Report on activities of the NEPAD Agency presented to 28th NEPAD HSGOC by Dr. Ibrahim Assane Mayaki, Chief Executive Officer, NEPAD Planning and Coordinating Agency 26 January 2013

Excellencies,

Chairperson of the African Union, President Boni Yayi of the Republic of Benin

Chairperson of the NEPAD Orientation Committee, Prime Minister Hailemarian Desalegn of the Federal Democratic Republic of Ethiopia

Heads of State and Government, Members of the NEPAD Orientation Committee here present;

Chairperson of the African Union Commission, Dr. Nkozasana Dlamini Zuma;

Deputy Chairperson of the African Union Commission, Mr. Erastus Mwencha;

Honourable Ministers and AU Commissioners;

Members of the NEPAD Steering Committee,

Chairperson of APRM Panel of Eminent Persons,

Heads of African Union Organs

Chief Executives and Heads of Regional Economic Communities

Under-Secretary General and Executive Secretary of the UN Economic Commission for Africa, Mr. Carlos Lopes

UN Under-Secretary General and Special Adviser on Africa, Mr. Maged Abdelaziz

#### Distinguished Guests, Ladies and Gentlemen;

- On behalf of the NEPAD Planning and Coordinating Agency, I am honoured to present to the 28th HSGOC the highlights of programmatic activities of the Agency for the period July to December 2012.
- 2. Permit me to welcome the Chairperson of the African Union Commission, Dr. Nkozasana Dlamini Zuma who is attending the

HSGOC in this new capacity. The election of Dr. Zuma represents the increasing role of African women in our continental processes. Being an early believer in NEPAD during the formative years, it is our expectation that the Chairperson will bring her wealth of experience and knowledge to bear on NEPAD implementation. The Agency will continue to rely on her guidance in the discharge of its mandate.

### Excellencies,

- 3. Specifically, the second half of the year marked efforts by the NEPAD Agency towards achieving key results and impact of its programmes and projects at national, sub-regional and continental levels. We are devoting our time and resources to advancing programme impact that will transform the livelihoods of African people on the ground in the domains of:
  - · Agriculture:
  - Natural Resources Management
  - Infrastructure
  - Science, Technology and Innovation
  - Youth empowerment
  - Capacity Development and Gender
- 4. Specifically, the NEPAD Agency deployed over 70 experts to 15 African countries in support of CAADP implementation. We have established the African Rural Development Forum as a mechanism for knowledge sharing in rural transformation and employment creation. On ICT, the Africa Coast to Europe (ACE) submarine cable was launched in Banjul, the Gambia, in December to cover 14 West and Central African countries with private sector participation under the NEPAD e-Africa Programme. The Agency has commissioned pre-

clinical studies for a traditional remedy, code named SF 2000 with the potential to combat HIV-1 subtype C virus.

- 5. In Capacity Development, the NEPAD Agency facilitated the setup of a 150-member Continental Pool of Experts in partnership with UNDP to support institutional reforms in African countries. To empower African Women, 32 new projects are being implemented in 30 countries under the second phase of the NEPAD- Spanish Fund.
- 6. In fulfilment of our mandate to conduct research and coordinate Knowledge Management, the Agency in the past six (6) months produced 5 major knowledge products including "Africa's Decade of Change" reflecting on the key outcomes of the 10th NEPAD anniversary.
- 7. At this stage, permit me to specifically address two issues:
  - · Agriculture and food security; and
  - Domestic Resource Mobilization
- 8. Agriculture and food security remain top priority on the NEPAD agenda. As we mark a decade of implementation for CAADP, there is the need to consolidate achievements and draw lessons to deliver more substantial results. The time has come for impact.
- 9. Overall, 40 African countries have formally launched the CAADP implementation, while 23 countries have developed CAADP National Agriculture and Food Security Investment Plans. Since 2003, many African governments have increased their budgetary allocations to agriculture. Countries have used CAADP to dialogue with private

investors, domestic and foreign, and improved planning and management of public resources.

- 10. Although African economies are growing, food insecurity remains a challenge with a rapidly urbanizing and youthful population creating a huge demand for jobs and changing consumption patterns. The main perspective for Africa is to achieve agricultural transformation to ensure job creation, better balance between urban and rural population and eradicate poverty in the rural areas to avoid social instability.
- 11. What have learnt from the CAADP process? CAADP is essentially confined to public investment planning, and has created a dependency on funding from partners. We have focused mainly on the issue of supply at the expense of a more comprehensive nexus between agriculture and development in general. However, the financial landscape has changed radically in Africa over the last decade and offers more room for manoeuvre and an opportunity to reduce financial dependency.
- 12. Therefore, Africa needs to regain the leadership and ownership of CAADP. Policy and institutional change should become the cornerstones for a re-orientation of agricultural development by Member States and Regional Economic Communities. The "Sustaining the CAADP momentum" exercise which has been jointly commissioned by the Commission and NEPAD Agency, aims directly at renewing the thrust of CAADP.
- 13. In our view, the strategy to be deployed for the renewal of CAADP in the coming years is threefold:
  - We need to capitalize on our achievements and perform beyond establishing plans and processes by concentrating on implementation

and create the enabling economic environment for the sustainable intensification of agriculture;

- We must regain the leadership of CAADP by better engaging all stakeholders and continental bodies to improve the partnership with African farmers and private sector as well as mobilize more domestic resources;
- Africa should anticipate the emerging trends and promote consensusbuilding in agricultural development for desirable outcomes and impact.
- 14. From now, the success of CAADP will depend on a well-articulated strategy for the transformation of African agriculture. In particular, the Agency is to re-focus and re-legitimize public intervention by concentrating on unblocking market failures. This requires providing technical support to improve research, dissemination of information and extension, early warning systems, safety nets, storage policies and price bands at borders.
- 15. To this end, it is critical to increase public spending and support to financing agriculture by reducing transaction costs through innovative mechanisms of guarantee and subsidized interest rates. In this regard, the NEPAD Agency believes that the time has come to give a new impetus to CAADP to meet the legitimate expectations of Member States while providing a clearer perspective and the overall role for agriculture in the economic transformation of the continent.

#### Excellencies,

16. Un des principaux facteurs du changement de notre approche du développement est l'importance de la mobilisation des ressources domestiques en vue du financement des programmes et projets du NEPAD. Dans cette perspective, l'Agence du NEPAD de concert avec la Commission Economique pour l'Afrique prépare une étude approfondie qui réponde aux conclusions du Comité d'Orientation du NEPAD.

- 17. Nous vous présenterons la version finale de l'étude en Mai 2013 lors de la prochaine session du Comité d'Orientation des Chefs d'Etat et de Gouvernement lors de la prochaine session
- 18. Un des premiers résultats de l'étude souligne l'importance de la viabilité des mécanismes et instruments nécessaires à la mobilisation et l'utilisation des ressources pour le financement des programmes et projets du NEPAD. Parmi ces instruments, nous pouvons mentionner :
  - La mise en place d'un Fond Africain pour le Développement des Infrastructures;
  - La remodélisation du Fonds de Préparation des Projets d'Infrastructure de la Banque Africaine de Développement;
    - Un marché régional des capitaux ;
    - Des fonds de type Private Equity basés en Afrique;
    - Un accroissement de l'utilisation des fonds de pension;
    - Une meilleure utilisation des envois financiers de la Diaspora;
    - Une mobilisation de fonds souverains pour le développement de programmes;
    - Un fonds de garantie des crédits ; et
    - Un nouveau paradigme financier pour le développement de partenariats Public Privés envers les marchés émergents.
- 19. C'est dans ce contexte que l'Agence du NEPAD travaille avec le Gouvernement du Nigeria à la mise en place d'un Réseau Africain de Partenariats Publics Privés (Africa Private Public Partnerships Network) dans le but de mettre plus de cohérence dans les pratiques des PPPs.
- 20. On Partnerships, we have continued to advocate for mutual accountability and the fulfilment of past commitments by development partners to Africa in line with Assembly decisions. Therefore, we are engaging the Commission and UNAIDS on the Accountability report to combat HIV/AIDS, Tuberculosis and Malaria under the G8-Africa framework for 2013. Similarly, the Agency is undertaking an evaluation of the effectiveness of the Africa Partnership

Forum (APF) over its ten (10) years of existence under the auspices of the NEPAD Steering Committee. Overall, we have renewed the call by our leaders for adequate African representation in global development processes especially in the G20 and the Global Partnership for Effective Development Cooperation.

## Overcoming Africa's Challenges

- As a multi-level strategy, the impetus is on NEPAD to adequately address the enormous challenges facing our Continent. Accordingly, the Agency is focusing on;
  - Prospective thinking and analysis for future development solutions;
  - Inter-linkages between sector priorities especially Infrastructure and agriculture
  - Increasing the level of Private sector investment in NEPAD projects
- 22. To support this process, the Agency has developed the concept on the setup of the MELES ZENAWI CENTRE within the NEPAD Agency in tribute to the lasting legacy of the late Ethiopian Prime Minster and former Chairperson of the HSGOC. The Centre will serve as basis for promoting the NEPAD agenda with emphasis on African ownership and strategy for transformation. The support of HSGOC leaders will be appreciated.

# Excellencies, Distinguished delegates;

23. In conclusion, let me thank African leaders, particularly the Chairpersons of the Union, NEPAD HSGOC and the Commission, along with Member States, Regional Economic Communities and Steering Committee members for their continued support in delivering the NEPAD vision. We are equally grateful to all bilateral and multilateral development partners for their cooperation and support to NEPAD.

- 24. At the NEPAD Agency, as we look into the future, we draw inspiration from the vision of the leadership of the African Union in advancing Pan Africanism and African Renaissance. The past 50 years have been eventful and the next half century is for Africa to claim. NEPAD is therefore working closely under the leadership of the Chairperson of the Commission in the design of the Union-wide Strategic Agenda 2063. Evidently, the next decade of NEPAD fits into this vision and remains a pathway to contributing to a brighter future for the Continent.
- 25. As the late Ethiopian Prime Minister, His Excellency, Meles Zenawi would assert "Africa could potentially serve as the growth pole for global prosperity"!

I thank you.