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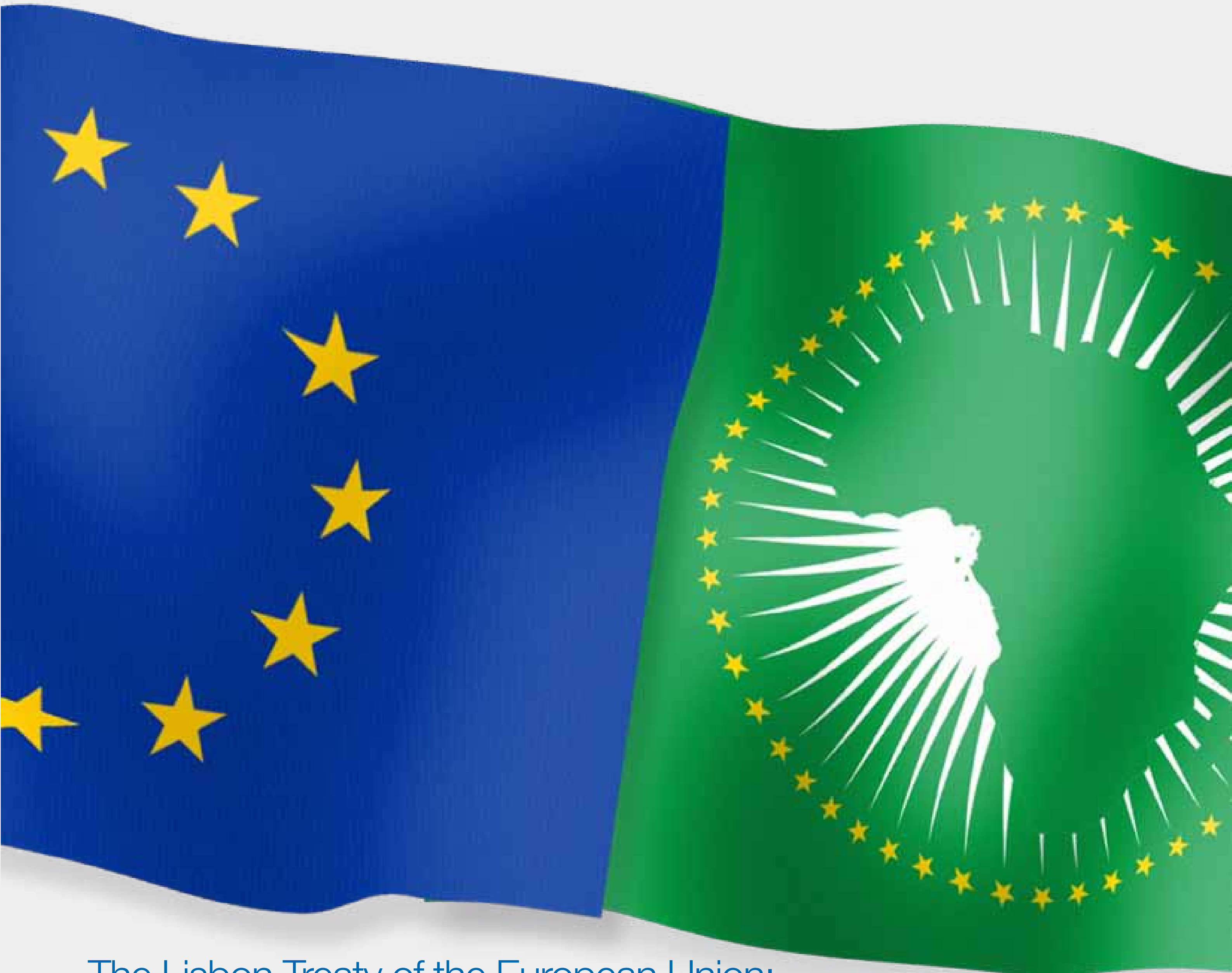

The Lisbon Treaty of the European Union: **Implications for the Africa-EU relations**

Le Traité de Lisbonne de l'Union européenne: **Impact sur les relations Afrique-UE**

African Union Commission

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The Bulletin of Fridays of the Commission Team

Foreword

Changing Dynamics in Africa EU relations?

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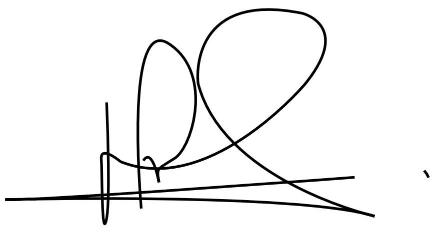
Significant developments have taken place within Africa, the EU and globally since the beginning of the century and these have impacted on and continue to shape the relationship between Africa and the EU. On the African side, there have been the transformation of the Organization of African Unity (OAU) into the African Union (AU); adoption of the New Partnership for Africa's Development (NEPAD) as a Programme of the AU and adoption of other continental initiatives such as the Programme for Infrastructure Development in Africa (PIDA), the Comprehensive African Agriculture Development Programme (CAADP) and the African Peace and Security Architecture (APSA).There has also been acceleration of Africa's integration agenda, including through the rationalisation and harmonization of the Regional Economic Communities (RECs). On the EU side, progress has been made in the various stages of enlargement and continued efforts to deepen the Union. This process reached a major milestone with the adoption of the Lisbon Treaty in December 2009. At the global level, new international and global challenges such the recent economic and financial crisis, climate change, and international terrorism have emerged; globalisation has accelerated and the world has become increasingly interdependent. All of the foregoing, offer opportunities for the strengthening of the Africa-EU strategic partnership.

There is unanimity of views on both the EU and African sides that a strengthened Africa-EU partnership holds immense potential for both continents. However, to achieve the desired win-win, Africa and the EU must work together to ensure that their respective interests are preserved. The partnership should ordinarily create an effective platform to discuss all issues of concern to both sides, including very contentious issues such as Economic Partnership Agreements (EPAs). Through enhanced partnership, the huge human, natural and technical resource potential of the two continents combined could help in addressing African challenges such as poverty alleviation, common challenges such as energy security, illegal migration and peace and security, as well as global challenges such as climate change. Enhanced Africa-EU partnership, based on the principles of inter-dependence, co-ownership and equality can yield benefits that go far beyond the borders of the two continents. This understanding must be the foundation of the renewed cooperation, not the traditional donor-recipient mindset that existed since independence.

Of late, there has been growing debate on the continued relevance of the Africa-EU partnership, vis-à-vis Africa's partnerships with emerging powers such as India and China. Analysts point to the emergence of these new players and their increasing engagement with Africa as major developments influencing and shaping the Africa-EU relationship and triggering a reflection on the added-value of the Africa-EU partnership. The EU must recognize the magnitude of the changing global geo-political landscape and the influence that emerging powers continue to have in Africa. The availability of an alternative presents Africa with a real opportunity to exert influence and speak with a louder voice. This is the reality today, and it's up to Africa to cash in on this new opportunity for the attainment of the continent's development aspirations.

With the adoption of the Lisbon Treaty, the EU intends to re-assert its position internationally, streamlining its internal bureaucratic processes to improve its efficiency and speak with one voice on foreign policy matters. This is a welcome development so long as it yields the expected improvement in terms of increased efficiency without undermining progress achieved so far. However, in terms of what exactly all these developments mean to the Africa-EU relations, we will have to wait and see. Key questions worth asking include: What will Africa's place be in the EU's new foreign policy? To what extent will existing development cooperation be affected? How will the EU's new arrangements under the Treaty cohere with the vision set out in the Joint Africa-EU Strategy? Not even the EU is able to give clear answers to all these questions. We therefore have to wait and see.



Dr. Maxwell M. Mkwezalamba
Commissioner for Economic Affairs

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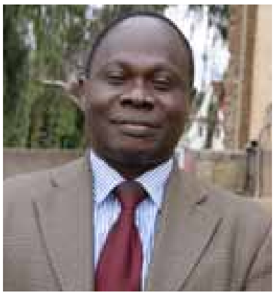

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Introduction

Why Cooperation between Africa and Europe is inevitable and indispensable for the two Continents?[1]

One can choose one's friends but not one's brothers and sisters", we are used to asserting. This expression is for us one that translates best the secular relations between Africa and Europe. Indeed, Africa as well as Europe can diversify and expand at will the gamut of its partners across the world. And Africa like Europe has the total freedom to establish cooperation links with all the regions of the world. And yet, when we consider the Africa- Europe cooperation, this freedom of choice seems to disappear. In truth, this cooperation is a factor which naturally imposes itself on the two continents. In other words, whatever be the feelings of friendship, or distrust which the Europeans convey to the Africans and reciprocally, Africa and Europe are compelled to cooperate. They are bound to live together to feed into or enrich themselves from their differences, share their experiences help and support each other naturally and finally, to look into the same direction as regards their involvements in the management of the world governance.

The nature of the relations between Africa and Europe issues from the conjunction of several factors: First of all, the geographical proximity (only twelve kilometres separate the two Continents), but also the cultural and language relations and affinities, as a result of a century of colonisation, three centuries of the perpetuation of slave trade and the holistic intercontinental cooperation, and deepened for more than half a century. Africa and Europe therefore have no alternative but to cooperate. Their only margin of maneuver is the means to be used for constantly improving the conditions of their cooperation, to understand each other, to talk to each other regularly and pool their efforts so as to take-up together the major challenges of our times. What is the status of the Africa- Europe relations? What are the difficulties that they face? How to improve these relations in the supreme interest of the two continents? The development that will follow will shade useful light on these questions.

1. The original document is in French

Pourquoi la coopération Afrique-Europe est-elle inévitable et obligatoire pour les deux continents?

On choisit ses amis, mais on ne choisit pas ses frères et ses sœurs» a-t-on coutume d'affirmer. Cette expression est, à nos yeux, celle qui semble traduire le mieux les relations séculaires entre l'Afrique et l'Europe. En effet, l'Afrique, comme l'Europe, peut diversifier et élargir à souhait l'éventail de ses partenaires à travers le monde. Et, l'Afrique, comme l'Europe, jouit d'une totale liberté de nouer des liens de coopération avec toutes les régions du monde. Pourtant, quand on considère la collaboration Afrique-Europe, cette liberté de choix semble disparaître. En réalité, cette coopération constitue une donnée qui s'impose naturellement aux deux continents. Autrement dit, quels que soient les sentiments d'amitié ou de méfiance que les Européens inspirent aux Africains et réciproquement, l'Afrique et l'Europe sont dans l'obligation de coopérer. Elles sont contraintes de vivre ensemble, de se nourrir ou de s'enrichir de leurs différences, de partager leurs expériences, de s'entraider, de se soutenir, de s'accompagner naturellement et, enfin de compte, de regarder dans la même direction quant à leur implication dans la gestion de la gouvernance mondiale.

Le caractère contraint des relations entre l'Afrique et l'Europe découle de la conjonction de plusieurs facteurs : tout d'abord, la proximité géographique (seulement douze kilomètres séparent les deux continents), mais aussi les relations et affinités culturelles et linguistiques, nées d'un siècle de colonisation, de trois siècle de perpétuation de la traite des Noirs, et de la coopération intercontinentale tout azimut, enrichie et approfondie depuis plus d'un demi siècle. L'Afrique et l'Europe n'ont donc pas d'autre choix que de coopérer. Leur seule marge de manœuvre réside dans les moyens à mettre en place pour améliorer constamment les conditions de leur collaboration, pour se comprendre mutuellement, pour se parler régulièrement et mutualiser leurs efforts pour relever ensemble les défis majeurs de notre ère. Quel est l'état des lieux des relations Afrique-Europe ? Quelles sont les difficultés auxquelles elles sont exposées? Comment améliorer ces relations dans l'intérêt supérieur des deux continents? Les développements qui vont suivre apportent des éclairages utiles pour répondre à ces questions.

Analysis of Africa -Europe relations

The Africa-Europe relations date back to time immemorial. They have been marked by several agreements with different contents, adapted gradually according to the exigencies of international relations of the moment.

Thus, from the Yaoundé Agreement we moved to the Lome Agreement to come up today with the Cotonou Agreement (revisable every five years) which govern the cooperation between the two continents. However, it should be noted that these different Agreements produced mitigated results which fell below expectations. And for a good reason, in spite of the numerous financial instruments, which generated capital flows towards Africa, the cooperation with Europe did not extricate Africa from the dead end of poverty and hardships. The persistence of underdevelopment in Africa allows some people to say that the secular cooperation with Europe is in itself inefficient and impedes the march of Africa towards progress. Hence the great need felt in Africa to diversify its partnerships with other Regions of the world. Hence also the political will of the African and European leaders to rehabilitate thoroughly the advantages and disadvantages of the Africa-Europe Cooperation to adapt it to the realities of the modern world. Thus, out of the shared concern to make the cooperation between the two Continents more effective and dynamic, a historic Africa-Europe Summit was held in Cairo, Egypt, in April 2000, which laid the foundation for a new dialogue in a spirit of mutual respect and shared responsibility. To nurture this new dialogue born out of enthusiasm filled with hope, the two Continents committed themselves to adopt a long term “Joint Strategy” to be implemented through various three year Plans of Action. Will the Joint Strategy, adopted in Lisbon, Portugal, in November 2007, with its successive Plans of Action, enable the two Continents to strengthen further their cooperation and make them finally realise that one cannot live without the other and vice versa, just like the bird and the branch: the bird can get angry with the branch but it will end up sitting on the branch after a long flight?

In fact, the recognition of this relational need has not had adequate impact on the implementation of the First Plan of Action of the Joint Strategy. Indeed, the concrete translation into deeds of this First Plan of Action did not produce satisfactory results in relation to the principles and objectives of the Joint Strategy. They continued to be engulfed in rhetorics instead of enhancing the new dialogue by executing concrete projects having an impact on the living standards and the daily activities of the African and European peoples and giving greater visibility to the Africa-Europe cooperation. How did they reach

Radioscopie des relations Afrique-Europe

Les relations Afrique-Europe remontent à la nuit des temps. Elles ont été marquées par plusieurs accords aux contenus multiples, adaptés au fur à mesure en fonction des exigences des relations internationales du moment. Ainsi, on est passé des Accords de Yaoundé aux Accords de Lomé, pour connaître aujourd’hui les Accords de Cotonou (révisables tous les cinq ans) qui régissent la coopération entre les deux continents. Toutefois, il convient de retenir que ces différents Accords ont produit des résultats mitigés et en deçà des espérances. Et pour cause, en dépit de nombreux instruments financiers ayant suscité d’importants flux de capitaux vers l’Afrique, la coopération avec l’Europe n’a pas sorti le continent du cul-de-sac de la pauvreté et de la misère. La persistance du sous-développement en Afrique fait dire à certains que la coopération séculaire avec l’Europe est en elle-même inefficiente, et serait même de nature à handicaper l’Afrique dans sa marche vers le progrès. D’où le besoin croissant, fortement ressenti en Afrique, de diversifier les partenariats avec d’autres régions du monde. D’où également, la volonté politique partagée par les leaders africains et européens de réhabiliter en profondeur les tenants et aboutissants de la coopération Afrique-Europe pour adapter celle-ci aux réalités de la modernité. Ainsi, dans ce souci partagé de rendre plus efficace et plus dynamique la coopération entre les deux continents, s’est tenu au Caire (Égypte) en avril 2000, un Sommet historique Afrique-Europe qui a posé les fondements d’un nouveau dialogue dans un esprit de respect mutuel et de responsabilité partagée. Pour entretenir ce nouveau dialogue né dans un enthousiasme chargé d’espoir, les deux continents se sont engagés à adopter une «Stratégie conjointe» de long terme devant être mise en œuvre par l’entremise de plans d’actions variés d’une durée de trois ans chacun. La Stratégie conjointe, adoptée à Lisbonne (Portugal) en novembre 2007, avec son cortège de plans d’action successifs, saura-t-elle répondre aux attentes des populations africaines et européennes? La mise en œuvre de cette Stratégie conjointe Afrique-Europe de Lisbonne, permettra-t-elle aux deux continents de consolider davantage leur coopération et de les amener à reconnaître enfin que l’un ne peut vivre sans l’autre et vice-versa, comme un oiseau et sa branche d’arbre : l’oiseau a beau se fâcher contre l’arbre, il finira par s’asseoir sur la branche après un temps prolongé de vol?

Dans les faits, la reconnaissance de cette nécessité relationnelle n’a pas eu suffisamment d’impact sur la mise en application du premier plan d’action de la Stratégie conjointe. En effet, la traduction concrète de ce premier plan d’action n’a pas abouti à des résultats satisfaisants par rapport aux principes et objectifs de la Stratégie conjointe. On a continué à s’engluer dans la rhétorique au lieu d’enrichir le nouveau dialogue en mettant en œuvre des projets concrets, ayant un impact sur le niveau de vie et le quotidien des populations africaines et européennes et donnant plus de visibilité à la coopération Afrique-Europe. Comment en est-

…..quels que soient les sentiments d'amitié ou de méfiance que les Européens inspirent aux Africains et réciproquement, l'Afrique et l'Europe sont dans l'obligation de coopérer.

there? Why did the bubbling enthusiasm marking the adoption of the Joint Strategy not lead to the concretisation of projects contained in the First Plan of Action? It behoves us to pinpoint the responsibility of each party.

Europe, a secular cooperation with few tangible results

Europe has already done a lot for Africa. Even today Europe continues to do a lot for Africa. The European Development Fund (EDF) through the National Indicative Programmes (NIPs) and Regional Indicative Programmes (RIPs) in addition to several other forms of bilateral assistance is an evidence of the substantial contributions that the European Union make to Africa, during the good as well as lean periods. The NIPs and RIPs represent even important parts of the budget of some countries and some Regional Economic Communities (RECs). It should be stressed that in the area of Peace and Security, Europe appears also to be the most active partner of the African Continent. The Peace Keeping Operations in Darfur, Somalia, South Sudan (before the Comprehensive Peace Agreement, which facilitated the organisation of the Referendum in January 2011), Cote d'Ivoire and soon have been mounted thanks to the substantial assistance of the European Union. Similarly, the support of the EU for the ongoing numerous elections in Africa remains exemplary, thus demonstrating its commitment to the democratization process in Africa. The European support to the PanAfrican institutions is to be lauded as clearly illustrated by the grant of 55 Million Euros to the AU Commission for capacity building.

Furthermore, without the support of the EU, the Joint Experts Group requested to implement the Plans of Action of the Joint Strategy already mentioned, could not have been operational. Thus, through the above-mentioned 55 million Euros, the EU financed entirely the participation of the AU Commission and the Experts of Member States in meetings of the Joint Experts Groups, the meetings of the Troikas, the Task Force and the Commission to Commission, which fall within the framework of the implementation of the Africa-Europe Dialogue. This list is not exhaustive and there are many examples to show the increased assistance and support of the EU to the whole of Africa.

However, although on the increase, this assistance is not very visible. This makes one say or think that the EU has failed in its mission in Africa, in the sense that it has not succeeded in extracting the Continent from poverty and sufferings, despite the close relations existing between the two Continents. This impression, which today seems to impose itself or is accepted as a truth by the young Africans, must challenge the European

on arrivé là? Pourquoi l'enthousiasme chaleureux qui a entouré l'avènement de la Stratégie conjointe n'a-t-il pas conduit à la concrétisation des projets contenus dans le premier plan d'action stratégique? Il convient de nous interroger sur les responsabilités de chaque partie.

L'Europe, une coopération séculaire aux résultats peu visibles

L'Europe a déjà beaucoup fait pour l'Afrique. Encore aujourd'hui, l'Europe continue de faire beaucoup pour l'Afrique. Le Fonds Européen pour le Développement (FED) à travers les canaux des Programmes indicatifs nationaux (PIN) et des Programmes indicatifs régionaux (PIR), en sus de plusieurs autres formes d'assistance bilatérale, est assez révélateur des apports considérables que l'Union européenne ne cesse d'accorder à l'Afrique, en période de vache grasse comme en période de vache maigre. Les PIN et les PIR représenteraient même des pans importants du budget de certains pays et de certaines Communautés économiques régionales (CER). Il faut souligner que dans les domaines de la paix et de la sécurité, l'Europe apparaît également comme le partenaire le plus actif du continent africain. Les opérations de maintien de la paix au Darfour, en Somalie, au Sud Soudan (avant l'avènement du «Comprehensive Peace Agreement» qui a facilité la tenue du Référendum de janvier 2011), en Côte d'Ivoire, etc., ont pu avoir lieu grâce à l'assistance considérable de l'Union européenne. De même, l'appui de l'UE aux nombreuses élections en cours en Afrique reste exemplaire, démontrant ainsi son engagement vis-à-vis du processus de démocratisation en Afrique. Le soutien Européen aux institutions panafricaines est à louer, comme l'illustre de façon édifiante l'octroie de 55 millions d'euros à la Commission de l'UA au titre du renforcement de ses capacités.

Par ailleurs, sans le soutien de l'UE, les groupes d'experts conjoints chargés de mettre en œuvre les plans d'action de la Stratégie conjointe déjà évoquée, n'auraient pu être opérationnels. C'est ainsi que, par l'entremise des 55 millions d'euros susmentionnés, l'UE a entièrement financé la participation de la Commission de l'UA et des experts des États africains, aux réunions des groupes d'experts conjoints, et aux réunions des Troïkas, des «Task Forces» et des «Commission to Commission» qui s'inscrivent dans le cadre de la mise en œuvre du dialogue Afrique-Europe. Cette liste n'est pas exhaustive, et les exemples sont nombreux pour illustrer l'aide accrue et soutenue de l'UE à l'Afrique toute entière.

Toutefois, bien qu'évoluant crescendo, cette aide apparaît peu visible. Cela fait dire ou penser que l'UE a échoué dans sa mission en Afrique, au sens où elle n'est pas parvenue à soustraire ce continent de la pauvreté et de la misère, malgré les relations étroites qui existent entre les deux continents. Cette observation qui aujourd›hui semble s'imposer ou être admise comme une vérité par les jeunes Africains, doit interpeler les dirigeants européens. Car, en dépit de l'immensité des apports en tous genres

leaders. For, in spite of the huge contributions of all type that the EU makes to Africa, misunderstanding still persists in the relations between the two Continents. The African youth and Civil Society find it difficult to understand the attitude of Europe towards Africa as regards the management of some of the issues. Among these there are mainly those related to immigration, issuance of visas, the hospitality for African students in European Universities, Universal jurisdiction, observance of human rights and virtues of democracy as conditions for aid, “support” given to some regimes and the European “double standards” policy across the world. This prejudiced treatment of double standards applied by Europe to Africa has created a bitter feeling in almost all Africans that Europe has no consideration for Africa or its leaders. The low participation of Europeans, at the required Protocol level, in meetings organised within the framework of the Africa-Europe Dialogue bears evidence to that. Thus, it is common to note that the Directors often represent Ministers at Ministerial Conferences and that Ministers represent Heads of State and Government in Africa-Europe Summits. This frustrating fact is a sign, among others, of the low consideration Europeans have for Africa and its leaders.

Furthermore, the European cooperation is contradictory. Europe persists in intervening in Africa both at the bilateral level (many bilateral relations bind each country of Europe individually to Africa) and at the Community level through the

European Union and its different organs . Very often, the bilateral policies are not in harmony with the Community policies. The lack of coherence of this policy is at the origin of different signals sent to Africa. Not only this compounds the understanding of these messages and their assimilation, but in addition this does not encourage the execution of projects because of conflict of interests which oppose the authors of the said messages. Thus, there are many complaints of contemporary Africa against Europe. This is why it is very important for European leaders to review their way of cooperating with Africa by leaving aside their reluctance and adopting a more ambitious, more realistic partnership policy and integrating further the cultural virtues of the African Continent. Consequently, Europe must harmonise upstream its policies for Africa by striking a balance between the bilateral and the Community. The Joint Strategy adopted in Lisbon in 2007, on the basis of its philosophy, is in the right direction on condition that Europe play frankly its role in its implementation. This will greatly improve the image of Europe among the African peoples. Europe cannot afford to apply this treatment to China, India or still less to the countries of South America.

que l’UE a accordés à l’Afrique, des malentendus et des incompréhensions persistent encore dans les relations entre les deux continents. La jeunesse africaine et la société civile africaine ont du mal à comprendre l’attitude de l’Europe à l’égard de l’Afrique dans la gestion de certains dossiers. Au nombre de ceux-ci, figurent principalement ceux liés à l’immigration, à la délivrance des visas, à l’accueil des étudiants africains dans les universités européennes, à la juridiction universelle, à la conditionnalité de l’aide au respect des droits de l’homme et des vertus de la démocratie, au «soutien» apporté à certains régimes et à la politique européenne de «deux poids deux mesures» à travers le monde. Ce traitement partial «deux poids deux mesures» que l’Europe applique à l’Afrique a fait naître chez la quasi-totalité des Africains l’amer sentiment que l’Europe n’a pas de considération ni pour l’Afrique, ni pour ses dirigeants. Nous en voulons pour preuve la faible participation des Européens, à niveau protocolaire requis, aux réunions organisées dans le cadre du dialogue Afrique-Europe. Ainsi, il est courant de constater que les Directeurs représentent souvent les Ministres dans les Conférences ministérielles, et que les Ministres représentent les Chefs d’État et de Gouvernement dans les Sommets Afrique-Europe. Ce constat frustrant est un signe parmi d’autres de la faible considération qu’ont les Européens pour l’Afrique et pour ses dirigeants.

Par ailleurs, la coopération Européenne est contradictoire. L’Europe s’obstine à intervenir en Afrique à la fois de façon bilatérale (de nombreuses relations bilatérales lient chaque pays d’Europe individuellement à l’Afrique), et de façon communautaire par l’entremise de l’Union européenne et de ses différents organes. Très souvent, les politiques bilatérales ne sont pas en harmonie avec les politiques communautaires. Le manque de cohérence de cette politique est à l’origine de signaux différents dirigés vers l’Afrique. Non seulement cela complexifie la compréhension de ces messages et leur assimilation, mais en plus, cela ne favorise pas la mise en œuvre des projets du fait du conflit d’intérêt qui oppose les auteurs des dits messages. Ainsi, les griefs de l’Afrique contemporaine à l’égard de l’Europe sont nombreux. C’est pourquoi il est extrêmement important que les dirigeants européens revoient leur façon de coopérer avec l’Afrique en mettant leur frilosité de côté par l’adoption d’une politique de partenariat plus ambitieuse, plus réaliste et intégrant davantage les vertus culturelles du continent africain. Aussi, l’Europe doit-elle harmoniser en amont ses politiques à destination de l’Afrique en trouvant un équilibre entre le bilatéral et le communautaire. La Stratégie conjointe adoptée à Lisbonne en 2007, de par la philosophie qui la fonde, s’inscrit dans la bonne direction, à condition que l’Europe joue franchement son rôle dans sa mise en œuvre. Ceci améliorerait profondément l’image de l’Europe auprès des populations africaines. L’Europe ne peut se permettre d’appliquer ce traitement à la Chine, ni à l’Inde, et encore moins aux pays d’Amérique du Sud.

The lack of political integration makes the positions of Africa fragile in its numerous partnerships with the rest of the world

Today, Africa is strongly committed to the diversification of its partnerships with the rest of the world. Such an attitude meets the largely shared feeling of the failure of its traditional links with the Western world: the cooperation with the West did not bring about development in Africa in spite of the duration and multiplicity. Consequently, everything leads to believe that if Africa wants to speed up the process of its development, it is compelled to establish other partnerships to make up the chronic inability of the one it established with the West to provide it with growth and development. Is there any ground for this feeling? Is Africa right in holding Europe solely responsible for the failure of its cooperation with it? Must we really accuse Europe of not having really helped Africa in its economic take off? Or must we rather say that if the cooperation with Europe has, so far, been unsuccessful it is because Africa did not know play its role? So many questions which should challenge all the Africans. Clear answers are necessary. Without these, after some decades of cooperation with the new Partners, we may establish the same facts and ask the same questions.

As far as we are concerned, we affirm that the cooperation with Europe has not been a failure. It has produced varied positive results in many fields. It continues to produce positive results in the areas of peace and security, external debt alleviation, support to democracy, Aid for Trade, food security and rolling back pandemics and other diseases. We, therefore, think that the question must be asked differently: What must Africa do to deserve the trust of Europe and de facto take advantage of its different types of contribution? The reply to this question may lead to a lot of literature. Each one may try to reply according to one's idea of the Africa-Europe relations, or according to one's vision of the development of Africa. In our humble view, the reply to this major question lies in the corporate and political governance in Africa. In fact, everybody knows that huge financial flows from Europe from different sources were directed to Africa. But how have we used these huge amounts? Have they been used rationally and optimally? Or have they been diverted from their initial destination? Replies have already been given to these questions in abundant literature on the use of development aid and its use in Africa. We, therefore, do not want to go back to them for it will be a boring repetition. However, it is important to note that poor governance of the use of aid in Africa contributed to make it ineffective and consequently, make the European actions in Africa fruitless.

L'absence d'intégration politique fragilise les positions de l'Afrique dans ses nombreux partenariats avec le reste du monde

Aujourd'hui, l'Afrique s'est fortement engagée dans la diversification de ses partenariats avec le reste du monde. Une telle attitude répond au sentiment largement partagé de l'échec de ses liens traditionnels avec le monde occidental : la coopération avec l'Occident n'a pas apporté le développement à l'Afrique malgré sa durée et sa multiplicité. De ce fait, tout porte à croire que si l'Afrique veut accélérer le processus de son développement, elle est dans l'obligation de nouer d'autres partenariats pour compenser l'incapacité chronique de celui qu'elle a tissé avec l'Occident de lui procurer croissance et développement. Ce sentiment est-il fondé? L'Afrique a-t-elle raison de rejeter sur l'Europe toute la responsabilité de l'insuccès de sa coopération avec elle? Doit-on réellement accuser l'Europe de ne pas avoir véritablement aidé l'Afrique à assurer son décollage économique? Ou bien doit-on plutôt dire que si la coopération avec l'Europe a, jusque-là, été infructueuse, c'est parce que l'Afrique n'a pas su jouer son rôle? Autant de questions qui doivent interpeler tous les Africains. Elles méritent des réponses claires. Sans cela, après quelques décennies de coopération avec de nouveaux partenaires, on risque d'avoir à faire les mêmes constats et à se poser les mêmes interrogations.

En ce qui nous concerne, nous affirmons que la coopération avec l'Europe n'a pas été un échec. Elle a porté des fruits positifs variés dans des domaines multiples. Elle continue à porter des fruits dans les domaines de la paix et la sécurité, de l'allègement de la dette extérieure, du soutien à la démocratie, de l'aide au commerce, de la sécurité alimentaire, et du recul des pandémies et autres maladies. Nous pensons donc qu'il faut poser la question de la manière suivante : que doit faire l'Afrique pour mériter la confiance de l'Europe et, de facto, pour tirer profit de ses apports de toutes sortes? La réponse à ce questionnement peut donner lieu à une abondante littérature. Chacun peut tenter d'y répondre selon l'idée qu'il se fait des relations Afrique-Europe, ou selon sa vision du développement pour l'Afrique. A notre humble avis, la réponse à cette grande question réside dans la gouvernance économique et politique en Afrique. En effet, personne n'est sans savoir que d'énormes flux financiers en provenance d'Europe, toutes sources confondues, ont été destinés à l'Afrique1. Mais quel usage a-t-on fait de ces montants colossaux? Ont-ils fait l'objet d'une utilisation rationnelle et optimale? Ou bien ont-ils été dévoyés de leur destination initiale? Ces questions ont déjà trouvé une réponse dans l'abondante littérature consacrée à l'aide au développement et à son emploi en Afrique. Nous ne voudrons

1. Pour le besoin de notre analyse, nous taisons volontairement les retours sur investissements ou tous types de ressources empruntant le chemin inverse.

Furthermore, it should be noted that the lack of political integration in Africa has impeded cooperation with Europe. The argument of sovereignty of States has not encouraged the advent of an Africa speaking with one voice and walking together. The cacophony that resulted rather sowed the seeds of division, the reflex of “each one for oneself”, “withdrawal” and nationalism. Thus, in the negotiations with the partners, Africa presented itself divided, each country or each Region trying to defend only its national or Regional interests. Each time the declaration of good intent of integration expressed in the Treaties or Charters have been trampled under foot for the particular interests of the States. This inclination towards individualism partly explains the ineffectiveness of the cooperation with Europe, more especially as it prevents Africa from presenting a common front and to really weigh in during negotiations – indeed have a real negotiating capacity. It faces difficulties in having itself respected, to make Europe honour its commitments and to guide the dialogue with Europe in its favour. Such a situation offers to Europe an image of a divided Africa, an Africa where only the interests of sovereign States count, an Africa that can be manipulated at will, an Africa where countries can be put against each other, finally an Africa where division is the rule and unity an exception.

How can Africa take advantage of its cooperation with Europe in such a situation? Here it is important to recall that one of the principles of the Joint Africa-Europe Strategy calls upon the EU to treat Africa as one. Thus, the EU should adapt the three (3) existing instruments (Cotonou Agreement, the MEDA Arrangement, replaced since 2007 by the European Neighbourhood and Partnership Instrument (ENP) and the Trade, Development and Cooperation Agreement (ACDC Treaty) to the exigencies of the new Strategy by harmonizing them or unifying them. The idea is to have a single instrument of cooperation with Africa, instead of the present three, to support the dynamics of the African integration process. In spite of the persistent appeals, reiterated several times by Africa to Europe, calling upon it to respect this major principle of the Joint Strategy, the EU still delays execution. The Europeans reply to these numerous appeals by saying: “What are you Africans doing for Europe to treat your Continent as one?” As a matter of fact, no concrete step has been taken on the African side leading to the harmonisation of the European instruments of cooperation. Far from it, each geographical zone revels in the situation imposed and defends jealously its achievements to the detriment of African integration, coherence and European Aid effectiveness.

Instead of making Europe shoulder all the responsibility of the

donc pas y revenir au risque de nous livrer à une ennuyante redite. Toutefois, il est important de noter que la mauvaise gouvernance qui entoure l’usage de l’aide en Afrique a contribué à la rendre inefficace, et par conséquent, à rendre infructueuses les interventions européennes en Afrique.

Par ailleurs, il convient de noter que l’absence d’intégration politique en Afrique a handicapé la coopération avec l’Europe. La mise en avant de la souveraineté des États n’a pas favorisé l’avènement d’une Afrique parlant d’une seule voix et marchant d’un même pas. La cacophonie qui s’en est dégagée a plutôt fait le lit de la division, des réflexes du «chacun pour soi», du «repli sur soi» et du nationalisme. Ainsi, dans les négociations avec les partenaires européens, l’Afrique s’est présentée divisée, chaque pays ou chaque région cherchant à ne défendre que ses intérêts nationaux ou régionaux. A chaque fois, toutes les déclarations de bonne intention d’intégration exprimées dans les traités ou chartes ont été foulées au pied au bénéfice des intérêts propres des États. Cette inclination à l’individualisme explique en partie l’inefficacité de la coopération avec l’Europe, d’autant qu’elle empêche l’Afrique de présenter un front commun et de peser réellement dans les négociations –voire d’avoir une véritable capacité de négociation–. Elle engendre des difficultés pour se faire respecter, pour forcer l’Europe à tenir ses engagements, et pour orienter le dialogue avec l’Europe en sa faveur. Une telle situation offre à l’Europe l’image d’une Afrique divisée, d’une Afrique où ne comptent que les intérêts souverains des États, d’une Afrique manipulable à souhait, d’une Afrique où l’on peut opposer facilement les pays les uns contre les autres, d’une Afrique enfin où la division est la règle et l’unité l’exception.

Comment l’Afrique peut-elle bénéficier de sa coopération avec l’Europe dans une telle posture? Ici, il convient de rappeler que l’un des principes de la Stratégie conjointe Afrique-Europe invite l’UE à traiter l’Afrique comme une seule entité. Ainsi, l’UE est tenue d’adapter les trois instruments existants (Accords de Cotonou, arrangements du MEDA remplacés depuis 2007 par le European Neighborhood and Partnership Instrument (ENP), et Accord sur le Commerce, le Développement et la Coopération (traité ACDC)) aux exigences de la nouvelle stratégie en les harmonisant ou en les unifiant. L’idée consiste à créer un seul instrument de coopération avec l’Afrique, au lieu de trois actuellement, pour soutenir la dynamique du processus d’intégration africaine. En dépit des appels persistants et plusieurs fois renouvelés de l’Afrique à l’Europe l’invitant à respecter ce principe majeur de la Stratégie conjointe, l’UE tarde encore à s’exécuter. A ces nombreux appels, les Européens répondent en ces termes : «que faites-vous, vous, Africains pour que l’UE traite votre continent comme une seule entité?». Effectivement, aucune démarche concrète n’est engagée, côté africain, allant dans le sens de l’harmonisation des instruments européens de coopération. Loin s’en faut, chaque zone géographique se complaît dans la situation imposée et

It continues to produce positive results in the areas of peace and security, external debt alleviation, support to democracy, Aid for Trade, food security and rolling back pandemics and other diseases.

results of its cooperation with it, deemed relatively disappointing, Africa must accept to make self criticism and endeavour to identify the endogenous factors enabling it to fructify this Africa-Europe cooperation. Among these factors, there is mainly the imperative need to master the levers of its integration and corporate and political governance, the only factors that can give it a real power of negotiation within the framework of its partnership with Europe.

In conclusion, it is undeniable that Africa and Europe must maintain a lasting and sustained cooperation. The geographical proximity and several other factors compel them to do so. In that prospect, the principles of mutual respect, shared responsibility and vision in the governance of international public assets, must constantly guide this cooperation. Similarly, there should be no taboo issue in the Africa-Europe relations. All issues must be dealt with in full transparency, without any ulterior motive and in all frankness. According to the saying, friendship is nurtured by truth. The Africa-Europe dialogue must, therefore, be sustained permanently by truth without which the expectations will look like fancy dreams.

défend jalousement ses acquis aux dépens de l'intégration africaine, et au détriment de la cohérence et de l'efficacité de l'aide européenne.

Au lieu donc de faire porter à l'Europe toute la responsabilité des résultats jugés relativement décevants de sa coopération avec elle, l'Afrique doit accepter de faire son autocritique et s'atteler à identifier les facteurs endogènes lui permettant de faire fructifier cette coopération Afrique-Europe. Au nombre de ces facteurs figure principalement l'impérieuse nécessité de maîtriser les leviers de son intégration et de sa bonne gouvernance économique et politique, seuls capables de lui conférer un véritable pouvoir de négociation dans le cadre de son partenariat avec l'Europe.

En conclusion, il est indéniable que l'Afrique et l'Europe doivent entretenir leur coopération de manière durable et soutenue. La proximité géographique ainsi que plusieurs autres facteurs les y obligent. Dans cette perspective, les principes de respect mutuel, de responsabilité partagée, et de vision partagée dans la gouvernance des biens publics internationaux, doivent guider constamment cette coopération. De même, il ne doit y avoir aucun sujet tabou au sein des relations Afrique-Europe. Toutes les questions doivent être traitées dans une transparence totale, sans arrière pensée et en toute franchise. Selon l'adage, l'amitié se nourrit de vérité. Le dialogue Afrique-Europe doit donc se nourrir en permanence de vérité sans laquelle les attentes suscitées s'apparenteront à des chimères.

The Lisbon Treaty of the European Union: implications for the Africa-EU relations
Le Traité de Lisbonne de l'Union européenne: implications pour les relations Afrique-UE

Addis Ababa, Ethiopia / Ethiopie

22 October/Octobre 2010

by Geert Laporte*

Insight

The Africa – EU Partnership in a post-Lisbon and post-Tripoli context

Two unions, one strategy

Dialogue between the AU and the EU has intensified since the transformation of the OAU into the AU in 2002. The African Union Commission (AUC) and the European Commission (EC) now hold regular talks, in both Addis Ababa and Brussels. Initially, the focus was on peace and security and development issues, but other political issues of common concern have gradually been added to the agenda. Following the formulation of a unilateral EU Strategy for Africa, both unions adopted a Joint Africa-EU Strategy (JAES) in 2007, at the second Africa-EU Summit in Lisbon. The JAES was regarded as an innovative, ambitious and potentially valuable instrument for forging a stronger continental partnership between the EU and Africa.

It was intended to overcome the traditional donor-recipient relationship that has dominated the partnership for too long. The JAES is designed explicitly to end the 'post-colonial' type of relationship between Europe and Africa. It seeks to reinforce political dialogue and cooperation at a continental level on key areas of common interest to Africa and Europe such as peace and security, governance, regional integration, climate change, energy, migration, science and the information society.

At an institutional level, new but heavy institutional mechanisms have been put in place to broaden and intensify the dialogue between the two regions, including regular Commission-to-Commission meetings, EU-Africa Ministerial Meetings and technical expert meetings. The reinforced EU Delegation to the African Union (AU) in Addis Ababa and the AU mission in Brussels have also helped to build a more regular and deeper political dialogue.

Is the EU losing ground in Africa?

Despite the high expectations aroused in 2007, the Africa-EU Partnership has had trouble fulfilling its promise. Three years is clearly too short a period in which to assess the results achieved by the ambitious JAES and to bring about full ownership by all stakeholders and beneficiaries on both sides.

While the EU is still by far Africa's main partner in terms of trade, investment and development assistance, it seems to be rapidly losing ground on the African continent. It would be difficult at this moment to argue that the Joint Africa-EU Partnership is 'alive and kicking'. This was illustrated by the most recent third Africa-EU Summit in Tripoli (November 2010), that hit very few headlines on either continent. Several big countries in Europe (e.g. France, UK and Germany) and Africa (e.g. Egypt and Nigeria) did not send their Heads of State to the Summit. Both the EU and Africa alike carry a share of the responsibility for the difficulties surrounding the partnership.

External factors such as the rapid rise of emerging competitors in Africa – such as China, India and Brazil – are perceived to be among the main reasons for the decline in the EU's influence in Africa. There can be no doubt that Africa's ability to choose from different partners has placed it in a stronger position. But it is not the only reason why the EU seems to be suffering from a growing credibility problem in Africa. Over the years, the EU has found it hard to speak with one voice about its relationship with Africa. Individual member states still often contradict common EU positions. From the perspective of many Africans, there is a big gap between what the EU preaches in strong value-driven discourses and strategies and what it actually delivers in practice. Repressive but pro-Western regimes in Africa (such as that of President Ben Ali in Tunisia) have received lots of support from the EU, despite widespread reports that they have systematically violated the very principles the EU is keen to stress elsewhere, such as respect for human rights, the rule of law and democracy.

This type of inconsistency has created a situation in which the EU is often perceived by Africans as a 'patronising' partner who does not hesitate to apply double standards if this serves its own interests. The EU is clearly ready to stress democratic principles as long as the electorate votes for pro-Western candidates.

Other contentious issues have also undermined trust. One example is the ongoing negotiations on Economic Partnership Agreements (EPAs), which have contaminated EU-Africa relations over the past decade. It was surprising to see that, despite being a highly contentious issue, EPAs have not been formally integrated into the JAES, even though the JAES was explicitly designed to address all major political issues of common interest and concern. The November 2010 summit in Tripoli broadly discussed EPAs, but did this in the absence of the EU Trade Commissioner, who is responsible for the EPA negotiations on behalf of the European Union.

Another inconsistency may be seen in the EU approaches to and the (funding) instruments used in the partnership with Africa. If it is the EU's intention to provide support to pan-African integration, it should respect the principle of 'treating Africa as one' and not divide the continent into two parts, i.e. sub-Saharan Africa and North Africa.

Box 1: Historic milestones and important moments ahead in Africa – EU relations in 2011

Milestones in the history of Africa-EU dialogue:

- Long history of relations (Yaounde, Lome, Cotonou Partnership Agreements)
- **2000: First Africa-EU Summit, Cairo/ Egypt**
- 2002: Transformation of the OAU into the AU
- 2004: Enlargement of the EU
- **2005: Adoption of the EU Strategy for Africa**
- **2007: Second Africa-EU Summit, Lisbon/** Portugal, **adoption of the Joint Africa-EU Strategy** and its First Action Plan
- **2010: Third Africa-EU Summit, Tripoli/** Libya, adoption of the Second Action Plan
- **2013: Fourth Africa-EU Summit, Brussels/** Belgium

Some important moments for EU-Africa relations in 2011:

	EU-Africa	**Global**
January		
February		
April	AU-EU Ministerial Meeting, Brussels	
May	**ACP-EU Ministerial** ACP-EU Joint Parliamentary Assembly, Budapest (16-18 May)	4th UN conference on LDCs, Turkey (30 May–3 Jun)
June		G8 Summit, France G20 Summit, France
July		
September		
October	**AU-EU Ministerial Meeting** Joint ACP-EU Ministerial Trade Committee meeting (JMTC)	Final report on the 2011 Survey on Monitoring the Paris Declaration
November	ACP-EU Joint Parliamentary Assembly, Sierra Leone (21-22 Nov)	COP 17, South Africa (28 Nov-09 Dec) 4th High Level Forum on aid effectiveness, Busan, Korea (29 Nov-1Dec)

There are similar inconsistencies, coupled with a lack of clarity of purpose and political leadership, on the African side. The AU could help to facilitate and articulate common African positions on sensitive issues, but African leaders need first to be clearer about their willingness to transfer certain responsibilities to a supranational level. At this stage, the AU Commission's mandate is too restricted to lead a supranational agenda. As building blocks of pan-African integration, the Regional Economic Communities (RECs) are not sufficiently involved in shaping continental policy positions and in a number of cases tend to compete with policy-making at a pan-African level. The African member states and their civil societies are scarcely involved in the partnership with the EU. Last but not least, the human and financial resources available at a continental level are well below the levels needed if the JAES is to fulfil its ambitions.

In short, the Africa-EU partnership is unlikely to produce the spectacular results it claims to be seeking in the short term.

Revitalising the Africa-EU Partnership: how can it be done?

The following action could be taken to remedy the situation described above and restore trust in the partnership.

a Foster a frank and effective high-level political dialogue

There is an urgent need to take the dialogue between the two continents to a higher level. All delicate and contentious issues where there are major differences of opinion and conflicting interests between the continents should be brought to the negotiating table in all openness and debated on the basis of well-prepared positions. The dialogue should not be left only to technocrats

> While the EU is still by far Africa's main partner in terms of trade, investment and development assistance, it seems to be rapidly losing ground on the African continent.

who, at the end of the day, have little influence on making things move. Those at the highest political levels should give clear signals that the Africa-EU Partnership matters, not only to short-term EU interests (e.g. protecting the European fleet from piracy in the Horn of Africa) or African interests (e.g. gaining access to additional funding resources), but also to common, long-term interests such as growth, investment opportunities and cooperation on major global issues (e.g. climate change).

A clearer understanding of what drives European and African positions and where traction can be found in the partnership would help to build common ground and consensus. It would also help Africa and the EU to adopt joint positions in multilateral talks.

b Move beyond the traditional donor-recipient dependence

The Africa-EU partnership is supposed to deal in all openness with all common concerns and interests in the global and Africa-EU context. To do so, it needs to overcome the traditional donor-recipient dichotomy. This means extending the political dialogue to European and African member states, to the RECs, and to non-development cooperation departments in the European Commission (e.g. environment, energy, justice and home affairs) and the newly created European External Action Service (EEAS).

Clearly, the AU values EU development cooperation support, which accounts for almost 60% of all aid to Africa. But grant aid alone will not suffice to meet Africa's massive development and investments needs. In a volatile context of financial crisis in the EU, with declining official development assistance budgets, now is the time to think beyond aid and to use aid as a means of attracting other, newer, larger and sustainable financial resources for development such as private commercial capital and investment.

c Generate tangible results

During the 3rd Africa-EU Summit in Tripoli, President Zuma of South Africa openly expressed his concern that *'after ten years of this partnership, we have very little to show in terms of the tangible implementation of the undertaking we made in both Cairo (2000) and Lisbon (2007).'* He cautioned the summit against committing to another action plan when past commitments have not been met.

There is indeed a need for more tangible results if the Africa-EU Partnership is to stand firm in this rapidly changing world. Either a breakthrough in the negotiations on EPAs in the form of a mutually beneficial and accepted compromise, or joint Africa-EU positions in multilateral fora on burning global issues (such as climate change) could help alter the prevailing perceptions of a partnership in crisis. Clarifying the relationship and complementarity between the JAES, the Cotonou Partnership Agreement and the Union for the Mediterranean would also send a positive message about the parties' commitment to a continent-to-continent partnership. The current EU financing instruments do not recognise Africa as a single continent. With the next debate on the EU Financial Perspectives due to start in 2013, now is the right time to create a single pan-African instrument dedicated to the African Union.

Achieving concrete results is something quite different from a 'good news show' announcing fine intentions for the future. As always, the best communication strategy is to announce tangible results that attract attention from Europeans and Africans alike.

d Take account of asymmetries in terms of capacities

The partnership also needs to recognise and adjust to the current asymmetry between the EU and Africa. AU institutions still lack the capacity to deal effectively with the multitude of thematic areas covered by the JAES. The JAES should also pay more attention to the development and strengthening of legitimate, capable and accountable African institutions (at local, national, regional and pan-African levels) and to supporting capacity development in new emerging areas of common concern (e.g. climate change adaptation, migration and security).

e Change the culture of partnership

There is also a need for a fundamental change in attitudes towards the partnership on both sides. Among other things, there is a need to build a consistent, mutual respect expressed in deeds as well as words. For instance, high-level EU representatives should take time to listen to their African counterparts. More empathy could help to better integrate key African concerns into the agendas for dialogues and consultations. As a matter of respect, the EU could also make sure to systematically respect equal levels of representation in the dialogue.

On the African side, there should also be more critical introspection and a stronger clarity of objectives and strategies. Some 'old-generation' political leaders should resist the temptation to systematically blame European colonialism for all of Africa's current development problems. While there is no reason to ignore the historical perspective, Africa could gain more credibility if it assumed greater responsibility for its own development

and ceased to view the EU as a money basket for paying off 'Europe's historic debt' to Africa.

Will the Lisbon Treaty make a difference?

High expectations

The Lisbon Treaty holds great potential for strengthening the EU's role as global player and improving its relationship with Africa. The Treaty also strongly emphasises poverty eradication, which is one of the overall objectives of the EU and a key objective of all EU external action and not just development cooperation. This is a strong commitment towards a continent that is composed largely of least developed countries (LDCs). It implies that all European officials involved in EU external action and working in the newly established European External Action Service and the European Commission, as well as EU member states' officials, are expected to work towards the goal of poverty eradication.

The Lisbon Treaty also has the potential to bring more coherence to the EU's external relations. All EU policies should be coherent with development policy. In concrete terms, this means that the Common Foreign and Security Policy and EU policies on migration, trade, agriculture, fisheries, etc. should not undermine development policies. In an ideal world, these other EU policies should actually support the EU's development objectives. In terms of development cooperation, the EU wants to be more strategic in its search for 'more value for money'. On paper, development cooperation will interrelate with other EU external policies on an equal footing. Although there is a risk here, experience shows that isolating development aid from other foreign policy objectives is probably not the best way of making a real difference to other external policies that can also help to eradicate poverty and promote development.

Lisbon should also help the EU to speak with one voice in its partnership with Africa and the world. This is reflected in the composition of the newly established EEAS, whose 5,000 staff include European Commission staff, diplomats from the EU member states and personnel of the Secretariat of the Council.

There is also a clear need to coordinate better and to enhance complementarity between EU and member states' development policies, and to also improve policy harmonisation within the European aid architecture.

The new institutional architecture provides opportunities for a stronger political dialogue with Africa beyond aid on all issues of common and global concern. The EU delegations in Africa can now take the lead in the dialogue with African partners on all key areas of EU external action.

Serious concerns

While many Africans welcome the potential for a stronger political dialogue with the EU through the newly created post of High Representative and the EEAS, concerns remain. Fears have been expressed that the High Representative may be tempted to focus her work primarily on short-term EU diplomatic and security interests (e.g. piracy in the Horn of Africa) and that she may not invest enough of her time in a high-level dialogue with Africa on the medium-term and long-term prospects for economic development.

There are also worries over the value that the EEAS will attach to development objectives and the potential risk that EU development resources will be 'instrumentalised'. This could mean that European aid will be used in the first place to promote the EU's interests in other key policy areas rather than to tackle poverty and promote development objectives. Several questions need to be answered in this connection:

- How can it be guaranteed that development does not become an instrument for promoting EU policies on trade, migration or security?
- How important will Africa (which consists mainly of least developed countries) be in the hierarchy of EU foreign interests?
- If the EEAS is expected to make the EU's external relations more coherent, why have important components of EU external action that are crucial to Africa (e.g. trade and humanitarian action) been left out?
- Is there enough common ground between Africa and the EU for them to join forces in global fora?

It would help greatly if the High Representative, the EEAS and the EU in general could provide Africa with clear guarantees and concrete signals that would dispel some of these fears. Even more importantly, the EU should take a greater long-term interest in Africa. Contrary to some of the emerging players in Africa, the EU does not seem to fully realise Africa's current and future potential, as one of the fastest growing regions in the world, for economic development and investment.[1]

Conclusion

The Africa-EU Summit in Tripoli broadly discussed the progress made by the Joint Strategy. The time has now come to make better use of the JAES partnership in a post-Lisbon context as a political instrument for addressing African challenges and issues of joint Africa-EU and global concern. Rather than adopting technocratic and aid-driven approaches and taking a 'business as usual' attitude, the JAES should become a proper strategic tool backed by the highest political leadership in both continents, not only in official declarations, but also in day-to-day practice on the ground.

In this respect, the future of the JAES looks grim. Those operating at the highest political levels in the AU and EU Commissions and in African and EU member states do not seem to be convinced of its usefulness. On the EU side, the new institutional framework created by the Lisbon Treaty, with the post of High Representative and the new EEAS, has the potential to stem the tide. However, it remains to be seen whether this potential will be mobilised in a timely and effective manner. This is vital if the EU is to regain Africa's trust, if it wants to stand firm vis-à-vis the emerging powers in Africa, and if it really wants to win 'the struggle against global irrelevance'.[1]

End Note

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1. Richard Youngs, Europe's decline and fall: The struggle against global irrelevance, FRIDE, Madrid, 2010.

By Henrike Klavert*

Insight

EU external action post-Lisbon: what place is there for development policy?[1]

The implications for the African Union

The European Union (EU)'s Lisbon Treaty, which came into effect in December 2009, marked the end of a difficult period of EU internal reform. The Treaty provides a legal framework and creates new institutions that should enable the EU to strengthen its political role on the world stage. In a context of economic and financial crisis and rapidly emerging global players, the EU wants to become a more coherent, credible, effective and visible actor in the world.

So far, African partners have tended to perceive the Lisbon Treaty more as a hurdle than an opportunity. It creates new systems and procedures that they need to analyse and understand. This Paper presents the main changes in development policy under the Lisbon Treaty, examines the place of development in the new system, and looks at the opportunities and challenges for EU relations with the African Union (AU).

The Lisbon Treaty strengthens the EU's commitment to eradicating poverty. The EU is a major donor, providing some 60% of all official development assistance (ODA). It is also an important trading partner with the developing world. The EU is party to the largest North-South agreement, the ACP-EU Cotonou Partnership Agreement. In recent years, the EU has developed a growing number of strategic partnerships with other regions. The Joint Africa-EU Strategy, which focuses on a multitude of new global challenges beyond traditional development cooperation, is a good example of such a partnership. Yet the EU's relationship with Africa has reached a difficult stage in its history, one in which EU rhetoric on partnership and cooperation is not reflected in the current negotiations on economic partnership agreements (EPAs), EU migration policy, fisheries policy, etc. The EU is seen as pursuing its own interests ever more openly. So what role and value will the EU attach to its longstanding partnerships with Africa and the ACP Group in its new institutional framework?

The institutional changes under the Lisbon Treaty

Key clauses in the Lisbon Treaty on foreign and development policy

The Lisbon Treaty gives the EU a broader scope and greater ambitions in terms of its external (i.e. foreign) action.

The overall values and aims of the EU

Article 2

The Union is founded on the values of respect for human dignity, freedom, democracy, equality, the rule of law and respect for human rights, including the rights of persons belonging to minorities. These values are common to the Member States in a society in which pluralism, non-discrimination, tolerance, justice, solidarity and equality between women and men prevail.

Article 3 (5)

In its relations with the wider world, the Union shall uphold and promote its values and interests and contribute to the protection of its citizens. It shall contribute to peace, security, the sustainable development of the Earth, solidarity and mutual respect among peoples, free and fair trade, eradication of poverty and the protection of human rights, in particular the rights of the child, as well as to the strict observance and the development of international law, including respect for the principles of the United Nations Charter.

The principles of the EU's external action

Article 21 (1)

The Union's action on the international scene shall be guided by the principles which have inspired its own creation, development and enlargement, and which it seeks to advance in the wider world: democracy, the rule of law, the universality and indivisibility of human rights and fundamental freedoms, respect for human dignity, the principles of equality and solidarity, and respect for the principles of the United Nations Charter and international law.

The Union shall seek to develop relations and build partnerships with third countries, and international, regional or global organisations which share the principles referred to in the first subparagraph. It shall promote multilateral solutions to common problems, in particular in the framework of the United Nations.

The main goal of the Lisbon Treaty in the area of external relations is to achieve greater consistency in the EU's external action, from diplomacy and defence to trade and development. The EU's external policy ambitions are also to be strengthened by various institutional changes (see below).

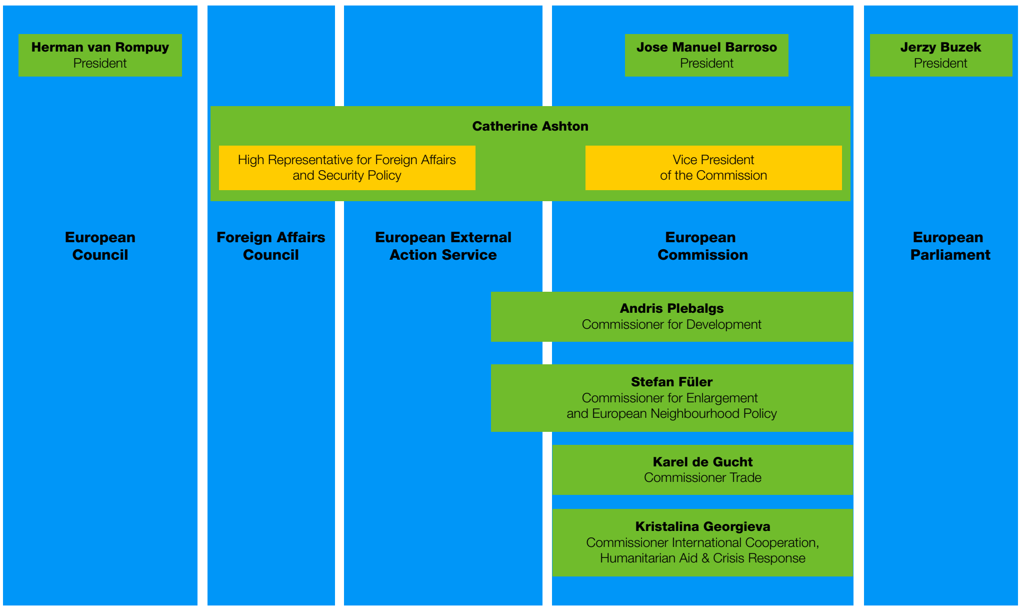
The Lisbon Treaty puts the fight against poverty at the heart of the Union's development policy: "Union development cooperation policy shall have as its primary objective the reduction and, in the long term, the eradication of poverty." In addition to being the primary objective of EU development cooperation, the eradication of poverty is mentioned for the first time as an overall objective of

the EU's external action ("the sustainable economic, social and environmental development of developing countries, with the primary aim of eradicating poverty").

The language used in the Treaty for describing Policy Coherence for Development remains unchanged compared with previous treaties. However, now that poverty eradication has been elevated to an overall goal of EU foreign policy, the wording of the relevant provision has been strengthened. Under the clause, the EU is required to ensure that all its policies (i.e. agriculture, fisheries, migration, etc) that are likely to affect developing countries take account of the poverty reduction objective of development policy.

Development policy remains a parallel competence shared between the European Commission and the member states. However, whereas Community policy was formerly supposed to be complementary to the policies of member states, under the Lisbon Treaty, EU development policy and the development policies pursued by the member states are now required to complement and reinforce one another.

Key Actors in EU External Action post-Lisbon



Who's who and who does what under the Lisbon Treaty?

- Herman Van Rompuy (Belgium), the former Belgian Prime Minister, fills the new post of ***President of the European Council,*** chairing the meetings of the European Heads of State or Government. It is part of his task to ensure the continuity of EU policy priorities beyond the six-month duration of the rotating EU Presidency. The European Council determines the strategic interests and objectives for all external action.
- The most innovative institutional reform in the Lisbon Treaty is the creation of the post of a *High Representative for Foreign Affairs and Security Policy*, who is also the *Vice-President of the European Commission.* Baroness Catherine Ashton (UK) is responsible for ensuring coherent and coordinated EU external action. She chairs the Foreign Affairs Council, which also discusses development policy.
- The High Representative, Baroness Ashton, heads the European External Action Service (EEAS), a new diplomatic corps responsible for putting an effective and consistent EU foreign policy into practice. In line with the objective of bringing all EU External Action under one roof, the geographical desks for all third countries are being transferred in January 2011 from Commission Directorates (External Relations, Enlargement and Development) to the EEAS. The Directorate-General for External Relations will cease to exist, as its role is being taken over by the EEAS. The EEAS will comprise

staff from the European Commission, the Council Secretariat and the diplomatic services of the member states. The idea is that both the High Representative and the EEAS should give the EU a stronger political profile and improve its ability to act on the world stage.

- Former European Commission Delegations in third countries have become EU Delegations and represent the Union in all areas, as rotating presidencies did previously. Wherever possible, they coordinate the European Union's response in partner countries. Although EU Delegations are formally part of the EEAS, they may also receive instructions from the Commission in areas such as trade and development policy, to be implemented under the overall responsibility of the Head of Delegation.
- Andris Piebalgs (Latvia), a former EU Energy Commissioner, is the current EU Commissioner for Development. While his Directorate-General was only geographically responsible for ACP countries prior to Lisbon, it is now responsible for formulating development policy in relation to all developing countries. In addition, the Commissioner for Development is responsible for the programming of geographic cooperation under the European Development Fund (EDF)[2] and the Development Cooperation Instrument (DCI),[3] with the programming being prepared by the EEAS. The High Representative and the Commissioner for Development are required to submit joint proposals to the College of Commissioners. Thematic programmes (e.g. on food security and migration) remain the sole responsibility of the Development Commissioner.[4] Andris Piebalgs is also responsible for what was previously the EuropeAid Cooperation Office (AIDCO), which implements EU development cooperation. AIDCO has merged with the Development Directorate-General to form the new EuropeAid Development and Cooperation Directorate-General (DEVCO).
- Štefan Füle (Czech Republic), a former Czech European Affairs Minister, is the current *EU Commissioner for Enlargement and European Neighbourhood Policy* (including North Africa, formerly managed by the External Relations Directorate-General). As in the case of the EuropeAid Development and Co-operation Directorate-General, the EEAS and the Commission's Neighbourhood Department jointly prepare the allocation and programming for the European Neighbourhood and Partnership Instrument.
- Karel De Gucht (Belgium), a former EU Development Commissioner, is the current *EU Commissioner for Trade.* Trade remains outside the remit of the European External Action Service.
- Kristalina Georgieva (Bulgaria), a former Vice President of the World Bank Group, is the current *EU Commissioner for International Cooperation, Humanitarian Aid and Crisis Response.* Humanitarian aid also remains outside the remit of the European External Action Service.
- The role of the *European Parliament* has been strengthened under the Lisbon Treaty. Forty new policy fields (including agriculture, fisheries, energy, security and migration) are now subject to co-decision (now referred to as the 'ordinary legislative procedure') by the Council and the European Parliament. For example, the European Parliament will co-legislate the revision of the Generalised System of Preferences (GSP) in the area of trade. Should the EDF become part of the EU budget in 2014,[5] the European Parliament will acquire a democratic watchdog role, scrutinising strategies on ACP countries that are eligible for the EDF. This is a role that it already performs in relation to DCI countries.

At the time of writing, there are still a number of institutional aspects relating to the reform of EU external action that need to be clarified. These include the practical division of roles between the Development Directorate-General and the EEAS, the final organisational chart of the EEAS and the EU delegations, and the mechanisms for coordination and consultation between the European Commission and the EEAS.

How will development policy mesh in with the EU's external action?

The reorganisation of tasks within EU external action presents a number of potential opportunities and challenges for EU development policy.

- Will there be greater consistency between external and internal EU policies? According to the Lisbon Treaty, Baroness Ashton is responsible for ensuring consistency between different areas of EU policy, both internal (e.g. policies on agriculture and fisheries) and external (e.g. development policy and the policy on humanitarian aid). This should give her the latitude she needs to ensure that other EU policies do not undermine development cooperation. As a Community competence that is therefore dealt with by the European Commission, trade has been left outside the EEAS. This may have been because the European Commission did not want to lose influence to the member states. From a coherence

The Treaty provides a legal framework and creates new institutions that should enable the EU to strengthen its political role on the world stage

point of view, though, this is a shame. After all, trade is arguably a key component of EU interaction with the outside world.

- Will there be complementarity between DEVCO and EEAS? The Development Commissioner's responsibility for the allocation and programming of funds under the EDF, the DCI and most thematic programmes gives him an opportunity to ensure that *development objectives remain at the heart of the EU's development assistance*. However, as the EEAS is to set the agenda and prepare the geographical programming and allocation of the funds for developing countries, and as the Commissioner's staff working on country programming and allocation are to be transferred to the EEAS, Commissioner Piebalgs and Baroness Ashton will have to create effective coordination mechanisms so that DEVCO can feed its knowledge on sectoral development policies into the EEAS's proposals. Unlike the EU's previous programming cycle, in which programming and programme identification preceded financing decisions, the document on the organisation and operation of the EEAS states that financing decisions for countries will be taken before assessments have been made in the form of country and regional strategy papers. This suggests that future financing decisions will be based on political considerations and interests rather than local domestic needs.
- Will the delivery of EU development cooperation be better and more coherent? The Lisbon Treaty creates clear opportunities for a more integrated, better coordinated and more visible EU development policy. For example, member states should now be able to work together more closely, using country-owned programme-based approaches. However, strategies on the division of labour have been around for longer than the Lisbon Treaty, and the results to date have been mixed. Change in this area is likely to be influenced by the level of cooperation between EU Delegations and (member state) headquarters. The greater emphasis on results and value for European taxpayers may create incentives for working together more closely to maximise the impact of development cooperation.
- Will the European Parliament gain more influence as a development partner? The European Parliament may become a more important partner thanks to its ability to raise awareness of development concerns, as it has now been placed on an equal footing with the Council in key areas like fisheries and agriculture. The European Parliament adopted a report on Policy Coherence for Development in May 2010 expressing a strong commitment to enhancing Policy Coherence for Development in the EU, and expressing its willingness to examine more closely the links between development policy and other areas of EU policy. However, the European Parliament also has a long tradition of insisting on conditionalities (such as the human rights record) and standards (e.g. decent working conditions or sanitary and phytosanitary measures).

What effect could the Lisbon Treaty have on AU-EU relations?

- 'Regionalisation' reinforced. The EEAS is responsible for relations with all countries. There will no longer be a split between ACP countries, for which the Development Commissioner used to be responsible, and other developing countries. References to the ACP (previously included in the EU Treaty) have been removed. Within the EEAS, three separate departments deal with Africa, Asia and the Americas, and there is no unit which is specifically responsible for relations with the ACP as a group. This is in line with the 'regionalisation' strategy adopted by the EU in recent years, which has involved developing separate (joint) strategies for Africa, the Caribbean and the Pacific as more homogenous geographic groupings. Fears have been expressed that this may herald 'the beginning of the end' of the special partnership between the ACP and the EU that has existed since 1975. Some Africans have interpreted it as meaning that the three ACP regions are disappearing from the EU agenda, both collectively and individually. Africa's position on the future of the ACP (does it see the ACP as having a comparative advantage over the AU, for example?) will unmistakably shape the future of ACP-EU relations.
- Looming budgetisation of the EDF? The reference to the ACP, safeguarding the intergovernmental nature of EU-ACP relations, has been removed from the Lisbon Treaty. The removal of this reference eliminates the formal obstacle to budgetisation. Commissioner Piebalgs has stated on several occasions that he is in favour of including the EDF in the budget in 2014, as have various EU member states such as France and the Netherlands. The UK has made clear that it is firmly against budgetisation. Budgetisation of the EDF could mean that ACP countries would have to compete for funding with other regions, depending on the EU's political priorities. It has thus been suggested that the ACP should

propose conditions for budgetisation to ring-fence funds for their region. A matter of particular interest were the EDF to be budgetised is the future of the African Peace Facility (APF). Under the current rules, it funds military peace-keeping activities which could not be funded from the EU budget. This has been possible only thanks to the intergovernmental nature of the instrument. The EDF provides for joint programming mechanisms for the Facility together with the AU. The APF will probably fall under another instrument in the future. The AU may well have to lobby for the preservation of the principle of joint management.

- Treating Africa as one? According to the provisional organisational chart[6] for the EEAS, the Africa Department will deal with West and Central Africa, the Horn of Africa, East and Southern Africa, and the Indian Ocean. However, North Africa will be dealt with by the Department for the Middle East and the Southern Neighbourhood. In institutional terms, therefore, the EEAS does not treat Africa as a single entity. The Commission has made it known[7] that it cannot form a single African Integration Facility before the next multi-annual financial framework begins in 2014. At least until then, the variation of EU frameworks dealing with Africa (i.e. the Joint Africa-EU Strategy (JAES), the Union for the Mediterranean, the European Neighbourhood Policy, the Trade, Development and Cooperation Agreement and the EU-South Africa strategic partnership) will continue to exist in parallel. The provisional organisational charts for DEVCO and the EEAS no longer contain a Pan-African unit. Instead, there is now a unit responsible for regional cooperation under the Africa Department in the EEAS. The provisional chart for DEVCO also contains a unit that is responsible for partnerships, noting that it will be the focal point for the AU and the ACP. Although negotiations are still ongoing, the regional cooperation unit in the EEAS will most likely coordinate the EU's work on the JAES in cooperation with DEVCO in the future. It is important that the EEAS is made responsible for coordinating the JAES, so as to ensure that the partnership remains a political priority for the EU. In terms of the institutional architecture surrounding the JAES, EU representation in these fora has not been decided yet.
- Less easy AU access to the highest EU political levels? The AU will want to ensure that opportunities remain for high-level dialogue with the High Representative and the EEAS. Previously, the Development Commissioner was entirely responsible for ACP-EU and Africa-EU relations. Given her demanding portfolio and her agenda, Baroness Ashton may ask Commissioner Piebalgs to represent her at meetings with African countries, as she has already done for meetings on the Joint Africa-EU Strategy.
- EU Delegations in AU countries: better partners? Having been given a stronger political mandate for all areas of EU relations, the EU Head of Delegation could become a more effective dialogue partner, with whom AU countries can raise concerns and with more political clout to convey their messages in Brussels. Although the EU is keen on political dialogue, there is a disparity between European and African interpretations of the meaning of political dialogue. Africans have often emphasized that they do not see political dialogue as an end in itself.[8] The new institutional frameworks may allow for some new beginnings in the culture of dialogue between the two continents. Both the EU and the AU should make maximum use of these opportunities.
- Making better use of the provisions on Policy Coherence for Development? Article 12 of the Cotonou Partnership Agreement allows ACP countries to request formal consultations on EU policies that could affect their development. With the new political interlocutors in the EEAS whose remit covers consistency in all EU external relations, there may be greater opportunities for the ACP countries to invoke this provision.
- Closer cooperation between the EU and the AU in global fora. Both the AU and the EU want to play more prominent roles on the international stage and to be recognised as the voice of their region. They therefore have a strong incentive to work together on global issues such as climate change and energy and to support African representation in global governance fora. The recent failure to sign a joint declaration on climate change at the 3rd Africa-EU Summit was a setback in this regard, which both regions should do their best not to repeat.

Conclusion

The EU has a long way to go before its new structures are fully operational. During this period, the better informed the African Union is about the changes and new structures, the better it can make use of them and maintain its position as a key partner for the EU. For the AU, building new relationships with the High Representative and her EEAS and the new and more 'powerful' EU Heads of Delegation will be crucial if the AU-EU partnership is to be strengthened. In the new setting, development policy is likely to be ever more closely entwined with the EU's foreign policy. Whilst creating opportunities for pursuing a more coherent EU external policy, this also poses a risk that development concerns will not always be at the forefront of EU policy-making. At least in institutional terms, the EEAS will not treat Africa as a single entity, and the AU will have to continue to 'lobby' for a Pan-African envelope until 2014. Budgetisation of the EDF would mean that new sources of funding for the APF need to be found. This is also a matter requiring close scrutiny by the AU.

End Note

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1. This paper draws in part from: ECDPM. 2010. *The Post-Lisbon Landscape: Development at a Crossroads* (ECDPM Briefing Note 18). Maastricht: European Centre for Development Policy Management.
2. ACP countries are eligible for the EDF.
3. 47 developing countries in Latin America, Asia, the Gulf Region and South Africa are eligible for the geographical programmes under the DCI.
4. There are three exceptions: The European Instrument for Democracy and Human Rights, the Instrument for Nuclear Safety Cooperation and the Instrument for Stability.
5. The current EDF is outside the regular EU budget, and is based on voluntary contributions from EU member states.
6. Available at http://eeas.europa.eu/background/docs/eeas_prov_organisation_en.pdf.
7. European Commission DG Development presentation on the 3rd Africa-EU summit: A European Commission read-out, 14-15 October 2010, available at http://www.ieei.pt/files/EARN_IAO_Darmuzey.pdf.
8. Dr Maxwell M. Mkwezalamba, AU Commissioner for Economic Affairs on ensuring the successful implementation of the Joint Africa-EU Strategy, 8 July 2010, available at http://www.africa-union.org/root/ua/Conferences/2010/juillet/EA/08juillet/Commissioner%20s%20presentation%20-successful%20implementation%20of%20the%20JAES-%208%2007%2010.ppt.

By Jeske van Seters*

EU funding for Africa, business as usual or changes ahead?

Africa–EU relations are wide-ranging. The two regions, and the countries in them, are important trading partners. The two are also linked by joint efforts in areas such as anti-terrorism, climate change and migration. Over the last decades, the EU has negotiated and/or developed a series of frameworks guiding its partnership with African countries on the national, regional and continental level in different areas. Most prominent amongst these are the Joint Africa –EU Strategy and the Cotonou Partnership Agreement between the EU and countries of ACP. Yet a number of other policy frameworks also exist that are relevant to Africa (table 1).

This article focuses on a narrow aspect of Africa-EU relations covered under different frameworks, that is development cooperation. It examines both the current state of play as well as the future of EU funding to support Africa in its efforts to promote development and eradicate poverty, particularly in the light of the changes brought about by the Lisbon Treaty.

The first section looks at the volume of EU funding. This is followed by an analysis of the quality of EU support, in particular in relation to the issue of fragmentation. EU development cooperation is characterised by a multitude of actors, including both EU member states and EU institutions like the European Commission. The article then focuses on the European Commission and the development cooperation instruments it has at its disposal for Africa. The article concludes with a discussion of the changes brought about by the Lisbon Treaty and their possible implications for these instruments.

Table 1: EU-Africa relations – formal agreements and policy framework[1]

Agreement Name	Signed/Agreed	Geographic Coverage (Developing Countries)	Nature
ACP-EU Cotonou Partnership Agreement (CPA), including legal basis for Economic Partnership Agreements (EPAs)	2000 - 2020 Building on Lomé Conventions I-IV bis from 1975 to 2000; with formal revisions in 2005 and 2010	Sub-Saharan African countries + certain Caribbean and Pacific countries	Legal document
Joint Africa-EU Strategy (JAES) (also known as the EU-Africa Strategic Partnership)	2007	All Africa	Agreed document
Barcelona Process, Union of the Mediterranean (UoM)	2008 Building on a process started in 1995	North African countries + other Mediterranean countries	Agreed document
European Neighbourhood Policy (ENP)	2004, with subsequent updates	Countries in North Africa, the Mediterranean and Eastern Europe	EU policy
Trade and Development Cooperation Agreement (TCDA)	1999 Aiming to establish a free trade agreement by 2012	South Africa	Legal document
EU-South Africa Strategic Partnership	2006	South Africa	Agreed document

Is the EU living up to its commitments?

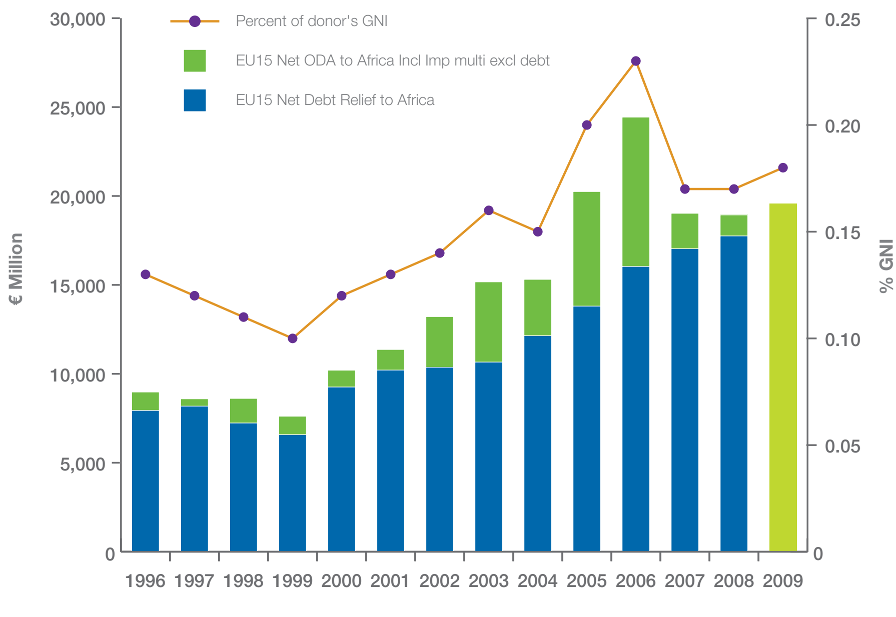
The EU is the world's largest donor at present. The 27 EU member states and the European Commission combined provide more than half of all Official Development Assistance (ODA). This amounted to €48.2 billion in 2009. Of this amount, €10 billion is disbursed by the European Commission.[2] A total of €19.6 billion flowed to Africa in 2009. These are large amounts, but how do they relate to the EU's commitments?

The EU is the only group of donors that has made a time-bound pledge to meet the internally agreed target of 0.7% of GNI to be spent on ODA. In 2005, the EU member states undertook to reach a collective intermediate ODA level of 0.56% of GNI by 2010 and 0.7% by 2015. At a national level, targets vary between those member states that joined the EU prior to 2004 and those that joined afterwards.[3]

While ODA figures for 2010 have not yet been released, it is unlikely that the EU has reached its intermediate target for that year. In 2009, the EU provided 0.42% of its GNI in ODA. As a share of GNI, this was higher than in 2008 (0.40%). In real terms, though, EU ODA decreased on account of the global economic recession and the corresponding reduction in GNI. Based on member states' forecasts, the European Commission predicted that EU ODA would increase in 2010, but only to a level in the range of 0.45%-0.46% of GNI. Hence the Commission's conclusion that: *"The EU is set to miss its collective intermediate target of 0.56% of GNI by 2010 by a wide margin …"*[4]

The overall EU figures hide wide disparities between member states. While ODA volumes both as a percentage of GNI and in real terms are on the rise in some countries, they are in decline in others. In 2009, ODA volumes rose considerably in real terms in countries such as France, the United Kingdom, Finland and Belgium. There were sharp falls in other EU countries, however, with Italy taking the lead with a 31% (€990 million) decline. Other countries where there was a declining trends were Greece, Ireland, Portugal, Austria, Germany, Spain and the Netherlands. Severe budgetary pressures due to the economic crisis, as well as reduced levels of debt relief, were the main causes.

EU15 ODA to Africa in € million and as a % of GNI
including imputed multilateral flows



Source: OECD DAC *For 2009, COM Simulation based on DACdat for 2009*

By the same token, the EU seems unlikely to have delivered on its commitment to channel 50% of the rise in aggregate EU ODA to Africa. Since 2005, combined EU aid to Africa has fallen rather than risen. This is due to major debt relief operations in 2005-2006, which have been more modest in recent years. The increases in programmable aid to Africa from €7.2 billion in 2005 to €9.7 billion in 2009[5] failed to make up for the decline in debt relief.[6]

In sum, while the EU is an important donor and a partner for Africa in its efforts to promote development and eradicate poverty, the EU will find it hard to live up to its 2015 commitments, particularly as the economic crisis means that government budgets are under pressure and EU citizens are calling for governments to focus on domestic issues.

The problem of donor fragmentation

Since the 1990s, the global aid system has become excessively complex and fragmented. The number of donors, including emerging countries and private foundations, has steadily risen. Fragmentation is also a major problem within the EU itself, as development cooperation is a competence shared between member states and the European Commission.

Recognising the inefficiency of individual member states acting on their own without looking at the broader picture, the EU Treaties since Maastricht in 1992 have enshrined the need for coordination. This was reconfirmed and strengthened by the Lisbon Treaty. It is also reflected in the *European Consensus on Development*, the overall development policy framework guiding the European Commission and member states' interventions. As a tool for enhancing coordination, the EU adopted a Code of Conduct on Complementarity and Division of Labour in 2007. Under the Code of Conduct, each donor is expected to focus its assistance on a limited number of sectors and countries where it can offer the greatest added value and where its activities complement those of other donors.

Regardless of EU policies to strengthen donor coordination, it is widely recognised that progress has been slow in practice. This lack of progress comes at a high cost to both donors and recipient countries. It has been estimated that at least €3-6 billion on a yearly basis (or 10% of the total EU aid budget) could be saved if EU donors cooperated more effectively.[7]

Progress is hindered by disincentives to greater donor coordination and a better division of labour. These include the issue of visibility and vested donor interests in partner countries and regions. Leadership can be another hindrance, as most donors prefer to coordinate than to be coordinated.

Efforts to improve coordination among donors and recipients are urgently needed. Both European and African actors can play an important role in this context.

Funding by EU institutions

The EU has a range of geographic financial instruments available for funding development cooperation. The Joint Africa – EU Strategy is currently not supported by one single instrument for Africa. Africa is currently (i.e. the 2007-2013 period) covered by three geographic financial instruments:

- European Neighbourhood Policy Instruments (ENPI), covering Morocco, Algeria, Tunisia, Libya and Egypt;
- Development Cooperation Instruments (DCI), covering South Africa;
- European Development Fund (EDF), covering 48 African states member of the African, Caribbean and Pacific (ACP) Group of States.

The first two are part of the EU budget. The latter falls outside the budget. The EDF is an inter-governmental agreement among EU member states, based on voluntary contributions[8] and over which the European Parliament has little control.

In addition to the geographic approach, the EU has a number of thematic instruments for development cooperation at its disposal under the EU budget. The DCI is not only a geographic instrument, but also has a thematic component.[9] Other key thematic EU instruments used for Africa are the European Instrument for Democracy and Human Rights (EIDHR) and the Instrument for Stability (IfS). Unlike the geographic instruments, which are based in principle on a shared analysis of local needs and conditions and joint response strategies formulated on the basis of locally established priorities, the thematic instruments are based on the EU's own strategic considerations and priorities, yet centre on development objectives.

The European Commission is making great use of budget support, i.e. funds are transferred directly to a partner country's national budget. Its total commitments for budget support rose by 110% from €3.9 billion in 2001-2004 to €8.5 billion in 2005-2008.[10] This is line with the European Consensus on Development, which cites budget support as the preferred aid modality. In recent years, however, budget support has become an increasingly controversial issue in EU member states. Its use by member states and the Commission has therefore come under pressure.

What changes have been triggered by the Lisbon Treaty?

Under the Lisbon Treaty, development cooperation remains a shared competence. A big difference resulting from the Lisbon Treaty, however, is the role of the High Representative of Foreign Affairs and Security Policy and her European External Action Service (EEAS) in EU development cooperation. It has been decided that the High Representative and her EEAS will be involved in the programming cycle of all the external action instruments in the EU budget as well as the EDF.[11] In particular, the EEAS has been tasked with preparing allocation decisions and programming documents that have traditionally fallen within the remit of the Commission. As far as the DCI (South Africa) and the EDF (African countries of the ACP Group) are

The EU is the world's largest donor at present. The 27 EU member states and the European Commission combined provide more than half of all Official Development Assistance (ODA).

concerned, the EEAS will operate under the responsibility of the Development Commissioner, Mr Andris Piebalgs. The Commissioner for Enlargement and European Neighbourhood Policy, Mr Stefan Füle, is responsible for the EEAS' work on the ENPI (i.e. the north African countries). In other words, the EEAS and the High Representative are expected to work closely with European Commissioners Piebalgs and Füle and their staff. At the end of the process, the High Representative and the Commissioners will need to present their proposals jointly to the European Commission for approval.

The formulation of development policy and the implementation of development programmes and projects remain outside the remit of the EEAS. The same applies to the programming of thematic development instruments and programmes. These tasks have been assigned to the Development Commissioner and his staff. For this purpose, the Development Commissioner heads the new EuropeAid Directorate-General for Development and Cooperation (DEVCO). DEVCO formally began operating on 3 January 2011 and is an amalgamation of the former DG Development with EuropeAid.

This division of tasks in the various steps of the programming and implementation of geographic instruments for Africa as described above is summarised in the table below.

Table 1: Development programming and implementation of geographic instruments for Africa

Step	Description	EU institutional body taking the lead
1. Country/regional strategy papers (CSPs/RSPs):	A five to seven-year strategic assessment of the political and economic situation of a country/region is performed. General themes are chosen for the intended response (e.g. political dialogue, development and trade).	EEAS
2. Country/regional allocation:	A six-year allocation of resources is determined for each region and country, based on population, a needs-poverty assessment, absorption capacity and commitment to political reform.	EEAS
3. National/regional indicative programmes (NIPs/RIPs):	Based on the CSPs/RSPs, 'focal sectors' are identified and priority themes for the country or region concerned including multi-year financial envelopes. These cover half of the life span of the CSPs.	EEAS
4. Annual action programmes:	Annual programmes are adopted within the overall and financial limits of the CSP and NIP. These outline specific actions to be funded in each partner country and region during one year.	Commission Services
5. Implementation	Agreed programming is contracted, managed, monitored, evaluated, and so forth.	Commissioner Services

What does the involvement of the EEAS in development cooperation imply?

The High Representative's close link with the EU member states[12] is pushing development cooperation closer to an intergovernmental level.

i Given the High Representative's mandate to ensure overall consistence of EU external action, development is institutionally closer to other external action policies such as security and migration.

ii The development assistance chain is split between the Commission and a new service while the old geographic split between dealings with the ACP (DG Development) and other third countries (DG External Relations) has been mended.

These shifts create opportunities. The High Representative and the EEAS are supposed to strengthen the coherence of EU external action, which may help create a global approach to development that goes beyond aid. Lessons from development cooperation, such as long-term partnership-building and country ownership, may increasingly be taken on board in all of EU's dealings with Africa. Furthermore, because EU member states have a greater stake in the EEAS and could therefore acquire greater ownership of its decisions, the EEAS and its EU delegations will hopefully encourage better coordination and more

complementarity in the work that the EU and member states each undertake to promote development.

At the same time, the changes also pose a risk of development funds being instrumentalised for the EU's strategic foreign policy interests. Concerns have been expressed about the ability and capacity of the staff of the EEAS (which is led largely by career diplomats) to do the development programming task effectively. The High Representative and her service may not cooperate well with the Development and Neighbourhood Policy Commissioners and their Directorate-Generals.

In sum, the institutional setting for EU development cooperation has been reshaped considerably following the entry into force of the Lisbon Treaty. It is up to EU actors, as well as its African partners, to seize the opportunities this brings so as to take more effective joint action in the fight against poverty.

Revising EU financial instruments: what is at stake?

The first opportunity for the High Representative and her EEAS to fully play their allocation and programming role in development cooperation is under the new EU multi-annual financial framework for 2014-2020, when new allocation and programming decisions will need to be taken.

While this may seem a long way away, the EU is already gearing up for the new multi-annual financial framework. The European Commission will present its proposals for the framework in the course of 2011, including legislative proposals for the financial instruments for external relations. The High Representative and the EEAS are also expected to make their voices heard in this process, as is the European Parliament, whose role has been strengthened by the Lisbon Treaty. These are therefore interesting new actors for Africa to engage with if it wishes to influence the process.

A debate is currently going on in the EU about the future of EU development policy, that is to guide the shape of the new financial instruments. Some trends can already be discerned.

First, greater emphasis is being placed on results and 'value for money'. At the same time, the EU is keen to make sure that its interests are also served in times of financial crisis and in the face of competition from emerging actors who can gain commercial benefits from their engagement in Africa.

Second, the debate is increasingly evolving beyond ODA. In line with the international discourse, greater emphasis is being placed on the need for ODA to act as a lever to attract other types of financials flows that can stimulate development. This includes a focus on enhanced domestic resource mobilisation by strengthening tax systems, as well as the fight against capital flight and illegal transactions. In the same vein, more emphasis is being placed on ODA as an instrument to support inclusive economic growth and private-sector development.

The long-standing debate on the budgetisation of the EDF will again arise during the discussions on the multi-annual financial framework. References to the ACP Group and the EDF have been removed from the Lisbon Treaty, thus clearing away obstacles to the integration of the EDF into the budget. Budgetisation would give the European Parliament a democratic oversight role and would help to further harmonise procedures across financial instruments. At the same time, budgetisation raises the issue of the security and predictability of funds for the ACP.

In short, the drafting of a new multi-annual financial framework, and specifically the instruments for EU external action, present an occasion to redesign financial tools to support the partnership with Africa most effectively. These may include a simplification of management procedures. While the creation of a single instrument for Africa now seems unlikely, it may nonetheless be an opportunity for consolidation. It is also an opportunity to create a pan-African multi-annual financial envelope to ensure strategic and long-term support for the African Union, in line with the priorities and actions identified in the Joint Africa-EU Strategy and action plan.[13] There is potential for a stronger continental and regional focus. Hence, African countries need to reflect on and engage with the EU on what they expect from the new instruments in terms of sectors, modalities, procedures and support for regional and continental levels.

Conclusion

While fully recognising that EU-Africa relations go far beyond a donor-recipient relationship, this paper focuses on EU development cooperation and its financial instruments for Africa.

The EU is the largest provider of official development assistance in the world and channels considerable sums to Africa to support poverty eradication. It has nevertheless experienced difficulties in delivering on its commitments in terms of quantity as well as quality. The intermediary 2010 ODA target has most likely not been met. Progress in strengthening EU coordination and complementarity, which lies at the heart of the EU's efforts to enhance aid effectiveness, has been slow.

The Lisbon Treaty has implications for EU development cooperation. Most notably, the High Representative and the EEAS have been given a role in the allocation and programming of development cooperation instruments for Africa and assuring a more coherent approach to Africa that goes beyond mere aid. The EU delegations are expected to play a more prominent role in EU coordination. This creates both opportunities and risks for Africa-EU relations in support of development. The design of the new financial instruments after 2013 will be a critical aspect of EU development cooperation that will be influenced by the new setting.

End Note

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1. BOND and ECDPM. 2010. *The EU and Africa The policy context for development.*
2. European Commission (2010). *Annual Report 2010 on the European Union's development and external assistance policies and their implementation in 2009.* Brussels: European Commission.
3. The 12 member states that have joined the EU since 2004 undertook to reach 0.17% by 2010 and 0.33% by 2015. The older members agreed to attain 0.51% in 2010 and 0.7% in 2015. Those countries that already had reached 0.7% in 2005 promised to maintain their ODA at a high level. Half the increases were to go to Africa. Source: Council of the European Union (2005). *Council Conclusions: Accelerating progress towards achieving the millennium development goals.* External Relations Council Brussels, 24 May 2005.
4. European Commission (2010). *Financing for Development - Annual progress report 2010 Getting back on track to reach the EU 2015 target on ODA spending?* Commission Staff Working Document. SEC(2010) 420 final, 21 April 2010. Brussels: European Commission.
5. These figures only capture Official Development Assistance, i.e. only support from the 15 EU members of the OECD's Development Assistance Committee (DAC) is counted.
6. European Commission (2010). *Financing for Development - Annual progress report 2010 Getting back on track to reach the EU 2015 target on ODA spending?* Commission Staff Working Document. SEC(2010) 420 final, 21 April 2010. Brussels: European Commission.
7. European Commission (2009). *The Aid Effectiveness Agenda: Benefits of a European Approach*. A study prepared by HTSPE. Brussels: European Commission.
8. The 10 most important contributors to the 10th EDF (which covers 2008-2013) are Germany (21%), France (20%), the United Kingdom (15%), Italy (13%), Spain (8%), the Netherlands (5%), Belgium (4%) Sweden (3%), Denmark (2%) and Austria (2%). Source: European Commission. 2007a. *Internal Agreement between Representatives of the Governments of the member states, meeting within the Council, on the financing of Community Aid under the multi-annual financial framework for the period 2008-2013 in accordance with the ACP-EC Partnership Agreement and on the allocation of financial assistance for the overseas countries and territories to which part four of the EC Treaty applies*. Brussels, 17 July 2006.
9. The DCI includes thematic programmes supporting action in the following fields: (i) investing in people (social sectors); (ii) non-state actors and local authorities; (iii) environment and sustainable management of natural resources including energy; (iv) food security; (v) migration and asylum. The DCI also includes accompanying measures for sugar-exporting countries to support their adjustment process following the reform of the EU sugar market, as well as support to banana-exporting countries.
10. European Commission (2010). *Partnership for change. The EU's Development Cooperation with African, Caribbean and Pacific countries.* Brussels: European Commission.
11. This therefore includes the three geographic instruments for Africa listed above (EDF, DCI and ENPI), as well as the European Instrument for Democracy and Human Rights (EIDHR) and part of the Instrument for Stability.
12. The High Representative chairs the Foreign Affairs Council and her EEAS includes member states' diplomats.
13. The European Commission currently does provide support to the AU. Since the creation of the AU, the focus of the EU's financial support has been peace and security on the one hand and institutional development on the other. The support provided to the AU in 2009 included over €41 million for the Programme Budget and € 117 million for peace and security operations through the African Peace Facility.

EPA Negotiations: Will Political leadership make a change?

By Sanoussi Bilal and Isabelle Ramdoo[1]

The EPA process is at a loss and continues to be a source of tension between Africa and the EU. Eight years after the start of the negotiations of Economic Partnership Agreements (EPAs) between the Europe Union (EU) and the 77 Africa, Caribbean and Pacific (ACP) countries, only 37 ACP countries have concluded some type of agreement and only 25 have confirmed their commitment by signing an agreement, (15 of which are Caribbean). In parallel, negotiations towards final EPAs have been progressing only very slowly, when they have not been stalled.

Failing to meet expectations

The main rationale given for EPAs are threefold: a focus on using the agreements as 'tools for development', an emphasis within the agreements on enhancing regional integration through agreements that are negotiated at the regional level, and a trade regime that is securely compliant with World Trade Organization (WTO) rules. The central feature of the agreements is a shift from a non-reciprocal trading regime – under which ACP countries could export duty-free to the EU while maintaining their own tariffs on EU imports – to one based on reciprocal liberalisation in trade in goods, albeit with flexibilities allowing the ACP side to liberalise over a certain period of time and to retain tariffs on a certain proportion of goods, in line with WTO rules. In addition to customs duties, the agreements also cover a number of other commitments governing trade in goods, relating *inter alia* to the removal of import charges, elimination of export taxes, safeguard measures, non-tariff barriers and general exceptions, as well as to rules of origin and development assistance.

In moving to a new regime based on reciprocal liberalisation, ACP countries that have signed an EPA must in effect – and in accordance with WTO rules – remove tariffs on 'substantially all the trade' between themselves and the EU. Given that the amount or pace of liberalisation is not determined precisely within current WTO rules, the level has been an important point of contention between the two sides throughout the negotiations, with the ACP side generally arguing for longer transition periods and larger lists of excluded goods. Nevertheless, as a waiver for the Lomé-type/Cotonou trade regime from WTO rules expired at the end of 2007, a number of ACP countries did initial EPAs that committed themselves to liberalisation while guaranteeing the duty-free status of their exports. Other countries chose to fall back on alternative schemes under the EU Generalised System of Preferences (GSP), in the form of the Everything But Arms (EBA) initiative for Least Developed Countries (LDCs) – which also provides duty-free-quota-free market access but with less advantageous rules of origin, and the less attractive standard GSP for non-LDCs - which is indeed less advantageous than an EPA but does not require any liberalisation on the their part.

Paradoxically, EPAs, which should have strengthened and anchored the economic relationship between many ACP/African countries and the EU, seem to have had the opposite effect: several African countries increasingly resent the EU insistence to press for domestic reforms and ambitious commitments in the comprehensive economic and trade agreements. In spite of their development objectives, EPAs have often become an issue of continued tension between the EU and Africa, which could well have deeper negative repercussions on the EU-Africa relations, including beyond trade and economic considerations.

Major concerns

The regional dimension

One of the biggest concerns throughout the EPA negotiations has been 'the regional dimension'. Out the 20 African countries that have concluded interim or 'stepping stone' agreements which cover only trade in goods, only 5 have done so on a regional basis. Arguably the most important unsettled issue in the negotiations towards a final EPA remains the linkage, in practical terms, between EPAs and regional integration. Ever since the start of negotiations in 2002, a great deal of emphasis has been put on ensuring that the EPAs ultimately served to enhance efforts at breaking down barriers to intra-regional trade and furthering integration. The benefits to be gained from the agreements as a catalyst of regional integration are still cited regularly as one of the main reasons for concluding EPAs. For many reasons, however, the practical effect of EPAs on regional integration has so far been mixed. One of the biggest hurdles in the African context has been the problem of 'overlapping membership' of countries within multiple regional groupings, which meant that the regional EPAs configurations does not necessarily coincide with the various regional integration processes. Besides, while the EPAs should be aimed at strengthening regional integration, they have often been resented as an attempt by the EU to drive the integration dynamics at a pace and in a direction not necessarily shared by the regional members. At the same time, regional cohesiveness suffers with the existence of a viable alternative trade regime for LDCs with EBA, whereas neighbouring non-LDCs are faced with the less attractive GSP. Differences in domestic priorities for economic reforms, as well as long-standing intra-regional tensions – for example between

some dominant players and some smaller, more vulnerable ones – have also played an important role in some regions, highlighting that decisions to forge closer economic ties are seldom a matter of economics alone, but have important political elements as well.

The development dimension

Another fundamental concern for Africa and the ACP in general has been the development dimension of the EPAs, or at times the perceived lack of it. The commitment to development-oriented EPAs, agreed upon by all the parties to the Cotonou Agreement, has been reiterated in numerous occasions by the key EU institutions (European Commission, European Parliament and the EU Council and its member states). This development dimension can be articulated along three distinct but closely-linked axes: EPA commitments to liberalise trade and establish clear rules for the promotion of a better business environment, taking into account the exclusions and transition periods available to ACP countries for tariff liberalisation and for implementation of other parts of the agreement, and flexibilities in areas such as safeguards and infant industry protection;

- the accompanying policies and reforms to institutions and structures that are necessary to take advantage of the new trading opportunities, and
- the provision of appropriate development support to cover adjustment costs, carry out reforms and implement the agreement.

Within this framework, the Parties also recognise the clear need for the provision of development assistance to build capacity, and implement the EPAs and accompanying reforms. The EU will provide EPA-related development assistance as part of the Aid for Trade (AfT) initiative, through the European Development Fund and other EU institutions' and member states' sources. However, African parties have called for larger and more comprehensive explicit binding commitments from the EU in the framework of the EPAs.

Contentious issues

Finally, a number of "contentious" issues were identified in the interim EPAs concluded by many African states. In 2008, the AU Ministers of Trade and Finance identified a non-exhaustive list of those issues deemed contentious that caused serious concerns in most African regions.[2] While the degree of "contentiousness" varies across the different regions and among the different countries within the same region, all the regions have unanimously expressed the need to review those clauses to provide more flexibility in the context of the final EPAs, notably in order to take into account their special development needs.[3] These critical issues include, amongst others, concerns about market access, including definition of "substantially all trade" and transitional periods for tariff liberalization, quantitative restrictions, export taxes, the standstill clause, regional levies, bilateral safeguards, agricultural safeguards and food security, the treatment of Infant Industry, the most-favoured nation (MFN) clause, the non-execution clause, the definition of parties and rules of origin.

Initially, most of the contentious and critical issues were considered to be questions that could be resolved at the technical level. Indeed, most countries and regions requested additional flexibility from the EU to take into account their special and differential needs, and in particular those of LDCs. In some cases (for instance in the case of the infant industry clause, standstill clause or the treatment of quantitative restrictions), technical solutions were found and agreed in some regions. In other cases however, although technical solutions could also be feasible, negotiations have been much more complex and intensive due to the fact that those issues were politically sensitive and therefore resulted in little advancement.

An unsustainable status quo

Despite the numerous challenges, the current status quo in the negotiations is simply not sustainable in the long term and therefore it is high time to find a way forward to address what is becoming a burden on EU-Africa relationship. Negotiations towards final EPAs have been dragging on for too long and have even lost momentum and finding mutually acceptable compromises has proved particularly difficult. Despite some progress achieved in some regions, overall a number of unresolved contentious issues still remain on the table, with little advancement so far. Indeed, parties have by now exhausted almost all technically possible solutions and alternatives.

Perhaps the EPAs should sink and be forgotten. That might be the best outcome for some countries and regions, who after all might incur more costs than derive benefits from an EPA. If that is the case, they should clearly indicate their intention to end or at least suspend the EPA negotiations. Failing to do so and continuing to play hide and seek with the European Union about their real intentions would not help the process. It may, on the contrary, have the counter effect of causing the EU to be reluctant to give any flexibility, as they would not in any case respond favourably to such efforts. It would not be surprising therefore, if at some point in time the EU decides to take measures, as the Market Access Regulation seems to have been stretched to its maximum. It could decide

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to conclude a la carte agreements, with some flexibility on some contentious issues with countries ready to do so. That would be the most plausible, and politically acceptable solution, given the deadlocks that seem to be never ending. However, it might also use hard line policies, in the hope that this would trigger reactions on the part of African countries. In that case, the EU could well soon impose strict deadlines for the signing or applying the interim EPAs or it could freeze negotiations until ACP countries decide that they want to make concessions.

However, for those genuinely interested in moving forward to have a development-friendly agreement, solutions could still be found. But that would necessitate strong and clear political leadership and flexibility both from the EU and from the African side in order to shape a solid and constructive relationship, taking a step beyond trade considerations to focus on the broader strategic agenda.

To unlock the stalemate, the following parameters could be considered.

First, the ambitions of the EPAs must match the degree of commitment and strategic priorities of those interested in moving ahead. For the EU, it would mean lowering its ambitions regarding the overall coverage of the agreement. For African countries and regions, this would mean a narrower and sequenced agenda, focusing first on market access in goods and the development dimension, leaving aside services and a whole set of trade-related issues for future negotiations, despite the relevance of these issues for economic development. The EU accepted this principle for the Economic Community of West African States (ECOWAS) in June 2009, and it should extend the same flexibility to all other interested parties.

Second, interested parties must seek politically acceptable solutions to those contentious issues that remain major stumbling blocks to the timely conclusion of the negotiations. Again, this will require concessions from all parties. It will also require a differentiated approach, as not all countries or regions share the same concerns. Interestingly, in most regions possible compromise technical solutions have already been identified on the main contentious issues. But in a bizarre twist, neither the African countries and regions nor the EU seem too keen to capitalise on those solutions. That such compromises have been identified, however, shows that the negotiations are not as intractable as some have claimed.

Finally, while it is a shared overall objective that EPAs should promote development, it is clear that the parties have different perceptions of the development merits of some of the specific EPA provisions. A positive way forward would be to acknowledge these differences, and ultimately to respect the ACP parties' assessments of their own development strategies.

Key technical bottlenecks and options to move forward

While the debate on the contentious issues has now shifted away from technical discussions towards broader political considerations, in practice, some technical proposals have been considered by some regions and could inspire discussions as a matter to move forward.

On *market access*, the EU has interpreted rules of WTO as requiring the ACP regions to liberalise at least 80 percent of their trade with the EU over a period of 15 years, given that, in return, the EU grants them duty- and quota-free market access. Many African countries, and in particular LDCs, have contested this interpretation and asked for greater flexibility. ACP and EU officials have argued over the last 10 years about the correct interpretation of the Article XXIV of the General Agreement on Tariffs and Trade (GATT) 1994, for which no pertinent jurisprudence exist. The objective is not to arbitrarily interpret the WTO rule, but to consider what level of market opening is both politically acceptable and defensible at the WTO. According to many WTO insiders, in the current context, any free trade agreement that would cover 70 percent or more of trade over a 15-20 years period is most likely to pass this WTO test – even more so if one the parties is an LDC or vulnerable economy, as in many African regions.

The inclusion of a *most-favoured nation (MFN)* clause – whereby preferences granted to major third parties would be extended to the other parties of an EPA – has also been passionately debated. While this is not required or proscribed by the WTO, it is one of the most politically sensitive issues at stake. From the Africa side, it is not acceptable as a matter of principle. African policy makers consider it an unacceptable constraint on their future trade agreements with third parties. The EU, however, views it as a matter of "fairness" given their generous concessions under the EPA. A technical compromise would consist in explicitly narrowing the scope of application of the clause and relaxing the trigger mechanisms (in terms of joint decision-making process and thresholds) for its application. The MFN clause in the CARIFORUM EPA or the Pacific States interim EPA could be considered: signatories have committed to implement the MFN provision only after consultation, therefore removing any automatic and potentially arbitrary application of the more favourable treatment. The balance of obligations and benefits between a

third-country free trade agreement (FTA) and the EPA could also be considered. Another option would be to increase the threshold (in terms of share of world trade) of what constitutes a major trading partner, so as to exclude more countries from the potential application of the MFN clause. However, whether an EPA will include an MFN clause is ultimately a political choice. But even if it does, some options to address concerns over future agreements with major third parties might be politically acceptable.

Another major stumbling block to the negotiations concern the treatment of *export taxes*. The main concern of some Africans is the need to preserve sufficient policy space to industrialise their economies, a position that is challenged by the EU. This is a somewhat grey area at the WTO. However, strictly speaking, WTO rules do not expressly require countries to prohibit the use of export taxes. Therefore, there is no obligation to have a clause on export restrictions in the EPA; if there is one, a simple reference to WTO rules could suffice. Even with a binding provision on export taxes, countries could preserve some flexibility by excluding a list of products from the application of the clause. The introduction of temporary measures under specific circumstances could also be provided for, for instance in case of specific revenue needs, or to protect an infant industry, ensure food security, protect the environment or where a country can justify industrial development needs.

The *treatment of infant industries* has been another major cause of concern. As it currently stands in interim EPAs, it is covered under a general bilateral safeguard and therefore requires lengthy procedures before any measure could be applied to protect infant industry. However, technical remedies have been found, for instance by having a stand-alone provision with less cumbersome conditions of application.

Many African countries have proposed the inclusion of an *agricultural safeguards and food security* clause in the EPA given the importance of agriculture in many countries. However, the EU has argued that agriculture was sufficiently covered in the general bilateral safeguards. The EU has also forcefully rejected any proposal to address the question of agricultural subsidies through the use of agricultural safeguard measures on the argument that these issues were being discussed at the WTO and therefore should not be part of bilateral negotiations. While the issue of agricultural subsidies is not likely to be resolved in the context of the EPA, technical solutions could be found on treatment of agricultural products, in the light of the FTA between EU and South Korea.

The question of having a *standstill clause* that prevents a country from modifying its tariff schedules is another cause of concern. It is particularly challenging in the context of regional integration, where countries are in the process of adjusting their national tariffs to the regional common external tariffs. Possible technical solutions exist. It could apply only to the products subject to liberalisation and countries would not raise duties above their MFN applied rates. Parties could also jointly agree to allow countries to align their market access offers to their common external tariffs when the region moves toward a customs union. In addition, in exceptional circumstances (to be jointly agreed), such as to meet some special development needs or in case of serious economic difficulties, the country or region could temporarily suspend the application of the schedule.

Interim EPAs have a provision to remove existing *quantitative restrictions* and to prevent the introduction of new such measures. Again, in most cases, technical solutions have been found by making sure that the article is in line with Article XI of GATT 1994, which provides for the possibility to use quantitative restrictions in exceptional circumstances, in particular for the prevention of relief of critical food shortage.

On *services*, many of these fault lines are only just beginning to emerge and the regions – both between and within – will need to determine how best to reflect their own services-related development aspirations in the envisaged texts and commitments.

Last, but not least, the adoption of appropriate *measures to accompany and support the EPA* implementation, by both Africa and the EU, will be key to unleash the development potential of an EPA.

The way out of the current deadlock is a question of political will. The point here is that technical solutions can be found on many of the remaining issues, if only policy makers on both sides are bold enough to seize them.

How to move forward? Focus on WTO-compatible options reflecting the ACP diversity and regional integration dynamics

Moving forward with the EPA process is now a question of political will since so far, all possible technical discussions have been explored and yet, have failed to deliver mutually satisfactory results. The EU is currently reassessing its options, but it has yet to outline a clear approach on the way forward, based on concrete new proposals. In the meantime, African countries and regions have to individually reassess their ambition and degree of

...notably on the contentious issues, it is crucial for the parties concerned to reach an agreement that both reflects the development ambitions of Africa and that can be jointly defended at the WTO.

commitment to the EPA process. The ACP and the AU fora, among others, offer them an opportunity to consider a common platform on the way forward on EPAs.

To progress in the EPA negotiations, notably on the contentious issues, it is crucial for the parties concerned to reach an agreement that both reflects the development ambitions of Africa and that can be jointly defended at the WTO. This will require a careful assessment and strong political guidance. At the same time, policy makers should also aim to maintain the overarching objective of longer-term sustainable development, recognising the possible difference of opinions on the development merits of some of the provisions in an EPA.

While a coherent approach on EPAs must be preserved across African countries and regions, it is important to recognise the diversity of situations and interests across Africa. Various options can be followed in different regions or countries, based on the driving strategic objectives and specific development needs of each region or country.

That said, one of the overarching objectives of the EPA process is the strengthening of regional integration in Africa. While the EPA process cannot be a substitute for an endogenous regional agenda by African regional groupings, the conclusion of EPAs should not undermine the regional integration process. A key concern should thus be to construct EPAs that will strengthen regional integration. It is thus important to conduct a reality check, and assess which type of agreement is most likely to effectively support the regional integration objective, where possible.

The EU has the means to flex its muscles to speed up the conclusion of final EPAs. Setting firm deadlines for the removal of EPA preferences to those countries or regions that do not comply with their commitment to sign, ratify and implement EPAs that have been concluded could be a decisive move. However, the imposition of too-tight deadlines with little flexibility from the EU could seriously disrupt regional integration processes if a particular region is split on how to move forward. It could also have detrimental effects on development if a deadline forces some countries or regions to endorse an EPA agenda that does not match their domestic development strategies. Effective implementation might also become illusionary. It may also sour relations with the EU, with long lasting negative consequences.

A more flexible approach – one that acknowledges concerns expressed during the negotiations, even at the price of reduced ambitions – may prove a more effective way forward. Contentious issues in the EPAs will remain at the core of the negotiations for the final EPAs. While many non-EPA signatories have expressed the wish to be part of the final EPAs, one of their conditions, however, related to the need to resolve the contentious issues, while at the same time addressing outstanding technical issues. The state of advancement of the negotiations on the contentious issues is varied. Some issues have been resolved relatively easily at technical level, others are more sensitive and require clear political guidance.

Most importantly, recognising that some African countries may not yet be ready or willing to conclude an EPA would be crucial. Indeed, for the African call on greater flexibility from the EU to be credible, including towards the EU negotiator in chief, EU Trade Commissioner Karel De Gucht, the countries not interested in concluding an EPA in the near future should better say so explicitly. The fact is that there is a persistent feeling in some European quarters that the quest for greater flexibility by some is only a tactical move to forever delay the conclusion of an agreement, and that whatever the extent of flexibility provided by the EU, some African countries are simply not interested in concluding any agreement with the EU, at least at this stage. So why should the EU try to accommodate their concerns in the first place? Right or wrong, this has become a prevailing perception among some key EU actors. This is at the detriment of more genuine concerns repeatedly expressed by Africa. A credible approach by Africa would thus be to explicitly acknowledge that some countries are not interested, or in a position, to conclude an EPA with the EU in the near future. A stable solution, in line with their development priorities, must be found with the EU for these countries. As for others, the articulation of a common African position, with concrete proposals on key specific EPA concerns, including some compromise provisions as suggested above, could pave the way to a successful agreement with the EU, which would reflect their fundamental development ambitions.

Politics and broad strategic ambitions should drive the way forward

To find a way out of this impasse, the EU must propose concrete options to Africa. Similarly, it is high time for African countries and regions to assess whether they want to conclude a final EPA – if so, then they must decide by when and under what conditions. Reaching an agreement will require concessions from both sides.

To start, all parties must recognise that the EPA process is first and foremost a political issue, not a technical one

that should be left to trade negotiators. Political leaders should thus guide possible technical remedies by negotiators, notably on contentious issues.

The EPAs have been presented as advanced and far-reaching instruments for binding trade and development. A failure to deliver on these development promises would be a serious setback to the EU trade and development agenda, including in the context of the Doha Round.

At the same time, it is important to acknowledge the political repercussions that EPAs have on the relations between the EU and the ACP, notably Africa. The EPA process is too serious of a matter to be left to trade people alone. A more strategic vision towards the ACP/Africa – EU relationship is desperately required.

End Note

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New Avenues for Engagement

The implications of the Lisbon Treaty for Africa – EU trade relations[*]

By Melissa Dallau and Eleonora Koeb[1]

The entry into force of the Lisbon Treaty on 1 December 2009 resulted in big changes in the operation of the European Union (EU). One such change is the way in which the EU manages its relationship with the rest of the world. Trade is no exception in this respect. Not only does the Treaty elevate trade integration to an overarching objective of the EU's external action, but it also extends the competences of the European Union on services and investment, as well the role of the European Parliament. Both within the area of trade policy and beyond it, the Lisbon Treaty has introduced new decision-making procedures, new EU competences and new institutions.

So how will these internal transformations affect the EU's conduct as an international actor in the trade arena? What are the implications for the negotiation and implementation of Economic Partnership Agreements (EPAs) with the African, Caribbean and Pacific (ACP) group of countries? These are the questions that this article addresses. We argue that the implications of the Lisbon Treaty for Africa-EU relations ultimately depend on what EU and African stakeholders make of the opportunities offered by the Treaty.

The common commercial policy: broader scope and a new distribution of competences

Before the Lisbon Treaty entered into force in December 2009, the EU had had exclusive competence over the traditional trade in goods, but mixed competence in many areas of the 'new trade agenda'. In order to allay these legal uncertainties and defuse the risk of tensions arising between the Commission and the Council, one of the most striking textual innovations of the Lisbon Treaty was to bring the entire Common Commercial Policy, including trade in services, trade-related aspects of intellectual property rights (IPR) and Foreign Direct Investment (FDI), under exclusive EU competence. As a result, all trade agreements falling in the area of exclusive EU competence are now subject to qualified majority voting (QMV) within the Foreign Affairs Council of the EU.

In practice, however, these legal changes are unlikely to turn the tables for ACP/African countries in the short to medium term. First, mixed agreements are very unlikely to disappear as transport, non-commercial IPR and portfolio investments[2] have remained within the realm of shared competences, i.e. shared between the EU and its member states. Secondly, even in the area of exclusive EU competence, some provisions have been included to preserve, under specific circumstances, the rule of unanimity in EU decision-making in sensitive sectors on which the EU stance is *overall* more likely to be defensive (such as health, education, audiovisual and cultural services[3]). Finally, the adoption of decisions under QMV is unlikely to make a big difference as these have been taken by consensus for many years.

Trade in services

More specifically, in the area of trade in services, it is difficult to see how the Lisbon Treaty could do more than simply consolidate the current state of affairs. The European Commission already negotiates on behalf of the EU on all services. Moreover, the EU market in services is far from unified and significant progress in this respect is not likely to take place in the medium term. Changes affecting the EU's offer to third countries in terms of trade in services cannot therefore be expected any time soon. In the context of free trade agreements (FTAs), including the EPA negotiations, the European Commission might aim for a simplified schedule of commitments with fewer member state-specific reservations. Some changes might be seen in sectors where the internal market is relatively integrated, such as telecommunications. Realistically, though, the framework developed in the CARIFORUM-EU EPA comprising twenty-seven different national schedules is likely to remain the model for the foreseeable future.

EU's Common Investment Policy

In the area of investment, the changes brought about by the Lisbon Treaty could be more significant. Prior to 2010, the European Commission was competent only to negotiate pre-establishment provisions and market access liberalisation (GATS Mode 3). Because it now has exclusive competence over FDI, the European Commission can now negotiate far-reaching international investment agreements and/or comprehensive free-trade agreements that include 'post-establishment' provisions, such as investment protection and standards of expropriation. To date, these have been the sole prerogative of EU member States, through their Bilateral Investment Treaties (BITs).

In July 2010, the European Commission released two documents: a draft Regulation establishing transitional arrangements for existing bilateral investment agreements (BITs),[4] and a Communication defining the broad elements of the future EU-wide investment policy.[5] Both aimed at preparing the floor for a Common International Investment Policy that would for the first time bring both investment liberalisation and investment protection under the same framework.

The EU has made clear that ACP countries are not part of the priority agenda for EU investment negotiations in the short to medium term.[6] Yet, it remains critical for highly service-oriented ACP countries, potentially interested in negotiating investment chapters, for instance within the context of a full EPA, to closely monitor the crafting process of Europe's international investment policy.

Moreover, although the EU approach in the crafting of this Common Investment Policy has been overtly 'geared towards supporting the competitiveness of European enterprises',[7] the draft policy as currently formulated also presents opportunities for ACP countries. For example, although the proposed regulation for transitional arrangements for BITs clearly states that the advantages granted to investors under existing BITs will remain in force, it also stipulates that BIT clauses that would be incompatible with EU law will have to be renegotiated. As pointed out by some observers, such renegotiations could turn out to be beneficial to ACP parties;[8] it may then be in their interests to challenge those provisions when relevant.

The increased influence of the European Parliament

Furthermore, under the Lisbon Treaty, the formal role of the European Parliament (EP) has been increased in two ways.

EU legislation

First, the European Parliament gained legislative power on 'measures defining the framework for implementing the common commercial policy'. Under the Lisbon Treaty, the Common Commercial Policy has indeed become subject to the Ordinary Legislative Procedure (OLP).[9] Previously, the Council decided by qualified majority on the basis of Commission proposals. Now, the European Parliament co-decides with the Council on EU legislation,[10] with the Council voting in general by qualified majority (QMV) and the EP voting by simple majority (first reading) or absolute majority (second reading). This change in decision-making is very significant, making the process much more complex and potentially lengthy.

In the area of trade, unilateral schemes such as anti-dumping regulations, countervailing duties or the Generalised System of Preferences (GSP), currently under revision, are now subject to the OLP, involving the European Parliament. Engaging with members of the European Parliament will be key if ACP countries want to make their voice heard in the crafting/reforming of these regulations.

International trade agreements

Secondly, in the conduct of international trade negotiations, the Lisbon Treaty has given the European Parliament the right of consent with regard to the conclusion of international agreements on trade in goods and the right to regular information from the Commission on the progress of negotiations. This could have implications for ACP countries, notably in the context of the negotiations of the Economic Partnership Agreements with the EU. These are discussed below.

The integration of trade policy in EU external action

Finally, under the Lisbon Treaty, trade has been explicitly integrated into the framework of EU external action. The new EU institutional structure and the mandate of the new High Representative of the Union for Foreign Affairs and Security Policy (EUHR) and her staff, the European External Action Service (EEAS), to ensure consistency and coherence among EU external policies and instruments has generated some concerns in development and trade circles about the risk of EU trade policy becoming politicised[11]. Although trade policy has not been integrated in the EEAS structure, the new or newly empowered actors in the new set-up of EU external action, especially the High Representative, the EEAS and the EP, may exert more political influence on the EU's trade policy and its trade negotiations. That could mean more pressure to use EU trade policy to serve broader foreign policy interests, and/or more emphasis on environmental issues, labour standards and human rights.

On the positive side, in terms of mediating between potentially competing policy priorities or tensions between different objectives, the High Representative and her service could potentially play a political role and become an interlocutor for third countries who would like to raise questions about the impact of EU trade negotiations on development issues. In this respect, it is worth noting that the Lisbon Treaty places the fight against poverty at the heart of the Union's development cooperation policy. In accordance with the requirement of Policy Coherence for Development, EU action now has to be consistent with this objective of poverty reduction. The Lisbon Treaty's new interlocutors with a mandate to represent the entire EU on all aspects of its external relations, including trade, can therefore create an opportunity for third countries to raise their concerns at a political level.

Moreover, the High Representative and her staff, the EEAS (including EU Ambassadors in third countries) have been given a much broader mandate than the EC representatives in Brussels and at the Delegations. They represent the entire EU on all aspects of its external relations in the areas of EU competence. This could have positive implications for

> ...the Lisbon Treaty has given the European Parliament the right of consent with regard to the conclusion of international agreements on trade in goods and the right to regular information from the Commission on the progress of negotiations.

ACP countries. For instance, the EEAS could potentially help unify EU support in terms of aid for trade. As a service mandated to coordinate EU policies and EU institutions and member states, it may be instrumental in linking-up the trade and development actors and frameworks and ensuring a more joined-up EU response. The EEAS is, however, not fit to engage on technical issues. Hence, its agenda will be informed by the requests of EU member states and institutions, but also by the priorities expressed by third countries and regions in the political dialogue.

What are the implications for EU-ACP Economic Partnership Agreements?

While the Lisbon Treaty has profoundly modified the EU rule-setting for the conduct of its trade policy, the Lisbon Treaty is unlikely to have a significant impact on the EU-ACP (Interim) *Economic Partnership Agreements* ((I) EPAs).

Services/Investment

As already emphasised, the fact that the EU has now been given exclusive competence in relation to trade in services and foreign direct investment is unlikely to change the current state of affairs in the short to medium term, *a fortiori* in the context of the EPA negotiations.

EPA Market Access Regulation

Under certain circumstances, market access regulations could fall within the scope of OLP.[12] For the current EPA market access regulation (Regulation EC No 1528(2007)), however, the rules for its amendment are set out in the text of the Regulation itself. These rules prevail. In particular, according to this regulation, the Council, acting by qualified majority upon a proposal from the Commission, has the authority to remove a region or state from the Regulation's Annex I that lists the countries that are granted duty-free quota-free market access to the EU by virtue of an (I)EPA. The European Parliament does not have to be involved in this decision. Nevertheless, it would seem politically sound for the European Commission to consult the European Parliament extensively on major changes, such as this one, as trust is of vital importance in an area where the same actors interact regularly on different agreements.

Amending the text of an interim EPA

Should parties want to make amendments to the text of an interim EPA, for instance to modify the liberalisation schedules, the procedures are the same as they used to be pre-Lisbon, to the extent that they are incorporated in the text of the EPA itself. The latter usually identifies the appropriate Joint EPA Council (to which the EP has no formal part and is only informed) as the relevant body for such decisions.

Negotiating and concluding an EPA

When it comes to the negotiations of EPAs, the right recently granted to the European Parliament to receive regular and substantive information on the conduct of international trade agreements and to 'consent' to every agreement in fact merely codifies existing practice. Prior to the entry into force of the Lisbon Treaty, the European Parliament was indeed already briefed on EPA negotiations on a monthly basis and had already enjoyed the 'right of assent'[13] in relation to agreements going beyond goods-only and/or establishing new joint institutions.[14]

Yet, the European Parliament is likely to try to expand its influence in practice. Given that it has to give its consent to all agreements, the European Parliament will be consulted *de facto* more throughout the entire process – as it would be too costly for the European Commission to risk negotiating an agreement only for it to be rejected by the European Parliament at the final hurdle. Although the European Parliament has no formal say either in shaping the Commission's negotiating directives or during the negotiation process itself, the European Parliament might be tempted to lay down a list of preconditions up front, with a view to influencing the objectives and the Commission's directives in the negotiations. These could include issues such as human rights, social rights, labour and environmental standards, etc. Hence, the strengthened veto power of the EP could lead to the politicisation of the EU's trade agreements. It is however difficult to assess how likely it is that the European Parliament will sanction an agreement *ex-post* which does not meet the preconditions it has stipulated *ex-ante*.

In conclusion, the shift in the balance of power could increase tensions between the various actors. This constitutes both a challenge and an opportunity for ACP countries. Alliance-building is likely to become increasingly important and more frequent - between EU member states and members of the EP (MEPs). But the ACP countries should also find it easier to locate allies in the EP.

Conclusion

With its new decision-making rule, its new institutional structures responsible for external relations, and the increased responsibilities and powers of the EU institutions, notably those of the European Parliament, the Treaty of Lisbon will make political processes more complex. This development offers both new opportunities for engagement and challenges, as the previously technical area of EU trade policy may become subject to political influence by an expanded set of actors. In particular, the new role of the EP, which is likely to be more involved in the negotiation of trade agreements and has gained legislative powers with respect to the Common Commercial Policy, is the main change engendered by the Lisbon Treaty in relation to international trade.

Yet, overall, in the area of trade relations, the Lisbon Treaty seems less of a turnaround in the short term than in other areas of EU external policy. For instance, when it comes to EPAs, in practice the Lisbon Treaty is not expected to have any major impact on their negotiation and conclusion – at least not in the short run.

Considering the implications of the Lisbon Treaty on ACP-EU trade relations – only a year after the entry into force of the Treaty – is something that needs to be approached with a degree of caution. After all, some of the key aspects of the reforms are only starting to take shape, i.e. the EEAS started its work in January 2011, but only in a basic 'skeleton' format. Much will depend on how the changes of the Lisbon Treaty in terms of vision, rules and structures are implemented by EU actors. Equally, much will depend on how African countries engage with EU actors and manage to seize the opportunities offered by the Treaty. In the end, the Lisbon Treaty offers new avenues for African countries and regions to pursue their interests.

End Note

* This article is based on ECDPM Discussion Paper 98: *Koeb, E. and M. Dalleau. 2010. Trade relevant provisions in the Treaty of Lisbon. Implications for Economic Partnership Agreements.* This study can be downloaded at: http:///www.ecdpm.org/dp98

1. The Lisbon Treaty does not provide any definition of ' foreign direct investment'. The general understanding seems to be that portfolio investments are very unlikely to fall within any definition of FDI and *de facto* under exclusive EU competence (although portfolio investments could fall under the existing EU provisions on capital movement (Treaty of Rome), which would entail some implicit EU competence).
2. The question of whether or not this will in practice mean an automatic veto right granted to EU member states is however subject to interpretation
3. European Commission (2010), Proposal for a Regulation of the European Parliament ad the European Council establishing transitional arrangements for bilateral investment agreements between Member States and third countries Brussels, 7 July 2010, COM(2010)344 final. 2010/0197 (COD). Available at: **http://trade.ec.europa.eu/doclib/docs/2010/july/tradoc_146308.pdf**.
4. EC Communication. Towards a Comprehensive European International Investment Policy. COM(2010)343 final. Brussels. 7 July 2010. Read also in this respect, the Council Conclusions of 25 October 2010, as well as the motion for a European Parliament Resolution on the future European International investment policy 2010/2203(INI)), available at: http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//NONSGML+COMPARL+PE-454.567+01+DOC+PDF+V0//EN&language=NL
5. Ibid.
6. Ibid.
7. Stevens C. and Goodison P. (2010). The Lisbon Treaty - Implications for African, Caribbean and Pacific (ACP) - European Union (EU) trade and trade negotiations. Commonwealth Trade Hot Topics Issue 77, September 2010.
8. The Ordinary Legislative Procedure was known as the 'co-decision' procedure under previous treaties.
9. Simple majority refers to the majority of Members of European Parliament (MEP) actually casting their vote (provided the quorum is respected), whereas absolute majority refers to the majority of the overall number of MEPs.
10. For more information on this subject, please read the complementary article written by Henrike Klavert in this issue, entitled 'What place for development policy in EU External Action post-Lisbon? Implications for the African Union'.
11. For instance, should the EU decide under specific circumstances to produce a *new* EPA regulation on market access for ACP countries, this regulation would have to be adopted under OLP (i.e with the involvement of the European Parliament).
12. Assent (under Nice Treaty) and consent (under the Treaty of Lisbon) are synonymous legal terms.
13. This means all (I)EPAs, but the interim EPA in the Pacific, for which the European Parliament's consent was not needed pre-Lisbon.

STATEMENT BY
H.E. DR. MAXWELL M. MKWEZALAMBA
COMMISSIONER FOR ECONOMIC AFFAIRS
AT THE MINISTERIAL MEETING OF THE EXTRA-ORDINARY CONFERENCE OF AFRICAN MINISTERS OF ECONOMY AND FINANCE
DECEMBER 2010, YAOUNDÉ, CAMEROON

Excellency Essimi Menye, Minister of Finance, Republic of Cameroon, Representing the Prime Minister and Head of Government

Excellency Vice Prime Minister and Minister of Justice, Republic of Cameroon

Honorable Ministers of Economy and Finance

Mr. Gilbert Tsimi Evouna, Government Delegate to the Yaounde City Council

Members of Government

Members of the Diplomatic Community;

Senior Officials from Ministries of Economy and Finance

Distinguished Ladies and Gentlemen;

I am delighted to address this important Extra-Ordinary Conference of African Ministers of Economy and Finance taking place in this beautiful city of Yaoundé in Cameroon, the country I call home. On behalf of the Chairperson of the Africa Union Commission, H.E. Dr. Jean Ping, and indeed on my own behalf, I wish to welcome you all to this Conference. Further, I wish to thank you sincerely for sparing your busy schedules to attend this Conference, a clear manifestation of your commitment to the speedy realization of Africa's integration vision.

Please allow me also to thank H.E. Mr. Paul Biya, President of the Republic of Cameroon, the Government and the People of Cameroon for their usual warm welcome and hospitality accorded to all the delegations. For many of us, we are not here for the first time. I recall that the Second Conference of African Union Ministers of Economy and Finance (CAMEF II) and the Fourth Conference of African Union Ministers in charge of Integration (COMAI IV) were held in this very *Palais de Congres* in 2006 and 2009, respectively. By hosting African Union meetings, the Government and People of this beautiful country, Cameroon, are demonstrating their unwavering support and commitment to the realization of the objectives of our continental organization, the African Union.

Excellencies

Distinguished Ladies and Gentlemen

The holding of this Extra-Ordinary Conference is in keeping with the Decision of the Fifteenth Ordinary Session of the Assembly of the African Union held in July this year in Kampala, Uganda. The Assembly requested the Commission, through the Ministers of Economy and Finance, to expeditiously finalize current work on the Alternative Sources of Financing the African Union and submit a report for final adoption at its next Ordinary Session to be held in January 2011. You will also recall that when African Union Ministers of Economy and Finance met in an Extra-Ordinary Session in Addis Ababa, Ethiopia, in January this year to consider, among others, Alternative Funding Sources for the African Union, it was agreed that another Extra-Ordinary Conference of Ministers of Economy and Finance holds later in the year to further examine the subject matter. It can, therefore, only be commended that the African Union Ministers of Economy and Finance are now meeting to tackle one of the challenges facing Africa's integration agenda, in line with the decision of the African Union Assembly.

As we might all be aware, the African Union was established with a mandate to realize continental integration in addition to addressing economic, social and political challenges facing the continent. The availability of adequate financial resources is indeed crucial for the Union to be able to address these challenges and accomplish its mission. In recognition of these needs, the Heads of State and Government at the Lusaka Summit of 2001, directed the OAU General Secretariat to, *inter alia*, "Undertake studies, with the assistance of experts, on alternative sources of financing the activities of the African Union and to make appropriate recommendations to that effect" [Decisions: AHG/Dec.160 (XXXVII)].

The Summit in Durban, South Africa, in July 2002, took note of the Lusaka Summit Decision and authorized the interim Chairperson to commission a study in consultation with Member States and other stakeholders to ascertain

the overall financial obligations and requirements of the Commission. The study was expected to be ready for consideration at the July 2003 Executive Council meeting of the Assembly [ASS/AU/Dec.1 (I)].

In February 2004, the Executive Council took a decision requesting the Commission to further review the earlier proposals of the experts and submit a report for discussion at the Sixth Ordinary Session in March 2005 [DOC.EX.CL/87 (V)]. In May 2006, the Commission held an experts' meeting on Alternative Sources of Financing the African Union and in June 2006, the Executive Council decided (DOC.EX.CL/255) that the reports on the analytical work be submitted to the Conference of African Ministers of Economy and Finance for consideration and appropriate recommendations prior to the adoption at the Executive Council in July 2007.

Furthermore, you may recall that in November 2008 and January this year, African Union Ministers of Economy and Finance met in Extra-Ordinary Sessions in Addis Ababa, Ethiopia, and discussed, among others, the issue of the Alternative Sources of Financing the African Union. The November 2008 Extra-Ordinary Conference requested the Commission to consult with Member States on the Commission's recommended options. The January 2010 Extra-Ordinary Conference considered the revised study report, taking into account the submitted comments of the Member States, and decided to provide the Commission with alternative options. To this effect, the Commission availed Member States with questionnaires in February 2010, requesting for the options to be forwarded to the Commission with a view to revising the report. And only last week (8-9 December 2010), the African Union Commission organized a Retreat in Nairobi, Kenya, for members of the Permanent Representatives Committee (PRC) based in Addis Ababa, Ethiopia, to exchange views and reach some common understanding on the issue.

Evidently, several studies have been undertaken and several meetings and consultations have been held on the issue of Alternative Funding Sources for the African Union. Studies have included evaluation of likely socio-economic impacts of the options on the economies of Member States and examination of experiences elsewhere, particularly in Regional Economic Communities such as Economic Community of West African States (ECOWAS) and Economic Community of Central African States (ECCAS) and Member States, including Senegal. I believe it is time that we consolidated the recommendations so far made to enable our Leaders finalize discussion on this matter during their Summit in January 2011, in line with their Kampala AU Summit Decision.

Excellencies

Distinguished Ladies and Gentlemen

Following the recent global financial meltdown and its impacts on developing and emerging economies, particularly in terms of declined aggregate output demand and commodity prices, African economies need to develop a formidable framework to forestall future vulnerability in its external balances. This can be done if we create enabling and strong institutions that provide the necessary platform for us to harness our internal resources and potentials towards economic integration. In this regard, there is the urgent need for us to collectively work towards the fast tracking of the processes for establishment of the African Union financial institutions. These are the African Central Bank, the African Investment Bank, and the African Monetary Fund, as provided for in the Constitutive Act of the African Union. Suffice to say that steady progress is being made in establishing these institutions.

Regarding the African Monetary Fund, whose headquarters will be here in Yaoundé, Cameroon, the African Union Commission has put in place a Steering Committee to undertake implementation studies leading to the establishment of the Fund. Already the Committee has drafted the Protocol and Statute for its establishment. These legal instruments were reviewed by independent experts here in Yaoundé, in October 2010. It is my sincere hope that this Extra-Ordinary CAMEF will endorse them to enable the Commission present same to the January 2011 Assembly of Heads of State and Government for adoption. On its part, the Government of the Republic of Cameroon has provided office space and equipment for the functioning of the Steering Committee.

On the status of the other two institutions, namely, the African Investment Bank and the African Central Bank, I wish to inform you that following the adoption of the Statute and Protocol establishing the African Investment Bank at the African Union Summit held in Sirte, Libya, in July 2009, fifteen countries and one country have signed and ratified the protocol, respectively. I wish to take this opportunity to call upon those member states that have not signed or ratified this protocol to please do so at their earliest convenience.

Pertaining to the African Central Bank, whose headquarters will be in Abuja, Nigeria, the African Union Commission continues to work in close collaboration with the Association of African Central Bank Governors and the host country. To date, an agreement has been reached to develop a Joint AUC/AACB Strategy on the establishment of the Bank, both the AUC and the AACB are providing experts to work on the Joint Strategy, and the host country has provided office premises and equipment, as well as financial and technical support to the experts.

Excellencies

Distinguished Ladies and Gentlemen;

The organization of this Extra-Ordinary Conference of African Union Ministers of Economy and Finance is timely, particularly when one considers the items on its agenda. The deliberations taking place today and tomorrow will go a long way in supporting efforts towards reducing poverty, promoting sustainable growth, and attaining the Millennium Development Goals. The issues on the agenda demand that they be approached with openness and frankness. But they also require that you look beyond your countries' national boundaries and focus on the need to promote regional and continental integration. It is my sincere hope that you will leave Yaoundé having reached consensus on these important issues.

Finally, please allow me, once again, to thank H.E. Mr. Paul Biya, the Government and the People of Cameroon for their usual warm welcome and hospitality. Permit me also to thank each and every one of you for making it to Yaoundé, Cameroon. And of course, I wish to acknowledge the presence of His Excellency the Vice Prime Minister and Minister of Justice for gracing this important occasion.

I thank you for your kind attention and wish this Extra-Ordinary Conference of African Union Ministers of Economy and Finance fruitful deliberations and great success.

Near-Impossible Mission in the Absence of own Funds, Alternative Sources of Financing or Innovative Financing[1]

Mission Quasi-Impossible en l'absence de Fonds Propres ou de Sources Alternatives de Financement ou de Financement Innovant

By **Dr. René N'Guettia Kouassi,** Directeur, Département des Affaires économiques • Director, Economic Affairs Department

AFRICAN UNION: MISSION IMPOSSIBLE WITH UNCERTAIN AND PALTRY FINANCING

From OAU to AU: An acknowledged political will for successful economic and political integration of Africa;

- The advent of key initiatives demonstrating this political will;
  - OAU: 25 May 1963;
  - Lagos Plan of Action and Final Act of Lagos: 1980;
  - The Abuja Treaty Establishing the African Economic Community: 1991 which came into force in 1994;
  - The Sirte Declaration, calling for the accelerated implementation of the Abuja Treaty: 1999;
  - The adoption of the Constitutive Act of the AU: 2000, at the Lomé Summit;
  - Establishment of the AU: 2001, Lusaka Summit. This Summit adopted the NEPAD Programme as a major program to enable the AU to achieve its objectives;
  - Launch of the AU: 2002, Durban Summit;
  - Adoption of the Statutes of the Commission and the Election of its First Chairperson: 2003, Maputo Summit.
- However, all of these initiatives share a common denominator: they have the same funding sources to implement their projects and programs;
- These funding sources have not changed over time. They have not been updated over time to reflect the new goals contained in successive initiatives;
- Thus, integration initiatives have multiplied. The projects and programs have grown almost exponentially from 1963 to date;
- Despite all that, funding sources have not diversified. For the last half century, funding sources for the process of continental integration, have been limited to two sources: **the assessed contribution of Member States, and that of our Continent's development partners;**
- However, in reality these two financing sources are faced with shortcomings that are both frustrating and crippling;
- Such a situation confer on the AU the following metaphor borrowed from auto mechanics:
  - Africa has grown from a car with a two horsepower engine (OAU)

1. The original document is in French

UNION AFRICAINE: MISSION IMPOSSIBLE AVEC UN FINANCEMENT INCERTAIN ET DÉRISOIRE

De l'OUA à l'UA: Une volonté politique avérée de réussir l'intégration économique et politique de l'Afrique;

- Avènement d'initiatives majeures symbolisant cette volonté politique:
  - OUA: 25 mai 1963
  - Plan d'Action de Lagos et l'Acte Final de Lagos: 1980
  - Le Traité d'Abuja, Instituant la Communauté économique africaine: 1991, et entré en vigueur en 1994
  - La Déclaration de Sirte, appelant à l'accélération de la mise en œuvre du Traité d'Abuja: 1999
  - L'adoption de l'Acte Constitutif de l'UA: 2000, au Sommet de Lomé
  - Avènement de l'UA: 2001, Sommet de Lusaka. Ce Sommet adopte le Programme NEPAD, comme Programme majeur devant permettre l'UA d'atteindre ses objectifs.
  - Lancement de l'UA: 2002, Sommet du Durban
  - Adoption des Statuts de la Commission et Election de son Premier Président: 2003, Sommet de Maputo
- Mais toutes ces initiatives partagent un dénomination commun: elles ont les mêmes sources de financement pour la mise en œuvre des projets et programmes qu'elles comportent;
- Ces sources de financement n'ont pas varié dans le temps. Elles n'ont pas été ajustées dans le temps pour tenir compte des nouvelles ambitions contenues dans les initiatives qui se sont succédées;
- Ainsi, les initiatives d'intégration se sont multipliées. Les projets et programmes ont connu une croissance quasi-exponentielle de 1963 à ce jour;
- Mais les sources de financement ne se sont pas diversifiées. Pendant, environ un demi-siècle, les sources de financement du processus d'intégration continentale, se sont limitées à deux: la contribution statutaire des Etats membres, et celle des partenaires au développement de notre continent;
- Or, dans la réalité, ces deux sources de financement connaissent des insuffisances à la fois bloquantes et paralysantes;
- Une telle situation confère à l'UA la métaphore suivante empruntée à la mécanique auto:

- To a large cylinder car with a two horsepower engine (AU).
- In other words, we have passed from an R4 (Renault 4), to a Mercedes, which in actual fact only has an engine of the R4;
- Here, the Mercedes is the AU which has genuine ambitions to go faster on the road to regional and continental integration;
- However, given that this Mercedes is endowed with the engine of an R4, that is to say, it has a budget like that of the OAU, it can only reach the speed of an R4, despite the image of speed portrayed by its body shape;
- The metaphor perfectly symbolizes the commitment exhibited by the continent's leaders to move forward by multiplying integration structures, without providing these structures with the necessary financial resources, thereby allowing them to achieve the objectives for which they were created;
- Today, the financial position of the AU has the following configuration:

1 Structure of the Budget of the AU and its Organs *(in millions of $)*

Year	2011 (%)	2010 (%)	2009 (%)	2008 (%)	2007 (%)
A: Operations	112.4 (43.8%)	105.6 (42%)	95.6 (58%)	93 (66%)	74.4 (60%)
B. Programme	144.4 (56.2%)	144.9 (58%)	68.7 (42%)	47 (34%)	49.7 (40%)
TOTAL	256.8 (100%)	250.5 (100%)	164.3 (100%)	140 (100%)	124.1 (100%)

Source: AU Budget, successive years

- L'Afrique est passée d'une voiture deux chevaux (OUA)
- À une grosse cylindrée avec le moteur d'une deux chevaux (UA).
- En d'autres termes, on est passé d'une R4 (Renault 4), à une Mercedes qui en réalité, n'est dotée que d'un moteur d'une R4;
- Ici, la Mercedes, c'est l'UA qui exprime de réelles ambitions d'aller plus vite sur le chemin de l'intégration régionale et continentale;
- Mais comme cette Mercedes n'est nantie que d'un moteur d'une R4, c'est-à-dire, d'un budget à l'image de celui de l'OUA, elle ne peut que rouler à la vitesse d'une R4, malgré l'allure de vitesse à laquelle renvoit sa coque;
- Cette métaphore, symbolise parfaitement la volonté qu'affichent les dirigeants du continent, à aller de l'avant en multipliant les structures à vocation d'intégration, sans toutefois donner à ces structures les ressources financières requises, leur permettant d'atteindre les objectifs pour lesquels elles ont été crées;
- Aujourd'hui, la situation financière de l'UA offre la configuration suivante:

1 Structure du Budget de l'UA et ses Organes *(en millions de $)*

Années	2011 (%)	2010 (%)	2009 (%)	2008 (%)	2007 (%)
A: Fonctionnement	112.4 (43.8%)	105.6 (42%)	95.6 (58%)	93 (66%)	74.4 (60%)
B. Programme	144.4 (56.2%)	144.9 (58%)	68.7 (42%)	47 (34%)	49.7 (40%)
TOTAL	256.8 (100%)	250.5 (100%)	164.3 (100%)	140 (100%)	124.1 (100%)

Source: Budget de l'UA, années successives

Pendant, environ un demi-siècle, les sources de financement du processus d'intégration continentale, se sont limitées à deux: la contribution statutaire des Etats membres, et celle des partenaires au développement de notre continent

2 Sources of the Programme Budget of the AU and its Organs *(in millions of $)*

Years	2011 (%)	2010 (%)	2009 (%)	2008 (%)	2007 (%)
From Member States	10.2 (7.1%)	11.2 (8%)	11.3 (16%)	14.7 (31%)	13.4 (27%)
From Development Partners	134.2 (92.9%)	133.7 (92%)	57.4 (84%)	32.4 (69%)	36.3 (73%)
TOTAL	144.4 (100%)	144.9 (100%)	68.7 (100%)	47.1 (100%)	49.7 (100%)

Source: AU Budget, successive years

3. AU Budget per capita *($/par habitat)*

Nature Budget	2011	2010	2009	2008	2007
A. Operations	0.11	0.10	0.10	0.09	0.08
B. Programme	0.14	0.14	0.07	0.05	0.05
Total	0.25	0.24	0.16	0.14	0.13

4. AU Budget as percentage of GDP *(in %)*

Nature Budget	2011	2010	2009	2008	2007
Operations	0.006%	0.006%	0.007%	0.006%	0.006%
Programme	0.008%	0.008%	0.005%	0.003%	0.004%
Total budget	0.014%	0.015%	0.011%	0.009%	0.009%

- What do these numbers mean? How can they be interpreted? What messages do these numbers convey?
- For the AU Commission, these figures signify the inability of the AU to resolve the many challenges of our time;
- They convey the message of an Africa that refuses to take charge of its destiny by providing itself with the financial means required for it to flourish; These figures are a

2 Sources du Budget Programme de l'UA et ses Organes *(en millions de $)*

Années	2011 (%)	2010 (%)	2009 (%)	2008 (%)	2007 (%)	2006 (%)	2005 (%)
En provenance des Etats membres	10.2 (7.1%)	11.2 (8%)	11.3 (16%)	14.7 (31%)	13.4 (27%)	11.2	11.3 (16%)
En provenance des Partenaires	134.2 (92.9%)	133.7 (92%)	57.4 (84%)	32.4 (69%)	36.3 (73%)	133.7	57.4 (84%)
TOTAL	144.4 (100%)	144.9 (100%)	68.7 (100%)	47.1 (100%)	49.7 (100%)		68.7 (100%)

Source: Budget de l'UA, années successives

3 Budget de l'UA par rapport à la population africaine *($/par habitant)*

Nature Budget	2011	2010	2009	2008	2007
A. Fonctionnement	0.11	0.10	0.10	0.09	0.08
B. Programme	0.14	0.14	0.07	0.05	0.05
Total	0.25	0.24	0.16	0.14	0.13

4 Budget de l'UA par rapport au PIB *(en %)*

Nature Budget	2011	2010	2009	2008	2007
Fonctionnement	0.006%	0.006%	0.007%	0.006%	0.006%
Programme	0.008%	0.008%	0.005%	0.003%	0.004%
Total budget	0.014%	0.015%	0.011%	0.009%	0.009%

- Que signifient ces chiffres? Que traduisent ces chiffres? Quels messages ces chiffres véhiculent-ils?
- Pour la Commission de l'UA, ces chiffres constituent le symbole de l'incapacité de l'UA à relever les nombreux défis de notre temps;

representation of an Africa that wants to remain apathetic in relation to the changing global environment, and indeed with respect to its future;

- Finally, these figures are a sign of an Africa that relies only on external partners to finance its development agenda and hence, an Africa that does not believe in itself.

WHY SHOULD THE AU AND ITS ORGANS HAVE THEIR OWN FUNDS? THE LUSAKA APPEAL (JULY 2001)

- The Lusaka Appeal is contained in Decision AHG/Dec.160 (XXXVII) which, inter alia, reads as follows:
- The Conference authorizes the Secretary-General to:
  - i Explore the possibility of mobilizing extra-budgetary contributions from Member States, OAU Partners and others;
  - ii Undertake studies, with the assistance of experts, to identify alternative modalities of funding the activities and programmes of the OAU, **bearing in mind that the Union cannot operate on the basis of assessed contributions from Member States only,** and to make appropriate recommendations thereon.
- Current funding is paltry, fluctuates and is uncertain;
- The funding sources are limited to two that are not diversified and remain permanently uncertain;
- The amounts made available to the AU and its organs to implement their mandates are largely inadequate, unstable and not available in real time;
- Finally and most importantly, the projects and programs developed by Africans and for Africans are numerous. These projects and programs have been freely adopted by the highest organs of the continent to enable Africa to fully take its destiny in its own hands, and to contribute substantially to the progress of the modern world;
- Among these multiple initiatives, the key ones are:
  - The Treaty of Abuja;
  - The Program for Infrastructure Development in Africa (PIDA);
  - The Minimum Integration Programme (MIP);
  - The Plan of Action for the Second Decade of Education for Africa and the Consolidated African Action Plan for Science and Technology;
  - The African Charter on Democracy, Elections and Governance;
  - The African Charter on Human and Peoples' Rights;
  - The Comprehensive Africa Agriculture Development Programme (CAADP);

- Ces chiffres charrient le message d'une Afrique qui refuse d'assumer son destin en se donnant les moyens financiers de son épanouissement;
- Ces chiffres sont l'expression d'une Afrique qui veut rester apathique par rapport à l'évolution de l'environnement mondial, voire par rapport à son avenir;
- Enfin, ces chiffres sont le signe d'une Afrique qui ne compte que sur l'extérieur pour financer son agenda de développement, donc d'une Afrique qui ne croit pas en elle-même.

POURQUOI FAUT-IL DOTER L'UA ET SES ORGANES DE FONDS PROPRES ? L'APPEL DE LUSAKA (JUILLET 2001)

- L'appel de Lusaka est contenu dans la Décision AHG/Dec.160 (XXXVII) qui, entre autres, s'énonce comme suit:
- La Conférence autorise le Secrétaire général à:
  - i Étudier la possibilité de mobiliser des ressources extrabudgétaires auprès des Etats membres, des Partenaires de l'OUA et d'autres sources;
  - ii Entreprendre des études, avec l'assistance des experts, pour identifier d'autres modalités de financement des activités et programmes de l'Union africaine, compte tenu du fait que l'Union ne peut pas fonctionner sur la base des seules contributions statutaires des Etats membres, et à faire les recommandations appropriées à ce sujet.
- Parce que le financement actuel est dérisoire, fluctuant, et incertain;
- Parce que les sources de financement sont limitées à deux. Elles sont donc faiblement diversifiées et demeurent permanemment incertaines;
- Parce que les montants mis à la disposition de l'UA et ses organes pour mettre en œuvre leurs mandats sont largement insuffisants, instables et indisponibles en temps réel;
- Enfin et surtout, parce que les projets et programmes élaborés par les africains, et pour les africains sont nombreux. Ces projets et programmes ont été librement adoptés par les instances suprêmes du continent pour permettre à l'Afrique d'assurer pleinement son destin, et de contribuer substantiellement à l'évolution du monde moderne;
- Au nombre de ces multiples projets figurent principalement:
  - Le Traité d'Abuja;
  - Le Programme de Développement des Infrastructures en Afrique (PIDA);
  - Le Programme Minimum d'Intégration (PMI);
  - Le Plan d'action de la deuxième décennie de l'Education en Afrique et le Plan d'action africain consolidé des Sciences et Technologie;

...the projects and programs developed by Africans and for Africans are numerous. These projects and programs have been freely adopted by the highest organs of the continent to enable Africa to fully take its destiny in its own hands, and to contribute substantially...

- The establishment and operation of a conflict early warning system and situation rooms for observation and monitoring, implementation and operation of an African Standby Force and the regional brigades and the African Union Border Programme ;
- The New Partnership for Africa's Development (NEPAD);
- The African Charter on Statistics;
- The Strategy for the Harmonization of Statistics;
- The creation and strengthening of institutions: AIB, AMF, BCA, the Pan African Parliament, the African Court of Justice;
- etc.

- In addition to these projects, Africa should continuously:
  - Tackle conflicts. Here, all peace, peace-keeping and post-conflict operations, etc. that are ongoing on the continent are mostly funded by development partners, for example in Darfur, Somalia and the DRC;
  - Deal with natural disasters (floods, drought, volcanic eruptions, ...);
  - Address the food and energy crises, and combat endemic diseases and pandemics.
- Also, as part of its contribution to the management of global affairs, it must, whenever appropriate necessary, demonstrate its solidarity with the rest of the world when it is affected by disasters, as in Haiti recently;
- All these projects; all these challenges associated with peace and security on the continent; all these needs related to Africa's contribution to the management of global affairs**, require one thing: an Africa, united in solidarity**;
- This unity and solidarity should be given full expression to allow Africa to:
  - Accomplish its many projects and programs;
  - Fulfill its role of prevention, peacekeeping and security;
  - Attain its role and place in the contemporary world.
- The one and only solution allowing Africa to meet all these challenges lies in Africa making available to the AU and its organs, their own resources that are stable, substantial and more or less permanent;
- And hence the Lusaka Appeal of July 2001;
- To meet all the challenges mentioned above, and since the establishment of the AU in Lusaka, the Heads of State and Government anticipated funding constraints. In Lusaka, they instructed the Interim Secretariat (which was subsequently transformed into the Commission)

- La Charte africaine de la Démocratie, des élections et de la gouvernance;
- La Charte africaine des Droits de l'Homme et des Peuples;
- Le Programme détaillé pour le développement de l'Agriculture africaine (PDDAA);
- La mise en place et le fonctionnement d'un système d'alerte rapide des conflits et de salles de veille pour l'observation et le suivi, mise en place et fonctionnement d'une force africaine en attente et des brigades régionales et le programme des frontières de l'Union africaine;
- Le Nouveau Partenariat pour le Développement de l'Afrique (NEPAD);
- La Charte africaine de la Statistique;
- La Stratégie d'harmonisation de la Statistique;
- La création et le renforcement des Institutions: BAI, FMA, BCA, le Parlement panafricain, la Cour africaine de justice
- etc.

- En sus de ces projets, l'Afrique doit chroniquement:
  - Faire face à des conflits. Ici toutes les opérations de paix, de maintient de la paix, de Post-conflits etc., en cours sur le continent sont essentiellement à la charge des partenaires au développement, l'exemple du Darfour, de la Somalie et de la RDC.
  - Affronter les catastrophes naturelles (inondations, sécheresse, éruption volcaniques, ...);
  - Affronter les crises alimentaires, et énergétiques, ainsi que les endémies et les pandémies.
- Aussi, dans sa contribution à la gestion des affaires planétaires, elle doit, le cas échéant, manifester sa solidarité à l'égard du reste du monde lorsque celui-ci est touché par des catastrophes, comme récemment en Haïti;
- Tous ces projets; toutes ces contraintes liées à la Paix et à la Sécurité sur le continent; tous ces besoins relatifs à la contribution de l'Afrique à la gestion des affaires planétaires, exigent une seule chose: une Afrique unie et solidaire;
- Cette unité et cette solidarité doivent pouvoir s'exprimer pour permettre à l'Afrique de:
  - Réaliser ses multiples projets et programmes;
  - Remplir son rôle de prévention, de maintien de la paix et de la sécurité;
  - Et d'acquérir son rôle et sa place dans le monde contemporain.
- **La seule et unique solution permettant à l'Afrique de relever tous ces défis, réside dans la mise à la disposition de l'UA et ses organes, des ressources propres, stables, substantielles et quasi-permanentes**;

to undertake a study to provide the AU with innovative mechanisms for generating new financing to permit it to assume its full responsibility, in dignity, and in total independence from external constraints.

THE COMMISSION'S RESPONSES TO THE LUSAKA APPEAL

- The study, need of which was expressed by the Lusaka Summit, has indeed been carried out;
- The key recommendations have been submitted repeatedly for discussion by government experts. These, in turn, were to formulate recommendations to be submitted for discussion by the relevant sector Ministers, namely, the African Ministers of Economy and Finance;
- The Ministers, in turn, needed to submit to the Heads of State and Government consensus recommendations to enable them to make meaningful choices before being sanctioned by a political decision;
- In fact, the study was first validated by independent experts and then by experts from Member States;
- It has been revised several times, at the request of Member States, experts, to incorporate their key concerns;
- In addition, at the request of Member States' experts, the study was even complemented by an impact study measuring the effects of the proposed instruments on the economies of individual African countries;
- Overall, all the theoretical issues such as the practical aspects of introducing the initiatives or the adoption of alternative sources of funding have been explored in depth;
- The study has even been the subject of two extraordinary conferences of African Ministers of Economy and Finance. The third will be held in November 2010 following a decision taken by Heads of State and Government at the Kampala Summit in July 2010;
- Since July 2001 (Lusaka Summit) to the present time, that is in a space of about 9 years, the political decision to select the innovative financial instruments among the set of instruments identified by the study is yet to be taken;
- Instead, the experts got bogged down in endless debates. At each juncture, the Commission is asked to review its report for reasons that are unknown, or difficult to determine;
- A general observation is that since Lusaka, the study has still not been submitted to the Heads of State and Government;
- They have not yet had the opportunity to express an opinion on the recommendations of the Commission;

- Ici, intervient l'appel de Lusaka de juillet 2001;
- Pour relever tous les défis sus-mentionnés, et dès l'avènement de l'UA à Lusaka, les chefs d'Etat et de gouvernement, ont anticipé les difficultés de financement. A Lusaka, ils ont mandaté le Secrétariat intérimaire d'alors (qui s'est mué par la suite en Commission) d'entreprendre une étude afin de doter l'UA de mécanismes novateurs, générateurs de Fonds nouveaux lui permettant d'assumer toute sa responsabilité, dans la dignité, et dans une totale indépendance à l'égard des contraintes extérieures.

LES RÉPONSES DE LA COMMISSION À L'APPEL DE LUSAKA

- L'étude, dont le besoin a été exprimé par le Sommet de Lusaka, a été bel et bien réalisée;
- Les principales recommandations ont été maintes fois soumises à l'examen des experts gouvernementaux. Ceux-ci, à leur tour, devaient y dégager des suggestions à soumettre à l'analyse des Ministres compétents en la matière, à savoir, les Ministres africains de l'Economie et des Finances;
- Les Ministres, à leur tour, devaient soumettre aux chefs d'Etat et de gouvernement des recommandations consensuelles leur permettant d'opérer des choix significatifs devant être sanctionnés par une décision politique;
- En réalité, l'étude a été, d'abord validée par les experts indépendants, ensuite par ceux des Etats membres;
- Elle a été révisée plusieurs fois, à la demande des experts des Etats membres, pour y intégrer leurs principales préoccupations;
- Toujours, à la demande des experts des Etats membres, l'étude a même été complétée d'une étude d'impact mesurant les effets des instruments proposés sur les économies des pays africains pris individuellement;
- Somme toute, tous les enjeux théoriques comme pratiques de l'introduction, voire de l'adoption des sources alternatives de financement ont été appréhendés de manière approfondie;
- L'étude a même fait l'objet de deux conférences extraordinaires des Ministres africains de l'Economie et des Finances. La troisième sera organisée en novembre 2010 consécutivement à une décision prise par les chefs d'Etat et de gouvernement au cours du Sommet de Kampala en juillet 2010;
- De juillet 2001 (Sommet de Lusaka), jusqu'à ce jour, soit environ 9 ans, la décision politique visant à déterminer les instruments financiers innovants parmi la série d'instruments identifiés par l'étude n'est pas encore prise;
- Au lieu de cela, les experts s'enlisent dans les débats à n'en plus finir. La Commission est, à chaque fois, invitée à revoir sa copie pour des raisons inconnues, ou difficiles à cerner;

> The dossier on innovative financing of the AU does not therefore benefit from constant and regular monitoring in the Member States. The findings of previous meetings are often not known to delegations representing their countries;

- These recommendations, as relevant as they are, have up to now been retained upstream by government experts, and to a lesser extent, by the Ministers of Economy and Finance who endorsed the proposals of the experts;
- Other reasons given for the difficulties faced in addressing this problem include changes in country delegations (the experts are not the same ones from one meeting to another), and the government changes in our countries (ministers are also not the same, for most cases, from one conference to another);
- The dossier on innovative financing of the AU does not therefore benefit from constant and regular monitoring in the Member States. The findings of previous meetings are often not known to delegations representing their countries;
- This cacophony has had the consequence of derailing the virtually permanent achievements of previous meetings, with each new delegation wanting to make its mark on the proposed instruments;
- The good news is that the Decision adopted at the 15th ordinary session of the Assembly of the African Union in Kampala, Uganda, in July 2010 [Assembly/AU/Dec.312 (XV)], which states that *"REQUEST the Commission, through the Ministers of Economy and Finance, to quickly finalize the ongoing work on the issue, for consideration and adoption at the next session of the Summit through the Executive Council in January 2011";*
- The Kampala Decision reflects the firm political will of the Heads of State and Government to finalize this issue that has lasted too long;
- The good news is also that the political will expressed by the Heads of State and Government in the Kampala Decision invites the experts as well as the ministers, to truly address the issue and make clear, consensual and concrete recommendations at their Summit in January-February 2011.

INNOVATIVE FINANCING PATHS FOR THE AU: THE COMMISSION DOES NOT INVENT ANYTHING. ITS RECOMMENDATIONS ARE ALREADY BEING IMPLEMENTED IN AFRICA

- The initial study of the Commission proposed eight scenarios of innovative financing sources;
- These sources are to be structured around:
  - tax on imports;
  - tax on revenue from hydrocarbon exports ;
  - tax on insurance premiums;

- Une observation de taille, est que depuis Lusaka, les chefs d'Etat et de gouvernement n'ont toujours pas été saisis de ce dossier;
- Ils n'ont pas encore eu l'opportunité d'émettre un avis sur les recommandations de la Commission;
- Ces recommandations, aussi pertinentes soient-elles, sont jusqu'à ce jour retenues en amont par les experts gouvernementaux, et à un degré moindre, par les Ministres de l'Economie et des Finances qui entérinent les propositions des experts;
- Autres faits justificatifs des difficultés liées au traitement de cette problématique, tiennent aux changements intervenus dans les délégations des pays (les experts ne sont pas les mêmes d'une réunion à une autre), et dans les remaniements ministériels dans nos pays (les Ministres ne sont également pas les mêmes, pour la plupart des cas, d'une conférence à une autre);
- Le dossier du financement innovant de l'UA ne bénéficie donc pas d'un suivi constant et régulier dans les Etats membres. Les conclusions des réunions précédentes ne sont pas souvent connues des délégations qui représentent leurs pays;
- Cette cacophonie a pour coralliaire la mise en cause quasi-permanente des acquis des réunions précédentes; chaque nouvelle délégation voulant imprimer sa marque sur les instruments proposés;
- **La bonne nouvelle**, c'est la Décision adoptée à la 15ème session ordinaire de la Conférence de l'Union africaine, à Kampala (Ouganda), en juillet 2010 [Assembly/AU/Dec.312(XV)] qui stipule «DEMANDE à la Commission, par l'intermédiaire des Ministres de l'Economie et des Finances, de finaliser rapidement le travail en cours sur la question, aux fins d'examen et d'adoption, à la prochaine session de la Conférence par le biais du Conseil exécutif en janvier 2011»*;*
- La Décision de Kampala traduit la ferme volonté politique des chefs d'Etat et de gouvernement d'en finir avec ce sujet qui n'a que trop duré;
- **La bonne nouvelle**, c'est aussi que la volonté politique exprimée par les chefs d'Etat et de gouvernement dans la Décision de **Kampala invite, aussi bien les experts que les Ministres, à véritablement traiter la question** et à leur faire des propositions claires, consensuelles et concrètes à leur Sommet de janvier-février 2011.

LES PISTES DE FINANCEMENT INNOVANT POUR L'UA; LA COMMISSION N'INVENTE PAS. LES SOLUTIONS QU'ELLE PROPOSE SONT DÉJÀ PRATIQUÉES EN AFRIQUE

- L'étude initiale de la Commission proposait hui scénarï de source de financement innovant;
- Ces sources se structuraient autour:

- levy on airline tickets;
- involvement of the private sector through sponsorship and other forms of support;
- The sale of items and other products that carry the African Union symbol;

- However, as a result of a series of expert meetings and ministerial conferences already mentioned, the Commission's choice was limited to the following main components or instruments:
  - i Levy on imports from the rest of the world;
  - ii Levy on airline tickets;
  - iii Levy on insurance policies.
- These three instruments are extensively described in all their aspects in the study under review:

1 Case of ECCAS: Levy on Imports

- ECOWAS, UEMOA, ECCAS and CEMAC are already implementing the levy on imports from non-member countries, with relative success;
- In ECCAS, the levy is called: **the community contribution for integration (CCI);**
- In ECCAS, consumer goods originating in third countries, imported by Member States are subject to the CCI;
- Thus, excluded from the field of taxation or application are products originating from the Community and goods imported goods under suspensive customs regimes;
- In ECCAS, the taxable value is the customs value of goods, that is to say the CIF (cost insurance freight) or the transaction value;
- The rate of the CCI is 0.4%. Example: If the customs value is 2,000,000 → the CCI is: 2,000,000 x 0.4% = 8,000;
- The CCI is collected by national authorities, that is to say by Customs or the Treasury;
- The amounts collected under the CCI are **deposited into an account opened on behalf of ECCAS, at the Central Bank of each member country**;
- Additionally, a central account for ECCAS is also opened at the Central Bank of the country which hosts the headquarters, as in the case of the cash account in Libreville, Gabon;
- In ECCAS, the vote has continued to be voted according to conventional procedures and it is distributed amongst countries based on an allocation formula adopted by consensus;

- La taxe sur les importations;
- La taxe sur les recettes d'exportation des hydrocarbures;
- La taxe sur la prime d'assurance;
- Le prélèvement sur les billets d'avion;
- L'implication du secteur privé à travers le sponsoring et autre;
- La vente des gadgets et autres produits avec le symbole de l'Union africaine;

- Mais à l'issue d'une série de réunions d'experts et de conférences ministérielles déjà évoquées, les choix de la Commission se sont limités aux éléments ou instruments suivants:
  - i Prélèvement sur les importations en provenance du reste du monde;
  - ii Prélèvement sur les billets d'avion;
  - iii Prélèvement sur les primes d'assurance.
- Ces trois instruments sont largement décrits sous tous leurs aspects dans l'étude sous examen:

Prélèvement sur les importations

- La CEDEAO, l'UEMAO, la CEEAC et la CEMAC pratiquent déjà avec un relatif succès le prélèvement sur les importations en provenance des pays non membres;

1 Le cas de la CEEAC

- A la CEEAC, ce prélèvement a pour nom: **la contribution communautaire d'intégration**;
- A la CEEAC, les produits originaires des pays tiers, importés par les Etats membres pour mise à la consommation sont soumis à la CCI;
- Sont donc exclus du champ de taxation ou d'application, les produits originaires de la Communauté et les produits importés sous les régimes douaniers suspensifs;
- A la CEEAC, la valeur taxable est la valeur en douane des marchandises, c'est-à-dire la valeur CAF (coût assurance fret) ou la valeur transactionnelle;
- Le taux de la CCI est de 0,4%. Exemple: si la valeur en douane est de 2.000.000 → la CCI est de: 2.000.000 x 0,4% = 8.000;
- La CCI est recouvrée par les administrations nationales, c'est-à-dire par la douane ou le trésor;
- Les sommes encaissées au titre de la CCI sont **versées dans un compte ouvert au nom de la CEEAC, à la Banque Centrale de chaque pays membre**;
- Et un compte central CEEAC est également ouvert à la Banque Centrale du pays qui abrite le siège. Dans le cas d'espèce à Libreville (Gabon);

ECOWAS, UEMOA, ECCAS and CEMAC are already implementing the levy on imports from non-member countries, with relative success. In ECCAS, the levy is called: the community contribution for integration (CCI)...

- **The novelty here is that each country (through its central bank) will transfer only its contribution amount as determined by the scale of assessment, to the central account of ECCAS opened at the host-country's Central Bank;**
- The novelty is also that a given country may have a surplus (this is the general case observed by the leaders of ECCAS). In that case, the country which has a mounting surplus will be entitled and has the legitimate right to draw from the account to offset future contributions;
- The good news is that if the CCI is well implemented and all countries have a surplus in the ECCAS account opened in their Central Bank, it is the entire region that will be strengthened;
- This therefore provides the opportunity for authorities to not only become aware of increases in the budget of the organization to meet the challenges of growth and development, but also to face other challenges such as combating endemic diseases and pandemics, famine, natural disasters, etc.;
- In ECCAS, revenues collected under the CCI are allocated as follows:
  - Operating Budget of the General Secretariat;
  - Budget of COPAX;
  - Budget of the Compensation Fund
- In addition, revenues collected are used to: Award grants to the capital of FCD / FRAS;
  - Finance any other initiatives decided upon by the Conference of Heads of State and Government.

2. Case of ECOWAS: The Community Levy

- In ECOWAS, as in ECCAS, the community levy is on the taxable value of goods imported into the Community from third countries and marketed for consumption;
- The field of application of the Community levy does not include:
  - i products originating from ECOWAS (authorized industrial products, raw materials and traditional crafts);
  - ii goods produced or sourced from Member States but not fulfilling the rules of origin of ECOWAS;
  - iii products originating from third countries and localized by their marketing for consumption in a Member State and re-exported to another Member State;

- A la CEEAC, l'on continue de voter le budget selon les procédures classiques et l'on le répartit entre pays en fonction d'une clé de répartition consensuellement retenue;
- **L'originalité ici, est que chaque pays ne transfert** (par le biais de sa banque centrale) **au compte central CEEAC ouvert à la Banque Centrale du pays-siège, que le montant de sa contribution déterminé par la clé de répartition;**
- L'originalité, ici, est également que un pays donné peut être excédentaire (c'est le cas général observé par les responsables de la CEEAC). Dans ce cas, le pays dispose d'un excédent qui évolue crescendo et sur lequel il a le droit, la légitimité de destiner à ses contributions futures;
- **La bonne nouvelle** est que si la CCI est bien appliquée et que tous les pays connaissent une situation excédentaire dans le compte CEEAC ouvert à leur Banque Centrale, c'est toute la région qui s'en trouve renforcée;
- Car cela donne l'opportunité aux autorités soit de connaître l'augmentation du budget de l'organisation pour relever les défis de la croissance et du développement, soit de faire face à d'autres défis comme la lutte contre les endémies et les pandémies, la famine, les catastrophes naturelles etc.;
- A la CEEAC, les recettes collectées au titre de la CCI sont affectées comme suit:
  - Budget de fonctionnement du Secrétariat général;
  - Budget du COPAX;
  - Budget du Fonds de compensation
- Aussi, les recettes collectées servent elles à:
  - Faire les dotations au capital du FCD/FRAS;
  - Financer toutes autres initiatives décidées par la Conférence des chefs d'Etat et de gouvernement

2 Le cas de la CEDEAO: le prélèvement communautaire

- A la CEDEAO, comme à la CEEAC, le prélèvement communautaire porte sur la valeur imposable des marchandises importées dans la Communauté en provenance des pays tiers et mises à la consommation;
- Le champ d'application de ce prélèvement communautaire ne comprend pas:
  - i les produits originaires de la CEDEAO (produits industriels agréés, produits du cru et produits de l'artisanat traditionnel);
  - ii les produits fabriqués ou obtenus dans les Etats membres mais ne remplissant pas les conditions d'origine de la CEDEAO;

- In ECOWAS, the following are exempt from the community levy:
    - i aid, grants and non-repayable subsidies for a state, public corporations and state-approved charities ;
    - ii goods imported from third countries through financing provided by foreign partners, subject to a provision exempting such products from all tax levies;
    - iii goods imported by firms under the existing tax system at the date of entry into force of this Protocol;
    - iv the goods having been charged the community levy under any previous tax regime.
- In ECOWAS, Community Levies are based on:
    - i CIF value at the port of landing for imports by sea;
    - ii the CIF value of imports by land at the point of entry into the customs territory of the Community ;
    - iii the customs value at port of landing (APOD) for imports by air;
    - iv the market price list of the respective goods.
- In ECOWAS, the Community Levy rate is set at **0.5% of the value of goods imported from third countries;**
- However, this rate can if necessary be changed every three years by the Authority of Heads of State and Government on the recommendation of the Council;
- The collection is done by receivers or by the heads of competent customs offices;
- To this end, an additional line is opened in their accounting books in which daily collections of the Community levy are recorded ;
- The ECOWAS Commission, on its own behalf, opens an account in the books of the Central Bank of each Member State (for countries having their own Central Bank) and with a branch of the BCEAO, for UEMOA member countries;
- In fact, based on the import value of imported goods, the customs requires the importer (who is also from the private sector) to issue two cheques: one in favour of UEMOA (1%) and the second in favour of ECOWAS (0.5%);
- The Customs Services deposit the cheques received from importers on the accounts of UEMOA and ECOWAS, opened at the Central Bank of each State;
- In ECOWAS, how are the collections from the Community levy used?
- The collections from the Community levy are used for:
    - i the regular budgets of the Community and its institutions, excluding the budget of the Cooperation, Compensation and Development Fund.

    - iii les produits originaires de pays tiers nationalisés par leur mise à la consommation dans un Etat membre et réexportés dans un autre Etat membre;
- A la CEDEAO, sont exonérés du prélèvement communautaire les éléments suivants:
    - i les aides, dons et subventions non remboursables destinés à un Etat, aux personnes morales de droit public et aux œuvres de bienfaisance reconnues d'utilité publique;
    - ii les produits originaires de pays tiers importés dans le cadre des financements accordés par des partenaires étrangers, sous réserve d'une clause expresse exonérant lesdits produits de tout prélèvement fiscal et parafiscal;
    - iii les marchandises importées par les entreprises bénéficiaires d'un régime fiscal stabilisé en cours à la date d'entrée en vigueur du présent protocole;
    - iv les marchandises ayant déjà acquitté le prélèvement communautaire sous un régime antérieur quelconque.
- A la CEDEAO, les bases du prélèvement communautaire sont:
    - i la valeur CAF port de débarquement pour les importations par voie maritime;
    - ii la valeur CAF au point d'entrée sur le territoire douanier de la Communauté pour les importations par voie terrestre;
    - iii la valeur en douane aéroport de débarquement pour les importations par voie aérienne;
    - iv la valeur mercuriale pour les produits faisant l'objet de mercuriales.
- A la CEDEAO, le taux du prélèvement communautaire est fixé à **0,5% de la valeur des marchandises importées de pays tiers;**
- Mais ce taux, en cas de besoin, peut être modifié tous les trois ans par la Conférence des chefs d'Etat et de gouvernement sur recommandation du Conseil;
- Le recouvrement est effectué par les receveurs ou les chefs des bureaux des douanes compétentes;
- A cette fin, une ligne supplémentaire est ouverte dans leurs livres comptables où sont portées quotidiennement les sommes recouvrées au titre du prélèvement communautaire;
- La Commission de la CEDEAO, au nom de celle-ci, ouvre un compte dans les livres de la Banque Centrale de chaque Etat membre (pour les pays ayant leur propre Banque Centrale) et auprès de l'Agence de la BCEAO, pour les pays membres de l'UEMOA;

- ii the budget to compensate revenue losses suffered due to trade liberalization;
- iii the financing of development activities;
- iv any other allocation decided on by the Authority or the Council including the capital increase of the ECOWAS Fund.

- In ECOWAS, the above budgets are set annually by the Council of Ministers on the recommendation of the Commission on Administration and Finance;
- How are the surpluses and deficits managed?
- In ECOWAS, the surpluses due to the Community Levy on all allowable expenses (in a given budget year) **are once again entered in the books of the Commission;**
- Here, the identified deficits in funding authorized expenditures are, upon a decision of the Council of Ministers, **covered by surpluses from previous financial years and again carried forward**;
- **It is important to note that,** when the amounts carried forward are insufficient to fund or to cover deficits, these deficits are absorbed as follows:
  - i Deferring execution of certain activities, implementation of which can wait or can be financed by other funding sources.
  - ii By an appeal for additional funds from Member States. The deficit is then apportioned between the different budgets based on their representative share of the overall budget. Additional contributions requested from the Member States are determined in accordance with the budget allocation criteria of the Community.
- **Another important fact** to note is that when it is evident during three consecutive fiscal years that deficits or surpluses exceed 25% of the total adopted budgets, the Council of Ministers shall proceed with necessary adjustments, either:
  - i In the case of a deficit, by a widening of the field of application,, or
  - ii By increasing the Community levy rate; and in the case of a surplus, by a reduction in the rate of the Community levy.

3. The Case of UEMOA and CEMAC

- These two regional organizations fully implement the Community levy system;
- The fact that these two institutions already operate a customs union, facilitates the implementation of this measure;

- En réalité, sur la base de la valeur importable des marchandises importées, les services des douanes demandent à l'importateur (qui est également du secteur privé) d'émettre deux chèques: un chèque au bénéfice de l'UEMOA (1%) et le deuxième au profit de la CEDEAO (0,5%);
- Les services des douanes déposent les chèques reçus des importateurs dans les comptes de l'UEMOA et de la CEDEAO, ouverts à la Banque Centrale de chaque Etat;
- A la CEDEAO, comment affecte-t-on le produit du prélèvement communautaire?
- Le produit du prélèvement communautaire sert à alimenter:
  - i les budgets ordinaires de la Communauté et de ses Institutions à l'exclusion du budget du Fonds de Coopération, de Compensation et de Développement.
  - ii le budget de compensation des pertes de recettes subies du fait de la libéralisation des échanges;
  - iii le financement des actions de développement;
  - iv toute autre affectation décidée par la Conférence ou par le Conseil y compris l'augmentation du capital du Fonds de la CEDEAO.
- A la CEDEAO, les budgets ci-dessus sont annuellement fixés par le Conseil des Ministres sur recommandation de la Commission de l'Administration et des Finances;
- Comment sont gérés les excédents et les déficits?
- A la CEDEAO, les excédents dus au prélèvement communautaire sur l'ensemble des dépenses autorisées (au titre d'un exercice budgétaire) **sont inscrits en report à nouveau dans les écritures de la Commission**;
- Ici, les déficits constatés au niveau du financement des dépenses autorisées sont, sur décision du Conseil des Ministres, **couverts par les excédents des exercices antérieurs, inscrits en report à nouveau;**
- **Fait important à souligner**, lorsque les reports à nouveau ne suffisent pas à financer ou à couvrir les déficits, ces déficits sont résorbés de la façon suivante:
  - i en différant l'exécution de certaines actions dont la réalisation peut attendre ou peut être financés par d'autres sources de financement.
  - ii Par un appel de fonds complémentaires des Etats membres. Le déficit est alors réparti entre les différents budgets en fonction de leur part représentative dans l'ensemble des budgets prévus. Les contributions complémentaires à appeler des Etats membres sont déterminées en application des clefs de répartition des budgets de la Communauté.

- In UEMOA, the levy rate is 1%. Therefore, the levy rate in the member countries of UEMOA is 1.5%, which is broken down as follows:
  - i 1% for UEMOA,
  - ii 0.5% for ECOWAS
- Examples of Figures. In ECOWAS, during the period of 2007, 2008 and 2009, revenue from the Community levy amounted to US$ 230, 314 and 360 million respectively. During the same period, the approved budgets of ECOWAS institutions amounted to US$ 160, 220 and 274 million, respectively. This leaves a positive balance of US$ 72, 94 and 86 million, respectively;
- Clearly, in three years, ECOWAS has achieved a cumulative positive balance of US$252 million d **recorded in its books as carried forward earnings**;
- This positive balance is a real “war chest” for ECOWAS. This gives it considerable leeway in implementing its mandate.

4. The Levy on Insurance Policies

- We call this a citizen tax or citizen levy;
- This type of levy involves all African citizens through insurance subscriptions: automobile and real estate, but is not applicable to health insurance;
- It is therefore an essential component of the insurance cover taken by all African citizens that is at stake;
- Another fact which deserves attention: In UEMOA, the Community levy proceeds are allocated as follows: 40% to the operational budget and 60% to the Regional Integration Support Fund *(FAIR/SRIF);*
- The rate proposed by the Commission is 0.2%;
- Example: If an African citizen has insurance cover of U.S. $ 1,000; as a result of the citizen tax, the amount payable to the insurer would be: $ 1,002; hence, $ 1002 = 1000 + (1000 x 0.2)/100
- The insurer would thus be responsible, on the basis of an agreement to be concluded with all insurance operators, to collect this tax on behalf of the AU, and deposit it into an AU account opened at the Central Bank of each state.

5. Levy on Airline Tickets: Africa Solidarity Tax

- Solidarity tax because most of this tax will come from the G8 and G20;
- It can be applied to:
  - Flights leaving Africa and with destinations in Africa;
  - Flights departing from Africa with destinations outside Africa.

- **Autre fait important** à souligner est lorsqu’il est constaté, sur trois exercices budgétaires consécutifs, des déficits ou des excédents, dépassant chacun 25% du total des budgets votés, le Conseil des Ministres procède soit aux ajustements nécessaires, soit:
  - i En cas de déficit, par un élargissement du champ d’application,
  - ii Ou par un relèvement du taux de prélèvement communautaire et en cas d’excédent par une réduction du taux du prélèvement communautaire.

3 Les cas de l’UEMOA et de la CEMAC

- Ces deux Organisations régionales appliquent parfaitement le système de prélèvement communautaire;
- Le fait que ces deux institutions opèrent déjà en union douanière, facilite l’application d’une telle mesure;
- A l’UEMOA, le taux de prélèvement est de 1%. Ce qui fait que le taux prélevé dans les pays membres de l’UEMOA est de 1,5% qui se répartissent comme suit:
  - i 1% pour le compte de l’UEMOA; et
  - ii 0,5% pour le compte de la CEDEAO.
- Exemples chiffres. A la CEDEAO sur la période 2007, 2008 et 2009, les produits du prélèvement communautaire se chiffraient respectivement (en millions de dollars) à: 230, 314 et 360. Sur la même période, les budgets approuvés des Institutions de la CEDEAO se chiffraient (en millions de dollars) respectivement à: 160, 220 et à 274. Ce qui laisse respectivement un solde positif de 72, 94 et 86 millions de $ respectivement;
- En clair, la CEDEAO a réalisé en trois ans, un solde positif cumulé à: 252 millions de dollars inscrits dans ses livres **au titre de report à nouveau**;
- Ce solde positif constitue un véritable «trésor de guerre» pour la CEDEAO. Ceci lui confère une marge de manœuvre considérable dans la mise en œuvre de son mandat.

4. Le prélèvement sur les Polices d’Assurance

- Nous appelons cela, un prélèvement citoyen ou une taxe citoyenne;
- Ce type de prélèvement met à contribution tous les citoyens africains par l’entremise d’une souscription à une assurance: auto; biens immobiliers, exception fait de l’assurance maladie;
- C’est donc l’essentiel des différentes assurances souscrites par l’ensemble des citoyens africains qui est concerné;
- Un autre fait qui mérite l’attention. A l’UEMOA, le produit du prélèvement communautaire est affecté comme suit: 40% pour le budget de fonctionnement et 60% affectés au Fonds d’appui à l’intégration régionale (FAIR);

ECCAS model could suit and reassure Member States. This is because the country transfers only the amount due, based on the application of the distribution criteria of the adopted budget.

- The Commission proposes: US$ 2 for short distances, and $ 5 for long distances.

The Case of Senegal

- In Senegal, the tax applies only to flights departing from airports in the country;
- In Senegal, collection of the levy is done through IATA for all airlines affiliated with it;
- At its monthly payment operations, IATA pays the share that is due to Senegal into a bank account (escrow account) held with the BNP;
- This type of levy already has the approval of the African civil society;
- Comanies not affiliated to IATA are asked to pay this tax to agents appointed for this purpose, after the boarding of passengers.

How does the Commission intend to operationalize these instruments?

1 The community levies on imports

- ECOWAS model
- ECCAS model
- ECCAS model could suit and reassure Member States. This is because the country transfers only the amount due, based on the application of the distribution criteria of the adopted budget.

a. ECOWAS and ECCAS Communities

- Avoid the proliferation of levy instruments;
- The Commission proposes for the countries of these two communities:
  - An increase of 0.5% on current rates and this 0.5% be deposited in an AU account opened at the Central Banks of the states or at the national agencies of the BCEAO and the BEAC;
  - The concerned Central Banks will, in turn, transfer the amount collected into the AU account opened at the Central Bank of the country which hosts ECOWAS and ECCAS headquarters, in particular in Abuja and Libreville;
  - The countries in these two communities can pay their contributions in bulk from the AU account opened at the Central Bank of the host country.
- In this context, the Chairpersons of ECOWAS and ECCAS Commissions, on the recommendation of their highest authority, will aggregate the contributions from the Member States and consequently proceed with a transfer to the main account of the AU.

- Le taux proposé par la Commission est de 0,2%;
- Exemple: Si un citoyen africain souscrivait à une assurance à hauteur de 1000$EU;
- A cause de la taxe citoyenne, le montant à verser à l'assureur reviendrait à: 1002 $;
- Ici, 1002 $ = 1000 + 1000 x 0,2/100
- L'assureur serait donc chargé, sur la base d'un accord à conclure avec l'ensemble des opérateurs d'assurance, de collecter cette taxe au bénéfice de l'UA, et à verser dans un compte UA ouvert à la Banque Centrale de chaque Etat.

Prélèvement sur les billets d'avion: la taxe de solidarité envers l'Afrique

- Taxe de solidarité parce que l'essentiel de cette taxe proviendra des pays du G8 et du G20;
- Elle peut s'appliquer:
  - Soit en partance et à destination de l'Afrique;
  - Soit en partance uniquement de l'Afrique.
- La Commission propose: 2$US pour les distances courtes, et 5$US pour les longues distances.

Le cas du Sénégal

- Au Sénégal, cette taxe ne s'applique qu'aux vols en partance des aéroports du pays;
- Au Sénégal, la collecte de ce prélèvement se fait par l'entremise de IATA au niveau de toutes les compagnies aériennes qui lui sont affiliées;
- IATA, à l'occasion de ses opérations de compensation mensuelles, verse la part qui est due au Sénégal dans une compte bancaire (compte séquestre) ouvert auprès de la BNP;
- Ce type de prélèvement bénéficie déjà de l'approbation de la société civile africaine;
- Quant aux compagnies non affiliées à IATA, celles-ci sont invitées à payer cette taxe auprès des agents désignés à cette fin, après embarquement des passagers.

Comment la Commission entend-t-elle opérationnaliser ces instruments?

1 Les prélèvements communautaires sur les importations

- Le modèle CEDEAO
- Le modèle CEEAC
- Le modèle CEEAC pourrait convenir et rassurer les Etats membres. Car le pays ne transfert que le montant dû consécutivement à l'application de la clé de répartition au budget voté

b. The Case of the other RECs which do not have Community Levies

- The Assembly of Heads of State and Government calls on them, through political decision, to emulate ECOWAS and ECCAS;
- In this case, a transition period will be granted to them to establish this instrument;
- In this case as well, they will be called upon to continue paying their contributions according to the existing traditional mechanisms;
- Alternatively, each country in these RECs is called upon, at the individual level, to develop a mechanism similar to that of ECOWAS and ECCAS.

2. Levy on Insurance Policies

- Insurance companies, as parties to this agreement, will deposit their dues in the AU accounts opened with the Central Banks of Member States;
- The authorities of these Central Banks will have the responsibility to transfer the collected money to the main account of the AU.

3. Levy on airline tickets

- IATA which will be associated with this exercise, will be responsible for transferring the contributions from its affiliates to the main account of the AU;
- For companies not affiliated with IATA, the model of Senegal can be an important source of inspiration.

a Les zones CEDEAO et CEEAC

- Eviter la multiplication des instruments de prélèvements;
- La Commission propose aux pays de ces deux zones:
  - Un croît de 0,5% des taux actuels et que ces 0,5% soient déposés dans un compte UA ouvert auprès des Banques Centrales des Etats ou des Agences nationales de la BCEAO et de la BEAC;
  - Les Banques Centrales concernées transfèrent, à leur tour, le montant collecté dans un compte UA ouvert auprès de la Banque Centrale du pays siège de la CEDEAO et de la CEEAC, notamment à Abuja et à Libreville;
  - Les pays de ces deux zones peuvent payer leurs contributions de façon groupée à partir du compte UA ouvert à la Banque Centrale des pays-sièges.
- Dans cette perspective, les Présidents des Commissions de la CEDEAO et de la CEEAC, sur recommandation de leurs instances suprêmes, feront la somme des contributions des Etats et procéderont conséquemment à un transfert dans le compte principal de l'UA.

b Le cas des autres CER où le prélèvement communautaire n'existe pas

- Soit la Conférence des chefs d'Etat et de gouvernement les invite, par le biais d'une décision politique, à émuler la CEDEAO et la CEEAC;
- Dans ce cas, une période de transition leur sera accordée pour se doter de cet instrument;
- Dans ce cas, également, ils seront invités à continuer à s'acquitter de leurs contributions selon les mécanismes traditionnels déjà existants;
- Ou encore, chacun des pays de ces CER est invité à se doter, au niveau individuel, d'un mécanisme semblable à celui de la CEDEAO et de la CEEAC.

2 Prélèvement sur les Polices d'Assurance

- Les compagnies d'assurance, parties de cet accord, verseront les sommes dues dans les comptes UA ouverts auprès des Banques Centrales des Etats membres;
- Les autorités de ces Banques Centrales se chargeront de transférer les sommes collectées dans le compte principal de l'UA.

3 Prélèvement sur les billets d'avion

- IATA qui sera associée à cet exercice, sera chargée de transférer les collectes dues aux compagnies qui lui sont affiliées dans le compte principal de l'UA;
- Pour les compagnies non affiliées à IATA, le modèle du Sénégal peut être une importante source d'inspiration.

CONCLUSION AND RECOMMENDATIONS: INNOVATE OR DISAPPEAR: WITHOUT OWN RESOURCES, THE AU IS STRUCTURALLY DISABLED

- Innovate or disappear, such is the motto of every industrial organization.
- This cardinal principle that characterizes the industrial environment, also applies to every human organization be it of political, social … nature.
- From this perspective, innovation in terms of financing the AU and its organs is a necessary measure ;
- Refusing to adopt such an approach is to structurally handicap this continental organization, and by this very fact, jeopardize the future of Africa at large;
- Alternatively, financing the AU and its organs offers Africa the opportunity to take charge of its destiny with dignity and to address the various challenges of the contemporary world;
- The options proposed by the Commission should be meticulously considered and accepted;
- In this regard,, the experiences of ECOWAS and ECCAS (for the community levy) and of Senegal (for the levy on air tickets) should inspire the political authorities of the Continent to respond to the appeal made by the Heads of State and Government in Lusaka, Zambia, in July 2001;
- For the Commission, the time has come to take a political and historic decision that allows the AU to control the steering wheels of funding for its numerous projects and programmes;
- A transition period (duration of which will be determined by consensus) should precede the actual entry into force of this political decision. This is to allow all Member States to adjust their existing instruments to the new situation;
- If these instruments or options proposed by the Commission are accepted, the mode of management of the collected funds should be thoroughly reviewed to allow more transparency and greater efficiency in the allocation of the financial resources of the AU.

CONCLUSION ET RECOMMANDATIONS: INNOVER OU DISPARAÎTRE. SANS RESSOURCES PROPRES, L'UA, STRUCTURELLEMENT HANDICAPÉE

- Innover ou disparaître, telle est la dévise de toute organisation industrielle.
- Ce principe central qui caractérise l'environnement industriel, s'applique également à toute organisation humaine de nature politique, sociale ....;
- De ce point de vue, l'innovation en matière du financement de l'UA et ses organes s'impose comme un passage obligé;
- Refuser donc d'emprunter une telle voie, c'est handicaper structurellement l'organisation continentale, et *de facto*, compromettre l'avenir de l'Afrique tout entière;
- Financer autrement l'UA et ses organes, c'est offrir à l'Afrique l'opportunité de prendre en charge son destin en relevant dans la dignité tous les défis du monde contemporain;
- Les options proposées par la Commission méritent d'être examinées minutieusement et retenues;
- Ainsi, les expériences de la CEDEAO, de la CEEAC (pour le prélèvement communautaire) et du Sénégal (pour le prélèvement sur les billets d'avion) doivent inspirer les instances politiques du continent pour répondre à l'appel lancé par les chefs d'Etat et de gouvernement à Lusaka (Zambie) en juillet 2001;
- Pour la Commission, le temps est venu pour prendre une décision politique noble et historique permettant à l'UA de maîtriser les leviers du financement de ses nombreux projets et programmes;
- Une période de transition (dont la durée est à déterminer de manière consensuelle) doit précéder l'entrée en vigueur effective de cette décision politique. Elle est de nature à permettre à tous les Etats membres d'ajuster leurs instruments, déjà en place, à la nouvelle donnée;
- Si ces instruments ou ces options proposés par la Commission étaient acceptés, le mode de gestion des fonds recueillis devrait être profondément revu pour conférer plus de transparence et plus d'efficacité dans l'allocation des ressources financières de l'UA.

Presentation on ECOWAS Community Levy to The African Union Retreat on Sources of Funding

Bunu Lawan, Principal Accountant, ECOWAS Commission, KENYA, 8–9 December 2010

Introduction

- ECOWAS resources are held in trust for the people of the region
- Resources are limited and need to be used carefully
- Regular budgets of the Community and its institutions are funded from resources contributed by Member States.
- Annual Budgets of ECOWAS Institutions are approved by the Council of Ministers - Commission, Parliament, CCJ, WAHO and GIABA.
- Execution of these budgets require necessary Funding

Main Sources of ECOWAS Finances

- Member States Contributions
- Community Levy
- Member States' Voluntary Contributions
- Donor Funding

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Main Texts governing ECOWAS Funds

- Article 70 (2) of the 1993 Revised Treaty cueing from the 1975 ECOWAS Treaty instituted Member States' contributions to the Community budgets
- ECOWAS Community Levy was instituted by article 72 of the Revised Treaty to supplement Member States' efforts in providing adequate and timely financing for the Community programs and activities

Member States Contributions

- Prior to the instituting of the Community Levy, Member States Contributions have formed a major source of Financing – Art. 70(2) 1993 Revised Treaty
- Contribution regime used a predetermined coefficients based on economic & other indicators.
- Difficulties of contributing from National budgets
- Introduction of SAP by the Breton Woods

Difficulties with the Contribution Regime

- Difficult for Member States to contribute from National Budgets
- Competing priorities over limited Resources
- Most Member States not paying their dues
- Accumulation of Arrears of Contributions
- Difficulties in honoring commitments – Salaries, Suppliers, etc
- Difficulties in planning Activities

ECOWAS Community Levy

- Protocol on the conditions governing the application of the Community Levy (Decision A/P1/7/96) was signed into law by the Authority of the Head of States and Governments of ECOWAS in Abuja on the 27th of July 1996.
- Protocol covers the Tax base which was fixed at 0.5 percent of CIF value of Goods imported from third Countries and released for home consumption in any Member State of the Community.
- Accounts for about 80% of Community Inst. Budgets

ECOWAS Donor Funds

- Donor funds are classified into:
- Pool Funds
- Peace Funds
- Bilateral & Multilateral Donor Funding
- Special Funds

Implementation structure

- Protocol statutorily charged the ECOWAS Commission to implement the Levy regime
- CL Implementation Division is located in the Finance Department of the Commission
- Monitoring sub committee established by Council decision Comprising of Finance, Customs and Audit personnel
- Member States are visited periodically by the sub Committee to determine level of implementation
- Monitoring reports are signed with the respective Member States to make them aware of any gaps, etc.

Community Levy Management Committee

- Levy Mgt Committee chaired by the Vice President established by decision of Council
- Members are drawn from the Commission, Parliament, CCJ , WAHO & GIABA
- Objectives are to give policy direction to the various structures involved in the implementation
- Ensure transparency in the allocation and management of Community resources among the ECOWAS Institutions
- Help surmount implementation difficulties at the highest level

Operational Procedures

- Protocol charged Member States' Customs for Assessments, Collection and Deposits of the Community Levy
- Community Levy assessments
- Levy Collections
- Levy deposits into ECOWAS bank accounts in the Central Bank of Member States.

Monitoring on the implementation of the Levy

1. Monitoring Objectives
   - Effective Implementation of the Levy Protocol
   - Improve Revenue base of the Community
2. Procedures
   - Application of the Tax Base
   - Collection & Deposit of Funds into the ECOWAS Account
3. Reporting
   - Status of Implementation in each Country
   - Specific issues of non application in each Member State
4. Sanctions
   - Article 77 of the Treaty spells Sanctions for non fulfillment - voting, Participation, Projects, employment, etc

Growth in the Revenue base

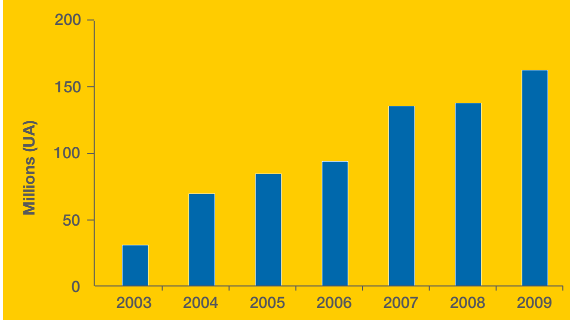
- Despite mounting problems on the effective implementation of the Community Levy protocol, there had been a steady growth in the revenue base of the Community since full regime of the Community Levy replaced the contribution system in July 2003.
- Levy Revenue steadily increased from an annual average of 70,119,889 UA in 2004 to a revenue base of about 710,488,851 UA in 2009

Revenue Realized

Evolution of Member States' Community Levy Contributions from 2003-2009 (UA)

2003	30,810,830
2004	69,239,055
2005	84,033,655
2006	93,308,494
2007	134,291,337
2008	137,657,122
2009	161,148,358
Total (UA)	710,488,851

Growth Histogram



Implications of EPA Negotiations

- Abolishing of Community Levy as a duty component
- Abolishing of CL implies grave consequences for the Community Institutions
- ECOWAS summit decision in July 2010 in Sal Island of Cape Verde has directed that the Community Levy be maintained on the negotiating table

Funding Perspectives of the African Union

- Sustainable Funding Sources (CL, etc)
- Sends a clear signal to EPA negotiations
- Need for a harmonized approach among African Institutions
- Harmonized implementation at the regional RECs level
- Sharing formula

Procedures

- Regional Reflection Committee
- Monitoring modalities at Sub regional level (RECs)
- Periodic reviews of the AU
- Joint monitoring to surmount difficulties

Conclusion

- Need for constant dialogue with all stakeholders
- Need for region wide applicable decisions
- Need for an acceptable road map, etc.

The Issues of G20 and Africa: Has Africa been impacted by the G20?

Internship contribution by **Betel Wagnew,** with the supervision of the director of Economic Affairs

Executive Summary

The G20 has become a central forum for the discussions of the world's economic activity and financial industry with the participation of emerging and developing countries so as to have a stronger global financial stability. The G20 have held 5 summits till date and committed various pledges for Africa but have not stood up for the promises they made either for Africa or other developing countries and the effectiveness of it has been unsatisfactory and disappointing. So can Africa really count on the G20 when further commitments are made? Africa and developing countries are highly underrepresented in the G20 and seem to be out of place in international financial reformations even though the main reason for the reform is to have better voice for the developing countries. There is only one member of African country in the G20 to discuss the issues and concerns of the continent. Africa is one of the biggest continents of the globe and is a part of different international economic, trade, business and other relations; subsequently, the G20 also expresses the premier forum for international economic cooperation and enhanced global governance, but the reality shows otherwise in case of Africa and other developing countries. There should be a means for the G20 to stand up for the pledges they make and for Africa to use this opportunity to step out of poverty; then there would be a better international cooperation with stabilized financial and economic world. Accordingly this paper points out the effectiveness of the G20 in Africa and how the cooperation between Africa and the G20 can be improved with great work and unity from both sides.

Introduction

The G20 is an informal group of finance ministers and central bank governors consisting of 19 countries and the European Union with representatives of the International Monetary Fund and the World Bank. It was in the wake of the 1997 Asian Financial Crisis that the G20 was initiated in 1999 to unite the developed world and emerging economies to stabilize the international financial market with initial suggestions from the G7. The G-20 economies comprise 85% of world gross national product, 80% of world trade, and two-thirds of the world population. It was created "as a new mechanism for informal dialogue in the framework of the Bretton Woods institutional system, to broaden the dialogue on key economic and financial policy issues among systemically significant economies and to promote cooperation to achieve stable and sustainable world growth that benefits all" (G7 1999)[1]. Ever since then the G20 leaders started meeting semiannually to tackle global problems and promote growth in the financial sector.

In 2008, G-20 leaders met for the first time in Washington to develop a coordinated response to the global economic crisis. The Washington Summit was followed by summits in London on April 2009 and in Pittsburgh in September of the same year, where leaders designated the G20 as the premier forum for international economic cooperation. They met again in Toronto and Seoul in the year 2010. In these last summits, leaders constructed global response to crises and made different commitments to strengthen the financial situation of the globe. They commit to promote growth to those who are in need and also uphold trade and international financial institutions. As of 2011, the G20 leaders will begin meeting annually, where the sixth summit planned to be held in France and next in 2012 in Mexico.

The organized and important actions of the G20 helped the world deal with the financial and economic crisis. The G20 till date had pledged and delivered numerous commitments which have been analyzed by different researchers as to what extent that these commitments have been effective both in the developed and developing countries. There is a large gap between the supporters and detractors of the effectiveness of the G20. To one extreme, as for the developed and emerging countries, the G20 had been effective and shown impressive progress; on the other hand though, low income countries have dissatisfactions as to the delivery of commitments and under representation.

G20 summits till date

The Washington Summit

The G-20 leaders met for the first time in Washington DC on November, 14-15, 2008 to build up a direct response to the global economic crises which led to the great recession in the world. "The process should also reinforce the role of the IMF in countries weakened by the financial crisis and promote better coordination of economic policy"[2].

Looking at the devastating economic chaos all over the world they formulated polices based on better macroeconomic solidarity, improved growth, try to minimize action that would lead to another jeopardy and assist less developed countries as well as emerging markets. So as an immediate action plan they stated that they would further do whatever is necessary to balance the financial system, guarantee that IMF,World Bank and other MDBs to have adequate resource which can be assigned to overcome the crises, encourage the World bank and other MDB to use their competence to fight the crises and welcome the introduction of new services in the area of trade finance and infrastructure, implement reforms to have stronger financial market,regulatory regimes over the economic cycles and risk management, and most of all assist developing countries and emerging economies to have better access to financial needs mainly through the IMF and its short term facility to program and liquidity service.

The main commitments made by the meetings were:

- Strengthening Transparency and Accountability
- Enhancing Sound Regulation
- Promoting Integrity in Financial Markets
- Reinforcing International Cooperation
- Reforming International Financial Institutions: improve the Bretton Woods Institutions to better efficiency and legitimacy with the main idea concentrating on the poor countries, emerging economies and developing world to have fair representation and hearable voice.

London Summit

The G20 again met on April 2, 2009, in London. They consequently pledged to:

- Restore confidence, growth and jobs-reaffirmed to carry out a concentrated fiscal policy to increases job opportunity which will increase output by 4% and consecutively bring $5 trillion to the economy and transform to green nation.

- Strengthen financial regulation and supervision to rebuild trust; failure in the financial sector was the major cause for the crises so concentrating in this sector was their major issue.
- Fund and reform their international financial institutions to overcome this crisis and prevent from further downfall; It was also stated that they would help IMF in doubling concessional capacity and access limit to borrowing for low income countries through Debt Sustainable Frame work (DSF).
- Promote global trade and investment and reject protectionism; Uphold commitment towards Doha development Bank balanced conclusion.
- Build a sustainable recovery and extensive green economy; they also assigned $50 billion to support trade and development in poor countries, agreed that IMF gold sale, which in an amount of $6 billion will be allocated to low income countries. Agreed to build market and create employment opportunity for the society by improving the education and market system as a whole and concentrate on the deprived group with the assistance of ILO and other related organizations.

Overall they had reached an agreement:

- To increase the IMFs funding three-folds to 750 billion dollars and additional $100 billion for lending through MDBs to achieve the MDGs as planned.
- To assign $500 billion to purpose of trade finance and new SDR allocation.
- To pump in 1.1trillion dollars into their and other economies to restore credit, growth, and jobs through international financial institution and trade finance.
- To use IMF gold sales to finance the poorest nations.

Pittsburgh Summit

Pittsburg summit was held on 24-25 September 2009. This summit discussed further actions to a sustainable recovery from the global financial and economic crisis.

At this summit they stated the G-20 as the premier forum for our international economic cooperation. They also agreed on a G20 Framework for Strong, Sustainable and Balanced Growth, and progress was made on IMF and World Bank reform.

The Pittsburgh Declaration affirmed the following commitments:

- The Framework for Strong, Sustainable and Balanced Growth lays out the way in which G20 countries act together to support the global recovery,
- Reaffirmed commitment to strengthening financial supervision and the need to address problem of institutions that are too big to fail,
- Reform global architecture such as the IMF and World Bank to better reflect the realities of the 21st century,
- Support increased access to food, fuel and finance for the world's poor.
- Shift in International Monetary Fund (IMF) quota share to dynamic emerging markets and developing countries of at least 5% from over-represented countries to under-represented countries using the current quota formula as the basis to work from.
- Agreed on a 'Mutual Assessment Process', under IMF supervision to support the G20 growth framework.
- The Pittsburgh Summit had tasked the IMF to investigate "the range of options countries have adopted or are considering as to how the financial sector could make a fair and substantial contribution toward paying for any burdens associated with government interventions to repair the banking system.
- They pledged to fight protectionism and to bringing the Doha Round to a successful conclusion in 2010.

Toronto Summit

In 26-27 June 2010 at the Toronto summit G20 leaders committed:

- To advanced deficit economies to at least halve fiscal deficits by 2013 and stabilize or reduce sovereign debt ratios by 2016. These commitments will be complemented by ongoing structural reform across all G20 members to rebalance and strengthen global growth.
- To taking concerted actions to sustain the recovery, create jobs and to achieve stronger, more sustainable and more balanced growth.
- Strengthen social safety nets, enhancing corporate governance reform, financial market development, infrastructure spending, and greater exchange rate flexibility in some emerging markets;
- Narrow the development gap and that we must consider the impact of our policy actions on low-income countries.
- To conclude work in the Basel Committee on Banking Supervision on a new global regime for bank capital and liquidity by the Seoul G20 Summit.
- Set the financial sector must make a fair contribution to paying for any burdens associated with government interventions.

The G20 till date had pledged and delivered numerous commitments which have been analyzed by different researchers as to what extent that these commitments have been effective both in the developed and developing countries.

- To refrain from imposing new protectionist barriers until the end of 2013 and reiteration of support for a successful conclusion to the Doha Round.
- To acknowledged the fulfillment of their commitment to provide a $350 billion increase in capital to Multinational Development Banks and associated institutional reforms.
- To strengthen financial market infrastructure by accelerating the implementation of strong measures to improve transparency and regulatory oversight of hedge funds, credit rating agencies and over-the-counter derivatives in an internationally consistent and nondiscriminatory way.
- For corruption threatens the integrity of markets, undermines fair competition, distorts resource allocation, destroys public trust and undermines the rule of law.

Seoul Summit

The most resent summit was held in Seoul, November11-12, 2010. The Seoul Summit considered, among other things, a progress report on completing the WTO Doha Development Round and financial reforms.

The main areas of concern in this summit were:

- Monetary and exchange rate policies
- Trade and development policies
- Fiscal policies
- Financial and structural reforms

Consequently, besides the reaffirmations of their last commitments, they pledged to:

- Double quotas, with a corresponding rollback of the New Arrangements to Borrow (NAB) preserving relative shares.
- Greater representation for emerging market and developing countries at the Executive Board.
- €256 million increase in the budget of the Federal Ministry of Economic Cooperation and Development for 2010.
- Continue to implement existing commitments, such as doubling its total ODA to Africa over five years by 2012.
- Provide $15 billion until the end of 2012 for developing countries to reduce greenhouse gas emissions and adapt to the adverse effects of climate change.
- Provide $3.5 billion in education and $5.0 billion in health over five years from 2011 to achieve the MDGs.
- promoting industry deregulations and improving the investment, environment, focusing on service sectors such as content media and social services related to job creation
- Promoting green growth
- Restructuring public sector
- Enhance the capital market and the like.

G20 effect on Africa as well as other developing countries and the need to reform International financial institutions

G20 pledges for Africa and developing countries Versus Delivery

The crises struck and put the continent in a devastating economic situation and ruined what was even accomplished in the past decade. Real GDP growth rate of Africa was 5.6 in 2008 but then declined to 2.5 in 2009 and has now risen to 4.5 in 2010 and is expected to be 5.2 next year. To raise the continent's GDP to the point it was or even better would be a gradual and challenging process. The spills over of this crisis forced the continent to fall back in export revenue, postponed investments, lack of credit to access and price of every imported commodity increased. It also brought about, on average, $45 billion loss to Sub-Saharan Africa and almost 53 million people were driven to be poor; moreover, the health and education sectors were affected severely. So this was where the G-20 comes in and save, and does whatever was needed to overcome this economic situation.

The G20 countries have been setting agreements and new regulation to overcome the recession as a group and united front. However, how can we say a united world if we forget to mention one of the biggest continents? The only member of the G20 from African countries is South Africa as it is an emerging economy in the world but there are more than 1 billion, one sixth of the world's, population in the continent. The major fall back of the G20 when it comes to Africa as it has been said repeatedly is the under representation. South Africa alone cannot represent the whole continent. It, for instance, in the Seoul summit did not present the whole Action plan developed by the committee of 10 which includes different central banks and financial institutions with African Union commission, AfDB and Economic commission for Africa which gave the G-20 an excuse for their failure in delivering commitments. South Africa had been setting itself as the representative of the entire continent, but realistically speaking; in every meeting every country stands on behalf of their own country and cannot speak for an entire continent. Africa has assorted and completely diversified countries having their own disposition, character and importance independently, it is not one entity that can be represented by one emerging economy. More African countries should have a strong say in the G-20 to set agreements and solve problem than just getting assistance. As it is known, almost 70- 80% of the world's poorest countries are from Africa and can an emerging country represent all these? The G20 brought the world into a club that enrolls around global governance and worldwide economic decision and policies. As the Nigerian president says "the emerging group must better represent Africa. For the developed side to develop, they need the developing countries. If you manufacture and there's nobody to buy, you cannot sell."[3]

In each summit there have been promises that the G-20 pledged to Africa. But there have been dissatisfaction from African point of view as to the delivery of the promises and that they have been not looked over in economic decisions. The G20 leaders meet up, discuss, and make commitments to move steps ahead to growth and development. When we see the commitments they pledges to Africa, so far it has been more of repeated types of pledges that can not to be completely fulfilled and even most of the commitments are reconfirmations of what was promised in the previous summit. The assistance to developing countries has been in the form of loan which even further increased debt burden and might lead to debt crises to these countries let along supporting them. The G20 has the opportunity and obligation to promote growth in Africa if it only had been delivering the commitments, gave more attention to what was needed from the countries themselves and made them part of overall decision rather than just invite them to attend and be a part of a ceremony to fulfill the objective of the name that they convey "The premier forum for international economic cooperation".

The G-20 has not been giving Africa best attention that it needs as a continent. European Union is a member in the G-20 because it represents the continent as a whole in addition to most of its countries representing themselves. Well what about African Union? This proposal had been, lots of times, mentioned to the G20 which they seem to be ignoring to consider. Africa is full of natural and human resources that can not only Africa benefit from but also the world if were to be utilized wisely, with great collaboration of the entire globe.

In general, emerging economies had not been gaining much from the G-20 financial agreement. The reason might have been because of the leaders of emerging economies putting their ideas and recommendations trough informal organizations instead of involving in the G-20 forum. But this all has been changing. Emerging economies in the G20 are growing to be more confident and effective overtime and use the opportunity to their best interest because they have a better voice than the developing countries. At this point they are the most beneficiaries of the world as they are getting awareness. The responsible organs for representation of the poor are IMF, World Bank and UN that most failed to do so.

"G20 depends on formal international organizations like the IMF, the World Bank, and the Bank for International Settlements and networks like the Financial Stability Forum and the Basel committees to undertake its action, researches and possible recommendations. The failure of formal international development assistance institutions to respond to changing needs and opportunities in Africa spawned several networks to advocate for Africa's development. The failure of Africa's regional institutions led to the formation of an all-Africa leaders'. And the slow and cumbersome nature of formal institutional debate encouraged the formation of the G20 Finance Ministers' group."[4]

There have been numerous researches attesting to the G20s accomplished and failed promises. Initially the G20 had pledged to offer 50 billion dollars to the poorest countries in the world, diminutive amount when compared to the 1.1 trillion dollar bailout they had in store for the alleged perpetrators of the economic downturn; the financial sector. And of the 50 billion dollar pledge in new money, the G20 barely met half, $24.28 billion.

The G-20 commitments of the $50 billion have been assigned for different activities. It can be seen from the table and how they actually stood for what they pledged to do for the poor countries.[5]

Since October 2009 to June 2010, the G20 delivery, to 78 poor countries almost 2.7 billion populations, was only $ 1.2 billion which is extremely minimal than what should have been implemented. The G-20 also pledged to allocate special drawing rights, improve social protection, support trade finance, allocate fund from the IMF gold sales to poor countries, deliver past aid commitments and MDGs, monitor the impact of the crises on poor countries, increase access to lending through IMF and other MDBs, concentrate on climate change and deal with job opportunity in poor countries.

All these seem appealing and now let's put what has actually been implemented. First of all, special drawing right of course increased but as for the question where it did increase, the answer is predictable; in the G 20 countries and poor countries got only 0.07 of the total amount, with additional interest with it. As for Copenhagen climate change agreement, it fell far behind its commitments so the G20 offered only $30 billion for the climate change control which is only 5% of what is needed. Trade finance was initially set for 250 billion with $3-4 billion assigned for low income countries and what was delivered was only 30 % of what was promised. Unemployment increased by 34 million while the plan was to create 21 million jobs for the poor countries. G-20 leader pledged to provide 0.7% of their combined income but they contributed only 0.31% and fall back by $18 billion on their promise to give aid for the Sub-Saharan countries. The G-8 members pledged to uphold food security by $22 billion and their delivery is only 0.27% of the commitment. It was agreed that the IMF to provide $6 billion

Africa may benefit from the G20 in the long term because as it has been seen so far most of the commitments have not been implemented yet, much of the commitments when it comes to implementation have been delayed...

to low income countries but failed to do so for the reason that it did not identify major source of gold areas. The G-20 is somewhat standing on the right track with monitoring the impact of the crises on the poorest countries within designing the Global Vulnerability Alert System (GIVAS).

G-20 may have its down turn when reviewing it's under representation and failure in delivering commitments. Nevertheless, the G20 may, possibly in the long run, be key partner of Africa if the mistakes are to be corrected in a timely manner. For instance, in terms of trade balancing, Africa may have more demand on the world market with exceeding imports from China with respect to America. Even from the WOT Doha agreement Africa may get 0.1% of the world's GDP. Through climate finance, it is estimated that the Copenhagen deal would increase African income by 6% and may also benefit other low income countries which would bring stability to the global economy. With the support to a financial safety net it would sustain countries which are easily exposed to distress in the economy. In general, the G20 would have a spectacular impact on Africa and the least developed countries if it lives up to its promises.

Recommendation for the G20 to have better effect on Africa's development

Africa may benefit from the G20 in the long term because as it has been seen so far most of the commitments have not been implemented yet, much of the commitments when it comes to implementation have been delayed, and the constant request by Africa and other low income countries for better representation has not been heard yet. It is when all this comes into action that the G20 can say that they have fulfilled their mission through global governance and can achieve stronger united world.

Researchers for ONE state recommendation for the G20 for future actions that so as to make G20 effective for Africa as follows[6];

Trade- all G20 countries should offer duty and quota free market access to all LICs, with simplified harmonized rules of origin. They should increase G20 countries private sector engagement with Aid for Trade.

Private investment and job creation- Support the development of legally enforced regulatory frameworks which will reduce risk for foreign and domestic investors.

Human resource development- Support 'skills needs assessments' in LICs involving governments, businesses, labor and experts to identify skills and training programs.

Growth with resilience- Establish an Economic Growth Council with a mandate to look at how to decrease the extent and length of depressions in emerging economies from the economic cycle

Knowledge sharing- Initiate a knowledge platform for LICs where G20 countries share recent experience of successful pro-poor development strategies and offer technical assistance to African countries to adapt experience to own context.

Governance- Expand programs of G20 and non-G20 countries on sharing experiences on effective public spending, ways to build tax administration capacity, promote good governance principles and the ownership principle of effective aid.

Anti corruption- Increase the resources available for the World Bank's Stolen Asset Recovery Program to track down and recover stolen assets.

- Reach agreement on country-by-country reporting for all extractive companies registered on stock exchanges in the G20 as well as full extractive sector transparency laws in African countries
- Strengthen African tax collection systems and coordinated action to end non-transparent financial centers.

Last but most importantly is that Africa should have its voice heard either through Africa Union as a member or for the G20 to do better in its commitments delivery.

The reform of International Financial Institutions

The IMF and World Bank work together to reduce the external debt burdens of countries that have high debt problems through the Heavily Indebted Poor Countries (HIPC) initiative and the Multilateral Debt Relief Initiative (MDRI). The aim for these programs is to help poor countries minimize further debt burden that would hinder progress to development.[7]

G20 serves as the center when it comes to discussions of international financial regulations and said to allow access for developing countries to participate in the reform of international financial institutions. The G20 Summits are important gatherings to strengthen coordination of macro-economic policies to show the world that the G20 members work together to overcome difficulties and that the economic recovery is secured. In the case of the last G20 Summit on Seoul, they have been discussing on how to balance the development growth between developing and developed world and offers support to achieve UN Millennium Development Goals, minimize trade protectionism and make a progress on the Doha Round of World Trade Organization.[8]

IMF and World Bank are very important for Africa as they allow access for capital, foreign exchange and other banking facilities. Therefore the reform of the IFI governance would give legitimacy, effectiveness, accountability and improved attention to developing countries. There should be fair voting process and Africa as well as other developing countries need to have a say in the decision making of the IFIs so as to fully and effectively participate in the decisions made.

IMF has not been performing its best on Africa and other developing countries. Developing countries have no say or priority in the institution so when decisions are made, it would not address the needs of these countries and even if it tries to do so the accountability and quality is quite low. IMF is an international institution and this is the reason why it should not be bias on countries income to represent them better.

So far, IMF and World Bank had been reformed to decrease the problems that they have towards developing countries. “In April 2008, the IMF adopted reforms that included a tripling of basic votes; a mechanism to keep the ratio of basic votes to voting power constant; and allowances for each of the two Executive Directors representing African constituencies to appoint an additional Alternate Director.”[9] IMF increased the quota share by 5 percent to improve the voting power and representation of developing countries with a deadline on January 2011. Nevertheless, all these improvements have still dissatisfaction from the developing countries. Still the voting process remains the same and most of the IMF members are of European countries, for instance, there are 8 Western Europe countries in the Executive board and only 2 from Sub-Saharan countries. Further actions should be done in the area of international supervision because till now we have seen many regulations but the dilemma seems to be mainly around lack of stronger supervision and implementations.

So what should be done? Most of the decisions in the IMF are made by the Board, so more developing countries should participate so that representations and voting weight of these countries is fair and they can participate in the decision making. The managing director of the IMF and head of the World Bank are chosen by the voting and quota structures and is somewhat biased on nationality. But this should change as it is not favorable to other nationalities of the world and for accountability to exist in the selection process.

Even considering IMF and World Bank beneficiaries, most of them are not included in the G20, which also shows under representation in the G20. So it is by far unlikely for developing countries to participate in these international financial reforms in the short run. Therefore, some suggest that it would be better if the attention shifts from more of governance and issue of representation to financial capacity and crisis prevention and response. But this seems to be rather a scheme to escape the main issue of developing countries because without these countries speaking for themselves, it is unrealistic to think that crises prevention or other progresses would be achieved. Of course this may work for the developed countries and forget the idea of giving attention to developing countries and concentrate on their own advancement. It is only when, the priorities and needs of those who are concerned with the situation is heard and put into practice for betterment of the society as a united front, that complete and effective reform would take place.

What Should Africa Do?

Africa is historically known to be the poorest continent of the global economy and the most severely affected region after the global crisis. But this is not and should not be an excuse for being poor, because countries face even worse challenges caused by either natural or manmade disaster and manage to get back on their feet and even end up being one of the most successful countries in the world. Africa tried hard to overcome the crisis but still the continent is one of the poorest nations most vulnerable to any kind of distress in the economy. Why is not Africa showing progress that can change the history to the total opposite and leave the next generation with something to talk about saying that “they were like that but now they became this”?

Currently G20 is the world’s focal point for international financial and economic issues. Hence Africa must inform and even be a part of the G20 and discuss issues concerning the continent as a whole. Therefore, Africa should commence the establishment of formal channels through which they can submit their voices, remarks, criticism, in general their free ideas and promote Africa’s interest into and before the decision making of the G20.

Africa should stop just wondering around and looking up to governments to take actions. If it continues like that, it is obvious that nothing would change and the whole idea of asking for Africa’s voice to be heard would be pointless. There should be a means to cooperate human resources, the government and all Africans, despite their ethnic, regional and historical back ground, to work together as a one big united continent with a democratic system. Africa’s natural beauty is truly revealed by green landscapes, waterfall, countless nations and nationalities with their own cultural backgrounds, ethical values and great human resource. Therefore it is important to use these assets to develop the continent as an individual entity with many qualities because these differences can be strengths for business, trade, production and so on. Almost 40 % of the world’s raw material and natural asset is from Africa. Its great resource of rainforest had always been an advantage to the world climate. As can be seen from the table below, Arica posses numerous resources that many countries are seeing as an opportunity.

Currently aid is more of a problem to Africa as it creates huge debt burden, forces investment to be forgone and confidence to participate in international decisions would be lower...

Africa's natural resources that can benefit the world with effective management			
Natural resources	Total African reserves (1000 metric tons)	Total Worlds reserves (1000 metric tons)	% of world reserves in Africa
Antimony	44.0	2,100.0	2.1
Barite	19.0	170.0	11.0
Bauxite	7,400.0	27,000.0	27.4
Chromium*	130.0	350.0	37.1
Cobalt	3,670.0	6,600.0	55.6
Copper	19.0	540.0	3.5
Diamond	3.5	580.0	0.6
Fluorspar	46.0	230.0	20.0
Gold	7.6	47.0	16.0
Iron ore:			
Crude ore	1.7	160.0	1.1
Iron content	1.1	77.0	1.4
Lead	0.3	79.0	0.4
Lithium	23.0	9,900.0	0.2
Manganese+	182.0	540.0	33.7
Nickel	4,190.0	71,000.0	5.9
Phosphate rock	7,540.0	16,000.0	47.0
Platinum**	63,800.0	71,000.0	89.8
Soda ash	427.0	24,000.0	1.8
Thorium	35.0	1,300.0	2.7
Titanium mineral concentrates			
Ilmenite	119.0	680.0	17.5
Rutile	11.6	45.0	25.7
Vanadium	3,000.0	13,000.0	23.0
Zinc	>62	200.0	31.0
Zirconium	0.014	0.056	25.0
Total	90,731.744	245,598.056	37.0
Oil & gas	**Total African reserves**	**Total world reserves**	**% of world reserves in Africa**
Oil (inc. crude & condensate)	117.1 billion barrels	1,342.2 billion barrels	8.7
Natural gas	494.1trillion cubic feet	6,254.4 trillion cubic feet	7.9
	Total African reserves (1000/ HA)	Total world reserves (1000 HA)	% of world reserves in Africa
Arable land++	219,183.3	1,411,117.4	15.5
	Africa annual renewable water resources (KM3 per year)	Total renewable water resources (KM3 per year)	% of world withdrawal in Africa
Fresh water++	**5,723.5**	**55,096.8**	**10.3**

Source: Our Common Strategic Interests, Africa's Role in the Post-G8 World, A Chatham House, Report Tom Cargill.

Many emerging African countries have been using these resources and have been growing, may not be satisfactory but sure have shown progress. The G20 and other developed countries have certainly been getting most of their raw materials from Africa which made them long time beneficiaries of these resources; the problem is using these resources for the betterment of Africa. With better educated human resource, there are a number of things that can be done to this continent. Almost all the sectors are underdeveloped and there is the opportunity and capability to expand these sectors both by the African's themselves or even through foreign investment.

Africans must fully and wisely utilize the opportunities that are available with brilliance, motivation and eagerness to pull the continent out of poverty. Africa should concentrate on trade development and strengthen its domestic potential, productivity and capacity. For this to be exercised effectively, individuals, institutions, organizations, and all Africans must be free to do whatever they are interested in and free of governmental complete supervisions or embezzlement by exercising all rights, law, democracy, and also standing up for the responsibilities that they have.

Africa may need assistance from the developed countries in terms of leadership system, better information flow, improved technology in new and modern industries, preventing corruption and must also learn from global success stories.

The last but main issue is that Africa's main sources of income, for more than many centuries, had been aid. So isn't it the time to see more beyond the amount of aid, and focus on the quality and long term use of it? Currently aid is more of a problem to Africa as it creates huge debt burden, forces investment to be forgone and confidence to participate in international decisions would be lower. So Africa should mobilize a means to create internal funding and income so that they can depend on themselves step by step.

Conclusion

The G20 is now a major player in global governance and it is very important for Africa to be a part of the G20 process. But its effectiveness in Africa has been to some extent unsatisfactory as it did not fulfill the pledged promises or even gave priority to what Africa actually needs. It is important for the G20 to hear Africa's and other developing countries voice to have better global unity. Africa should be better represented in the G20; of course Africa may not have the same level of GDP like the others and it has numerous difficulties but not even a single country passed without experiencing challenges and that is why Africa deserves to be a part of G20 decision process.

African countries play a vital role in international affairs. Africa is the center of the globe that made it exceptionally fundamental to world trade and other links among continents. Africa has been seen in terms of problem, dearth and other devastating outlook. It is obvious that Africa had its downturns and had been in several demoralizing situations but we should spot beyond this situation and see that Africa has been, in its ways, the back bone for many developed countries. Well if developed countries turned out to be successful with Africa's resources then why can't they, Africans, be a part of this success? The main task is to coordinate both the emerging economies and the developing countries of Africa to benefit all. It is obvious that in order to be successful Africa's outlook should be beyond aid dependency and be more of development oriented. Aid is by far important source of income for African countries but it is useless and unproductive if it is not used to support the economy through private sector growth and establishment of more self financing schemes.

The G20 is a group that stands for the globe in terms of global governance; as they declared to be. So, they should hear what African countries need if their objective is to have a strong united globe. Many researchers recommended different actions for the G20 to make it effective and if G20s take in and understand these enough to implement it, then G20 would achieve their goals and the world in general would benefit. At the same time African countries should also use this opportunity not only for the sake of getting assistance but move away from constant aid and be a stronger independent continent. This process may be harder than it sounds and may take longer but it has to start somewhere and somehow.

Annex

G20 commitments	Progress	Falling short	Improvements needed
Curbing illicit capital flight through tax havens	The G20's pledge to "take action against non-cooperative jurisdictions, including tax havens" is a positive step toward stemming illicit capital flight which drains $1 trillion annually from developing nations 10 times the amount of total official development assistance. The OECD Global Forum has initiated a peer review process to evaluate the implementation of its standards on transparency and exchange of information for tax purposes and to examine the progress that members of the Global Forum have made towards implementing effective tax information exchange. The first set of peer review reports will be finalized when the Global Forum meets in late September 2010.	Not a single country has yet been judged to be "non-cooperating" based on the OECD's standards. As a result, over a year later the G20's pledge to "take action against non- cooperative jurisdictions, including tax havens" has not led to any tangible benefits for developing countries.	The G20 should replace the current flawed bilateral system with a comprehensive multilateral information exchange model. The G20 should sign onto the OECD-Council of Europe Convention on Mutual Administrative Assistance in Tax Matters. The Global Forum's peer review process should be strengthened to include: 1) specific monitoring indicators regarding exchange of information with developing countries; 2) substantial civil society and developing country representation; and 3) public disclosure of all documented outputs as part of an annual multi-criteria public rating of all countries under review. The G20 should call on multinationals to 1) publish a country-by-country breakdown of their profits and losses, taxes paid and other information and 2) require the OECD to report on any tax havens identified through this process by the end of 2010, ensuring that appropriate follow-up action is taken by the International Accounting Standards Board (IASB).
Increased Lending by the IMF and Multilateral Development Banks (MDBs)	The MDBs have delivered $33 billion of a promised $100 billion in increased lending to help countries contend with the economic crisis. The IMF has received commitments from donor countries for a total of$588.6 billion, including an additional$88.6 billion committed since the 2009 Pittsburgh Summit, though much of this has yet to be delivered. Agreements for general capital increases for the Asian Development Bank, the World Bank's IBRD, and the Inter-American Development Bank have been reached. It appears likely that the African Development Bank will secure an agreement soon.	Most MDB funds are debt-creating, fueling a potential debt crisis in developing countries. The IMF continues to promote pro-cyclical, contractionary policies as part of its crisis lending, undermining the impact of additional resources. Only a tiny fraction of increased lending in 2009 went to low-income countries. And overall lending is expected to decrease in 2010 and beyond. The MDBs' capital increase requests for their middle-income lending windows threaten to divert donors' limited aid budgets away from assistance to low-income countries.	The G20 must ensure that MDBs prioritize increased grant support and debt relief for low-income countries rather than new loans. And the G20 must insist upon far-reaching reforms in IMF and MDB economic policy conditionality before delivering further financing through these institutions. 99.86% of the additional resources committed by the G20 to the poorest countries will add to these countries' long-term debt burdens.

Allocating Special Drawing Rights (SDRs)	In August 2009, the IMF delivered $250 billion in SDRs to increase liquidity in the global economy. In a staff position note, the IMF explored using SDRs as an innovative mechanism for climate finance, given the need for large scale and immediate finance to support climate adaptation and mitigation for low-income countries.	Low-income countries received only 7% or $19 billion of the total $250 billion SDR allocation. Variable (and potentially high) interest rates also impede the usefulness of SDRs to low-income countries.	The G20 should urge the IMF and developed countries to cover SDR interest charges or fix the interest rate to better serve without creating more debt. Additionally, developed country members of the G20 should transfer parts of their own SDR allocations to poor country accounts. The G20 should seriously consider the use of "green" SDRs as a mechanism to generate funds for climate adaptation and mitigation in low-income countries.
Making the IMF More Accountable to Poor Countries	At the September 2009 Pittsburgh Summit, G20 leaders directed the IMF to implement a quota formula that had been agreed to in 2008. At the 2010 IMF/World Bank spring meetings, the IMF Managing Director announced his intent to accomplish this by January 2011. Also at the spring meetings, the IMF Managing Director noted that broader reforms, including greater accountability and transparency, as well as increased efficacy and diversity of the Executive Board are under discussion Final decisions on the reform package are expected to be made at the November 2010 G20 Summit in Seoul, Korea.	The G20's claim that the pre-existing IMF quota formula would increase the quota shares of emerging and developing countries to at least 5% and protect the voting share of their poorest member states contradicted the analysis of the G20's own working group on IMF reform. The working group had recommended that, to achieve these goals, the quota formula itself would need to be reformed. There is no definitive timeline for broader IMF reform, and while initial discussions have ostensibly begun, there is no evidence of real commitment to achieving these goals anytime soon.	The IMF's quota formula must be reformed to eliminate over-representation of developed economies and to protect the voting share of emerging and low-income countries. The G20 should require that the IMF increase its transparency by quickly publishing transcripts of board meetings and draft policy documents, working under the presumption of disclosure.
Making the World Bank More Accountable to Poor Countries	The World Bank announced at the IMF/ World Bank 2010 Spring Meetings that it has increased the voting powers of transition and developing countries in its main lending arm (IBRD) by 3.13%, resulting in a total shift of 4.59% since 2008. The next World Bank voice and vote review will take place in 2015. Part II IDA members, a mix of 143 high, middle, and low income countries, also saw an increase in voting share from 40.1% in 2008 to 45.58% in March 2010.	The definition used for "developing and transition economies" included countries that the World Bank itself classifies as high-income countries, including Kuwait and Saudi Arabia. Despite being most affected by IDA financing, low-income Part II IDA members only received a voting share increase of 3.32%. Some low-income countries actually lost voting share in the shift, including from Sub- Saharan Africa.	The G20 must direct the World Bank and IMF to pursue real, inclusive voting reform to ensure that low income countries are equitably represented. The Bank and Fund should institute a double-majority voting system as an interim step to more comprehensive reform that considers population size when determining voting shares and increases the IMF and World Bank's accountability to affected populations.
Developing Binding Standards for Responsible Finance	As a follow up to the April 2009 promise to develop a Charter for Sustainable Economic Activity, G8 Finance Ministers in Lecce, Italy in June 2009, unveiled the "Lecce Framework," an agreement to develop a shared set of global standards on sustainable economic activity.	There does not appear to be much political support for this initiative outside of Germany and Italy and it seems not to be going anywhere fast.	The G20 should develop binding standards for sustainable economic activity, including a framework on responsible lending and borrowing and measures to address the threat posed by vulture funds. All efforts to develop these standards should include broad civil-society representation.

The G20's pledge to "take action against non-cooperative jurisdictions, including tax havens" is a positive step toward stemming illicit capital flight which drains $1 trillion annually from developing nations 10 times the amount of total official development assistance.

Supporting Trade Finance for Poor Countries	While the G20's working group claims its April 2009 commitment of $250 billion commitment in trade finance has already been delivered, few details are available. Of the $250 billion, $4 billion was committed for trade finance in low-income countries. And of the $4 billion, $1 billion channeled through the World Bank's IFC appears to be the only amount that was additional to pre-existing aid commitments.	The lack of transparency regarding delivery of G20 trade finance is unacceptable. It is unclear whether the finance made available thus far represents pre-existing or new commitments, how much has actually been delivered and to whom. Anecdotal evidence indicates that at least some low-income countries have not benefited from trade finance because it was channeled through export credit agencies and Multilateral Development Banks. And it is not known whether small and medium enterprises in low-income countries have benefited. Moreover, some exporters have used the financial crisis to pressure export credit agencies to suspend or eliminate their environmental and social safeguards.	In the interest of transparency and accountability, the G20 must use an independent tracking and reporting mechanism regarding trade finance. This tracking mechanism should indicate whether recent trade financing has damaged environmental and social safeguards. Beyond these issues, trade finance commitments have dubious development value for low-income countries as they may be used to support specific politically popular or influential exporters in rich countries.
Fulfilling Past Aid Pledges and Meeting the Millennium Development Goals	While the G20's reaffirmation of its commitment to fulfill past aid pledges to help poor countries meet the MDGs is welcome, the aid commitments by donor members of the G20 continue to fall far short of what is needed to meet the MDGs. Moreover, while some countries have delivered on commitments made during the 2005 G8 summit in Gleneagles, others have instead begun to scale back their development assistance.	The G8 is $18 billion short of its 2005 Gleneagles commitment to double assistance to Sub-Saharan Africa by 2010. A leaked G8 draft communiqué for the upcoming summit dropped reference to the Gleneagles commitments altogether. Sub-Saharan Africa is the region where achievement of the MDGs is most at risk due to extreme poverty, climate change, and the impacts of the economic crisis. Since the 1970s, a majority of donor countries have pledged to provide at least 0.7% of their Gross National Income (GNI) in the form of aid. While five of the smaller donor countries met that target in 2009, the combined average for all donor countries was only 0.31% of GNI.	The increased needs of poor countries require that G8 and richer members of the G20 deliver on their past pledges and provide 0.7% of their GNI as Official Development Aid to the poorest countries with a concrete timetable and clear mechanisms to monitor progress and accountability. G20 donors must also ensure that development assistance reaches the most vulnerable, as opposed to countries in which donor governments have a strategic interest.

Enhancing Social Protection for Poor Countries	The G20 has committed $2 billion in additional funds since the July 2009 G8 L'Aquila pledge of $20 billion over the next 3 years for the world's poorest. The Vulnerability Financing Framework (VFF), discussed in past Summits, did not gain traction with G20 governments. The UK funds provided to the VFF before the September 2009 Pittsburgh Summit have been exhausted. The Global Agriculture and Food Security Program (GAFSP) – a trust fund administered by the World Bank and supported by donor countries and private foundations - now has $880 million. The US commitment of an additional $475 million must be approved by the US Congress for FY 2011. In December 2009, the Bank created the Crisis Response Window, a new mechanism to provide immediate relief for LICs experiencing exogenous shocks like the global economic crisis, health pandemics, and natural disasters.	Of the $22 billion slated for food security, only $4.5 billion is additional to pre-existing commitments. Currently, the World Bank's Crisis Response Window has $1.3 billion in financing, representing a redeployment of resources from the low-income lending arm of the World Bank (IDA).	$22 billion over three years ($7.4bn/year) is not sufficient to address the extreme hunger currently facing one billion people around the globe. The G20 must ensure that resources for global food security are truly additional to already-existing commitments instead of redirecting already limited aid budgets. Additional funding will not be enough and could be potentially harmful unless it is supported by policies that protect the poorest, ensure fair representation from affected communities, and reject economic policy conditions that restrict social spending.
Mobilizing Additional Resources from IMF Gold Sales for Poor Countries	Since the IMF agreed to sell 403.3 metric tons of gold in April 2009, 236 metric tons have been sold. The IMF's commitment to provide "up to $8 billion in concessional assistance to low-income countries over the next two years" exceeded the G20 call for $6 billion in loans and additional resources to low-income countries.	The IMF's decision to sell only a small percentage of its gold and to continue to provide assistance in the form of loans, rather than debt relief or grants, undermined the potential of additional financial resources to help impoverished countries. An IMF Board agreement made in July 2009 mobilized only $785 million from gold sales for poor countries, far short of civil society's call for $5 billion to be used for debt relief and additional concessional support for low-income countries. The rising price of gold has resulted in an additional windfall of $2.5 billion, yet the IMF refuses to dedicate these funds to concessional assistance for low-income countries and is unwilling to even discuss the issue until all the gold is sold.	The G20 should direct the IMF to use all windfall profits (gold sold above the price estimated by the Fund in its 2008 calculations) from recent and future gold sales for debt relief and non-debt creating finance for low-income countries.

The G20 should urge the IMF and developed countries to cover SDR interest charges or fix the interest rate to better serve without creating more debt. Additionally, developed country members of the G20 should transfer parts of their own SDR allocations to poor country accounts.

Addressing Unsustainable Debt	At the G20's direction the World Bank and IMF boards changed the Debt Sustainability Framework (DSF) to increase borrowing limits for some countries. Access limits for lending to low-income countries were also doubled.	Allowing low-income countries to borrow more during an economic crisis is like raising the credit card limit for a person who is already in debt and has lost his job. This short-sighted approach burdens low-income countries with increased debt that will negatively impact their economies and development prospects in the future. The DSF was altered without any meaningful input from civil society or affected communities.	The G20 should commit to deliver debt cancellation to all countries that qualify for International Development Association-only lending from the World Bank. It should also commit to deliver debt cancellation to all countries whose debt levels currently prevent them from meeting their peoples' basic needs, as well as countries that are servicing odious or illegitimate debts. A binding legal framework that fairly allocates the burden of irresponsible borrowing between creditors and debtors should be created immediately.
Monitoring the Impact of the Crisis on the Poorest	The UN's Global Impact and Vulnerability Alert System (GIVAS) is currently in its design phase. A report on the GIVAS will be presented at the June 2010 Toronto Summit, and the system is on track to be operational in time for the November 2010 Seoul Summit.	While it is an important step for the international community to have a global monitoring system to measure the impact of the crisis on the most vulnerable (GIVAS), it is critical that the GIVAS not be solely a tool to collect information. The G20 should encourage the GIVAS to develop a response mechanism to confront problems it detects as a result of information collection.	
Supporting Job Creation in Poor Countries	The G20 has consistently acknowledged the need to address the impact of the crisis on jobs, but to this point their commitments have been too vague to permit genuine accountability. Policies adopted by G20 governments during the economic crisis saved or created an estimated 21 million jobs in 2009 and 2010. G20 Labor and Employment Ministers met for the first time in Washington, DC in April 2010 and came to consensus on a number of policy recommendations for G20 leaders that have the potential to make a significant positive impact on employment and poverty alleviation if adopted and further developed.	In 2009, global unemployment rose to nearly 212 million people, an increase of 6.6% or 34 million since 2007. Projections for unemployment in 2010 remain similarly high.	The G20 must maintain and increase recovery programs and stimulus spending to ensure robust economic growth that creates jobs, implement recommendations from the April 2010 Labor and Employment Ministers Meeting, and continue dialogue and cooperation, through a second G20 Employment Ministerial which should be held before the end of 2010. The G20 should also establish an ongoing task force on employment issues that includes civil society participation. Implementation of this plan should be tracked by a tripartite task force as called for by global unions.

Addressing the Urgent Threat of Climate Change	The UNFCCC Accord that resulted from the Copenhagen Climate Summit in December 2009 was a profound disappointment to those most affected by climate change. The accord established a goal to keep global temperature rise below 2°C and sets a nonbinding goal of $100 billion annually from developed countries to developing countries beginning in 2012 to help them mitigate and adapt to climate change. The Accord also sets a non-binding target to deliver $30 billion annually to developing countries between 2010 and 2012.	The goals set out in the Copenhagen Accord fall far short of what is needed. Developed countries have not pledged emission cuts at a level sufficient to keep global temperature rises below 2°C, itself an unacceptably high target. The existing funding commitments are dramatically short the $500 - $600 billion annually that the UN has estimated will be necessary to help countries adapt to the threats of climate change. Further, it is unlikely that existing funding commitments are new or additional.	Developed countries must immediately fulfill their $30 billion commitment for 2010 and rapidly expand their financing commitments for future years. To raise funds at the scale needed to address the urgent threat of climate change, the G20 must actively investigate and implement innovative financing mechanisms, such as a currency transaction levy, use of SDRs, and redirecting fossil fuel subsidies. Targets for emission reductions, as well as increased finance, should reflect the historical responsibility of developed countries for causing the climate crisis and the right of developing countries to sustainable development.

Source: MAKING THE GRADE? The Group of 20's Commitments to the World's Poorest, JUBILEE USA NETWORK, June 2010

End Note

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Acronyms

ACP	African, Caribbean and Pacific group of states
AU	African Union
BIT	Bilateral Investment Treaty
DCI	Development Cooperation Instrument
DEVCO	EuropeAid Development and Co-operation Directorate-General
EDF	European Development Fund
EEAS	European External Action Service
EEAS	European External Action Service
EPA	Economic Partnership Agreement
EU	European Union
FDI	Foreign Direct Investment
FTA	Free Trade Agreement
GSP	Generalised System of Preferences
IEPA	Interim Economic Partnership Agreement
IPR	Intellectual Property Right
JAES	Joint Africa-EU Strategy
ODA	Official Development Assistance
OLP	Ordinary Legislative Procedure
QMV	Qualified Majority Voting

The Minimum Integration Programme (MIP)

The Minimum Integration Programme (MIP) has been elaborated by the African Union Commission (AUC) in close cooperation with the Regional Economic Communities (RECs). It was adopted by the Fourth Conference of African Ministers of Integration (COMAI IV) held in Yaoundé, Cameroon, in May 2009, as a "dynamic strategic continental framework for the integration process". Then, it has been endorsed by the Assembly of the Union in Sirte, Libya, in July 2009.

The MIP is conceived in three phases of four years each in accordance with the AU Strategic Plan and structured around the following eleven priority sectors:

Free movement of persons, goods, services and capital;

Peace and security;

Infrastructure and Energy;

Agriculture;

Trade;

Industry;

Investment;

Statistics;

Political Affairs;

Science and Technology and Social Affairs.

The MIP comprises activities and programmes relevant to the priority sectors and sub-sectors and it's a consensual programme of all the stakeholders in the regional and continental integration process. It embodies the projects and activities defined under the various stages of the Abuja Treaty and will confer on the Treaty's implementation greater visibility and clarity in the continental integration process. It is implemented through various plan of actions.

THE AFRICAN CHARTER ON STATISTICS: AN INSTRUMENT AT THE SERVICE OF AFRICAN INTEGRATION

The African Charter on Statistics in SEVEN QUESTIONS

1. What is the African Charter on Statistics?

The African Charter on Statistics is a legal instrument. Its purpose is to regulate statistical activities in the continent and serve as an advocacy tool for the development of statistics in Africa. It was adopted by the Heads of State and Government of the African Union in Addis Ababa (Ethiopia) on 3 February 2009, following a participatory process in which all members of the African statistical system, African political authorities and development partners took part.

2. Why an African Charter on Statistics?

By adopting the Constitutive Act of the African Union in Lomé (Togo) on 11 July 2000, the leaders of African countries sought to accelerate the process of continental political and economic integration to ensure Africa will be able to meet the challenges of the twenty-first century and hold its rightful place on the global stage. With respect to economic integration that is to lead to the creation of an African Economic Community with an African single currency, in compliance with the treaty adopted in Abuja (Nigeria) in 1991, its steering, the monitoring of its implementation and the continuous evaluation of its results require harmonised and reliable statistical data that are produced and disseminated in a timely manner. Such statistics are sorely lacking despite the progress achieved in the last few years. The African Charter on Statistics consists in a strategic guidance framework that is to pave the way for the emergence of such African statistics.

3. What are the objectives of the African Charter on Statistics?

The African Charter on Statistics pursues, inter alia, the following objectives:

- i Serve as a guidance framework and advocacy tool for the development of statistics in Africa;
- ii Contribute to the improvement of the quality and comparability of statistical data;
- iii Build up the coordination of statistical activities and play a role in harmonising the interventions of partners in order to avoid overlapping in the implementation of statistical programmes;
- iv Promote compliance with the fundamental principles of public statistics in Africa as well as the taking of political decisions based on observed facts;
- v Build up the institutional capacity of African statistical institutions by ensuring they can operate autonomously and by ensuring they have the appropriate human, material and financial resources at their disposal.

4. What is the content of the African Charter on Statistics?

The African Charter on Statistics defines the principles that are to govern the activity of the bodies in charge of collecting, producing, disseminating and analysing public statistics as well as the ethical and professional rules of conduct of African statisticians. It defines the commitments of States Parties that have to accept the principles set out in the Charter to step up their policies and build up their national statistics systems, and undertake to adopt the appropriate measures, in particular of a legislative and administrative order, which may be needed if their respective laws and regulations are to comply with the Charter.

The African Charter on Statistics organises the operation of the African statistical system, defined as the partnership regrouping national statistical systems (suppliers, producers and users of data, statistical training and research institutes and statistical coordination bodies), statistical units of regional economic communities, regional statistical organisations, regional training centres, statistical units of continental organisations and coordination bodies operating at a continental level.

5. What are the advantages offered by the African Charter on Statistics?

The African Charter on Statistics does not consist solely in obligations for the States Parties. Its ratification and its implementation will eventually help meet the objectives defined by the Charter and in particular:

- i Contribute to the improvement of the quality and comparability of the statistical data required to monitor national policies and Africa's economic and social integration process. Statistics of a better quality, which are comparable and produced on a regular basis and disseminated in a timely manner, will help Member States define pertinent national policies, but also better position themselves in regional, continental and international trade insofar as the harmonisation of African statistics will have to be compatible with international standards. They will allow the regional economic communities that constitute the pillars of African integration to meet their objectives and better measure what progress has been achieved. They will also enable governments to provide better information to their citizens, parliamentarians to control more satisfactorily governmental action and citizens to assess more accurately the achievements of national policies and play a proactive role in promoting and consolidating democracy and good governance;
- ii Promote a decision-taking culture based on observed facts insofar as statistical information will be produced in a more regular manner while it will be more pertinent, accessible and comprehensible;
- iii Provide an efficient advocacy tool to help obtain the resources and support needed to develop statistical activities;
- iv Provide African statistical organisations and statisticians with an adequate legal framework as well as ethical and professional rules of conduct.

6. How is the African Charter on Statistics different from previous African initiatives in the field?

Unlike other African initiatives in the field of statistics that set out recommendations adopted at a ministerial level, the African Charter on Statistics is a binding legal instrument, as it is an international treaty adopted by the Heads of State and Government and is subject to ratification by the Member States of the African Union. By ratifying the Charter, aforesaid States pledge to take all the measures required to ensure compliance with it, even if this entails modifying their national legislation. By making this choice, African leaders have made a far-reaching move since they are putting the development of African statistics at the centre of the continent's political agenda.

7. When will the African Charter on Statistics enter in force?

The African Charter on Statistics will enter in force thirty (30) days after the ratification instruments are deposited by fifteen (15) States Parties. An advocacy strategy has been drawn up in order to fast-track the signature and ratification process.

LA CHARTE AFRICAINE DE LA STATISTIQUE:

UN INSTRUMENT AU SERVICE DE L'INTEGRATION AFRICAINE

LA CHARTE AFRICAINE EN SEPT QUESTIONS

1. Qu'est-ce que la Charte africaine de la statistique ?

La Charte africaine de la statistique est un instrument juridique pour réguler l'activité statistique sur le continent, et servir d'outil de plaidoyer pour le développement de la statistique en Afrique. Elle a été adoptée le 3 février 2009 à Addis Abéba (Ethiopie) par les Chefs d'Etat et de Gouvernement de l'Union africaine, au terme d'un processus participatif auquel ont participé l'ensemble des membres du système statistique africain, des autorités politiques africaines et des partenaires au développement.

2. Pourquoi une Charte africaine de la statistique ?

En adoptant l'Acte constitutif de l'Union africaine à Lomé (Togo) le 11 juillet 2000, les dirigeants des pays africains ont voulu accélérer le processus de l'intégration politique et économique du continent pour lui permettre de faire face aux défis du vingt-et-unième siècle et occuper la place qui lui revient sur la scène mondiale. Concernant l'intégration économique qui doit déboucher sur la mise en place d'une Communauté économique africaine avec une monnaie africaine unique, conformément au traité adopté à Abuja (Nigéria) en 1991, son pilotage, le suivi de sa mise en œuvre et l'évaluation continue de ses résultats nécessitent des données statistiques harmonisées, fiables, produites et diffusées à temps. De telles statistiques font cruellement défaut malgré les progrès obtenus au cours des dernières années. La Charte africaine de la statistique constitue un cadre stratégique d'orientation qui doit permettre l'émergence de telles statistiques africaines.

3. Quels sont les objectifs de la Charte africaine de la statistique ?

La Charte africaine de la statistique vise, entre autres, les objectifs suivants:

- i Servir de cadre d'orientation et d'outil de plaidoyer pour le développement de la statistique en Afrique;
- ii Contribuer à l'amélioration de la qualité et de la comparabilité des données statistiques;
- iii Renforcer la coordination des activités statistiques et favoriser l'harmonisation des interventions des partenaires afin d'éviter les duplications dans la mise en œuvre des programmes statistiques;
- iv Promouvoir le respect des principes fondamentaux de la statistique publique en Afrique ainsi que la prise de décisions politiques basées sur les faits;
- v Renforcer les capacités institutionnelles des structures statistiques africaines en assurant leur autonomie de fonctionnement et en veillant à ce qu'elles disposent de ressources humaines, matérielles et financières adéquates.

4. Quel est le contenu de la Charte africaine de la statistique ?

La Charte africaine de la statistique définit les principes qui doivent régir l'activité des organismes chargés de recueillir, produire, diffuser et analyser les statistiques publiques ainsi que les règles éthiques et déontologiques de la profession de statisticien africain. Elle définit les engagements des Etats Parties qui doivent accepter les principes énoncés dans la Charte pour renforcer leurs politiques et systèmes nationaux de statistique, et s'engager à adopter les mesures appropriées, notamment celles d'ordre législatif et administratif nécessaires pour que leurs lois et règlements respectifs soient en conformité avec la Charte.

La Charte africaine de la statistique organise le fonctionnement du système statistique africain, défini comme le partenariat regroupant les systèmes statistiques nationaux (fournisseurs, producteurs et utilisateurs de données, instituts de recherche et de formation statistiques et organismes de coordination statistique), les unités statistiques des communautés économiques régionales, les organisations régionales de statistique, les centres régionaux de formation, les unités statistiques des organisations continentales et les instances de coordination au niveau continental.

5. Quels sont les avantages offerts par la Charte africaine de la statistique ?

La Charte africaine de la statistique ne comprend pas que des obligations pour les Etats Parties. Sa ratification et sa mise en œuvre permettront à terme d'atteindre les objectifs visés par celle-ci et notamment:

- i de contribuer à l'amélioration de la qualité et à la comparabilité des données statistiques nécessaires pour le suivi des politiques nationales et du processus d'intégration économique et sociale de l'Afrique. Des statistiques de meilleure qualité, comparables, produites régulièrement et diffusées en temps opportun permettront aux Etats membres de définir des politiques nationales pertinentes, mais également de mieux se positionner dans les échanges régionaux, continentaux et internationaux dans la mesure où l'harmonisation des statistiques africaines devra être compatible avec les normes internationales. Elles permettront aux communautés économiques régionales qui constituent les piliers de l'intégration africaine d'atteindre leurs objectifs et de mieux mesurer les progrès réalisés. Elles permettront également aux gouvernements de mieux rendre compte à leurs citoyens, aux parlementaires de mieux contrôler l'action gouvernementale et aux citoyens de mieux juger les résultats des politiques nationales et de jouer un rôle actif dans la promotion et la consolidation de la démocratie et de la bonne gouvernance;
- ii de promouvoir une culture de la prise de décision basée sur les faits dans la mesure où l'information statistique sera produite de manière plus régulière, sera plus pertinente, accessible et compréhensible;
- iii de disposer d'un outil de plaidoyer efficace pour l'obtention des ressources et des soutiens nécessaires au développement des activités statistiques;
- iv de fournir aux organisations statistiques et aux statisticiens africains un cadre juridique approprié et des règles éthiques et déontologiques pour leurs activités professionnelles.

6. En quoi la Charte africaine de la statistique diffère-telle des précédentes initiatives africaines dans le domaine?

Contrairement aux autres initiatives africaines dans le domaine statistique qui formulaient des recommandations adoptées au niveau ministériel, la Charte africaine de la statistique est un instrument juridique contraignant, en tant que traité international adopté par les Chefs d'Etat et de Gouvernement et soumis à la ratification des Etats membres de l'Union africaine. En la ratifiant, ces Etats s'engagent à prendre toutes les dispositions nécessaires pour s'y conformer, quitte à devoir modifier leur législation nationale. En optant pour ce statut, les dirigeants africains ont posé un acte de haute portée puisqu'ils mettent le développement statistique de l'Afrique au centre de l'agenda politique du continent.

7. A quelle date la Charte africaine de la statistique entrera-elle en vigueur ?

La Charte africaine de la statistique entrera en vigueur trente (30) jours après le dépôt des instruments de ratification par quinze (15) Etats Parties. Une stratégie de plaidoyer a été élaborée à cet effet pour accélérer sa signature et sa ratification.

In order to obtain further reading materials:

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