

ECONOMIC COMMISSION FOR AFRICA

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Address by

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Mr. Chairman,
Your Excellency, Alpha Omar Konaré, Chairperson of the African Union Commission,

Honourable Ministers,
Distinguished Commissioners of the African Union, ladies and Gentlemen,

It is a great honour to be given the opportunity to address this august body for the second time in a space of only a few months and at such a critical moment in the development of the African Union.

Mr. Chairman,
like many others of my generation, I continue to be very much inspired by those Founding Fathers of the Organization of African Unity who began the work of turning the dream of a strong, united Africa into reality.

The new Strategic Plan of the Commission of the African Union, prepared under the inspiring leadership of Chairperson Konaré, now offers a comprehensive roadmap for achieving our collective vision of "an integrated, prosperous and peaceful Africa".

Mr. Chairman, Excellencies,

My colleagues and I at the Economic Commission for Africa --ECA warmly welcome the new Plan and look forward to working closely with the Commission of the AU as the Plan moves to implementation.

In our view, the framework presented in the Strategic Plan offers a golden opportunity to draw upon the strengths of Africa's leading regional institutions namely, the African Union, the African Development Bank, and the ECA, which we feel is absolutely critical to the success of a comprehensive African strategy.

All three institutions are in various stages of strategic work. ADB has just completed a review of the implementation of its 2003-2007 Strategic Plan. ECA has met and gone beyond the UN's new strategic planning system by instituting an annual rolling mid-term planning system. And you now have the first AU strategic plan before you. The mission underpinning the AU's plan is by far the most ambitious of the three organizations, which befits the complexity of the Union's mandate.

I have had the honor to address a number of the subjects in the AU plan in your previous sessions. And in due course I hope to address others with you, particularly the role of the domestic and foreign private sectors in Africa's development. But today I want to focus on two core topics where ECA's work may have some relevance to the AU and to your consideration of its proposed strategy. Those topics are governance and regional integration.

Mr. Chairman, Excellencies,

The empirical evidence is clear: without good governance, we will not be in a position to achieve a peaceful and progressing Africa. Good governance is at the heart of the agenda of the AU and is the underlying dynamic of the New Partnership for Africa's Development.

Good governance requires a capable state. Building a capable state is not an event but a process, and the product of many deliberate policy choices which countries make in managing themselves and creating a vision for the future.

All of us, but particularly the AU and NEPAD, will be judged on whether or not capable states are being well fostered. In that context, I am pleased to note that "A Well Governed Africa" is one of the priority programmes highlighted in the AU Commission's strategic plan of action for 2004-2007.

As most of you know, ECA has undertaken one of the most comprehensive and detailed studies ever to assess the state of governance in Africa. So far we have surveyed 28 countries. Our process has not been a quick flyover of countries, but the engagement of many highly qualified national institutions, administration of detailed and comprehensive data collection efforts, and public opinion surveys in each of the countries studied. The work we are doing on governance is serving as an important underpinning of the African Peer Review Mechanism of NEPAD.

Indeed we have recently participated in the first round of peer review country support missions in Ghana, Mauritius and Rwanda organized by the African Peer Review Secretariat. We will continue to remain actively involved in the peer review process and are committed to ensuring its success.

Our work on governance will be presented and discussed fully at the upcoming African Development Forum in October, where all of your governments will be most welcome participants. We are very pleased that the AU and ADB are partners with us in this forum.

Because our work on governance has so much relevance for the strategies of the African Union and for the success of Africa's progress, I think you deserve a preview.

Contrary to what could be said two decades ago and contrary to what is still so often said abroad, and, alas, also inside Africa: Overall, governance in Africa is getting better. Here is what the national experts and the people in the countries studied tell us.

- There is popular participation in the electoral process and the political space has been liberalized so that minority groups enjoy more rights.
- Women are being better recognized in the political and economic realms.
- Human rights and the rule of law, hitherto suppressed or nonexistent, have become more accepted norms.
- Political parties now flourish, providing viable, if often weak, opposition to the government.
- There are media and civil society advances in many countries.
- A fairly open system and procedure of policy-making is being entrenched. -And the principle of separation of powers among the three democratic institutions of government, legislative and judiciary is gradually being institutionalized.

These trends are exciting, bode well for how the AU can operate, and " these trends increase our prospects for progress. But all of these political trends are fragile and need reinforcement.

Similarly, although it has significantly improved, economic governance could still be a lot better. The private sector is getting more encouragement, but the process to legally establish enterprises still is time consuming and the low level of investment in most countries shows that we and our foreign partners both need to be more confident to invest.

The delivery of public services is seen as very good or good by not quite a third of surveyed households. Views on tax evasion and corruption range widely: In one country 71 % of the people believe tax evasion and corruption to be low; in another country only 4% of the people hold this belief. This reflects reality.

We will bring to the African Development Forum ideas for legal and judicial reform, strengthening of parliamentary oversight, improvements of public services, better management of HIV /AIDS and better use of ICT in Governance. These ideas may well nourish several aspects of the AU and its work.

One area, which is critical to good governance and economic progress, but which transcends these matters to embrace our total lives, is gender. Last month ECA had the great pleasure for the second time in partnering with the ADB in putting on a joint symposium in connection with the ECA Conference of Ministers and the ADB annual meetings. The joint ADB/ECA Symposium was on gender issues. Let me underline a fundamental point I presented there: gender inequality is costly to our development. Africa has a consistent picture of gender-based asset inequality constraining growth and poverty reduction on this continent. Gender inequalities in education and employment are calculated to have historically reduced our per capita growth by almost 1 % per year. And such bias accounts for about 15-20% of the difference in growth performance between sub-Saharan Africa and East Asia.

ECA has reviewed Africa's progress on gender issues in connection with the upcoming Beijing + 10 stock taking. While the gender balance in school enrollment and in parliaments is getting better, we all have a lot more to do in both areas and a huge amount to do to provide women the wherewithal to be more effective producers and entrepreneurs.

I am pleased to note that our leaders will be discussing these issues next week. The decision to focus on gender at the summit level this year is yet another important sign of the African Union's laudable commitment and leadership in this area. I also applaud the dynamism of those civil society leaders who have been working with the AU on this critical issue.

Mr. Chairman, Excellencies,

I would now like to turn briefly to the issue of regional integration. The proposed strategy of the AU naturally gives a high priority to integration issues. I welcome and support the Commission's proposed Minimum Integration Programme. I think you will find that particular programme's objectives consistent with the findings and recommendations of ECA' s Assessment of Regional Integration in Africa which will be distributed in a few days at this meeting to be followed by a public launching the second week of July.

The AU strategy gives excellent focus to the issue of harmonization of the Regional Economic Communities (RECs), which is one of the subjects we address with our current

assessment. ECA' s next Assessment of Regional Integration in Africa, which will come out in about a year, will focus on the rationalization of the structures and activities of the RECs. We hope that both studies will be useful to the evaluation of the RECs proposed by the AU Commission for July 2005. Indeed, we are pleased that in discussions between our Secretariats, there is already an agreed way for ECA to support the AU's evaluation.

Finally, Mr. Chairman, Excellencies,

Let me observe that most of the challenges facing the AU have a regional dimension that can best be handled through regional approaches. Africa's three major regional organizations, the AU, the ADS and ECA, each have roles and responsibilities. We each have networks, alliances, resource outreach and talents. There is a record of cooperation between us, but for each joint endeavor of the past, there are many potential collaborations for the future.

It is clear that conditions are now excellent for us to move forward to maximize our potential. With the extraordinary opportunity of the AU and its new strategic vision, I sincerely hope that we can find creative, lively, and productive ways to bring out the best of these three organizations working together. In essence, we need *to* move from ad hoc cooperation *to* long term, strategic alliance.

Thank you again, Excellencies, for the pleasure of being with you. I wish you every success in your discussions.