

**Integrating the priorities of the
New Partnership for Africa's Development (NEPAD)
into the national development process:
*experiences from selected African countries***



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Contents

Foreword	1
I. Overview	3
1.1 Organization of NEPAD focal points	3
1.2 Mechanisms for decision-making and implementing NEPAD at the national level	3
1.3 Financial and budgetary allocations to NEPAD priorities	4
1.4 Consultative process within government and with the private sector, civil society and non-governmental organizations	4
II. Algeria	7
2.1 Introduction	7
2.2 Organization and management of the NEPAD focal point	9
2.3 Decision-making and implementation process	11
2.4 Financing of NEPAD priorities	13
2.5 Consultative process	14
2.6 Conclusion	16
III. Nigeria	19
3.1 Introduction	19
3.2 Organization and management of the NEPAD focal point	20
3.3 Decision-making and implementation process	22
3.4 Financing of NEPAD priorities	23
3.5 Consultative process	23
3.6 Conclusion	25
IV. South Africa	27
4.1 Introduction	27
4.2 Organization and management of the NEPAD focal point	29
4.3 Decision-making and implementation process	31
4.4 Financing of NEPAD priorities	32
4.5 Consultative process	39
4.6 Conclusion	40

FIGURES

1. Structure of NEPAD coordination and reporting arrangements in Algeria
2. Structure of NEPAD coordination and reporting arrangements in Nigeria
3. Nigeria NEPAD office: operational structure

ABBREVIATIONS AND ACRONYMS

ADB	African Development Bank
APC	Communal People's Assembly
APRM	African Peer Review Mechanism
AISA	Africa Institute of South Africa
CNES	National Economic and Social Council
CSO	civil-society organization
DFA	Department of Foreign Affairs
DFID	Department of International Development
ECOWAS	Economic Community of West African States
GCIS	Government Communications and Information Service
GDP	gross domestic product
GEAR	growth, employment and redistribution
IDCC	Interdepartmental Coordinating Committee
IRPS	International Relations, Peace and Security
ISS	Institute for Security Studies
MDG	Millennium Development Goals
MTEF	medium-term expenditure framework
NEPAD	New Partnership for Africa's Development
NGO	non-governmental organization
NPC	National Planning Commission
OAU	Organization of African Unity
ODA	official development assistance
OECD	Organisation for Economic Co-operation and Development
PPP	purchasing power parity
PRSP	Poverty Reduction Strategy Paper
RDP	Reconstruction and Development Programme
SADC	Southern African Development Community
SSA	Senior Special Assistant
UGTA	General Union of Algerian Workers
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme
WAGP	West African Gas Pipeline
WAPP	West African Power Pool
WSSD	World Summit on Sustainable Development

FOREWORD

The implementation of the New Partnership for Africa's Development (NEPAD) is gathering speed. Maintaining the momentum, however, will depend to a great extent on the progress that is made in integrating NEPAD priorities into the national development process.

That such integration is important is underscored by one of the lessons learned from the implementation of previous plans of actions in Africa: in order to succeed, regional development initiatives must be embedded in the national development process.

The General Assembly, in its resolution 57/7 of 4 November 2002, recognized the importance of integration in welcoming "the commitment of African countries to integrate the priorities of the New Partnership for Africa's Development into their national policies and development planning frameworks, to maintain full ownership and leadership in developing and utilizing such policies and frameworks, and to mobilize domestic resources in support of the New Partnership".

Nearly three years have elapsed since NEPAD was adopted at the Organization of African Unity (OAU) Summit in Lusaka, Zambia, in July 2001. During this period, a number of African countries have responded to the need for integration of NEPAD priorities into the national development process to advance their own as well as Africa's development. The present report assesses the experience of three countries: Algeria, Nigeria and South Africa.

The case studies, undertaken in the period between May and December 2003, provide striking illustrations of the effort being made by African countries to implement NEPAD. They reveal that several countries have begun to make the adjustments necessary to ensure that their policies and programmes are compatible with NEPAD priorities. This bodes well not only for NEPAD but also for the Millennium Development Goals (MDGs) inasmuch as NEPAD has incorporated the MDGs as part of its own long-

term goals. The studies find that many Governments have indeed made an effort to craft the linkages between NEPAD and the MDGs, even though this effort might be uneven across countries concerned.

Integrating the priorities of NEPAD into national development is a painstaking, complex process that has at least four main elements: (a) establishing institutional arrangements, for example, a national focal point, to manage the process; (b) funding the priorities of NEPAD; (c) creating a mechanism for decision-making and implementing the NEPAD programmes or projects; and (d) mobilizing public and political support for the priorities. Each country case study was organized around these main elements, which are critical to the successful implementation of NEPAD itself and, more generally, to national development programmes.

There is no single right approach or best country experience that provides the key to integrating the priorities of NEPAD into national development frameworks. For example, the country studies reveal three patterns in regard to the national focal points. The national focal point may be (a) located in the office of, or report directly to, the President; (b) constituted as an inter-ministerial or interdepartmental committee in the Ministry of Foreign Affairs; or (c) a NEPAD national office separate from the President's adviser on NEPAD. In addition, in one country, the Government has established NEPAD task teams/focal points in every government department in an effort to raise awareness of NEPAD priorities in the national public service. There are countries not covered by the studies that have located their national focal points in the Ministry of Finance and Planning or the Ministry of Regional Integration and NEPAD.

Notwithstanding the diversity of institutional arrangements, various countries display certain common characteristics. First, the institutional arrangements for the national focal points show that African countries have wisely decided to designate existing

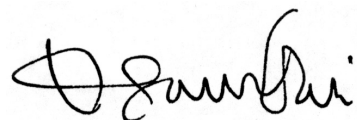
government departments to serve as focal points, thus conserving scarce financial and institutional resources and greatly minimizing the problem of internal coordination in the implementation of NEPAD. Second, there is evidence of growing efforts concerning the involvement of, or consultation with, civil-society organizations and the private sector in implementing NEPAD, although the nature and scope of this involvement vary greatly. Third, the Governments of the countries in the case studies are taking steps to raise awareness of NEPAD in the national public service, which is viewed as the frontline in the effort to win popular support and appreciation for the goals and objectives of NEPAD.

The question, however, is: Why is integrating NEPAD priorities into the national development process important? Such integration would demonstrate the commitment of Governments to implementing NEPAD and convey their readiness to pursue and achieve NEPAD objectives. More importantly, by providing needed funding for the NEPAD priorities, African Governments can signal the alignment of the national budgetary expenditure pattern with NEPAD policy priorities.

Indeed, two frequently encountered criticisms of the past African programmes or plans of actions were that they lacked credible, effective mechanisms for follow-up and implementation at the national level and those

African countries did not commit significant national budgetary resources to those programmes. In the midst of such shortcomings, it was no surprise that those plans failed. However, African countries are now committed to saving NEPAD from such a fate.

These case studies highlight the extent to which African Governments are making efforts to avoid the mistakes made in the implementation of previous plans, but they also show that much still remains to be done by African countries to embed NEPAD priorities deeply in the national development process. Closing the gap will require sustained focus on these priorities, enhanced institutional capacities, better funding for NEPAD programmes and strengthened public-private partnership, including civil-society involvement. All of these call for strong national leadership and enhanced commitment as well as support by Africa's development partners.



Ibrahim Gambari
Under-Secretary-General and
Special Adviser on Africa

I. OVERVIEW

This chapter provides a comparative summary of the three case studies described in the present publication. It highlights the common approaches as well as the unique methods used in integrating NEPAD priorities into the national development process in the case-study countries: Algeria, Nigeria and South Africa. This summary is organized around four main issues that are central to the integration of NEPAD priorities into the national development process. These are: (a) the organization of NEPAD focal points; (b) the mechanisms for decision-making and implementing NEPAD in each country; (c) financial and budgetary allocations to NEPAD priorities; and (d) the consultative process initiated within government and with the private sector, civil society and non-governmental organizations (NGOs).

1.1 Organization of NEPAD focal points

In Algeria, the Ministry of Foreign Affairs, specifically, the Minister in charge of African and Maghreb affairs, is the focal point for NEPAD within the Government and reports directly to the President of the Republic. He is assisted by a number of advisers who coordinate and track the implementation of specific issues. The focal point analyses national statistics on NEPAD priorities, makes recommendations for action to the various line ministries and then summarizes the actions taken in briefings to relevant ministries on linking proposals to NEPAD priorities. An important aspect of the work of the focal point is to keep the Council of Ministers briefed on all issues relating to NEPAD.

In Nigeria, the NEPAD Nigeria office, headed by the Senior Special Assistant (SSA) to the President of Nigeria, was created to coordinate and implement NEPAD within the national context. The immediate objectives of this office, in line with its role as the national focal point, include, above all, popularizing the NEPAD priority programme areas among Nigerians and facilitating the integration of NEPAD programmes within sectoral policy-making and implementation bodies in the country. To accomplish these objectives, the office developed its plan of action

with a detailed programme of activities. Moreover, the President of Nigeria has appointed a Personal Representative to the NEPAD Steering Committee with responsibility for coordinating all continental and international relations aspects of NEPAD.

Finally, in South Africa, the Interdepartmental Coordinating Committee (IDCC) within the Ministry of Foreign Affairs is the focal point and umbrella coordinator for all NEPAD-related issues. In a novel approach, South Africa decided that all levels of government should have a sense of ownership of NEPAD, so in addition to IDCC as a coordinating and outreach focal point, a NEPAD focal point has been appointed in each ministry to ensure broad-based, technical integration of all NEPAD priorities.

A review of the various NEPAD focal points indicates that all countries have accorded a high degree of importance and significance to NEPAD, placing focal points either in the Ministry of Foreign Affairs or as an Adviser in the Office of the President. Moreover, almost all countries recognize the need to involve a variety of government offices and ministries in NEPAD, signalling a commitment to deepening the awareness and appreciation of NEPAD in the public sector in the first instance.

1.2 Mechanisms for decision-making and implementing NEPAD at the national level

In Algeria, the economic recovery plan is a three-year plan that forms an important basis for action and implementation with respect to NEPAD. The content of this Plan is not oriented solely towards NEPAD priorities; rather, its broad outlines fit into the overall scheme of priority areas determined by NEPAD, thus making it possible to translate some of the objectives into current government activities. While government practice also requires each ministerial department to give effect to the objectives set out in the action programme, the Council of Government, headed by the Head of Government, is responsible for launching the programmes that have been presented, while incorporating in them, if neces-

sary, any specific and/or recommended clarifications, particularly in the context of implementing NEPAD.

In principle, Nigerian federal ministries and government agencies and their counterparts at the state and council levels must comply with the priorities of NEPAD in their planning, budgeting and projects. However, in practice, notwithstanding the recent effort to ensure that all budgets and projects emanating from them were NEPAD-compliant, internal government coordination and consultation are just beginning to take shape. The NEPAD Nigeria office was established only in April 2002, which partly explains its limited reach.

In South Africa, Government is moving ahead with the assimilation and incorporation of NEPAD into its governance structures. This is having the effect of forcing all internal government departments and functionaries to include an outward focus: NEPAD continental objectives. An elaborate planning framework and an intricate process of decision-making have been introduced so as to incorporate NEPAD fully into the five-year strategic objectives set by Government. IDCC, tasked with the overall coordination, synchronization and harmonization functions with regard to NEPAD within the Government, requests all departments to submit proposals for NEPAD high-impact and high-visibility projects; however, the various government departments continue to make their NEPAD-related inputs to the relevant sub-committees. Most notably, the overall government process is organized by priority cluster, and South African government departments and IDCC seek to organize themselves by NEPAD/MDG thematic focal point.

All three countries have been making efforts to integrate and implement NEPAD in specific ways and in line with the actions taken by the focal points in their countries. The relative success or achievement of NEPAD integration and implementation seems to reflect the specific approach adopted by each country towards NEPAD.

1.3 Financial and budgetary allocations to NEPAD priorities

In Algeria, the Government has integrated NEPAD priorities into its short- and long-term development

plans. The short-term economic recovery plan formulated in 2001 and aimed at implementing NEPAD will cost approximately \$7 billion. The arrangement for the financing of national priorities, including NEPAD priorities, particularly when it comes to infrastructure, education, health, agriculture or the environment, is assumed on a day-to-day basis by the budgetary resources (both operating and capital budgets) of the ministries concerned.

Like Algeria, Nigeria and South Africa do not have a consolidated budget system for NEPAD priorities. Instead, budgetary allocations for the priority sectors in NEPAD are integrated into the capital expenditure of the budgets of the respective ministries. No country, therefore, has a system for a consolidated budget summary for NEPAD priorities.

The obvious advantage of a single, consolidated budget summary for NEPAD priorities is that it provides, at a glance, the overall financial outlay for all NEPAD priorities, allowing for a quick comparison of the share of the budget devoted to these priorities. Such a summary also removes second-guessing about whether a particular item in the capital budget falls into the category of what a Government defines as a NEPAD priority. As the implementation of NEPAD moves forward, African Governments that have a system of consolidated investment or capital expenditure budget may wish to consider making a summary of the financial outlay for NEPAD priorities within their budgetary frameworks.

At the time of the study, none of the three countries reported receiving any funds from the NEPAD Regional Secretariat for funding their national NEPAD activities or priorities. With regard to contributions of external donors, only South Africa reported having the financial support of donors for NGOs working on NEPAD.

1.4 Consultative process within government and with the private sector, civil society and NGOs

In Algeria, to help to facilitate consultations within the Government, an adviser responsible for NEPAD affairs in the Presidency of the Republic keeps abreast of all information and data regarding

NEPAD, though he lacks immediate decision-making power. Dialogue with workers is conducted through the General Union of Algerian Workers (UGTA), while the Government holds tripartite meetings involving representatives of private employers. Dialogue with civil society and NGOs is encouraged by the Government, which is committed to promoting dialogue with them regarding their eventual involvement in government activities and the value-added that they could bring to the whole society.

In Nigeria, the consultative process on NEPAD within government regarding the application of NEPAD priorities in planning and budgeting appears to be evolving slowly. The ministries did not have the framework for the guidelines for applying the priorities of the regional initiative, and there is as yet no direct consultation between the NEPAD Nigeria office and the heads of national government agencies. The consultative process at the state level has not begun. However, there is a plan for the campaign to draw in State and local government structures and actors. As for engaging the private sector and civil society for NEPAD, the work is in progress. For example, the NEPAD Nigeria office is working to create effective platforms (e.g., NEPAD Nigeria Business Group) specifically for the engagement of the private sector.

In South Africa, internal government co-ordination and consultation are beginning to take shape, with NEPAD enjoying priority attention at the highest levels of South African government. It is being factored into planning from the Cabinet level down to the local government level, and the Government is also starting to draw in provincial and local government structures and actors.

Moreover, the Government has established a close relationship with all government-owned companies, and there has been a considerable amount of dialogue and engagement by businesses in general on NEPAD issues – albeit disappointment about the lack of proper consultation with Government among many private-sector entities. In so far as NGOs are concerned, there has been little consultation between the Government and NGOs, and plans are afoot to make room for formal civil-society participation in the IDCC coordination structure.

Overall, there is evidence of growing efforts to involve or consult with civil-society organizations (CSOs) and the private sector in implementing NEPAD, although the nature and scope of this involvement vary greatly.

II. ALGERIA

2.1 Introduction

The founding documents of NEPAD establish the explicit aim of this African initiative: it is to serve as a tool for the mobilization of political will on the African continent and of technical and financial support from the rest of the world. The initiative cannot replace the responsibility of individual States for the well-being of their people or their development plans, programmes and projects launched with their own and/or external resources. The NEPAD priorities must therefore be integrated into the development processes of African countries as a means of supporting and enhancing the existing potential of each country. This case study presents an outline of the Algerian experience in this area and the arrangements made for incorporating the various objectives of NEPAD into the national development process.

2.1.1 Overview of the economic and social situation

Algeria is a middle-income country, with an average per capita income of \$1,770, or \$5,038 in purchasing power parity terms. A constant improvement in its human development index has been observed in recent years, amounting to 36 points between 1995 and 2001, yet with an index of 0.704 in 2001, the country ranked 107th in the world.¹

The Algerian economy is dependent mainly on the hydrocarbon sector, which accounts for 97 per cent of export receipts, 60 per cent of government revenue and 30 per cent of the gross domestic product (GDP), which was estimated at \$54.7 billion in 2001. The agriculture sector, which has contributed about 11 per cent of the GDP over the past 15 years, has been constantly growing since the 1970s and has seen tangible results in the past two years in terms of job creation; however, it has been affected by seasonal drought cycles. The Government has made substantial efforts to optimize the availability of hydro resources and to improve their management. These

efforts have resulted in the improvement of access to safe drinking water.

The economy grew at an average rate of 3.3 per cent in the period 1995-2000 and 4.2 per cent in 2002. This performance was insufficient to allow for a decrease in the unemployment rate, which stood at 27.3 per cent in 2001, or to reverse the decline in the GDP per capita, which showed an average annual decrease of 3.4 per cent in the 1990s.

The country has recently achieved significant improvements in its external balances, mainly as a result of higher oil prices in recent years, creating a surplus in its foreign exchange reserves of more than \$22 billion at the end of 2002. Debt service as a percentage of exports has also declined – to less than 20 per cent in 2002. To support the economic recovery, fight unemployment and optimize the use of exceptional oil receipts, the Algerian authorities launched a triennial public expenditure programme (2001-2003) in April 2001. The programme aims at giving impetus to reforms, supporting agriculture and fisheries, launching large infrastructure projects, including the rehabilitation of existing infrastructure, and developing human resources.²

The social welfare budget is covered by budgetary allocations and other transfers that average 12 per cent of GDP.³ However, the share of total government expenditure represented by the social sectors (education, health, insurance) fell from 23.4 per cent in 1993 to 17.9 per cent in 2000. A recent study shows that health expenditure rose to 4 per cent of GDP in 2002,⁴ but this is far below the average recorded in previous years⁵.

²Clearly, there is a strong correlation between the priorities of this government economic recovery plan and the nine components of NEPAD.

³Budgetary spending on health in the narrow sense accounted for 9.64 per cent of GDP in 2001, according to CNES data; in addition, there are household expenditures that are covered by social security and others that are not.

⁴Study of health accounting, Ministry of Health. An account of this study was published in the local press on 8 July 2003. See, among others, that day's issue of *El Watan*, the national independent daily paper.

⁵On average, 8 per cent of GDP.

¹Human Development Report 2003. Algeria is in the first third of the group of countries with medium human development.

In the field of education, the democratization policy has led to progress, especially for girls. The net primary enrolment rates exceed 95 per cent for both girls and boys, with higher rates for the former in secondary and university schools, where girls represent over 52 per cent of the enrolment at both levels.⁶

Significant disparities exist, however, in rural areas, where in some cases, the enrolment rate for girls barely reaches 30 per cent. This situation has an impact on the adult female illiteracy rate. For example, for the 15- to 24-year-old age group, the average female illiteracy rate varies from 2.86 per cent in Algiers to 46 per cent in Djelfa, a medium-sized city in the Saharan Atlas.

With regard to health care, the completely free system of medical care and other social benefits and the establishment of many health posts throughout the country have led to considerable improvement in reproductive health, with more than 90 per cent of births taking place in a medically assisted environment. Infant and infant and child mortality rates fell considerably over a 10-year period, to 38.8 per thousand and 34.5 per thousand, respectively, in 2000.⁷ Illnesses such as tuberculosis and malaria have been practically eradicated.⁸

Despite the efforts made by the Algerian authorities to strengthen the health care system and in spite of the improvement of the security climate, access to health services by the poor remains problematic. This situation is explained by the insufficient public resources allocated to the sector in the 1990s, the substantial increase in drug prices,⁹ the decline in the

⁶Algerian Ministry of Education, and United Nations Educational, Scientific and Cultural Organization (UNESCO), Education for All (EFA) Global Monitoring Report 2000.

⁷According to data from the Pan Arab Project for Family Health (PAPFAM) survey in 2002. Figures from a survey conducted 10 years earlier in similar conditions (Pan Arab Project for Child Health, or PAPCHILD survey) show a rate of 48.6 per thousand for infant and child mortality and 43.7 per thousand for infant mortality.

⁸Rates of new cases dropped from 150 per 100,000 just after independence to 22.7 per 100,000 in 1995, with a slight rise since 1996, which has led to the launching of a new plan to fight tuberculosis.

⁹The combined result of an increase in world prices and the depreciation of the Algerian dinar, triggered by the 1994 devaluation.

quality of public health services, and the population displacements triggered by terrorism.

2.1.2 Importance of NEPAD as an engine of growth

Since independence, the economic policy of Algeria has sought to fulfil the economic, commercial and financial hopes raised during the country's struggle to recover its national sovereignty. The four-year and five-year plans implemented during the 1970s and 1980s had generally aimed at building an autonomous economic base that would allow for improved coordination of trade with the rest of the world, better living conditions for the people and the preservation of the country's natural resources for future generations.

This dynamic was interrupted when the oil markets suffered from severe price shocks in 1985-1986. This situation led Algeria to initiate a vast programme of economic and social institutional reforms, which aimed to limit the dependence of the public sector on the hydrocarbon sector and to lessen the vulnerability of the latter to price fluctuations. The reforms also included the promotion of the private sector, including small- and medium-sized enterprises, and the development of agriculture. At the same time, an analysis of foreign trade flows also revealed that there was little opportunity for trade other than with the countries of the Organisation for Economic Co-operation and Development, making the search for alternative strategic partnerships – especially in the direction of Africa – all the more necessary.

Having long advocated a new international economic order, Algeria attended the meeting of those involved in the new dynamic that led to the establishment of NEPAD in 2001. The President of Algeria, Abdelaziz Bouteflika, was chosen by his peers to join Presidents Thabo Mbeki of South Africa, Olesegun Obasanjo of Nigeria and Abdoulaye Wade of Senegal in bringing the movement to the world's attention.

In that context, all Governments¹⁰ that have taken successive responsibility for Algerian affairs of State since 2001 have immediately incorporated the key

¹⁰Charged with carrying out the programme of the President of the Republic.

ideas developed in the context of NEPAD into their programmes. It was in this spirit that the economic recovery plan was formulated in April 2001; it is now the basis for the State's short-term activities aimed at implementing NEPAD. This plan,¹¹ whose total cost will approach \$7 billion, is complemented by the national agricultural development plan.

With regard to governance and institutional reforms, several actions and ambitious programmes were initiated by the Algerian authorities before the launching of the African initiative. These activities, which are in line with NEPAD objectives, have been based on the outcome of the work of large national commissions. The commissions have debated issues concerning the reform of the justice system, the educational system and State institutions.

In that context in particular, human resource training has been the subject of intense discussions, with a view to making schools a place for developing all facets of the personality, from preparing Algerians for civic activities to awakening their minds to scientific knowledge and international affairs. It became apparent, especially during the course of discussions about NEPAD,¹² that this process should be continued without delay or improvisation by taking a methodical approach to its various components, namely, basic and advanced training, updating teaching tools and programmes, providing access to computer technology, encouraging the teaching of scientific and technical disciplines, and promoting the study of the linguistic, historical and cultural heritage.

2.1.3 Relationship between the NEPAD priorities and the MDGs

At the Millennium Summit in September 2000, world leaders, most of whom were from the African continent,¹³ reiterated the major goals of international action, including eradicating extreme poverty and hunger by 2015 and substantially improving basic socio-economic indicators relating to children, health and the environment. These leaders also set minimum standards for the development of a mutually beneficial global partnership for all countries.¹⁴ At

that time, however, on the verge of a new era characterized by accelerated globalization and its promising prospects, Africa continued to be the only region that presented such a gloomy picture of the future.

The collective vision of African leaders, in particular of Presidents Bouteflika, Mbeki, Obasanjo and Wade, allows the main courses of action of NEPAD to be organized around the following objectives: (a) to promote sustainable economic growth and development; (b) to eradicate poverty; (c) to empower women; and (d) to end the marginalization of Africa within the framework of globalization. The priorities of NEPAD are easily reconciled with the MDG targets and indicators. NEPAD and the MDGs thus constitute an analytical framework for the actions and results of public policies undertaken by the Governments.

In the case of Algeria, the key measures and policy lines implemented for the past three decades by its successive Governments fit in well with the framework defined at the African and world levels.

At the national level, reforms of State institutions, together with initiatives focused on human development and the national rural and agricultural development and economic recovery plans, are among the steps taken by the Government of Algeria to achieve the MDGs and the goals of NEPAD. Such initiatives are being supplemented by internal and external actions aimed at mobilizing more resources and gaining further market access. In the past three years, these actions have been geared towards modernizing the justice system, improving the effectiveness of the tax and customs system, upgrading banks and financial institutions, and overhauling programmes and structures at all levels of education.

2.2 Organization and management of the NEPAD focal point

The Ministry of Foreign Affairs, and more specifically the Minister responsible for African and Maghreb affairs, is the focal point for all actions and initiatives concerning NEPAD. This member of the Government

¹¹See section 2.1.3 for a description of its contents.

¹²National seminar, held on 21-22 January 2002.

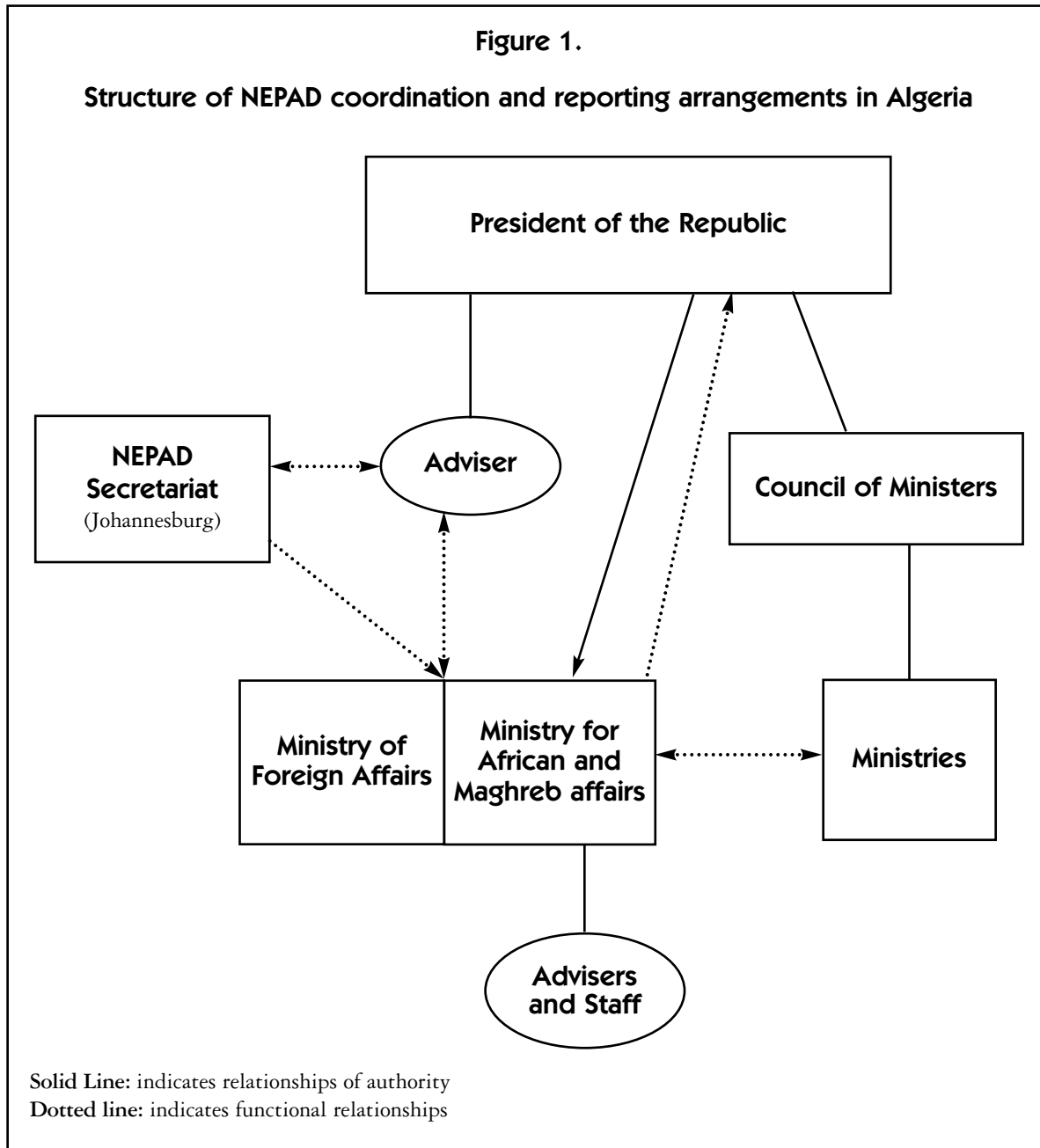
¹³President Abdelaziz Bouteflika was present.

¹⁴The Human Development Report 2003, which deals specifically with the MDGs, was presented for the first time in Africa on the occasion of the Summit of Heads of State and Government of the African Union, held in Maputo, Mozambique, in early July 2003.

is assisted by advisers, including a principal adviser, in promoting and coordinating all activities linked to the African initiative (see figure 1 below).

The focal point has national jurisdiction, that is, it may act on all projects that form part of the national development policy and that may be coordinated with, or complement, NEPAD projects. It keeps track of national development priorities and ensures all possible complementarities and synergies with those of the African initiative. It deals with external relations and ensures interaction with Algerian and continental or international institutions.

The Minister responsible for African and Maghreb affairs and his advisers are currently in charge of gathering relevant data from all the national and African parties concerned, processing the data and preparing areas of action to fit in with the agendas of national, African and international meetings dealing with NEPAD. The staff comprises three advisers, aided by a technical staff, or 12 persons at the time of the study. This focal point has the dual role of providing both consultations and expertise. The staff members promote, elaborate, prepare and follow up actions relating to NEPAD and coordinate the activities of other parties to the initiative (including ministries,



firms, project execution agencies and CSOs). In this scheme, each technical ministry contributes to the areas of action of the Minister responsible for African and Maghreb affairs on the subject of NEPAD depending on its own priorities (see also section 2.3 on decision-making and implementation).

The focal point analyses the data, summarizes the actions taken and gives an expert opinion to the authorities concerned with respect to linking proposals to NEPAD priorities, bearing in mind that Algeria has agreed to support all these priorities.

In the domestic implementation process, actions envisaged within the framework of NEPAD are not considered to be special issues in the internal implementation process of the country. They become priorities as soon as they are incorporated into national development plans, programmes or projects. They then receive the necessary financing, whether it is national, bilateral or multilateral.

The focal point is an important element in the harmonization of NEPAD priorities with those established by national economic policy. With a view to cost-effectiveness and economic and social efficiency, it also ensures consistency between the projects to be implemented as part of the African initiative and those that are part of national development. Thus the focal point influences the economic policy of the country by monitoring consistency and ensuring that national projects benefit from subregional or continental projects carried out under NEPAD and financed by the international donor community.

The Minister responsible for African and Maghreb affairs reports directly to the President and notifies the Council of Government and the Council of Ministers¹⁵ of actions and initiatives envisaged within this framework. The relevant decisions, once they have been taken, are scheduled for implementation in the work programme of each ministry concerned. It is thus easy to see the potential influ-

ence on decision-making that the focal point can have through this process.

The budget of the focal point is part of the expenditure of the Ministry of Foreign Affairs, like all other current operations. The technical ministries (public works, agriculture and others) are responsible under their own budgets for the financial implications of the actions and initiatives of NEPAD relating to their sectors, in terms of the capital budget in the case of budgetary resources or in terms of other financing modalities, where appropriate.

2.3 Decision-making and implementation process

As a result of the way in which the Government of Algeria is currently organized, the major economic and social choices are highlighted in the electoral programme that the President of the Republic, Abdelaziz Bouteflika, presented when he was a candidate in 1999.¹⁶ It constitutes the doctrinal frame of reference for government action and was presented to the National People's Assembly and the National Council in the form of a programme of action when the Government was sworn in.¹⁷

The programme comprises the broad outlines of the activities planned for the different economic and social sectors. The current programme is divided into six sections that cover the major policy areas not only at the national level but also at the continental and global levels. The most important of these with respect to NEPAD are:¹⁸ (a) the major areas of reform (governance, economic reforms and the education system, rural development and new information and communication technologies); (b) human development (hospital reform, fighting unemployment, national solidarity and the status of women); (c) sustainable development (land-use planning, housing, water and the environment); and (d) external policy.

¹⁵The Council of Government, meeting under the chairmanship of the Head of Government, considers the dossiers and decides on actions that do not require the intervention of the President. The Council of Ministers considers those dossiers that require a decision by the President of the Republic, especially in respect of draft laws to be referred to the National Assembly.

¹⁶However, there is no published document explicitly setting out this programme.

¹⁷The present Government, led by Mr. Ahmed Ouyahia, had its programme approved at the end of May 2003.

¹⁸The interested reader can refer to the government department web site www.cg.gov.dz.

Furthermore, the establishment of a medium-term plan with statistics has been abandoned ever since the structural adjustment programme that was supported by the International Monetary Fund and the World Bank between 1994 and 1998. As a result, major government activities are decided in relation to the implementation of the capital and operating budgets, which has become biannual.¹⁹

There is, however, a three-year plan, the economic recovery plan, which is being implemented, and its broad outlines fit into the overall scheme of priority areas determined by NEPAD. This has made it possible to translate some of the objectives into current government activities, the general outlines of which are set out in the government programme of action, namely:

- Support for economic reforms (banks, customs, taxation, commercial code) and institutional reforms (justice, central and local administration, education, health);
- Support for agriculture, rural development and fisheries as sectors that generate jobs and income as part of the general fight against unemployment and poverty;
- Development of infrastructure, particularly the East-West Highway and the Trans-Sahara Highway and rehabilitation of infrastructure, especially through the launching of large-scale construction of cooperative and low-cost housing and programmes to eliminate slums; and
- Development of human resources in relation to the reform of the education system at all levels, hospital reform, strengthening of vocational training, and the promotion of democracy and human rights.

It should also be pointed out that government practice requires each ministerial department to give effect — on its own account and with a multi-year perspective — to the objectives set out in the action programme adopted after the Government was sworn in.

This is the context in which specific activities in certain sectors (such as telecommunications, teaching and research) as well as those activities linked to the major roads infrastructure or hydrocarbon transport,

¹⁹The State budget is adjusted twice a year because of the uncertainties that can affect it, particularly with regard to oil, and the need to fine-tune the budget.

are defined sector by sector. This is done by breaking down the government action programme into its component parts, since it is drawn up and presented to Parliament in a global format.

Under this scheme, each sector seeks the resources it needs to implement the component parts of the programme for which it is responsible, along with the financing institutions that either come under the Ministry of Finance (Budget and Treasury) or are part of the banking system. The Ministry of Finance certifies and estimates the resources necessary for the investment budget or when public assistance flows are mobilized. As for commercial resources, they are freely negotiated by the public or private²⁰ economic agents concerned.

The programmes thus drawn up are then presented for intergovernmental technical discussion at the civil-servant level and, where necessary, are subject to examination in greater depth and then approval by an inter-ministerial council or even by the entire Council of Government. The latter, chaired by the Head of Government, takes the final decision on the major programmes, based on their content and according to the components that are presented by the minister in charge of said programmes.

It is the responsibility of the Council of Government to launch the programmes that have been presented while incorporating into them, if need be, any specific and/or recommended clarifications and profiles, particularly within the framework of the implementation of NEPAD.

Whenever required by the decision-making process, this can be followed up by a final decision of the Council of Ministers, chaired by the Head of State.²¹ It falls to the Government again, however, through the relevant ministry, to monitor the conditions of implementation.

²⁰Nowadays the latter are active in the telecommunications sector and will soon probably be required to become active in the transport infrastructure sector: motorways and port and airport free zones. The electricity production sector is also open to private operators. The same holds true for some parts of the mining industry and also, very recently, the education field, including university education.

²¹This is particularly true of bills submitted to Parliament or of decisions with international implications, including those linked to the implementation of NEPAD.

The investment decisions become part of the government programme and/or the programme of the relevant ministries and are translated into projects accompanied by the necessary financing programmes. The decisions are then reflected at all the lower levels and their implementation is followed up on the ground by the devolved departments of the ministries, namely, the technical administrations of the wilayat (provinces), when the projects involve the allocation of public resources.

As regards ODA, Algeria, a medium-income country, is not expected to prepare a Poverty Reduction Strategy Paper (PRSP), which often serves as a global framework for the mobilization of multilateral or bilateral resources. However, there is a framework plan for development assistance for the period 2002-2006, the United Nations Development Assistance Framework (UNDAF), drawn up by the United Nations and adopted by the Ministry of Foreign Affairs. This document does not, however, serve as an explicit reference for the actions of government authorities. In July 2003, the World Bank published a document entitled the "Country Assistance Strategy",²² and the report on the MDGs is in the process of being adopted by the national authorities.

At the same time, there is at present no document compiled by the Algerian authorities giving a statistical and detailed presentation of the programmes that could serve as a concrete manifestation of the framework defined by NEPAD. The exception is the triennial economic recovery plan mentioned earlier, the content of which could not, by nature, be explicitly oriented solely towards NEPAD priorities. Action geared towards NEPAD is part of current government programmes.

In this case, the financial resources allocated to activities that can be said, at the appropriate level,²³ to fall within the framework of the implementation of NEPAD (e.g., the fibre optic link between Nigeria and Algeria, the construction of the Algerian section of the oil pipeline linking Abuja and Beni Saf or the

Trans-Sahara Highway) appear in the State investment budget as part of the finance bill.

2.4 Financing of NEPAD priorities

As described in section 1.2, NEPAD priorities are first integrated as national priorities into the various development planning frameworks, such as the three-year economic recovery plan, the national rural and agricultural development plan or any other national plan or programme.

The financing of the Trans-Sahara Highway, which could be incorporated into the corridor of the Algiers-Lagos Trans-African Highway, falls within the purview of the Algerian authorities through the Ministry of Public Works, which is responsible for building roads and highways. Financing of the Algerian section up to In Guezzam (i.e., 300 km out of a total of 3,327 km) is being obtained from several national, bilateral, multilateral and other sources of funding. The same will be true for the future 1,200-kilometre East-West Highway, which is to become the national segment of the great continental project to build a road from Cairo to Dakar. The latter was proposed as a NEPAD project to be financed by the international donor community, with some sections of ordinary existing roads to be upgraded to motorways and others, such as the Nouadhibou-Nouakchott missing link in Mauritania, to be built from scratch.

Similarly, the fibre optic cable link between Algeria and Nigeria, which will be integrated with the Trans-Sahara Highway and the gas pipeline project in order to facilitate construction, operation and maintenance, is one of the projects that come under the Ministries of Telecommunications and Energy, respectively, with each ministry dealing with its specific concerns. The financing arrangements for the projects will be the same as those for the Trans-Sahara Highway.

Accordingly, parts of these projects will appear in the capital budgets of the relevant ministries while others will be part of the budgets of national development plans or even be the subject of joint financing packages drawn up by partner countries of the projects. All financing under NEPAD is regarded by the authorities as welcome and desirable but would only be supplementary to investments agreed to by the State.

²²The "Country Assistance Strategy", announced publicly in June 2003 following its presentation to the Governing Board of the World Bank, is being widely distributed in the country; it is also available on the World Bank web site.

²³The President of the Republic, the Minister for Foreign Affairs or the Minister responsible for African and Maghreb affairs.

National initiatives, programmes and projects are required to be in harmony with NEPAD priorities so as to benefit Algeria, the subregion and the continent at the same time. Thus, it would be accurate to state that national development priorities interlink with the NEPAD process. In other words, national development projects and programmes – as well as sectoral reforms more generally – and NEPAD priorities are mutually beneficial.

At the national seminar on NEPAD held in Algiers in January 2002, Algeria agreed upon a synthesis of priorities that had been compiled on the basis of the nine priorities initially adopted in the context of the initiative and that could require particular attention from Algeria in terms of assuming responsibility for it, substantive content and financing. Four main areas of activity emerged from the synthesis:

- maintenance, re-establishment and consolidation of peace and security;
- development of infrastructures;
- mobilization of financial resources for development; and
- development of human resources.

In this context, responsibility for the financing of national priorities, which constitutes one of the NEPAD priorities, particularly when it comes to infrastructures, education, health, agriculture or the environment, is assumed on a day-to-day basis by the budgetary resources (both operating and capital budgets) of the ministries concerned, except in cases where these sectors benefit from special development plans or exceptional allocations. This has been the case with the public works sector, the roads subsector of which received 1,250 million Algerian dinars from a national roads and motorways fund in 2002.

In this connection, it might be recalled that, from 2000 to 2003, capital expenditure allocated to the agriculture, telecommunications, roads, education and health sectors increased by 16 per cent, 700 per cent, 190 per cent, 66 per cent and 187 per cent, respectively.

As for human resources, there has been a continual increase in operating expenditure for the primary and

secondary education, higher education, vocational training and health sectors. Between 2000 and 2003, these grew by 25 per cent, 46 per cent, 45 per cent and 44.7 per cent, respectively, in absolute terms whereas their relative share of the total operating budget stabilized at around 27 per cent. Of course, for these specific sectors, staff salaries represent the key element in terms of benefit to the population and are also the biggest budget item. This fact bears out public statements to the effect that making full use of human resources should be a priority policy area for the country's development, which is in accordance with NEPAD objectives.

2.5 Consultation process

The consultation process within central government administrations was described earlier²⁴ and will not be re-examined here. However, mention should be made of the existence of an adviser responsible for NEPAD affairs in the Presidency of the Republic. This adviser keeps abreast of all information and data regarding the NEPAD initiative on behalf of the President and his departments but does not have any immediate decision-making power concerning the issues in question.

When it comes to concerted action with decentralized entities, because Algeria is organized administratively as a unitary State, the 48 wilayat (provinces) making up the country are not autonomous entities but simply decentralized institutions. However, there are Popular Wilaya Assemblies, which are elected bodies providing views on the budget and on local development options. The wilaya is headed by a wali, or governor, and comprises executive departments whose directors are the local representatives of central ministries, depending on the configuration of the Government at any given time.

The country is also subdivided into 1,541 communes. Each commune is headed by the president of the Communal People's Assembly (APC), who is elected for a five-year term at the same time as the members of the local executive. Although the president of an APC is from a political party, the president also becomes the representative of the central power at the local level

²⁴See section 2.3.

once elected. The president is subject to the supervision of the wali. In this context, concerted action on major decisions tends to take the form of discussions of ways and means of implementing important decisions that have been taken at the central level.

Local authorities are, however, empowered to make proposals, which, particularly if there is no established local system of taxation, will see the light of day only if they fall within the major national policy imperatives and are translated into annual sectoral budgets from which the benefits devolve in practical terms to the local levels.

As for joint action with partners, the following points should be borne in mind:

- From among the social partners, consultation with workers' representatives is carried out mainly with UGTA, which is the most important trade union. Other, more sectoral unions exist, especially in the sectors of the civil service and higher education, but they are not regarded as sufficiently representative.²⁵ Consequently, consultations are held on what might be called a bipartite basis in a body formed to bring together the Government and UGTA. The latest discussions seem to have been carried out in a relatively calm atmosphere in view of the Government's declared concern that it would deal with the trade unionists' grievances, particularly in terms of preserving civil service jobs and raising the minimum wage. However, differences in points of view remain between the Government and the social partners, especially regarding the pace and nature of the privatization process.
- When circumstances require it, a tripartite meeting is arranged involving representatives of private employers. It is worth noting that this partner represents five organizations, which are strong competitors of one another. The holding of formal tripartite meetings is not a regular occurrence and meetings are announced months in advance. This means that the employers' positions on current topics are expressed separately by each of the organizations and mainly through articles, inter-

²⁵And they have more frequent recourse to strike action as a way of expressing their members' demands.

views or press conferences by various employers' representatives. In recent years, the proposals have focused mostly on the principle of a social growth pact,²⁶ exchange losses, relations with the central administration and the struggle against the spread of the informal economy. Under current conditions, there is no established practice of bilateral meetings between the Government and one or the other of the employers' organizations, or all of them together.

- The Government encourages the development of CSOs and NGOs and is committed to promoting dialogue with them regarding their eventual involvement in government activities and the value-added they could bring to society. However, certain differences in points of view remain. This is probably owing both to the novelty and to the intrusion of these organizations into the area of charitable and community action, to their degree of representation (which is sometimes limited to a few particularly active members), and finally to the inexperience of the administration in dealing with such entities, whether they are Algerian or foreign. Things seem to be evolving slowly, however, since the law on associations permits the establishment of as many entities as are desired or as there are interests to be defended, the number and role of CSOs and NGOs are increasing,²⁷ and their capacity for representation is having an ever-increasing impact on the other partners, such as Government, trade unions, private employers and development partners.
- The National Economic and Social Council (CNES) is worthy of special mention as a body in which joint consultation takes place. An official institution but one that is independent of the Government, CNES comprises representatives of trade unions, employers, NGOs, the administration and selected ex officio experts. Its mission is to enlighten decision-makers through studies,

²⁶Of which CNES has become one of the promoters and for which the President of the Republic has expressed a desire on a number of occasions.

²⁷According to Ministry of the Interior figures, there are more than 59,000 of them in the country, with objectives such as cultural development, ecology and environmental protection, sport, education, the promotion of employment and astrology, as well as charitable associations. Some have links with political parties, although the vast majority is apolitical, and all are non-profit-making. According to the same source, there are almost 900 associations that are national in scope.

reports and opinions in the social and economic fields. These sessions present work that is often authoritative and the holding of these meetings is followed with interest at the national and international levels. However, publication of the work²⁸ does not always have an effect since the documents concerned are merely consultative in nature.²⁹

- It is worth noting that in this context, the Government and its economic and social partners agreed upon the principle of elaborating and implementing a National Pact for Growth. Since the adoption of the 1989 Constitution, Algeria has been a multiparty regime. Political debate is a reality within the country's political institutions, especially in the parliament, where different political tendencies are expressed. Other legal political parties are not in the parliament but are able to express their views through public gatherings, publications or the press. However, relations between all political actors can be strained or even antagonistic, including within the government coalition. In the 1990s, several meetings with political parties took place to debate the global organization of society, and notably to look for ways to solve the crisis existing at that time. Important public actions are currently discussed during the presentation of the government programme that accompanies every cabinet inauguration or through general press debates.
- In fact, a very wide range of views and contributions from political parties (government or the opposition) or opinions, studies or analyses put forward by independent experts or reproduced from foreign publications, are often published in the private press,³⁰ which, in Algeria, enjoys a freedom particularly noteworthy among countries in the Arab States region and in the developing world in general.³¹
- Relations with donors are part of long-term strategies and are conceived and implemented within the framework of consultation arrangements that are specific to the agreements and protocols concluded with each donor. Bilateral partnerships are

²⁸Now available online at www.cnes.dz.

²⁹Mention should also be made of the establishment – announced in September 2003 – of the National Consultative Council for Small and Medium-sized Enterprises, a consultative body vis-à-vis the Minister for Small and Medium-sized Enterprises that brings together a number of entities, including the large employers' organizations.

by nature rooted more in underlying commercial or political interests, whereas relations with multi-lateral donors remain distant, since the notion of ODA is viewed quite differently from the way in which it is regarded in many other countries of the continent, owing to the tradition of the struggle for liberation in general and the level of resources available for the development of the country. Consultations with NGOs participating in development financing and/or management are a novelty and take place only infrequently.

In these circumstances, such consultations on development aid policy as may exist tend to be initiated by the international institutions themselves³² or arise from special relations among bilateral donors. They are occurring with increasing frequency among various European governments in the context of the Euro-Mediterranean Partnership or because the individual countries that provide finance wish to optimize their efforts by seeking synergies with other foreign partners active in the same sector.

2.6 Conclusion

The public authorities are genuinely determined to incorporate NEPAD priorities into the various aspects of national development. This is reflected in the substantial headway already made on strengthening economic and corporate governance, whether through the introduction of an institutional and/or regulatory structure (framework laws on agriculture, energy, etc.), the establishment of permanent consultations with bipartite and tripartite social partners, or the willingness to improve the business climate and environment by reforming the commercial code, local taxes, customs code or access to credit and

³⁰There are more than 60 (often daily) newspapers and magazines in Arabic and French.

³¹There are, however, repeated disputes between the press and various economic and political circles.

³²Algeria is not a PRSP country and there is no need for a coordinated international drive against poverty, although plans along the lines of a World Bank Country Assistance Strategy or an UNDAF have been published. The Government and institutions within the United Nations system are jointly drafting the report on the MDGs. It has also been announced that, in the near future, a shared database will be set up by United Nations agencies and the Government to provide greater insight into socio-economic requirements, mainly for the benefit of children (DevInfo based on the Childinfo software developed by the United Nations Children's Fund).

industrial land. In addition, Algeria was one of the initiators of the African Peer Review Mechanism (APRM) and fully subscribes to it, since it believes in the virtues of transparency and accountability.

The authorities of the country are devoting particular attention to and are spotlighting NEPAD priority areas, especially agriculture, finance and the social sectors (education, health, water and sanitation, the environment), which are vital for the development of human resources, one of the pillars of the NEPAD initiative. Two major reforms – of the educational and health systems – were launched in 2003 after much preparation.

All the main development themes that are of concern to national economic actors, decision-makers and development partners are the subject of direct consultations and intense, repeated debate, where opposing ideas are expounded by the stakeholders, especially by means of the private press. Major decisions involving the nation's resources and future are discussed by State institutions (Council of Ministers, Council of Government, National Assembly, National Council³³ and National Economic and Social Council) and also, to some extent, with both sides of industry, especially with the trade union confederation.

As far as the effectiveness of the national focal point is concerned, its centrality enables it to monitor and coordinate NEPAD management mechanisms and to proffer advice and opinions to ensure that national priorities are in line with those of the NEPAD process and that they can fully serve the development of Algeria and the whole continent.

At the same time, the financial resources mobilized to meet the needs of national development priorities con-

comitantly serve priority projects within the framework of NEPAD and, where appropriate, vice versa.

In this context, national and subregional projects are becoming irreversibly and overtly linked and generally serve the purposes of both NEPAD and the subregional Arab Maghreb Union. For example, Gazoduc Maghreb Europe (GME) is a key project for conveying Algerian gas to Spain via Morocco, while the two Transmed I and II pipelines carry Algerian gas to Italy via Tunisia. They could join the sections of any network that might be included in the NEPAD infrastructure and could supply the countries of the Sahel and Central Africa or possibly those even further afield. The same thinking underpins the authorities' plans for setting up an electrical grid connecting Europe and the Mediterranean region.

On a wider scale, the networks of roads (the Trans-Sahara Highway, the East-West Highway in Algeria and the corridor from Cairo to Dakar), telecommunications (fibre optic link between Algeria and Nigeria and the network of micro-satellites, the first of which, Alsat-1, has already been launched), energy (the gas pipeline from Abuja to Beni Saf) or the port installations at Djendjen, which is to become a free zone, are awakening the interest of officials in landlocked Sahelian countries, since they will serve as supply routes and will help to connect these economies to the rest of the world. Such infrastructure projects may be combined with a number of high-priority NEPAD infrastructure schemes, which might trigger a concomitant development in all countries potentially interested in these infrastructures.

³³Upper House of Parliament, equivalent to the French Senate.

III. NIGERIA

3.1 Introduction

Nigeria is a major oil-producing country. Oil is a major source of government revenue and export income and accounts for a significant share of the GDP. The country has a population of approximately 130 million and a per capita income of \$290, placing it in the ranks of low-income countries. Nigeria has a low human development index, ranking 152 out of 175 in the Human Development Report 2003.

When the new civilian Government came to power on 29 May 1999 after many years of military rule, the country faced a difficult economic situation. This was reflected in the high inflation rate, high unemployment rate, heavy external debt burden, falling school enrolment, low use of industrial capacity, persistent power outages and fuel scarcity.

The new civilian administration led by President Obasanjo was thus confronted with a daunting development challenge. As part of its efforts to deal with these problems, the Federal Government launched the Nigerian Economic Policy 1999-2003. The document sets out the guiding principles, objectives, instruments, targets and macroeconomic policies, including sectoral policies, of the Federal Government. In 2002, the Government launched the new Framework for Nigeria's Economic Growth and Development 2003-2007. The objectives of the policy framework are prudent and transparent strategies, poverty reduction, economic growth, price stability, national unity, democracy, good governance and security. At present, a short- to medium-term programme called the National Economic Empowerment Development Strategy is being developed by the new economic team appointed by the Obasanjo Administration at the beginning of his second term.

3.1.1 Importance of NEPAD as an instrument for stimulating growth

Nigeria was one of the main architects of NEPAD. Its involvement in shaping NEPAD reflected its recognition of the need for a bold continental strategy for sustained growth and poverty reduction. Such a programme would also serve as a framework for regional action and a guide to national development policy and

programmes. NEPAD incorporates the principles of transparency, accountability, good democratic governance, good economic and corporate governance, participatory development, economic empowerment and self-reliance, ownership and partnership – principles deemed vital for sustained growth and development.

In particular, NEPAD opens the way for the creation of an enabling environment for stimulating growth, as it aims to address some of the major issues that have hampered Africa's development. It is important as an instrument for stimulating the growth of African countries such as Nigeria, particularly since it sets in motion a new, holistic approach that includes long-term strategies to deal with wide-ranging issues such as peace and security, political governance, and corporate governance and business practices as an integral aspect of creating an enabling environment for Africa's growth.

The course charted by NEPAD is a promising one, as it entails not only a programme for the economic and social transformation of Africa but also a vision of political renewal of the region based on pledges of good governance. NEPAD also sets out ways in which African Governments can root out corruption and end conflict as essential preconditions for making Africa a more attractive investment place so as to ensure greater foreign investment and aid. In particular, APRM is an important feature of NEPAD that raises expectations in the country with respect to its potential for stimulating growth, since it is conceived as a vehicle for monitoring progress towards good economic, political and corporate governance in order to foster the adoption of policies, standards and practices that lead to political stability and economic growth.

3.1.2 Linkages between NEPAD priorities and the MDGs

NEPAD adopted the MDGs as a core component of its goals, which, in part, indicates an appreciation of the linkage between the two development initiatives. For example, the stated NEPAD objective is to achieve the overall seven per cent annual growth necessary for Africa to meet one of the MDGs: halving poverty by 2015.

Though the ultimate focus of NEPAD is Africa, the view of policy-makers on the linkage between NEPAD and the MDGs is that the pursuit of Africa's sustainable development should be in harmony with the global context. The expected end result of the application of NEPAD principles of transparency, accountability, ownership and good governance is the sustainable development of Africa. Once these priorities are fully integrated into the national development programmes of African countries such as Nigeria, the attendant gains include peace and security and sustainable economic development, inclusive of poverty eradication. This means that NEPAD is helping to achieve the MDGs.

This is significant because the instruments for popularizing NEPAD and integrating its priorities – notably, national governments, national development frameworks and State institutions – are the same as for the MDGs. The successful implementation of NEPAD will therefore largely result in the accomplishment of the MDGs in Nigeria and other African countries. Consequently, the Government of Nigeria perceives NEPAD as an important framework that will help to attain the MDGs, and herein lies the intricate linkage between NEPAD and MDGs.

3.2 Organizing and managing the NEPAD focal point

The NEPAD Nigeria office is the national focal point for NEPAD in Nigeria. It is headed by a Senior Special Assistant (SSA) to the President – the equivalent of a Junior Minister of Cabinet rank. This Office of the SSA on NEPAD to the President was formally created in April 2002.

The NEPAD Nigeria office has a total staff of 20, plus 3 assistants attached to the SSA on NEPAD to the President. The basic function of the office is to popularize the initiative across Nigeria and to coordinate NEPAD matters within the country. The office is currently working with partners in the private sector and civil society to develop a framework to move NEPAD forward. At the same time, the SSA on NEPAD to the President has been tasked to work directly with the Secretary to the Government of the Federation to design and implement a country

process and structure that will enable the efficient execution of the NEPAD programme.

The immediate objectives of the NEPAD Nigeria office are to: (a) popularize the NEPAD priority programme areas among Nigerians; (b) facilitate the integration of NEPAD programmes within sectoral policy-making and implementation bodies in Nigeria; (c) facilitate civil-society and private-sector ownership of NEPAD and participation in NEPAD programmes; and (d) increase the capacity of the NEPAD Nigeria office in the implementation of the NEPAD programme. To accomplish these objectives, the office developed its Strategic Plan of Action with a detailed programme of activities, expected outputs, and indicators for evaluation and monitoring.

The budget of the NEPAD Nigeria office is structured in line with the activities outlined under each of the objectives. The total budget is N33,807,865.000³⁴ equivalent of US\$300,000.00. Furthermore, there were no indications of any extra-budgetary contributions from the private sector to support the operation of the country office at the time of the study, apart from donations made by some banks for the rolling out of its programme.

The NEPAD Nigeria office is the national focal point for NEPAD, but it is not the only formal government agency handling NEPAD in Nigeria. There is also the President's Personal Representative on the NEPAD Steering Committee (see figure 2 on the following page). He is a Commissioner at the National Planning Commission (NPC) with responsibility for Government sector and international cooperation. In addition, there are other government ministries and agencies engaged in the NEPAD process by virtue of their strategic importance. These are the Ministry of Integration and Cooperation, which oversees Nigeria's NEPAD interests at the subregional level, and the Ministry of Foreign Affairs.

The Personal Representative of the President on the NEPAD Steering Committee also reports directly to the President on NEPAD matters but more with regard to the continental and global levels than the

³⁴NEPAD Nigeria office, 2003.

national level. His role is to report back to the President on the progress of the NEPAD Secretariat and Steering Committee, particularly in view of the role that the President plays as Chairman of the Head of State and Government Implementation Committee. He also oversees matters relating to international aspects of NEPAD. For example, he

works in concert with the African Development Bank (ADB), a major partner of NEPAD in Africa, which is mandated to formulate the framework for the development of guidelines for subregional and regional infrastructures and the implementation strategy.

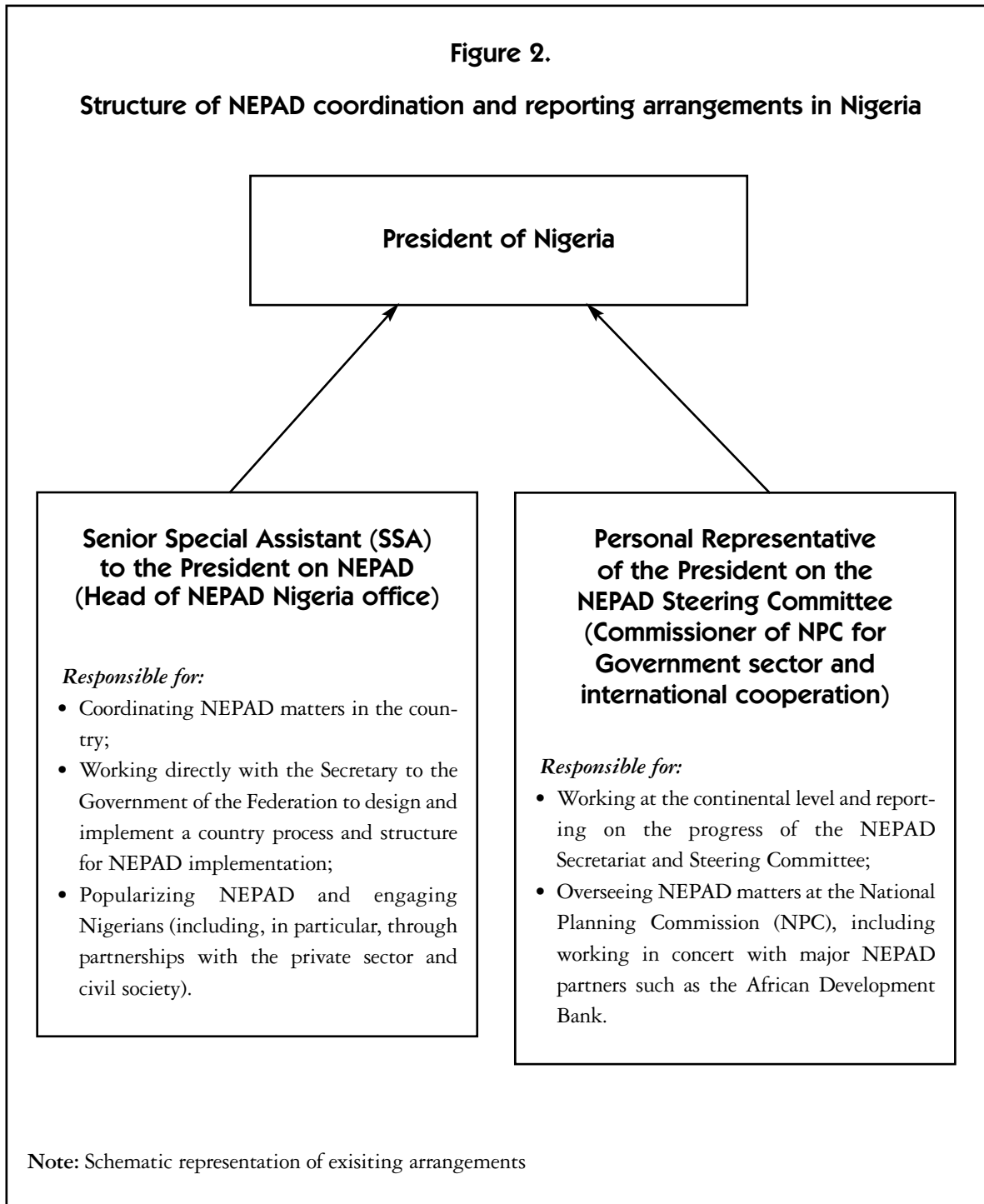
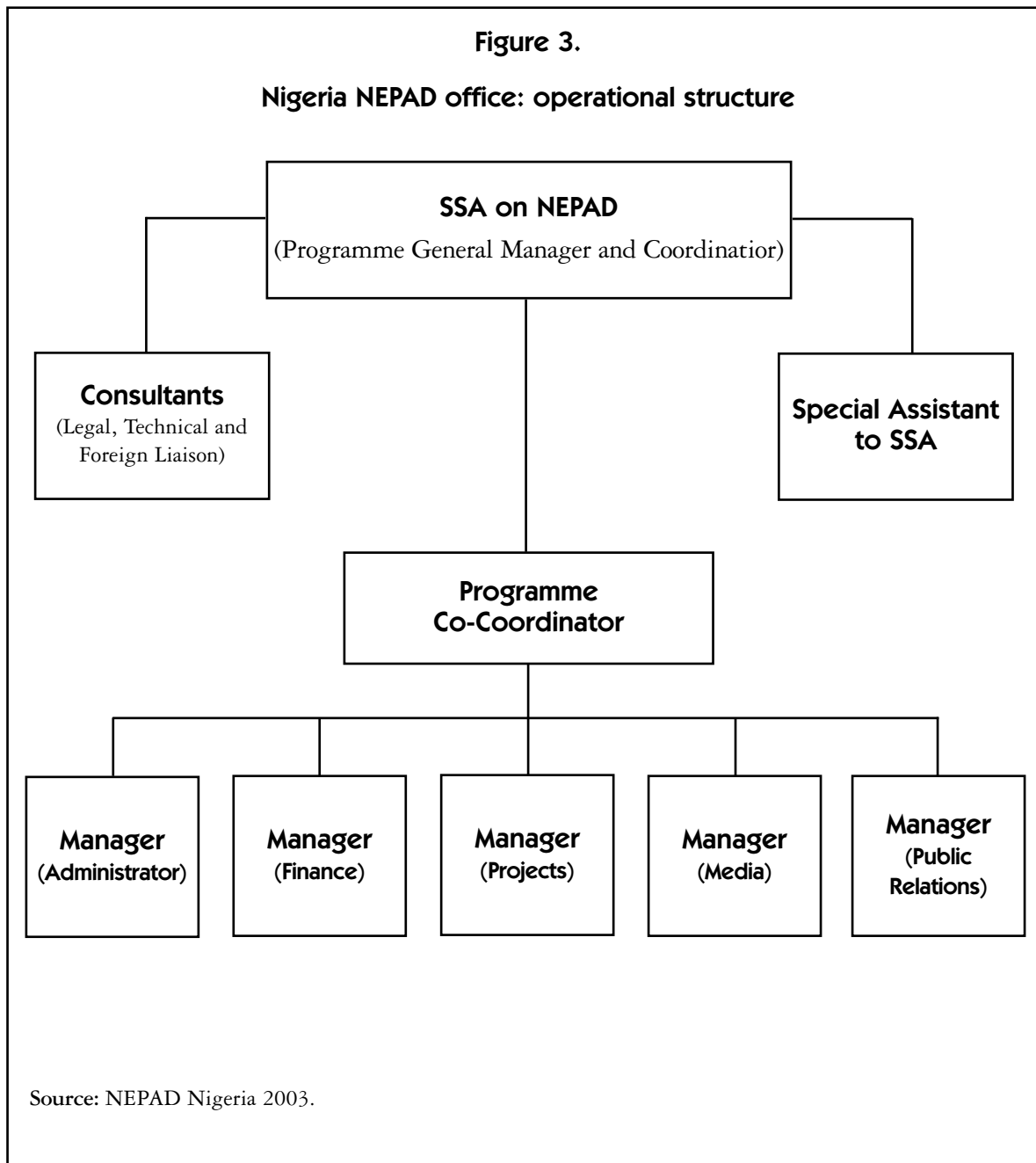


Figure 3 shows the operational structure of the NEPAD Nigeria office, with the Senior Special Assistant doubling as Programme General Manager and Coordinator. Three consultants, covering legal, technical and foreign liaison matters, are attached to this office. In addition, there are five managers – for administration, finance, projects, media and public relations – who all report directly to the SSA. The NEPAD Nigeria office has conducted a series of briefings on the objectives, principles and priorities of NEPAD for policy-makers such as the Secretary to the Government of the Federation and the Head of NPC as well as some business associations such as the

Manufacturers Association of Nigeria, while sensitizing the larger populace to NEPAD. There were also a few advertisement slots on radio and television and in the newspapers aimed at creating awareness about NEPAD, though the majority of the people remain largely unaware of the initiative.

3.3 Decision-making and implementation process

The power to decide on the priorities to be implemented is vested with the Federal Government, with the relevant ministry acting as the initiator. What



this means is that federal ministries and government agencies and their counterparts at the state and council levels would have to comply with the priorities of NEPAD in their planning, budgeting and projects. Following the briefing of the Head of Service of the Federation by the SSA on NEPAD, a directive was issued to all Directors/Heads of Research, Planning and Statistics of government establishments to create a NEPAD Desk, aimed at ensuring that all budgets and projects emanating from them were NEPAD-compliant. However, internal government coordination and consultation are just beginning to take shape, with the aim of drawing in various government structures and actors.

Some argue that the task of monitoring the implementation of NEPAD should be vested in NPC, since it is the government agency that scrutinizes planning and budgets. NPC is being restructured, and there is a possibility that it may assume this task.

As for the NEPAD Nigeria office, it is to be noted that this office does not really decide on the projects to be implemented, but it can set the priorities for its NEPAD popularization activities in the country, paying attention to issues that the Government emphasized.

3.4 Financing of NEPAD priorities

The Government of Nigeria has conceived the financing of NEPAD activities in two parts, one pertaining to financing the NEPAD office, the other to the programme priorities of NEPAD. As indicated in section 3.3, there is no consolidated budget for NEPAD priorities. Instead, funding of NEPAD priorities are integrated into the budget of relevant Ministries.

Two projects figure among the specific NEPAD priorities attracting the attention of both the Government and donors in the country: the West African Gas Pipeline (WAGP) and the West Africa Power Pool (WAPP).

Regarding WAGP, the construction of the 800-kilometre pipeline (mostly offshore) is aimed at transporting natural gas from the Escravos-Lagos pipeline in Nigeria to Cotonou (Benin), Lomé (Togo) and

Tema (Ghana). The construction of the pipeline started in 2000, but little progress has been made. Upon completion, its initial capacity will be 200 m cf/d, rising to 600m cf/d. The WAGP project is estimated to cost \$500 million, which will be borne by Benin, Ghana, Nigeria, Togo, Shell and Chevron/Texaco, but the ratio is yet to be determined. An additional \$600 million will be spent to enhance the capacities of the power in Benin, Ghana, Nigeria and Togo. Again, there was no record on how much each partner would pay, especially as ADB is still finalizing the guidelines for the development of a framework for the projects. Thus far, the project proper has not begun.

The WAPP project is aimed at integrating national grids of five coastal countries (Benin, Côte d'Ivoire, Ghana, Nigeria and Togo) and three land-locked countries (Burkina Faso, Mali and Niger). In September 2000, the WAPP project was approved at a meeting of the Ministers of the Economic Community of West African States (ECOWAS). The Steering Committee of NEPAD, which met in Accra on June 2002, then endorsed the WAPP objectives, organization and regulatory arrangements. The project was expected to cost \$13 billion.

WAGP and WAPP are examples of projects that fall under the infrastructure category of NEPAD. These projects were on the drawing board long before NEPAD was conceived. However, the adoption of NEPAD gave further impetus to their implementation.

An appraisal mission by ADB – initially planned for July 2002, after which implementation was to begin – took place only this year. The Bank is still finalizing the development of the framework for guiding the project, and the project proper has not begun.

3.5 Consultative process

The Head of Service of the Federation had directed all federal ministries and parastatals to apply NEPAD priorities in planning and budgeting. However, this appears to be evolving slowly because the ministries do not yet have the framework for the guidelines for applying the priorities of the regional initiative. Moreover, there is as yet no direct consultation

between the NEPAD Nigeria office and the heads of national government agencies.

At the state level, the consultative process has not begun, but there is plan for the campaign to draw in state and local government structures and actors to get under way soon. Rather than deal directly with each of the 36 states, zonal offices will be established in the six geopolitical zones of the country, namely, the North-East, North-West, North-Central, South-West, South-East and South-South. Each zonal office will then further the consultative process on NEPAD at the grass-roots level.

If NEPAD is to succeed, a new and innovative partnership among Government, private sector and civil society is needed, one that is both responsive and creative in support of NEPAD. This is the task in which the NEPAD Nigeria office should be involved. However, several criticisms have been voiced about NEPAD, mainly from African civil society and the NGOs but also the private sector, for the lack of adequate consultation in articulating the policy framework of NEPAD. This observation applies to the entire region not just Nigeria. Work in engaging the private sector and civil society for NEPAD is just beginning to progress.

As regards the private sector and business associations, the Nigeria NEPAD office began to engage them, for example, by briefing members of the private sector at workshops. These efforts included, for example, the SSA briefings on the NEPAD objectives, goals and priorities at the workshop on NEPAD and the National Association of Organized Traders, sponsored by Canada and Norway, and at the Auto Parts Dealers Association of Nigeria, which has a membership of 4 million.

Apart from these briefings, the NEPAD Nigeria office is also working to create effective platforms for the engagement of the private sector. At the continental level, the NEPAD Business Group has been accepted by the NEPAD Steering Committee. The NEPAD Nigeria office is working with the NEPAD Business Group to create a NEPAD Nigeria Business Group.

Furthermore, the NEPAD Nigeria office cooperated with the African Business Roundtable, United Nations Industrial Development Organization and ECOWAS as well as the High Commission of the United Kingdom and convened a high-level NEPAD Business Forum for the ECOWAS subregion on 3-5 March 2003.

The main objectives of the NEPAD-ECOWAS Business Forum were to mobilize the private sector and business associations in the subregion to participate in the NEPAD implementation process. In particular, it is aimed at sensitizing the private sector about the NEPAD vision and plan of action while developing a framework for the involvement of national business associations and the private sector in the implementation of the NEPAD plan of action at the country and regional levels.

As for the NGOs and civil-society groups, they have been rather critical of NEPAD, arguing that NEPAD would need to be far more widely discussed by civil society than it has been to date. In particular, some NGOs critically remark that the NEPAD vision is blurred by fixing its sights on increased global integration and rapid private-sector growth as the answer to overcoming poverty and by its failure to engage with African people to transform the continent. This observation applies to the whole region not just in Nigeria.

Nonetheless, some Nigerian NGOs have organized workshops to gain insight into the implications of NEPAD for civil society and NGOs. These workshops included the Colloquium on Civil Society and the NEPAD Initiative held by the Catholic Secretariat on 7 November 2002, to which the SSA on NEPAD to the President was invited. In addition, the Commonwealth Foundation organized the Civil Society Forum-NEPAD Nigeria Workshop in July 2003 in Abuja, with the aim of enhancing the understanding of the NEPAD concept and its implications for civil-society groups in the country. Finally, the Nigeria Labour Congress held the workshop entitled NEPAD, Globalization and Labour in Nigeria in order to examine the implications of NEPAD for labour in the country. At all these workshops, the SSA on NEPAD to the President conducted briefings on the objectives and priorities of NEPAD.

In consultations held by the Government of Nigeria with donors, ADB features as the foremost African partner. It is assisting the NEPAD Steering Committee in the preparation of a programme for the rapid development of infrastructure projects that are necessary to accelerate subregional and continental economic integration and in the development of a framework for fostering the implementation of banking and financial standards in African countries.

With regard to subregional projects, ECOWAS has become a forum where donors meet to work out the modalities for integrating the objectives of NEPAD and ECOWAS and developing mechanisms for harmonizing the projects and their implementation. For instance, ADB, the European Union and the World Bank have committed \$360 million for Regional Indicative Projects, among which are WAGP and WAPP. The European Union and the World Bank made a donation of \$1 million to support studies aimed at aligning the objectives of ECOWAS and NEPAD. The United Kingdom Department for International Development (DFID) also commissioned experts to synchronize the objectives of ECOWAS and NEPAD.

3.6 Conclusion

Overall, NEPAD in Nigeria is just beginning to progress. The NEPAD Nigeria office, which is the national focal point for NEPAD in Nigeria, was created only about a year ago.

The sensitization of the general populace to NEPAD and the engagement of the private sector and civil society for NEPAD have just begun. While Government has recognized the importance of engaging the private sector, civil society and NGOs for NEPAD, a great deal of effort will be required in this area.

The work of the NEPAD Nigeria office to create effective platforms such as the NEPAD Nigeria Business Group is a step in the right direction. However, financial constraints are still limiting the reach of the NEPAD Nigeria office, and opportunities for genuine consultations with the private sector and civil society are urgently needed. Work needs to be done in this area, including in particular the active coordination of the consultations and briefings on NEPAD by the NEPAD Nigeria office.

The mechanism for managing NEPAD in the country is evolving gradually. Integrating NEPAD priorities into national political and institutional structures is an inherently difficult task, presenting a major challenge for the Government of Nigeria – a task to which the Government will rise and manage fully well.

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IV. SOUTH AFRICA

4.1 Introduction

4.1.1 Overall development context

With a GDP of \$113.27 billion, South Africa has the largest economy in Africa. Its per capita income of approximately \$2,900 places it well in the ranks of low middle-income countries. Yet it confronts significant development challenges: wide income differentials, gross disparities in access to basic services such as clean water, sanitation and education as well as a huge HIV/AIDS burden. Since 1994, when South Africa held its first democratic elections, successive governments have focused on meeting the twin challenges of addressing poverty and inequality and laying the foundation for a strong democracy.

South Africa's journey towards democracy has occurred in stages.

1994–1999: from transition to a young democracy

The final settlement of the transition, the 1996 Constitution, enjoys a very high degree of legitimacy. In spite of the new constitutional order, however, the first democratic Government inherited government machinery and a public service geared towards serving the security and prosperity of the white minority population while controlling and repressing the black population. From 1994 to 1999, the new Government was thus understandably preoccupied with putting in place new democratic, accountable institutions aimed at helping to create a better life for all. The emphasis was on:

- policy formulation and the overhaul of legislative frameworks;
- creation of new institutional arrangements and structures to deliver the new policy frameworks;
- transformation within government in line with the principles of broad representation;
- an increased focus on improving the effectiveness of the implementation system and enhancing the provision and delivery of basic services. Transformation of the public service was aimed at increasing its capacity to play a new key role in service delivery.

1999–present: stabilizing democracy

In the second five years of the new democracy (1999–2004), the focus has been on stabilizing the democracy and the new Government. In contrast to the first five years, when the Government placed the emphasis on policy-making, the second term has seen Government focusing on consolidation and the implementation of policy.³⁵ Civil society has thus increasingly come to be seen as a vehicle for delivery rather than a means of ensuring public participation in policy and buy-in from society. Governance and administration are also focused on delivery, and Government has further introduced the idea of integrated governance among different departments at the national level, strengthening the centre of government, and strengthening the coordination among the national, provincial and local government strata. By 2002, a new focus had emerged and government and governance stressed support for NEPAD activities.

4.1.2 Economic policy response of the Government

After the 1994 election that brought the African National Congress to power and ended apartheid, the Reconstruction and Development Programme (RDP) was accepted as the de facto policy framework of the new Government, functioning as a blueprint for social and political transformation in South Africa.³⁶ RDP was institutionalized in the form of the RDP Ministry and the RDP Fund.

Government subsequently developed what it said was a more comprehensive macroeconomic policy: growth, employment and redistribution (GEAR). This new policy recognized that RDP priorities would take place only in the context of economic growth.³⁷ GEAR was

³⁵For an analysis of the problem of the gap between policy and implementation in South Africa, review the three-year Centre for Policy Studies project on Closing the Gap between Policy and Implementation. This project was concluded in early 2003.

³⁶For an assessment of the Reconstruction and Development Programme, see Tobie Schmitz and Claude Kabemba, Enhancing policy implementation: Lessons from the Reconstruction and Development Programme, Research Report no. 89 (Johannesburg, Centre for Policy Studies, September 2001).

³⁷See Zondie Masiza and Xolela Mangcu, Understanding policy implementation: An exploration of research areas surrounding GEAR strategy, Research Report no. 78 (Johannesburg, Centre for Policy Studies, May 2001).

thus predicated on the need for economic growth and it provides a strategic framework within which decisions on monetary, fiscal and labour market policies have been taken since 1996.

In response, the State articulated a comprehensive poverty alleviation framework that prompted the introduction, in 1998, of a three-year budget cycle and the medium-term expenditure framework (MTEF), which has been in the implementation phase for the last several years.³⁸ The MTEF priorities are as follows:

- meeting basic needs in education, health, water and sanitation, social services, land reform and housing;
- accelerating the development of social and civil infrastructure;
- economic growth, development and job creation;
- human resource development at all levels of society, including adults;
- transformation of safety and security services to be egalitarian and outreach-oriented;
- strengthening and transformation of Government to implement *Batho Pele – People First*.

Through MTEF and other initiatives, the Government has clearly embarked on a series of key policy initiatives over the past few years to address the country's vast socio-economic challenges.

4.1.3 NEPAD as an instrument of growth stimulation

South Africa not only subscribes to and supports NEPAD but is also one of its key architects and drivers. The Government has accepted that the most effective way to promote and popularize NEPAD at the country level is to ensure that it is seen as addressing highly visible country priorities in the context of continental acceleration of development.

Just as RDP was set up to inform all government policies in 1994 and beyond, so today NEPAD is being integrated to help inform all government policies. There are very close synergies between the

³⁸This information was obtained from the government 10-year review process in which this author is a participant.

political and economic policy goals of South Africa and those of NEPAD. NEPAD is an African programme tailored by Africans for the development of the African continent, and South Africa has been a key player in the Africa group that developed it. NEPAD makes direct links among development, peace and security, democracy and governance, and economic growth. The plan is further meant to create conducive conditions for meaningful and sustainable development on the continent. African leaders commit to democracy as well as to good political and economic governance, while they continue to work towards the prevention and resolution of situations of conflict and instability on the continent.³⁹ NEPAD regards good political and corporate governance, and peace and security as inherent requirements if Africans are to succeed in placing the continent on a path of lasting growth and development. It is also a way of impressing upon the world that Africans have taken ownership of their own development as architects of the NEPAD renewal plan.

Committed African leaders hope to create an enabling environment for NEPAD by mobilizing increased private-sector investment. New elements and approaches for new forms of partnership for development cooperation are being identified and negotiated with Africa's key overseas development partners. There is still the challenge of advocating and promoting the alignment and buy-in of the NEPAD strategic goals at the country level.

4.1.4 Linkages between NEPAD priorities and the MDGs

There is little disputing the commitment of the Government of South Africa to both NEPAD and the MDGs. South Africa is playing a key role in promoting both NEPAD and the MDGs and is instrumental in encouraging African and other States to commit themselves to realizing both sets of targets.

³⁹For the debate on 'good' governance within the context of NEPAD and the African Union, see Candice Moore, Democratic peace and governance: Two sides of the same coin, Centre for Policy Studies Policy Brief 27, Johannesburg, April 2003. Also see Chris Landsberg, 'Building sustainable peace requires democratic governance', Synopsis, vol. 7, no. 1, Centre for Policy Studies, April 2003.

Indeed, there is a clear link between NEPAD and the MDGs. With some viewing NEPAD as Africa's Marshall Plan and others seeing it as a development strategy and a programme of the African Union, NEPAD explicitly wishes to play a role in achieving the United Nations Millennium Declaration.⁴⁰ The Declaration involves halving extreme poverty, securing primary education and basic health care, overcoming the HIV/AIDS epidemic and reducing maternal, infant and child mortality in Africa. As Africa's social and economic development programme, NEPAD targets are informed by the MDGs. NEPAD provides a continental platform for Africa's engagement and partnership with the broader international community. The donor community has generally been attracted to NEPAD and because they see it as a plan for self-monitoring by Africans.

Like NEPAD, the MDGs seek to eradicate extreme poverty and hunger by halving the proportion of people living on less than a dollar a day and the proportion of people who suffer from hunger.⁴¹ Like the NEPAD Human Resources Development cluster, the MDGs place an emphasis on both education and health, notably the curbing and eradication of HIV/AIDS, reducing the maternal mortality ratio by three-quarters, and ensuring that all boys and girls complete a full course of primary schooling by 2015.

Both NEPAD and the MDGs promote environmental development and sustainability. Just as NEPAD seeks the introduction of a new partnership between Africa and the northern industrialized powers, notably the G8, based on mutual responsibility and mutual accountability, so the MDGs encourage the development of global partnerships for development. NEPAD and the MDGs both seek to develop further and open the global trading and financial system so that it is rules-based, predictable and non-discriminatory. Both NEPAD and the MDGs place an emphasis on good governance and development. NEPAD stresses national, subregional and continental poverty reduction; the MDGs encourage national

⁴⁰See Chris Landsberg, "NEPAD: What is it? What is missing?", paper drafted for the National Labour and Economic Development Institute (NALEDI) (Johannesburg, May 2003).

⁴¹See Department of Foreign Affairs, *Protecting the planet through lasting improvements in the lives of the poor: The outcomes of the 2002 WSSD* (Pretoria, 2002).

and international poverty reduction. This implies that a strategy for the promotion of NEPAD goals at the country level can focus on the MDGs as the shared goals of all the countries at the same time.

The Government of South Africa is of the opinion that the MDGs, NEPAD and the World Summit on Sustainable Development (WSSD) have provided the international community with concrete ways of advancing Africa's development agenda. The challenge now is to integrate this into the emerging African peace, security and governance agendas, as well as at the country levels. The Government has also committed itself to the implementation of MDGs through NEPAD.

4.2 Organizing and managing the NEPAD focal point

The NEPAD national focal point in South Africa is IDCC, which is located in the Department of Foreign Affairs (DFA).⁴² Before IDCC, there existed a coordinating unit within the DFA Africa: Multilateral Division that dealt with the two key African transformation issues:

- Restructuring of the Southern African Development Community (SADC); and
- Transition from OAU to the African Union.⁴³

Immediately after the 2002 launch of the African Union in Durban and the adoption of NEPAD as its development programme, the South African Cabinet instructed DFA to upgrade its old coordinating unit into a full-fledged NEPAD focal point. This focal point is IDCC, which is still hosted within the Africa: Multilateral Division. The head of the Division, the Chief Director: Africa Multilateral, is supported by a small staff of about four officials who currently serve as the focal point. The Chief Director reports to the Deputy Director-General: Africa, who in turn reports to the Director-General of Foreign Affairs within the Ministry of Foreign Affairs. The Director-General, in turn, reports to the Deputy-Minister and Minister of Foreign Affairs. The Deputy-Minister plays a key role in the NEPAD

⁴²Discussion with Ambassador Jessie Duarte, Chief Director, Africa: Multilateral Division, Department of Foreign Affairs, Pretoria, 6 June 2003.

⁴³Discussion with official from Africa Multilateral Division, Department of Foreign Affairs, 11 June 2003.

integration and operationalization process. The Deputy-Minister and Minister, in turn, report directly to the Cabinet and the President.

Apart from the Africa: Multilateral Division, a number of other departments have already set up NEPAD units, and it is expected that all 27 government departments will set up NEPAD divisions and have their own NEPAD focal points. For example, the Presidency in South Africa has a very influential Policy and Communications Unit, and this Unit is instrumental in the Presidential NEPAD Outreach Programme together with the Government Communications and Information Service (GCIS). The Presidency has two people dedicated to working on NEPAD activities, but the Policy and Communications Unit is generally heavily involved in NEPAD work.

Alongside the Presidency, GCIS also plays a key role in promotion and communication with respect to NEPAD. Like the Presidency and the Ministry of Foreign Affairs, GCIS has its own NEPAD section.

The initiation of a NEPAD outreach programme began in August 2002, soon after the launch of the African Union. The Presidential Outreach Programme is aimed at popularizing the African Union and NEPAD within Parliament, provincial and local government structures and among traditional leaders, the business community, research and academic institutions, the media and the diplomatic corps represented in South Africa.

Participants in the Outreach Programme include representatives from the Presidency; DFA; GCIS; the Africa Institute of South Africa (AISA), which focuses on civil-society involvement; and the South Africa Chapter of the African Renaissance. The last two, which are NGOs, have been tasked with mobilizing civil-society actors and popularizing NEPAD within civil society.

Government ministries, provincial governments and legislatures, and premiers of provinces have all been requested to identify programmes and activities that can be undertaken to popularize the African Union and NEPAD in South Africa.

Outreach activities also include meetings and workshops with members of various political parties in Parliament, traditional leaders, provincial and local governments, the business community, youth and women's organizations, universities, schools and research organizations, the media and events such as sporting occasions.

South African diplomatic missions abroad are used in the process of promoting NEPAD and the African Union, with the understanding that the South African missions must coordinate their work and efforts with other African missions abroad. The Government of South Africa expects its missions to show sensitivity to the views of other African States.

A few other departments that are playing key roles in the promotion of NEPAD include the Department of Arts, Science and Technology; the Department of Trade and Industry; and the Department of Agriculture.

Owing to the fact that the Regional NEPAD Secretariat is located in South Africa and situated so close to the centre of government in Pretoria, the Government of South Africa has regular contact and interaction with, and influence over, NEPAD processes. The location of the NEPAD Secretariat gives the Government of South Africa a comparative advantage in coordinating NEPAD policies and programmes.

IDCC, through the Director-General of Foreign Affairs and the Ministry of Foreign Affairs, is expected to provide monthly briefings to the Cabinet and Parliament, and it is envisaged that this will become more frequent in the months ahead. These briefings are channelled through the agencies and units in the Ministry of Foreign Affairs in liaison with the Parliamentary Portfolio Committee on Foreign Affairs. The Portfolio Committee, in turn, is expected to play its proper oversight and accountability role. Other departments, such as the Departments of Finance; Trade and Industry; Arts, Science and Technology; Agriculture; Health; and all others are also required to keep their relevant portfolio committees briefed and updated on a regular basis. NEPAD is regularly debated during joint sessions of the hous-

es of Parliament and over the past three years has figured prominently in the President's annual State of the Nation Address as well as in the speeches of key ministers, including the Minister of Foreign Affairs. NEPAD therefore has become a critical focus of government activity and policy-making in South Africa.

South Africa has stressed that a key priority is the establishment of a NEPAD management structure in order to ensure adequate capacity for implementation. The management structure will also provide strategic support to the NEPAD Secretariat.

4.3 Decision-making and implementation process

In South Africa, NEPAD has become internalized and is being institutionalized by Government: it is no longer just a foreign policy issue but has become the focus of national strategy. Growth and development at home are increasingly seen as inextricably interwoven with growth and development on the rest of the continent. NEPAD is viewed as the stratagem that brings domestic and continental imperatives together. This is a key reason why Government is moving ahead with the assimilation and incorporation of NEPAD into its governance structures. This internalization of NEPAD is having the effect of forcing all internal government departments and functionaries to include an outward focus: the NEPAD continental objectives.

In South Africa, NEPAD programmes enjoy attention at the highest levels of government and are regularly tabled for Cabinet consideration. Over the past three years, Government has introduced an elaborate planning framework and an intricate process of decision-making; NEPAD has been fully incorporated into this planning cycle.⁴⁴ The planning cycle seeks to achieve two objectives:

- ensure that the five-year strategic objectives set by Government are followed by all institutions; and
- ensure that the policy, strategic, expenditure, and decision-making trends are aligned and properly managed.

⁴⁴C. Chalklen, "The planning framework of government", in *Department of Provincial and Local Government (DPLG) Research Bulletin*, April 2003.

NEPAD has now been incorporated into this five-year decision-making process. Government has also established an IDCC responsible for SADC, the African Union and NEPAD. IDCC has requested all departments to submit proposals for NEPAD high-impact and high-visibility projects.

A pro forma was provided to Departments, with a request to list current and envisaged projects in terms of the following categories:

- domestic projects with possible regional and continental impact;
- SADC projects – multilateral;
- SADC projects – bilateral;
- projects in the African Union;
- projects in the Economic Commission for Africa/United Nations programmes in Africa; and
- other projects in Africa, excluding SADC countries.

IDCC and the various government departments are currently setting up five sub-committees to organize its work. These are:

- politics, defense and security;
- trade, finance and industry;
- food, agriculture and natural resources;
- infrastructure; and
- human resource development.

Whereas IDCC is tasked with playing a central coordination role, the various government departments continue to make their NEPAD-related inputs to the relevant sub-committees. For example, the Departments of Foreign Affairs; Defence; and Safety and Security would collaborate on the politics, defence and security sub-committee. The Departments of Trade and Industry as well as Finance in turn would make their contribution to the trade, finance and industry sub-committee. The Departments of Agriculture and Minerals, as well as Energy would similarly make their contribution to the food, agriculture and natural resources sub-committee. Again, it should be stressed that IDCC is tasked with the overall coordination, synchronization and harmonization functions with regard to NEPAD within the Government.

It should be pointed out that the overall government process is organized by priority cluster. For example, and relevant here, the Department of Foreign Affairs forms an integral part of the International Relations, Peace and Security (IRPS) Cluster. IDCC and the Department of Foreign Affairs would also report to, and brief the IRPS Cluster.

This system of multiple reporting within the Government does not, however, imply that the briefings are sporadic in nature. Instead, NEPAD is not only being integrated into most government planning processes, policies and structures, but Parliament also retains the premier accountability and oversight function in the overall integration of NEPAD into all government departments.

Thus, just as both NEPAD and the MDG processes are organized on the basis of clear thematic focal points, so departments of the Government of South Africa and IDCC seek to organize themselves by thematic NEPAD/MDG thematic focal point. GCIS, which is instrumental in the Presidential Outreach Programme, has also set up an Internal GCIS Committee that focuses on four priority areas:

- NEPAD outreach;
- the African Union;
- Africa Day promotions; and
- the transition from the South Africa chairpersonship of the African Union to the chairpersonship of Mozambique.

These project priorities, committees and programmes are clearly organized along NEPAD priority lines so as to find synergies between government NEPAD programmes and NEPAD continental initiatives. Different departments sit on different IDCC sub-committees, depending on line priorities and functions.

4.4 Financing of NEPAD priorities

Considerable donor support has been made available for the Regional NEPAD Secretariat in Midrand, South Africa. This support is earmarked mainly for continental NEPAD programmes. The Government of South Africa has been instrumental in helping to mobilize funds for the NEPAD Secretariat, and the

bulk of these funds has been put aside for cross-border NEPAD work. For example, the United Nations Development Programme (UNDP) country office in South Africa has recently entered into an agreement with the NEPAD Secretariat to provide support to the Secretariat for NEPAD work; UNDP has agreed with the NEPAD Secretariat to help strengthen the project management capacities of the Secretariat by providing a project manager and start-up technical support for fast-tracking recruitment and planning. There is a convergence between the strategy of NEPAD – which is to accelerate development of the continent – and the aims of the development framework of the UNDP Regional Bureau for Africa. Both share the overall goal of accelerating Africa's integration into world development and reducing poverty in line with the MDGs. The UNDP country cooperation framework for South Africa is seeking to align South Africa's own development goals and indicators with the MDGs.

The Government of South Africa is expected to initiate and kick-start the country's own NEPAD programme. The South Africa strategy is to task governmental structures and agencies to assist business, civil society and other societal formations to marshal resources to ensure implementation. This will be done by outsourcing projects to identified agencies and/or experts in a particular field as and when required.

IDCC will take the lead in coordinating the local programme and its funding; already a number of departments have submitted possible projects to the IDCC unit and inputs from other departments are currently awaited. For now, the Government of South Africa is expected to fund most of these projects and programmes, and government departments are also expected to factor NEPAD projects into their annual budgets and programming. The financial outlay by the Government for NEPAD priorities at the national level cannot be ascertained until the costing of NEPAD-related projects and programmes by all the departments of the Government are completed. IDCC and all government departments are waiting for the list of approved national, subregional and continental projects of the NEPAD Secretariat and the African Union Commission. These projects would

guide the responses and budget allocations of IDCC and various government departments. In short, until the list of approved projects is clearly defined and articulated by the NEPAD Secretariat in particular, we are unlikely to see the inclusion of clear governmental budget listing amounts. There is an indication from IDCC that a strong emphasis will be placed on infrastructure development projects.

The Government of South Africa has asked the Regional NEPAD Secretariat to provide clear guidelines for the identification of NEPAD projects, in particular with regard to the differentiation between NEPAD continental projects and national and regional projects. Departments of the Government of South Africa will then canvass for resources from donors, the NEPAD Secretariat, the NEPAD Implementation Committee, and the African Union for such projects and programmes.

In his 2003 national budget speech, the Minister of Finance, Trevor Manuel, announced that “South Africa remains at the forefront of multilateral initiatives aimed at promoting a more equitable international order and ensuring a better future for Africa’s people. The 2003 Budget accommodates a phased expansion of missions in African countries, funding for the African Union and the NEPAD Secretariat and increased contributions to regional development through the African Renaissance Fund Administered by the Department of Foreign Affairs”.⁴⁵ Clearly, this is no direct contribution for NEPAD programmes. It is more properly a contribution in kind and reflects the true nature of local financial commitment by South Africa to NEPAD on the home front.

In terms of the donor community, very few donors have thus far made funds available specifically to the South African authorities to support South African NEPAD projects and programmes. However, given the prominent role played by South Africa in NEPAD, the Government has been instrumental in lobbying international donors to support general NEPAD projects and programmes and the NEPAD Secretariat generally.

Despite the lack of funding going directly to the Government of South Africa for NEPAD projects and

⁴⁵Trevor Manuel, Budget Speech, 26 February 2003.

programmes, international donors based in South Africa are making available considerable funding to South African NGOs and CSOs for work on NEPAD and its promotion. Most think tanks in South Africa, notably those working in the areas of African peace, security, governance and democratization, all run NEPAD projects. AISA, the Electoral Institute of Southern Africa, the South African Institute of International Affairs, the Institute for Security Studies (ISS), the African Centre for the Constructive Resolution of Disputes, the Centre for Conflict Resolution, Safer Africa, and the Human Sciences Research Council all have active NEPAD programmes. Bilateral overseas donors fund most of these organizations.

Foundations such as the Ford Foundation, the Mott Foundation and the Open Society Foundation typically fund the NEPAD and African Union research of independent organizations such as the Centre for Policy Studies.

There are a few exceptions where donors have made direct grants to the Government of South Africa for its own NEPAD work. For example, having been approached by IDCC, DFID has made a substantial grant to the NGO, Safer Africa, for work on developing the NEPAD peace and security cluster, which is headed by South Africa.⁴⁶

The Government of Canada has made money for South African NGOs available through the International Development Research Centre to do work on NEPAD.⁴⁷ NGOs such as ISS have already benefited from such collaboration.

The South Africa office of the European Union recently approved 15 million euros (for a three-year period) to be allocated specifically for the promotion of NEPAD by South Africa.⁴⁸ The European Union has agreed to finance a pilot project on cooperation in the area of capacity-building, particularly in the training of civil servants at the regional level.

⁴⁶Telephone discussion with official in the South Africa office of DFID, Pretoria, 12 June 2003.

⁴⁷Telephone discussion with official in the Canadian International Development Agency office, Pretoria, South Africa, 11 June 2003.

⁴⁸Telephone discussion with official in the European Union office in South Africa, Pretoria, 11 June 2003.

4.5 Consultative process

It should be clear from the earlier discussion that the issue of internal government coordination and consultation is beginning to take shape. NEPAD enjoys priority attention at the highest levels of South African government and is being factored into planning from the Cabinet level down to the local government level. The Government regularly conducts workshops on NEPAD and is beginning to draw in provincial and local government structures and actors. The Government has also established a close relationship with all of the parastatals of South Africa (government-owned companies) such as ESKOM, ISCOR, TRANSNET and others, and all of them have active NEPAD programmes.

On the other hand, the setting up of NEPAD coordination units within the 27 government departments needs to be implemented and operationalized, with clear linkages with the NEPAD focal point in IDCC. The system of consultations and briefings envisaged as the working-level outreach of this system of divisional and central focal points is an integral aspect of the consultative mechanism within the Government and needs to be institutionalized.

South African civil-society actors, including the labour movement, the print and electronic media, universities and NGOs, have hotly debated NEPAD. The country is awash with conferences and workshops on NEPAD issues.

The Africa Institute of South Africa, the statutory research body mandated to work with Government on foreign policy and African affairs and tasked with consulting civil society on NEPAD, held numerous consultation sessions during 2002 and 2003. For example, meetings were held with people such as the Canadian High Commissioner in South Africa to deliberate on NEPAD and the G8 (13 May 2002).

From 1-2 July 2002, the Africa Institute also hosted a key consultation event called the "Continental Civil Society Meeting", which included key actors such as President Thabo Mbeki and several South Africa Ministers, including the Foreign Minister, Dr. Nkosazana Zuma, and the Minister of the Department of Arts, Culture, Science and

Technology, Dr. Ben Ngubane, as well as members of the South African Parliament.

Safer Africa, another NGO close to the Department of Foreign Affairs, has recently established the NEPAD Facilitation Unit. The Unit works closely with the NEPAD Secretariat, the African Union Commission and the Government of South Africa. It runs conferences for ambassadors and personal representatives of the NEPAD sub-committee on peace and security. Also, it provides additional capacity to the secretariats for the creation of draft policies and draft implementation structures for workshops at the political level prior to their adoption. Safer Africa has also established the Civil Society Participatory Unit to facilitate participation in NEPAD processes.

The problem is that the emphasis by Safer Africa is more on cooperation with existing structures than on consulting with civil-society entities. As an institution close to Government, Safer Africa should do more to facilitate consultation between Government and those entities and actors involved in the formal process on the one hand and those civil-society entities outside of Government on the other.

These efforts by AISA and Safer Africa should not be taken to mean that there is proper consultation between Government and NGOs on NEPAD issues. Indeed, the Government admits that there has been little consultation between itself and NGOs. It also recognizes this as a weakness on its part that signals a shortcoming in its outreach strategies. The Government further recognizes that it needs to accelerate its efforts to reach the mass of South African society on the issue of NEPAD. It admits that the public is poorly informed about NEPAD activities and acknowledges that it is the responsibility of Government to rectify this weakness. In this regard, plans are afoot to make room for formal civil-society participation in the IDCC coordination structure.

As far as business and the private sector go, there has been a considerable amount of dialogue and engagement by businesses in general on NEPAD issues. However, many businesses and private-sector entities have expressed disappointment about the lack of proper consultation between Government and them-

selves. As with NGOs, Government has also committed itself to creating opportunities for formal business and private-sector consultation in IDCC.

4.6 Conclusion

The integration of NEPAD into South African governance processes and structures is work in progress, but in many respects, it is advanced, especially when compared to the situation in other African countries. This is clearly a process, and evidence suggests that South Africa is in it for the long haul. This is not surprising, given the lead role of South Africa in the formation of NEPAD.

Integrating NEPAD into national governance and policy processes is indeed a complex undertaking. South Africa has begun to internalize the NEPAD processes and plans, creating structures and procedures in every government department to deal with NEPAD priorities. Government is now in the process of setting up relevant structures and institutions. The whole idea of NEPAD and that of making it a central tenet of governance and policy in South Africa enjoy priority attention in the Government. The Cabinet takes the issue very seriously and expects all government departments to integrate NEPAD into their work. Intra-government consultations are well established, especially at the national level. Most national departments have already set up their NEPAD units or are in the process of doing so. The outreach programme of the Government has also targeted provincial and local governments for NEPAD promotion and integration work. Even parastatals are regularly consulted and involved in NEPAD organizing activities.

However, consultations with the private sector and civil society are not as well established, and in many instances, the relationships with NGOs and CSOs are acrimonious and even discordant. While Government has recognized the importance of consultation with CSOs and NGOs, a considerable

amount of work needs to be done on this score. To be sure, the private sector is beginning to organize itself into effective structures in order to engage on NEPAD. It is very eager to be incorporated into NEPAD consultation structures and processes. Two of the lead civil-society entities involved in the NEPAD process – AISA and Safer Africa – could do better than just creating space for civil-society actors to deliberate with each other about NEPAD and share their misgivings about the project. What is needed are genuine opportunities for civil-society actors to make informed inputs into NEPAD processes, as opposed to merely rubberstamping the processes and deliberating on it. Thus, opportunities for genuine consultation are needed.

While Government has become effective with aspects such as media briefings and organizing conferences and NEPAD events for the more attentive society, it also concedes that outreach to the general populace is very weak and a great deal of effort will have to go into this area.

As the first chair Government of the African Union, the policy of South Africa was to ensure that African Union developments were in line with NEPAD priorities and that SADC and other regional economic communities are also engaged in NEPAD activities. Pretoria has also promoted a closer alignment between African Union and NEPAD programmes. The policy of South Africa also sought to enhance efforts to create greater synergy and compatibility between regional and continental programmes of action.

NEPAD strategy often notes that the issue of capacity-building is critical to the successful implementation of NEPAD, and a very strong focus on capacity-building has been built into almost every aspect of the South Africa NEPAD programme.



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