## **ADF IV Consensus Statement**

## I: Preamble

1. There is a clear consensus that good governance and sustainable development are two sides of the same coin. Good governance is a *sine qua non* for development in Africa. It implies efficient and accountable institutions – political, judicial, administrative, economic, corporate – and entrenched rules that promote development, protect human rights, respect the rule of law, and ensure that people are free to participate in, and be heard on, decisions that affect their lives. Above all, good governance is a leadership issue, enshrining the effective, transparent, and accountable discharge of responsibilities within the framework of capable states.

2. Africa's overarching challenge is to create strong, capable, developmental states – states in which peace and security is guaranteed; states that create an enabling environment for equitably distributed economic growth coupled with the promotion of education, health and social services; states that encourage freedom of expression and vigorous exchange of views through a free and thriving media sector; states that pursue sound macro-economic management, institutional reform, and investment in human resources development, including in the critical area of gender equality; states that deal swiftly and effectively with corruption; and states that build an enabling environment for the private sector to generate economic growth, jobs and income. At the core of the capable state are political continuity and policy predictability and a fair and consistent application of the rule of law.

3. Nowhere is the consensus on the need for capable states more clearly reflected than in the New Partnership for Africa's Development (NEPAD), a leadership framework aimed at providing new impetus to continental development efforts. The NEPAD African Peer Review Mechanism (APRM) uses a number of innovative indicators to assess and monitor the progress of African countries in meeting the goals of achieving good governance and sustainable development. So far, 23 countries – covering some three-quarters of the population of sub-Saharan Africa – have signed up for peer review, opening up their policies and practices to scrutiny based on codes and standards for political, economic, and corporate governance codes. The Pan African Parliament, created as part of the African Union (AU), constitutes another important continental institution of accountability and oversight and a critical forum for the exercise of good governance in Africa.

4. While the principles of democracy are universal, the form it assumes is context-specific. As such, Africans must define an African-owned agenda for good governance, based on local realities and contexts, and communicated to populations in their own languages. Viable institutions and practices from the continent's past must be harnessed towards its future. The context of globalization, coupled with the tendency towards asymmetrical relations between Africa and its development partners – particularly in economic governance and trade – makes it all the more incumbent on Africa to develop its own paradigm of good governance as part of its quest for greater ownership of its development. As such, there is a need to caution against assuming that models borrowed from Western industrialized countries are the best, or only, route to progress.

5. While some may perceive traditional systems of governance as archaic and outdated, there is growing evidence that such systems and networks are key in mediating the dualistic co-existence between tradition and modernity that characterizes African society. As such, traditional governance holds tremendous potential for enhancing the effectiveness of service delivery and ensuring that communities, especially in rural areas, are not bypassed by development. Furthermore, traditional

systems of conflict resolution have proven relevant and effective in addressing some of Africa's most enduring conflicts. As such, a key challenge of the modern capable state is to find ways of harnessing the potential of traditional institutions of governance.

## II: Key Challenges to Good Governance in Africa

6. In the first study of its kind to measure and monitor progress towards good governance in Africa, the Economic Commission for Africa (ECA), in collaboration with the African Development Bank (ADB) has identified four positive governance trends in Africa: the steady consolidation of democracy; greater political inclusiveness; expanded voice and accountability; and improved economic management. However, a number of major challenges need to be addressed with a view to building capable states in Africa, some of which are spelled out below.

7. <u>First</u>, the lack of effective checks and balances in some African countries undermines good governance. These relate to the three arms of government, which should be clearly separated and operate independently, but be coordinated. Political parties, civil society, the media also serve as important checks and balances. Problems are particularly evident with regard to the Executive, especially in countries emerging from totalitarian rule, where parliaments tend to enact laws serving narrow factional interests rather than the common good. While elected parliaments are generally mandated to provide oversight, propose and approve legislation, promote and protect government, as well as strengthen its institutions, in some cases, parliaments are either not elected, or are elected without a clearly defined mandate. Related to this, many parliaments lack the required autonomy and financial independence from the Executive. Human resources shortfalls, questions of legitimacy and other constraints affect the ability of many parliamentarians to perform basic functions of office, such as interrogating the national budget.

8. The independence of the Judiciary is central to the administration of fair justice in a democratic society. However, it is often more nominal than real. In some cases, structural biases arising from a range of circumstances undermine the credibility of the judicial system. Justice commissions often merely act as advisers to the Executive, rather than directly influencing decisions. In some cases, the Executive has been known to directly appoint members of their justice commissions. Meritocratic processes of recruitment for the Judiciary are sometimes lacking. More often than not, the Executive controls the process by which the Judiciary is appointed, the security of tenure and the purse strings. Added to this, language and cost remain barriers to access to justice, especially for women and the poor, who are often not familiar with their rights. Disparities also exist between judicial systems in French and English speaking countries, working against regional goals.

9. Political parties are playing an increasingly critical role in the consolidation of democracy in Africa. The challenge remains one of reform to ensure democracy of their internal structures. Parties often serve individual, rather than the public interest. This is evident in the lack of coherent political agendas and programmes, and in tendencies such as vote buying. The funding of political parties remains a major challenge. Many depend on private parties to finance electoral campaigns, particularly in countries where the incumbent party refuses to institutionalize funding for opposition parties. This works against a balanced political representation in parliament. Accountability mechanisms, voter education and requisite codes of conduct for elections are often missing, while electoral commissions are often anything but independent. Many parties have failed in their public

education role, focusing instead on interests of wealthy funders. A related challenge is to build complementarity between political parties and NGOs so that both institutions can play an important role in society.

10. Civil society and non-governmental organizations provide the citizenry with a channel for their voices and the means to serve as watchdogs enforcing political accountability. However, many CSOs are often seen as adversarial to, rather than complementary to, government. Civil society attacks on state policies can sometimes undermine legitimate achievements underway. A large number of CSOs operate exclusively as service providers, abandoning an important policy advocacy role. Further, CSOs need to be differentiated based on their transparency and credibility since they are not all operating as independent watchdog organizations and may be opportunistic and partisan. CSOs as well as individuals also suffer from laws that restrict their activities and hamper their rights. Governments also question the legitimacy of human rights movements, thereby undermining their watchdog role.

11. The media also has a vital role to play as a public watchdog – in exposing corruption, checking abuses of power and human rights and casting light on the process of elections, the daily business of government and service delivery. Media organizations must be free from interference, manipulation or pressure so that they can do their work effectively and guarantee the independence of their work for the consumer. This places a particular obligation on government and politicians to respect the media's questions and to give open and honest answers, permit a diverse and flourishing environment for publicly and privately owned media and respect media workers' freedoms and rights. Yet only a healthy media sector can fulfill its obligations. If media publishers and broadcasters in both the public and private sectors lack financial resources and security, if they do not uphold professional standards, and if they use reporters and editors who are inadequately trained or experienced, they will fail to live up to the standards that underpin public confidence.

12. <u>Second</u>, weak institutions created through political rather than normative processes impact negatively on national and local governance, as well as on participation and the delivery of services. Historically, the civil service has tended to be supply rather than demand driven, lacking of focus on outputs, outcomes and impact, with the result that civil servants lack a full appreciation of their service orientation and mission. They may not be adequately skilled or trained to carry out their duties. Effective delivery of services is often hampered by lack of upstream stakeholder participation, donor imposition on selection of contractors and programme focus. The lack of adequate gender sensitive analysis constitutes a glaring omission that works against an effective approach. Furthermore, growing urban poverty, coupled with rising demand for services in urban slums, represents a new challenge in service delivery.

13. Weak institutions, particularly the Judiciary and Legislature, also stem from inadequate financial and other operational resources, which affect the delivery of services. Furthermore, insufficient human resources reduce the capacity of institutions to influence governance. Poor technical skills also impinge the quality of programme output. In addition, the lack of independence of governance institutions weakens their ability to function effectively and to establish accountability mechanisms.

14. The lack of participation at all levels constitutes a key weakness in governance, and serves to marginalize key stakeholders in development, among them youth, women, and civil society at large. At the local level, institutions for governance and participatory development remain weak, one reason why service delivery scores are low in ECA's governance study. Local government is of

extreme importance, because it serves as a major means of empowerment, stakeholder participation, and enhanced accountability. It also is the major coordinator of service delivery and local development efforts between sector agencies, communities, civil society, traditional authorities, and the private sector. Effective decentralization is contingent on a strong and capable state that can relinquish power effectively to local governments and communities. While most countries in Africa have initiatives underway for decentralization and local development, the pace of transfer of powers and fiscal revenues remains slow. Often, what are being transferred to the local level are institutional control mechanisms rather than true devolution of power. The objective to mobilize all local and provincial latent capacities for development is therefore not achieved.

15. Devolution of power to the local level involves the integration of three processes: strengthening of local government, reform of sector institutions, and empowerment of communities. It needs to be carefully designed and adapted to the situation in each country. There is a danger of creating too many tiers of decentralized government and too many districts or provinces, which entails an excessive fiscal cost that poor countries may not be able to afford. There is also the problem of excessively empowering local elites, rather than the entire population, and measures need to be put in place to monitor elite capture and speedily implement corrective measures. Widespread dissemination of information and large scale training efforts are an essential component of a local empowerment strategy, and a key measure to ensure accountability and limit elite capture.

16. <u>Third</u>, while it is generally accepted that traditional systems of governance have much to contribute, the key challenge remains one of finding ways to accommodate these systems into modern statehood. While important, democratization has failed to meet broad social responsibilities, as it has not been founded on societal values. Three possible models of traditional governance can be cited: the highly centralized or absolute monarchs; kingdoms with limitations on the exercise of powers by the kings; and consensual systems of decision making in which traditional leaders preside over assemblies but there are essentially no chiefs and no significant separation between the rule makers and the ruled. The consensus-based model, while probably the most relevant to democratization, has no strong advocates within the wider political system for contemporary institution building. There remains a dearth of specific cases studies on how modern political systems in Africa can borrow from this traditional model.

17. In the modern state, elections do not necessarily reflect the will of the people nor always bring the "best" people to power. A further aspect is the incorporation of participatory systems characteristic of traditional systems into structures of representative democracy, while yet another dimension is reconciling the consensual judicial system of traditional governance with the adversarial system in the modern state, dominated by those with the means to justice. Difficulties also arise when chiefs participate in party politics of statehood carrying their traditional support base with them. A further issue is the impact of globalization and economic change on systems of governance. In general globalization and economic development require that all stakeholders share responsibility for good governance. Traditional governance systems can play a vital role in strengthening societies to adapt to these changes, as has happened in Japan and South Korea.

18. <u>Fourth</u>, corruption continues to pose a serious challenge in many African countries, undermining the legitimacy of institutions and entire governments, impeding investor confidence and depriving citizens – women and the poor in particular – of essential public services. Although there has been a proliferation of anti-corruption commissions and bureaus across the continent, many lack the autonomy, resources and power to effectively trace and prosecute corrupt individuals at all levels of

society. As a consequence, many of the well-intended anti-corruption campaigns tend to fizzle out over time and a culture of impunity and clientelism persists where a culture of performance, meritocracy and transparency is needed. The Judiciary in particular is a key institution in the fight against corruption, but often lacks the independence and capacity to deal expeditiously and effectively with all the cases brought before it. Other important factors contributing to corruption include insufficient remuneration of public officials, the vast income disparities existing in most African societies, external factors such as bribery by multinational firms to secure lucrative contracts, the ignorance among citizens about their rights, and the erosion of ethical and communal values to the benefit of materialism and acquisitiveness.

19. Fifth, while the private sector is well recognized as an engine of growth and development in Africa, its potential remains largely untapped. Success in creating adequate opportunities for fully productive employment is primarily dependent upon the existence of competitive, profitable and sustainable business enterprises. It is in this context that the good governance of the business enterprise - the wealth creating organ of society - becomes cardinal to the development and governance strategies of the African continent. However, the private sector generally lacks access to human and financial resources, knowledge, markets and labour, impacting negatively on its effectiveness in promoting growth and employment in Africa. Furthermore, it suffers from a lack of dependability and predictability in the management of state affairs – especially the consistent and fair application of the rule of law and the protection of property rights – which are more fundamental to growth and investment than providing tax holidays, investment incentives and subsidies. Many African governments pay too much attention to attracting foreign direct investment (FDI), to the detriment of strategies to support local industries and mobilize domestic investments for sustainable development. There also remain gaps between policy intentions and pronouncements made by some governments and actual implementation.

20. <u>Sixth</u>, the impact of HIV/AIDS as a governance issue has still not been fully understood or recognized. HIV/AIDS reduces economic growth potential and private sector employment opportunities, and erodes the tax base, negatively affecting domestic resource mobilization. It impacts severely on the ability to deliver services, and diverts resources that could be otherwise deployed toward provision of basic needs and the responsibilities associated with governance. It weakens people's energy to participate in democracy and hold state structures accountable, while burgeoning HIV/AIDS-related stigma and discrimination impacts on the state's ability to protect human rights. The specific socio-economic and biological vulnerabilities of women to HIV/AIDS are not adequately taken into consideration. The HIV/AIDS pandemic highlights the depth and urgency of the governance challenge for Africa's youth. Establishing a sense of positive futures among African youth is essential, not only for HIV/AIDS prevention but also for laying the social foundation for good governance.

21. <u>Seventh</u>, and in spite of African women's mobilization, advocacy, and increased representation in governance at regional and national levels, normative gains are not yet reflected in substantial changes in women's lives. In fact more women are living in absolute and relative poverty today than ten years ago. Furthermore, and despite 31 countries signing and 4 ratifying the AU Protocol on the Rights of Women to the African Charter on Human and People's Rights, challenges remain. Women's access to the justice system is limited by legal illiteracy, lack of resources and gender insensitivity, as well as by bias among law enforcement agencies. In some countries, women are denied property rights. The incidence of violence against women, including rape and domestic violence, remains staggering.

## III: An Agenda for Action

22. Above all, fostering good governance in Africa means building a capable democratic state with strong institutions promoting the public interest and including the participation of all stakeholders, with a particular emphasis on women and youth. Urgent and coordinated action is needed to address capacity deficits in key areas:

23. <u>Improving Checks and Balances</u>: Strengthening the capacity of parliaments to perform their key functions constitutes an urgent task. Action is needed to establish a parliamentary index of core areas of intervention, so as to identify capacity gaps, strengthen autonomy and entrench independence. Programmes are needed to build capacity for parliamentarians as well as parliamentary staff in the areas of finance, technology, drafting of legislation, and communication, among others. Internal parliamentary reform must also be promoted to ensure parliamentarians will promote and protect good governance. And existing initiatives to promote inter-parliamentary cooperation need to be deepened.

24. Work is also needed to deepen legal and judicial reforms. Governments need to set up transparent processes for the appointment and dismissal of judges. Governments must invest in capacity building for court officials, as well as in proper remuneration of court personnel to discourage rent seeking. More open and active court systems need to be fostered where files are readily available to solicitors and their clients. By improving access to technology, informed citizens can make informed choices regarding the exercise of their rights, including the right to legal redress. Judiciaries need to be closer to the people by using languages that they understand, tailoring legal access to include the poorest, and raise people's awareness of the laws. This should include steps to support and bolster traditional judicial systems, which are readily accessible to the public. Significant reform is needed of the various institutions of justice. A meeting between chief justices across Africa should take place to develop a blueprint for harmonizing policies aimed at entrenching judicial independence. African governments need to comply with international human rights conventions they have signed and ratified, including international instruments aimed at protecting children, advancing the status of women and preventing discrimination against people living with HIV/AIDS. However, they should also encourage independent monitoring of human rights instruments, and demonstrate to citizens that they have rights and freedoms - particularly in expressing their choice in leaders and expressing their opinions. The AU should reconsider its decision to place the African Court for Human and Peoples' Rights under the African Court of Justice as a specialized court, but maintain the African Court for Human and People's Rights as a distinct and separate court. There is a need to develop an African Youth Charter as a means of enshrining the centrality of Africa's youth to governance and development.

25. Political parties require special measures to develop their capacity if they are to efficiently assume a key role in democracy for good governance. This should include assistance in better understanding national constitutions and electoral laws. Of primary importance is funding which must be addressed to improve their independence, accountability, and organizational structures, reduce parliamentary carpet crossing, mitigate corruption and help parties better assume their function of civil education.

The funding of independent electoral commissions should also be deepened so that they can assist political parties to abide by their code of conduct and also provide supervision. The AU and the UN should jointly collaborate to promote free and fair elections in Africa. There is need for further, indepth consideration of issues of capacity building of political parties, including discussion on defining or refining the ground rules for elections. This should be the subject of a separate conference or African initiative. The role of CSOs and other watchdog organizations in improving checks and balances should be strengthened through the provision of civil education that enhances their effectiveness, particularly in enforcing greater accountability. Measures should be taken to provide training to women to enhance their participation in political decision-making processes.

26. Strengthening African Media: African governments should accept an obligation to be transparent and accountable by providing information to the media when it is sought and answering questions about their performance to the best of their ability. They should allow both the private and public media to function without interference and to respect media workers' freedoms and rights without resort to violence, intimidation or detention to curtail reporters' activities. All laws and official practices that curtail or undermine media freedom should be repealed or ceased. Africa's media houses urgently need to address a number of challenges if they are to meet the standards required by good governance. Media owners and editors must ensure that journalists are adequately remunerated, well trained, and can benefit from new technologies, since editorial production, research and communications depend so heavily on access to computers and the Internet. Furthermore, media owners and workers should urgently seek to raise standards in their profession by instituting and where appropriate supporting key institutions - such as media monitoring and complaints bodies and journalists' organizations. Media owners and practitioners in Africa have an ethical and professional obligation to institute and promote accurate, fair and objective reporting. A charter for African journalism should also be developed and widely disseminated via media networks and associations and, once agreed, widely subscribed to so that media organizations themselves are transparent about their goals and can be measured against them.

27. Harnessing Traditional Governance Institutions: Traditional governance structures and systems should continue to enshrine the devolution of power with the ruler subject to laws and codes of conduct. Contrary to popular belief, the selection of leaders is not arbitrary, but based on consultation. However, more accountability must be institutionalized. Leaders installed to rule for life must earn their stay in office through good conduct, or otherwise be subject to removal based on clearly defined mechanisms for accountability. Further, structures for accountability must be institutionalized as part of the modern practice of statehood - such as the creation of houses of chiefs at the district, provincial and national levels. There is also a need to explore the role that traditional systems of governance play as partners in the socio-economic development of communities. The role of the chiefs in socio-economic development needs to be reinforced at several levels. This includes the creation of community/private/public partnerships and trust funds, strengthening traditional Judiciary systems and addressing the HIV/AIDS pandemic, among other issues. Where relevant, the role of traditional authorities and institutions as custodians of moral and social values should be deepened, and they should be formally represented in AU bodies and other regional development fora. A project to map traditional systems of governance, including their consensual decision making models, should urgently be conceptualized and implemented as part of the broader effort to better define and advocate their role in achieving good governance in Africa.

28. <u>Tackling Corruption</u>: There are both short-term and longer-term measures that need to be taken to eradicate corruption across all levels of society. Improving the salaries of public officials is one immediate option for reducing their vulnerability. The use of information technology in public administration (e-governance) can also play a major role in reducing the discretion of public officials by helping to condense the number of administrative steps taken in the completion of an administrative or service delivery process whilst simultaneously enhancing its transparency. At the higher levels of authority, leaders should serve as role models in the fight against corruption by declaring their goods and revenues upon assuming office, talking about corruption openly and publicly, ensuring that budgets at all levels of government are published, comprehensible and accessible to all citizens, and that government procurement practices are both competitive and transparent.

29. Outside of governments, the private sector, including multinational and transnational corporations, needs to become more sensitized and involved in the fight against corruption, corruption, ensuring that the requisite mechanisms for accountability are in place. A strong alliance is also needed between CSOs, the media, political parties, the Judiciary, the Legislature, the churches, traditional institutions and progressive corporations, to monitor and denounce corrupt practices, inform the citizens of their rights and duties, and promote the values of integrity, accountability and honesty in society. At the regional and international level, institutions such as the AU and other international organizations need to encourage the enforcement of laws and exchange of best practices in the fight against corruption.

30. <u>Reforming the Public Sector, Institutions of Local Governance and Improving Service Delivery:</u> In terms of public sector reform, governments must improve the quality of information available to citizens, and bear in mind illiteracy levels as well as African languages. Institutions should also endeavor to sensitize all employees about the service orientation of their jobs. Institutions should work to simplify procedures for citizens inquiring and accessing government services. Public sector providers should be placed on performance contracts and have their budgets increased only if they satisfactorily meet their targets. Private-public partnerships and privatizations should also be considered, as appropriate.

31. To improve delivery, services should be more targeted at beneficiaries, allowing them to participate more fully in decision making, bearing in mind the specific needs of women and the poorest. Where private sector provision of services is working, it should be supported and continued, with NGOs enlisted to monitor and evaluate impact. Where they exist and add value, local governments should delegate responsibilities to traditional institutions. A serious shift of attention toward the new challenges of urban poverty should take place immediately in anticipation of mushrooming needs and demands. Institutional decentralization should be adapted to country specific conditions and human resources. It should be carefully planned so that it effectively devolves powers and fiscal resources and authority to the local level. The risks of excessive administrative costs and of elite captures need to be mitigated by making the local institutions truly accountable to the population, and by widespread dissemination of information, training and careful monitoring and evaluation. Special measures must be put in place to ensure participation of women, youth, ethnic minorities, and vulnerable groups.

32. <u>Leveraging ICTs</u>: E-governance, which incorporates the principles of e-government, is an important innovation for enhancing good governance and strengthening the democratic process, and can also facilitate access to information, freedom of expression, greater equity, efficiency,

productivity growth and social inclusion. Successful e-government initiatives can have demonstrable and tangible impact on improving citizen participation and quality of life as a result of effective multi-stakeholder partnerships. African governments need to develop appropriate policy frameworks, supported by legislation for e-governance, that are linked to strategic development objectives; enlist high-ranking political e-government champions; focus awareness, outreach and training efforts on the less privileged segment of targeted users, particularly women and neglected rural communities; and promote local content and supports local language development. Governments need to adopt legislative and regulatory measures on free open source software use in African public administrations in order to reduce the dependence on restrictive and expensive proprietary software. They should also support research and development institutions and bodies in their effort to develop appropriate e-government systems and applications for Africa.

33. Improving governance in Africa is ultimately a national project. As such, a participatory political process that allows political freedom and human rights, the unfettered operation of the media and civil society, the institutionalization of languages understood by African populations, and the promotion of private sector development and e-government is key. In the area of ICTs, for example, the African Information Society Initiative (AISI) advocates the implementation of National Information and Communication Infrastructure (NICI) plans in each country and has stipulated the need for government to promote the deployment and use of ICTs within their administrative structures, including support for e-governance. In terms of partnerships, national parliaments are responsible for passing legislation to promote environments that are conducive to the success of egovernment. Furthermore, the RECs should also promote the implementation of e-government systems among their member states through adequate policy and regulatory environments. International agencies and donors, such as l'Organisation Internationale de la Francophonie, and other entities, should provide increased financial resources and capacity building to support egovernment initiatives at all levels throughout Africa. There is a need to organize various fora to raise awareness on the relevance of e-governance to development, as well as to develop an inventory.

34. Unleashing the Potential of the Private Sector: This calls for the creation of an enabling environment through effective partnerships between the government, the private sector, and civil society to enhance the spirit of participatory development and increase citizen engagement in creating a secure and stable environment in which corporations can grow and thrive. NEPAD advocacy for pro-active public-private dialogue and partnership in areas such as infrastructure and e-governance is therefore timely. It will, however, involve heavy investment in labour at all levels and mutually beneficial business relationships at the continental and international levels to attain the goals of creating strong African private sector associations that reach out to state and non-state small and medium enterprises (SMEs); more focused and integrated public-private-CSO partnerships in sponsoring home-grown national and regional development strategies; promoting reliable and dependable information and analytical interfaces between the African private sector, international business and capital, and the NEPAD Secretariat; having timely, credible, structured, comprehensive and usable information on business opportunities to advance private sector development; and promoting regional integration efforts more focused on building productive capacity, as opposed to an overemphasis on trade. Given that SMEs accounting for close to 90% of African enterprises, they constitute a pivotal sector for providing the continent's youth with creative employment opportunities. There is an urgent need to organize an Africa-wide forum on the role of the private sector in development, to include chambers of commerce, stock exchanges, business associations and other key players.

35. Governments can overcome existing constraints by promoting good corporate governance, developing genuine partnerships with the private sector, underpinned by strategies to effectively utilize the considerable resources of African women, and harnessing regional integration to expand trade and access to markets. Advocacy work and education programmes are needed to promote the private sector as an engine for growth. National task forces should be formed to translate standards of corporate governance, such as those developed by NEPAD, the Africa Business Round Table, the OECD and the Commonwealth, among others. Relevant regional institutions should provide training to formal, informal, small and medium scale enterprises on corporate governance and social responsibility, and subregional hubs and networks should serve as conduits for knowledge sharing in this area. Consumers should ensure that they get value for money, obtain the highest quality products and be able to trust and rely on the enterprise to supply the goods or services timely and cost-efficiently. Investors and shareholders should be confident that their investments are secure, productive, sustainable, growing and profitable with a full protection of their rights. Suppliers, contractors, lenders and financiers should ensure that enterprises are well run and governed, and remain viable and solvent. Finally, employees should ensure that enterprises remain viable, sustainable and able to secure jobs, wages and pensions.

36. Fighting HIV/AIDS as a Governance Issue: Fighting HIV/AIDS in Africa implies an urgent recognition of its devastating impacts on governance, as well as concerted and coordinated action to mitigate its effects. In the next ten years, Africa could lose over ten million of its work force if urgent actions are not taken. Ongoing initiatives, such as the Commission on HIV/AIDS and Governance in Africa (CHGA), should be supported while national governments must develop practical but effective strategies to combat the disease. Organizations like UNAIDS, CHGA, and WHO need to better coordinate their efforts and work in collaboration with the AU, sub-regional organizations and national governments in evolving a common workable strategy to arrest the spread of the disease and provide adequate treatment for people living with AIDS.

37. Actions should include: the institution of workplace prevention programmes as well as new methods of workplace planning, including the creation of a more favorable work environment with pay rises and other incentives to attract employees and retain them; identifying and working with the best available actors through outsourcing; de-skilling certain functions so a broader range of people can provide services, such as in the context of health workers; integrating HIV/AIDS interventions into existing wider development programmes; and reviewing overall laws that relate to the well-being and protection of those affected by HIV/AIDS, such as anti-discrimination laws and property rights protections. Vulnerable groups, women and youth should be more involved in programme planning at all levels, particularly the community level.

38. Related to treatment, governments should operate from the basic premise that "the right to life" is enshrined in most if not all constitutions and that free access through the public health system is everybody's right. Treatment and prevention needs to be combined in the fight against HIV/AIDS. It is important that governments promote access to treatment of PLWA by complementing the 3x5 initiative with simplified regimes of drugs based on local resources. Increased access to treatment should be met with mobilization of domestic resources and also an increase in aid flows that are more targeted and predictable for African governments to be able to manage. Urban areas tend to be favoured over and above rural areas in terms of access to treatment. Improving health infrastructure is therefore critical for upscaling of HIV/AIDS treatment and providing access to treatment in rural areas. Stigma and denial remain key barriers to addressing HIV/AIDS effectively.

Political will needs to be complemented by programmes that address stigma and denial by involving PLWA, emphasizing the role of leadership, and providing consistent and accurate information. Legislation also needs to be adapted/ aligned to the imperative of protecting the rights of PLWA.

39. <u>Mainstreaming Gender Concerns:</u> All political and governance bodies must institutionalize policies that guarantee gender equality. The AU 50:50 gender parity principle must be replicated and implemented at all levels of governance, national, regional and local. Leadership training programmes for women, especially young women, should be developed and supported to enable them to rise to the challenges of elected or appointed office. Independent women's organizations should continue to be encouraged and supported. All international and regional human rights instruments need to be domesticated. All remaining countries must sign and ratify the Protocol to the African Charter on Human and Peoples' Rights on the Rights of Women. The highest consideration must be given to the statement arising from African Beijing + 10 Review. Further, a gender-sensitive and human rights-based approach should inform planning, implementation, monitoring and evaluation of PRSPs, MDGs, and expenditure frameworks. Partnerships between men and women in addressing practices that have a negative impact on gender equality should be developed.

40. <u>Building Strong, Effective Partnerships within Africa</u>: First and foremost, and in line with the shared aspiration to develop an African-owned agenda for good governance, work is needed to strengthen existing regional institutional partnerships. Among these is UNDP's the African Governance Institute (AGI), a welcome development. The institute should coordinate knowledge sharing, the mobilization of human and material resources for agencies involved in governance projects on the continent. This includes research and policy institutes, national, regional and international organizations. Organizations such as ECA, ADB, the African Capacity Building Foundation (ACBF), Council for the Development of Social Science Research in Africa (CODESRIA), the Development Policy Management Forum (DPMF), and the Organization for Social Science Research in Eastern Africa (OSSREA) – all undertaking work related to African governance – should benefit from the institute, while the institute may also launch new creative initiatives on governance in Africa.

41. Tracking and monitoring good governance in Africa is of paramount importance. As such, all organizations and governments on the continent should actively support the APRM. Institutions involved in the technical and logistical processes of its actualization, such as the AU, ECA and the African Development Bank (ADB) should work closely to ensure its smooth operation. African governments should ensure that there is national ownership and participation in the APRM through the active involvement of the civil society and the people in the national process. The APRM process, along with the national dialogues conducted as part of the ECA governance project, constitute important innovations.

42. Capacity building of governance institutions such as parliaments, the civil service, Judiciary, political parties and civil society is key to improving governance in Africa. Africa's international development partners should generously support the creation of an African Capacity Building Trust Fund. The initiative by the African governors of the World Bank to create a Partnership for African Capacity Building (PACT) in 1998 should be revisited in support of this new idea. Africans should manage the Fund, and set its priorities for capacity development. All of Africa's Regional Economic Communities should be better integrated into the process of capacity building, improving governance and building capable democratic states. They should set complementary standards on

good governance and democracy to that of the AU and NEPAD, and work closely with the ADB, ECA, UNDP, and other relevant organizations in developing the institutional capacity of their member states on governance. The rationalization of regional institutions is necessary for their effective operation and coordination in promoting good governance on the continent.

43. Partnerships can also be forged with institutions and networks that focus on pillars of governance, such as the African Parliamentary Union, African Parliamentarians Against Corruption, African Association of Ombudsman, the Parliamentary Forums and the Electoral Commissions of the RECs, the Electoral Institute of Southern Africa, African Human Rights Commission, the regional Local Government Associations, the African Women Parliamentarians and African Youth Parliament. Building alliances around such institutions will help to deepen governance principles and standards and build consensus on best practices. Such coalitions help to reinforce commitment and encourage experience sharing. Building upon private sector networks such as the African Chamber of Commerce, African Business Round Table, African Capital Markets Forum and the African Stock Exchange Association could promote a culture of good corporate governance and help develop small and medium enterprises, stock exchanges, and the informal sector. Partnerships between national, sub-regional and continental CSO umbrella groups will also serve to strengthen their collective influence on policy and decision-making. Undertaking an inventory to organize the activities of partners so as to harmonize programmes and maximize resources can also strengthen partnership.

44. <u>A Transformed International Partnership</u>: Rule of law, the separation of powers, the role of civil society, and transparency are paramount to good governance in Africa. These are precisely the kind of issues that homegrown initiatives like NEPAD and the APRM are designed to tackle. Given that NEPAD is a compact between Africa's leaders and its people on the one hand, and international development partners on the other, the principle of mutual accountability is key as a basis for structuring international relationships in a globalizing world in which interdependency is inevitable. The HIV/AIDS pandemic, environmental degradation, corruption, international terrorism, among many other issues, are common problems that require common solutions. In resolving these problems, our development partners clearly have to bear their part of the responsibility.

45. Mutual accountability is therefore aimed at monitoring progress on both sides. Africa's development partners should fulfill their long-standing commitments to deliver on volume of aid (the 0.7% target). Private capital flows towards Africa have also been low. Moreover, much of the FDI flowing into the continent has been associated with privatization programmes, and has not necessarily been brought about any increase in real investment. European Union and U.S. policy in agriculture has been a great disappointment for African countries, and a source of constant frustration. Low commodity prices and high levels of debt payments have caught many African countries in a trap. The Highly Indebted Poor Countries initiative has not succeeded in delivering the expected faster, deeper debt relief, and needs to go much further. Donors need to establish long-term partnerships with governments – the very low predictability of aid flows impedes planning by ministries. In view of the envisioned scaling-up of aid flows in the coming years, this last issue will be of vital importance in the near future. Africa's development partners should provide support to the continent's development by facilitating freer and fairer terms of trade, greater market access and debt relief.

46. At the same time, Africa must put its own house in order. Establishing mechanisms for tracking compliance on both sides is crucial. There is particularly a need to develop capacities in the

management of public resources through effective management structures and systems. The APRM is a fundamental initiative in this respect. African countries are opening up in an unprecedented fashion, unleashing the energy of the whole society. Good governance requires that this energy be channeled towards promoting more effective development and the common good. However, the concept of good governance should not be restricted to the domestic arena. Indeed, many improvements for Africa are contingent upon changes in the international financial and political architecture. In areas such as trade or finance, international global governance needs to be improved. Africa requires more involvement in global decision processes and forums such as the World Bank and the Security Council of the United Nations. The role of the AU also needs to be strengthened. The AU embodies the ambitions of African states to form an integrated, active, actor on the world stage and achieve our long-standing goal of regional integration. But capabilities, especially financial ones, are lacking. External support to help this is clearly required. Finally, in order to facilitate the rebirth of African civil, political and economic society, African countries need to build on traditional culture and religion, and the donor community should recognize these as viable alternatives to their own forms of governance.