

**SUMMARY REPORT OF THE FIRST NEPAD MULTI-STAKEHOLDER
DIALOGUE HELD IN SANDTON, SOUTH AFRICA ON 22-23 OCTOBER
2004**

Three years after the adoption of the New Partnership for Africa's Development (NEPAD) at the 37th and last Summit of the OAU in Lusaka, Zambia in July 2001, the first NEPAD Multi-Stakeholder Dialogue was held at the Sandton International Convention Centre in South Africa on 22-23 October 2004. The Dialogue was hosted by President T Mbeki of South Africa and was attended by President O Obasanjo of Nigeria (Chairperson of the African Union and the NEPAD Heads of State and Government Implementation Committee), President A Bouteflika of Algeria (Vice-Chair of the HSGIC) and President A Wade of Senegal (Vice Chair of the HSGIC).

Two hundred and fifty delegates attended the Dialogue, representing AU member states, African regional and sub-regional organisations, African stakeholder groups and international partners.

The purpose of the Dialogue was to provide a platform for an objective assessment of the progress achieved during the three years of NEPAD's existence, to examine the present challenges and to chart the way forward.

OPENING SESSION:

Opening statements were made by Presidents Obasanjo, Mbeki and Wade. The Presidents reconfirmed their commitment to the NEPAD process. They reiterated and emphasised that NEPAD is the socio-economic development programme of the AU and that it is a long-term programme of twenty years or more.

They reflected on the breakthroughs and achievements of the last three years, such as the speedy establishment of the AU organs and the APRM. In the spirit of a frank and open dialogue, they pointed to the areas where implementation has been too slow and where there has been varied progress. Having reflected on where we have come from, they examined what needs to be done as we move forward. Persisting poverty, unemployment, low intra-African trade levels, the debt burden and low levels of ODA and FDI remain as challenges to be addressed. They concluded by stating that NEPAD cannot fail and that we have no choice but to work together individually and collectively to make it succeed. Excuses will no longer suffice.

The first three years was largely devoted to processes and advocacy. Clearly the foundations for the renewal of the Continent have been laid during the first three years and the time has come for accelerated concrete implementation of programmes, projects, strategies and policies by all stakeholders and implementing agencies in order to show results that impact on the quality of people's lives at all levels.

REMARKS BY PARTNERS:

This session examined the challenges and opportunities facing the NEPAD Steering Committee over the past three years, the role of the Regional Economic Communities (RECs) in implementing NEPAD, the role of the Food and Agriculture Organisation (FAO) in implementing the Comprehensive African Agriculture Development

Programme (CAADP), the assistance of the UN Economic Commission for Africa (UNECA) to the NEPAD process, the contribution of the African Development Bank (ADB) and the World Bank (WB), the role of UNDP in NEPAD and the role of the African Union (AU) in forging stronger links of cooperation between African nations.

Overall the NEPAD process needs to change perceptions and ensure the efficient and effective management of available resources and capacity. The importance of institutional coordination at all levels and between all stakeholders emerged strongly in this session, as did the need to prioritise properly.

NEPAD THREE-YEAR REVIEW:

Professor W Nkuhlu, Executive Head of the NEPAD Secretariat provided a three-year overview of the NEPAD process. He reiterated the objectives, priorities and principles of NEPAD, outlined achievements and illustrated challenges. He emphasised the nature of NEPAD, ie that it is a vision for the continent, a framework and a programme within which others act, such as member states, the RECs, the continental institutions and regional partners.

In response, presentations were made on the challenges and successes in the African integration process, the role played by Regional Economic Communities over the past three years, the role of civil society, the role of the private sector, the role of African Ministers in implementing NEPAD at the country level, the role of women in NEPAD and the mainstreaming of gender in the African agenda.

The positive achievements in the development and implementation of NEPAD thus far, in the creation of conducive conditions for sustainable development and in carrying forward the agenda in priority sectors, were welcomed. These positive developments include the setting up of the implementation framework, including the AU organs, the NEPAD structures, and in the RECs, the operationalisation of the APRM, the resolution of various instances of conflict and instability in Africa, the development of key sectoral action plans and strategies, the identification of priority programmes and projects in various fields, the mobilisation of human, institutional and financial resources in support of implementation, and the mobilisation of the entire international community in support of the implementation of NEPAD.

However, it was acknowledged that the pace and scale of implementation is still not at the levels required, the progress is varied across the priority sectors. Lack of human, institutional and financial capacity continues to impede implementation. Further, low levels of awareness, as well as involvement and ownership across the full spectrum of African stakeholders still need to be increased, to include women, the youth and the African diaspora.

While ODA levels have increased since 2000, consistent levels of positive economic growth are being recorded in the Continent, and NEPAD has succeeded in having agriculture and infrastructure prioritised again on the global and domestic agenda, resources for implementation still remain inadequate. There needs to be an increase in contributions to ODA in general, especially to IDA14, and grant funding to fund regional integration projects. Coordination of support and policy coherence are important issues for the development partners to consider.

PEACE AND SECURITY:

It was noted with appreciation that peace and security is now being addressed as a top priority and the framework to address peace and security issues is being put in place. The meeting also recognised the nexus between political stability, peace and security on the one hand and development on the other. The Peace and Security Council is operational, the EU Peace Facility has been established, and African leaders have taken direct responsibility for preventing, managing and resolving conflicts. Instances of inter-Africa conflict have been largely addressed and cases of intra-African conflict are being addressed with a sense of commitment and urgency. G8 support for the AU/NEPAD Peace and Security agenda was also acknowledged as a success.

The establishment of the African Standby Force and the regional brigades, the Early Warning System and the Council of the Wise needs to be accelerated.

A call was made for the UN to be reformed, particularly the Security Council, to make the organisation more responsive to Africa's needs. Specifically, when authority is given to the region to intervene in a conflict situation, this must be matched with the resources to enable the intervention. Africa has the human resources, but requires logistical support, equipment and financing.

The importance of the issues of human security came through strongly, as did the need to fund the productive sector elements of post-conflict reconstruction, such as the provision of basic infrastructure, rather than just the "soft" issues, ie elections, governance. A challenge was posed to financial institutions to be more involved in post-conflict reconstruction and rehabilitation. The importance of Africans contributing towards peace and security of the continent was emphasised and innovative ways of mobilising resources should be pursued.

There is a need to mobilise and engage all stakeholders in peace initiatives, especially women in peace processes such as conflict resolution, peace building and reconstruction. Furthermore, socialisation of boys and girls should ensure that future roles embrace the values of equality and non-sexism.

FOOD SECURITY AND AGRICULTURE:

The NEPAD CAADP has been accepted as the framework for the restoration of agricultural growth, food security and rural development in Africa. The challenge for NEPAD, national governments and Regional Economic Communities is to move rapidly towards the implementation of identified CAADP priorities. This will require increased domestic and international resourced support and a consistent focus by African governments to achieve long-term tangible goals for agriculture

Developing bankable projects will require a project preparation facility, which could be hosted by regional and national development banks. The WB and the ADB are obvious partners in this process.

The private sector and civil society are critical in the restoration of Africa's agriculture sector for the effective implementation of CAADP. A clear definition of the roles of all key players is required.

A critical component to improving food security is the development of improved capacity at national and regional levels to monitor food security stresses and to develop early warning systems. Innovative ways of dealing with food security, recognizing the impact of HIV/AIDS, need to be found

INFRASTRUCTURE:

The provision of infrastructure was again emphasised as a critical element to development, to regional integration and to the provision of an environment conducive to investment, particularly with regard to reducing the costs and risks of doing business in Africa. It was emphasised that an integrated partnership between the public and private sector provides the most viable vehicle for ensuring infrastructure development. Apart from international investment, every effort must be made to mobilise domestic public and private resources, as well as resources in the African diaspora.

In this regard, models of success and best practice need to be showcased to illustrate progress in implementation and to counter negative perceptions regarding Africa and the NEPAD process.

It was pointed out that, apart from linking this sector purely to the attraction of investment, there should be a greater linkage to the issues of poverty eradication and employment creation.

INFORMATION AND COMMUNICATION TECHNOLOGY:

It was agreed that this is the sector with the potential to show the earliest successes on the ground. It was emphasised that there needs to be a shift in thinking on the part of development partners from country specific support to regional multi-country and/or Africa wide project/programme support. Support also needs to be coordinated. Collaboration with the private sector on ICT projects is critical to their success. Implementation of the e-schools initiative will begin small scale and be expanded over time. The East Africa Submarine Fibre Optic Cable project is proceeding well. The Digital Solidarity Fund needs to be supported in order to ensure closure of the Digital Divide.

MARKET ACCESS AND INTRA-AFRICA TRADE:

The focus of the session was on the role of the NEPAD Market Access Initiative in the promotion of trade.

A number of challenges were raised that impede regional economic integration. These are:

- Africa's contribution to world trade, which currently stands at less than 2%

- The need to place trade in the broader economic development agenda and macro-economic framework
- The need for harmonisation of trade regulations and standards
- The need for the promotion of small enterprises, given the fact that African economies are largely driven by SMMES
- The need for capacity building for RECs for them to implement NEPAD programmes.

Key strategic areas of intervention identified were:

- Promotion of trade facilitation interventions
- Ensure that benefits from global trade regimes benefit the poor
- Foster regional economic integration
- Coordination of African inputs on global trade negotiations
- Promotion of continental trade in services.

PRESIDENTIAL DISCUSSION AND GALA DINNER:

The four Presidents of the NEPAD HSGIC (Obasanjo, Bouteflika, Wade and Mbeki) spoke about peace and security, human resource development, including health and education, the Digital Solidarity Fund and the APRM respectively.

The nature of NEPAD and its added value as a catalysing, coordinating, mobilising, unblocking and energising agent were emphasised once again.

It was noted that the African debt crisis continues to persist. The Heads of State regard this as a moral and political issue that impacts on Africa's development prospects and, therefore, will continue to engage international partners to resolve the crisis. It was noted that the original debt has in many cases already been paid, but that the structure of interest and penalties perpetuates the debts.

The need to include all stakeholders, particularly CSOs, women, labour and the youth, in a meaningful manner was stressed. It was emphasised that all stakeholders, both individually and collectively had a role to play in ensuring the success of NEPAD. For example, a challenge was posed to the Organisation of African Trade Union Unity to mobilise support in the international labour fraternity for the resolution of Africa's debt burden. The various African civil society sector institutions need to organise themselves better and be strengthened in order to actively participate and respond to current processes in terms of NEPAD and the African agenda. Civil society should commit to engaging governments and governments need to develop "listening" mechanisms in return.

PARTNERSHIPS WITH INTERNATIONAL ORGANISATIONS:

It was noted that NEPAD has made great strides in international engagement especially in advocacy and in contributing to reversing the decline in ODA. This trend needs to be sustained and accelerated. The session recognised the challenges facing NEPAD in ensuring NEPAD ownership of its agenda amidst various global pressures and processes.

Other challenges facing NEPAD include translating the pledges into commitments and actual disbursements of resources, ensuring greater clarity on roles, capacity, synergy and coordination among the players at various levels and the implications for donor architecture. The session noted that, despite the vast number of issues and priorities that Africa is grappling with, it is unlikely the international partners will commit and deliver the required resources. It therefore recommended more strategic use of the limited resources; development of innovative resource mobilisation strategies, including mobilising local resources from the private sector; attracting FDI; balancing the time spent on public resource mobilization to include the private sector.

Given the low volume of Africa's participation in trade and related issues in the global arena, the session noted the challenges facing NEPAD in capacity and preparation for negotiations and engagement with external partners and proposed that NEPAD strengthens its work and synergies with other institutions in this regard. The forum also noted that development partners have tended to focus on social sectors and governance issues and appealed to them to fund infrastructure as a basis for socio-economic development and leveraging for private sector finance and attracting FDI.

It also recommended that there should be improved coordination in interaction with NEPAD and among development partners. It also called for speedy implementation of projects and programmes once funding has been mobilized. The role of multilateral development and finance institutions in particular was emphasised.

HEALTH AND HIV AND AIDS:

The session, guided by the input of President Bouteflika during the Presidential Panel, recognised that the huge burden of disease and suffering in Africa is not only compromising health, but also the AU/NEPAD goal of sustainable socio-economic development on the continent. It therefore calls for a strengthened commitment to health by both Africans and development partners. Africa's burden goes beyond HIV and AIDS and efforts must also reinforce measures against other communicable diseases, such as malaria and TB, non-communicable diseases of lifestyle and also the tragic heavy loss of life related to childbirth. As this burden will not be overcome unless health systems in Africa function effectively, the dialogue identified actions aimed at strengthening countries health systems and services and for addressing the crisis in human resources for health facing the continent. It emphasised the importance of growing African expert capacity. The Dialogue called on development partners to reflect on the impact that their recruitment of African health professionals is having and for them to become more pro-active in addressing their own crisis. The discussions recognised the increasing budget commitment to health by many African countries, but that this was not sufficiently matched by development partners if they truly wish the Millennium Development Goals (MDGs) to be met. They also need to review the architecture of development funding, because, at times, it is not conducive to effective implementation of programmes.

EDUCATION AND SCIENCE AND TECHNOLOGY:

It was generally acknowledged that it is important for NEPAD to build on what already exists in the countries and regions. To this end it was recommended that studies should be carried out to determine activities that are already underway in the

countries. It was also acknowledged that the AU started some programmes in education, some of which have not taken off. It would be important for NEPAD to build on these programmes rather than setting new structures. The strength of NEPAD lies in the fact that it has direct access to Heads of State and Government, hence it can be instrumental in disseminating programmes in education and training. It was recommended that a Pan-African workshop should be organised, including the African Ministers of Education, where NEPAD would showcase its framework on education and training.

On science and technology, it was observed that science and technology are drivers of economic growth but there is limited political support for S&T in Africa. African states are importers of technology instead of promoting local generation of technology. NEPAD goals on S&T are to harness and apply S&T for Africa's sustainable development and to enable Africa to contribute to the global pool of science and innovation. There are currently 12 S&T flagship areas in which concrete projects are being developed. The Secretariat has facilitated the establishment of the following networks; African Biosciences Initiative; the African Laser Centre; and drug research, discovery and manufacturing. These are all geared to address key challenges in health, environment and agriculture.

AFRICAN PEER REVIEW MECHANISM:

The session recognized that the African Peer Review Mechanism (APRM) is a new and innovative initiative by African leaders to ensure the achievement of NEPAD's goals and objectives. To date 24 countries have acceded to the APRM and the assessment process has started in four countries. A further four countries will soon receive Support Missions.

Although countries have demonstrated their commitment to funding the process at a national and continental level, funding of the APRM remains a challenge. Plans are at an advanced stage for the development of the APRM Trust Fund.

The session congratulated the Heads of State and the Panel of Eminent Persons on what has been achieved so far. The session also elaborated on the structures, processes and tools of the APRM. Although substantial progress has been made a number of challenges were identified including:

- The establishment of national structures and the organization of participatory processes. This has resulted in the processes being slower than anticipated.
- Capacity constraints at a continental and national level, and at the APRM Secretariat
- The importance of peer learning and sharing best practices was emphasized.
- Once areas requiring improvement have been identified, it will be critical to avail resources for building the capacity of countries to enable them to implement the recommendations of the Peer Review process.

The 2nd meeting of the APR Forum is scheduled for November 2004 in Algiers, Algeria. This meeting will review the progress following the Inaugural Summit in Kigali, Rwanda in February 2004.

PRIVATE SECTOR (MINING, MANUFACTURING AND TOURISM):

The private sector remains important in driving the NEPAD process as it controls most of the resources. However, implementation of policy remains difficult as long as coordination is lacking. The private sector is involved in the implementation of NEPAD through a number of groupings such as the African Business Roundtable, NEPAD Business Group etc., that exist with the aim of facilitating the objectives of NEPAD, and a number of engagements with the private sector have been organised.

It was recognised that there is a need to mobilise domestic investment, improve corporate governance, engage in intra-Africa trade and mobilise FDI. Triangular partnerships between NEPAD, governments and the private sector should be concretised to share strategic information, implement projects, strengthen the African private sector and support the development of SMEs. It is also important that the private sector engages with civil society and the Diaspora in implementing NEPAD programmes. The main constraints to investment still remain political stability, the business environment, unavailability of skilled labour, low levels of infrastructure, disease and inadequate financial markets.

Equitable market access and the cutting of subsidies are vital for Africa's growth. Linked to this, Africa needs to ensure increased and diversified manufacturing and production, focusing on processing and product beneficiation.

Lastly, NEPAD needs to exhibit quick wins in the next 12 months or so in conjunction with private sector partners.

CLOSING AND RECOMMENDATIONS:

The NEPAD stakeholders renewed their commitment to NEPAD as the tool for a fundamental economic and social transformation of the Continent aimed at ending the scourge of poverty and underdevelopment and strengthening the role of Africa in the global arena. They reiterated their endorsement of the comprehensive and integrated development approach underpinning NEPAD and reasserted the need for the creation of conducive conditions for development, increased investment in human development, agriculture and infrastructure, strengthening key economic sectors, mobilising resources and balancing relations with the industrialised world.

Looking ahead, the stakeholders appealed to governments, the institutions charged with implementation and the development partners to stay the course and take all necessary actions to speed up implementation. In this regard, governments were urged to continue ensuring the creation of a sustainable conducive environment for development, poverty eradication, employment and growth, including in the areas of good governance, private sector development and the mobilisation of resources domestically and internationally. States have to take responsibility for implementing NEPAD objectives and priorities nationally.

In this regard, the point was strongly made that Africa first and foremost has to harness its own domestic resources, to mobilise the resources and resourcefulness of the African people in the spirit of self-reliance and taking ownership of Africa's destiny. We urgently have to harness the potential of all stakeholders, including the

African business community. African stakeholders need to increase investment in NEPAD programmes and projects in order to underscore commitment and ownership, while the international partners need to scale up and accelerate support to bolster African efforts.

At the regional level, the need to strengthen the implementation capacity of the RECs was stressed. RECs must be capacitated to assume the responsibility of the mandate to ensure delivery on NEPAD priorities and programmes. Stakeholders stressed the need to bolster the overall implementation capacity of NEPAD beyond the existing implementation units and monitoring schemes. It was stressed that all stakeholders had to take responsibility for implementation and to ensure that they made a concrete contribution to this end.

In support of implementation capacity, it was recommended that the NEPAD Secretariat set up an Implementation Support Group, the primary mission of which will be to assist the Secretariat and the Steering Committee to strengthen their oversight and monitoring of NEPAD and speed up its implementation. It was further recommended that the Support Group assist the Secretariat to draw up a precise, itemised road map, which will serve as a monitoring and evaluation tool for the HSGIC.

A call was made for the ADB as an African institution to refocus the work and operations of the entire organisation, as opposed to merely setting up a NEPAD unit, to support NEPAD implementation.

Furthermore, a call was made for the development finance institutions to create special mechanisms for funding regional integration projects, eg creating special envelopes for this in IDA and ADF.

It was noted that NEPAD had not given sufficient attention to the issues of women, the youth, the disabled and the diaspora and that, therefore, the issues of these four constituencies needed to be prioritised in the way forward.

The stakeholders urged the development partners to continue their welcome support. It was pointed out, however, that this support needed to be dramatically scaled up and accelerated in line with existing commitments going back to the Millennium Declaration, the Monterrey consensus, the Johannesburg Plan of Implementation and the G8 Africa Action Plan. Issues of market access, increased ODA and FDI, and debt cancellation were emphasised. The need to materially and concretely realise political commitments in line with the NEPAD framework and priorities was emphasised. Support needs to be better coordinated and policy coherence ensured.

The Dialogue concluded by noting that the NEPAD Heads of State and Government Implementation Committee will hold its next meeting in Algiers, Algeria on 23 November 2004. The second meeting of the African Peer Review Mechanism Forum will be held back to back with the HSGIC meeting.

