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**REPORT OF THE PRC SUB-COMMITTEE ON THE ACTIVITIES
ON MULTILATERAL COOPERATION**

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INTRODUCTION

1. The period under review marks the transition from the outgoing to the new membership of the Sub-Committee on Multilateral Cooperation, chaired by H.E Cherif Mahamat Zene, Ambassador of Chad to Ethiopia and Permanent Representative to AU and ECA. The main activities accomplished by the Sub-Committee during the period relate to the Africa's Partnerships with South America the Arab World, Japan (through the TICAD V process), India Korea, and Turkey.

2. This Report contains detailed information on each of the above Partnerships as follows:

I. AFRICA-SOUTH AMERICA (ASA)

3. The Sub-Committee and its Working Group played an important role in the preparation and convening of the 3rd Africa-South America Summit, which took place in Malabo, Equatorial Guinea, from 20 to 23 February 2013.

4. In this regard, the Sub-Committee and its Working Group held number of meetings to elaborate the African common position on the Draft Malabo Declaration, carefully examining the amendments proposed by the South American side. The Sub-committee also discussed and endorsed previously agreed positions on other issues such as the Financing Mechanism, Presidential Committee and establishment of a Joint Secretariat.

5. The 3rd ASA Summit endorsed the Malabo Declaration and agreed to set up an Ad Hoc Committee composed of the current chair of AU (Ethiopia), the current chair of UNASUR (Peru), preceding host of ASA Summit (Venezuela), the current host (Equatorial Guinea) and the next host (Ecuador), the Regional Coordinator for Africa (Nigeria), the Regional Coordinator for South America (Brazil), the African Union Commission and UNASUR to look at the modalities for establishing the Permanent Secretariat.

6. The Committee was also tasked to carry out the implementation of projects agreed upon during the previous ASA Summits, as well as the regular activities of the Follow-Up Mechanism and its Working Groups. The Summit further mandated the Ad Hoc Working Committee to continue its deliberations and come up with recommendations on the way forward regarding financing of the Permanent Secretariat and on the establishment of a Trust Fund for the implementation of projects, endorsing a Road Map on the setting up of the ASA Trust Fund. Accordingly, the Ad Hoc Working Group on Financing will be expected to adhere to the deadlines set for consultations (April to September 2013) regarding this matter. A proposal is expected to be presented to the ASA Foreign Ministers on the margin of the United Nations General Assembly (UNGA) in New York, in September 2013. Accordingly, a meeting of the Ad Hoc

Working Group was planned to take place in Venezuela from 25 to 26 April 2013. However, this meeting was postponed to end of May 2013 upon the request of the host country. However, the Sub-Committee, through the African Coordinator of ASA, Nigeria, requested to postpone the meeting after the AU Summit and combine with the Experts Meeting to be held in Addis Ababa in June 2013.

7. The Summit also endorsed the outcomes of consultations carried out at different levels on the agreed 27 projects to be implemented between the two regions. Eleven (11) of these projects were proposed by the South American side while the remaining sixteen (16) projects were proposed by the African side. These projects range from; education and culture, peace and security, institution-building, governance and public administration, trade, investment and tourism, infrastructure, transport and energy, science and technology, agriculture and the environment, social issues, health, sport, gender and youth.

8. It was also agreed that projects, which do not require substantial financial resources, be prioritized for implementation. In this regard, the Malabo Summit urged the national, regional and international development banks and agencies to find innovative ways of funding the agreed projects.

9. The Sub-Committee deliberated on the proposal on the establishment of the ASA Trust Fund and underlined the need for a minimum statutory contribution to ensure its sustainability. It is therefore proposed that the African and the South American sides should make equal amount of annual statutory contribution (50% each) in Cash to meet the minimum requirement of the Fund.

10. With regards to the contribution from the AU Member States, the Subcommittee proposes two scenarios for consideration:

- i) Fix the AU contribution in the annual budget of the Commission and transfer it to the account of the Fund directly;
- ii) Contribution outside of the AU budget, which will be divided equally among all Member States.

11. In addition to the minimum statutory contribution, the Sub-Committee proposes that there should also be a voluntary contribution from ASA Member states, regional and international organizations and financial institutions. The contribution could be provided in the form of Cash and/or kind.

12. The Sub-Committee finally recommended the following with regard to the Africa-South America Partnership:

- Follow up should be made on the decisions taken by the 3rd Africa-South America Summit to facilitate the work of the Ad-hoc Committee on the establishment of the Joint Secretariat and Financing of ASA Projects;

- Given the delay in implementation of the agreed projects and other outstanding issues, the partnership with South America needs to be reviewed to define the way forward. Accordingly AUC and PRC have to carry out a review of this partnership in accordance with the agreement reached by PRC.

II. AFRICA-ARAB PARTNERSHIP

A. 3rd Africa-Arab Summit

13. As a follow up to the Decision of the First Meeting of the Coordination Committee of the Africa-Arab Partnership, the AU Commission in collaboration with the League of Arab States and the State of Kuwait – Host Country of the 3rd Africa-Arab Summit – organized a Tripartite Consultative meeting in Kuwait on 09 March 2013.

14. The Consultative meeting was called to discuss pending issues related to the convening of the 3rd Africa-Arab Summit, planned to take place in the State of Kuwait. The agreements reached at the meeting are summarized as follows:

- i) **Date of the Summit:** November 2013. The exact date to be communicated by the Host Country at the 2nd Meeting of the Coordination Committee of the Africa-Arab Partnership;
- ii) **Theme of the Summit:** “*Partners in Development and Investment*”;
- iii) **Focus areas of the Summit:** Food security, Trade and investment, Promotion of cooperation between the private sector of the two regions, Development of infrastructure and Enhancing the role of women in development;
- iv) **Structure of the Summit:** African and Arab Member States Experts Meeting (2 days), Joint Ministerial Council (1 day) and the Summit (2 days). It was also agreed to organize an Africa-Arab Private Sector Forum to be held at the margin of the Summit. The Forum will be hosted by Kuwait;
- v) **Working Documents of the Summit:** Report of the Chairperson of the AU Commission and the Secretary General of the League of Arab States, will be jointly in addition to other relevant documents;
- vi) **Final Documents of the Summit:** Declaration, Action Plan and Decisions;
- vii) **Invitations:** the African Union Commission and the League of Arab States will send invitations to their respective Member States and organs while the Host Country will send invitations to African and Arab Countries as well as invited guests and observers. To that effect, the African Union and the League of Arab States will submit list of invited guests and observers to the Host Country;

- viii) **Post-mortem evaluation of the Summit:** will be conducted by Experts representing the Commission, the League of Arab States, the State of Kuwait and the next host country of the Summit.

15. The Report of the Consultative Meeting will be presented at the 2nd Meeting of the Coordination Committee of the Africa-Arab Partnership which is agreed to be convened in Cairo, Egypt on 14 May 2013. The African side will be represented at the Coordination Committee by the Current chair of the African Union (Ethiopia), outgoing chair (Benin) chair of the Sub-Committee on Multilateral Cooperation (Chad) and the AU Commission.

16. The Sub-Committee took note of the outcome of the Tripartite Consultative meeting and agreed that PRC, through its Sub-Committee on Multilateral Cooperation, should be involved in the post-mortem evaluation of the Summit.

17. The Sub-Committee recommends that Preparations for the 3rd Africa-Arab Summit should continue in close collaboration with the League of Arab States and the Host Country and all Member States of the African Union should be called upon to actively participate in the Summit.

B. Transformation of the Africa-Arab Cultural Institute into an Africa-Arab Institute for Culture and Strategic Studies

18. The Sub-Committee recalled that the Africa-Arab Cultural Institute (AACI) was established in Bamako, Mali in 2002, with the prime objective of promoting cultural exchanges between Africa and the Arab world. The supreme organ of the Institute is the Executive Council, composed of five countries from each side, the Commission and the League of Arab States as well as relevant African and Arab Institutions. The annual budget of the Institute which amounts to US\$500,000 is paid by the African Union and the League of Arab States on 50% contribution basis.

19. The Sub-Committee also recalled that, following a decision taken by the two founding organizations, a study was conducted in 2006 to transform the Institute into an Africa-Arab Institute for Culture and Strategic Studies (AAICSS), with a view to expanding its mandate and enabling it to deal with strategic issues on the top of its prime objective of promoting Africa-Arab cultural exchanges. The Sub-Committee further recalled that the outcome of the study was examined by a Tripartite Task Force composed of the Commission, League of Arab States and the Institute, and the transformation of the Institute was endorsed by the Executive Council through Dec. EX.CL/Dec. 535(XVI) of the 16th Ordinary Session held in Addis Ababa, Ethiopia in January 2010.

20. However, the Sub-Committee noted that this Decision was not implemented to date mainly due to the financial constraints. In this connection, the Sub-Committee recalled the decision taken by PRC in 2009 to reduce the annual contribution of the AU side from US\$250,000 to US\$150,000.

21. The Sub-Committee further noted that this situation coupled with the failure of the Arab side to pay its contribution in full has hampered the transformation process and put the very existence of the Institute under question. The Sub-Committee was informed that the current balance in the account of the Institute will barely cover the running cost of the Institute for three months.

22. The Sub-Committee expresses serious concern over this undesired situation and agreed that urgent measures should be taken to correct the situations.

23. Accordingly the Sub-Committee agreed to propose the following:

- Request the Commission, following consultations with the PRC and in collaboration with the League of Arab States to review the performance of the Institute and, through the Executive Council of the Institute, make recommendations on its continuousness to the 3rd Africa-Arab Summit, which will be held in Kuwait in November 2013;
- Immediately release AU Contribution of US\$150,000 for the year 2013 and provisionally allocate additional US\$100,000 to cover costs of the Institute until decision on its continuousness is taken by the 3rd Africa-Arab Summit
- Request the League of Arab States to take necessary measures to pay its contribution;

III. JAPAN - TICAD V

24. The Sub-Committee and its Working Group held number of meetings to review the Zero draft Yokohama Declaration and Plan of Action of TICAD V and formulated the common African position, which was presented for discussion at the meeting of the Drafting Committee, composed of Co-organizers of TICAD V, which was held in Tokyo on 7 and 8 February 2013.

25. Following the meeting in Tokyo, the Japanese side sent the revised draft of the Declaration and Action Plan to the co-organizers. The Sub-Committee thoroughly examined the two revised documents and made the necessary amendments on the substance and particularly proposed a follow-up mechanism in the perspective to better reflect the representation of the African side considering the African position in this process.

26. In amending the documents the Sub-Committee was guided by the established directives of the policy organs that govern and guide African Union's partnerships with the outside world. It also exerted maximum efforts to ensure that the amended versions fully reflect the agreed positions of the African side.

27. The Sub-Committee, represented by its Chairperson, played a significant role in the negotiation process that took place during the TICAD V Senior Officials and

Ministerial Meetings held in Addis Ababa, Ethiopia from 14 to 17 March 2013. At these meetings, both parties had different positions regarding some aspects listed below. However the issues were thoroughly debated and compromising solutions were reached:

a) *TICAD Strategy for Low-Carbon Growth and Climate Resilient Development*

28. Despite the opinion expressed by co-organizers of the Tokyo meeting to remove the paragraph on "TICAD Strategy for Low-Carbon Growth and Climate Resilient Development", the Japanese side insisted that the paragraph be reinstated in the draft text of the Yokohama Declaration to be discussed at the ministerial meeting in Addis Ababa.

29. After a prolonged debate on the subject at the Ministerial meeting in Addis Ababa, it was finally agreed that the Paragraph on Low Carbon Strategy be reformulated as follows: *We take note of the initiative to develop the "TICAD Strategy for Low-Carbon Growth and Climate Resilient Development" and agree on the need for further study in line with the implementation of commitments on adaptation and mitigation as outlined in the current international instruments such as the United Nations Framework Convention on Climate Change (UNFCCC) and the Kyoto Protocol and in line with the ongoing negotiations under the Conference of Parties on Climate Change.*

30. In this regard, and due to the difference in strategy to confront the problems associated with climate change between Africa and the industrialized countries of Europe and Asia, it was underscored that Africa should consider a position that supports the specificity of its economic situation. Moreover, it is important that Africa adopts a single legal framework as a basis for discussions at both multilateral and bilateral levels to ensure the common position is considered at the level of negotiations.

b) *Follow up Mechanism*

31. The African side requested that the role of the African Union Commission be acknowledged in the Follow up Mechanism in line with established directives governing the management of Africa's Strategic Partnerships.

32. After a thorough discussion on the matter, at the Ministerial meeting in Addis Ababa agreement was reached to feature the Follow up Mechanism in the draft Action Plan with the wording as crafted by the African side as follows:

"In order to ensure a more effective monitoring and follow-up of the TICAD process and to reflect the inclusion of the AUC as a Co-organizer as well as to increase African participation in accordance with AU practice, the Three-Tiers structure of the Follow-up Mechanism established at TICAD IV in 2008, is revised as follows:

- 1) Joint Secretariat: MOFA Japan, African Union Commission, UNOSAA,

UNDP and World Bank;

- 2) Joint Monitoring Committee composed of Japanese Government and related governmental Organizations, TICAD Co-organizers, Permanent Representatives Committee of the African Union (PRC), African Diplomatic Corps in Tokyo (ADC) and NEPAD Planning and Coordinating Agency, International Organizations and donor countries
- 3) Follow-up Meetings:
 - Annual Senior Officials Meeting;
 - Annual Ministerial Meeting;
 - Summit (Every five years)" .
- 4) Principle of rotation shall be applied on all meetings of the Follow up Mechanisms including the Summit.

33. The proposal from the African side to apply the principle of rotation to the holding of TICAD Meetings and Summits in compliance with established directives governing AU strategic partnerships management was also endorsed at the Ministerial meeting after a prolonged debate.

34. However, during the Tele Conference among the Co-organizers of TICAD V held on 11 April 2013, in which the Sub-Committee was represented by its Chairperson, the Japanese side raised again the issue of Rotation together with other issues related to the organization of the Summit. In line with this direction, the Japanese side argued that its understanding of the principle of rotation is to hold the TICAD Ministerial meetings in Africa while the Summit always remains to be held in Japan, as it is the case now, and insisted that the African side should also endorse this understanding. The effort to convince the Japanese side on this issue was not successful. Furthermore the Japanese side also refused to accept the co-Chairmanship of the Yokohama Summit insisting that the Summit will be chaired only by the Prime Minister of Japan. It's was also recommended to explore the idea of applying the Banjul Formula to this partnership. In this regard the Sub-Committee on Multilateral Partnerships requested the Head of the African Strategic Partnership Division to forward a message to the Government of Japan informing them that Africa's participation to the TICAD V Summit will be in accordance with the Banjul Formula.

35. However, after the Video Conference, the Japanese side sent a Not Verbal to the Commission confirming that it accepts the principle of rotation as proposed by the African side. It also promised to send similar communication confirming its acceptance of the Co-chairing of the Summit.

36. With regard to the modality for proposing the list of countries addressing the meeting it was agreed that the African side will propose two Heads of State and Government and Head of Delegations in each plenary session to introduce the theme followed by an open general discussion, with 3 minutes allocation per intervention,

which requires registration prior to and during the summit. The African side is of the view that it should be the African side which should determine which country should speak on which topic. In line with this, the Sub-Committee requested the line Departments of the Commission to prepare concept notes on the thematic areas of TICAD V and translate and disseminate to member states on or before 17 May 2013.

37. The African side also raised the issue of the organization of the two side events planned by Japan, i.e. the meeting on UN Security Council reform and Somalia. In this regard, the African side insisted that the meeting on the UN Security Council be attended by only the AU committee of Ten Head of States and Government in charge of the matter, while the meeting on Somalia should involve the AU peace and Security Council, IGAD, countries of the region and other stakeholders. The Japanese side was requested to provide further information on the expected outcomes of these meetings.

38. In light of the above, it was agreed to hold a Co-organizers Steering and Drafting Committee meeting on 30 May 2013 and a ministerial meeting on 31st May 2013 to look into some outstanding issues, particularly the post 2015 MDGs agenda.

39. In light of the above the Sub-Committee recommended the following:

- Efforts should continue in order to defend the Joint African positions taken at TICAD V Ministerial meeting in finalizing negotiations on pending issues;
- A joint African position on the Low Carbon Strategy should be presented only after the African position is crafted and endorsed at the level member states;
- With regard to strategic orientations, the Commission should develop guidelines on issues at stake and sensitize member states on regular basis.;
- All African Groups should be reminded that, the PRC is leading all partnerships negotiation processes and should be encouraged to support African positions;
- The AUC line Departments must submit their inputs in good time to facilitate the elaboration and implementation of projects of all partnerships;
- Application of the Banjul Formula should be thoroughly discussed following the holding of the TICAD-V Summit;
- Co-chairmanship of the TICAD Summits should be applied between Africa and Japan.

IV. AFRICA-INDIA FORUM

40. The Sub-Committee noted that Plan of Action of the Framework for Enhanced Cooperation of the 2nd Africa-India Forum Summit held in Addis Ababa May 2011 has

delayed in its implementation. There is therefore an urgent need for the two parties to establish a Joint Working Group to accelerate the implementation of projects and activities in agreed deadlines and establish a mid-term report on this cooperation.

41. The Sub-Committee recalled that the Indian side agreed to establish six Institutions in Africa which included: (i) India-Africa Food Processing Cluster; (ii) India-Africa Integrated Textile Institute; (iii) India-Africa Institute of Life and Earth Sciences; (iv) India-Africa Institute of Agriculture and Rural Development, (v) India-Africa Civil Aviation Academy, (vi) India-Africa Centre for Medium Range Weather Forecasting. It was also noted that after consultations among the Regional Deans, four of the six Institutions were allocated to identified countries, while consultations are underway on the allocation of the remaining two Institutes, namely the India-Africa Integrated Textile Institute and the Center for Medium Range Weather Forecasting. There is, therefore, a need to finalize the consultations to determine the locations of the remaining two institutes.

42. The Sub-Committee also noted that the Indian and African parties have reached an agreement to organize the 3rd Africa-India Trade Ministers meeting in South Africa. Date of the meeting will be decided through mutual consultations.

V. AFRICA-SOUTH KOREA

43. In executing the Action Plan adopted during the 3rd Cooperation Forum held in Seoul in October 2012, an implementation matrix with tangible and achievable projects should have been developed and negotiated between both parties by January 2013. However, this deadline was not met. The Sub-Committee therefore, highly recommended that a joint meeting of experts be organized as soon as possible to validate the implementation matrix of the 2012-2015 Action Plan.

44. In the context of the Africa-South Korea cooperation, the Korean side pledged a grant amounting to US\$500,000 to be used mainly for the peace and security program. However the Sub-Committee agreed that it should be the African side which should decide on how to allocate grants received from partners. In this direction, it was agreed that the grant received from South Korea should be allocated in line with the priorities identified by the African Union.

VI. AFRICA -TURKEY

45. It is to be recalled that in the context of the Joint Implementation Plan of the Africa-Turkey Partnership 2010-2014, the commission proposed 16 cooperation pillars for the consideration of the Turkish side. Out of the 16 pillars, the Turkish side endorsed six pillars in the areas of Trade and Investment; Agriculture, Agribusiness, Rural Development, Water Resource Management, MES; Peace and Security; Culture, tourism and Education and requested the Commission to provide it with detailed proposals to facilitate implementation of the projects. It is also to be recalled that since 2012, Turkey has committed US\$1 million budgetary support to the African Union Commission for a period of three years.

46. As a follow up of this development, a Turkish Delegation led by the Head of the African Union Department in the Ministry of Foreign Affairs of Turkey, visited the Commission in January 2013, and held discussions with representatives of the concerned Departments of the Commission urging them to submit concrete proposals.

47. The Sub-Committee took note of the above developments and urged the AUC sectorial Departments to provide project proposals under the six sectors endorsed by the Government of Turkey.

48. The Sub-Committee also recalled the agreement reached between the two sides to convene a Senior Officials meeting in Addis Ababa in June 2013, as a first step towards the preparation for the 2nd Africa-Turkey Summit scheduled for October 2013 and underlined the need for necessary preparation.

49. The Sub-Committee further recalled that as per the principle of rotation and the agreement reached during the First Ministerial Review Conference of the Africa-Turkey Partnership held in December 2011, in Istanbul, Turkey, the 2nd Africa-Turkey Summit will be held in Africa. It also recalled that Ethiopia and Equatorial Guinea – the 2 member States who requested to host the Summit – are expected to finalize their consultations and communicate as soon as possible the name of the country that is going to host the Summit.

50. On the other hand, the Sub-Committee was informed that the Turkish side, in a Note Verbal addressed to the Commission, informed the latter that the President of Turkey could not travel to this meeting, if it takes place outside of Turkey, due to health reasons which prohibits him from flying for a long distance. In this regard and in order to ensure highest level of participation from the Turkish side at this Summit, it requested to exceptionally host the Second Turkey-Africa Cooperation Summit in Istanbul in October 2013.

51. The Sub-Committee took note of the above and proposed to PRC to further deliberate on this matter. The Sub-Committee also proposes that participation at this Summit should be on the basis of a Banjul Formula which is applied on all continent-to-country partnerships.

VII. AU-EU

52. The Sub-Committee expressed serious concern over the delay in transferring the Africa-Europe partnership, which is still coordinated by the Department of Economic Affairs, to the newly established Africa's Strategic Partnerships Division, under the Bureau of the Chairperson in compliance with the Decision EX.CL/Dec.646 (XIX) of the 19th Ordinary Session of the Executive Council held in Malabo, Equatorial Guinea in June 2011, and the Decision EX.CL/Dec. 670 (XX) and the 20th Ordinary Session of the Executive Council held in Addis Ababa, Ethiopia in January 2012, on evaluation of the Global Review of Africa's Strategic Partnerships with other parts of the World.

53. An explanation was given by the Department of Economic Affairs to the Sub-Committee as to why the partnerships should remain within the Department of Economic Affairs, arguing that the "Africa-Europe" dialogue adopted in 2010, is different compared to the other partnerships. This particular partnership is based on three pillars that are under specific AUC departments according to priorities; these pillars are: (i) "Peace Facility" managed by the Department of Peace and Security; (ii) "Africa-Europe Partnership" on the theme of infrastructures therefore run by the department in charge of infrastructure; and (iii) the joint strategy and action plans managed by a joint team of experts under the supervision of the Department of Economic Affairs.

54. It was also stated that at the initiative of the Department of Economic Affairs, the Pan-African program (Pan-African Envelope) is adopted by the European Union and the program has a budget of one Billion Euros for the period 2014-2020 for financing projects, which are included in the plan of action and joint strategies.

55. The Sub-Committee was also informed that in light of the specific nature of this partnership, a 15 member Follow up Committee was established to report to the "Sub-Committee on Multilateral Corporation" which in turn reports to the PRC. The explanation underlined the risk of losing the expertise and experiences built up since the existence of this particularly sensitive partnership.

56. The Sub-Committee however recalled that it has never received a debriefing from the Follow up Committee on the AU-EU partnership and is not aware of developments concerning this partnership.

57. It argued that Africa-EU partnership is not different from the other partnerships that are handled by the Africa's Partnerships Division, and hence should be moved to the Division, which is created to coordinate and manage all partnerships that the African Union entered into with the external world.

58. The Sub-Committee was convinced that the experience and expertise built through the past years in handling this dossier could still be used to coordinate the activity within the new division.

59. In light of the above, the Sub-Committee insisted on its position to transfer the coordination of all the three components of the AU-EU partnership to the Africa's Partnerships Division under the Bureau of the Chairperson.

60. A Member State of the Sub-Committee underlined the need to consider upgrading the Africa's Partnerships Division to a level of a Department in light of its growing responsibilities.

61. The Sub-Committee finally recommended that a Decision be drafted to the Executive Council to enforce implementation of Decision EX.CL/Dec. 670(XX) and facilitate the immediate transfer of the AU-EU partnerships to the reinforced Africa's Strategic Partnerships Division.

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