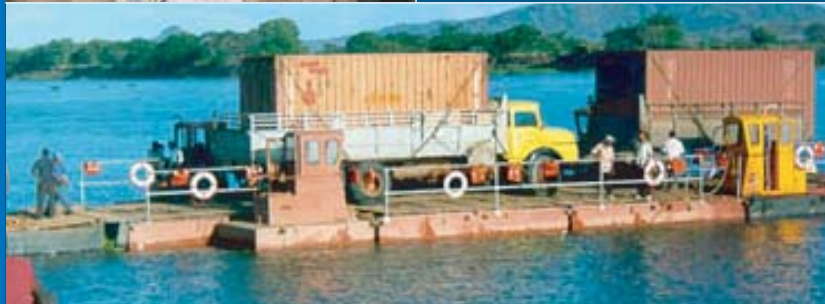




Economic Commission for Africa



ECA Prospectus 2004



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Or contact

Publications
Economic Commission for Africa
P.O.Box 3001
Addis Ababa, Ethiopia

Tel.:251-1-44 37 70
Fax:251-1-51 03 65

E-mail: ecapubs@uneca.org or ecainfo@uneca.org

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Foreword

Colleagues, next year will present Africa with a number of opportunities to make its case and further galvanize international support for the continent's development. The Economic Commission for Africa (ECA) is determined and well-positioned to advance this agenda.

For example, there is a major review of the Monterrey Consensus on financing for development. We need to be there to present our own evaluation of the progress made on commitments to sound national policies and good governance on the part of African nations and more effective assistance by the international community. At the United Nations (UN) review on progress towards meeting the challenges of the Millennium Development Goals (MDGs), the voice of Africa should also be united and clear on what we have achieved so far and what more needs to be done to fulfill these goals.

Further, 2005 is the year when the United Kingdom chairs the G-8 and European Union (EU) Summits. Prime Minister Blair has committed to make Africa the top agenda item of these pivotal forums. He has established a Commission on Africa on which I am honored to serve alongside other prominent Africans like Tanzania's President Benjamin Mkapa, Ethiopia's Prime Minister Meles Zenawi, South Africa's Finance Minister Trevor Manuel, and Anna Tibaijuka, Executive Director of UN-Habitat. The group will spend the next year analyzing the well-known problems of underdevelopment on the continent and setting an agenda to get Africa on track to meeting the MDGs. The Commissioners' report will be published next April with its priority action plan.

And, the whole world will also reflect on the ten years since the adoption of the Beijing Platform for Action, which also provides an ideal opportunity for us to present our candid assessment of where we are regarding the promotion of gender equality in Africa. Finally, of the twenty-three countries that have acceded to the African Peer Review (APR) of the New Partnership for Africa's Development (NEPAD), ECA has already participated with the APR Secretariat and various partners in preliminary assessment missions to Ghana, Mauritius, and Rwanda. The Commission undoubtedly will have a great deal more to contribute to this landmark process.

These are just some of the challenges that lie ahead. This second edition of the annual Prospectus of the ECA is produced to keep you, our collaborators and constituents, apprised of

our successes and evolving plans as they relate to vital international events and African needs. As you may recall, last year's Prospectus outlined how this forty-six year-old Commission is one of five regional bodies under the administrative direction of the UN Secretariat in New York, mandated to support the economic and social development of its 53 member States and the regional economic communities (RECs). Drawing on the structure of its six substantive divisions, the Commission provides research, policy analysis, advocacy services, and technical assistance, and strives to build consensus on Africa's key challenges. ECA's five sub-regional offices in Kigali, Lusaka, Niamey, Tangiers and Yaoundé serve as vital links between the work generated at headquarters and policy making at the sub-regional levels.

As we look toward the future, I can assure you that the Commission is poised to deliver policy-relevant findings and promote unambiguous positions that will contribute to informing and guiding decisions on all of the above and to addressing the many other complex needs of Africa's governments and people. The last issue of the Prospectus detailed the extensive process of reform that ECA has undertaken since 1996 in order to transform the organization into a robust and valued center of excellence in policy analysis. I know that we are in a stronger position than ever before, and this was confirmed unequivocally by an independent external review panel conducted this past year that evaluated the breadth and depth of ECA's restructuring. The significant leadership role that the Commission has taken on was also recently lauded at the May 2004 Conference of African Ministers of Finance, Planning and Economic Development. The Ministers emphasized that ECA is now a leading voice on policy making on the continent.

As we turn to our present work programme, there is justifiably a great deal of continuity to our research and advocacy from year to year. However, we have brought to closure a number of initiatives that were winding down, and, in the same vein, we have also launched several new and timely activities that will take shape in the near future. Within these pages, therefore, I am briefly sharing in Chapter One the highlights of what we have accomplished since June 2003, before going on to Chapter Two, which details some of our latest plans to deepen work in certain strategic areas over the next three years. Finally, Chapter Three outlines the strategic base that ensures that we will get there.

We cannot afford to miss any of the opportunities ahead as we work together in partnership. NEPAD has clearly outlined Africa's priorities and a revitalized African Union is providing concrete leadership. I look forward to offering further information on any of the issues featured herein and continuing to exchange ideas and explore innovative ways to serve the continent. Please also visit us at our website at www.uneca.org.



K.Y. Amoako
Executive Secretary
Addis Ababa, June 2004

Preface: About ECA

Established in 1958, ECA is one of five regional commissions under the administrative direction of United Nations headquarters. As the regional arm of the UN in Africa, it is mandated to support the economic and social development of its 53 member States, foster regional integration, and promote international cooperation for Africa's development. It reports to the UN Economic and Social Council (ECOSOC).

The Commission is organized around six substantive programme divisions: Development Policy Management; Economic and Social Policy; Gender and Development; Information for Development; Sustainable Development; and Trade and Regional Integration. Five sub-regional offices contribute a subregional perspective to the work programme and support outreach. Drawing on this structure, ECA deploys modalities and services to support its member States.

Policy Analysis and Advocacy

Policy relevant analytical work is central to the overall work of ECA. Drawing on this work, the Commission serves as a policy advocate on critical development issues, to encourage the initiatives and reforms necessary for economic and social advancement in Africa. Advocacy is focused on internal as well as external constituencies. Within Africa, it involves promotion of sound policies and dissemination of best practices in economic and social development. An important part of the Commission's advocacy work is fostering regional cooperation and integration, by helping member States strengthen intra-regional linkages and helping establish and strengthen sub-regional organizations and institutions. To deliver these services, ECA systematically draws upon the work of other sources of knowledge and expertise, as contributors to its analytical work, as peer reviewers of work in progress, as hubs for dissemination of completed work, and as agents for policy advocacy. National and regional African research institutions, African researchers and development professionals are notable examples of this outreach.

Building Consensus on Africa's Key Challenges

ECA plays a critical role in helping build consensus around key African development challenges and in articulating common African perspectives and positions, which then form the basis for engagement with the international community. Its mandate and ability to convene senior policy makers and other development stakeholders is pivotal in ensuring this role. In recent years, the annual Conference of Ministers of Finance, Planning and Economic Development and the African Development Forum are key examples of this.

To inform ECA's work on an ongoing basis, and as result of a concerted effort to streamline its policymaking bodies, the Commission convenes Committee meetings on the following themes: Women and Development; Development Information; Sustainable Development; Human Development and Civil Society; and Trade and Regional Cooperation and Integration. These meetings attract policy makers, as well as other leading development actors, to inform and guide ECA's work on specific themes. Similar Committee meetings are organized by the Commission's five sub-regional offices to ensure coherence. Other smaller expert-level meetings are also organized on an ongoing basis to share norms, standards and best practices, and to engage in advocacy.

Technical Assistance

To help design and implement policies and programmes aimed at meeting clearly defined development goals, ECA also provides technical assistance and policy advice to African countries and the regional economic communities. The assistance is delivered through a variety of tools, including on-demand regional advisory services, training workshops and seminars, and fellowship and internship programmes involving visiting scholars and researchers. In providing this assistance, and in addition to its core analytical staff, the Commission draws on a specialist pool of regional advisers, who provide specific policy advice on demand.

Supporting Sub-regional Activities

ECA's five sub-regional offices (SROs) in Kigali, Lusaka, Niamey, Tangiers, and Yaoundé serve as vital links between policy-oriented analytical work generated at headquarters and the capacity of member States to harmonize macroeconomic and sectoral policies at the national and sub-regional levels. They undertake sub-regional preparations for major regional forums and spearhead sub-regional follow-up of global conferences. They also serve as hubs for the dissemination of ECA's policy analytical work—employing workshops, training, data collection and knowledge sharing. Over the next three years, emphasis will be placed on high-impact activities that African countries have identified as priorities for their respective sub-regions, such as trade, infrastructure, gender mainstreaming, HIV/AIDS, agriculture, food security, the environment, and post-conflict reconstruction and development.

The regional economic communities (RECs) are ECA's main clients at the sub-regional level. As such, the Commission and its SROs will work closely with the main RECs, as well as

their subsidiaries, to harmonize membership, strengthen policy and build technical capacity to pursue regional integration. The focus of the SROs will also increasingly be on the New Partnership for Africa's Development (NEPAD) and on enhancing partnerships between the African Union (AU), the African Development Bank (ADB), other UN bodies working in the sub-regions and the RECS in support of the operational activities of the thematic clusters identified by the Regional Consultation of UN Agencies working in Africa.

The seven building blocks of the African Economic Community are the Arab Maghreb Union (AMU), the Community of Sahel-Saharan States (CEN-SAD), the Common Market of Eastern and Southern Africa (COMESA), the Economic Community of Central African States (ECCAS), the Economic Community of West African States (ECOWAS), the Intergovernmental Authority on Development (IGAD), and the Southern African Development Community (SADC).

1. Accomplishments since June 2003

ECA has a broad and diverse work programme that explores and promotes inter-related policies and analysis for significantly improving Africa's growth prospects and supporting the potential and well-being of its people. The following is a snapshot since the last edition of the Prospectus of some of the major activities carried out and services provided to member States, and why they add value. The next phase of some of these activities is elaborated in Chapter 2 on the Commission's future directions.

Undertaking Policy Research and Advocacy

Measuring and monitoring Africa's progress in various sectors is central to the overall work of ECA so as to encourage the policy initiatives and reforms necessary for economic and social development. For instance, ECA is very pleased to report that, overall, *governance in Africa is getting better*—contrary to what could be said two decades ago and, despite what is still so often said abroad and even within the continent. The *African Governance Report*, whose ground-breaking indicators started to take shape back in 1999 features results from the first 28 countries surveyed.

National expert- and household-level surveys from our research give us insight into *certain discernible trends*. To begin, there is popular participation in the electoral process, and the political space has been liberalized so that minority groups enjoy more rights. Political parties now flourish, providing viable, albeit often weak, opposition to the government. Women, in particular, are being more recognized in the political and economic realms. Further, human rights and the rule of law, hitherto suppressed, have become more accepted norms. And there are media and civil society advances in many countries. Finally, a fairly open system and procedure of policy making is being entrenched, while the principle of separation of powers among the three democratic institutions of government — the executive, legislature and judiciary — is gradually being established.

The findings are already being used to inform the African Peer Review process. And the results are expected to stimulate further dialogue and action on key issues for sustaining and

“ Findings from the African Governance Report are already being used to inform the African Peer Review ”

internalizing the norms of good governance in Africa. They will be widely discussed at this year's African Development Forum (ADF) IV in October, on the theme of "*Governance for a Progressing Africa*," which will result in concrete proposals and consensus on the way forward. However, all of these trends are fragile and need reinforcement. In particular, *economic governance still needs a greater push*. The private sector is getting more encouragement, but the process to legally establish enterprises still is time-consuming, and the low level of investment in most countries shows that Africans and their foreign partners both need to be more confident to invest.

In connection with the policy measures that Africa needs to put in place in order to benefit from existing and future opportunities in the global marketplace, the soon-to-be-released *Economic Report on Africa (ERA) 2004* raises *fundamental questions about trade liberalization*, which so far has not always brought about the expected transformations in African economies. The report shows how Africa can learn from Asia's experience, whereby trade policies had been dynamic and went beyond protection and revenue maximization, driven by strategic development objectives. This ERA introduces a *Trade Competitiveness Index*, based on some thirty indicators, as a tool for policy makers to develop their countries' competitive strengths and remove bottlenecks to their performance. The top-scorers in terms of trade-enabling environments — Mauritius, South Africa, Namibia, and Tunisia — have lessons to impart. Among the strategies recommended overall are promoting export capacity, facilitating diversification, improving infrastructure, and creating jobs with a focus on small and medium enterprises.

“ERA 2004 recommends promoting export capacity, facilitating diversification, improving infrastructure, and creating jobs”

Related to the failure of World Trade Organization (WTO) talks in Cancun last year, ECA just completed a study on *the impacts of OECD agricultural policies on African economies*, in collaboration with the Agricultural Economics Research Institute (LEI) in the Hague. The outcomes are of immense use to African trade negotiators and officials. They will be informed with a new level of precision about the damage being done to their economies by these policies, and will be able to distinguish the impact of each of the three pillars of contention, namely domestic support, export subsidies, and market access.

The prescription for further stimulating export diversification and driving intra-African trade, which only accounts for 10% of the continent's total trade, is undoubtedly to intensify regional integration. After several years of exhaustive work, ECA has released the *Assessment of Regional Integration in Africa (ARIA)*. The report thoroughly appraises the integration process so that a clear, comparative picture emerges as to the pace at which the agenda is moving, within the various regional economic communities and at the continental level, and presents the way forward in such major sectors as trade, money and finance, infrastructure, natural resources, industry, commodity production, agriculture, and labor mobility.

The results of other assessments that ECA continued to undertake in 2003 are pointedly tied to the Decade Review of the 1995 Beijing Platform for Action, which will take place in 2005. Women's poverty indisputably remains a major issue to tackle in Africa. Of the nearly one in two people on the continent who survive on less than \$1 a day, the majority are women. They also continue to have less access to education, health and technologies than men. In order to make *the extent of gender disparities* as explicit and quantifiable as possible, for the past two

years, the Commission has been developing tools and mechanisms to capture and comprehensively measure the realities of women in Africa.

Last year, work was completed in testing the *African Gender and Development Index* in 13 countries. This innovative tool will be used by policy makers, planners and civil society to monitor and track priority actions toward gender equality agreed upon in regional and international conventions. The index as well as newly updated gender profiles for all 53 African countries—which document women’s status related to decision-making processes, educational enrollments ratios, health and HIV/AIDS, access to credit, employment, and human rights—will be launched at the ECA-coordinated Africa Regional Review Meeting for Beijing+10, coming up in October 2004.

In sub-Saharan Africa, women comprise 60% of the informal sector, 70% of the agricultural labor, and produce 90% of the food. Yet their contributions to the national economy are not accurately reflected in macroeconomic data. For this reason, ECA has been promoting the generation of *gender-disaggregated time-use data* to assist governments in integrating household production, including women’s non-market work, into national development policies and poverty reduction strategies in Africa. In 2003, ECA finalized an Africa-specific guidebook, which is a *compendium of methodologies and tools* to improve the skills of statisticians, national accountants, planners, and policy analysts in employing time-use surveys, national accounts, and the national budget as entry points to gender analysis.

The gender dimensions of HIV/AIDS in Africa are also particularly grave: women are more vulnerable to HIV and are the principal caregivers when illness and death strike the family. In an effort to examine the epidemic in all its aspects and the likely future implications on the capacity of African governments to manage, the UN Secretary-General established the Commission on HIV/AIDS and Governance in Africa (CHGA) in February last year. Under the Chairmanship of ECA’s Executive Secretary, CHGA represents the *first occasion in which the continent most affected by HIV/AIDS will lead the research and advocacy agenda*. The Commission held its inaugural session in Addis Ababa in September 2003 to agree on its research agenda and its collaboration with other institutions. The research agenda was further refined at the second meeting of the Commissioners in Mozambique in March 2004.

Some areas of study include the impacts of HIV/AIDS on rural livelihoods and family structures; and the macroeconomic impacts of the epidemic and the implications for poverty and inequality. As is evident, all of these have gender dimensions. Further, the capacity of existing health systems to cope with increasing additional demands for both prevention and care for HIV-related illnesses, including scaling up antiretroviral (ARV) treatment and care in resource-limited settings, are being examined as well. (*For more details on the advocacy plans, please see Chapter 2.*)

Sharing Knowledge and Strengthening Capacity

ECA has a mandate to assist member States in implementing policies and programmes through technical co-operation. For instance, as the agenda of the multilateral trade negotiations has

“Some areas of study for CHGA include the impacts of HIV/AIDS on rural livelihoods and family structures; and the macroeconomic impacts of the epidemic”

expanded in recent years, most African countries have found their capacities inadequate to deal with the complex issues that have emerged. In 2003, at the request of member States, ECA undertook several activities aimed at strengthening officials' abilities to more effectively participate in the new multilateral trade arrangements. For example, in collaboration with the African Union (AU) and other organizations, ECA organized a second *high-level brainstorming meeting of African trade negotiators* in Mauritius in June, which informed the African common position for the Fifth WTO Ministerial held in Cancun in September.

The Commission, AU, and the Government of Ghana then organized an experts group meeting in November 2003 to undertake a comprehensive evaluation of *the implications of the Cancun WTO meeting* for African countries; assist countries of the region to develop and refine strategies for further negotiations; and identify the immediate research needs of African countries in this context. Further, a training workshop on enhancing capacities in agricultural trade negotiations was conducted in Tunisia in April 2004.

To ensure considerable progress in all these areas, ECA has begun to operationalize the *African Trade Policy Centre (ATPC)* with the strategic partnership of the Canadian government. The Centre is designed to provide Africa-specific research, training, knowledge and tools on trade-related issues, such as the accession to the WTO and negotiations on the trade protocols of the European Union Economic Partnership Agreements (EPAs); intra-African trade promotion; mainstreaming trade into national development policies and programmes; and the revenue implications of trade liberalization. Through ATPC, ECA enhances its capacities in information dissemination and trade-related advisory services and technical support.

ECA's Inter-regional Advisory Service in Geneva also came into its own in 2003 by becoming a much commended part of the *daily front-line support to the Africa WTO Geneva Group*. The Commission has been providing to trade negotiators demand-driven technical assistance in day-to-day negotiation processes within the WTO, the most recent findings from informed research, the latest trade developments and their potential implications for Africa.

In the framework of attracting more investment to Africa and *enhancing resource mobilization for achieving the Millennium Development Goals (MDGs) in Africa*, ECA has been concerned about developing capital markets on the continent for many years. A detailed needs assessment carried out by ECA and others a few years ago had identified a number of gaps in the operation of African capital markets, such as the shortage of skilled financial technocrats and the lack of training institutions. It recommended increasing educational activities; supporting the development of institutional investors; encouraging trusts and pension funds; and training key market players, such as brokers.

In response, through the ECA-established *Capital Markets Forum*, Ministers of Finance, senior government officials, Chief Executive Officers of several banks and stock exchanges in Africa gathered twice last year to share policy options for promoting the further development of the continent's capital markets and to map out action plans. In South Africa, in collaboration with Rand Merchant Bank, Southern and Eastern Africa participants discussed the role of government, the development of debt and other markets, public education, and the need for a sound and transparent governance system. Although North African capital markets are

“
Through the
African Trade
Policy Centre,
ECA enhances
its capacities
in information
dissemination
and trade-related
advisory services
”

more developed, they face their own set of challenges. Along with the Cairo and Alexandria Stock Exchanges and J.P. Morgan Investment Bankers, the second workshop in Egypt examined how to strengthen the regulatory environment, increase liquidity, develop new financial products, and increase participation of both domestic and foreign companies.

As part of efforts aimed at *strengthening the preparation of national poverty reduction strategies (PRSPs)*, ECA convened the third meeting of the African PRSP Learning Group in December 2003 to facilitate systematic information sharing and peer learning among African countries. This past meeting was innovative in number of ways—it highlighted the experience of countries at early stages of the PRSP process (e.g., Democratic Republic of Congo and Niger), examined the poverty reduction strategies of a number of non-highly indebted poor countries (i.e., such as South Africa and Nigeria), considered in some detail the importance of social safety nets (e.g., the experience of Egypt) and country experiences with addressing the HIV/AIDS development challenge. Participants observed that there is an increasing engagement with the issue of poverty across the continent by stakeholders and that the quality of PRSPs is improving across the board. However, it was noted that more efforts are needed to ensure the consistency of these strategies with macroeconomic policies, structural reforms, and sectoral strategies and outcomes for sustained long-term growth.

Finally, another critical area of technical cooperation has been launched related to the *African Peer Review (APR) process*. At the request of the New Partnership for Africa's Development (NEPAD) Heads of State and Government, the Commission will participate in in-depth assessments in the areas of political, economic, and corporate governance and socio-economic development, in partnership with the African Development Bank (ADB), AU, UN Development Programme (UNDP), coordinated by the APR Secretariat, and led by a member of the Panel of Eminent Persons. ECA participated in *recent missions to Ghana, Mauritius and Rwanda*—the first countries to be evaluated—which assessed each country's preparedness and capacity, particularly the national structures and mechanisms that have been put in place to ensure success. The support missions will be returning to the countries to consult a wide range of stakeholders and assist with the background report for the APR Secretariat. ECA's ongoing governance, gender, and African PRSP Learning Group work, as well as the *Economic Report on Africa*, are strongly informing the process.

“The PRSP Learning Group observed that the next generation of PRSPs must focus more consistently on pro-poor growth”

Setting the Agenda and Fostering Dialogue

ECA serves as a catalyst for African development activities by convening various fora for relevant governmental and civil society organizations who have common goals, so they can forge allied positions. For example, a special session of the “*Big Table*” was convened in October that brought together African Finance Ministers and their Organisation of Economic Co-operation and Development (OECD) counterparts from Development Cooperation Ministries on how the *Bretton Woods institutions' policies and practices* could best contribute to Africa's efforts to realize the MDGs. The meeting focused on the inadequacy of existing mechanisms to address exogenous shocks and also considered Africa's financing needs, the forms and terms of assistance, and the role of debt relief in the broader context of financing for development.

Africa's solid positions on these issues were subsequently used to inform the April 2004 Spring Meetings of the World Bank and IMF and the most recent G-8 meeting in the US.

In addition, on debt relief, in November, ECA and the Government of Senegal gathered 70 experts from around the continent representing country authorities, the AU, NEPAD, various UN organizations, the World Bank, IMF, the Paris Club and nongovernmental organizations to discuss strategies and policies for *resolving the legal aspects, sustainability, and financing of debt relief*. Of particular concern to Africans was the fact that since the 1999 G-8 Summit, at which the Jubilee 2000 Campaign won a commitment from rich nations to cancel \$100 billion of debt for 42 of the world's poorest nations, only eight African countries have reached their completion points under the enhanced HIPC Initiative. In the meantime, the economic conditions on which debt relief was based have considerably worsened, and many countries, including those few that received debt relief, have backtracked into further unsustainable debt.

Therefore, the experts acknowledged that *while the HIPC Initiative has delivered tangible benefits to several African countries, much more remained to be done*. For instance, the international financial community was urged to rapidly consider the debt of "semi-HIPC" countries like Angola and Kenya, non-International Development Association (IDA) countries like Nigeria, and severely indebted middle-income countries like Gabon. They concluded that further debt relief on its own would be woefully insufficient for Africa to finance the MDGs. The experts also underscored that future resource transfers beyond countries' sustainable debt-serving capacities should be in the form of grants, not debt flows that could lead to future debt problems.

“Experts concluded that further debt relief on its own would be woefully insufficient for Africa to finance the MDGs”

Lastly, the meeting emphasized that a permanent solution to Africa's external debt problem will require *good economic governance and management on the part of African countries*. The lack of a consolidated African position and an effective and unified voice to engage in constructive dialogue with Africa's development partners with regard to debt relief was identified as one of the factors delaying an early resolution to the continent's debt problems. To address the present void, it was recommended that an ECA-led Ad-hoc Technical Committee be established to address timely and competent African responses to emerging global policy proposals on debt relief and financing for development as needs arise.

At its annual Conference of Ministers of Finance, Planning and Economic Development in Kampala in May 2004, as always the Commission reported its progress in several areas and received valuable feedback in setting its own agenda. During the policy debate on trade related to external factors, the Ministers underscored *the importance of successfully concluding the Doha Development Round* in order to better integrate Africa into the global trading system. They cited the willingness of the international community to address market access issues as a litmus test of their commitment to Africa's development; they particularly welcomed the positive contribution of the US African Growth and Opportunity Act (AGOA) for promoting African exports, and strongly urge its timely renewal beyond 2008.

Next, on the domestic side, the Ministers reached consensus that *trade must be mainstreamed into broader national development strategies in order to achieve pro-poor growth*.

They acknowledged that actions at the multilateral level are crucial in order to enhance trade opportunities for Africa, and also concurred with ECA's analysis, as presented in the *Economic Report on Africa 2004*, that African countries also need to adopt dynamic trade policies and remove domestic bottlenecks in order to be more competitive. Lack of access to trade financing, information, and technology are major constraints for African entrepreneurs wishing to establish or expand export-oriented businesses. Better trade facilitation processes must be made a priority as delays at customs points are a key obstacle to commerce in Africa. The Ministers also acknowledged that action to mainstream trade is best handled at the inter-ministerial level to ensure systematic promotion of mutually reinforcing policies. This requires cross-ministry policy coherence, including the areas of trade, employment, education, agriculture, transport, and industry. They also *recognized their critical roles in coordinating national development strategies* through the budget process, medium-term expenditure frameworks, and poverty reduction plans.

Finally, they commended the ECA's steady focus on *mutual accountability, harmonization of aid modalities and policy coherence*, which are now widely acknowledged as being central to the implementation of the global development agenda. In this context, results from the Mutual Review of Development Effectiveness that ECA and OECD have been conducting all year, and that are due out in 2005, are greatly anticipated (*more on that in Chapter 3*).

In support of Africa's sustainable development needs and responding to the nearly 300 million Africans who lack access to safe water, the pioneering *Pan-African Implementation and Partnership Conference on Water*, hosted by ECA in December, was the high point of sustained efforts by UN-Water/Africa to mobilize political, institutional, and financial support for the African water sector. The conference brought together more than 40 water and environment Ministers from around the continent, together with more than 1,000 delegates representing intergovernmental organizations, NGOs and other stakeholders. The conference launched the *African Water Facility*, with targeted funding of \$600 million for water and sanitation projects, as well as other initiatives. ECA has also been instrumental in setting out the Water Vision for 2025 and mobilizing political will through the formation of the African Ministers Council on Water.

Another big event for the Commission was the *World Summit on the Information Society (WSIS)* in Geneva, also in December. This lively conference of over 11,000 participants aimed to create a common vision and action plan on how to deal with the new challenges of the information society, specifically ways to help bridge the digital divide. ECA worked tirelessly last year to prepare African positions and input by holding dialogues with civil society, Parliamentarians, the media and African academics, and will continue to prepare Africans for the next phase of the WSIS to be held in Tunisia in 2005.

ECA participated in the launch of several important initiatives at that conference, including the *Global ePolicy Resource Network (ePol-NET)*, which is designed to mobilize international support for the development of national e-strategies. The network focuses on providing related information in such areas as telecommunications policy and regulation; e-commerce and Internet policies; e-government strategies; and the use of information and communica-

“ ECA has been instrumental in mobilizing political will through the formation of the African Ministers Council on Water ”

tion technologies (ICTs) in the social sectors, including health and education. ECA has set up the African regional node of ePol-NET to coordinate demand from African institutions seeking guidance and advice on e-strategies.

In the area of statistical development, the Commission has in the past year taken vigorous steps to revitalize its statistics functions at a time of increased demands for robust, reliable and comprehensive data. To provide member States with a forum where they can build consensus on the relevant and emerging issues in the field, the newly formed ECA-serviced *Advisory Board on Statistics in Africa (ABSA)*, comprised of 15 experts from national statistics offices, statistical training institutes and other sub-regional organizations and agencies, will be critical to this function. The *Forum for African Statistical Development (FASDEV)*, which was also recently inaugurated by ECA (as Secretariat), ADB, the Partnership in Statistics for Development in the 21st Century (PARIS21), and the World Bank, is an important first step toward setting up a permanent medium for monitoring statistical development in Africa. It will help advocate for national statistics programmes, consider financing needs, and suggest modalities to create more synergies among partners.

“ECA worked tirelessly last year to prepare African positions for the World Summit on the Information Society (WSIS)”

Finally, in preparation for ADF IV, ECA organized three workshops to discuss specific *sub-regional dimensions and continent-wide perspectives on good governance*: in Zambia in November 2003 covering 14 country studies in Southern and Eastern Africa; in Ghana in December 2003 covering 11 countries in West and Central Africa; and in Egypt, also in December, which looked at results from Egypt, Ethiopia and Morocco. The workshops brought together the partner research institutions and representatives of governments, civil society organizations, academia and the private sector. And prior to the Africa-wide review of the continent's progress toward meeting the tenets of the Dakar and Beijing Platforms for Action, ECA held Ad-hoc Expert Group meetings in every region to discuss achievements over the decade and agree on *the major challenges ahead over the next ten years in promoting gender equality*.

2. Priority Activities, 2004-2006

Monitoring and Tracking Africa's Development Performance

A major focus of ECA's work is on tracking performance and progress in Africa in various areas that are critical and timely for policy makers. Based on robust analytical foundations, ECA will continue to develop indicators in number of key areas as follows.

Economic Report on Africa (ERA)

As in past years, ECA's flagship publication will be published annually. In its 2005 edition, ECA plans to assess the *employment and poverty challenges facing Africa*. With millions out of jobs or existing in the precariousness of the informal economy, including many of the continent's youth, pro-poor policies related to work must be mainstreamed into national poverty reduction strategies in order to achieve the MDGs. The ERA will address various employment-enhancing strategies to increase demand for labor, develop the quality, skills and productivity of the workforce, and improve workplace policies and conditions. Issues to be examined include modernizing agriculture, promoting market access and technological advancements, creating more incentives for entrepreneurship and investment, and addressing gender-based barriers to employment, as well as the ramifications of HIV/AIDS.

Assessing Regional Integration in Africa (ARIA)

The second edition of ARIA to be published in 2005 involves *a detailed study on the rationalization of the regional economic communities* (RECs). It will investigate the long-standing issue of multiple RECs and their overlapping mandates and memberships, and the problems posed for Africa's integration. Comprehensive questionnaires and fact-finding missions are being sent to all 14 RECs to clarify legal statutes, programme coordination, and technical and management capacities. ARIA II will propose policy recommendations on streamlining and coordinating activities and combining expertise to minimize duplication and save scarce resources, and on centralizing RECs in each of the African sub-regions to work more effectively as focal points with AU. A Steering Committee has been established to allow different parties to provide intellectual input and information, comprising AU, selected RECs, ADB, UNDP and the World Bank.

“ARIA II will propose policy recommendations on streamlining activities and combining expertise within the regional economic communities”

African Governance Report (AGR)

The capable state is a necessary prerequisite for peace, security and economic development. Fully supporting that, for the past couple of years, ECA has used 82 core indicators to measure and evaluate broad areas of governance in 28 countries, with results being launched in the upcoming inaugural issue of the AGR. To supplement and deepen their analysis, ECA is producing brief profiles of the state of governance in each of the countries studied, which will popularize the extensive work undertaken by each partner research institute. As a long-term endeavor, *the governance study will be implemented in 12 additional countries* in the next two to three years. The next AGR in 2006 will release and analyze further trends at that time.

African Women's Report (AWR)

The *African Gender and Development Index (AGDI)*, which measures the relative gender equality in member States based on readily available quantitative indicators as well as more qualitative scoring, has been tested in 12 countries. The in-depth results will be reported in the next edition of the AWR coming out in mid-2005. In order to build local capacity for gathering gender-disaggregated data, ECA has been using a participatory methodology that involves communities, NGOs, and independent institutions and experts. The teams that participated in the 12 pilot studies will be used to train the teams that will undertake data collection in the other countries. Next year, *data from 15 more countries will be assembled*, and in several years, all of Africa should be covered.

Report on Sustainable Development in Africa

In keeping with World Summit on Sustainable Development (WSSD) priorities and using a set of selected indicators, ECA will regularly monitor the state of sustainable development in Africa (focused on issues such as population, environment, food security, and science and technology infrastructure). Further, the report will critically examine and prescribe policies based on the clusters of thematic issues to be reviewed by the Commission on Sustainable Development (CSD). For the first issue in 2005, ECA will focus on the *management of land-based resources in Africa*, which will include the role of public-private partnerships in harnessing water resources for food security; the improvement of public participation in the development of mineral resources; and the economic and social impact of legal and regulatory frameworks for power sector reform.

African Water Development Report (AWDR)

With its partners, ECA as the Secretariat of *UN Water/Africa*, will publish the biennial AWDR aimed at providing Africa's decision makers with a basis for managing Africa's water resources by monitoring the progress made in implementing eleven development challenges identified in the African Water Vision 2025 and adopted as priority issues by the African Minister's Council on Water. The first Interim version of the AWDR was released in mid-2004 with *data from 10 countries/river basins*. The final version in 2005, in collaboration with ECA's sub-regional offices, will provide more national data based on their sub-regional reports.

Scoring African Leadership for Better Health

The major output of ECA's ongoing collaborative work with AU, UNAIDS, and the World Health Organization (WHO) is the soon-to-be-released monitoring report on *progress made by*

“
The African Gender
and Development
Index measures
the relative gender
equality in member
States”

African leaders on the 2001 Abuja Declarations to combat HIV/AIDS, tuberculosis and malaria.

It provides benchmarks on how African countries are doing in keeping their promises, particularly to bolster national institutional responses, strengthen health systems, forge partnerships, mainstream health into the development agenda, mobilize resources, and invest in research and development. The report identifies areas that need further impetus, cites best practices, and highlights lessons learned. Discussions are underway between the partners on the specific focus of the 2005 edition: it will measure one of the major areas of commitment in depth in one sub-region.

Support to the African Peer Review Mechanism (APRM)

An important area of focus in the coming years will be ECA's technical support to countries that have volunteered to undergo evaluation on the agreed-upon codes of conduct for good governance through the APRM. The initial step is the Country Review, the baseline that is to be conducted within 18 months of a state acceding to the APR. ECA has already participated in the preliminary assessment missions for Ghana, Mauritius, and Rwanda. Since over twenty countries have acceded, *it is anticipated that ECA will support an additional number of assessments over the next few years.* To meet these demands, the Commission is identifying a pool of ECA professionals and external experts who can be called upon to assist in APR missions.

Poverty and Social Policy Analysis and Capacity Building

Drawing on country experiences and on available empirical evidence, ECA will continue to engage countries on the key policy and institutional requirements for reducing poverty.

Monitoring Africa's Progress toward Achieving the MDGs

For Africa, improving economic performance and achieving the MDGs is a matter of great urgency, particularly *MDG 1 on halving extreme poverty by 2015.* ECA will be producing a report in 2005 that investigates the current thinking on meeting the MDG challenges. It will provide a critical assessment of the issues based on the Commission's own theoretical and empirical work—its experiences with the MDGs, PRSPs, and governance, as well as Demographic and Health Surveys (DHS) and data on household living standards. The study will also update the progress of African countries toward achieving MDG 1, using tools that account for changes in such economic fundamentals as financial and political governance, policy analysis and implementation capacities, global partnerships, and related factors.

African Learning Group on the Poverty Reduction Strategy Papers (PRSP-LG)

A stocktaking meeting to analyze the lessons learned from the past three years and lay future plans resulted in ECA plans for an *African Plenary on National Poverty Reduction Strategies* in 2005, which is envisaged to provide African input into the next generation of PRSPs and an African voice on the scope and content of an ideal national plan. Issues to be addressed include comprehensive and sustained growth models that are based on agricultural productivity and private sector development; ways that growth can be made more pro-poor, particularly related to labor markets and employment generation; and the social and political factors that drive pro-poor change and the role that PRSPs have played. Finally, simplification and alignment of donor support with national priorities and processes will be discussed.

“ECA's study will update the progress of African countries toward achieving MDG 1”

Gender Mainstreaming

It is not enough for governments to guarantee women equal rights under their constitutions; rather, the state must actively promote their rights and ensure they receive them. Therefore, ECA will continue to provide capacity building to member States and RECs for mainstreaming gender concerns into executive, legislative, and judiciary branches of government at the central and local levels. The focus is on *developing national policy frameworks and action plans*. Support in developing institutional gender policies has been extended to the Southern African Development Community (SADC), and the Economic Community of Central African States (ECCAS) Secretariats. Capacity-building efforts are taking place in Namibia, Niger, South Africa and Zambia; future plans include work with Burundi, Djibouti, Liberia, and Togo and at least one REC per year. Focus of training in the future will be on new and different actors at the micro level who may be inadvertently setting constraints to women's advancement, such as chamber of commerce or customs officials, law clerks, land administrators, etc.

Expanding and Upgrading Statistical Capacity

“ ECA will promote the development of statistics to enhance national capacities ”

ECA is mandated to promote the development of statistics to enhance national capacities in support of the economic and social development of Africa. ECA will continue its collaboration with the main sister statistical organizations of the UN system and bilateral and donor agencies; the statistical entities of the RECs; and the African Statistical Training Centres.

In the next three years, ECA will focus its efforts primarily in three technical areas. Using the global framework of the UN Statistical Commission and in order to guide national statistics development strategies by 2006, ECA has a key role to play in producing a *regional strategy*. Further along these lines, ECA is planning to support member States in developing national databases and in compiling a *regional database* that will provide a prime source of statistical information that is directly accessible to potential users within the Commission, member States and partners to track improvements in economic performance and welfare in Africa over time.

Since *household surveys* are at the core of welfare and poverty monitoring and evaluation systems, ECA will support and enhance the analytical capacities of member States in this area. This will entail building the infrastructure and capacity needed within ECA; collecting household survey data sets and documentation; managing and standardizing them; and providing technical support to national statistical agencies and users in the application of new tools and technologies.

The 1993 *System of National Accounts (SNA)* provides a framework for compiling comprehensive economic accounts for macro-economic analysis and policy formulation, poverty analysis, and monitoring and tracking performance. ECA will continue to assist member States through the provision of advisory services, training, development and/or dissemination of methodological guides, and ad-hoc research aimed at resolving practical and conceptual problems. The Commission will closely collaborate with ADB through the International Comparison Programme (ICP-Africa), the Economic and Statistical Observatory for Sub-Saharan Africa (AFRISTAT), and the Economic Community of West African States (ECOWAS).

Along these lines, *integrated environmental and economic accounting* (SEEA) is a satellite system of the SNA that brings together information to measure the contribution of the environment to the economy and the impact of the economy on the environment. Up to now very few countries in Africa have prepared their accounts using SEEA as mandated in international conventions. In 2004-06, in collaboration with relevant UN Agencies, the UN Statistical Office and regional bodies, ECA will build member State capacities to use SEEA through in-depth country support.

ECA will also assist the six countries that already have *gender-disaggregated household data*, including time-use data, and will train practitioners in other African countries in the construction of satellite accounts of household production. The capacity-building programme will begin in 2005.

Private Sector, Trade and Regional Integration

In the next three years, ECA will intensify its activities and programmes toward strengthening the capacity of member States to participate effectively in the global economy, by promoting the private sector, intra-regional and international trade, and enhancing regional cooperation in Africa.

Unleashing the Private Sector in Africa

As emphasized in NEPAD, energizing the private sector to be the engine of growth is critical for achieving poverty reduction goals. Designing and implementing reforms that in turn will attract foreign direct investments (FDI), promote public-private partnerships, and create backward and forward links with the rest of the economy are pressing issues for member States. Therefore, ECA will publish in mid-2005 its research on *private sector development priorities* for African policy makers, to illustrate success stories and provide concrete recommendations on specific policy measures needed. Its report will focus on the role of the public sector in creating an enabling environment for the private sector to flourish: privatization, foreign direct investment and reform; pro-business fiscal policy; encouraging local innovation; private provision of social services; and energizing small and medium enterprises through linkages with leading sectors of the economy.

Related to *financial institutions for domestic resource mobilization*, ECA has estimated that in the medium-to-long run, sustainable development in Africa will require higher levels of savings from the present level of about 15% to about 24% of GDP on average. Research in this area is in progress on issues such as the causes and solutions to the problems of bank and non-bank failures in Africa; the link between banking instability and the continent's macroeconomic performance; building early warning indicators of banking sector instability in member States; and identifying economic reforms necessary to make the banking system an effective agency for domestic resource mobilization.

Along the same lines, ECA has been concerned about *developing capital markets on the continent* for many years. Although markets have been set up in over 20 countries, there are still

“ ECA will report on the role of the public sector in creating an enabling environment for the private sector to flourish ”

gaps in information efficiency. As a follow-up, in the next few years, ECA will continue to promote capital markets development in Africa at both the regional and national levels, by providing more training, seminars, and technical assistance in the form of advisory services, as well as preparing policy studies and sponsoring several intensive study tours.

Programmes will be geared toward government regulatory officials (i.e., staff of securities commissions, central banks and finance ministries), stock exchanges, and brokers on the structure and operations of securities markets, regulatory and policy frameworks, investment funds, and on other services, such as credit rating agencies, clearing organizations and depositories. A training workshop for West Africa will be held next year in Senegal along the lines of those already held in southern and northern Africa. And a conference in mid-2005 will assess the regional and continental progress made and formulate recommendations for activities to be undertaken at the country-specific level. ECA will work closely with the UN Conference on Trade and Development (UNCTAD). Working relationships have also been established with the International Finance Corporation (IFC) and various private financial institutions.

Promoting Trade through Policy Research and Capacity Building

Two major challenges facing Africa in this area relate to the ongoing WTO negotiations on the *Doha Work Programme* and negotiation on *Economic Partnership Agreements (EPAs) with the European Union*. The challenge is to enable African countries to negotiate agreements that are beneficial to them, using detailed research and analyses to arrive at informed policy positions, which are then widely disseminated, promoted and defended. Only then will the continent have the capacity to fully participate in, and benefit from, international trade.

Training activities in consort with the African Trade Policy Centre (ATPC) will target African trade negotiators and officials based in Geneva and national capitals, parliamentarians, and civil society organizations that are expected to make a major input into trade issues. ECA has already conducted some training courses in collaboration with UNCTAD and the WTO for African trade officials. These courses are expected to continue in the next few years.

ECA will provide *technical assistance* to African countries, in response to their requests, for negotiations within the WTO and EPAs frameworks. For example, the Commission will continue to provide technical assistance to the *government of Sudan for its accession to the WTO*. As the EPAs negotiations are now moving into the regional phase, the Commission is preparing a number of technical assistance missions to RECs in order to assist in building a cohesive strategy for the talks, on the technical detail of the day-to-day progress of the negotiations.

In all its trade-related activities, ECA will *build synergies with other trade-related activities* taking place on the continent, such as the Integrated Framework, Joint Integrated Technical Assistance Programme (JITAP), and coordinate its activities to ensure that its contribution is additive. Major partners include UNDP, AU, ADB, RECs and other UN agencies; as well as African universities, policy and research centres and NGOs, such as the African Economic Research Consortium (AERC), ENDA Tiers Monde, the International Lawyers and Economists Against Poverty (ILEAP), the Southern African Trade Research Network (SATRN), and the Third World Network.

“ECA will assist African countries to negotiate international trade agreements that are beneficial to them”

Promoting Regional Integration

ECA has been promoting the merits of regional integration to achieve robust and self-sustaining economic recovery and growth for some years. In addition to producing the aforementioned ARIA report, the next direction for the Commission, within the NEPAD framework, is to research and create policy dialogue among stakeholders on specific challenges, including the integration of institutions and policies; viable mechanisms for self-financing regional integration activities; and policy convergence. In the area of infrastructure, the Commission will be *promoting the physical integration* of the continent through the establishment of an efficient, safe, reliable and affordable transport and communications system.

Supporting *transport development* within the Sub-Saharan Africa Transport Programme Group and NEPAD, ECA will assist member States in implementing existing transit and transport agreements, analyze their impact on transport cost reduction along transit corridors in Africa as well as on the movement of people and goods; and compile best practices related to the commercialization and privatization of rail, air, road and maritime services in Africa. In particular, working with AU as the leading regional body, ECA has been designated the secretariat for the implementation of the Yamoussoukro Declaration (YD), one of the formative instruments designed to *streamline the development of Africa's airline sector*. ECA will continue to conduct case studies on implementation, organize meetings and disseminate information. It will collaborate with the Common Market for Eastern and Southern Africa (COMESA), the East African Community (EAC), and SADC on defining appropriate legal policy measures, mobilize resources to strengthen the Secretariats of ECOWAS and the Central African Economic and Monetary Community (CEMAC) to implement their commitments, and work with the Malian government on transport rules and regulations.

“ ECA will assist member States in implementing existing transit and transport agreements ”

Information and Communication Technologies (ICTs) for Development

The African Information Society Initiative (AISII) remains the key framework for the development and implementation of *National Information and Communication Infrastructure (NICI) plans*. With ECA's assistance, approximately 32 African countries have already developed such strategies and in the coming years, efforts will be geared towards financing the NICI process, building the implementation capacity of relevant institutions and stakeholders and harmonizing regulatory and legal frameworks. This will involve the RECs and integrate NEPAD's requirements as well. In further promoting the use of information for decision making, ECA will continue to provide training on the use of combined statistical and spatial data with a specific application to poverty mapping and country poverty profiles.

In order to empower and build local capacity to speed up the process of the implementation of NICI plans, ECA will provide regulatory and policy expertise, multimedia resources, and guidance and advisory services in support of among others, governance issues, especially in the context of the *e-Policy Resource Network (ePol-NET)* of which ECA is the African Regional Node.

Raising awareness constituted AISI's major activity at its initial launch. Its focus will now be expanded to target a broad spectrum of stakeholders through knowledge sharing, outreach and communication, where emerging topics include *Internet governance, intellectual property rights and African languages for content development*. The ECA-based Information Technology Centre for Africa (ITCA) will offer on-line manuals and training for policy makers and parliamentarians and will expand on existing activities, such as the local governance and HIV/AIDS awareness project for Ethiopian communities. The project will provide critical information through *multimedia and touch-screen kiosks* in several local languages.

In addition, through the African Virtual Library and Information Network (AVLIN) project, ECA will facilitate the building of a *network of virtual libraries and specialized information centers* as a means to provide better access to African knowledge. AVLIN will provide access to e-books, policy documents, bibliographic databases, and standardize virtual library systems. In the next three years, ECA will also establish a facility that will offer member States easy access to up-to-date geo-information tools, techniques and data resources. Focus will be placed on national spatial data infrastructure—which combines the technology, policies and standards necessary to promote data sharing.

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It has always been ECA's conviction that measuring the development of the Information Society is critical. Therefore it is building on the recognition of this issue by the WSIS and the UN-ICT Task Force in the context of its *benchmarking initiative SCAN-ICT*, which will be expanded to more countries and will further demonstrate the importance of its indicators to the MDGs and PRSPs. ECA will cooperate with other UN Regional Commissions, international agencies and national statistics offices in joint activities.

In response to existing gaps in educational curricula, their relevance to the employment market, and the resulting brain drain, *ICT in support of education and research and development (R&D)* is another critical area of ECA's agenda. Activities are in place in support of primary schools and job creation for out-of-school youth. At the higher education level, ECA's *Varsitynet* and the African Research Network (ARN) are supporting education institutions in Africa to pilot innovative applications that address constraints in democratizing access, as well as provide ground-breaking policy perspectives for decision-makers. Mechanisms are being developed for establishing *linkages between governments, academia and the private sector* and securing the commitment of the latter as an important constituency in developing and diffusing ICTs.

Sustainable Development

ECA will focus in the next three years on some of the priority areas identified at the WSSD held in Johannesburg in late August 2002.

Science, Technology and Innovation

In early 2003, Secretary-General Kofi Annan urged African countries and their global partners to promote a “*Green Revolution*” in Africa. ECA’s research indicates that this approach can be triggered by mass adoption of improved high-yielding varieties of popular African food crops and strategic agricultural commodities, and of scientific methods for agriculture and farming systems. Green Revolution design teams are being formed in countries and sub-regions. ECA has produced a road map on the way forward, spearheaded the discussions on design and indicators, and will formulate the detailed plan of action. It will coordinate pilot sites in three selected countries in the next three years. Partners in this area include the World Bank, the US Agency for International Development (USAID), the Japanese International Cooperation Agency (JICA), the UK Department for International Development (DFID), and the Rockefeller Foundation.

“ECA has produced a road map on the way forward for a ‘Green Revolution’ in Africa”

By creating awareness of the potential contribution of *science and technology (S&T)* to sustainable development, ECA plays a leading, catalytic and complementary role in building the institutional, analytical and policy-making capacities of African countries. The Commission will advise member States on policies and best practices; provide forums and virtual spaces for networking and harmonizing efforts; and collaborate on joint activities. ECA will continue on-line to bring the latest news and events, a consultants database, access to some 60 journals, and over 1,000 gateway links. A number of policy briefs are planned over the next year or two on making science and technology work for the poor. These activities will be implemented in partnership with regional S&T institutions; the UN University’s Institute for Natural Resources in Africa (UNU/INRA) as well as the UN Commission on Science and Technology for Development.

In 2003, ECA proposed a UN biotechnology forum for Africa, now called *UN-Biotech/Africa*, to include other UN institutions engaged in development, acquisition, transfer, application and/or diffusion. The forum will be launched in 2004 and, in tune with the focus of the Commission’s own work on biotechnology, will include capacity development to ensure environment and biodiversity protection, food security, industrial and energy development, better health care, biosafety, and intellectual property rights. UN-Biotech/Africa will coordinate policies, strategic approaches and actions among institutions, and play a facilitating role in networking, information dissemination and resource mobilization. It will work in consort with intergovernmental organizations and programmes, such as the Forum for Agricultural Research in Africa (FARA) and its sub-regional member organizations and the African Biotechnology Stakeholders Forum (ABSF).

Food Security and Sustainable Resource Management

Droughts and floods usually cause food insecurity in most African countries. In response to this, ECA will *review disaster-related food crises* and identify best practices at the national

and sub-regional levels. Special emphasis will be placed on appropriate risk-management and insurance schemes in the African context. Advocacy on longer-term solutions will focus on how to minimize agricultural and food production risks through institutional arrangements to make public-private partnership and African transnational corporations more productive.

Land. ECA's research on the *impacts of land tenure on food security and sustainable development* shows that often policies are not implemented due to inadequate legislation and weak institutions. In order to highlight success stories and draw lessons for land policy reform, in the next two years, the Commission will examine the policies of selected African countries, especially as they relate to access, control, and security of land tenure, particularly by women, pastoralists, immigrants, and other minorities. It will also examine how well current policies address land titling and formalization of customary tenure; land markets; natural resource conflicts; redistribution; and decentralization of administration. ECA will partner with sub-regional and national land networks in order to ensure quality of information, reduce the cost of data collection, and increase their roles as sources of knowledge and information. Collaborators will also include the World Bank, GTZ, Oxfam, and the International Council for Research on Agroforestry (ICRAF) in Kenya.

ECA will examine the policies of selected African countries, especially as they relate to access, control, and security of land tenure

Water. International water resources management is a complex political and technical process. In the next few years, ECA will assist member States, river basin organizations and RECs to develop integrated water management strategies and plans that concentrate on irrigation, domestic water supply and sanitation, and innovative financing mechanisms. To further the outcomes of the 2003 *Pan-African Implementation and Partnership Conference on Water* and to carry out the recommendations of the African Ministers of Water, ECA will also advise countries on developing *treaties and protocols on shared water*, which will address such issues as water quality and utilization, hydro-power generation, flood management, and conflict resolution. The initial focus will be on West and Central Africa. Further work will also be done on *guidelines for water transfer within basins*, where water-scarce areas can be given rights to the resources they need, an important emerging issue due to the skewed distribution of Africa's resources. ECA will organize a workshop at the request of the Lake Chad Basin Commission and others, including the Niger Basin Commission, the General Water Authority of Libya, and World Wildlife Fund (WWF).

Energy. In close cooperation with RECs and other regional institutions, ECA will assess the operation of *regional power pooling* arrangements (i.e., integration of electricity grids and gas and oil pipelines), considered as one of the most reliable, cost-effective ways for countries to ensure a secure supply of electricity. Further, the Commission will conduct training workshops for African experts in the area of integrated energy planning. ECA will work closely with its sub-regional offices and the African Energy Commission (AFREC) to create an African energy database. ECA is also spearheading *UN-Energy/Africa*, a collaboration mechanism based on the UN-Water/Africa model. ECA was requested to host the Secretariat of UN-Energy/Africa, while the UN Industrial Development Organization (UNIDO) and the UN Environment Programme (UNEP) are acting as Chair and Vice-chair.

Commission on HIV/AIDS and Governance in Africa (CHGA)

With increasing tempo, HIV/AIDS is cutting life expectancy and reducing the living standards of communities, dramatically affecting the social fabric of the continent, the ability of governments to carry out their functions, and ultimately the prosperity or poverty of nations. It is against this background that UN Secretary-General Kofi Annan established the Commission on HIV/AIDS and Governance in Africa (CHGA) in February 2003.

The challenge for CHGA is to provide the data, clarify the nature of the choices facing African governments today, and help consolidate the design and implementation of policies and programmes that can help contain the pandemic. *CHGA has completed its preparatory phase.* The necessary partnerships are in order to carry out its ambitious research and advocacy agenda are in place. The next phase will involve carrying out the research, as well as developing the Commission's messages and advocating them.

Research Agenda

The CHGA Secretariat consulted with a range of experts to arrive at a research framework based on the following three areas:

Human Capacity Losses and Development Implications. CHGA is mapping the implications of losses from HIV/AIDS for socio-economic development so policy makers have a much fuller grasp of the way HIV/AIDS undermines inter-generational development capacity and the likely implications for public budgets. The World Bank, IMF, the UN Population Division, and UNAIDS are all supporting CHGA's work in various ways by providing data and projections, modelling expertise, peer review and conducting country cases studies. Research partnerships are also being finalized with *Boston University, Makerere University, and the University of KwaZulu Natal.*

Treatment and Access to Care. The activities of CHGA on this issue are focusing on helping African governments to understand the viability of utilizing anti-retroviral treatment (ART) as an instrument of mitigation. WHO is supporting CHGA with data and analytical work done on Africa for achieving the "3 by 5" Initiative, whose goal is to provide ARV treatment access to 3 million people living with HIV/AIDS in developing countries by 2005. Further, the World Bank's Treatment Acceleration Programme (TAP) will share cross-country data and study results with the Commission from each of their case study countries on scaling up and decentralizing ART. Finally, CHGA has also reached agreement with *L'Institut de Recherche pour le Développement (IRD)* and the *African Population and Health Research Centre (APHRC)* for studies on current programmes of treatment in Ethiopia, Kenya, Senegal, and Zambia.

Best Practice Case Studies. In partnership with organizations and agencies like ADB, the Food and Agriculture Organization (FAO), the International Labour Organization (ILO), the UN Development Fund for Women (UNIFEM), UNAIDS, USAID, the World Bank, the World Food Programme (WFP) and WHO, the Commission will be synthesizing best practices in HIV/AIDS and governance in key development areas with a view to formulating

“The necessary partnerships are in place in order to carry out CHGA's ambitious research and advocacy agenda”

policy recommendations. Specifically, CHGA will concentrate on how to translate knowledge accumulated from the past two decades of confronting HIV/ AIDS into effective policies and programmes of mitigation.

Policy Engagement

CHGA consists of 20 eminent individuals, African and non-African, who are leading its policy engagement and advocacy agenda aimed at garnering political commitment among African governments. This will include communicating key messages to a wide variety of stakeholders and mobilizing the necessary constituencies. At the country level, critical audiences include Ministries of Finance and Planning; Ministries of Health and relevant institutions like National AIDS Councils; the legislature; and the media. At the regional level, AU and sub-regional organizations are vital constituents.

To bring the Commissioners face-to-face with community-based organizations and NGOs, including associations of people living with HIV/AIDS, as well as policy makers at the sharp end of responding to the epidemic, *interactive forums* will be held. This will ensure that CHGA's findings are informed not only by research, but also by ongoing work on the ground. In March 2004, a forum took place in Mozambique alongside the second Commissioner's meeting; four more two-day forums will be organized across the continent with plans for more in 2005. *Current venues include Botswana, Cameroon, Ethiopia, and Ghana.* These valuable insights will feed into the Final Report, due at the end of 2005.

3. Key Strategies for Effectiveness

Enhancing Dialogue and Partnerships

To deliver its services and outputs, ECA systematically draws upon the work of other sources of knowledge and expertise, as contributors to its analytical work, as peer reviewers of work in progress, as hubs for dissemination of completed work, and as agents for policy advocacy. The Commission has progressively strengthened its partnerships with a wide spectrum of constituencies both within and outside the continent.

To inform its work on an ongoing basis, the Commission convenes *Committee meetings* on the following themes: Women and Development; Development Information; Sustainable Development; Human Development and Civil Society; and Trade and Regional Cooperation and Integration. These meetings attract policy makers, as well as other leading development actors, to inform and guide ECA's work. Similar Committee meetings are organized by the Commission's five sub-regional offices to ensure coherence. Other smaller *expert-level meetings* are also organized on an ongoing basis to share norms, standards and best practices, and to engage in advocacy. In recent years, the annual *Conference of Ministers of Finance, Planning and Economic Development* has been transformed from a process-oriented legislative meeting into a high-level, issues-based forum dedicated to thematic debate and discussion.

“The ADF is designed to generate sharply defined, actionable programmes that can be implemented within the capacity of African countries.”

ECA also plays a critical role in helping build consensus around key African development challenges and in articulating common African perspectives and positions, which then form the basis for engagement with the international community. Its mandate and ability to convene senior policy makers and other development stakeholders is pivotal in ensuring this role.

African Development Forum (ADF)

In a short space of time, ADF has become a major gathering for discussing and building consensus on critical and emerging issues. It is designed to generate sharply defined, actionable programmes that can be implemented within the capacity of African countries. ADF IV, to take place in October 2004 on the theme “*Governance for a Progressing Africa*,” will be organized in close collaboration with ADB and AU. The African Regional Review Meeting on Beijing+10, as well as a third Meeting of the Commission on HIV/AIDS and Governance in Africa (CHGA), will take place concurrently, and their discussions will be interwoven.

Governance will be addressed from a broad and popular perspective related to conflict prevention, sustainable economic development and meeting the MDGs, as well as examined in detail related to incorporating traditional systems of rule, fighting corruption, involving

youth, fostering independent judiciaries, bolstering effective political parties, and providing further voice to civil society. UN Secretary-General Kofi Annan and six Heads of State are expected to address the Forum. Working closely with core partners, ECA will continue to strengthen ADF with partnerships to follow up and implement its results. ECA is considering “*Youth and Leadership in the 21st Century*” as a possible theme for the next edition of the ADF series in 2006.

Consultations of UN Agencies Working in Africa

Towards improving coherence and synergies in the UN, particularly around the system’s response to NEPAD, ECA convenes the annual forum for information-sharing as well as enhanced collaboration in Africa. The consultations have increasingly become a venue for promoting time-bound partnership activities in support of NEPAD’s thematic clusters established in 2002. The upcoming *Sixth Regional Consultations* in July 2004 will take stock of the major achievements of the clusters, address some of the challenges and concerns, and chart a way forward. The ongoing transformation of the AU Commission and the planned integration of NEPAD into the AU structures provides a fresh opportunity for the UN to review its support to Africa using this consultation mechanism.

The Big Table

Started in 2000, a small group of African Ministers of Finance gather with their OECD counterparts from Development Cooperation Ministries for an informal, frank and open meeting. Big Tables have discussed the MDGs, the PRSP process, NEPAD and the APRM, mutual accountability, and the Bretton Woods institutions’ partnership with Africa. Preparations are underway to convene the next Big Table in late 2004. The meeting will be on the theme “*Stimulating Private Sector Investments in Africa.*” It will consider in some detail the priority bottlenecks to be addressed to realize the commitments made by an increasing number of African countries to improve the environment for private sector growth. The meeting will identify a set of practical actions that can be taken over the short and medium term to address these constraints, and recommend the type of partnerships that should be encouraged between governments, the private sector, and international partners. A particular focus will be on how official development assistance can be leveraged to remove key policy and infrastructure obstacles that delay private sector expansion.

Mutual Review of Development Effectiveness in the Context of NEPAD

ECA and OECD have developed a path-breaking instrument for monitoring mutual reviews of development effectiveness. They are looking at actual efforts on both sides regarding the implementation of the policies needed to meet the MDGs. The reviews will assess empirical progress on existing commitments, as well as good practice. On the African side, within the context of NEPAD, the review will be looking at country progress and accountability in improving political and economic governance. On the partner side, the reviews will look at trends in the quantity and quality of official development assistance to Africa, as well as the coherence of partner policies on aid, trade, and external debt. ECA aims to complete the first review in 2005 to generate a constructive, ongoing dialogue between African leaders and policymakers and their OECD counterparts.

“ECA convenes the annual forum of UN agencies working in Africa for information-sharing as well as enhanced collaboration in Africa”

Strategic Partnership with Africa (SPA)

PRSP Learning Group (PRSP-LG) meetings are held back-to-back with the SPA, a bilateral and multilateral donor group established to mobilize the financing required for the continent to meet its economic goals, which has expanded its membership to include the NEPAD Secretariat and 12 African countries. Over the next three years in its role as interlocutor, ECA will co-chair with Canada the SPA Coordinating Forum, which will steer the work of the two technical sub-groups on Budget Support and Sector Support. The ECA/SPA collaboration is aimed at ensuring that partner support is aligned to national priorities as articulated in the PRSPs.

Civil Society Organizations (CSOs)

CSOs add value to ECA's work by helping to form the Commission's strategic programmatic focus, develop aspects of ECA's analytical work, review ongoing work to ensure relevance, disseminate ECA policy findings, undertake policy advocacy in support of positions developed by ECA or jointly, and build the capacity of selected African policymakers. The Commission ensures CSO participation in all its major meetings.

Communication and Knowledge Sharing

ECA is committed to consolidating and deepening its knowledge management efforts in order to enhance the impact of all programmes and outputs. The top priority is to further *strengthen publishing capacity*. In the next two years, ECA intends to recruit additional editors, appoint a publications coordinator, install new publishing equipment, strengthen translation arrangements, and establish a Publications Committee empowered to ensure the highest academic and intellectual standards in ECA outputs.

A second key area for development is ECA's *public information capacity*. Over the coming year, a revised public and media affairs unit will begin intensive promotion of key policy messages emanating from ECA more systematically through diverse channels, thereby ensuring more effective reach of key concepts and solutions. Mailing and distribution lists will be overhauled, augmented and tested to make sure the Commission is reaching the right people. ECA is particularly keen to build relations with Africa's media and information-disseminating bodies such as libraries, NGOs and educational institutions across the continent.

Thirdly, ECA will gradually begin to produce both broadcast and print materials for a non-expert audience across Africa, bringing the benefits of this unique think tank to Africans, who deserve to have access to sound explanations for the continent's challenges. ECA has now installed a *digital audio-visual production and post-production facility* at its headquarters. It plans to use the facility to produce broadcast products and to complement development "issues-based" training for African broadcasters with some practical digital production and post-production skills.

Forthcoming training courses include a media workshop on "Reporting HIV/AIDS" in collaboration with the Reuters Foundation due to take place in September 2004. Several bigger broadcast productions are in the works, including series of interviews, discussions and short

“ECA and OECD are looking at efforts by African governments and development partners to implement the policies needed to meet the MDGs”

features linked to the ADF on *Governance for a Progressing Africa* and the Beijing+10 African Regional Review Conference in October 2004. The Commission is hoping to deepen links with steadfast partners, such as the UN Radio Africa Section, and NGOs like Panos and One World, and establish collaborations with ADB, BBC World Service, Foundation Hirondelle, AllAfrica.com, UNESCO, and the World Bank.

Thematic Networks

A particularly important measure aimed at making ECA a centre of excellence and enhancing the effectiveness of its work is *to improve networking with the growing number of research and academic institutions on the continent* in order to creatively address development challenges. This will include expanding fellowship programmes that enable researchers and university professors to work on some development issues at ECA for a given period of time; undertaking joint studies with research centres and universities in Africa and outside Africa; working more proactively with the academic community, research institutions, issues-based networks and other knowledge hubs to strengthen knowledge sharing; and enhancing the programmatic linkages with the African Institute for Economic Development and Planning (IDEP) as the training arm of ECA.

“The ISP’s goal is to improve the capacity and capability of ECA to be a responsive and client-focused institution”

In seeking to ensure that ECA’s analytical work is based on the highest available quality, is policy relevant and is proactively shared, ECA will build on successful ongoing initiatives for *peer review and dissemination*. For instance, a network on gender has been blossoming, which builds strategic alliances with partners in all African countries through an operational group of national gender liaison officers and other important focal points within key ministries, NGOs, research institutes, universities, and the media.

Institutional Strengthening and Reform

ECA’s ongoing Institutional Strengthening Programme (ISP), which was started in January 2003, to transform ECA into a high-performing and learning organization, is at its mid-point. Described below are its accomplishments in the area of reforming organizational business processes as well as plans for improved monitoring and evaluation.

The Institutional Strengthening Programme (ISP)

For the second generation of reforms, a far-reaching Institutional Strengthening Programme (ISP) was inaugurated last year to improve the capacity and capability of ECA to be a responsive and client-focused institution through the continuous improvement of its service delivery. The Programme has taken off effectively with the formation of internal teams responsible for developing projects under the three inter-related pillars described below. The selection of the first-generation projects followed a process of rating and sequencing that involved many staff, especially the conveners of sessions from the December 2002 “Open Space.” These projects have reached different stages of maturity: some projects have just been launched, while the reports and recommendations of others are being reviewed systematically by the Senior Management Team (SMT). Progress has been made as outlined below.

In the area of *strategic and operational planning and budgeting*, the primary goal of this cluster of projects has been to establish new budgeting processes and review and initiate new policies for programme monitoring and output dissemination. Seminars on the UN Secretariat-wide Results-based Budgeting (RBB) as well as the new budgeting system known as “UN Plus” have introduced staff to *more coherent, responsive reporting systems*. A mission was sent to the World Bank to study their state-of-the-art procedures and systems used as a basis for developing an on-line financial resources data management system for ECA.

The projects that are related to *human resource management and development* seek to devolve as much responsibility and accountability to operational levels as possible. Through its new initiatives, the Commission is committed to more of an emphasis on *training and self-directed learning* in order to enhance quality and efficiency in programme delivery. Particular attention will be paid to enhancing managerial problem-solving skills related to communication, accessibility, respect for diversity, and conflict management as well as improving staff services within the Human Resources Services Section (HRSS) and the UN Health Care Center at ECA.

The objective under the *knowledge management* pillar has been to increase ECA’s capabilities in order to more effectively respond to its clients’ needs. Priority projects are being implemented to improve ECA’s web site; workflow procedures for the preparation, production, and dissemination of publications; and data access, use, and retention. Projects will also be launched to inventory the Commission’s knowledge assets and strengthen information and communication technology governance.

“ECA is proactively carrying out more internal and external peer reviews of its work”

It is expected that most second-generation projects will be launched before December 2004 on the foundations laid by the priority projects. Additional projects will be introduced and more effort will be made in this year to strengthen linkages among the projects in order to make them converge more visibly towards the ISP’s central objective: the transformation of ECA into a knowledge sharing and learning organization.

Monitoring and Evaluation to Ensure High-quality Work

While expectations by member States of impact at the national level are always legitimately high, the inherent limitations imposed by the Commission’s mandate as a regional body largely restrict it from operating at the country level. To address concerns about deeper and broader policy impact, ECA has begun to move towards more *qualitative reviews*: it is proactively carrying out more internal and external peer reviews of its work and working closer with the Inter-governmental Committees of Experts (ICEs) of its sub-regional offices and the technical committees of the Conference of Ministers to ensure that ECA’s programmes reflect member States’ needs.

Looking ahead, ECA units have begun to test a much praised system developed by the International Development and Research Centre (IDRC) in Canada known as “*outcome mapping*” in which changes in partner actions as a result of a project or programme is monitored, rather than quantitative outputs. Further, the new UN results-based budget system will reinforce expected programme accomplishments, indicators of achievement and points of responsibility.

To achieve its reform and evaluation plans, ECA established the *Office of Policy and Programme Coordination (OPC)* last year, a division dedicated to integrating systems thinking. OPC will essentially be the main vehicle that facilitates strategic medium-term and annual operational planning.