



NEPAD Planning and Coordinating Agency  
Agence de Planification et de Coordination du NEPAD

# The New Partnership for Africa's Development

NEPAD Agency  
2011 Annual Report



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## ABBREVIATIONS AND ACRONYMS

AAP	AU-NEPAD African Action Plan: 2010-2015
ACE	Agricultural Commodity Exchange for Africa
ACBF	African Capacity Building Foundation
AfDB	African Development Bank
AMCEN	African Ministerial Conference on the Environment
AMCOW	African Ministerial Conference on Water
AMRH	African Medicines Regulatory Harmonisation initiative
AMU	Arab Maghreb Union
APDev	Africa Platform for Development Effectiveness
APF	Africa Partnership Forum
APRM	African Peer Review Mechanism
ASTII	Africa Science and Technology Innovation Indicators Initiative
AU	African Union
AUC	African Union Commission
AYSICC	African Young Scientists Initiative on Climate Change
CAADP	Comprehensive Africa Agriculture Development Programme
CAFRS	Comprehensive African Fisheries Reform Strategy
CAMA	Conference of African Ministers of Agriculture
CAMFA	Conference of African Ministers of Fisheries and Aquaculture
CAP	Consolidated Plan of Action for Africa's Science and Technology
CD	Capacity Development
CDSF	AU-NEPAD Capacity Development Strategic Framework
COMESA	Common Market for Eastern and Southern Africa
CTA	Technical Centre for Agricultural and Rural Cooperation
DBSA	Development Bank of Southern Africa
DE	Development Effectiveness
DFID	Department for International Cooperation
DIRCO	South African Department of International Relations and Cooperation
EAC	East African Community
EAP	AU-NEPAD Environment Action Plan
EC	AU Executive Council
ECOWAS	Economic Community of West African states
HLF	High Level Forum on Aid Effectiveness
HSGIC	Heads of States and Government Implementation Committee
HSGOC	NEPAD Heads of State and Government Orientation Committee
ICT	Information and Communication Technology
IGAD	Intergovernmental Authority on Development
IKS	Indigenous Knowledge Systems
IPPF	NEPAD Infrastructure Project Preparation Facility
ITU	International Telecommunications Union
MAF	Mutual Accountability Framework
MDGs	Millennium Development Goals
MDTF	Multi-Donor Trust Fund for CAADP
M&E	Monitoring and Evaluation
MoU	Memorandum of Understanding
MRDE	Mutual Review of Development Effectiveness
NAFSIPs	National Agriculture and Food Security Investment Plans
NEPAD	New Partnership for Africa's Development
NBF	NEPAD Business Foundation



NMRAs	National Medicines Regulatory Authorities
NORAD	Norwegian Agency for Development Cooperation
NPCA	NEPAD Planning and Coordinating Agency
NPoA	National Programme of Action
NRC	Natural Resource Charter (NRC)
NRG	NPCA Natural Resource Governance Programme
OECD/DAC	Organisation for Economic Cooperation and Development / Development Assistance Committee
PanAAC	Pan African Agribusiness Consortium
PAP	Pan African Parliament
PFM	Public Financial Management
PIDA	Programme for Infrastructure Development in Africa
PPPs	Public-Private Partnerships
PRC	AU Permanent Representative Committee
RCM	UN Regional Coordination Mechanism
RECs	Regional Economic Communities
R4HA	Research for Health Africa Initiative
SADC	Southern African Development Community
SAKSS	Strategic Knowledge Support Systems
SC	NEPAD Steering Committee
SIDA	Swedish International Development Agency
SKM	Strategy and Knowledge Management Directorate of NPCA
SLM	Sustainable Land Management
SREAP	Sub-Regional Environment Action Plans
SSC	South-South Cooperation
SSFA	Small-Scale Funding Agreement
STAP	NEPAD Infrastructure Short Term Action Plan
UNDP	United Nations Development Programme
UNECA	United Nations Economic Commission for Africa
UNEP	United Nations Environment Programme
UNFCCC	United Nations Framework Convention on Climate Change
UN-OSAA	United Nations Office of the Special Adviser on Africa
WAHO	West African Health Organisation
WHO	World Health Organisation
WTO	World Trade Organisation
WWF	World Wide Fund for Nature



# SECTION I

## Letter of Transmittal

### **Letter of Transmittal to the Chairperson of the NEPAD Heads of State and Government Orientation Committee**

Your Excellency,

In accordance with Decision Assembly/AU/Dec. 283 (XIV) adopted by the 14th Ordinary Session of the Assembly of African Heads of State and Government on 2 February 2010 on the integration of the New Partnership for Africa's Development (NEPAD) into the structures and processes of the African Union, and the establishment of the NEPAD Planning and Coordinating Agency, I have the honour of presenting to the NEPAD Heads of State and Government Orientation Committee the Annual Report of the NEPAD Agency for the period 1 January – 31 December 2011. The audited financial statements for the abovementioned period, with the corresponding report of the external audit, are presented as annexures.

Please accept, the assurances of my highest consideration.

**Dr Ibrahim Assane Mayaki**  
**Chief Executive Officer**



## Message from the Chairperson of the AUC

Since its adoption at the AU Summit of Heads of State and Government in 2001 in Lusaka, Zambia, NEPAD has contributed to Africa's development by focusing on key economic fundamentals that will help generate more positive economic growth. Economically, Africa is the third-fastest growing region in the world.

While marking 10 years of NEPAD's existence as Africa's vision and blueprint for socio-economic development, it is clear that there is still much to be done. We should therefore unite our efforts in working to overcome the challenges that lie ahead, and commit to working together to ensure that the challenges are outweighed by the positive outcomes.

If we are indeed devoted to NEPAD's success, then we must, as Africans, ensure that we commit the necessary financial resources to this programme, and that we do so individually and collectively.

NEPAD continues to embody the vision of Africa and what Africa seeks to achieve. It has indeed improved the lives of Africans in a number of ways, including in the areas of sustainable development, as well as in the war against poverty, hunger, homelessness and underdevelopment.

The NEPAD vision continues to be relevant.

**Dr Jean Ping**  
**Chairperson, African Union Commission**  
**2011**



## PREFACE FROM THE CHIEF EXECUTIVE OFFICER

This annual report is the tenth-anniversary issue on the New Partnership for Africa's Development (NEPAD). It is therefore of considerable significance. What sets 2011 apart is that it represents both a milestone and a turning point. It is a milestone because it marks the first decade in the launch and implementation of NEPAD as a continental socio-economic development programme. The year is equally a turning point, as it provided the first full year in the operation of the NEPAD Agency, since its transformation in February 2010 from NEPAD Secretariat to NEPAD Planning and Coordinating Agency with a clearly defined mandate. The thus year took institutional development and programme performance to new heights.

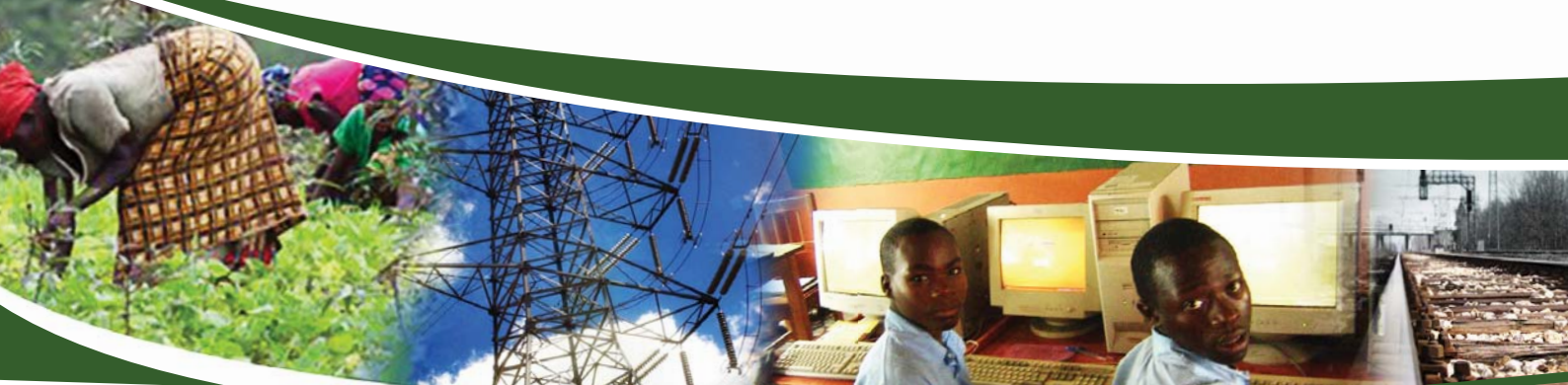
There were three major aspects to the context in which the NEPAD Agency operated in 2011. These consisted of the Agency's institutional context, the global development environment and the African continental setting. The institutional context saw continued progress in the integration of NEPAD into the structures, systems and processes of the African Union; the planning of an improvement of the Agency's office space, which has increasingly become inadequate for its operations; the presentation of a proposal to the African Union on a new organisational structure for the Agency; as well as the strengthening of operational systems, processes and procedures in programme and project development and management, financial management and accounting, human resources management and administrative services. These developments contributed immeasurably to improved performance and a greater sense of stability in the Agency's operations.

With respect to the global development context, for much of the year it was characterised by weak economic growth, continuing daunting debt challenges and financial turbulence in the advanced economies. This is against sustained expansion in much of Asia, driven by China, and strong growth performances in African economies. The African continent had to content itself with minimal growth in development assistance and challenges in meeting pledges and commitments in aid. The international environment also posed some challenges for the mobilisation of resources for the Agency's new programmes.

The African continental setting provided the NEPAD Agency with a propitious environment for its operation, as it was buoyed by strong growth, continuing improvement in political governance, heightened ownership of NEPAD interventions, an encouraging progress towards the achievement of the Millennium Development Goals and an expression of greater consciousness of the need for sustainable development. This supportive continental context however, had to contend with continuing challenges arising from the following: infrastructural deficiencies; poverty and inequality; inadequately-resourced educational systems, in need of reforms in order to deliver skills and knowledge that are readily usable; less than optimal enrolment and completion rates in secondary and tertiary education; an alarming growth in youth unemployment; persisting unacceptable gender gaps in access to education, health and employment; restrictive labour market conditions and cultural barriers to women's participation in development; paucity of gender-disaggregated data and weak gender-budgeting frameworks; high percentage of Africans living in water-deprived areas and many more facing health-threatening sanitation conditions; food insecurity in spite of progress in reducing extreme hunger; and challenges in meeting environmental sustainability commitments.

All these call for the need and resources for the Agency to substantially scale up its. They also indicate the need for greater investment in strengthening progress realised in the quality of development policies and the governance environment. These needs constituted some of the key priorities of NPCA operations in 2011. In order to raise the level of effectiveness of its response, the Agency needed substantially more resources to address the identified challenges and an organisational structure that is responsive to its operational requirements.

Despite the resource constraints, NEPAD Agency's operations in 2011 were a great success compared to previous years. We had achievement rates of more than 75% in the execution and disbursement/budgetary



performance of planned programmes and projects, as well as programme support activities. Activities undertaken pointed to concrete development results, which significantly advanced the goal of the AU-NEPAD agenda and contributed to the achievement of some of the MDGs. The programme activities during the year were carried out in the Agency's six thematic clusters, or priority areas, and were guided by its business plan for the period 2010-2014. Some of the major achievements included:

**Agriculture and Food Security:** The number of African countries, which developed and signed national compacts under the Comprehensive African Agricultural Development Programme (CAADP) rose from 23 to 30. The CAADP compacts were among the most successful instruments in the raising of resources among development partners, in support of Africa's agriculture. Under the Partnership for African Fisheries Programme, the Agency supported the coordination of fisheries reforms in various countries, as a means to maximise the contribution of the fisheries sector to sustainable growth and poverty eradication. It collaborated with the African Union Commission (AUC) to take forward the implementation of the National Agriculture and Food Security Investment Plans. To this end, it launched the development of the Agribusiness and Market Access Programme with the goal of supporting African countries and Regional Economic Communities with appropriate policy interventions. Acting as the secretariat of *TerrAfrica*, NEPAD Agency provided technical backstopping to countries in the process of finalising investment frameworks for sustainable land and water management. In the meantime the SLM Capacity building project with Regional Economic Communities (RECs) is on-going, and funding has been secured for the development of a continental agriculture climate change programme. During the year, the Agency made efforts to promote food and nutrition security through partnerships development, consultative meetings, organising Africa Food and Nutrition Security Day, mainstreaming nutrition in national agricultural investment plans, and promoting school feeding programmes. It contributed to the creation of the African Fertiliser and Agribusiness Partnership (AFAP) with the support of the AUC. The Alliance for a Green Revolution in Africa committed \$25 million to AFAP for the first three years with additional funds pledged by other development partners.

**Regional Integration and Infrastructure:** NEPAD Agency contributed to launching the implementation of the seven regional projects endorsed by the 16th African Union Assembly, under the AU-NEPAD Presidential Infrastructure Champion Initiative. These include: working to strengthen Africa's broadband communications infrastructure, within the context of the Programme for Infrastructure Development in Africa; enhancing an information and communications technology (ICT) enabling environment through the Kigali Protocol; making efforts to secure the African Internet Domain Names ('DotAfrica' and 'DotAfrique') for the use of the continent; continuing with a vigorous implementation of the e-Schools programme; pursuing the establishment of Community Informatics Networks; and, with partner institutions, designing a framework for harmonising and coordinating regional and continental ICT programmes and projects. In partnership with the Government of Kenya, the United Nations Economic Commission for Africa (UNECA) and the United Nations Development Programme (UNDP), the Agency launched the process of supporting the newly-independent South Sudan in strategic planning, infrastructure development, agricultural investments and public sector capacity development under the South Sudan Development Initiative. It made progress in the development of Africa's Bio-energy programme, which will address strategic policy issues and priorities for a sustainable bio-energy industry in Africa.

**Human Development:** As part of its human development programmes for the year, the Agency established a Multi-Donor Trust Fund for the implementation of the African Medicines Regulatory Harmonisation (AMRH) initiative. The number of participating African countries in the Africa Science and Technology Innovation Indicators Initiative (ASTII) grew from 19 to 28 during the year. In the area of Science and Technology, the Agency launched the African Innovation Outlook Series and the Second Phase of ASTII in May 2011, with a commitment to upscale the African Observatory on Science, Technology and Innovations. In cooperation with the Economic Community of Central African States (ECCAS), the Nurses and Midwives Education Programme was undertaken in Chad, Gabon and the Republic of Congo as pilot countries.





**Capacity Development:** The Agency developed and launched the Africa Platform for Development Effectiveness; successfully facilitated the emergence of a common African position for the 4th High Level Forum on Aid Effectiveness held in Busan, South Korea; and developed African best-practice case studies on development effectiveness, to improve capacity development for south-south cooperation. In partnership with the World Bank Institute and UNDP, the NEPAD Agency began an RECs knowledge exchange programme to strengthen institutional capacity through mutual learning.

**Gender Equality and Women Empowerment Programme:** During the year, the Agency began processing applications for the second phase of the NEPAD-Spanish Fund for African Women Empowerment. This will involve the disbursement of €10 million to national and sub-regional organisations as well as for the effective take-off of the Business Incubation for African Women Empowerment project in the COMESA and ECOWAS regions.

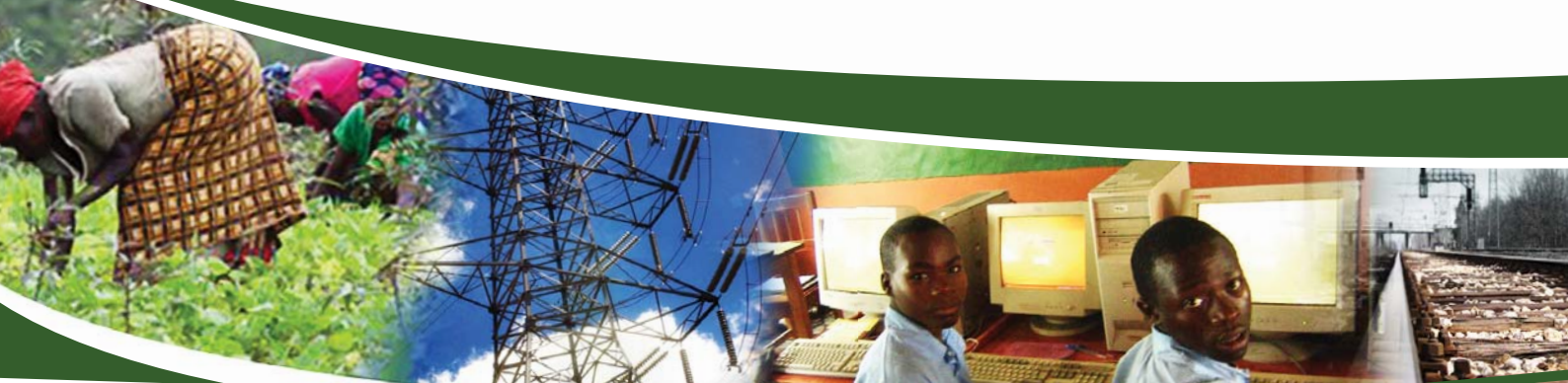
**Partnerships, Resource Mobilisation and Communication:** Africa's strategic partnership with the G8 gained an impetus during the year with the G8-Africa Partnership Summit held in Deauville in May 2011. The Agency renewed partnership engagements with key partners in support of the NEPAD agenda and concluded a number of memoranda of understanding. It launched the development of a continent-wide framework, designed to strengthen communication and outreach towards stepping up the visibility of NEPAD. It also provided technical backstopping for the 17th Africa Partnership Forum, the business roundtable on accelerating reforms to spur infrastructure investment in Africa, and a follow-up to the G20 Summit in Cannes.

**Strategy, Policy and Knowledge Management:** During the year, the NEPAD Agency undertook a knowledge management needs audit to provide orientation to the development of a strategy for its knowledge management system. It developed an M&E policy to guide the evaluation of programme performance. In order to learn lessons and identify performance improvement opportunities, the Agency in collaboration with UNDP, UNECA and the African Development Bank launched a review of the first decade of NEPAD implementation.

**African Biosciences Initiative:** The NEPAD Agency Biosciences Initiative supported the training of more than 23 Doctoral and Master's level scientists; upgraded infrastructure through the establishment of a bioinformatics centre at the University of Mauritius and an indigenous knowledge centre at North West University in South Africa; and undertook regional research initiatives, most resulting in the publication of scholarly papers and some giving rise to product development.

The year 2011 was not without challenges and constraints. Inadequate financial resources presented a continuing daunting challenge to effective operation and capped the scope and scale of programmes that could be undertaken. By the end of the year, less than 30% of the Agency's budget was supported by financial resources from the AU and voluntary contributions by AU member states. NEPAD as a programme of the African Union needs enhanced visibility, political commitment and strong ownership at the level of the countries. More remains needs to be done in these areas. While a great deal was achieved in harmonising programmes and strengthening the working relationship between the African Union Commission and NEPAD Agency in a number of thematic areas, this needs to be further enhanced in order to foster synergy across programmes. Externally, the challenge arising from the Euro-Zone financial crisis had negative effects on the Agency's resource mobilisation efforts and, by extension, the effective implementation of some of NEPAD programmes. By the end of the year, the Agency was still without a formal organisational structure. While this remained a constraint to effective operation, staff continued to give their level best in a somewhat fluid and less motivating institutional setting.

The year brought along considerable opportunities for the operations of the Agency, notwithstanding the challenges and constraints. The robust growth that the African continent experienced, the modest



but encouraging financial support of AU member states to the Agency and the launch of the Presidential Infrastructure Champion Initiative are indications of the potential for raising significant amounts of funding internally, for the implementation of NEPAD programmes and the operations of the Agency. It was equally encouraging, in spite of the challenges facing the industrialised economies, that most of Africa's development partners made significant efforts to meet pledged resources to the continent and the Agency. NEPAD Agency was much encouraged by these positive developments.

It is also worth mentioning the remarkable role played by the Agency in the following areas: facilitating Africa's consensus at the 4th High Level Forum on Aid Effectiveness, which will be followed up in 2012; the forthcoming UN conference on sustainable development (Rio+20); the growing improvement in the political governance environment on the continent; and the emergence of South Sudan. These are among developments which offer opportunities for the Agency to move the implementation of the NEPAD agenda robustly forward in the years ahead.

Lastly, it is most gratifying to note that the first decade of the implementation of the AU-NEPAD programme has yielded an invaluable learning experience for the NEPAD Agency. The transformation of the NEPAD Secretariat into an Agency and an AU think tank is recognition of the need to develop institutional capacity to work closely with the African Union Commission to implement the continent's development agenda in an effective manner. The Agency is rapidly maturing and is today poised to make a success of the next decade in implementing the NEPAD agenda further. With improved capacity, enhanced funding and vigorous support by all development stakeholders, the NEPAD Agency will deliver sustainable development results to all Africans. The Agency expresses its deep gratitude to the AU-NEPAD Heads of State and Government Orientation Committee for its unwavering commitment, guidance and encouragement. We acknowledge with appreciation the support received from the AUC and partner institutions and call on the continent's stakeholders and Africa's development partners for continued assistance for a sustained and successful implementation of the NEPAD agenda.

**Dr Ibrahim Assane Mayaki**  
Chief Executive Officer



## NEPAD Agency - Institutional factsheet

The NEPAD Planning and Coordinating Agency was established by Decision Assembly/AU/Dec. 283 (XIV), adopted by the 14th Ordinary Session of the Assembly of African Heads of State and Government on 2 February 2010. This followed the decision of the Third AU Summit, held in Maputo in 2003, on the integration of the New Partnership for Africa's Development (NEPAD) into the structures and processes of the African Union.

### Background | Vision | Mission | Objectives | Thematic Areas | Framework for Programming.

The mandate to pursue regional and continental integration through the African Union emanates from the Lagos Plan of Action (1980), the Abuja Treaty on an African economic community (1991), the Sirte Declaration (1999) and the Constitutive Act establishing the African Union (2000).

NEPAD was adopted as a programme of the organisation of African Unity (OAU) in July 2001, in Lusaka, Zambia. In 2002, the African Union (AU) was launched in Durban, South Africa, as the successor to the OAU.

#### | Vision | Mission | Objectives

The NEPAD Programme of Action includes initiatives to strengthen the pre-conditions for sustainable development, including peace, security, democracy, and political, economic and corporate governance.

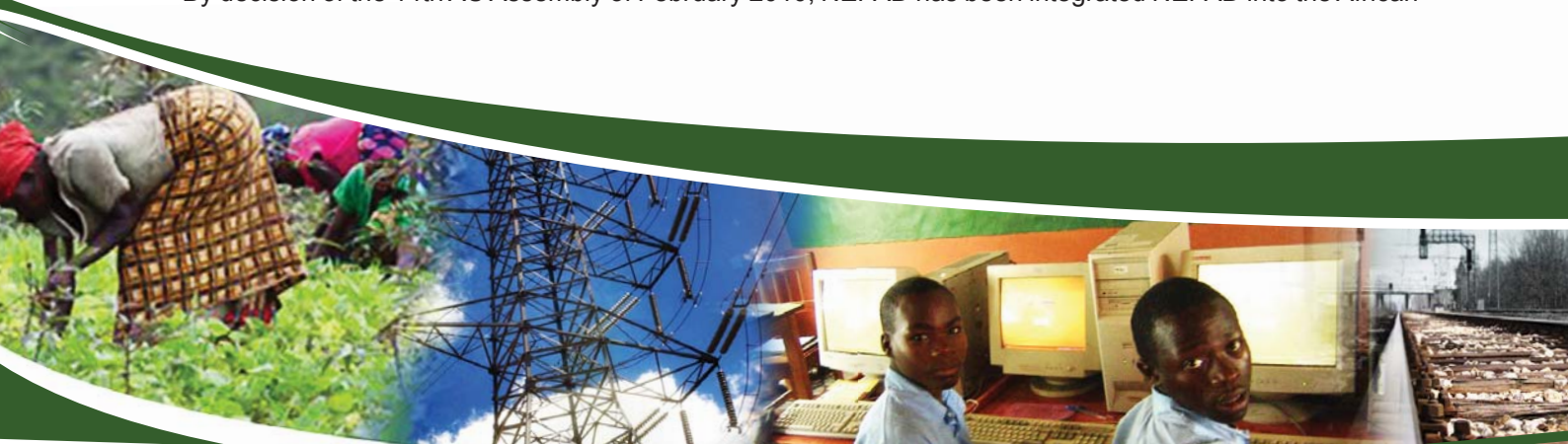
The Guiding Principles of NEPAD include:

- i. African ownership and leadership
- ii. Promotion and protection of human rights, good governance and democracy
- iii. Anchoring Africa's development on the resources and resourcefulness of Africans – people-centred development
- iv. Channelling resources to the highest-quality operations as measured by development impact and alignment with client objectives
- v. Promotion of gender equality
- vi. Acceleration and deepening of regional and continental economic integration
- vii. Building a new relationship of partnership among Africans, and between Africans and the international community, especially the industrialised world
- viii. A comprehensive, holistic and integrated development programme for Africa

Since 2001, NEPAD's call to action has been heard and responded to in many ways. The NEPAD Programme has been endorsed by virtually all international and bilateral agencies, from the UN General Assembly to the European Union, through the G8 and the OECD, as the general framework around which the international community should structure its development efforts in Africa.

Before January 2010, NEPAD functioned as the programme of the AU in support of regional and continental integration and Africa's development objectives.

By decision of the 14th AU Assembly of February 2010, NEPAD has been integrated NEPAD into the African



Union with the establishment of the NEPAD Planning and Coordinating Agency as the technical body of the AU with a specific mandate to do the following:

- i. Facilitate and coordinate the implementation of continental and regional programmes and projects
- ii. Mobilise resources and partners in support of the implementation of Africa's priority programmes and projects
- iii. Conduct and coordinate research and knowledge management
- iv. Monitor and evaluate the implementation of programmes and projects; and
- v. Advocate for the AU and the vision of NEPAD, its mission and core principles

## Thematic Areas



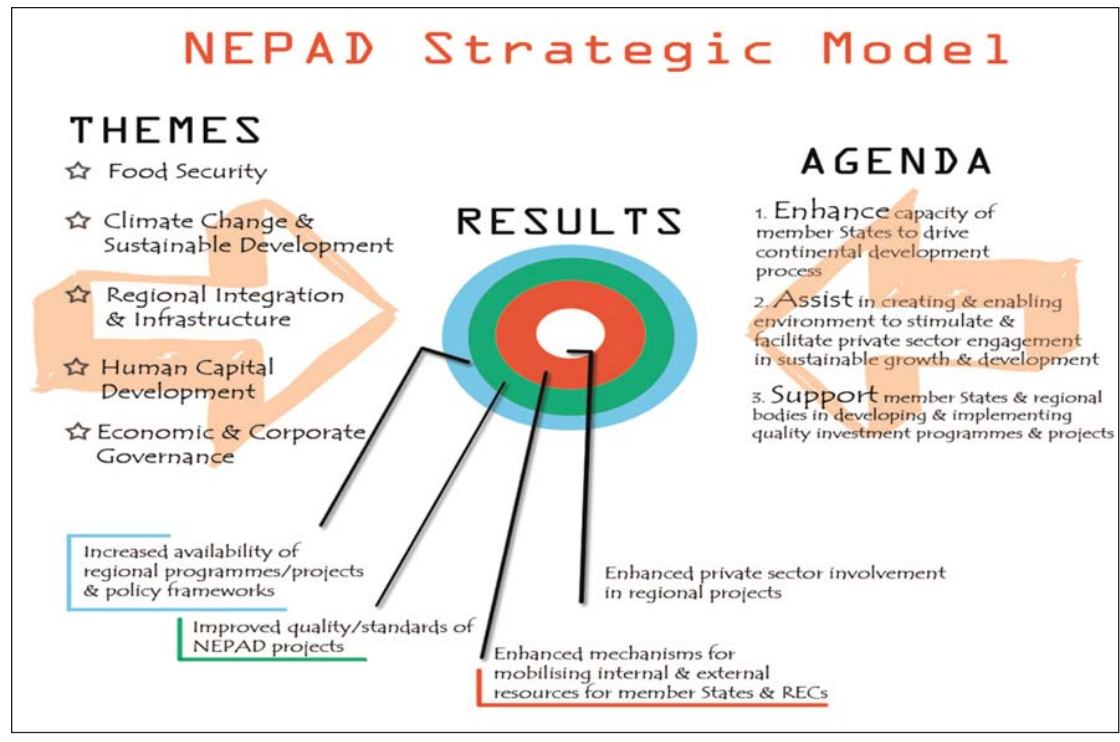
## Framework for Programming of Operations

The NEPAD frameworks were developed to place Africa on the path to sustainable development. These frameworks, which contain all the elements for continental integration and have all been developed collaboratively with extensive stakeholder participation, include:

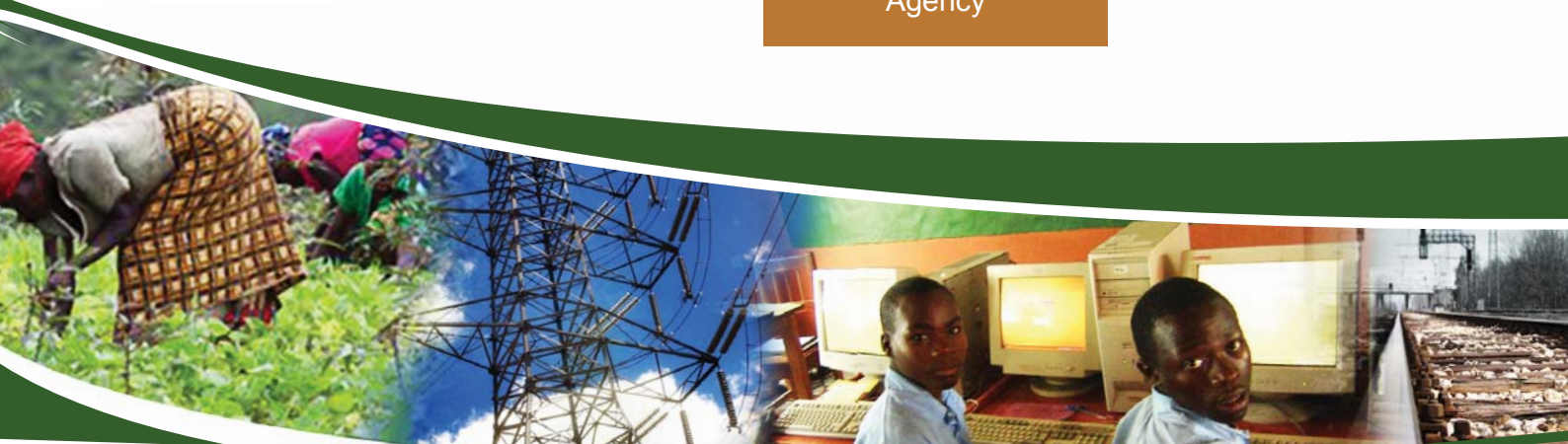
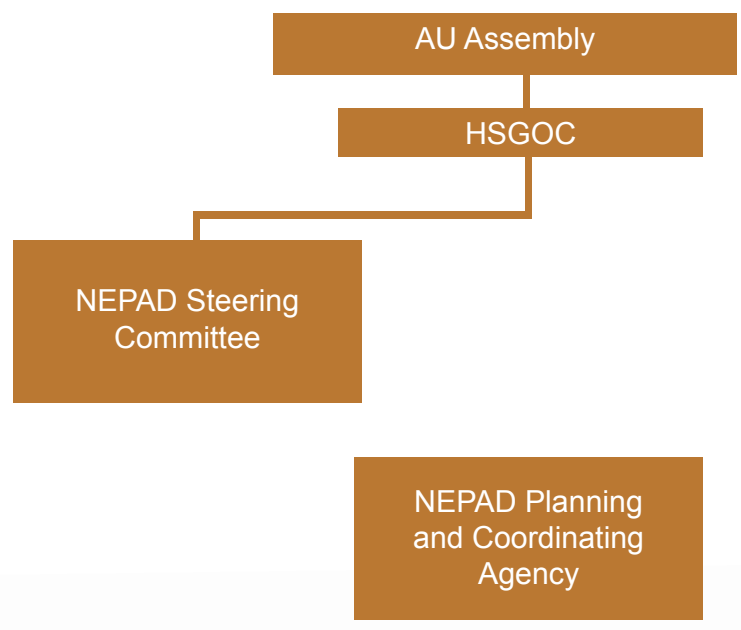
1. The Comprehensive Africa Agriculture Development Programme (CAADP)
2. Africa's Science and Technology Consolidated Plan of Action (CPA)
3. Environmental Action Plan (EAP)
4. Sub-regional Environmental Action Plans (SREAPs)
5. NEPAD Infrastructure Short-Term Action Plan (STAP)
6. NEPAD Spatial Development Programme (SPD)
7. Programme for Infrastructure Development in Africa (PIDA)
8. Capacity Development Strategic Framework (CDSF)
9. Framework for Engendering NEPAD and RECs
10. AU-NEPAD Health Strategy



### Mode of Intervention



### Governance Structure



- African Union Assembly
- NEPAD Heads of State & Government Orientation Committee (HSGOC) – AU Assembly Sub-Committee made up of the leaders of 20 AU member states + 3 UN agencies (UNECA, UNDP & OSAA) + AfDB and APRM
- NEPAD Steering Committee – Personal Representatives of Heads of State and Government
- The Chairperson of the African Union Commission exercises supervisory authority



Dr Mayaki at the 25th HSGOC, held in Malabo, Equatorial Guinea



## SECTION II

### Introduction

The year 2011 was a milestone, as it marked the 10th anniversary of the adoption of NEPAD as the socio-economic development programme of the African Union. The anniversary provided the opportunity for deeper reflection on NEPAD's overall contribution to Africa's development over the past decade. Two meetings took place in this regard: the 25th Meeting of the NEPAD Orientation Committee, with a special commemorative session on 'Mobilising domestic resources for NEPAD programmatic implementation'; and the 'NEPAD Week at the 66th United Nations General Assembly'. The outcomes of these two meetings will influence both the internal and external outlook for the future direction of the NEPAD agenda. The year 2011 was also the second full year of smooth institutional transformation from NEPAD Secretariat to the NPCA, following the January 2010 Decision of the 14th AU Summit on the integration of NEPAD into the structures and processes of the AU.

### Deliberations and Conclusions of the HSGOC

The HSGOC is a committee of the AU Assembly and consists of 20 Heads of State and Government representative of the five AU regions. The Chairperson of the HSGOC reports to the Assembly of the African Union.

The HSGOC is a key governance structure of the NEPAD Agency, which drives and oversees the implementation of the NEPAD programme. The deliberations and decisions of this body guide the work programme of the NEPAD Agency. In 2011 the following key issues and decisions emanated from the different HSGOC sessions:

The 25th HSGOC, held in Malabo, Equatorial Guinea, in July 2011, was convened as a special commemorative session of the 10 years of NEPAD and focused on 'Domestic Resource Mobilisation for NEPAD implementation'.

The conclusions of the HSGOC are adopted by AU Assembly.

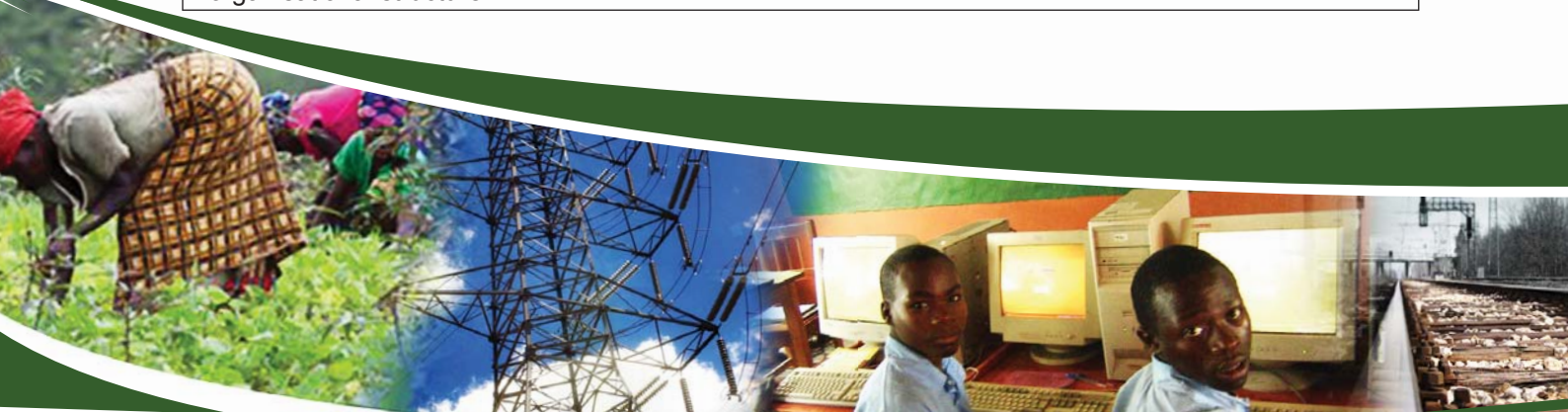
In February 2010 the NEPAD HSGOC through the 14th AU Assembly established the NPCA as the technical body of the AU in replacement of the NEPAD Secretariat.

#### January 2011 – Addis Ababa

The HSGOC commended the smooth transition from the NEPAD Secretariat to NPCA following its establishment.

The HSGOC welcomed the substantial progress being made by the new Agency including the adoption of AU rules, regulations and practices for its Human Resources and Finance systems and the recent setup of the NEPAD Coordination Unit in the Office of the Chairperson of the Commission, to act as the interface between the Commission and the NPCA.

The Meeting emphasised continued collaboration, synergy and programme harmonisation between the AU Commission and NEPAD Agency; the urgent need to provide the NPCA with adequate financial resources to enable it function effectively; as well as urgently operationalising the new NPCA organisational structure.



The HSGOC noted in particular the:

- i) Institutional efforts at result-based management and performance;
- ii) Strengthening NPCA core functions in Knowledge Management, Policy Alignment, Programme Implementation, Partnership Consolidation, Resource Mobilisation and Advocacy, as well as cross-cutting issues;
- iii) Finalising the 'African Action Plan: 2010-2015' and its launch to implement the infrastructure priority programme in support of the Presidential Infrastructure Champion Initiative and PIDA; and
- iv) rolling out key regional and continental programmes, in collaboration with the AU Commission;

HSGOC took due note of the report of the Presidential Infrastructure Champion Initiative and endorsed the recommended projects and champions for implementation, covering the five AU regions.

In addition, the HSGOC requested the AU Commission and the NPCA to continue to provide technical coordination and support for this Presidential Initiative in collaboration with RECs, the African Development Bank and UNECA, given the critical importance of infrastructure in Africa's regional integration agenda.

The NEPAD Orientation Committee emphasised the essential need for Africa to consolidate its partnership engagement with the G8 and G20. It noted in particular the key outcomes and conclusions of the G20 Summit of November 2010, which was held in Seoul, South Korea and the outlook for the next G8/Africa Outreach in France in May 2011.

The HSGOC welcomed concrete steps taken by the G20 Working Group on Development co-chaired by South Africa and South Korea. Accordingly, it highlighted the G20 decision of particular significance to Africa on the Seoul Development Consensus on Shared Growth, and the Multi-Year Action Plan on Development. The Seoul Development Consensus, which could probably provide a new global platform and alternative to the Washington Consensus, is very consistent with our own NEPAD priority objective for growth in Africa;

The NEPAD meeting identified the G20 High-Level Panel for Infrastructure Investments and called upon regional and multilateral development banks, including the World Bank and the African Development Bank, to align their policy and operational interventions to the G20 Seoul Development Consensus.

The NEPAD meeting thus expressed the need for Africa to constructively interact with the G20 High-Level Panel on Infrastructure and the current G20 Presidency (France). There is more than adequate scope to enable the use of global excess savings towards investment in infrastructure and Africa's development, which will also have a positive impact on redressing global economic imbalances and strengthening world economic recovery. To this effect, the HSGOC requested the Commission and NEPAD Agency to galvanise the African voice towards this transformation goal.





The Orientation Committee reaffirmed the imperative for Africa to be adequately represented in all global groupings, including the G20, as a means to ascertaining that the Continent is not marginalised in global economic governance. While noting the participation of Chairpersons of the African Union, NEPAD Orientation Committee and Commission at the Seoul Summit as a welcome development, it was reiterated again that Africa's development partners including the G8 should fully deliver their commitments. In this regard, the HSGOC suggested the possibility of exploring the creation of an African/NEPAD Fund as a resource window to expedite the implementation of key continental programmes/projects.

To promote the inclusion of NEPAD by all African countries and stakeholders, the Orientation Committee underlined the importance of broad ownership of the NEPAD Programme through the regular rotation of membership and the hierarchy of NEPAD governance structures, including the HSGOC. It was recommended that the status quo for the current HSGOC Chairperson (Ethiopia) and Vice Chairpersons (Senegal, South Africa and Algeria) be maintained for a period of one year.

The Committee meeting also agreed that consultations at the highest political level would continue, especially within HSGOC, to improve the work of NEPAD governance structures. Consequently, it directed the NEPAD Agency to draft the necessary Rules of Procedure to guide future conduct and deliberations within NEPAD governance structures. The Rules of Procedure, which will be based on AU regulations and practices, will be presented to the next HSGOC for approval during the next Assembly.

The HSGOC noted the opportunity for deep reflection on the successes and challenges provided by NEPAD's 10th Anniversary.

### July 2011 – Malabo

The AU Assembly endorsed the conclusions of the 25th NEPAD HSGOC Meeting convened as a special session, focusing on mobilising domestic resources.

It requested the PRC, through its Sub-Committee on Structural Reforms, to finalise the structure of the NPCA and make appropriate recommendations to the Assembly.

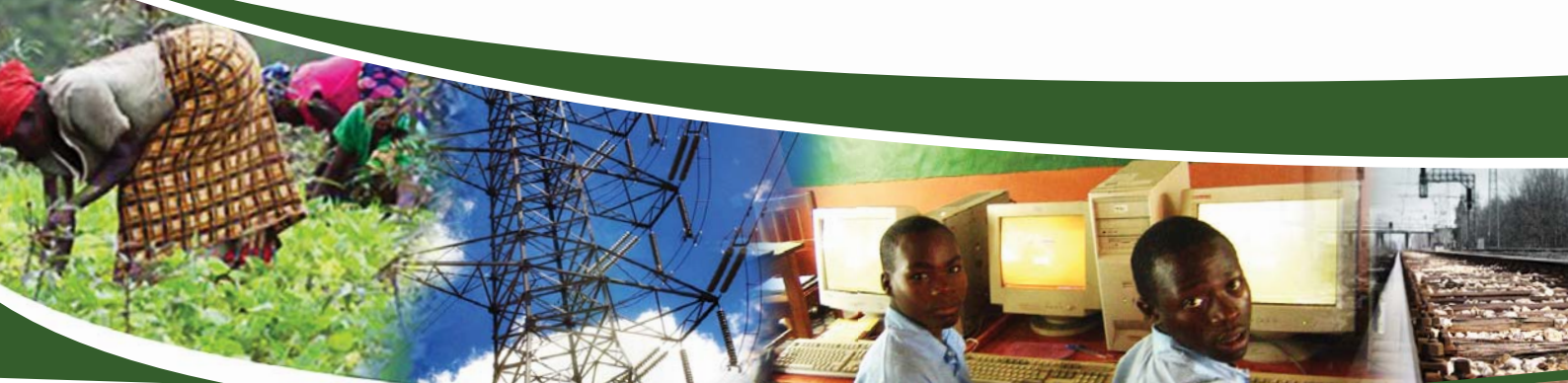
It endorsed the implementation of key NEPAD regional and continental programmes and projects reflected in the January to June 2011 Activity Report.

It requested the Commission and the NPCA in conjunction with the United Nations Economic Commission for Africa (UNECA) and other partners to recommend appropriate mechanisms on domestic resource mobilisation.

It urged the continuation of the practice of negotiating G8 joint declarations on Africa.

It recognised the opportunity for the Commission and the NPCA to convey the African voice and consensus on development policy issues, including climate change, at the 17th Conference of Parties (COP 17); and aid effectiveness at the Fourth High Level Forum under the Africa Platform for Development Effectiveness (APDev).

It affirmed support for the G20 Seoul Development Consensus on Shared Growth as the new development paradigm and its consistency with the NEPAD vision.



## Overview of 2011 Activities

### Institutional Development - Corporate Management

The NEPAD Agency undertook a range of institutional changes during 2011 as part of efforts to establish itself as a fully-fledged technical body of the African Union.

#### *De-linking from DBSA*

The attachment to the Development Bank of Southern Africa (DBSA) was incrementally undone in 2011, with the NEPAD Agency establishing its own IT infrastructure and adopting African Union policies and systems for Finance and HR. Accordingly, the process of de-linking NPCA from the DBSA policy framework led to the full adoption of the AU Regulatory Framework, effective from 1 January 2011.

For the management of Human Resources, the NEPAD Agency now implements AU Staff Rules and Regulations. The NEPAD Agency has also migrated from DBSA employment contracts to AU contracts for staff from 1 January 2011. Staff Members of the NEPAD Regional Networks have also been re-integrated into the Agency. The NEPAD Agency payroll system has been configured, established and has been operational since 1 January 2011, making the NEPAD Agency fully responsible for the management of its payroll function, which used to be managed by DBSA. The proposed Profile and Organisational Structure for the Agency has been finalised in close collaboration with the AUC Task Team on Structures and is awaiting the necessary approval of the African Union Permanent Representative Committee, through its Sub-Committee on Structures. The PRC Sub-Committee on NEPAD, which convened in May 2011 in Addis Ababa, has already endorsed the proposed NPCA organisational structure. The urgent adoption of the NEPAD Agency structure is paramount for its operation as the technical body of the AU.

The first quarter of 2011 saw the introduction of the AU Performance Management System as part of the adoption of the AU Human Resources Policies and Frameworks. In order to strengthen institutional capacity and to enhance service delivery, and in line with targets and objectives for the NEPAD Agency, a number of steps have been undertaken. The recruitment, selection and placement of staff have been completed. The positions of 7 temporary General Service employees, who were previously employed through employment agencies, have been regularised. This was done through a recruitment and selection process, which culminated in them being issued with AU short-term contracts with effect from 1 March 2011. The recruitment and selection for a number of other positions is also in progress.

The NEPAD Agency, in collaboration with the AUC, has embarked on the development and implementation of a Human Resources Strategy that is aligned with AU Rules and Regulations, as well as international best practices. An HR consulting firm is being engaged to facilitate this process and to deliver the following output: HR Strategy, Skills & Competency Strategy Framework, HR Policies – Orientation Programme, Secondment, Internships, Consultancy, Staff Wellness Programme, M & E and Reporting Framework, Result Based Performance Management System, Talent Management & Retention Strategic Framework, High Level Roll-Out Implementation Plan;

The NEPAD Agency formally left the DBSA intranet and IT environment, and started the process of drawing up specifications for its own IT equipment.



### **Establishment of Task Teams**

The growing expectations of the NPCA's ability to service the needs of NEPAD Agency programmes and primary constituents such as RECs and member states required the internal capacity of various functions to be strengthened through the establishment of a number of Task Teams comprised of a cross section of staff members. This served the dual purpose of having a wider group to execute the work, and infusing the teams with views and requirements from all parts of the Agency. The following teams were established:

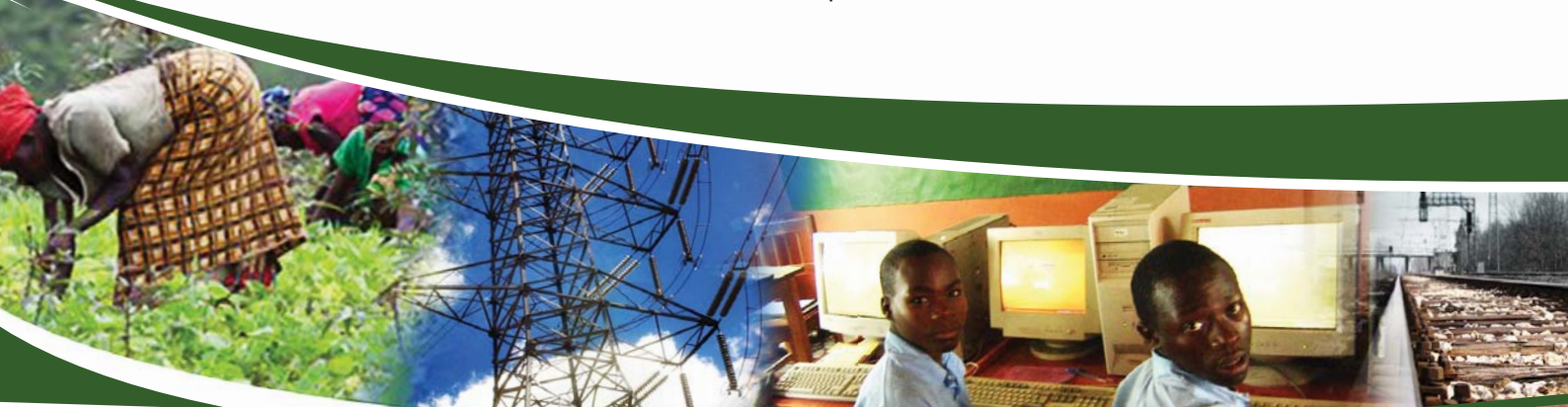
- i. **Planning, Monitoring and Evaluation Task Team**  
In order to enhance the function of Monitoring and Evaluation and the Planning process of the NPCA, this team leverages the input and value of the individual experts working in this field. It provides policy guidance and implementation support to the various programmes within the institution.
- ii. **Committee on Programme Review**  
This team serves as an advisory organ to the CEO on all aspects of the Agency's operational programmes and other assignments for which the office of the CEO will require detailed review.
- iii. **Knowledge Management Strategy, System and Programmes**  
This team guides the development of the strategy, appropriate systems and institutional and programme mechanisms necessary for knowledge generation, codification and exchange that the NEPAD Agency is mandated to deliver.
- iv. **CAADP Knowledge and Information Support System**  
This team is tasked to review the existing Knowledge and Information Support System within the CAADP Programme and to recommend sustainable process improvements.
- v. **NPCA Publication Series**  
The NPCA, as a facilitator and coordinator of development programmes, has an obligation to publish extensively on the work of the programmes and the lessons learnt from practice.
- vi. **Records Management System**  
Having de-linked from DBSA, the NEPAD Agency has to establish all its own systems, which it was not possible to set up within the hosted environment of another institution. This team is required to establish an all-encompassing system for storing and managing records.
- vii. **Resource Mobilisation**  
Central to the Agency mandate is the requirement that the NEPAD Agency should mobilise resources for the implementation of its programmes. This team supports the function of mapping out a strategy for the mobilisation of resources for the entire institution.

The establishment of these teams serves as a solid foundation for the institution as it heads into 2012.

## Institutional Development - Integration and Harmonisation

### **Harmonisation with the AUC**

The Second AUC/NEPAD Work Programme Harmonisation Session took place from 17 to 18 August 2011, at the African Union Commission, in Addis Ababa, Ethiopia.



At this meeting, it was agreed that the harmonisation process be guided by the following key principles:

- the harmonisation process must be aligned to the existing strategic plans of the African Union and the current strategic and operational plans of the AUC and the NEPAD Agency;
- the exercise must be aligned to the common goals and strategies in line with the approved strategic plans;
- the harmonisation process must be anchored on the acceptance and understanding of the notion that the AUC and the NEPAD Agency are working to achieve common goals of the Union. As institutions, however, they exercise their responsibilities based on different mandates and roles (common but differentiated responsibilities);
- the harmonisation process must lead to coherence and accelerated implementation of AU programmes and delivery on the ground; and
- there must be division of labour based on the respective mandate of each institution.

The meeting confirmed the proposal to set-up 6 Clusters as follows:

- (a) Strategic management
  - Strategic planning
  - Research and development
  - Policy alignment and coherence
  - Resource mobilisation
  - Budgeting
  - Monitoring & Evaluation
  - Knowledge management
  - Partnerships
  - Communications
- (b) Agriculture, nutrition and environment
  - Agriculture, nutrition and food security
  - Environment and climate change
  - Natural resource management
  - Rural and urban development
- (c) Infrastructure
  - Energy
  - Information society including ICT
  - Transport
  - Water and sanitation
- (d) Human development
  - Employment
  - Education
  - Health
  - Social development
- (e) Economic development
  - Trade, Industry and Investment
  - Private Sector
  - Regional integration



- (f) Cross-cutting issues
- Gender
  - Youth
  - Capacity development
  - Statistics

Improved interaction with the AUC, especially through programme alignment and harmonisation, is critical to future successes. The NEPAD Agency will, in the fulfilment of its mandate, continue to engage African and global leaders, policy makers and stakeholder institutions in an effort to strengthen partnerships and mobilise resources for the effective implementation of NEPAD at the national, regional and multilateral levels.

On the whole, engagements with the AUC have improved on issues of resource mobilisation, particularly through joint sessions that have allowed us to review and explore how we can harmonise our efforts towards joint resource mobilisation. It is in this regard that the NPCA proposed to set up a series of mechanisms for joint domestic resource mobilisation. This could involve, for example, AU member states contributing directly to the implementation of continent-wide NEPAD programmes and projects. Collaboration with the AUC will also enable the Agency to develop the necessary legal framework for resource mobilisation. The NEPAD Agency also explored the possibility of developing a fund to ensure its operational sustainability.

### Harmonisation with AU Specialised Agencies

The NEPAD Agency convened a two-day retreat for the specialised offices of the African Union on 8 and 9 December 2011. The purpose of the retreat was to have a brainstorming session of all the AU specialised institutions and the NEPAD Agency. The objective of the session was to collectively design an integrated and coordinated method of engagement that will ensure the effective implementation of the AU's priority programmes and projects. Recommendations from this engagement include:

- a) The NEPAD Agency should involve the AU specialised offices in the implementation of its development programmes; those intersecting with CAADP should be integrated in the pillar work of CAADP.
- b) The NEPAD Agency should lead in the process of harmonising activities, and use websites and associated media to this end.
- c) ICT common activity programme for 2012:
  - i. Facilitation of remittances from the diaspora
  - ii. Post offices are to serve as community information and e-service centres
  - iii. Local hubs are to provide connectivity and services to schools, hospitals, farmers etc.
  - iv. Capacity building in the area of home and away roaming
- d) The Network should be institutionalised and should carry out M&E of its own activities
- e) The communication strategy must be as clear as possible; mailing lists and e-group discussions should be set up

The Network should meet annually, preferably on the sidelines of major events like the AU Summit, in order to reduce costs and ensure greater visibility.

Membership of the network is comprised of AUC specialised offices, the NEPAD Agency including its regional centres, the eight RECs (level to be determined) and the NEPAD Liaison Office within AUC.



## Overview of 2011 Activities - Programme Operations

### Knowledge Management and Strategic Planning

The mandate of NEPAD clearly articulates the importance of research and knowledge management for the NEPAD Agency. In 2011 the Agency undertook a knowledge management needs audit with the assistance of the Human Sciences Research Council (HSRC) of South Africa to guide the development of a strategy for its knowledge management system. The partnership with UNDP in the area of knowledge management was strengthened institutionally and they undertook a survey of systems and tools within the Agency, which supports knowledge exchange and management. The internal Task Team on knowledge management was reactivated and, together these interventions, laid the groundwork for further development of this important aspect for NEPAD

### Agriculture and Food Security

#### The CAADP Programme

##### Introduction

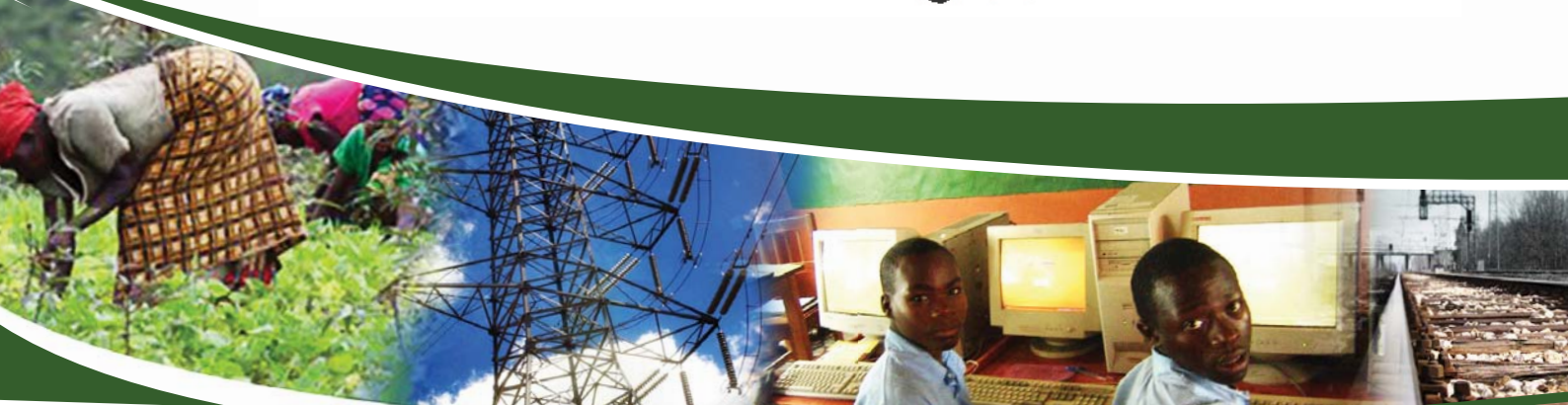
Recognising the pivotal role of agriculture on the continent, Africa's leaders, through the Maputo Declaration of 2003, agreed to the implementation of the Comprehensive Agricultural Development Programme (CAADP). CAADP is an African vision for the restoration of agricultural growth, food security and rural development. The CAADP framework helps harness political will at all levels to implement the policy and the institutional changes needed for agriculture to drive economic development and poverty reduction in African countries.



Institutional reforms and transformation are pivotal in the implementation of CAADP; policy and institutional reviews, analysis and design, buttressed by robust evidence-underpins the development and implementation of programmes and projects. In the pursuit of its 6% annual growth target, conscious efforts have been made to promote policy environments and institutional mechanisms that are supportive of strengthening in-country capacities to deliver and sustain the target growth.

### Implementation Progress

CAADP implementation has particularly focused on providing support to countries on embracing and advancing the CAADP agenda. The support revolved around two areas namely: (i) programme development – for those countries at the post-compact phase; and (ii) launching, stocktaking and analytical work for countries that are at pre-compact stages. In addition, efforts have been made to strengthen the mechanisms for evidence generation and use. Furthermore, frameworks for aligning and strengthening implementation capacity among country-stakeholders in process implementation have been developed and their operationalisation is underway.



By the end of 2011, 42 AU member states were engaged in the CAADP process, of which 29 had endorsed a common vision and strategy for agriculture and thereby signed their CAADP compacts. Twenty-one countries had developed their National Agriculture Investment Plans (NAIPs) while 18 countries had conducted technical reviews of their NAIPs.

Furthermore, 15 countries had held business meetings where African governments and development partners committed to funding at least 80% of the national-level agriculture and food investment budgets. In addition, 7 countries received funding for implementing their NAIPs from the Global Agriculture and Food Security Programme (GAFSP) and 7 others are engaged on the Grow Africa initiative.

Ten countries registered an annual growth rate in the agricultural sector of at least 6%, and 8 countries had reached or surpassed the 10% budgetary allocation target, while 9 were in the 5% - 10% budgetary allocation range.

Expert support was deployed to 13 countries to enrich the NAIPs with components on gender, infrastructure, fertiliser, risk management, nutrition, climate change, fish and aquaculture. Nine countries were supported to undertake agriculture public expenditure review, and 11 are developing country-level strategic analysis and knowledge support systems. CAADP Country Teams were established and trained in leadership and management skills. In addition, technical expertise was provided to farmers' organisations to develop the strategic plan and set up a Secretariat of the Pan-African Farmers' Organisation (PAFO).

Technical support has also been provided to RECs in the design and development of regional compacts and investment plans; support was provided to IGAD on the formulation of the regional compact – geared at addressing droughts in the Horn of Africa and the Sahel region – concurrently with continued support on implementation of pre-compact activities among its 7 member states. Similar support was provided to ECCAS. The draft COMESA regional compact is under review and work on developing its investment plan is underway. Implementation of the ECOWAS regional investment plan is on-going. Child Trust Funds were established for ECOWAS and SADC, in addition to the existing ones for ECCAS and COMESA.



## Emerging Outcomes

The implementation of CAADP has seen an emergence of new thinking and engagements around advancing African agriculture; there is **increased evidence-based planning** that in part has resulted in **better-quality investment plans**. This, in turn, has started yielding improved coordination, harmonisation and alignment of development support to countries' priorities, as well as a **substantial increase in the volume and quality of domestic and external investments** from the public and private sectors. Even though many countries are below the 10% target, the majority of them have recorded a positive trend over the last 10 years. In 2011, several of them made significant increases. These include Kenya, Burkina Faso, Zambia and Ethiopia. Eleven African countries have accessed financing under the Global Agriculture and Food Security Programme (GAFSP), to the tune of over USD 300 million. New forms of partnership are being nurtured – built upon principles of mutual accountability and collective responsibility, peer learning and support, country-ownership and leadership, subsidiarity, inclusiveness and multi-stakeholder participation, among others. Ghana, Kenya, Ethiopia, Rwanda, Burkina Faso and Sierra Leone are among the countries strengthening the structures for inter-ministerial collaboration. In 2011, the AUC and NEPAD Agency engagement with the World Economic Forum under the Grow Africa Partnership has set the stage for a large volume of private sector financing to agriculture. In collaboration with the G8 and over 40 international and African private sector companies, over





USD 3 billion is expected to be available for investments in agriculture in 2012, involving 7 countries in the Grow Africa group and 5 countries in the New Alliance group.

## Going Forward

Efforts will be made to **renew support and sustain the momentum of CAADP implementation** by positing the agriculture sector as the primary focus for generating wealth and inclusive growth; promoting employment creation and reducing poverty; bolstering food security and combating malnutrition; and building resilience. Dedicated thrust will be placed on: strengthening **policy, institutions and local leadership**; bolstering **knowledge** and learning **support**; as well as enhancing financing and **investments** for agriculture.

### Sustainable Land Management/TerrAfrica Programme

The TerrAfrica Programme and the Institutional Support Project to NPCA and RECs aim to ensure that African countries undertake harmonised and programme-based Sustainable Land Management (SLM) initiatives, which will contribute to the CAADP's 6% agricultural growth target and the UNCCD 10-Year strategy.

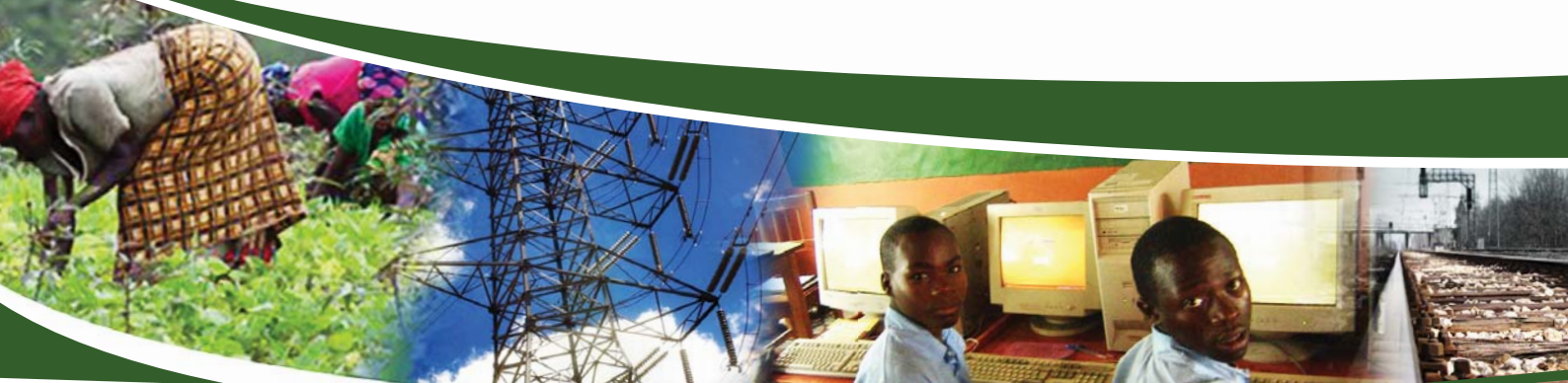
Strategic decisions were taken at the TerrAfrica annual executive committee meeting in Bonn, including the need to strengthen the involvement of RECs as well as Secretariats of CAMA, AMCEN, AMCOW and UNFCCC in the TerrAfrica platform: Gambia, Uganda, Togo, Senegal, Rwanda, Nigeria, Mozambique, Mali, Malawi, Madagascar, Kenya, Ghana, Ethiopia, Tanzania, Niger, Lesotho, Burkina Faso, Mauritania, Eritrea, Comoros, Zambia.

In order to enhance mutual learning and regional knowledge management, NPCA staff members were trained to manage the SLM Knowledge Base, which serves as a regional one-stop information portal for information on SLM in Africa. This was done through the NEPAD-RECs SLM Capacity Building Project.

At present the programme is focused on strengthening regional coalitions around SLM, and promoting regional knowledge management and mutual learning. The TerrAfrica partnership was strengthened as more partners, such as Ghana and Togo, aligned their resources in support of Country Strategic Investment Framework (CSIFs). Furthermore, the TerrAfrica Platform continued to expand, with Burundi joining the platform. The TerreAfrica Leverage fund of USD 1.5 million was signed at the 9th TerrAfrica Executive Committee Meeting, in December 2011, which will support the functioning of the Secretariat for the next two years.

African countries are being supported to embark on designing and implementing agriculture climate smart adaptation programmes. Niger and Togo have finalised their CSIF, while Ethiopia, Ghana, Lesotho and Togo have harmonised their development initiatives to agreed SLM policy and strategic guidelines.

At country level, the latter part of 2011 was marked by the development of Integrated Financing Strategies (IFS) in many countries. The strategies, aimed at supporting effective implementation of National Action Programmes, began yielding positive results; increasingly, countries are securing additional resources within the ambit of IFS. Niger, for example, saw a rise in programme funding from 25% in 2010 to 46% in 2011; more than USD 222 million was mobilised in 2011 by Ethiopia, while Togo received over USD 300 million.



## Partnership for African Fisheries

The Partnership for African Fisheries (PAF), through the Governance Policy Working Group, undertook an initial economic evaluation of the African fisheries resource rent based on ‘first sale’ value, placing the capitalised value of the African fish resources at USD 2 billion per annum. The models will inform the development of National Fisheries Investment Plans and policies to enhance the role of fisheries in economic growth within the CAADP Framework.

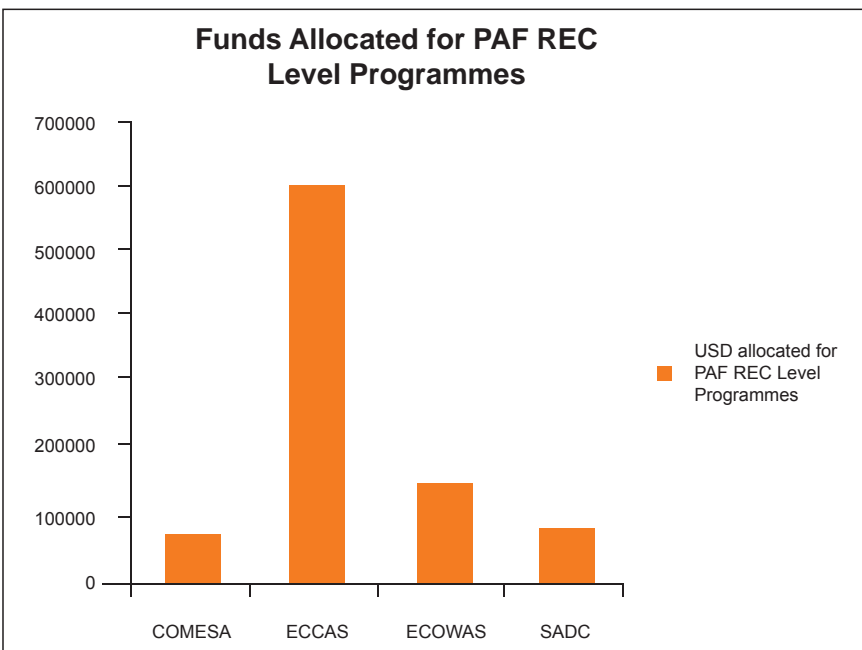
The Partnership for African Fisheries aims to support member states to consider, determine and implement responsive reforms in fisheries governance and trade in order to ensure a sustainable contribution of fisheries toward the 6% annual growth in the agricultural sector, as well as generate wealth and economic growth. PAF bolsters the fisheries component within the CAADP framework.

Furthermore, the Fisheries and Aquaculture Investment Working Group (FWG) has established the African Fisheries and Aquaculture Investment Partnership (AFAIP). This is an Impact Investment Fund for SMEs in African fisheries and aquaculture, aimed at enhancing the capacity of the Private Sector and CIPs to support governments’ efforts to deliver on the CAADP agenda.

PAF provides support to AU member states to consider, determine and implement responsive reforms in fisheries governance and trade.

Following the recommendations of the Conference of African Ministers of Fisheries and Aquaculture (CAMFA), held in September 2010, work began in earnest on the realisation of the Comprehensive African Fisheries Reform Strategy (CAFRS).

PAF has designed REC-level programmes in the ECCAS region, with similar support to be provided to SADC, ECOWAS and COMESA. The total sums of GBP 600,000, GBP 150,000, GBP 100,000, GBP 80,000 have been allocated to ECCAS, ECOWAS, SADC and COMESA, respectively.



Source: NEPAD Planning and Coordinating Agency



At country level, the creation of Regional Learning Platforms has commenced through the development of national post-Compact Fisheries Investment Plans. In Sierra Leone, the national Fisheries Project was developed, with National Working Groups and a National CAADP sub-committee on Fisheries, also being established.

In collaboration with the World Bank, a final appraisal mission to Ghana was undertaken with the facilitation of the final structure of Ghana's USD 50 million Fisheries Investment Plan under PAF. Furthermore, PAF conducted an institutional needs assessment and identified critical capacity areas, which will be provided by the NEPAD Agency to ensure success of the World Bank funding. The NEPAD Agency, through PAF, led an appraisal mission for the African Development Bank (AfDB)-funded project in Uganda, which included appraisal for the Lakes Albert and George Regional Fisheries Development Project. The latter is a shared project between Uganda and the Democratic Republic of Congo (DRC).

The Ministry of Fisheries and Marine Resources of Sierra Leone (MFMR SL) signed an MoU with the NEPAD Agency in November 2011. Through this MoU, the NEPAD Agency is providing post CAADP Compact support of USD 1.4 million to the Government of Sierra Leone in support of its fisheries reform strategy. This support is being delivered through the West African Pilot Project (WAPP) and has leveraged an investment of USD 53 million from the World Bank.

In October 2011, the GEF approved USD 25 million to finance fisheries investments in Mauritania, Comoros, Mozambique and Tanzania.

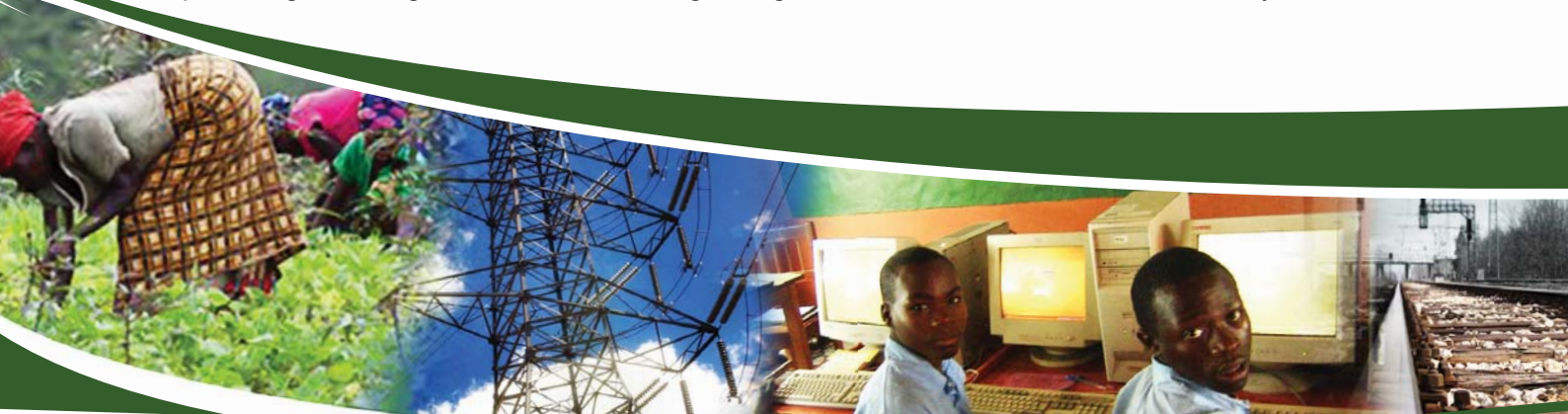
The NEPAD Agency, in cooperation with AUC, hosted a side event at the 29th Session of the FAO Committee on Fisheries (COFI) Meeting in Rome, Italy, bringing together different players operating in Africa. The event focused on identifying potential collaboration and coordination mechanisms among the different players. This was in the wake of the commitments made at the first CAMFA and the 2005 Abuja Fish for All Summit. PAF prepared technical briefing notes for the African delegates; and sponsored officials from RECs and RFBs to attend the consultations. The Africa Group produced a draft text for the section on assistance to developing states.

PAF's Afri-Fishnet is emerging as a good model for the establishment of CAADP Expert Pools in fisheries. Afri-Fishnet members have already been involved in reviewing National Agriculture Investment Plans in several countries including Niger, Sierra Leone, Uganda, the Gambia and Malawi.

NPCA signed an MOU with China's Ministry of Agriculture (MoA), aimed at strengthening the cooperation in agriculture and fisheries between Africa and China. In October 2011 DFID, NPCA and China's MoA conducted the final formulation mission for the Africa-Britain-China (ABC) Trilateral Cooperation in Agriculture and Fisheries. The ABC aims at enhancing the adoption of Chinese technology in order to improve productivity of Africa's agriculture. The programme will focus on agriculture (cassava value chain) and aquaculture (fish farming value chain), with 3 components, namely: (i) technology demonstration centres; (ii) collaborative research; and (iii) facilitating knowledge sharing through regional and international networking and exchanges. A funding proposal, with a total budget of approximately GBP 10 million, has been submitted to DFID, and the launch of the programme has been scheduled to take place in March 2012. The African countries identified thus far include Ghana, Uganda and Mozambique.

### Agribusiness and Market Access Programme

In cooperation with AUC and through the G8/G20 French Presidency, NPCA actively engaged the G20 in promoting African agriculture. With due recognition given to the work done under CAADP, 3 key issues were



highlighted within the G20: a) Integrating risk management into the agricultural investment plans; b) Regional food reserves with NPCA identified as facilitator with the 'target' countries and regions; and c) NEPAD roles in agricultural research for development following NPCA participation in the first G20 Conference held in Montpellier in September 2011, preparatory to the 2012 Global Forum on Agricultural Research for Development.

Furthermore, and in line with the Seoul Declaration as the roadmap for the G20 under the French Presidency, the NEPAD Agency emphasised to the G20 the need for production support to smallholder farmers. The AU-NEPAD Fertiliser Initiative involves financing arrangements to subsidise taxation on the consumption of fertilisers in G20 countries. The African Fertiliser Financing Mechanism (AFFM) could serve as the vehicle for implementing the fertiliser subsidy and as well as supporting the market structuring. France recommended the transmission of the AU-NEPAD Fertiliser Initiative to the Mexican Presidency for tabling during the next annual G20 Summit.

A concept on Smallholder Access to Agriculture Credit and Markets is being developed within the realm of regional integration efforts along with a funding proposal developed in partnership with the e-Africa Programme of the NPCA, the Agricultural Commodity Exchange for Africa (ACE), and Connect Africa for a regional project within the SADC region. The project, with an estimated cost of EUR 16 million, is expected to enhance smallholder access to agriculture credit and markets. The project is also expected to strengthen national capacities in postharvest management, through the establishment of Warehouse Receipt Systems. This initiative is a 3-year pilot project that will be implemented in Malawi, Tanzania, Zambia and Zimbabwe. The post-pilot phase will see the initiative rolled out to other countries within the SADC region as well as in other RECs.

Partnership with WTO: in following up on the consultations initiated by the CEO of the NEPAD Agency with the World Trade Organization (WTO), a Partnership for Trade Programme between NPCA and WTO is being formulated, focusing on enhancing Africa's capacity for trade negotiations, implementation of trade protocols, and the inclusion of fisheries in the agriculture products under WTO areas of collaboration.

In the same way, the NPCA is working on the Partnership with Fair Trade Africa with a view to establishing strong support for CAADP implementation. The Partnership covers initiatives that enhance alternative approaches to conventional trade - based on dialogue, transparency and respect. In addition, it seeks to promote greater equity and benefit for Africa's smallholder farmers in international agriculture trade. Efforts are on-going to formalise the partnership through an institutional Memorandum of Understanding (MoU).



### Grow Africa Initiative

Grow Africa is an innovative partnership, an initiative which started at the 2011 World Economic Forum for Africa in Cape Town, South Africa. It is convened by the African Union, NEPAD and the World Economic Forum.

Grow Africa works to mobilise private-sector investment in alignment with national agriculture strategies and CAADP plans in African countries.

The Grow Africa initiative has a specific action-oriented role within the context of CAADP and Africa's agricultural transformation. It is designed to advance implementation of CAADP Investment Plans by attracting and aligning domestic and international private sector investment and thereby contributing to sustainable and inclusive agricultural growth.



Within the context of the NEPAD and CAADP frameworks, the mechanism is designed to provide professionalism and best practice in the management of multi-partner initiatives on one side and, on the other side, the ability and credibility to rally high level state, non-state and private sector engagement.

The partnership's operating principles are:

- African-led and country-owned: Engages global partners with African leaders, in support of national agriculture investment strategies, and complements existing structures and processes, particularly the Comprehensive African Agricultural Development Programme (CAADP).
- Market-based: Prioritises market-based solutions
- Sustainable: Committed to developing agriculture in a environmentally sustainable manner
- Multi-Stakeholder: Promotes multi-stakeholder collaboration, including farmers, civil society and the domestic private sector.
- Inclusive: Enables opportunities for small-scale farmers and entrepreneurs as well as sustainable large-scale investment
- Transparent: Practice transparency and shares information, experience and learning widely

Grow Africa currently includes 7 self-selecting 'first-wave' countries: Tanzania, Mozambique, Ethiopia, Ghana, Burkina Faso, Rwanda and Kenya.

### Rural Futures Programme

The Rural Futures Programme emanated from the Decision of the African Heads of State, taken during the 17th African Union Assembly of January 2011, for an integrated development initiative to promote rural transformation as a pathway to improve rural employment and livelihood opportunities, facilitate national economic development and sustainability, and ensure exchange of information on best practices on rural development from local to global scale.

Specifically designed to ensure the full participation of the rural poor in the development process, the RFP offers an opportunity to focus on the practicality of an integrated approach to development in order to identify targets for value addition on existing programmes; to identify linkages with other social and economic development programmes; and to develop non-farm activities for critical areas such as employment creation in rural areas.

The RFP is broadly organised around 4 major pillars of action namely: i) Strengthening the institutional and policy architecture to advance rural transformation; ii) Investing in structural change by launching flagship initiatives and encouraging broad scale multiplication of best practices; iii) Mobilising actions, innovations and investments to support rural transformation; and iv) Building broad-based partnerships.

Major achievements recorded to date include: NPCA consultations with a broad range of continental stakeholders, institutions, thought leaders and development partners and institutions, on their understanding and visions for rural Africa and the realignment of programmes and projects with a continental vision of rural transformation. In this respect a series of strategic consultations and briefings were organised with the following outcomes:

- i) A broad participatory and consultative approach in defining the issues of rural transformation and development.
- ii) Partnerships established with a broad range of stakeholders and partners at all levels including non-state actors and the private sector.
- iii) Strong links established to strategic macro-economic decision-makers at national and international level.



- iv) Awareness raised on issues of rural transformation in the context of Africa's socio-economic development, through a series of Strategic Development Briefings initiated under the Initiative.
- v) Rural transformation back in the discourse of development partners and UN Agencies.
- vi) Wider recognition and acceptance by all stakeholders of the critical role of the State in providing leadership for economic transformation.
- vii) Centrality of planning and integration in the national and regional development process.

In this regard, specific activities undertaken by NPCA include:

- i) The holding of an NPCA Working Session on Rural Futures with the World Wide Fund for Nature (WWF) and the **RuralStruc** Program of the World Bank in February 2011, aimed at firming the activities for 2011.
- ii) Continued dissemination of the activities of the RFP, having featured in the 3rd European Forum on Rural Development from 29 March to 1 April 2011.
- iii) NPCA and AUC convened the Rural Futures Strategic Briefing in Addis Ababa, Ethiopia, from 25 to 26 May, 2011, in partnership with the Technical Centre for Agricultural and Rural Cooperation (CTA), UNECA and the WWF.

In June 2011 in Paris, the NPCA partnered with the French Development Agency to organise a presentation of the Rural Futures Programme and a sharing of the main outcomes of the Addis Rural Futures Strategic Briefing. This took place at the Global Donor Platform for Rural Development meeting. Furthermore, the NPCA and the CTA jointly organised the 'Brussels Policy Briefing on Major drivers for Rural Transformation in Africa' in Belgium in September 2011. Here, briefings were provided to Ambassadors from Africa and the ACP member states in Brussels on the Rural Futures Initiative, with a particular focus on job creation for rural growth. Likewise, the first Rural Futures Strategic Task Team meeting was held in October, in Magaliesberg, South Africa with the goal of consolidating the Rural Futures Implementation Strategy and Business Plan.

The Technical Meeting in Rome on Broadening Coherence and Collaboration for Rural Development through Employment and Decent Work was held in November 2011. It presented an opportunity to share with the audience the contribution of the NEPAD Agency in the area of rural development/employment through the Rural Futures Programme. In addition, NPCA and CTA jointly issued the Brussels Policy Briefing No. 25 on 'Food Price Volatility: Implications for ACP countries' as part of the consultation held in late November 2011; while NPCA and CTA teams also consulted with RECs and Farmers Organisations on a Regional Briefing Plan for 2012 as well as a meeting on Rural Futures joint activities for 2012.



## Food and Nutrition Security Programme

### a) Nutrition in the CAADP Process

The major aim of the FNSP is to mainstream nutrition in Africa, as a positive tool for development. In the reporting period, a scaling up of nutrition into the National Agriculture and Country Investment Plans of the CAADP process has taken place. The FNSP recognises the critical need to integrate nutrition in National Agricultural and Food Security Plans (NAFSIPS) and into the general development agendas of African countries.

The FNSP in collaboration with AUC, FAO, USAID, WHO have thus far started this integration process in East, West, Central and Southern Africa. It has been recognised that integrating nutrition actions into



national agriculture investment plans is a critical step to leverage and programme agriculture investment for a reduction of the high levels of food and nutrition insecurity in the different sub regions.

In the period under review, countries in the ECOWAS region, the West Africa Health Organisation (WAHO), the Comité Permanent Inter-Etat de Lutte Contre la Sécheresse dans le Sahel (CILSS) and development partners pledged their commitment and support to achieving the nutritional elements within the Country Investment Plans as part of the CAADP Process. This took place during the Dakar consultation and workshop with FNSP partners. Different countries also developed country-specific nutrition papers and action plans aimed at strengthening coordination and alignment between new and on-going nutrition programmes and current or planned agriculture programmes. This will buttress CAADP's pillar 3, which encompasses nutrition as an agricultural output, and which should form part of developments within the sector.

Currently the NPCA and partners are reviewing the final NAFSIPS and Nutrition Country Papers for Benin, Burkina Faso, Cape Verde, Chad, Cote d'Ivoire, Gambia, Ghana, Guinea, Guinea Bissau, Liberia, Mali, Mauritania, Niger, Nigeria, Senegal, Sierra Leone and Togo. All these countries have included nutrition in their action plans.



### **b) Africa Food and Nutrition Security Day**

In October 2010 the African Food and Nutrition Security Day (AFNSD) was launched in Malawi during the Conference of the African Ministers of Agriculture. It is every year on the last day of October every year.

The AFNSD was created to ensure that information and knowledge about national, regional and continental food and nutrition security is transmitted and communicated to all the different levels of consumers – policy makers, programme implementers and all vulnerable households.

The first event on October 30, 2101, under the theme 'Investing in Intra-African Trade for Food and Nutrition Security' in Addis Ababa, Ethiopia, was heralded as a great success.



### c) Home Grown School Feeding

This programme is aimed at benefitting school children and small-holder farmers by linking locally sourced agricultural products to school feeding schemes. During the period under review, case studies were initiated to get an understanding of the school feeding systems, document good practices to share, and identify gaps and challenges to address. The FNSP undertook a review of such programmes in Botswana, Namibia and South Africa. The Government of Botswana, with support from the Partnership for Child Development (PCD Imperial College London) and the NEPAD Agency. The case study findings were presented and discussions held on how the school-feeding programme could be strengthened, in particular with respect to linking local farmers to school feeding markets, policy development, tools and guidelines, accountability, the quality of school menus and monitoring and evaluation. Great strides have thus far been made, and the process is continuing, with more countries to take part in 2012.

### African Fertiliser and Agribusiness Partnership

The African Fertiliser and Agribusiness Partnership (AFAP) is a collaborative initiative between AGRA, AfDB, IFDC, NEPAD, USAID, and a range of local specialised agencies, with the support of the African Union Commission. AFAP aims to establish more competitive and sustainable fertiliser markets that will provide smallholder farmers in Africa with the incentive, initiative and capability to source and use fertiliser to improve crop production and food security. Significant progress has been made in preparation of the initiative's implementation; AGRA has committed USD 25 million to AFAP for the first 3 years and additional funds have been pledged by other donors; and the Board of AGRA has appointed a President/CEO of AFAP and authorised the establishment of AFAP's headquarters in South Africa. Implementation is scheduled to commence in 2012.



### NEPAD Multi-country Fertiliser Subsidy Study

A study of fertiliser subsidy programmes in 8 African countries including Burkina Faso, Senegal, Nigeria, Ghana, Tanzania, Rwanda, Zambia and Malawi was completed. The study, conducted as a partnership of NEPAD, FAO and IFDC, proposed to identify major issues that affect fertiliser subsidy programmes as a basis for recommending improvements in programme design, management and implementation. The findings of the study will be disseminated in the first quarter of 2012.

### Implementation of the Abuja Declaration on Fertilisers for an African Green Revolution

The seventh progress report on the implementation of the Abuja Declaration on Fertilizers by member states and RECs, covering the period January to December 2010, was released in June 2011. The report updates AU member states and partners on progress made in implementing the key resolutions of the Abuja Declaration: fertiliser use per hectare, development of agro-dealer networks, harmonisation of legislative and trade policy, fertiliser subsidies, regional procurement, fertiliser production, access to complementary agricultural inputs, and the establishment of the fertiliser financing mechanism at the AfDB. Some of the key revelations of the report are highlighted below:





**Box 1: Country level progress in the implementation of the Abuja Declaration on Fertiliser**

*Good to satisfactory progress has been made on the following resolutions: developing capacity for quality control; developing agro-dealer networks; reducing distance travelled to purchase fertilisers; increasing the proportion of farmers using chemical fertilisers; increasing market size; introducing targeted subsidies; introducing national financial facilities to reduce the risk of lending to importers and agro-dealers; establishing regional fertiliser procurement initiatives.*

*Progress on the following resolutions is unsatisfactory to poor: establishing a formal policy and regulatory framework to govern the fertiliser market; eliminating tariffs and taxes; reducing retail prices to improve affordability; establishing an Africa Fertiliser Financing Mechanism/Structure*

## Climate Change and Natural Resource Management

### Climate Change, Environment and Sustainable Development

Environment is one of the eight components of the vision and strategic framework provided by the NEPAD framework for Africa's renewal. The Environmental Action Plan (EAP) is designed to tackle the region's environmental challenges, including climate change, while also combating poverty and promoting social and economic development. Within the NPCA, programmatic actions and measures undertaken to facilitate deeper engagement of Africa in addressing the challenges of climate change have been stepped up to enhance EAP implementation; Africa's preparation, included organising the African Pavilion at COP17/ CMP7 held in Durban, South Africa at the end of 2011; and Africa's preparation for Rio+20 in 2012.

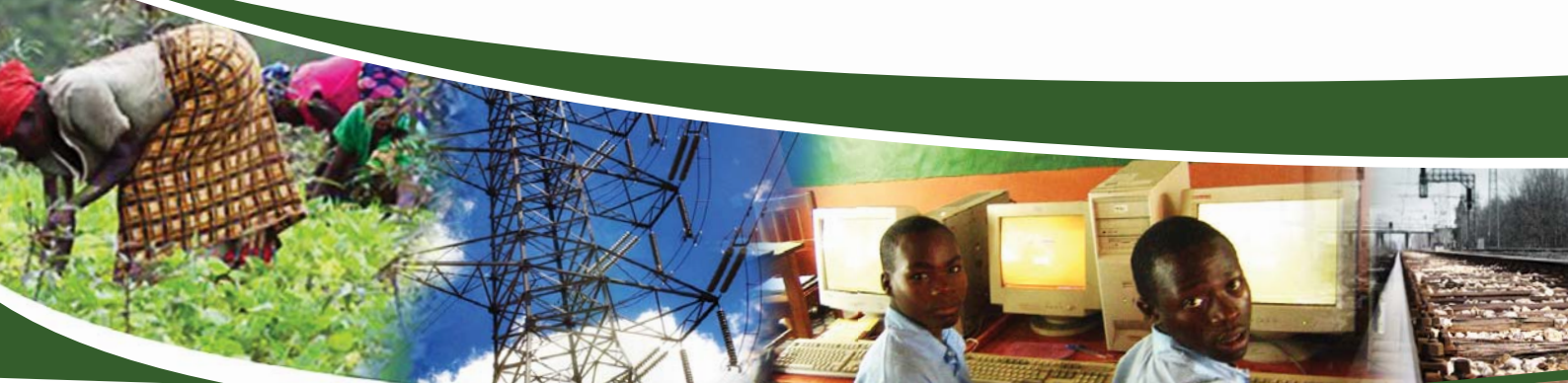
There is clear and positive leadership in the contribution of key African institutions to the implementation of continental policy frameworks. In the case of EAP, the Plan constitutes the basis of the work programme of AMCEN. Thus, AMCEN's work programme is an integral part of the NEPAD EAP implementation and covered virtually all the six programme areas and the cross-cutting areas, while those of AUC and the NEPAD Agency covered some of the programme areas.

Progress has been made in the implementation of key flagship programmes of the EAP, such as the Green Belt for the Sahara Initiative; the Congo Basin Forest Programme; ClimDeV and others.

The implementation of the EAP was undertaken in partnership with a number of institutions, organisations and civil society organisations in a consultative fashion. The need for a robust monitoring mechanism to document and report on implementation and collaboration with some development partners has also been undertaken.

Implementation of EAP flagship programmes is being done by different organisations, hence the need for robust monitoring mechanisms to capture, record and report on implementation.

The 12th Session of AMCEN made a significant shift in paradigm by deciding to focus mainly on climate change, one of the six thematic areas of the NEPAD Environment Action Plan, for the biennium July 2008 to June 2010. This decision on climate change by AMCEN was in two parts:



- i) Africa's preparations for developing a common negotiating position on a comprehensive international climate change regime beyond 2012; and
- ii) A comprehensive framework of African climate change programmes. NPCA activities on climate change have therefore been guided by this decision.



Exhibition stands at 17th Conference of the Parties (COP17) to the United Nations Framework Convention on Climate Change (UNFCCC)



The 17th Conference of the Parties (COP17) to the United Nations Framework Convention on Climate Change (UNFCCC) and the Seventh Session of the Meeting of the Parties (CMP7) to the Kyoto Protocol (KP) took place in Durban, South Africa, between 28 November and 9 December 2011. The COP17-CMP7 meeting constituted a very important milestone for climate change dialogue, especially with increasing attention to climate change and climate variability as critical components in socio-economic development strategies.

Africa's preparation, including on the organisation of the African Pavilion: NPCA provided support to African negotiators by facilitating the consultation process for updating the Common African position for COP17. The NPCA also provided technical inputs to the high-level ministerial meeting under the auspices of AMCEN, held in Bamako, to finalise the African Common Position and other documents as part of the preparations for COP17. The NPCA participated as a member of the Advisory Committee established by the AUC to provide guidance on the preparation and implementation of the Africa Pavilion project. Representatives of the AUC, AfDB, RSA, UNECA / ACPC, NPCA, AMCEN, UNEP, UNWFP, RECs, World Bank and the UNISDR made up the Advisory Committee. In addition, the NPCA was particularly active in the technical sub-committee established to spearhead the formulation and refinement of content, and structure of the side events, Round Tables and African Day activities of the Pavilion.

NPCA in collaboration with the AUC, South Africa's Department of Environmental Affairs (DEA) and various partner institutions organised several side events. These included: Agriculture and Climate Change (CAADP), Impact of Climate Change on Marine and Coastal Environment (PAF), Sustainable land Management



and Climate Change (TerrAfrica), Gender and Climate Change, Policies and institutional responses to sustainable environmental management (EAP) and Communications. The NEPAD Agency CEO held high-level consultations with various partners including CTA, World Bank, COMESA, and the Delegations to COP 17 from Norway and Niger. Overall, NPCA successfully mobilised funding from PAF, CTA, FAO-SIDA and World Bank to support AU Member States and other stakeholders' participation in NEPAD related side events.

The NEPAD side events provided platforms for discussing the nexus between climate change policy, research, practice and development. Other key outcomes include:

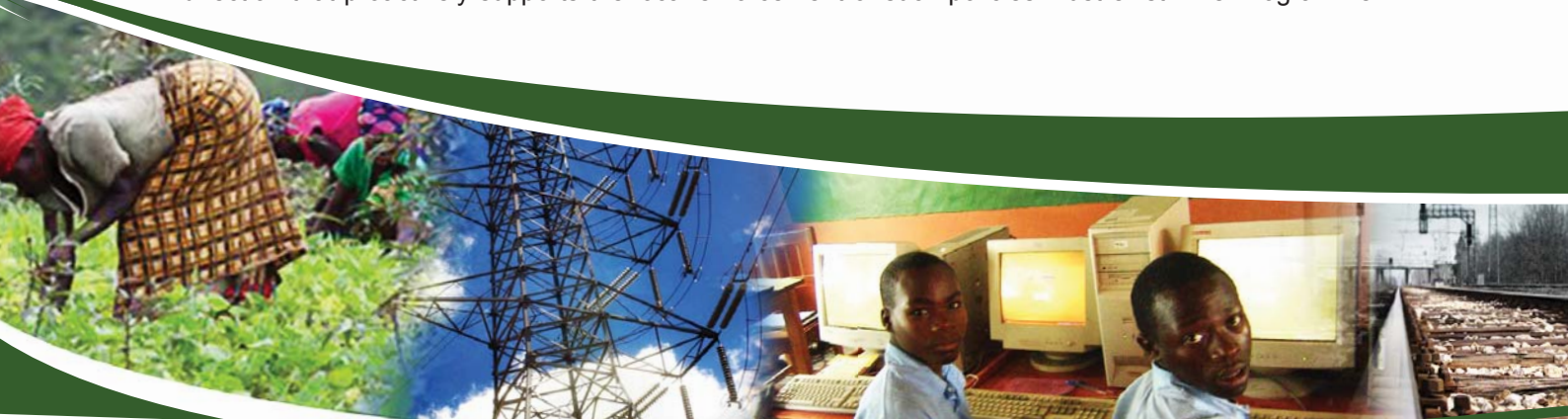
- a. the sharing of knowledge through show casing of field experiences and lessons on climate smart innovations in policies and practices;
- b. opportunity provided for African decision makers, civil society and the private sector to advocate for the key messages emanating from the Durban climate change talks, with a specific focus on opportunities for a meaningful outcome at COP17;
- c. consolidated networking among various stakeholders and community of practice and building partnerships for concrete actions on the ground;
- d. raised the profile of the NPCA as a key African institution with concrete actions supporting African countries in efforts to address climate change and development issues;
- e. NPCA activities in Durban demonstrated African ownership and leadership of the African agenda on climate and development; and
- f. launch of the NEPAD Gender Climate-Smart Agriculture and CAADP Support Programme.

### Natural Resource Governance Programme

Africa is endowed with several extractive natural resources – petroleum, gas and solid minerals. These resources constitute formidable sources of economic, political and social empowerment to the various national governments and should also benefit the constituent communities from which these resources are extracted. The competition by national and international enterprises for access, control and maximum benefits from these extractive natural resources is intensifying, with concomitant wealth creation, which should be equitably distributed through the grassroots. This is, especially so since the land from which the resources are extracted remains so degraded that the communities are no longer able to live off it anymore. The question of how African communities may ultimately reap maximum benefits from these extractive resources lies at the heart of NPCA Natural Resource Governance (NRG) programme.

The NEPAD HSGOC adopted the Natural Resource Governance Programme as a NEPAD flagship programme in January 2011, under the overall framework of the African Mining Vision. This new programme, developed by the NPCA in partnership with the Natural Resources Charter Institute, seeks to ensure that extractive natural resources revenue and the benefits they generate reach the poor in substantive ways. Indeed, the NPCA NRG Programme provides a distinct opportunity to support the implementation of the AU African Mining Vision (AMV) – identifying a menu of policy options and priority areas for actions aimed at institutionalising good governance in the extractive industry.

The NRG is based on a socio-economic assumption that the livelihoods of the poor would be enhanced through good governance of Africa's natural resources. Such governance must encompass property rights regimes that are predictable, secure and fair; effective institutions which could govern common pool resources; and ensure that the benefits of natural resources are equitably shared and effectively managed in the general interest of promoting inclusive growth. For this to happen, a strong national level policy direction that proactively supports the local enforcement of such policies must exist. The Programme will



therefore, focus on developing policy options to assist in decision-taking from the knowledge of the natural resource base to exploration, exploitation and management and use of revenue generated in the process.

**NRG Scope:** The NRG project focuses on implementation of the Natural Resources Charter in AU member states as well as seeking to embed the Charter in key regional and continental bodies such as the RECs and African Peer Review Mechanism. Milestones reached so far regarding NRG include:

- **Programme Strategy and Project Produced:** the NPCA, in partnership with the Natural Resources Charter Institute, produced a working strategy articulated in a Programme document aimed at addressing some of the identified challenges. A three-year project has been prepared with the goal of providing a benchmarking framework needed to identify and tackle key decisions and support government action plan to move forward on priority issues.
- **The outlook for 2012 on NRG:** The first phase of this three-year project will involve four initial adopting African countries and will be launched by March 2012. The initial activities will seek to convene national multi-stakeholder dialogues around the governance of extractive resources, support for a needs assessment, and coordinate technical support to assist countries in meeting specific priorities across the extractive governance decision chain. It is important to note that Natural Resources Charter provides a framework and methodology for countries to 'self-assess', to identify areas of national priority, and to take actions to strengthen governance. Furthermore, NPCA and NRG partners will engage African governments to use benchmarks to identify priority areas along the extractives decision chain; and provide technical assistance and capacity building support to help governments address priority issues.

In all a number of lead partners, who are active in supporting extractive sector governance, have been identified to mobilise partnership support for the NRG programme. These include the African Development Bank (AfDB), African Economic Consortium, African Center for Economic Transformation, AustraliaAid (AusAid), DFID, Revenue Watch Institute, Norway's Oil for Development Program, UNDP, UNECA and the World Bank. These partners form part of the team constituting the needs assessment benchmarking methodology and they will also be involved in capacity strengthening alongside national agents.

- **Resources for NRG:** In order to increase buy-in, the NRG Programme is currently being marketed to African stakeholders including governments, civil society actors and the extractive industry. In particular, the programme was presented at the 2nd Conference of African Mining Ministers, in Addis Ababa in December 2011; and additional advocacy of the Programme is currently on-going with partners that have shown interest in the NRG.



## Regional Integration and Infrastructure

### Programme for Infrastructure Development in Africa

The African Union Heads of State approved the need for a comprehensive study of regional and continental infrastructure development in Africa during its Summit in January 2009. The objective of this initiative is to consolidate the gains realised through the implementation of the NEPAD Short Term Action Plan (STAP). Given the lessons learned, it also aims to develop strategic institutional and implementation frameworks for the delivery of regional and continental integration. This will accelerate the implementation of PIDA, within



the context of the AU Abuja Treaty for the Creation of the African Economic Union by 2028.

The PIDA sector studies were launched in Kampala, Uganda in May 2010 at the AU Heads of State Summit; the Sector studies took 17 months to complete (December 2011). The outcome of the Study – on the Priority Action Plan (PAP) and its implementing arm, the Institutional Architecture for Infrastructure Development in Africa (IAIDA) – was approved at the AU Heads of State Summit in Addis Ababa, Ethiopia, in January 2012.

The overall goal of PIDA is to promote socio-economic development and poverty reduction in Africa through improved access to integrated regional and continental infrastructure networks and services. The PIDA Sector Studies assist in developing a vision of Africa's infrastructure based on strategic objectives and sector policies; prioritised regional and continental infrastructure investment programmes.

The main output of the PIDA Study is a PIDA infrastructure development programme over the short (until 2020), medium (until 2030) and long (until 2040) terms placed within an enabling strategic framework and operational institutional architecture.

The total cost of the PAP is estimated at US\$68 billion (i.e., US\$7.5bn/annually), comprising of 51 priority programmes/projects covering Energy, Transport, ICT and Trans-boundary Water Resources sectors.

### **Box 2: NEPAD: Responding to Africa's Regional Integration and Infrastructure Development Challenge**

The year saw the cumulative results of the continent's efforts to strengthen regional integration and raise investment in infrastructure development. Some of the major strides included the following:

- The Presidential Infrastructure Champion Initiative: NEPAD Agency contributed to the take-off of the implementation of the 7 regional projects endorsed by the 16th AU Assembly under the AU-NEPAD Presidential Infrastructure Champion Initiative (PICI).
- Broadband Infrastructure: The Agency worked to strengthen Africa's broadband communications infrastructure within the context of the Programme for Infrastructure Development in Africa (PIDA). In the ICT sector, PIDA seeks to ensure that:
  - All regional and continental infrastructure projects are coordinated in such a way that all new roads, railways, power, and gas pipelines have provisions for broadband optical fibres.
  - Every African country will be linked to at least two submarine cables.
  - Priority will be given to close gaps in cross-border broadband networks.
- Extension of Enabling Environment: The Agency, through the e-Africa Programme, contributed to enhancing an enabling environment for ICT infrastructure development by engaging with in-country stakeholders in Nigeria, Djibouti, Niger and South Sudan. It did so within the framework of the Kigali Protocol, which is the basis for the enabling environment for the development of the AU-NEPAD ICT Broadband Infrastructure Network. Through the PICI, the e-Africa Programme is working towards the implementation of the selected AU-NEPAD ICT Broadband Infrastructure project being championed by the President of Rwanda.
- Internet Governance: in the course of the year, the Agency contributed to the establishment of the African Internet Governance Forum and is part of on-going efforts to secure the African Internet Domain Names "DotAfrica" and "DotAfrique" for the use of the continent.



- **Community Informatics Network:** The Agency contributed to activities to set up the Community Informatics Network, a multi-sectoral framework for linking all stakeholders working with ICTs for development in grassroots communities in Africa. The initial phase of the project targets access to information through the network for agricultural and rural development. The feasibility study for this project is underway and is expected to be complete by mid-2012.
- **Harmonisation and Coordination of Regional and Continental ICT Programmes:** Under the e-Africa Programme, the Agency collaborated with the Information Society Division of the AUC, ICT experts from RECs, ICT Specialised Agencies of the AU, UNECA and ITU to design a framework for harmonising and coordinating regional and continental ICT programmes and projects. It will facilitate the implementation of this framework in 2012 to ensure its effectiveness.
- **The Agency launched the process of supporting the newly independent South Sudan on strategic planning, infrastructure, agricultural investments and public sector capacity development under a South Sudan Development Initiative (SSDI), in conjunction with Kenya, UNECA and UNDP.**
- **Development of a Bio-energy Programme:** significant progress was made by the Agency in the development of Africa's Bio-energy programme. The programme will address strategic policy issues and priorities in the development of a sustainable bio-energy industry in Africa. The draft programme document has been developed and inputs and comments from stakeholders are currently being sought. The Agency is partnering with the Global Biotechnology Transfer Foundation, the UN Foundation and the Institute for Crop Research in the Semi Arid Tropics to develop a Bio-economy programme targeting resettlement of 1000 households in sub-Saharan Africa as a first phase.



### Implementation of Presidential Infrastructure Champion Initiative

Change paragraph with: Towards the implementation of the AU-NEPAD Presidential Infrastructure Champion Initiative (PICI), the NEPAD Agency convened a Technical Workshop for the PICI Technical Task Team in December 2011, in Midrand, South Africa. The key objective of the Workshop was to exchange and update technical information to feed into the comprehensive status report on the PICI projects.

The PICI Focal Points underscored the need for financing and implementation strategies for the projects and took due note of the development of an implementation strategy to include PPPs. Nigeria's proposed initiative to convene an African PPP network to bring the various PPP units so as to develop and harmonise PPP frameworks to support PICI implementation, was endorsed.

Based on the engagement with PICI Country Focal Points, the current status of the 7 regional infrastructure projects is outlined below:

#### Missing Link of the Trans-Sahara: championed by the Government of Algeria

A 200 km missing link from Assamaka in Algeria to Arlit in Niger, at a total construction cost of USD 102 million. This amount has already been committed by various lending institutions, with the Government of



Niger required to provide USD 8 million. Ratification of the loan agreements is scheduled to start from July 2011 to December 2012. The first loan agreement will be signed between the Government of Niger and BADEA.

### **Optic Fibre from Algeria via Niger to Nigeria: championed by the Government of Algeria**

A 4,500 km terrestrial fibre optic cable from Algeria (2,700Km) via Niger (950Km) to Nigeria (850Km). A joint declaration was signed by the 3 countries in June 2010. The Environmental Impact Study (EIS) for each country is scheduled for completion in December 2011. Invitations for tender for the construction phase of the project will be issued in February 2012. With a total estimated project cost of US\$80 million, the project is scheduled to be completed and to be operational in 2014. The Algerian Government has created a secretariat for the implementation of the project.

### **Dakar-Ndjamena-Djibouti Road/Rail: championed by the Government of Senegal**

A combination of the Trans-African Highway 5 (Dakar to N'djamena) and 6 (N'djamena to Djibouti) totalling 8,715Km. This Dakar-Djibouti corridor covers Senegal, Mali, Burkina Faso, Niger, Nigeria, Cameroon, Chad, Sudan, Ethiopia and Djibouti. The Corridor will i) Support the development of land transport in Africa; ii) Ensure greater mobility of people and goods; iii) Improve imports/exports in land-locked countries, intra-African trade and trade with the rest of the world; and iv) Provide parallel and mutually supportive road and rail connections within the corridor.

The pre-feasibility study has been conducted and the report finalised in December 2011. The pre-feasibility study addressed the socio-economic and environmental aspects of the two Corridors, and the need to establish the viability of the road/rail modes. The pre-feasibility Corridor also helped define reliability and safety measures.

### **Nigeria/Algeria Gas Pipeline: championed by the Government of Nigeria**

A 4,400 km natural gas pipeline from Nigeria via Niger to Algeria, and onto Spain. From Calabar in Nigeria to Niger (1037 km), from Nigerian border with Niger to the Niger border with Algeria (841 km), within Algeria (2,303 km), across the border between Algeria and Spain (220 km). The conceptual feasibility study was completed in 2006 and the next stage is the definition phase. In 2009, NNPC (Nigeria), SONIDEP (Niger) and SONATRACH (Algeria) agreed to proceed with a draft MoU between the three countries and the unincorporated joint venture agreement. The ratification of the Inter-Governmental Agreement (IGA) has been carried out by Algeria and Niger.

The review of the Unincorporated Joint Venture Agreement (UJVA) is on hold pending the resolution of SONATRACH's (Algeria) participation in Nigeria's upstream activities. The estimated project cost of the pipeline USD 10 billion and USD 13.7 billion (for 48-inch and 56-inch diameter pipes respectively) (2006). The 2006 study estimated an internal rate of return of 15.5% - 25% (using the oil price bench mark of USD 70 per barrel), and an equity payback period of 4-7 years (based on the line diameter option). The parties will agree to all terms and conditions before the financial closure of the project. The Corporate Planning and Strategy Unit of the Nigerian National Petroleum Company (NNPC) will carry out the revalidation of the project's viability.



### **Kinshasa-Brazzaville Bridge Road/Rail: championed by the Government of Republic of Congo**

The construction of a fixed crossing linking Kinshasa (DRC) and Brazzaville (Republic of Congo) ensuring continuity in railway and road traffic to the Eastern border of the DRC and beyond, facilitating railway and road interconnections in Central, Eastern and Southern Africa. The feasibility studies for the road and rail sections started in May and June 2011, respectively, and are due for completion in 2012. The Republic of Congo is taking the lead for the Road study, while the DRC is leading the Rail study.

### **Unblocking political bottlenecks for ICT Broadband and Fibre optic projects in the neighbouring states: championed by the Government of Rwanda**

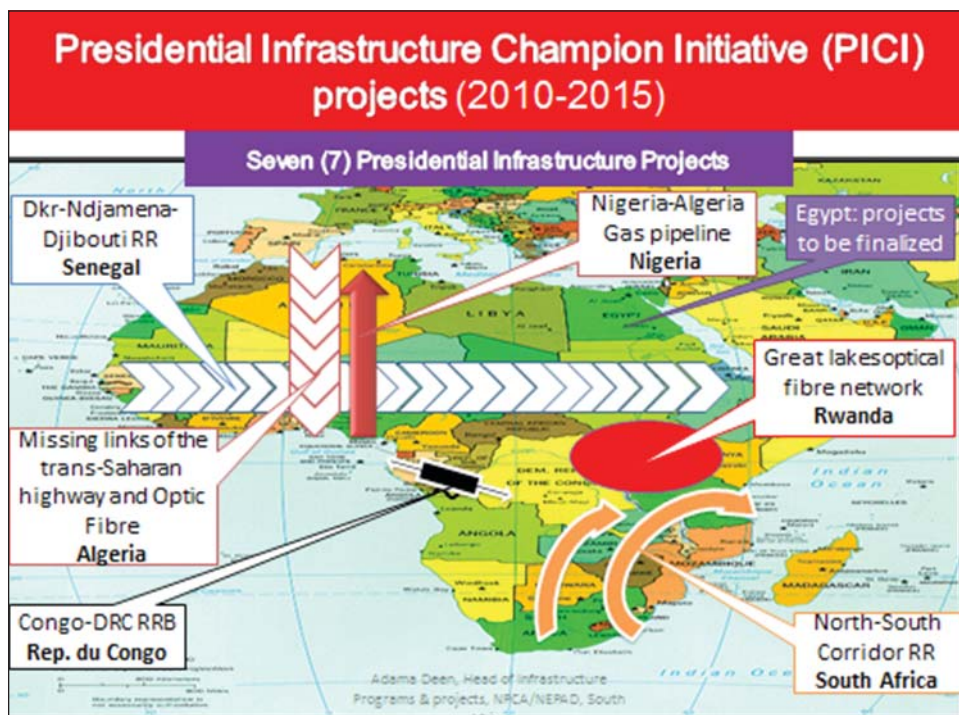
In September 2011, under the chairmanship of HE President Paul Kagame, Rwanda convened a broadband meeting in Kigali that brought the ICT Ministers from the East African Community, ITU, telecoms regulators as well as the leaders of ICT companies and Internet service providers in the region. The meeting resolved to fast track development of broadband infrastructure in the region and to remove barriers and bottlenecks, both policy-related as well as regulatory, with a view to harmonising the regulatory environment for an efficient ICT Infrastructure roll out. Rwanda is also conducting a scanning exercise of ICT and fibre optic projects in the region to identify potential bottlenecks for possible intervention by the President.

### **North/South Corridor Rail/Road: championed by the Government of South Africa**

A review of all the studies that have been conducted within the North/South Corridor has been undertaken. The purpose of this review is to clearly identify the implementation challenges of some projects and, most importantly, to prioritise the road/rail projects to be championed by South Africa.







**Technical Support to the South Sudan Development Initiative**

Responding to the joint request from the Government of Kenya and the newly independent Government of South Sudan for technical support, the NEPAD Agency spearheaded a scoping mission to South Sudan. The mission aimed to identify strategies of organizing and facilitating technical assistance to the Government of South Sudan on the design, execution and resource mobilization for the national comprehensive development plan – the South Sudan Development Initiative (SSDI).

The mission, led by the CEO of the NEPAD Agency, included among others the Minister of State of Public Services of the Republic of Kenya. They agreed to constitute a NEPAD technical working group, drawing experts from AUC, NPCA, UNECA, AfDB and UNDP. The working group will work with a multi-sectoral national task team in liaison with focal points from the 10 States of South Sudan to develop the SSDIP. The SSDIP will contain costed programmes, based on a priority list of projects outlined in the South Sudan Development Programme, which is the country’s medium term overarching development framework. It was further agreed that UNECA and NPCA would take the lead on the mobilisation of resources for the SSDIP, while UNDP will lead on securing and organising capacity building support for the execution of the plan. As first follow-up steps, the NPCA team will engage the multi-sectoral national task team in South Sudan during the first quarter of 2012 to elaborate the programmes and attendant implementation modalities of the SSDIP. The NEPAD Agency Communications unit will work closely with UNECA to profile the new member state with a view to highlighting the opportunities for investments and funding.



## Bio-Energy Programme

In the year under review, the NPCA conducted a study on the status quo of energy infrastructure projects, outlining the main challenges facing their development and implementation. The study, conducted under the ambit of PIDA, covered the SADC region. A framework for cooperation with SADC is being developed to monitor and evaluate the implementation of PIDA high-priority infrastructure programmes and to ensure timely implementation of the framework.

Recognised as a priority area by the NPCA for 2010-2014, two project concepts have been developed to define the NPCA Biofuel programme. The first addresses bio-energy issues at small holder farm level and the second focuses on bio-fuel policy. The bio-energy programme document on small farm holders has been finalised in collaboration with the United Nations University, based in Japan. Efforts are afoot to raise funds for programme implementation. The NPCA is also consulting with key stakeholders during this development process. Among the identified partners are the Global Biotechnology Transfer Foundation, the UN Foundation and the Institute for Crop Research in the Semi-Arid Tropics. The aim is to develop a bio-energy programme targeting the resettlement of 1,000 households in 4 AU regions in Africa.

The NPCA is working on bringing nuclear energy stakeholders in Africa together towards developing an African-grown programme on the use of nuclear power for electricity generation. However, the project activities in this respect are being reviewed given the damage to Japan's nuclear reactors resulting from the tragic earthquake and tsunami of March 2011.

As a mechanism for the development of innovative solutions to ease the energy shortage in Africa, a programme focusing on the development of clean energy sources that use the abundant solar energy available to Africa is being developed. Likewise, the NPCA has facilitated capacity building for African energy stakeholders in critical areas of electricity and renewable energies. Arrangements have also been made with IEA of France to open their programme of capacity development in energy to African energy stakeholders.



## Economic and Corporate Governance

Inspired by the outcomes of the African Peer Review Mechanism (APRM), the NPCA is promoting the implementation of the National Programmes of Action (NPOAs) as an African-led and African-owned process, with particular reference to Economic Governance and Management, Corporate Governance, and Socio-Economic Development. Thus the NPCA, through its Economic and Corporate Governance thematic area, is developing a project to advance the NPCA's engagement and implementation of governance reform processes in Africa with priority being placed on support to APRM countries in implementing National Programmes of Action (NPOA). It is generally expected that an NPOA implementation strategy will be developed and implemented at country level, initially commencing with South Africa, Lesotho, Uganda, Rwanda, Ghana, and Algeria. The implementation of the Initiative on NPOA will not only go a long way in adding value to the APRM process, but will also boost the implementation of the decision of the then 36th NEPAD Steering Committee. It will further identify challenges towards the implementation of shared values, and address the implementation deficit current being faced in Africa.

As an on-going programmatic activity, the NEPAD-OECD Africa Investment Initiative is a dedicated programme working with African and global partners to promote business climate policies in Africa. The Initiative uses the Policy Frameworks for Investment (PFI) to emphasise concrete reforms at national and regional levels, serving as a knowledge provider on enhancing investment in Africa. Key outputs of the



initiative include peer learning and dialogue, analytical outputs, guidelines for private financiers, capacity building and Aid for Infrastructure Investment. More specifically, Zambia and Mozambique have been using the Policy Framework for Investment (PFI) to improve the business climate through the programme of 'Unlocking Southern Africa's Investment Potential.'

In an effort to accelerate reform in Africa's investment in agriculture and infrastructure, the 5th Ministerial Conference of the NEPAD-OECD Africa Investment Initiative, which took place in Dakar on 26 and 27 April 2011, was declared open by President Abdoulaye Wade of Senegal who underscored the importance of mobilising green investment for growth and employment. African Ministers urged NEPAD and the OECD to step up support in designing and implementing sound reforms for private sector development while welcoming the constructive engagement of business and CSOs in the investment reform processes.

## Human Capital Development

### African Medicines Regulatory Harmonisation

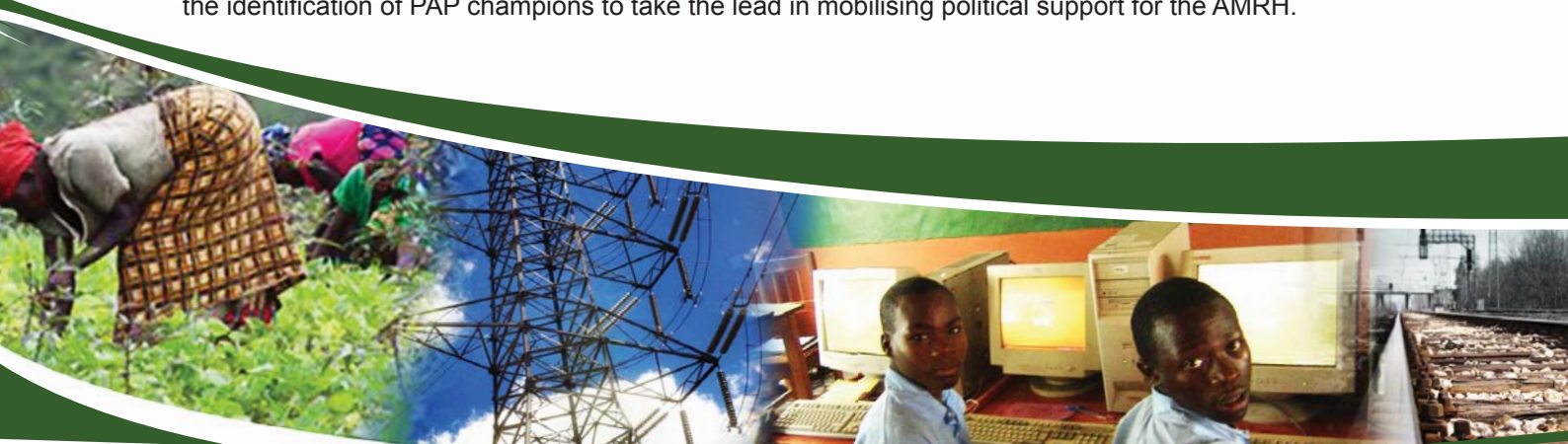
The African Medicines Regulatory Harmonisation (AMRH) programme, coordinated by the NPCA, aims to improve public health by increasing access to safe, efficacious and good quality essential medicines for the treatment of priority diseases affecting the African population. The programme pursues its objectives by promoting the harmonisation of medicines regulation among African countries through the RECs.

A Multi-Donor Trust Fund for the AMRH Programme (MDTF-AMRH) was established following an agreement between the World Bank and the Bill and Melinda Gates Foundation. AMRH has secured funding from the MDTF for the East Africa Community (EAC) Medicines Regulatory Harmonisation (MRH) project. The EAC MRH project will be officially launched in February 2012, in Arusha, Tanzania. Technical support was also provided by NPCA to SADC and ECOWAS/West African Health Organisation regions on the completion of the MRH project proposals.

The NPCA undertook and completed data collection exercises in some OCEAC/ECCAS countries, namely Equatorial Guinea, Chad, Democratic Republic of Congo, Angola and Burundi. The data collected will inform the Situation Analysis Study (SAS), the pivotal step before the final project proposal for the Central African region.

Further, the MRH situational analysis in the ECOWAS region was finalised, and publication of the situation analyses for EAC, SADC and ECCAS is on-going. The SASs provide opportunities for developing new and innovative approaches and programmatic areas in the implementation of the AMRH programme. The Agency has also developed the five-year AMRH Strategic Plan (2011-2015), with the set up of the AMRH Advisory Committee, which will hold its inaugural meeting in February 2012.

A Memorandum of Understanding between the NEPAD Agency and WHO Headquarters is being negotiated with the instrument aimed at enhancing collaboration between the two parties in the coordination of MRH projects implemented by African countries and RECs. One of the key success factors for fast-tracking implementation is the role and engagement of the Pan-African Parliament (PAP) in conceptualising, designing, implementing, and facilitating the mobilisation of requisite political commitment from national governments for NEPAD policy frameworks and programmes. Various PAP Committees were consulted by NPCA in this regard. In particular, the PAP Committee on Health, Labour and Social Affairs was engaged on the identification of PAP champions to take the lead in mobilising political support for the AMRH.



## The Eval-Health Project

It is a research project aimed at developing and testing methodologies for monitoring and evaluating EC-funded health-related interventions in developing countries. The 3-year project, funded by the European Commission (EC) under their 7th Framework Programme (FP7), runs until December 2013. Within NPCA, the project has produced publications such as 'Monitoring and Evaluation of Health International Research Projects'. In 2012, the NPCA will lead one of the Eval-Health work packages (Work Package 4) focusing on the development of methodologies for monitoring and evaluating R&D interventions in the health sector in developing countries.

## African Science Technology and Innovation Indicators Initiative

The African Science Technology and Innovation Indicators (ASTII) Initiative is a programme within the African Science and Technology Consolidated Plan of Action (CPA) being coordinated by the NEPAD Agency. The CPA was adopted in 2005 by the African Ministerial Council on Science and Technology (AMCOST) as a framework that articulates Africa's vision for applying science, technology and innovation in its development agenda; for Africa's full integration into the world economy; and as a response to its socio-economic challenges.

The published release of the African Innovation Outlook (AIO) 2010 has generated interest from both African and global stakeholders; at least 600 print copies have been disseminated and the Outlook is also available for download online. From the published data, it is evident that the majority of countries are still below the target of 1% of Gross Domestic Expenditure on R&D. A research call is being prepared to focus on making the linkages between the results published in AIO-2010 and STI policies in Africa.

Following the official launch of Phase 2 of the ASTII Initiative in May 2011, the number of participating African countries has grown from 19 to 28. ASTII continues to work in developing the capacity of AU Member States to conduct both R&D and Innovation surveys. A set of standards for the R&D and Innovation survey was developed by 21 member states for all sectors: Government, Business, Higher Education and Non-Profit Organisations. The NPCA has set up an Advisory Committee to guide ASTII, made up of experts from Africa and international organisations.

During the period under review, the NEPAD Agency worked towards engaging the RECs, with initial consultations held with SADC and ECOWAS. The NPCA also plans to collaborate closely with the Malabo-based African Observatory on Science Technology and Innovation (AOSTI) in the coordination, data collection, training, and information dissemination on STI in Africa once the latter is operational.

The NEPAD Agency is working towards engaging RECs, with initial consultations held with SADC and ECOWAS in this regard.

The ASTII Initiative still faces some challenges, including scarcity of national experts to compile and analyse STI statistics, limited resourcing of the responsible bodies to conduct the surveys, and low levels of awareness by various stakeholders on the significance of STI.

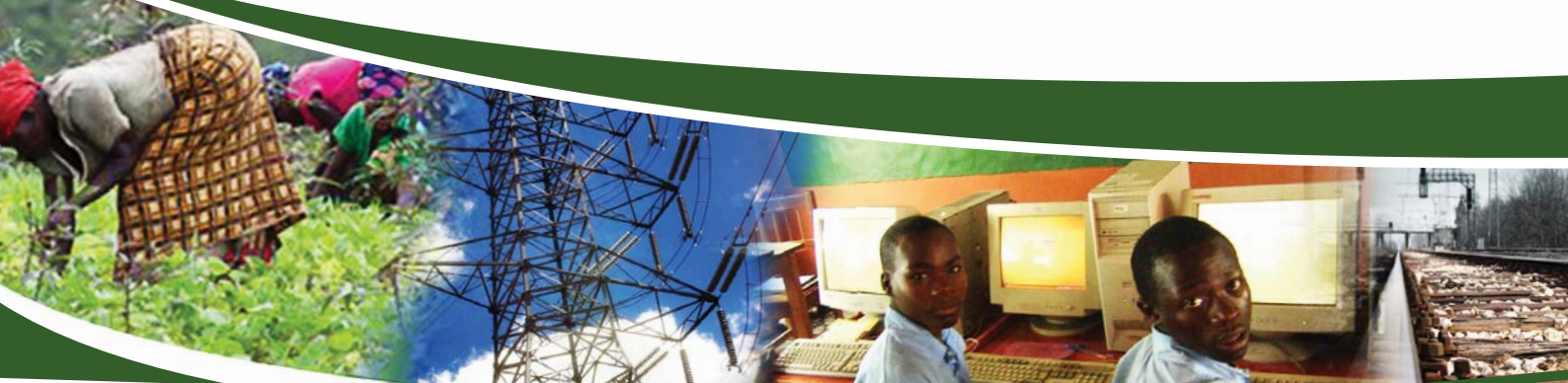


### **Box 3: Implementing Africa's Science and Technology Consolidated Plan of Action – Emerging Results from NEPAD Agency's African Biosciences Initiatives**

The NEPAD Agency has, through the African Biosciences Initiative (ABI), continued to implement the CPA in conformity with the regional networking approach adopted by the African Ministerial Conference on Science & Technology (AMCOST). The ABI is a cluster of three of the 13 flagship programmes in the CPA, namely: biodiversity, biotechnology, and indigenous knowledge systems and technology. Through the continent-wide regional networking approach, institutions have made their resources available to address common challenges in the region in the areas of human health, agricultural productivity, biodiversity management, and sound environmental management. During the year, the Southern Africa Network for Biosciences (SANBio), a regional network covering 12 countries in Southern Africa, continued to implement activities in R&D and capacity building. SANBio is growing and enhancing the capacity of institutions and individual scientists to conduct biosciences-related research in Africa and to develop and deliver new technologies. In 2011 SANBio was successful in its establishment as a credible programme, with achievements in the following areas, among others:

- Human capacity development: more than 23 Doctoral and Master's Degree level scientists were supported and have graduated with an appreciable increase in female research scientists. Special skills courses were conducted throughout the region in fish farming, mushroom production, technology transfer and commercialisation, project management, management of Intellectual property issues, and bioinformatics.
- Upgrade of infrastructure: a bioinformatics centre was established at the University of Mauritius and an indigenous knowledge centre (IKS) at North West University in South Africa.
- Research & Development: 5 regional research initiatives were undertaken, most of which contributed to the development of new knowledge and others are nearing product development stage including:
  - The development of a small-scale mushroom growing project in Namibia, Malawi, and Swaziland
  - Scientific assessment of traditional remedies. This research resulted in the identification of a remedy, which has potential for combating HIV-1 subtype C virus. Preclinical trials are complete and Phase I clinical trials will be commissioned in 2012.
  - Increased livestock production through the control of tick-borne diseases using traditional remedies.
  - Documentation of indigenous legumes and vegetables of Southern Africa to promote their domestication and usage.

During the year, under the auspices of ABI, a new strategic plan 2012-2016 was developed, which includes SANBio's programmes. The Network has developed strong visibility and enjoys valuable support by African stakeholders and development partners



## Nursing and Midwifery Education Project

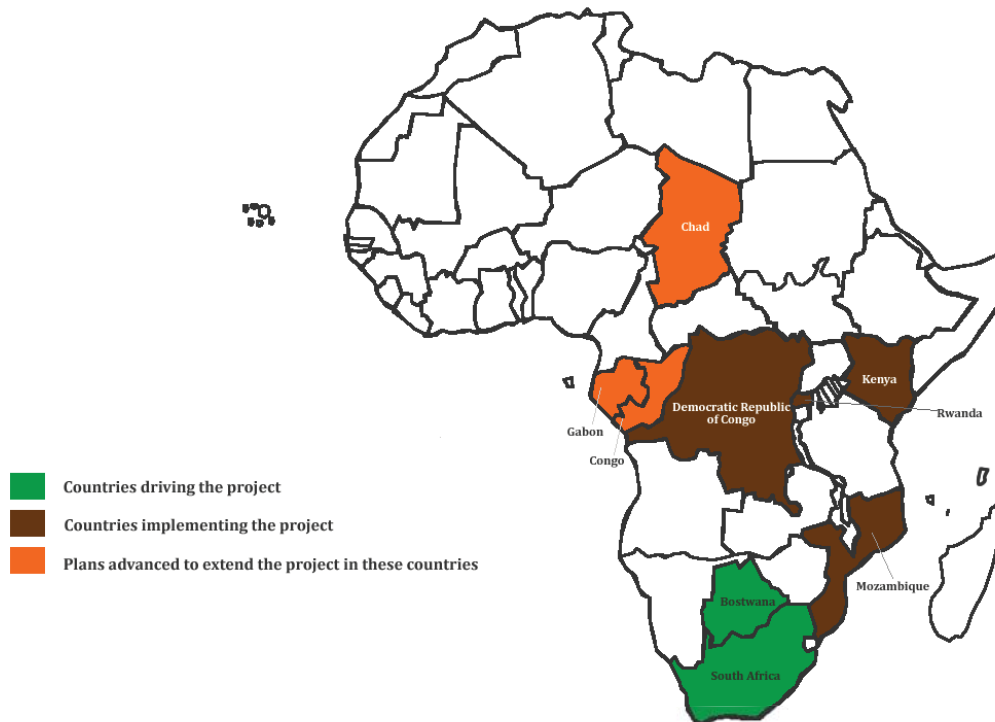
The Project involves a partnership between a number of tertiary institutions that do not offer nursing and midwifery education at post-graduate level and those tertiary institutions that do. This crucial and strategic relationship is placed within the context of the needs of the country, the region and the continent with regard to health professional training, as well as the institutional revitalisation of higher education.

This project focuses on the second overall objective of NEPAD – capacity building and the development of skills that would promote self-sufficiency and independence. It is a project based on needs voiced by African tertiary institutions, and answered by a consortium of Universities that are able to address the need.

In a survey in the late 1990s, it was found that: only 14% of African countries have university nursing programmes; only 46% have advanced clinical programmes; and only 19% offer Master's degree programmes in nursing. Furthermore, it was found that about a third of nurse educators (27%) had only a basic diploma, 29% had an advanced diploma, 27% had a Bachelor's degree and only 18% had a post-graduate degree.

As part of the development of NEPAD's human resources and capacity development therefore, African educational institutions should be used to further meet the needs of those countries with inadequate institutional capacity. This project was established to address the needs of those countries that do not have a post-graduate degree in nursing and midwifery. This project aims at developing a model that could add value to human capacity development in Africa.

In 2011 the Government of the Republic of China approved a grant of USD 1.5 million for the implementation of the second phase of the programme in Cameroon, Gabon and Congo; after Kenya, Tanzania, Democratic Republic of Congo, Rwanda and Mozambique were selected as pilot countries for the first phase of the programme.



## Cross-cutting Programmes

### Capacity development



Dr Mayaki giving a speech at a NEPAD side event at the 4th High-Level Forum (HLF-4) on Aid Effectiveness in Busan, South Korea

The NEPAD Agency has continued to scale up the implementation of Africa's capacity development (CD) agenda through the AU-NEPAD Capacity Development Strategic Framework (CDSF). Major efforts centred on mobilising national, regional and global partnerships for a more systematic integration of CD towards accelerating Development Effectiveness (DE). In this way CD is entrenched as the core driver in realising Africa's transformation. In particular, the NPCA supported the coordination and implementation of the Africa-wide CDSF as the comprehensive guiding policy and reference tool to enhance capacities for sector, programme and national development delivery. This is in the light of the centrality of CD in responding to the multi-faceted development challenges on the Continent.

In close collaboration with the AUC, a strong interface was established with the global community on Aid and Development Effectiveness, to facilitate the process of linking the CDSF for alignment with external partners' approach in CD towards concrete joint and targeted actions. The Africa Platform on Development Effectiveness (APDev) ([www.africa-platform.org](http://www.africa-platform.org)), as the inclusive mobilising mechanism, served to develop the African Consensus and Position on Aid Reforms, through the prism of Development Effectiveness (DE) and with CD as core driver.

The NPCA CD Programme, in conjunction with partner institutions, provided technical support and championing for the DE agenda. It also served as a common basis for Africa's negotiations with the global community at the 4th High-Level Forum (HLF-4) on Aid Effectiveness in Busan, South Korea, in November 2011. Efforts continued towards enhancing the CDSF-based capacity support for the RECs and linkages with APDev.



#### Box 4 : Capacity - A Vital Means for Implementation of NEPAD Development

##### Programmes

The outgoing year saw significant progress in the implementation of programmes to develop capacity as well as improve gender equality and women empowerment on the continent, through interventions by the NEPAD Agency in close collaboration with NEPAD partner institutions. With regards to the implementation of the AU-NEPAD Capacity Development Strategic Framework (CDSF), the Agency developed and launched the Africa Platform for Development Effectiveness (APDev) in the course of the year as a mechanism for developing African consensus around issues relating to aid effectiveness, south-south cooperation and capacity development. With support from key development partners, which included UNDP, UNECA, AfDB, UNAIDS, ACBF, UN Women, Oxfam and Trust Africa, the Agency successfully facilitated the emergence of a common African position for the 4<sup>th</sup> High Level Forum on Aid Effectiveness that was held in Busan, South Korea in November-December 2011. During the same period, the NEPAD Agency developed African best-practice case studies on development effectiveness to improve capacity development for south-south cooperation. In partnership with WBI and UNDP, the Agency launched a REC-to-REC knowledge exchange programme to strengthen institutional capacity of RECs through knowledge exchange and mutual learning, under the AU-NEPAD Capacity Development Support Programme for RECs. The inaugural dialogue was hosted by ECOWAS and focused on regional trade integration, while the two that subsequently followed by video-conferencing, witnessed the exchange of best practices on institutional development among RECs.

In promoting gender equality and women's empowerment, the Agency launched the processing of applications for the Second Phase of the NEPAD-Spanish Fund for African Women Empowerment. This phase will involve the disbursement of EUR 10 million to national and sub-regional organisations, as well as support the effective take-off of the regional project – Business Incubation for African Women Empowerment (BIAWE) – in COMESA and ECOWAS.



#### African Voice in Reshaping the Global Architecture – the Road to Busan

In preparation for the HLF-4, the NEPAD Agency in collaboration with the AUC, successfully mobilised African stakeholders and partners through APDev towards a common and inclusive position on DE. APDev served as the Continent-wide coordinating and coalition-building vehicle for this process, through the high-level mandate of the 14th and 15th AU Summits of 2010. This led to the inaugural African Consensus and Position on Development Effectiveness at the Busan HLF-4. AU Member States, Parliaments, regional institutions (in particular RECs), civil society organisations (including women and youth groups), business and academia as well as partner institutions contributed decisively to the Continental Consensus. To this effect, the NPCA issued joint statements on Development Effectiveness with UNAIDS and the Fiji-based Pacific Islands Forum (PIF) Secretariat.

APDev was officially launched in collaboration with AUC and UNECA in March 2011; Case Study Review Sessions took place in July 2011 in Johannesburg, and the August 2011 Multi-Agency Technical Task Team met in Midrand, South Africa.

In particular, the South Africa consultation laid the foundation for Africa's new DE approach with the call for the establishment of a country-led regional coordinating platform under AU custodianship, and the need to build strong evidence based on SSC and CD in Africa, with a key role for research and academic actors. In Tunis, Africa advanced DE by incorporating a strong regional dimension, the central role of the private sector and innovative financing mechanisms as exit strategies in aid dependency.





In Addis Ababa, the African Consensus for HLF4 was issued, signifying Africa's bold and unified stand on DE, based on a new global partnership. Additionally, the following groups all made an input into the Africa position: Francophone countries, the OECD/DAC Caucus of Developing Countries with the related Partner Country Position, Women's groups as well as the AU/ECA Conference of Ministers of Finance, Planning and Economic Development.

### **Evidence-Building on Development Effectiveness Best Practices – African Cases**

The NPCA, through APDev, and in collaboration with the UNDP, UNECA and Global Task Team on South-South Cooperation (TT-SSC) coordinated systematic knowledge exchanges and mutual learning on DE. This is in line with the AU vision of positioning knowledge as capacity for action under the umbrella of the CDSF. Accordingly, the NEPAD Agency produced 7 evidence-based African case studies as part of an evidence and knowledge building initiative on SSC and its interface with CD in Africa. This was showcased in Busan. The cases captured the increasing realisation of the need for commendable practices and the need to map on-going SS exchanges on the Continent, focusing on both intra-Africa and cross-regional dimensions for national and regional development. At the core of the SSC agenda is CD, which Africa has identified as central to achieving effective development.

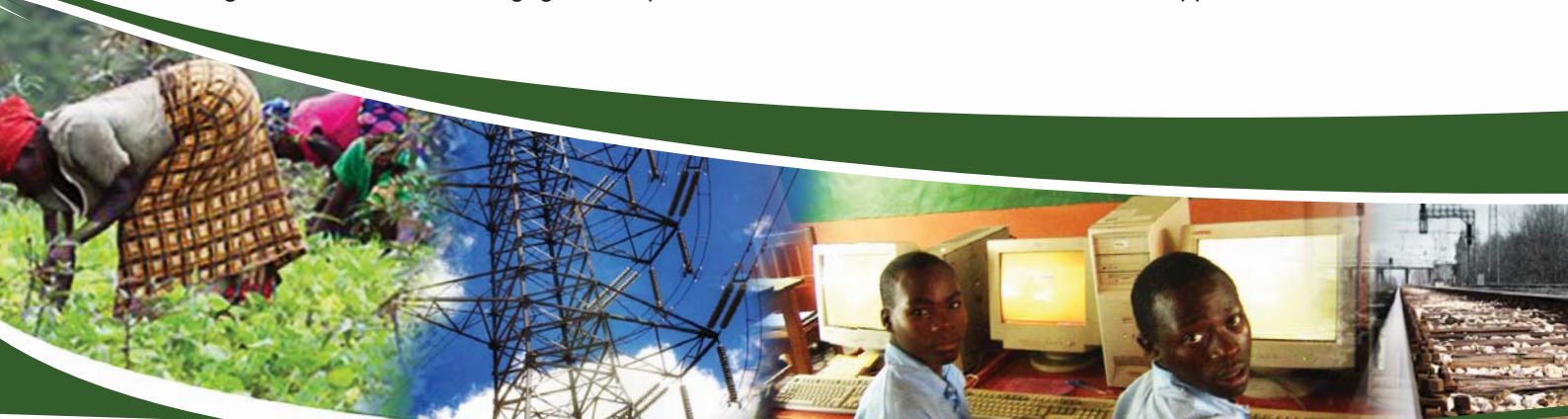
Africa's presentation of a Common Position on Development Effectiveness at HLF-4, based on its own context, needs and priorities in negotiating a new global partnership on development cooperation. Busan offered a strategic and historic opportunity for Africa to share perspectives on the necessary policy shift towards situating aid in the broader context of development and the key outcome document – the Busan Partnership for Effective Development Cooperation symbolises the historic opening on a new international order. The African road to Busan demonstrates the effective coordination and coherence where the AUC and NEPAD Agency have worked in a synergistic manner, as well as the potential power of AU and its institutions in ensuring consolidated African voice in addressing global imbalances. CD as the core driver of this DE agenda was underscored, with development partners and private foundations pledging to continue to work with the NEPAD CD Programme to strengthen this important agenda through the Busan Building Blocks, especially on effective policies and institutions; and South-South and Trilateral Cooperation.

### **CD Expert Pool and 'State of Capacity Development in African Report'**

The NEPAD Agency, in partnership with the UNDP, coordinates the annual production and dissemination of the State of Capacity Development in Africa Report (Africa-CDR). It does so within the context of APDev and towards CDSF implementation, and in line with the AU vision of positioning knowledge as capacity for action under the umbrella of the CDSF. Progress has begun to show and, having shared innovative approaches and information on new perspectives, African CD experts now serve as an authoritative AU policy-practice knowledge resource. This Pool will eventually provide the Continent with a means of measuring progress registered in the pursuit for CD as key component of actualising effective development. The initial CD Report is scheduled for publication in the last quarter of 2012, in cooperation with development partners.

### **Implementation of AU-UN Ten-Year Capacity Building Programme**

During the 12th Meeting of Africa-Regional Coordination Mechanism (RCM), hosted by UNECA in November 2011, the NPCA advanced a UN system-wide support to the AU and its NEPAD Programme under the authority of the UN Deputy Secretary-General. With its theme 'AU-UN Ten Year Capacity Building Programme', the NPCA engaged UN partners on contributions towards CDSF support and initiatives



such as APDev. The 12th RCM recommended strengthening coordination and coherence in the delivery of UN system capacity building support to the AUC, NPCA and RECs. Following the presentation of the assessment outcomes of the AUC at the RCM, UNECA will be undertaking the CD assessment of NPCA under TYCBP auspices in the first quarter of 2012. RCM will serve as a mechanism to mobilise support for the implementation of Africa's CD and DE post-Busan agenda.

## Gender Programme – NEPAD/Spanish Fund

The NEPAD Agency is committed to gender equity in all aspects of its programs and operations. The underlying principle of the NEPAD gender programme is that paying special attention to women in all stages of development allows the Agency to move one step towards ensuring gender equity and inclusiveness. Accordingly, programmes and projects at NPCA must be gender responsive. Hence, the gender programme assists with coordination and collaboration within the Agency, and also with all stakeholders for NPCA to deliver on its mandate.

The gender programme often focuses specific attention and resources on ensuring that women are fully able to engage in development activities and benefits. Gender approaches and tools allow the programme to bring an awareness of gender issues to programme design, implementation, and monitoring and evaluation activities. It adopts gender analysis as part of doing 'smart' development.

The gender programme acts on three fronts:

1. **Internal gender mainstreaming:** *It assists* other departments of the Agency in their efforts to advance gender equality across a broad spectrum of issues related to human development. This ensures that all NPCA staff, projects and programmes, and operations are gender sensitive and responsive.
2. **External gender mainstreaming:** the Agency supports continental and regional bodies, including Member States, to formulate agreed standards for gender equality. An *NPCA Gender Mainstreaming Strategy* is currently being discussed in partnership with AUC, GIZ, UNDP, UNECA, UNCTAD<sup>1</sup> and others in line with the NPCA mandate.
3. **Specific interventions aim at Promoting Women Empowerment:** Currently the main initiative is the NEPAD Spanish Fund for African Women Empowerment (NSF), which was established in 2007.

The flagship programme of the gender programme is the NEPAD Spanish Fund for the Empowerment of African Women, which was established in 2007 following the signing of a MoU with the Government of the Kingdom of Spain. The goal of the NEPAD Spanish Fund is to promote gender equality, and increase the capacities and autonomy of African women, in order to contribute to the acceleration of the achievement of the Millennium Development Goals.

The implementation of the Fund is undertaken through a dual process: i) launching a call for proposals and ii) establishing business incubators for women (BIAWE). As part of the implementation of the Fund, in 2008 NEPAD launched the first call for proposals, during which the NEPAD Spanish Fund Steering Committee approved 46 projects from African 23 countries and the disbursement of a total amount of EUR 6.285 million. NPCA has signed MoUs with COMESA and ECOWAS on the establishment of BIAWE in the two RECs, and

<sup>1</sup> German Society for International Cooperation (GIZ - Deutsche Gesellschaft für Internationale Zusammenarbeit); United Nations Development Programme (UNDP); United Nations Economic Commission for Africa (UNECA); United Nations Conference on Trade and Development (UNCTAD).



currently discussing technical details for the disbursement of funds allocated for the BIAWE. Under BIAWE, the two RECs will be receiving a maximum amount of €1 million each for the duration of the pilot phase.

*The Second Phase of the NEPAD/Spanish Fund for the Empowerment of African Women:* The launch of the second call for proposals for the Empowerment of African Women took place in Windhoek, Namibia on 9 April 2011. The call focuses on three key areas: economic empowerment, institutional strengthening, and civil society strengthening.

The call for proposals was widely disseminated through the NPCA and AECID websites as well as the websites of other development partners and among NPCA contacts database, UN Women, Women CSOs and CSO networks, NEPAD regional offices and Steering Committee members and RECs. In addition, the design and dissemination of communication materials helped to raise great awareness on the Fund.

Following a competitive appraisal process, 32 projects in 30 African countries have been approved by the Steering Committee, with an earmarked amount of EUR 8.35 million. A summary of the projects is as follows: Anglophone countries – 12 projects; Francophone countries – 15 projects, and Lusophone countries – 5 projects. The NEPAD Agency and grantee organisations have signed MoUs and the first disbursement made to 23 grantees. The total amount of funds disbursed to 23 grantees is EUR 2.823.112, being 50% of the amount requested by guarantees. The remaining 50% will be disbursed using a performance-based approach.

The consistency in providing financial and technical support through the NEPAD Spanish Fund represents the consolidation of the NEPAD Agency’s support for women’s empowerment in Africa and the achievement of Millennium Development Goals (MDGs), particularly MDG 3.

**Some success stories from the field:**

**Box 5: Voices from a Kenyan Community**

The African Women Foundation (AFFRO) a non-governmental organisation in Kenya received EUR 100.000 from the NEPAD-Spanish Fund in 2008 to support asset building for poverty eradication among women. Between 2008 and 2009, AFFRO installed of 16 grinding mills and trained more than a dozen women’s groups in Kenya, Uganda, Tanzania and Ethiopia in leadership skills and business development.

In Kibate, Kenya, 250 women were selected by the AFFRO project. They were trained to operate the grinding mills. They also received seeds to plant in their gardens and to grind into flour. Life in the community has improved in the last three years because the grinding mills have lessened the time and energy it previously took to grind corn.

In sharing her experience Tabitha Githira stated: ‘the NEPAD project has helped us women in Kibate a lot. Now, instead of selling corn, we sell the corn flour on the market and make more money. The profit is higher so I have been able to provide better food for my family and buy school supplies for my children. Now all my four children are in school. Before the NEPAD project, my husband and I could only support the two boys. Now the girls are also in school. I tell you they look very good in their uniforms. The older daughter wants to be an engineer and the younger one wants to be a businesswoman one day. It makes us proud, and we feel very good about ourselves as parents’.



The NEPAD Agency's gender programme is aligned with the AU Gender policy goals and priorities. Since the integration of NEPAD into AU structures and processes, the Agency is broadening its activities aimed at achieving a closer working relationship with the AUC to achieve the objectives of the AU programme on Gender and the African Women's Decade.

### Box 6: DIMOL GPF in Niger

DIMOL/SMRS is an NGO based in Niamey Niger but working in the entire country. DIMOL exists to provide support to various women's organisations, particularly in the areas of gender, reproductive health and implementation of income generation activities. In 2008, DIMOL received a grant worth EUR 131.922 from the NEPAD Spanish Fund to implement a project which is focused on promoting gender equality, family planning, IST/HIV/AIDS prevention and women's empowerment. The project was implemented in six provinces.

This project impacted a lot on the daily lives of life of women involved in the following sectors: the social promotion with component on gender equity and equality; the economic empowerment with the income generating activities; the health status with the sensitization sessions about Family planning, IST/HIV/AIDS.

300 women from 30 associations were funded through this project. For example, one woman living in Tillabéri benefitted with CFA 50.000 as a revolving credit. First of all she started making embroidery on bed sheets; the products were sold at a good price and brought a lot of benefits. Then she reinvested the money in the purchase of a fridge and started making ice cream, a commodity that is well desired by people in a hot country like Niger. The income generated by this business was invested in small-scale sheep farming. Right now she is managing all the three activities. She adds value and supports her husband in managing their family.



*Building strategic alliances with partners such as UN Women and UNECA for synergetic work and leveraging of funds:* The potential areas of collaboration between UN Women, UNECA and NPCA include, but are not limited to: harnessing the potential of women in the private sector through business incubation; public-private partnerships and linkage to regional and global markets; support for rural women's agribusinesses and women traders' organisations; support for rural women and women traders' advocacy platforms in key policy forums on agriculture and trade, such as those related to CAADP, the Land Policy Initiative and promoting peer learning and sharing publications.

Within the framework of the multi-year NPCA/UNECA partnership, the NEPAD Gender programme will also work closely with the African Centre for Gender and Social Development (ACGSD) to facilitate access to financing gender related programmes and projects; use pertinent framework to monitor accountability of NPCA continental gender mainstreaming and coordinate existing partnerships; and build new partnerships in fostering the objectives of the NEPAD Agency towards gender equality.

### Future goals of the NEPAD Gender Programme

To broaden the scope of the programme in undertaking internal and external gender mainstreaming; to develop one or two projects on women's empowerment; and undertake gender inclusive research. Lastly, the programme will further develop strategic alliances that will enhance the achievement of the NEPAD Agency's goals and objectives of gender equality.



NEPAD e-Africa Programme



Students at a NEPAD e-School in Lesotho

The e-Africa Programme is the ICT Task Team of the NPCA and is structured around 4 pillars, namely: ICT Broadband Infrastructure; e-Skills and Capacity Development; e-Applications and Services; and Cross-cutting Themes: Governance and Partnerships.

The NEPAD ICT Broadband Infrastructure Programme aims to ensure that every African country is connected to its neighbours through broadband fibre optic links and that, in turn, Africa is linked to the rest of the world by broadband submarine cables. The broadband infrastructure programme is guided by the non-discriminatory open-access principles of the Kigali Protocol.

For the review period, e-Africa Programme conducted in-country stakeholder workshops in Niamey (Niger) and Juba (South Sudan) on the NEPAD ICT Broadband Infrastructure Programme. The Programme focused



on the review and finalisation of PIDA studies and identified the transposition of the key provisions of the Kigali Protocol into national laws.

A country-by-country review of broadband links in West and Central Africa was conducted in preparation for commissioning feasibility studies for cross-border networks in the two regions. NPCA also engaged the EU-funded ITU-executed Project on the Harmonisation of ICT Policies in Sub-Saharan Africa (HIPSSA), and the Pan-African e-Network through their steering committees.

The NEPAD e-Schools Initiative aims to equip African youth with e-skills, that will enable meaningful participation in the information society and knowledge economy. Subsequent to completion of the Demo Project, a review and re-design of the initiative is underway, purposed at developing implementation plans for wider-scale rollout across Africa, building on the work and outcomes of the Demo Project.

On e-Applications and Services, the e-Africa Programme is collaborating with private sector groups in the development of an African Payment Gateway aimed at facilitating electronic payments targeting SMEs. Likewise, the Community Informatics Network Project was formally introduced to stakeholders at the ICT for Rural Development Conference in Johannesburg in November 2011. The project is intended to establish a multi-sectoral framework for linking all stakeholders working with ICTs for development in grassroots communities in Africa. Focus in the initial phase of the project will be on a Community Informatics approach to agriculture and rural development.

The inaugural Southern Africa Internet Governance Forum was held in Johannesburg in September 2011. It was agreed that the Forum will be held annually and will provide a platform for the SADC region to coordinate activities in Internet Governance. In addition, the e-Africa Programme collaborated with the Information Society Division of the AUC, and with ICT experts from RECs, ICT specialised agencies of the AU, UNECA, and ITU in designing a framework for harmonising and coordinating regional and continental ICT programmes and projects.

## NEPAD Regional Centres Of Excellence

### Southern African Network for Biosciences, South Africa

The Southern Africa Network for Biosciences (SANBio) has enormous potential to provide benefits to African scientists, African research institutions and African end-users. In the period under review, SANBio has contributed immensely to Africa's Science and Technology Consolidated Plan of Action (CPA) adopted by the AU and NEPAD in 2005.

The programme of SANBio is pursued through three core functions: Research Support, Increasing Capacity (both human and infrastructure) and Network Development. SANBio operates with a multi-country approach since so many development problems transcend borders.

### Research Support

A number of research and development initiatives have been undertaken, some of which have resulted in published papers:



<b>Publications</b>
Guidelines for Development and Implementation of Policy Framework for Intellectual Property Rights (IPRs), Traditional Knowledge (TK) and Access and Benefit Sharing (ABS) on the Use of Plant Genetic Resources in Southern Africa
Plant Genetic Resources Policy Guidelines for the SADC Region
The African Biosciences Initiative Strategic Plan 2012-2016

Others nearing product development stage include:

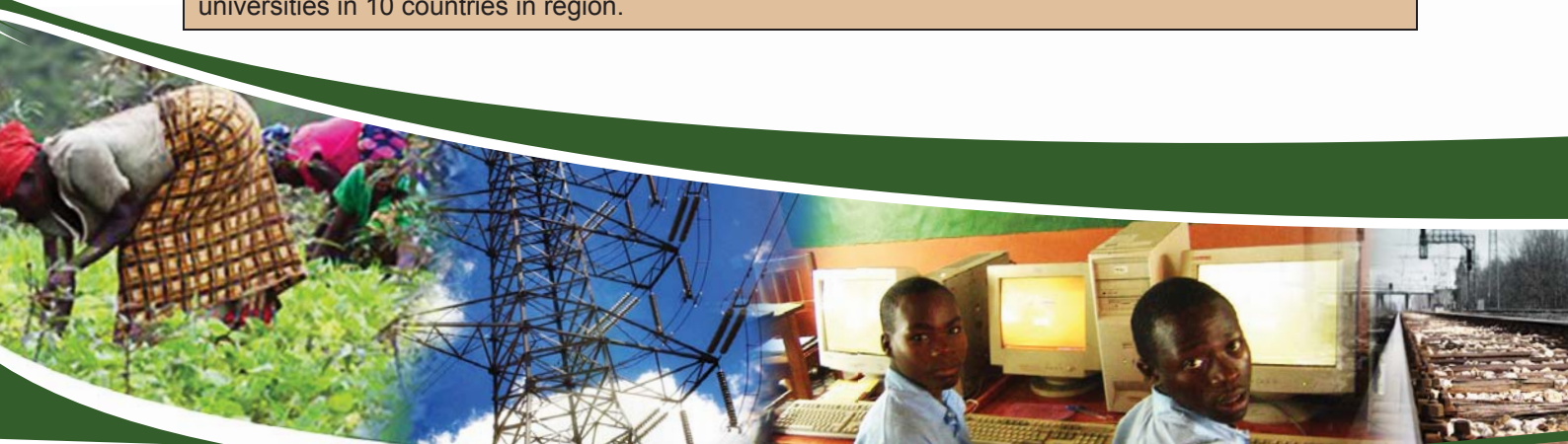
Identifying and validating a traditional remedy, code-named SF2000, which has potential for combating HIV-1 subtype C virus. Preclinical studies have been completed on this remedy. The next steps will be to commission clinical trials after ethics approval in order to establish safety and efficacy of SF2000 in humans.
Developing a traditional remedy for controlling tick-borne diseases in livestock.
Developing a scalable plant expression system for producing microbicides, which will empower women to protect themselves against HIV infections.
Conducting fish biodiversity studies on the Kafue and Linthipe rivers in Zambia and Malaŵi respectively. This study will generate information on the impact of introducing exotic fish species, waste discharge and land degradation in the two rivers. This information will help to pay more attention to the cause of the dwindling fish catches and act faster to restore fish stocks in these and other rivers in the region

### Human Capital Development

<b>Activities</b>
30 Doctoral and MSc level scientists from the region have been trained with an appreciable increase in women research scientists;
13 special skills courses have been provided in fish farming; mushroom production; technology transfer and commercialisation; Intellectual Property Management; ICT & Database Management; and Science Communication. More than 300 participants from 19 countries in Africa have benefitted from these short training courses;
More than 500 instructors on mushroom farming have been trained in Angola, Namibia, Mozambique and Swaziland.

### Infrastructure for Science, Technology and Innovation

<b>Activities</b>
<b>Regional Bioinformatics Laboratory at the University of Mauritius:</b> In order to create a platform for collaboration among scientists with similar needs, and to provide them with equipment, a state-of-art bioinformatics laboratory has been established at the University of Mauritius.
<b>Provision of toolkits for research and training:</b> Through the Bioinformatics Core facility at the University of Mauritius, special toolkits (e-biokits) have been supplied to 11 research institutions and universities in 10 countries in region.



**Regional Indigenous Knowledge System (IKS) Centre of Excellence at North West University:** In order to harness the full potential of indigenous knowledge technology for sustainable development, an IKS Centre of Excellence has been established at North West University. Through this centre, IKS nodes have been activated in 5 pilot countries, Namibia, Malawi, Swaziland, Zambia and Zimbabwe.

**Mushroom Gene Bank in Swaziland:** Mushroom production in Swaziland is being promoted by the Indlovukazi (the Queen Mother). In order to augment these efforts by Her Majesty SANBio has established a mushroom gene bank at the Malkerns Research Station in Swaziland. This regional gene bank will store both indigenous and exotic mushroom seed (spoon) to supply researchers and farmers in the region.

**Small scale fish farming:** More than 50 small scale and resource poor farmers have been supported to develop aquaculture and pond farming facilities in Dowa and Mchinji Districts in Malawi.

The hub-node, collaborative network model has been effective. The selection of highly competent hub and node institutions is critical to the network. It is the hub and nodes that provide the credibility for the effort and a key reason why there is so much willingness of institutions in the region to work together. These synergies help organisations complement each other both in terms of equipment/facilities and personnel expertise and allow the combined teams to address problems collaboratively.

### African Biosafety Network of Expertise, Burkina Faso

ABNE also contributes to the CPA. During the period under review, the ABNE became fully operational. It comprises a functional secretariat/node housing the core technical and support staff and a service network that included consultants, partners and other biosafety service providers; housed in Ouagadougou, Burkina Faso.



### The Biosafety Information Resource System

The ABNE established the Biosafety Information Resource System, which includes the Biosafety Web Portal and Hotline1. The Biosafety Documentation and Dissemination Unit is based in the node at the University of Ouagadougou, which serves as an information resource system that holds print and electronic media. ABNE also houses a Database of Biosafety Specialists, Facilities, Educational Resources, and National Biosafety Focal Points.

### Capacity Building and Education

Biosafety Training and Technical Support and Consultations for African Regulators took place in the following countries during the period: Ghana, Nigeria, Kenya, Tanzania, Mozambique, Togo, Burkina Faso and Mali.

ABNE values collaborative efforts; ABNE's approach to training recognises the importance of in-country presence and efforts to build on other biosafety initiatives. Education through courses, internships and regulatory study tours were organised for regulators on such topics as agricultural biotechnology, science communication, food safety and environmental biosafety. Technical assistance was also given in reviewing draft policies, guidelines, standards of practice and risk assessment in Tanzania, Mozambique and Burkina Faso.





## Policy Research

ABNE also publishes policy briefs developed by ABNE technical staff covering four technical fields, namely: environmental biosafety, food safety, socio-economics and legal and policy issues. These were distributed to a network of more than 500 regulators across the continent.

## Partnerships Development and Communications

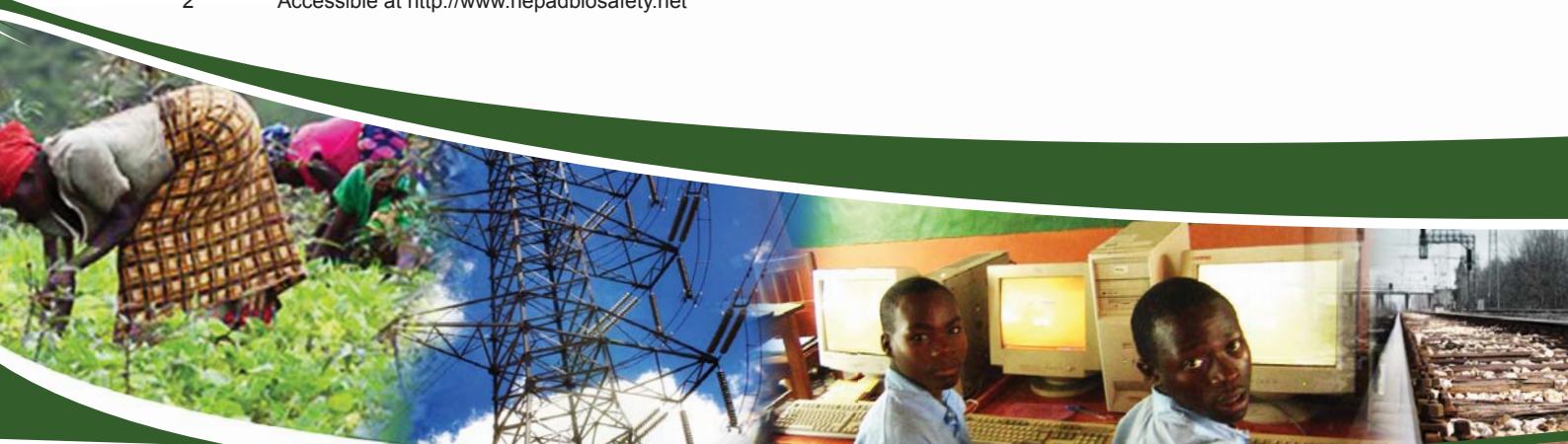
### Partnerships Development

Africa's strategic partnership with the G8 has been strengthened through the G8-Africa Partnership Summit held in Deauville in May 2011, which provided the policy space for the G8/Africa Outreach to engage on African development priorities including peace and security, economic development issues and mutual accountability. Importantly, the African Union Commission and NEPAD Agency collaborated in producing the first AU-NEPAD Accountability Report on the assessment of the Africa-G8 partnership commitments from Genoa to Muskoka (2001 to 2010), highlighting the continent's reform process and the imperative for G8 countries to fully honour their commitments to Africa.

The accountability report was presented to the G8 Summit in response to the G8 Deauville Report on Health and Food Security. The core message of the report is that the African development landscape is changing positively with considerable progress recorded in peace and security, improved good governance, economic growth and public finance management as well as empowerment of women. The report notes that daunting challenges remain, particularly in attaining the MDGs, which led to African leaders in Deauville calling on the international community to scale-up support for Africa's renewal to help realise the continent's political and socio-economic transformation. In all, the Deauville G8 Summit provided the policy space for African leaders to engage on the continent's development priorities.<sup>2</sup>

2

Accessible at <http://www.nepadbiosafety.net>



### Box 7: NEPAD: Making Partnerships Work for Africa's Development

With the NEPAD initiative representing one of the most successful partnerships in Africa's development, during the year the NEPAD Agency continued with efforts to create partnerships at all levels to work for the continent's development. The efforts yielded valuable results:

- Africa's strategic partnership with the G8 was strengthened during the year with the G8-Africa Partnership Summit held in Deauville in May 2011, which provided policy space for the continent's leaders to engage with their G8 counterparts on Africa's development priorities, especially peace and security, economic development issues and mutual accountability.
- The Agency and the AUC collaborated in producing the first AU-NEPAD Accountability Report, which assessed a decade of Africa-G8 partnership commitments from Genoa to Muskoka (2001 - 2010). The report highlighted progress on the continent's reform agenda and the imperative for G8 countries to fully meet their commitments to Africa. The report was presented to the G8 Summit.
- The Agency renewed partnership engagements with key partners in support of the NEPAD agenda. Among these were UNECA, ACBF, EU, UN-OSAA, and UNDP Regional Bureau for Africa. Modalities for implementing the existing MoU with UNECA were agreed upon through a Multi-Year Programme Implementation Plan, while an MoU was finalised with UNDP and a joint implementation plan worked out focusing on key areas of cooperation.
- As a step towards consolidating partnerships and institutional cooperation, the Agency concluded MoUs with partner institutions, which included the Global Alliance for Improved Nutrition (GAIN) for the creation of linkages between the Scaling-Up Nutrition (SUN) initiative and CAADP; NEPAD Business Foundation; ACP-EU Technical Centre for Agricultural & Rural Cooperation (CTA); and the Pan-African Great Green Wall Agency. It signed a Cooperation Agreement with Michigan State University (MSU) and an institutional cooperation agreement with UNDP towards the end of the year.
- Through the UN Communication and Advocacy Cluster and the 2nd Regional Media Dialogue held in June 2011, AUC and NPCA are working closely with OSAA and UNECA, along with media practitioners, to develop a continent-wide framework to strengthen communication and outreach towards promoting increased visibility for AU-NEPAD programmes.
- The Agency provided technical backstopping for the 17th Africa Partnership Forum (APF), the Business Roundtable on Accelerating reforms to spur infrastructure investment in Africa and a follow-up to the Cannes G20 Summit.
- In partnership with UNECA, the Agency began the preparation of a policy brief on domestic resource mobilisation for the implementation of NEPAD programmes and engaged AU technical institutions in sharing experiences and lessons.



The NPCA continues to mobilise partners in support of the NEPAD agenda through the Africa Partnership Forum (APF), which held its 16th and 17th meetings in Paris and Addis Ababa respectively. The Forums were organised in conjunction with AUC, UNECA and the OECD-Support Unit.

At the policy-level, up-scaling partnership support for Africa's 'Economic Growth, Private Investment and Job Creation' was renewed during the 16th meeting of the Africa Partnership Forum (APF) held in April



2011 in Paris, France. The APF reviewed recent economic trends in Africa and considered regional and market integration and investment in Africa's infrastructure development as strategic options to advance Africa's growth. Similarly, the NEPAD Agency is partnering with African countries and institutions towards the effective mobilisation of Investment in Infrastructure and Agriculture under the umbrella of the NEPAD/OECD Africa Investment Initiative, which held its Ministerial conference from 26 to 27 April in Dakar, Senegal.

The 17th APF engaged on the theme: 'Africa's Economic Growth, with focus on Private Sector Development, Infrastructure and Investment', stressing the following factors as key to enhancing the capacity of the private sector in accelerating reform to spur Infrastructure Investments: regulatory framework and competitiveness, responsible and value-added investment in Africa.

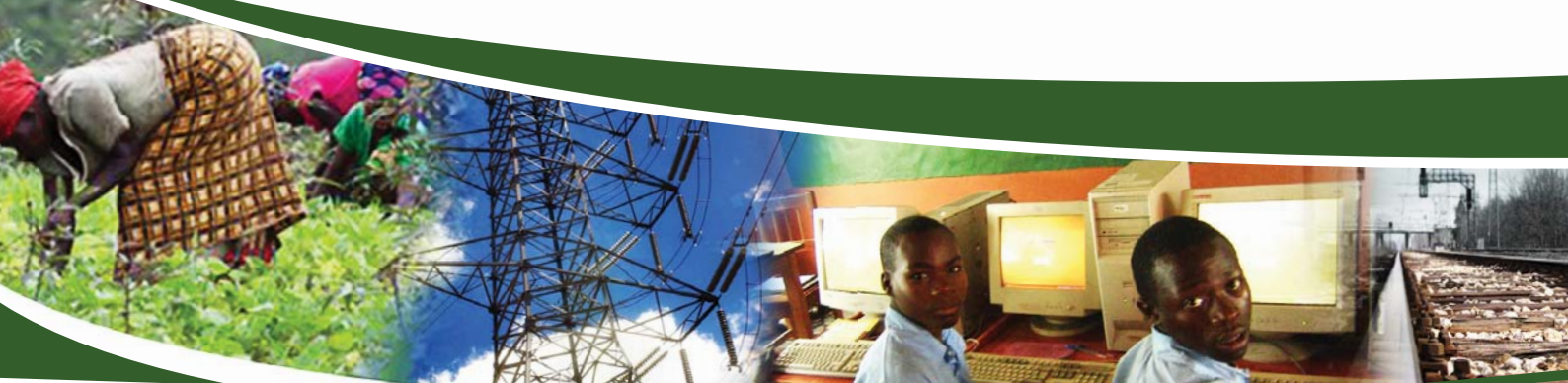
In particular, the key outcomes of the Addis Ababa 17th APF include:

- Reiteration of inclusive and shared growth as the lead solution to overcoming poverty within Africa's positive growth trajectory, and the Continent's resilience in the face of worsening global financial and economic crisis including the Eurozone.
- The central importance of infrastructure to Africa's development, with partners urged to scale up support for African efforts in private sector reforms, infrastructure development through PIDA and the Presidential Infrastructure Champion Initiative (PICI).
- The pivotal role of the private sector, especially African domestic businesses, in taking forward economic governance reforms undertaken by many African countries to support responsible and value-added investments as well as job creation.
- Regional integration as the entry point for the Continent's growth agenda, from infrastructure and market access perspectives.

The 17th APF was preceded by a consultative meeting of the NEPAD Steering Committee, which agreed on a joint African position for the thematic issues. The AU Commission and NEPAD Agency also co-organised the Business Roundtable of African Private Sector representatives and the outcomes fed into the deliberations of the Forum. The G8/AU-NEPAD dialogue among Personal Representatives also took place prior to the Forum with G8 priorities for Africa in 2012 and the proposed themes for mutual accountability reports by 2013.

The APF Business Roundtable reviewed five key themes relating to: a) Improving Africa's business climate; b) Accelerating Africa's infrastructure development; c) Developing capacity for Africa's private sector; d) Infrastructure and regional integration, and e) Infrastructure finance and investment. The Roundtable noted, on the one hand, that the African business climate has improved in some countries, which is laudable, and African countries are among the world's top reformers. However, adequate reforms had not happened in many cases. With nearly USD 50 billion being spent annually on infrastructure in Africa, the Roundtable called for more action to foster joint ventures that enable indigenous engineering and infrastructure value chain companies to participate and benefit in infrastructure projects. It emphasised the need to mobilise domestic capital, given the global financial and economic crisis affecting traditional development partners and investors. While 'regional' infrastructure projects are needed, given their inherent complexity, the Roundtable called for a breakdown of these projects into smaller, more practical, phased and implementably-sized projects that can be pursued at national level. The intention is that once each component is completed, it will serve to support regional integration, infrastructure connectivity and harmonisation.

Importantly, the Roundtable urged the APF to develop a horizontal and inclusive apex-organised business body for increased dialogue, particularly at the regional and continental levels. Such a private sector organ would be vertical, technically-oriented to foster greater regional and continent-wide knowledge sharing and improve the ability to be a resource to African policy makers and an advocate for reform where necessary. The NEPAD Business Group, and the West Africa and ECOWAS Business Council, as new policy and private



sector advocacy organs, were highlighted as models. This also included the ECOWAS Songhai Agricultural Entrepreneurship Centre of Excellence in Benin, which focuses on regional youth skills development in agribusiness in West Africa, and could be replicated for infrastructure skills development.

Improved collaborations with the AUC – On the whole, the NEPAD Agency has improved its engagements with the AUC on issues of resource mobilisation particularly through joint sessions aimed at reviewing and exploring joint resource mobilisation efforts. It is in this regard that we are proposing to set-up a series of mechanisms for joint domestic resource mobilisation, for example through contributions from AU member states to the implementation of NEPAD continent-wide programmes and projects. Collaboration with AUC will also enable the Agency to develop the necessary legal framework for mobilisation.

Collaboration with UN Agencies: Working closely with the AUC, the NEPAD Agency has stepped up its engagements with the UN Agencies, in particular through the work of the UN-Regional Coordination Mechanism (UN-RCM) which is focused on getting the UN Agencies to harmonise and focus their support towards the NEPAD programme at the regional and national levels. It is in this regard that, in the last quarter, PRMC hosted officials from the NEPAD Unit at UN-ECA where it was agreed that UN-ECA and the NEPAD Agency would conduct a joint communications and advocacy campaign on COP-17, with a focus on articulating the African positions at the upcoming engagements in Durban later in 2011. In addition, the Agency has also been working closely with the UN-RCM cluster for communications on the upcoming Regional Media Dialogue on NEPAD through which 25 leaders of the African media are to be briefed on the progress of NEPAD after 10 years.

Consolidating partnerships with AGRA - Following the signing of the MoU between the NEPAD Agency and AGRA, the NPCA facilitated the preparation of a proposal for strengthening collaboration between AGRA and the NEPAD Agency – as part of the operationalisation of the MoU. The proposal has been accepted in principle and it is anticipated that it will be formally approved at the next AGRA board meeting in July 2011. NEPAD Communications has also begun engagements with AGRA's communications department. NPCA is also collaborating with AGRA on a joint facilitation of the next African Green Revolution Conference including the preparation of the programme, press releases, convenience of briefing meetings with the press as well as media coverage during the duration of the conference. Similarly, an agreement has been reached to facilitate the training of African journalists with a view to equipping them with relevant communication skills and NEPAD-related technical information. Once trained, the journalists will serve as purveyors of NEPAD-related programmes including the writing of NEPAD-related feature articles in national publications.



NEPAD is engaged in designing joint initiatives on African parliamentary dialogue, which specifically focus on availing parliamentarians with relevant agricultural and climate change related information on Africa. Progress on the implementation of CAADP will feature prominently in the content of information to be availed to the parliamentarians. The parliamentary initiative will be established in consultation with PAP and regional parliamentarians in East, Southern, Central and West Africa.

Broadly speaking, the NPCA has continued to renew engagements with key partners in support of delivery of the NEPAD agenda. Specifically, the Agency engaged UNECA, EU, UN-OSAA, UNDP and the Regional Bureau for Africa. Modalities for implementing the existing MoU with UNECA were agreed upon through the Multi-Year Programme Implementation Plan, while an MoU has been finalised with UNDP and a joint implementation plan is being worked out, focusing on the following key cooperation areas: Development Policy and Strategy, Gender, Capacity Development, Knowledge Management, Governance, Environment and Climate Change.

Additionally, the NEPAD CEO and the President of Michigan State University (MSU) signed the Cooperation Agreement between MSU and NEPAD Agency in June 2011 as a step towards consolidating that partnership in a number of mutually identified areas.

In 2011, the NEPAD Agency signed MoUs with the following organisations,



- a. NEPAD Business Foundation (February 2011)
- b. ACP-EU Technical Centre for Agricultural & Rural Cooperation (CTA) (March 2011)
- c. Pan-African Great Green Wall Agency (May 2011)
- d. Michigan State University (MSU) (June 2011)

Communication and Advocacy

African Youth as NEPAD Envoys

The NEPAD Agency recognises that Africa is, for the most part, a ‘youthful’ continent and that ‘young voices’ are not adequately represented in a cross-section of development areas. In this regard, NPCA has made deliberate efforts to bring the youth on board as strategic partners in advocacy for NEPAD, as well as to provide them with the tools to engage in a positive way in the processes of good governance. As a first step, and as part of NEPAD’s 10th Anniversary, photo and essay competitions have been organised for African youth and women. The essay competition is themed: ‘Looking at ICT and Entrepreneurship in Agriculture and Rural Development through the Eyes of Young Women and Men.’ The official competition award will take place at the high-level NEPAD Colloquium marking the 10th anniversary in 2012. It is envisaged that the photographs submitted will be put on display at a dedicated NEPAD@10 photo exhibition during the Colloquium and Congress in Addis Ababa, Ethiopia.



Winners of the NEPAD “Young Voices” Competition



## A Documentary – ‘The Transformation of a Continent’

A documentary was developed, reflecting Africa’s achievements and highlighting the roles that NEPAD and its stakeholders have played in driving Africa’s growth and development. The documentary, available in the four AU official languages, features NEPAD programmes and projects in countries such as Rwanda, Ghana, South Africa and Algeria, and lays emphasis on NEPAD successes and challenges. Through the AUC, the documentary will be made available to the broadcasting corporations of all AU Member States.

## ‘NEPAD – A Continental Thrust’

A new NEPAD Agency publication was also produced. The book is intended to serve as a marketing tool to be used in mobilising partners and resources around the NEPAD Agenda and in support of the NEPAD Agency.

## Online Communications

In the period under review, NPCA online communications activities continued to grow. An increase of 7.86% was registered in the number of visits on the NEPAD website. Furthermore, the number of users on the NEPAD website, and the number of followers and stakeholders on the NEPAD social media pages has also increased significantly. Other online-related initiatives have been undertaken, including: an on-going review of the French and English versions of the NEPAD website; a weekly creation and dissemination of the NEPAD e-alerts; NEPAD Impact and Monitoring e-bulletins; translation of the NEPAD website into French and launching the French website.

## Branding and Marketing

The communications and branding strategy of NPCA was implemented in the period under review. The strategy aims to build the corporate identity and image of the NEPAD Agency as a brand associated with the delivery and facilitation of development at continental level. In the strategy a special focus is given to the positioning of NEPAD as an African owned and driven initiative. In addition, a database on key constituents, stakeholders and partners is being developed. The database contains a classification of partners in terms of previous and current sector-interest and level of support to the NEPAD Agency. The database and guidelines will be used to identify potential partners and to improve existing partnership and resource mobilisation efforts.

Publicity material and a special NEPAD@10 logo have also been developed as part of the process of increasing awareness and publicity around the 10 years of NEPAD.

## Advocacy

Media liaison and engagements have been accelerated through interviews with high-level regional, national and global media including: the New African Africa Business Report, The Mail and Guardian, Business Day, CNBC Africa, Channel Africa Radio, Africa Number One, TV5, SABC TV and Radio and other national, region and international media platforms. Recognised media bodies at national and regional levels cover each key NEPAD event, decision and engagement. In addition, two major NEPAD exhibitions were held during



the NEPAD HSGOC in January 2011 and at the 7th CAADP Partnership Platform in Yaounde, Cameroon. These exhibitions helped to publicise NEPAD successes and achievements, and to popularise Africa's commitment to good governance and sustainable development. Publications, videos and other publicity products that were produced in the period under review included the NEPAD Annual Report for 2010 as a work in progress; the NEPAD Guide for 2011, unveiled at the World Economic Forum; and the CEO's message on the 10 years of NEPAD. These documents can be accessed at [www.nepad.org](http://www.nepad.org)

The NPCA, in collaboration with UN-OSAA and UNECA, co-organised the Second Regional Media Dialogue on NEPAD, which took place in June 2011 in Maseru, Lesotho. The Dialogue discussed the role of the media in Africa's development and underscored the need to accelerate the implementation of the recommendations agreed at the First Regional Media Dialogue in the Vaal, South Africa, in February 2009. African media representatives agreed to define and develop a continent-wide framework for structured engagement with the media and the deepening of their involvement in providing information about AU and NEPAD-related programmes, as well as to improve messaging and packaging and provide more regular dissemination of information to the media on successes and challenges in implementing the regional and continental programmes. It was emphasised that deepening knowledge of AU/NEPAD programmes among African journalists/editors in order to facilitate media coverage of African initiatives and programmes was critical, while ensuring that CSOs, women and youth 'own' the NEPAD vision and programme. Furthermore, the Dialogue agreed to adapt creative strategies for using ICTs and social media to improve public outreach and to engage the youth about the African development agenda and the essence of developing capacity to monitor and evaluate media coverage of AU/NEPAD initiatives and programmes.

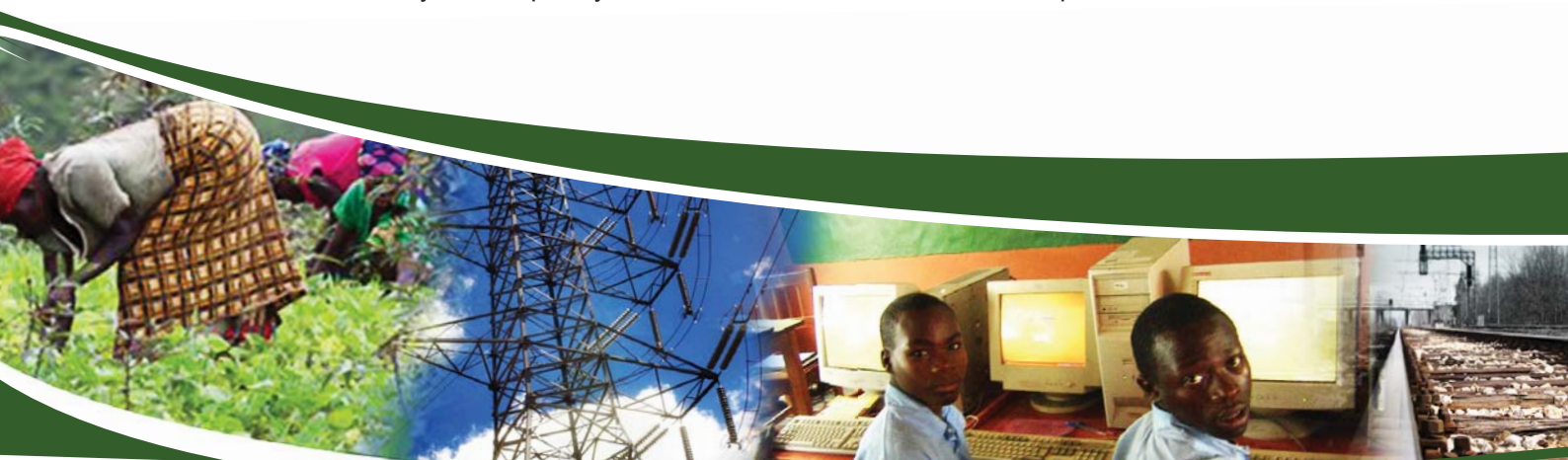
## NEPAD @ IO

### The Advent of NEPAD

The genesis of recent reforms to promote Africa's developmental renewal can be traced to the 1980s and 1990s. This was a period in which the political and economic landscape of the continent was characterised by macroeconomic volatility and, in some countries, social and political turmoil. These manifested themselves in the form of authoritarian one-party rule and military dictatorships, which limited the political space for citizen participation and empowerment. This was coupled with unsustainable fiscal and trade deficits and high inflation rates as well as high levels of internal and external debt, all of which stifled growth and social development. Overall, this situation was compounded by the negative effects of the oil crisis of the 1970s, leading to the emergence of significant macroeconomic imbalances and the call for democratisation.

The dismal performance of African economies and the increase in poverty levels during this period led African countries to adopt Structural Adjustment Programmes (SAPs) in an effort to address the macro-economic imbalances, poor growth and dismal development results. SAP embodied the ethos of a purely market-based approach, which differed from the previous development planning approach and rather focused on the management of the macroeconomic fundamentals. Designed and articulated by the Bretton Woods institutions, SAPs formed the basis of conditions attached to obtaining new loans. Trade liberalisation, economic deregulation and privatisation constituted the main policy channels through which macroeconomic reforms were pursued, alongside the adoption of other 'free market' policies and programmes as well as fiscal austerity in order to balance budgets.

The net effect of these processes was to give rise to a vicious cycle of decline, institutionalised weak capacity, poor governance, political instability and conflicts, thereby exacerbating Africa's marginalised role in the world economy. Consequently, in to extricate the Continent from this political and economic decline,



a new crop of democratically-elected African leaders championed the need for an indigenous transformation agenda to reshape the Continent's political and socio-economic development trajectory in the new Millennium.

Consequently, the beginning of the new Millennium witnessed a call for an African rebirth championed by African countries under the common platform of the African Union and its flagship development programme – the New Partnership for Africa's Development (NEPAD). This continental renewal strategy purposefully addressed the development woes of the last Century. Africa thus embarked on a process of articulating its own reform agenda, based on the principles of African ownership, leadership and partnership. A critical component of this new agenda is the importance accorded by African leaders to cooperation and partnership at the national, regional and international levels.

The need to create a working development strategy, following the failures of previous development frameworks in Africa, led to three plans emerging and eventually becoming NEPAD. The first plan, known as the Millennium Partnership for the African Recovery Programme (MAP), was conceived by Thabo Mbeki, South Africa's second democratically-elected president, with support from Presidents Bouteflika and Obasanjo of Algeria and Nigeria respectively. The second was the OMEGA Plan presented by President Wade of Senegal to the France–Africa Summit in January 2001. The latter plan focused primarily on infrastructure, education, agriculture and health development in Africa. MAP was not a sector-specific programme like OMEGA but rather a comprehensive plan, which advocated for good governance to be the cornerstone for Africa's development.

The third plan was the Compact for African Recovery (CAR), initiated by the United Nations Economic Commission for Africa (UNECA) in response to a mandate provided by African Ministers of Finance and was envisaged to provide technical and analytical support to MAP. This triumvirate of initiatives share a common interest in increasing the pace and impact of Africa's development. NEPAD thus represents the final outcome of the compromises and negotiations made by its framers in arriving at a development framework that was acceptable to all sides:

- Among Africans at all levels of society;
- Between African countries and
- In a new and creative partnership between Africa and the rest of the world

**In 2001, Africa took a major step forward by defining a home-grown integrated strategy and development framework, when its leaders adopted the New Partnership for Africa's Development (NEPAD).** This constituted a bold vision for Africa's renaissance, epitomising the commitment to pursue political and socio-economic transformation by placing African countries, both individually and collectively, on a path of sustainable growth and development. NEPAD was conceived in a period of major political and economic reforms taking place across Africa. It therefore uniquely focuses on collective action in development, taking into account the Continent's special needs. This blueprint for Africa's development also provides opportunities for Africa to respond to and attain the MDGs, while emphasising the core principles of good governance, African-ownership and leadership, and the quest to reshape the global partnership architecture.

As the flagship programme of the AU, NEPAD expresses a fresh voice on the Continent's growth and development and agenda, while acknowledging past failures and affirming a readiness to pursue new avenues. With NEPAD, African Leaders are making a powerful statement on the need to shift gear in defining and driving the development course forward. NEPAD received overwhelming support from the global community including the United Nations and the G8, based on the commitment to forge a new partnership. The NEPAD framework is premised on three (3) platforms;

- a) Conditions for sustainable development: good governance, peace and security
- b) Sector priorities and
- c) Mobilisation of domestic and external resources.





Policy reforms and a new institutional architecture were put in place to improve the quality of life of Africans. To capture the benefits of shared knowledge, African Heads of State and Government undertook to exercise leadership in implementing the development agenda by prioritising poverty reduction and wealth creation, with special attention being given to human development, especially women empowerment. They further committed Africa to accelerating its regional integration and promoting a new partnership paradigm that takes into account the Continent's special needs.

**Notably, this continental reform programme is built on the twin platforms of the African Union, as the institutional political vehicle, and NEPAD, as the development philosophy and policy framework.** This was the basis upon which Africa identified a new and creative global partnership, as a means to support the delivery of its development objectives. These objectives include resolving Africa's long-standing conflicts; attaining the MDGs; reforming the global political, economic and financial environment to ensure a more equitable voice and effective participation for Africa in global decision-making structures, and making them more responsive to Africa's needs. Additionally, the twin platform sought to effectively address market access constraints, unsustainable debt burden, and agricultural subsidies; it also sought to reform and streamline ODA delivery systems to meet the internationally agreed targets; and to promote Africa as a preferred destination for private sector investment.

**The Constitutive Act of the African Union spells out its key objectives under Article 3 as being, among others, to achieve greater unity and solidarity among African countries and peoples; to defend the sovereignty, territorial integrity and independence of its member states; to accelerate political and socio-economic integration; and to promote and defend African common positions**. The Act provides for the promotion of peace, security, stability and sustainable development at the economic, social and cultural levels and in international cooperation. The Constitutive Act, while preserving the principle of non-interference by any member state in the internal affairs of another, prohibits the use of force or the threat of force among Member States of the Union. It upholds the right to intervene in a member state, pursuant to an Assembly decision, in respect of grave circumstances, namely war crimes, genocide and crimes against humanity. Furthermore, the 1980 Lagos Plan of Action and 1991 Abuja Treaty highlight steps towards attaining an African Economic Community (AEC) through the Regional Economic Communities (RECs) as the pillars and building blocks for political and economic integration, supported by other key regional and pan-African institutions.

**Box 8: NEPAD: Historical Map and *Africa's new paradigm for Partnership, Leadership & Ownership***

Through the 1980s and 1990s, African governments designed a series of pan-African development initiatives including: the Lagos Plan of Action (1980), Final Act of Lagos (1980), Africa's Priority Programme for Economic Recovery (1986-1990), African Alternative Framework to Structural Adjustment Programme (1989); African (Arusha) Charter for Popular Participation and Development (1990), Abuja Treaty (1991) and the Cairo Agenda (1994) among others. Faced with the failures of the past, 'a new breed of African leaders' entered the 21st century with proclamations of an African re-birth. With the emergence of the African Union, the OAU was transformed from a political liberation-driven entity to one focused on socio-economic development. Consequently NEPAD stemmed, on the one hand, from the Millennium Africa Recovery Plan (MAP) initiated by South African President Thabo Mbeki, Nigerian President Olusegun Obasanjo and Algerian President Abdelaziz Bouteflika and adopted in Bamako; and, on the other hand, from the Omega Plan, developed by the President of Senegal, Abdoulaye Wade, and presented to the Summit of Francophone African leaders in Cameroon. MAP and the Omega Plan were merged into the 'New Africa Initiative', which was later re-named NEPAD in 2001. With the inception of AU and NEPAD, African countries embraced a new paradigm and policy framework with partnerships at three levels:



- Among Africans at all levels of the society;
- Between African countries; and
- In a new and creative partnership between Africa and the rest of the world

### NEPAD Evolutionary Milestones

At the 39th Ordinary Session of the OAU in Zambia in 2001, African leaders adopted the NEPAD Programme as a socio-economic development programme for the continent (NEPAD Agency, 2010). One of the major outcomes of the inaugural summit of the AU in Durban, South Africa, was the endorsement and adoption of NEPAD as a programme of the AU. The Heads of State established a Committee of the Assembly consisting of 20 Heads of State drawn from the 5 regions of the AU, a Steering Committee (SC) consisting of Personal Representatives of the Heads of State and Government, and the NEPAD Secretariat.

#### Box 9: Principles and Core Values of NEPAD

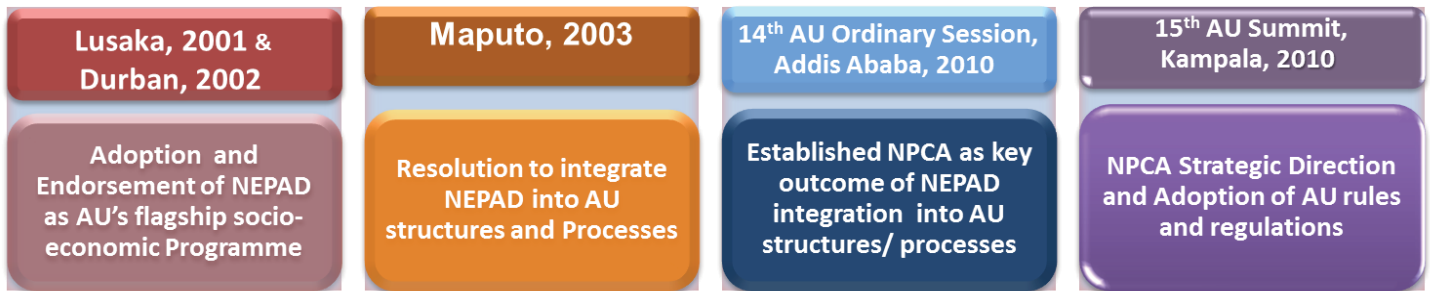
- African leadership and ownership through broad and deep participation by society
- African unity and the acceleration of regional and continental integration
- Good Governance as sine qua non for peace, security and sustainable development
- Anchoring Africa's development on continental resources and the resourcefulness of its people
- Building African competitiveness
- Mutual trust, commitment and responsibility for outcomes and results
- Centrality of improved governance and security to promote sustainable development
- Global partnership for development that changes the unequal relationship between Africa and the developed world



In Maputo in 2003, the 3rd ordinary session of the AU Assembly resolved to integrate NEPAD into the AU structures and processes and provide the road map and key principles. The Algiers Brainstorming Session of 2007 adopted further guidelines for integration that provided greater direction on the process. In 2008, the Chairperson of the African Union Commission (AUC) established the NEPAD Coordinating Unit that conducted a study reviewing the NEPAD Secretariat and made the recommendations to the 21st Heads of States and Government Implementation Committee (HSGIC).



## ROAD TO THE ESTABLISHMENT OF NPCA



### 10th Anniversary Celebrations

#### 25<sup>th</sup> NEPAD Heads of State and Government Meeting

The internal and external outlook for the future direction of the NEPAD agenda were influenced by the outcomes of two events: the 25<sup>th</sup> Meeting of NEPAD Heads of State and Government Orientation Committee, in Malabo, Equatorial Guinea, as a special commemorative session on 'Mobilising domestic resources for NEPAD programmatic implementation', and the 'NEPAD Week at the 66th United Nations General Assembly'. Strategies and efforts by African countries, national and regional institutions to mobilise domestic resources to finance development activities were highlighted during the special session of the HSGOC. The importance of domestic resources in funding development projects in Africa was reiterated. The Presidents of Algeria, South Africa, Nigeria, the Prime Minister of Namibia and the Executive Secretary of the UN Economic Commission for Africa (UNECA) addressed the special session on this question.

The NEPAD Orientation Committee underscored the historic opportunity for African countries, individually and collectively, to step up the mobilisation of additional domestic resources in support of NEPAD implementation; to advance ownership, self-reliance and development effectiveness, particularly noting the innovative forms of development finance, including broadening the tax base, public-private partnerships (PPPs), tackling illicit capital flows, sub-regional levies for multi-country projects, climate financing and capital market options; better use of pension funds and earnings from natural resources. In particular, the 25th HSGOC meeting stressed the need to transform existing political will on domestic development finance into concrete policy responses and actions.

#### NEPAD Week at 66th UN General Assembly

As part of the commemoration of the 10th anniversary of NEPAD, the Agency co-organised the NEPAD Week at the 66th UN General Assembly in New York from 6 to 11 October 2011, in collaboration with the UN-OSAA, UNECA, APRM, UN Department of Public Information (UN-DPI), AU Permanent Observer Mission to the UN, and Columbia University.

The main activities of the NEPAD Week included the Special Briefing to the African Group of Ambassadors and Permanent Representatives to the UN on 'Advancing NEPAD Implementation over a decade of



opportunities'; the launch of the 2011 MDGs Africa Report; a high-level panel discussion on 'NEPAD and the MDGs: Progress, Challenges and the Way Forward'; a briefing to the UN Inter-Agency/Departmental Task Force on African Affairs on 'Strengthening the UN-NEPAD Partnership'; and a briefing to UN member states on two reports of the Secretary-General on the implementation of NEPAD and on the Causes of Conflict in Africa, themed 'Progress and forward looking approaches in NEPAD implementation; and improving governance in Africa through the Africa Peer Review Mechanism (APRM): progress and challenges'.

The commemoration provided an opportunity for a deeper reflection at all levels on the decade of change/progress and how to move Africa's development agenda forward to ensure that Africa claims the 21st century. The Week offered an opportunity to engage the global development community, including the UN system, in strengthening the partnerships for the implementation of NEPAD, in achieving the Millennium Development Goals (MDGs), and in raising awareness of NEPAD agenda and its achievements and remaining challenges among UN member states, the private sector, civil society and academia.

During the commemorations, African leaders, scholars and the international community reaffirmed their commitment to the MDGs and acknowledged NEPAD's contribution towards the achievement of the MDGs so far. They noted that the global achievement of the MDGs by 2015 is still possible through strengthened international partnerships, closer collaboration between national authorities and development partners. A high-level Panel discussed NEPAD implementation and the Millennium Development Goals (MDGs) during the NEPAD week. Further, the discussions sought to identify how the international community, including the UN system, could better support NEPAD. Clear-sighted political will at the national level was stressed as one of the prerequisites for implementing NEPAD.

It was made clear that the MDGs, through the implementation of NEPAD, provide a huge opportunity for Africa to bring about the sustainability it so requires and to work towards a permanent poverty eradication agenda. Significantly, the NEPAD CEO delivered an inaugural lecture titled 'Africa's Decade of Change' to students and professors of the School of International and Public Affairs at Columbia University in New York. Highlights of the lecture included the creation of NEPAD; principles and values behind the NEPAD Programme; the impact of NEPAD on Africa's development in the last decade; main trends of Africa's development today; and the future of Africa - Challenges of the next decade.



**Box 10: Highlights of Commemorative Week:**

- a. Strengthening global support for NEPAD in contextualising the Continent's transformation based on the main trends in Africa's development landscape today;
- b. NEPAD scorecard on progress and impact since 2001 is generally well-received and particularly in designing sector policy frameworks for the Continent, considering the threats, daunting challenges and Africa's dire situation in the 1980s and 1990s;
- c. Sustaining the growing international buy-in and support for NEPAD vision and core principles by strengthening Africa-UN partnership including through existing regional vehicles such as UN Africa Regional Coordination Mechanism (RCM);
- d. Mainstreaming good governance and accountability in Africa including through APRM as the off-shoot governance programme of NEPAD;
- e. NEPAD as the strategic response of African leaders and a strong foundation to attain MDGs, with a focus on Africa's future, in relation to where NEPAD stands today; the true meaning of development by promoting inclusive growth, the role of the developmental state, improved capacity for effective institutions; and inclusiveness aimed at job creation and sustainable energy access; and
- f. The need to address Africa's development paradox through critical factors such as innovation, effective natural resources management, attention to demography and beyond aid approaches, as well as finding regional solutions for challenges that cannot only be solved nationally and strengthening partnerships with emerging economies of the South.



## SECTION III

### Financial Statement (including summary of Audit report)

#### **AUDIT REPORT ON THE FINANCIAL STATEMENT OF THE NEPAD AGENCY FOR THE YEAR ENDED 31 DECEMBER 2011**

We have audited the accompanying financial statements of the New Partnership for African Development (NEPAD), which comprise the balance sheet as at 31 December 2011, and the income statement and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the New Partnership for African Development (NEPAD) as at 31 December 2011, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and the Financial Rules and Regulations of the African Union.

**RAPHAEL KWAME DARKU**  
**MEMBER OF AU BOARD OF EXTERNAL AUDITORS**  
July 2012



## Statement of Financial Position

ASSETS	USD
Non-current assets	103,144
Property, plant and equipment	60,813
Computer software	42,332
Current assets	26,528,097
Trade receivables	458,889
Bank, cash and cash equivalents	26,069,209
<b>Total assets</b>	<b>26,631,242</b>
<b>EQUITY AND LIABILITIES</b>	
<b>Equity</b>	<b>7,164,948</b>
Retained earnings	7,164,948
Non-current liabilities	18,602,533
Deferred Income	18,602,533
<b>Current liabilities</b>	<b>863,760</b>
Trade and other payables	863,760
<b>Total equity and liabilities</b>	<b>26,631,242</b>



Statement of Comprehensive Income for the year Ended 31 December 2011	
	USD
<b>Funding</b>	<b>13,744,888</b>
Main Operations	7,486,703
Projects	6,258,185
Interest received	53,159
Main operations	5,762
Projects	47,396
<b>Total income</b>	<b>13,798,047</b>
<b>Total expenditure</b>	<b>14,913,613</b>
Operating expenses	7,396,335
Projects expenses	7,517,278
Surplus/(deficit)	(1,115,565)



## Financing NEPAD: the Resource Gap and Planned Responses

The development of a NEPAD Trust Fund to support the operations of the Agency and NEPAD programmes is currently at a technical level. This will be ready for presentation to NEPAD HSGOC by the end of the year. The USD 500 million Trust Fund envisages contributions from the AU, African member states and the continent's development partners. A study, which will put forward proposals on innovative domestic sources of finance for the implementation of NEPAD programmes, has been launched in collaboration with UNECA. The inception report is being presented to the NEPAD HSGOC at its meeting in July. The final report with concrete recommendations will be ready by the end of the year.





## SECTION IV

### Operational and Institutional Challenges / Outlook for 2012

Two years into the establishment of the NPCA with a clearly defined mandate, a number of achievements have been recorded although some challenges still exist. Some of these challenges include:

- a. Inadequate resources provided by African governments for NPCA to effectively function and implement its programmes and projects, thereby leading to heavy reliance on development partners. Less than 30% of the current NPCA budget is provided through the AU or from voluntary contributions by AU Member States;
- b. Raising greater awareness and advocacy on NEPAD as the flagship development programme of the AU and programmatic activities of the Agency, especially at national levels, in order to promote ownership by African stakeholders;
- c. Insufficient M&E and lessons learning processes as well as the lack of standard operating procedures (SOPs) to advance NEPAD implementation, thus contributing to delayed regional programmes/projects;
- d. At the global level, the possible negative impact of the Euro zone crisis on financing Africa's development, as a spill over effect of the worldwide economic and financial crisis;
- e. Finding the appropriate strategies for an enduring systematic process to strengthen coherence, coordination and consultation between AUC, NPCA and the RECs for strong programmatic synergy;

These challenges could provide opportunities for the NEPAD Agency to define and scale up sharper-focused innovative strategies for resource mobilisation that will certainly ensure the status of NEPAD for another decade. To raise the level of operational effectiveness of NPCA through enhanced human and institutional capacity development, the Agency is focusing on results-based management that will link its programmatic interventions to concrete development outcomes in countries and regions. The NEPAD Agency is working on improving its coordination and facilitation functions for increased coherence, mutual learning and operational quality based on a well articulated Strategy and Business Planning. For instance, we are stepping up efforts to implement our think tank functions and to enhance contribution by all sector programmes to knowledge management activities of the Agency so that the NPCA emerges as a lead knowledge hub and institution.

The next decade provides a great opportunity to consolidate the major strides being made in Africa's transformation agenda, evident in steady positive average growth rate. Within the NPCA, institutional development has been prioritised and is being actively pursued through collaboration with the AUC and key development partners. This will support capacity enhancement to build the Agency as an effective regional institution in the service of the AU family.



## ANNEXURES

### LIST OF MEMBERS OF NEPAD HSGOC (as at 31 December 2011)

#### Member States

1. Algeria
2. Benin
3. Cameroon
4. Democratic Republic Of Congo
5. Congo Republic
6. Egypt
7. Ethiopia
8. Gabon
9. Lesotho
10. Libya
11. Madagascar
12. Malawi
13. Mali
14. Namibia
15. Nigeria
16. Rwanda
17. Senegal
18. South Africa
19. Sudan
20. Tunisia

#### Regional Economic Communities

21. COMESA
22. CEN-SAD
23. ECCAS
24. ECOWAS
25. IGAD
26. SADC
27. UMA
28. EAC

#### PARTNER INSTITUTIONS (Observers in HSGOC)

29. AFDB
30. UNECA
31. UNDP
32. UNOSAA



## List of members of the PRC Sub-Committee on NEPAD

1. Algeria
2. South Africa
3. Senegal
4. Mozambique
5. Tunisia
6. Congo
7. Chad
8. Rwanda
9. Nigeria
10. Mali
11. Benin
12. Uganda
13. Burundi
14. Namibia
15. Ethiopia



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2011

# 2011 Annual Report

**NEPAD**

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