo. The action taken by these two organisations served to underscore the resolve of African organisations to refuse unconstitutional seizure of power and promote good governance. The importance of supporting the electoral process in Togo and the long-term consolidation of democracy in the country was stressed. The AU welcomed the EU's support to the efforts of the AU and ECOWAS, and both parties underlined the need to further increase their cooperation in this regard.

The EU welcomed the AU's efforts in Burundi, the Comoros, Liberia, the Central African Republic, and Guinea-Bissau. Both sides stressed the necessity to continue supporting the ongoing peace processes in these countries and reiterated their commitments to work towards achieving permanent and irreversible peace.

#### **b. Terrorism**

Ministers reaffirmed their commitment and determination to continue to co-operate in the global fight against terrorism. The AU informed the EU on the status of operationalisation of the African Centre for the Study and Research on Terrorism, and welcomed the EU's contribution in this regard. The EU expressed appreciation for the AU counter-terrorism policies, and in particular the AU appeal to its member states to ratify and implement all relevant international instruments to combat terrorism. The AU stressed the need to cooperate in the field of information exchange.

The two parties undertook to cooperate in achieving a common position on the UN Convention against Terrorism.

#### **c. Progress report on the capacity building agenda in the field of peace and security**

Ministers reviewed progress made by the AU and other African organisations regarding the strengthening of capabilities in the area of peace and security, as well as European-African cooperation in this respect. The AU underlined the contribution of the Peace Facility to the substantial progress realised in the area of conflict resolution in Africa, as well as in the strengthening of the AU's capacity in conflict prevention, management and resolution. The AU presented a progress report on the ongoing programmes aimed at the completion of Peace and Security Council organs, the strengthening of the capacities of the Peace and Security Department, the establishment of the continental peace and

security architecture and deployments in the field. The AU called upon the EU to replenish the Peace Facility in view of its numerous activities in the areas of conflict prevention, management and resolution and the need to strengthen the capacity of the Peace and Security Department and Subregional organisations. The EU informed the AU of the adoption of the Action Plan in the framework of the European Security and Defence Policy (ESDP) in support of African peace-keeping capabilities and expressed its readiness to assist in this regard.

Both parties recognised the importance of post-conflict reconstruction in the consolidation of peace and stability. They underlined the need to draw lessons from the past and to enhance coherence between peace and security and economic reconstruction and development. In this context, both sides noted with interest the UNSG's proposal on the creation of a Peace-building Commission.

## **II) Governance**

### **a. Progress report on the governance agenda of the AU and the support provided by the EU**

The two sides exchanged views on the current state of play in the field of governance in Africa based on the AU's priority activities in the area of enhancing more transparent, participatory and democratic practice in public life. The two sides welcomed the progress made in operationalising the African Peer Review Mechanism (APRM) and looked forward to the first APRM review. The EU offered to support the APRM, including through the APRM Trust Fund, as well as through the implementation of APRM recommendations in the future.

The two sides welcomed the contribution of the Pan African Parliament to improving good governance in Africa. The two sides also noted the efforts of the AU with assistance from the international community, including the EU, to set up a Governance Unit at the AU Commission to strengthen the capabilities of African states in dealing with governance issues. The two sides stressed their shared responsibility in fighting corruption, including through the return of illegally acquired assets to their countries of origin, capacity building to address corruption, public service reforms, improving budget and fiscal transparency, improving public procurement policy and administration, and increasing transparency in extractive industries.

The two sides agreed to report on progress made in these areas to a forthcoming EU-Africa Ministerial troika meeting. This would include addressing legal obstacles to the return of illegally acquired assets to Africa.

The two sides agreed to work together to encourage member states to ratify the UN Convention against Corruption.

#### **b. Election observation**

The two sides welcomed efforts by the AU at sending regular electoral observer missions to Member States, at the invitation of such States in accordance with the AU Durban Declaration on the Conduct of Democratic Elections, and to establish an AU Election Monitoring/Observation Unit. The African side expressed its gratitude for the EU contribution of €2 million to support the AU governance agenda including electoral observation. The two sides welcomed the AU's efforts to ensure systematic election observation, through, inter alia, the setting up of an electoral assistance unit and an electoral assistance fund and looked forward to the publication in 2005 of AU guidelines on election monitoring and observation. The two sides agreed to cooperate in carrying out their respective mandates when observing elections.

Both sides exchanged views on electoral processes in Africa. The EU expressed its position on the electoral process in Zimbabwe. The AU restated its position on the matter.

#### **c. Human rights**

The two sides welcomed the entry into force of the Protocol establishing the African Court on Human and Peoples Rights and noted the decision of the AU Heads of State and Government on the merger of the African Court of Human and Peoples Rights with the African Court of Justice for reasons of efficiency and effectiveness. They also agreed to work together to strengthen the work of the African Commission on Human and Peoples Rights in supervising the implementation of the African Charter on Human and Peoples Rights.

Ministers reiterated the importance of the International Criminal Court in the global fight against genocide, war crimes and crimes against humanity. The African side stressed the importance of providing adequate support to facilitate voluntary repatriation of refugees and internally displaced persons and to ensure the sustainability of democracy and good governance through their full participation in elections and socio-economic development.

### **III) Regional integration and trade**

#### **Joint EU-AU mechanism on the supervision of the EPA negotiations**

### **a. Regional Integration**

The EU reiterated its readiness to assist Africa in accelerating its integration process. In this respect, the EU stressed the need to use the EPAs to enhance Africa's efforts in the areas of regional integration. The AU welcomed this commitment, and highlighted the measures it has taken to accelerate the integration process which included the review of the new protocol on relations between the AU Commission and the RECs, evaluation of the implementation schedule under the Abuja treaty, and the rationalisation of the RECs.

Furthermore, the AU Commission drew the attention of the EU to the importance of supporting the capacity building of the RECs and the AU Commission. The AU appealed to the EU to prioritise the provision of economic assistance targeted at addressing the root causes of poverty linked to conflict. The EU took note of this appeal and welcomed the convergence of actions between the two Commissions in addressing this issue.

### **b. Trade**

In recognising the EPAs as a development instrument, the AU emphasised the need to contribute to the improvement of Africa's capacity in international negotiations and to enhance the access of African products into European markets. Furthermore, the AU Commission launched an appeal to the EU side to call upon the private sector to increase its investment in Africa.

The EU provided information on the state of play of the negotiations in the six regional groupings. Both sides agreed on possible dates for meetings of the joint EU-AU mechanisms in May/June 2005. Configuration of the negotiating groups in Africa was mentioned as a possible agenda item.

## **IV) Key development issues**

### **Environment including desertification, drought, natural calamities and locusts**

Ministers noted the need to strengthen the cooperation between Africa and the EU on critical environmental issues facing Africa, such as land degradation, desertification and drought, poor water supply, the deterioration of the coastal and marine environment and the loss of biodiversity. They also noted the need to collaborate in fighting the locust plague. While underlining their own efforts in this area, the African side



also recognised the EU's contribution during the recent outbreak by locusts by providing funds through the FAO. It also expressed appreciation for the creation of EU-ACP Water Facility. Both sides expressed the hope that an agreement would be reached on operational principles in the framework of the 13th session of the UN Committee on Sustainable Development (11-22 April 2005), allowing for progress on the objectives the international community set itself, notably in the framework of the Johannesburg summit of 2002.

## **V) Preparation of the September 2005 UN Summit**

Ministers had an exchange of views on the UN Secretary General's proposals for a UN reform. While recalling that these proposals were still under examination, the EU expressed its determination that the process of reform should result in devising common responses to the main development, security and human rights problems.

The EU side noted the common African position on the proposed reform of the UN as set out in the "Ezulwini Consensus" and undertook to share its positions with the AU in advance of the Summit.

The Ministers considered that a parallel reading of the common position of Africa and the priorities of the EU shows that it is possible to continue and step up the dialogue in order to foster convergence of positions.

The EU agreed to share, in advance of the Summit, its proposals for acceleration of the implementation of the Millennium Development Goals, in particular with regard to coherence, financing, effectiveness of aid and with a specific focus on Africa.

## **VI) EU-Africa dialogue**

### **a. Follow-up to the EU-AU Ministerial troika meeting in Addis Ababa in December 2004 including date and venue of the second EU-Africa summit**

#### **Key development issues**

Ministers recalled their decision taken at the ministerial troika meeting in Addis in December 2004 on the key development issues, namely: HIV/AIDS, malaria, tuberculosis and other related infectious diseases; food security; Africa's external debt; migration and Plan of Action on human trafficking; Information and Communication Technology; and gender mainstreaming. They took note of the progress report made by

senior officials on these issues and encouraged them to pursue their activities through appropriate expert mechanisms and present regular technical reports.

The two sides reiterated the need to submit the understanding already reached on Africa's external debt for endorsement at the highest political level as soon as possible.

## **VII) EU-Africa strategic partnership**

The EU side presented a non-paper on a strategic partnership between the EU and Africa. The non-paper makes a number of recommendations on the format and linkages of the EU-Africa dialogue as well as its content. Both sides agreed to examine the recommendations at the next ministerial meeting.

## **Annex III**

### **G8 Conclusions On Africa and Development**

We [the G8] were joined for our discussion on Africa and development by the leaders of Algeria, Ethiopia, Ghana, Nigeria, Senegal, South Africa and Tanzania and by the heads of the African Union Commission, International Monetary Fund, United Nations and the World Bank.

We discussed how to accelerate progress towards the Millennium Goals, especially in Africa which has the furthest to go to achieve these goals by 2015.

We welcomed the substantial progress Africa has made in recent years. More countries have held democratic elections. Economic growth is accelerating. Long running conflicts are being brought to an end.

We agreed that we and our African partners had a common interest in building on that progress to create a strong, peaceful and prosperous Africa; we share a strong moral conviction that this should be done, and have agreed the actions that we will take.

The African leaders set out their personal commitment, reaffirmed strongly at this week's African Union summit, to drive forward plans to reduce poverty and promote economic growth; deepen transparency and good governance; strengthen democratic institutions and processes; show zero tolerance for corruption; remove all obstacles to intra-African trade; and bring about lasting peace and security across the continent.

The G8 in return agreed a comprehensive plan to support Africa's progress. This is set out in our separate statement today. We agreed:

- to provide extra resources for Africa's peacekeeping forces so that they can better deter, prevent and resolve conflicts in Africa
- to give enhanced support for greater democracy, effective governance and transparency, and to help fight corruption and return stolen assets
- to boost investment in health and education, and to take action to combat HIV/AIDS, malaria, TB and other killer diseases
- to stimulate growth, to improve the investment climate and to make trade work for Africa, including by helping to build Africa's capacity to trade and working to mobilise the extra investment in infrastructure which is needed for business

The G8 leaders agreed to back this plan with substantial extra resources for countries which have strong national development plans and are committed to good governance, democracy and transparency. We agreed

that poor countries must decide and lead their own development strategies and economic policies.

We have agreed to double aid for Africa by 2010. Aid for all developing countries will increase, according to the OECD, by around \$50bn per year by 2010, of which at least \$25bn extra per year for Africa. A group of G8 and other countries will also take forward innovative financing mechanisms including the IFF [International Finance Facility] for immunisation, an air-ticket solidarity levy and the IFF to deliver and bring forward the financing, and a working group will consider the implementation of these mechanisms. We agreed that the World Bank should have a leading role in supporting the partnership between the G8, other donors and Africa, helping to ensure that additional assistance is effectively co-ordinated.

The G8 has also agreed that all of the debts owed by eligible heavily indebted poor countries to the IDA [International Development Association], the International Monetary Fund and the African Development Fund should be cancelled, as set out in our Finance Ministers agreement on 11 June. We also welcomed the Paris Club decision to write off around \$17 billion of Nigeria's debt.

The G8 and African leaders agreed that if implemented these measures and the others set out in our comprehensive plan could:

- double the size of Africa's economy and trade by 2015
- deliver increased domestic and foreign investment
- lift tens of millions of people out of poverty every year
- save millions of lives a year
- get all children into primary school
- deliver free basic health care and primary education for all
- provide as close as possible to universal access to treatment for AIDS by 2010
- generate employment and other opportunities for young people
- bring about an end to conflict in Africa.

In order to ensure delivery, we agreed to strengthen the African Partners Forum and that it should establish a Joint Action Plan.

But we know this is only the beginning. We must build on the progress we have made today. We must take this spirit forward to the UN Millennium Review Summit in New York in September 2005, and ensure a successful conclusion to the Doha Development Agenda.