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MEASURES AND ACTIONS TO FURTHER THE IMPLEMENTATION OF **DECISION NO. 465 ESTABLISHING THE SOUTH-SOUTH AND** TRIANGULAR COALITION FOR AFRICA POST 2015

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<u>Introduction</u>

The 20th Summit of the African Union held from 27 to 28 January 2013 in Addis Ababa, adopted Assembly Decision/AU/Dec.465 (XX) on the Establishment of the South/South and Triangular Coalition for Africa post-2015 and accepted the candidacy of Guinea to host its Headquarters. In its sub paragraph 6, that Decision requested the sixth joint AU/ECA Conference of Ministers of Finance, Economy and Planning scheduled to be held in Abidjan in March 2013 to deepen reflection on the Coalition's implementation.

The present document, prepared pursuant to that sub-paragraph 6, aims to make proposals for the operationalization of the Coalition.

These proposals relate to:

- The Coalition's Terms of Reference;
- The document on the institutional regional support project to the Coalition 2015-2017 (Summary).

For its part, the 6th Conference had required the translation of the basic document in all languages of the African Union and also decided to defer its consideration at an extraordinary meeting of the CAMEF in October 2013 to discuss, among other issues, proposals for the operationalization of the Coalition.

This report caused delays in the implementation of the actions envisaged by the Decision of the 20th Summit of the African Union for 2013.

That is why the extraordinary meeting also considered a proposal to readjust the calendar and refocus on missions and activities of the Regional Institutional Support Project.

I. TERMS OF REFERENCE of the SOUTH/SOUTH AND TRIANGULAR Coalition for Africa post-2015

1.1 Background

At a time of globalization, particularly that of the economy, research and development partnerships become an imperative for economic growth and development for industrialized and developing countries. Thus, South/South and Triangular Cooperation has become a new form of international cooperation in the face of the debt crisis and the inadequacy of official development assistance (ODA). It offers developing and transition countries immense opportunities in their individual and collective search for sustained economic growth and sustainable development. It can also have a positive influence on global, regional and national policies.

In that regard, regional integration initiatives among developing countries are an important and useful form of South/South Cooperation for better integration of regions into the global economy.

In order to support and strengthen this process, the 20th Summit of the African Union held in Addis Ababa from 27 to 28 January 2013, adopted Assembly Decision/AU/dec.465 (XX) on the Establishment of the South/South and Triangular cooperation for Africa post-2015 and assigned Guinea to host the Headquarters.

In its sub-paragraph 6, the Decision also requested the Sixth Joint Conference of AU/ECA Ministers of Finance, Economy and Planning, scheduled to be held in Abidjan in March 2013, to deepen reflection on the implementation of the Coalition.

<u>Concerning the Coalition's terms of reference</u>, reflexion focused on the following issues:

What will be the coalition's status?

Should the Coalition be a specialized intergovernmental institution of the African Union? or an international NGO, partner of the African Union? or a specialized Body of the Commission? The options of international NGO and specialized Body of the Commission's Secretariat were particularly discussed in depth.

What are the Coalition's measures, activities and composition?

What will be the Coalition's legislative and administrative bodies?

What are the strategies to be implemented to mobilize resources to fund the activities of the Regional Project and the Coalition?

The proposed Terms of Reference tried to respond to these issues.

Regarding the status, it is proposed, for reasons of flexibility and efficiency, that the Coalition should be a specialized agency of the Commission.

Suggestions were therefore made on the Coalition's tasks, activities, composition, organization and functioning as well as strategies for resource mobilization for the Coalition.

Regarding the regional institutional support project, a project document, prepared by Guinea with the support of the UNDP and ECA is available. The project was originally planned for a preparatory phase from 2013 to 2015. A summary document on the project will be presented at the meeting. It is proposed that the project should be refocused in order to serve as institutional support project of the Coalition for the 2015-2017 periods. The draft document should be updated in 2014. For that purpose, it is proposed that technical assistance should be made available to reconsider

the document particularly as regards the logical framework and the budget as well as the organization of a workshop to validate the draft Document in February 2014.

A presentation will also be made on the measures taken by Guinea to host the Coalition's Headquarters.

On the draft resolution, it summarizes the new calendar, the adjustments to make and decides on the Proposed Terms of Reference as well as measures to finalize the document on the institutional support project.

The draft decision identifies actions taken by the Extraordinary Meeting to be submitted to the 22nd AU Summit in response to paragraph 6 of Decision No. 465

Finally, due to its commitment to financing development particularly for Africa, Qatar has been proposed to be the Coalition's sponsor.

1.2 Coalition's definition

The South/South and Triangular Coalition is a specialized body of the Commission, established by the African Union by Decision No 465 of the 20th Summit to promote development aid to emerging countries in the South, harmoniously combined with aid provided by the North to compensate for the lack of resources while ensuring their coordination and effectiveness in attaining the development goals of Africa post-2015.

The Coalition's activities are financed by the Commission's budget, donations, bequests, voluntary contributions and non-repayable grants from emerging countries in the South, Northern industrialized countries, international institutions, private sector and civil society.

1.3 Coalition's missions

The Coalition's **main mission** is to serve as a multi-stakeholder platform to increase, diversify and better coordinate resources from the South-South and Triangular cooperation for Africa post-2015 for the attainment of the development goals of the post-2015 Agenda.

Specific missions:

- Implementation of the African strategy for South/South and Triangular cooperation and action plan related thereto, in furtherance of Africa's post-2015 Agenda for increased mobilization and efficient use of resources provided by this cooperation, while strengthening monitoring and evaluation;
- establishment and development of partnerships with emerging countries in the South (Latin America, Arabian Peninsula, Southeast Asia and Oceania);

- pooling and coordination of existing partnerships for efficient operation and effective complementarity;
- Promotion of new partnerships for Africa post- 2015;
- Support to the development of the South/South and Triangular cooperation at the level of regional integration Commissions;
- Support to the development of the South/South and Triangular cooperation among African countries;
- Participation in the search for funding for NEPAD projects and programmes;
- Contribution and participation in the preparation of resource mobilization meetings relating to regional, sub regional and/or thematic projects;
- Contribution and participation in the organization of programme reviews and evaluation meetings of South/South cooperation partnerships agreed with Africa:
- Organization of missions for the identification of partnerships and resource mobilization in countries and funding institutions;
- Planning and implementation of policies and strategies for the emergence of a middle class in Africa, essential basis for the development of innovative financing;
- Participation in monitoring the implementation of the Istanbul action plan for LDCs, the majority of which are from Africa;
- Research for the implementation of the conclusions and recommendations on the projects and programmes of the 2016-2020 action plan adopted by the Conference of African partners in December 2015, as well as those from the mid-term review of the Istanbul Action Plan for LDCs;
- Preparation of the Coalition's budget;

1.4 Coalition's activities

- identify and propose strategic projects in various areas for one or more African countries funded by the North and executed by emerging countries in the South;
- encourage and promote projects of sub-regional, regional and interregional integration in various areas of South/South and Triangular cooperation;
- promote research in medical and pharmaceutical areas, education, rural development, banking, finance, infrastructure, energy and sustainable development;
- undertake dissemination and popularization through sub regional, regional and interregional seminars and workshops, research findings and successful experiences in various areas;
- promote innovative financing;
- Conduct the review process of the effectiveness of aid in light of the commitments made in Busan.

1.5 Composition

The Coalition is composed of representatives of emerging countries in the South, industrialized countries, African countries and development partners of the continent according to the following breakdown:

Arabian Peninsula: United Arab Emirates, Qatar, Saudi Arabia, Kuwait;

Asia: Peoples' Republic of China, Japan, Republic of Korea, India, Indonesia, Vietnam;

America: Canada, USA, Brazil, Argentina, Venezuela, Mexico;

Oceania: Australia, New Zealand;

Europe: European Union, France, Norway, Russia, Germany, Turkey;

Africa: Senegal, Ivory Coast, Ghana, Nigeria, Cameroon, Gabon, South Africa, Angola, Rwanda, Ethiopia, Equatorial Guinea, Algeria, Egypt and Guinea;

Development institutions: AfDB, WB, IDB, BADEA, ADB Asia, America ADB America, UNECA, African Union, UNDP, NEPAD Agency, OIF.

1.6 Functioning

The Coalition has deliberative and administrative bodies.

1.6.1 Legislative bodies

During the implementation of the regional support project to the coalition 2015-2017, a South-South and Triangular Task Force will be established, composed of representatives of the Coalition's countries and institutions. The Taskforce will serve as a **Steering Committee** of the regional project that will meet every six months to discuss issues related to the project and the Coalition. Its missions will be to stimulate, guide and plan the regional project's activities.

At the end of the project, the steering committee will be transformed in January 2018 into the Coalition's **Executive Committee** which will meet once a year at the ministerial level with the mission to stimulate, guide and plan the Coalition's activities.

At the initiative of the steering committee and later the Executive Committee, sectoral and thematic meetings of experts will be organized on the whole range of activities of the regional project and the coalition. In the same vein, it will be possible to institutionalize, if necessary, the holding of high-level meetings like the meeting of Ministers of Finance and Development and the Assembly of Heads of State and Government of the Coalition which could be held every two years and four years respectively.

The Coalition has observer status with the African Union and United Nations as well as with their affiliated institutions and bodies.

1.6.2 Administration

The Coalition has a permanent Secretariat whose mission will be to coordinate, stimulate the Coalition's activities, implement the Executive Committee's decisions, monitor and evaluate their implementation.

The Permanent Secretariat is headed by a Permanent Secretary, assisted by an assistant Permanent Secretary, all appointed by recruitment.

The Permanent Secretariat should have a Team of Advisers also appointed by recruitment and to be composed as follows:

- 1. Senior Adviser:
- 2. Adviser, specialist in technical and financial institutions;
- 3. Adviser, specialist in private sector Institutions and civil society;
- 4. Regional Adviser, specialist in countries of South/East Asia, China and Japan;
- 5. Regional Adviser, specialist in countries of the Arabian Peninsula and Turkey;
- 6. Regional Adviser, specialist in Latin American countries:
- 7. Regional Adviser, specialist in the EU and other European countries;
- 8. Regional Adviser, specialist in North American countries and Oceania.

The Permanent Secretariat is also equipped with the departments below whose holders are also appointed by recruitment:

- 1. Agriculture and Food Self-Sufficiency;
- 2. Infrastructure, Energy and African integration;
- 3. Industry and Trade;
- 4. Science, Technology and Sustainable Development;
- 5. Human and Social Development;
- 6. Transparent and Democratic Governance;
- 7. Communication and Dissemination;
- 8. Administration, Finance, Resource Mobilization and External Relations.

In addition, the Coalition has focal points in every member country, African countries and international partner organizations

1.7 Institutional Support

The Coalition benefits from a regional institutional support project funded by UNDP, other development partners on the continent and Guinea, host of the Coalition for the 2015-2017 period.

The project aims to create and/or build the Coalition's technical, human and institutional capacity, on a transitional basis with a view to sustainability.

For that purpose, the project will build on the relevant work already done by UNCTAD, UNDP, UNECA, AU, AfDB, OIF, WTO, OECD and other institutions working on the South/South and Triangular cooperation, LDCs, NEPAD, trade and investment etc.

The year 2014 will be devoted to finalizing the draft document already prepared by Guinea with the support of UNDP and ECA for its adoption and the start-up of the project's activities in January 2015.

1.8 Mechanisms and strategies for resource mobilization for the Coalition and the regional support project 2015-2017

Apart from the contribution of UNDP and the Government of Guinea for the funding of the Coalition's budget and the regional support project, the establishment of a Trust Fund is planned under the auspices of UNDP to mobilize additional resources.

Sponsorship and twinning will be recommended to promote resource mobilization.

Bilateral agreements of partners, who so wish, with the Coalition are also encouraged.

Similarly, the organization of a meeting of coalition partners is planned to seek co-financing in the form of equipment, expertise, training and financial resources.

Because of its commitment to financing development, particularly for Africa, Qatar has been proposed to be the Coalition's sponsor.

1.9 Readjustment of the calendar and refocusing of missions and activities of the institutional support project

The proposals include:

- 1. postpone the start-up of the regional project's preparatory phase (2013-2015) to January 2015;
- 2. transform the regional project's preparatory phase into a regional support project at the launch of the coalition for the 2015-2017 period;
- 3. devote 2014 to the revision, finalization and adoption of the project document for the Start-up of the regional project from January 2015;
- devote the start-up year of the regional project in 2015 to studies on the current situation, definition of the African strategy, preparation of the action plan, legal instruments on the South/South and Triangular cooperation and organization of the Conference of the Coalition's partners at the end of the year;
- 5. Devote 2016 and 2017 to support the start-up of the coalition's activities.

In addition it is proposed that a Workshop to validate the document on institutional support project to the Coalition should be organized in February 2014 by the Commission in collaboration with ECA and Guinea.

UNDP will be requested to finance this technical assistance.

1.10 Expected Results:

- Constraints, obstacles and duplications that limit the development of the South/South and Triangular cooperation are highlighted and eliminated;
- The existing potential is evaluated and exploited for the benefit of Africa's development post 2015;
- Current multiple initiatives are federated and capitalized;
- Existing assets, complementarities between the North and South for their use in the implementation of NEPAD programmes and the Istanbul Action Plan are identified and implemented in pursuance of the post -2015 Agenda;
- Development of partnerships for agro-industries, medical and pharmaceutical industries, the South Bank, transport and communications, services, trade, scientific research, human resources training and others is achieved.

II. Summary of the Regional Institutional Support Project

In pursuance of discussions on the development agenda of post-2015 Africa, the 20th Summit of the African Union in January 2013 established the South/South and Triangular Coalition by Decision No 465.

The Coalition aims to promote the mobilization of increased financial, technical, technological and scientific resources to supplement the assistance provided by Northern donors under the 0.7 % target of the official development assistance (ODA).

In this perspective, a preparatory phase was initially planned for the 2013-2015 period supported by UNDP and other development partners of Africa to accompany the process in pursuance of a capacity building project as regards South/South and Triangular cooperation.

The purpose of this project is to provide an update on the status of the South/South and Triangular cooperation, prepare an African strategy for South/South and Triangular cooperation, an action plan for implementation, management mechanisms and a legal framework governing the Coalition's relations.

The total project cost for the three years is estimated at \$US 9.8 million to which must be added the construction of its Headquarters and that of the Coalition and their equipment in furniture and office fixtures for an amount of \$US 7,120,000, that is, a total cost of U.S. \$ 16,920,00.

At the end of the work on the project in 2015, the expected results will be:

- A white Paper on the South/South and Triangular cooperation is developed;
- an African strategy for South/South and Triangular cooperation is defined;
- an initial action plan of the South/South and Triangular Coalition 2015-2020 for Africa is proposed;
- legal instruments, bilateral and multilateral and/or thematic governing the Coalition 's activities are developed;
- Handbook on aid policies of the emerging South is available.

III. Measures taken to host the Headquarters of the Project and the Coalition

The Guinean Government has made available an area of one hectare for the construction of the **House of Africa post-2015** which will be a building of R +5, to house the Headquarters of the Coalition and other institutions of the post-2015 Agenda. The construction of the building and its equipment should be completed in December 2015. It is worth emphasizing that measures are taken to host the project's Headquarters from January 2015.

The Guinean Government has also included in the 2014 budget, 7 billion Guinean francs or just over \$US 7 million, representing its contribution to the Institutional Support Project and for the construction of the building.

Negotiations are underway with bilateral partners for additional funding for the construction of the building and its equipment.

These are the proposals made by Guinea to deepen reflection on the implementation of the Coalition. They are neither restrictive nor even less, exhaustive. Discussions at the meeting should enrich and make them more relevant.