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**REPORT OF THE 21ST SUMMIT OF THE NEPAD HEADS OF STATE
AND GOVERNMENT IMPLEMENTATION COMMITTEE (HSGIC)
SIRTE, LIBYA, TUESDAY, 30 JUNE 2009**

**PRESENTED TO THE 13TH AU ASSEMBLY
BY H.E. PRIME MINISTER MELES ZENAWI OF ETHIOPIA**

(As Submitted by NEPAD)

**REPORT OF THE 21ST SUMMIT OF THE NEPAD HEADS OF STATE
AND GOVERNMENT IMPLEMENTATION COMMITTEE (HSGIC)
SIRTE, LIBYA, TUESDAY, 30 JUNE 2009**

1. The 21st Summit of the NEPAD Heads of State and Government Implementation Committee (HSGIC) was held on 30 June 2009, in Sirte, Libya, on the eve of the 13th African Union Assembly.
2. The NEPAD implementation Committee formally welcomed the Chief Executive Officer of NEPAD Secretariat, Dr. Ibrahim Assane Mayaki, who was participating in the HSGIC Summit for the first time, following his appointment in January 2009.
3. Two major agenda issues were considered by the 21st NEPAD Summit:
 - a. **Integration of NEPAD into African Union structures and processes;**
 - b. **Africa's Engagement with External Partners, focusing on the preparations for the July 2009 G-8/ Africa Outreach in L'Aquila, Italy.**
4. The Summit noted and endorsed the main programmatic activities of the NEPAD Secretariat in the Activity Report for the period: February to June 2009 as presented by the Chief Executive Officer. The HSGIC welcomed the continuous efforts of the NEPAD Secretariat in mobilizing partners and resources towards the implementation of NEPAD sectoral priorities.

Integration of NEPAD into the structures and processes of the African Union

5. The 21st NEPAD Summit considered the major recommendations arising from the Study report of the consultant on AU/NEPAD Integration and the outcomes of the broad consultations with stakeholders as presented by the Chairperson of the AU Commission and the NEPAD CEO.
6. The NEPAD meeting welcomed the study report of the consultant and took note of the reports by the AU Commission and NEPAD Secretariat.
7. The 21st HSGIC recalled the decision of the 2nd AU Assembly in Maputo in 2003, the 13-point conclusions of the Algiers NEPAD Brainstorming Summit of March 2007 as endorsed by the 10th AU Assembly and the outcomes of the Dakar NEPAD Review Summit of April 2008 as the basis for the integration of NEPAD into the structures and processes of the African Union.
8. The HSGIC Summit agreed to recommend to the Assembly for endorsement the following key recommendations in the report of the consultancy-study of the AU/NEPAD integration, along the lines of the converged positions of the AU Commission and NEPAD Secretariat:

- **Establishment of the NEPAD Planning and Coordinating Agency (NPCA)** as a technical body of the AU, in replacement of the NEPAD Secretariat, with the **mandate** to:
 - Facilitate and coordinate the implementation of the continental and regional programs and projects;
 - Mobilize resources and partners in support of the implementation of Africa's priority programmes and projects;
 - Conduct and coordinate research and knowledge management;
 - Monitor and evaluate the implementation of programmes and projects; and
 - Advocate on the AU and NEPAD vision, mission and core principles/values.

- The main features of the **Governance** shall be:
 - The NEPAD Heads of State and Government Implementation Committee (HSGIC), but with a change of name to the **NEPAD Heads of State and Government Orientation Committee (HSGOC)**;
 - The **HSGOC which is a sub-committee of the AU Assembly** that provides political leadership and strategic guidance on the NEPAD process;
 - An **intermediary body** to interface between the HSGIC and the new Agency, consisting of the Steering Committee;
 - The **Chairperson of the AU Commission** who shall exercise supervisory authority over the NEPAD Planning and Coordinating Agency, whilst giving the new agency adequate and necessary flexibilities to carry out its mandate and core functions.

- **Financing the NPCA** will be through:
 - Established budget from the statutory sources of the African Union Commission;
 - Continuation of voluntary contributions by AU Member States;
 - Additional budgetary support from Development Partners and the private sector;

- **The NEPAD Agency shall be established by a decision of the AU Assembly** and not by a protocol;
 - The **Working relations between the AU Commission and the NPCA** shall be worked out in consultations with the Chairpersons of the HSGIC and AU Commission;
 - The Chairpersons of the HSGIC and AU Commission mandate the NEPAD CEO to work out the modalities and roadmap for the effective and smooth take-off and functioning of the new NEPAD entity;
9. During the discussion, H.E. President Abdoulaye Wade of Senegal canvassed for
- ❖ The retention of the HSGIC as presently configured but with a change of name to the NEPAD Heads of State and Government Orientation Committee (HSGOC);
 - ❖ The re-introduction of the coordinating role and division of sectoral responsibilities at the highest political level of Heads of State and Government to facilitate the delivery of NEPAD objectives and agenda.
10. Furthermore, the Libyan Brother Leader, Muammar Gaddafi observed that:
- ❖ The new NEPAD entity should be an integral part of the new AU Authority with focus on international cooperation;
11. As Chair of the NEPAD Implementation Committee, I re-stated that the HSGIC remained a sub-Committee created by the AU Assembly, unless and until decided otherwise. The HSGIC operates as per the mandate given to it by the AU Assembly which we ultimately report to. I re-emphasised that the HSGIC does not take final decisions, but forwards its recommendations to the AU Assembly for adoption.

Preparation for the July 2009 G-8/Africa Outreach in L'Aquila, Italy

12. The 21st NEPAD Summit noted and endorsed the recommendations in the briefing by the NEPAD CEO on the preparations for the next G8/Africa Summit taking place in L'Aquila, Italy from 9-10 July 2009. A number of African Leaders have been invited to attend the G-8/ Africa Outreach in line with the practice of the country holding G8 Presidency. The HSGIC, in particular, noted that the themes to be discussed will be:
- **Response to the impact of the Global Financial Crisis on Africa**
 - **Climate Change**
 - **Strengthening Peace and Security in Africa,**
 - **and e-government**

13. Finally, it was agreed that the next **22nd Summit of the NEPAD Heads of State and Government Implementation Committee (Orientation Committee)** will be held on the eve of the 14th AU Summit and at the same venue.

Your Excellencies,

Outcomes of the G-20 London Summit

Allow me to now present a brief report on my participation in the G-20 Summit held in London on your behalf and that of NEPAD Heads of State and Government Implementation Committee.

Soon after the British Prime Minister sent his invitation, I consulted the heads of the premier African institutions: His Excellencies Jean Ping, the Chairperson of our Commission; Donald Kaberuka, President of the African Development Bank; and Abdoulie Janneh, Executive Secretary of the United Nations Economic Commission for Africa on how to articulate and present Africa's position. We all agreed that the first step should be to articulate Africa's common position through a broad consultative process and taking into account inputs from all stakeholders.

It was therefore decided to speed up the consultations among our finance ministers, particularly the group of 10 Ministers established for that purpose. The Ministers met in Dar-Es-Salaam and came up with a detailed African proposal to the G-20. I met subsequently with the leaders of our Commission, the African Development Bank and the ECA to prepare a brief articulation of the common African proposal. Having articulated such a position, it was decided that we should use all possible means of sensitizing the leaders of the G-20 about Africa's proposal ahead of the Summit.

The British Government kindly organised a pre-summit consultation meeting in London, where the members of the G-10 Ministers of Finance and a number of Heads of State and Government participated together with the leaders of our three premier institutions. The consultative meeting enabled us to explain our position to the host and convener of the G-20 Summit and to get their full support for Africa's position. The British Government also agreed to lobby for the African position prior to the Summit. The Chairperson of the Commission and myself met the Ambassadors of the G-20 countries in Addis Ababa to garner support for Africa's proposal prior to the summit. The then president of South Africa also called some G-20 leaders on the phone and talked to some of their representatives in South Africa prior to the Summit.

As a result, we were able to not only articulate an Africa position based on contributions from our ministers and other stakeholders but also to sensitize the G-20 leaders about it prior to the summit paving the ground for a successful outcome of the summit for Africa.

I participated in the summit leading a team composed of the Chairperson of our Commission and Commissioner Maxwell Mkwezalamba, Donald Kaberuka and Abdoulie Janneh. The team actively lobbied the G-20 leaders and worked very closely with the South Africa team in the summit in the pursuit of the common African Agenda. The British chair and delegation also proved to be very enthusiastic allies of our team throughout the summit.

The summit made a number of decisions that are of great significance to us. The key amongst them was the decision to allocate about 50 billion dollars of additional resources to help us overcome the current economic challenges. The decision to review the debt sustainability framework of the multilateral financial institutions which unnecessarily restricts our capacity to borrow to finance development projects was also of great significance. These and other decisions of the G-20 summit in London which were supportive of Africa suggest that the summit was indeed very successful from the African perspective.

But we all know that making the right decisions is one thing whereas implementing those decisions is quite another, as our interaction with the G8 over the years has indicated. We therefore decided to actively work for the implementation of the decisions and monitor the steps taken in that regard. I have been in touch with all the key actors and our ministers have used every occasion to press the international financial institutions for speedy action. I have to say that so far we have seen a lot of progress made in the implementation of the relevant decisions.

The IMF is finalizing its preparations to issue new SDR's, and the process is expected to be completed before the end of the year. The fund also decided to make 6 billion US dollars of additional resources from gold sells available even before the gold is sold. It has made all the necessary preparation to increase its lending to poor countries to double their quota and simplify its lending procedures. As a result, roughly 20 billion US dollars of additional resources should start flowing to African countries by the end of this year. I welcome this very positive development and urge for the speedy completion of all the remaining steps in the process.

While the implementation of the G-20 decisions has thus been unprecedented in its speed, there are nevertheless serious gaps that we need to deal with. Given the recent developments, it has become clear that much of the remaining, roughly 30 billion US dollars of additional resources, is not available. No clear source for the money has been identified. There are also indications that the international financial institutions are reluctant to carry out a thorough review of the debt sustainability framework. As a result,

our finance ministers have called for front-loading of IDA resources and increase in capital for the African Development Bank. They have called for a thorough review of the debt sustainability framework and a revision to the allocation of SDR among countries.

I believe all our interactions with the developed countries and with the international financial institutions in the coming months should be focused on filling the gaps in the implementation of the G-20 summit decisions. I think, in this regard, we should set for ourselves the following important goals:

- 1) We should press for the speedy conclusion of the very positive process initiated by the IMF to make roughly 20 billion US dollars available to African countries to ensure that these resources do indeed start flowing by the end of this year. We should also call on donor countries to publish national time tables for full filling their Gleneagles aid commitments;
- 2) We should strongly urge for the replenishment of IDA resources a year earlier than planned with a view to making additional resources available to us, and for the necessary increase of capital of the African Development Bank. At the same time, we should call upon the World Bank to re-double its efforts to fully seize the opportunities opened up for additional funding through the agreement reached at the G-20 meeting in London;
- 3) While changing the quota allocations of the IMF may not be feasible in the short run, we should insist on the removal of hurdles preventing countries that are willing to lend their additional SDR allocations to the multilateral development banks so as to benefit Africa;
- 4) We should call on the G8 to implement the recommendations of the High Level Task force on Innovative finance and health including meeting the existing commitment of 60 billion US dollars for health in poor countries.

Your Excellencies,

I am sure you will agree with me when I state that the G-20 summit has for us been a uniquely successful summit and this in spite of some of the gaps of implementation that we still face. None of that could have happened without the decisions of the British government to invite Africa to the summit. The British government has gone beyond making it possible for our voice to be heard. It has fully embraced our proposal and actively worked for their acceptance by the G-20 at the summit and for their implementation subsequent to the summit. I would therefore wish to on your behalf

thank the Prime Minister of the UK and his colleagues for their support of and solidarity with Africa and its proposals for the G-20 summit. Allow me also to thank all the G-20 Leaders.

Let me also thank the South African government for its active promotion of the common African position throughout the process. I wish to congratulate the chairperson of our Commission for bringing together an especially effective team, a team that included Donald Kaberuka and Abdoulie Janneh, without whose dedicated work we could not have made the progress that we have made.

2009-07-03

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NEPAD Heads of State and
Government Implementation Committee
(HSGIC) Sirte, Libya, Tuesday, 30 June
2009 Presented to the 13th AU
Assembly by H.E. Prime Minister Meles
Zenawi of Ethiopia (As Submitted by NEPAD)

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